

THE HONGKONG AND SHANGHAI HOTELS, LIMITED CELEBRATES 150 YEARS OF PHILANTHROPY AND COMMUNITY RESPONSIBILITY

HONG KONG, 25 NOVEMBER 2016 The Hongkong and Shanghai Hotels, Limited and its majority shareholders the Kadoorie family have placed philanthropy and community responsibility at the heart of the company's business model since its earliest days, more than a century before "CSR" became a commonplace term in modern businesses.

A philanthropic tradition

The Kadoories have always been well known for their philanthropic nature. They contributed to the establishment of hospitals, elderly homes and community centres, and Ellis Kadoorie founded the Ellis Kadoorie Chinese Schools Society in China at the turn of the 20th Century, which established six non-denominational free schools for Chinese and supported the University of Hong Kong. He was instrumental in establishing Hong Kong's Helena May Institute for women living and working away from home. He contributed towards a new school for the colony's Indian children and endowed scholarships for underprivileged Indian children. He also assisted the building fund for a European YMCA, and when World War I broke out, he spearheaded support for a War Fund appeal to buy planes.

In his will, Elly arranged for his fortune to be divided into three parts - one third to the British Government for funding schools in "Palestine or Mesopotamia", one third to the Anglo-Jewish Association, and the final third to his brother Ellis. This bequest was the foundation of many important charitable institutions across the globe.

Known in his day as the "Prince of Philanthropists", Elly Kadoorie once commented that his own experiences with poverty had led him to the firm belief that "wealth is a sacred trust to be administered for the good of society". He made a pact with his brother by which he was to focus on philanthropy abroad. As an early supporter of women's rights, Elly was among the first to provide educational facilities for women in many parts of the Middle East, and went on to build schools and hospitals across the world.

In 1927, Elly's older son Lawrence (The Hon. Sir Michael Kadoorie's father) became a partner in the company, and he also shared his family's interest in the promotion of education and relief work in all parts of the world. Together with his brother Horace, he was responsible for founding the New Territories Benevolent Society, which established small hospitals and clinics in Hong Kong's rural districts.

The Kadoorie philosophy was to "help people to help themselves", and Lawrence and Horace Kadoorie decided to help destitute refugees become self-supporting and independent and to help them regain their dignity and find security in their new lives in Hong Kong.



An ambitious agricultural aid project was conceived, and in 1951 the Kadoorie Agricultural Aid Association (KAAA) was formed by the Kadoorie brothers, together with Norman Wright and Woo Ting Sang.

Village houses and thousands of farm animals and farming materials were donated by the KAAA to the needy. The Association also distributed large sums of money for feed, as well as cash grants for medicine, clothes and blankets.

<Photo release #1 -Lawrence Kadoorie visits villagers (right)>





Meanwhile, in Shanghai, Marble Hall, the palatial home of Sir Elly Kadoorie and his sons Horace and Lawrence - described as the "most beautiful of all" among Shanghai's 'stately homes' and its grounds were made available to any charitable society, of any nationality or creed, for any worthy moneymaking purpose. Sir Elly would take care of all costs, including food and beverage, on condition that such organisations made a reasonable profit for themselves.

These business and charitable works grow and thrive today under the direction of Sir Michael Kadoorie, Lord Lawrence Kadoorie's son, with the support and commitment of the other members of the family.

The history of the Kadoorie Family is part of the history of Hong Kong. The family, their businesses and their charitable works have been a common witness, alongside Hong Kong's people, to a dramatic century of colonialism, war, industrialisation and reunification with China. The characteristics of the family businesses have meant that they have both mirrored and supported the growth of Hong Kong.

The family has been welcomed in Hong Kong and given an opportunity to prosper. The family has always believed in making a contribution to the social and economic wellbeing of their fellow citizens in return for this great opportunity.



In recent years, Sir Michael, again with the backing of the family, became increasingly aware of the need for active steps to preserve Hong Kong's heritage for the benefit of all members of the community. Against this background, Sir Michael initiated the Hong Kong History Project (HKHP) to acquire, collate and make available to the public, documents, photographs, film and testimony relating to the history of the Kadoorie Family, its businesses and charitable work in Hong Kong and elsewhere. The Hongkong and Shanghai Hotels provides financial support to the project. (www.hongkongheritage.org).

<Photo release #2 – Prince Charles visits the Kadoorie Farm, 1994>



A Pioneer in Sustainable Luxury

Today, The Kadoorie philanthropic spirit permeates through the heart of the family businesses and The Hongkong and Shanghai Hotels places a great emphasis on sustainability and community responsibility efforts.

The Group's CEO Mr Clement Kwok leads the group's Sustainable Luxury Vision 2020, which sets out over 50 economic, social and environmental goals that HSH is committed to achieving by the year 2020.

Mr Kwok, who personally chairs the Group's Sustainability Committee, commented: "Looking back at our history, our group has always been a very responsible corporate citizen. Even before we put a formal group-wide strategy in place, the hotels and operations were already doing a great deal of work; they had energy saving plans, they were recycling waste, and they have been involved charity and community service. But the efforts were doing more at an individual proxy level, and we felt that what we needed was a more consistent group-wide policy."

Vision 2020, established roughly eight years ago, puts sustainability at the heart of the company's business model and brand, focusing on seven areas that cover all divisions of the business; from governance and management to guest experience, employees, operation, new build and fit, supply chain and community.



"This is not just about policies," said Mr Kwok. "The most important thing is that we have made a great deal of progress in terms of changing and influencing the hearts and minds of people. Part of what our group policy has managed to do is reinforce the importance of this topic of sustainability, in a way that people now live and breathe it within their operations, and I am really pleased to see that."

150th Anniversary Community Initiatives

Under the umbrella of Sustainable Luxury Vision 2020, HSH has organized a number of "giving back to the community" efforts throughout 2016, particularly focusing on the month of November.

Hong Kong community initiatives include:

- A children's carnival will be held at The Repulse Bay on 10 and 11 December, working with more than 80 partner charities to provide a memorable experience for more than 1,000 underprivileged children and those with special needs.
- ➤ With the assistance of the Sovereign Art Foundation, a series of art workshops were organised for disadvantaged children, enabling them to learn various artwork creation techniques
- ➤ The Asian Youth Orchestra held a charity concert on August 4 to honour HSH's long-term relationship with the Orchestra
- ➤ The Peninsula Hong Kong worked with the EQ Ambassador Society Ltd to organise heritage hotel tours for underprivileged elderly people and children, as well as a movie screening of the group's award-winning documentary *Tradition Well Served* and a heritage Scavenger Hunt
- ➤ The Peak Complex will produce 150 umbrellas for the homeless and promote special offers to children and the elderly during November
- ➤ The Peninsula Boutique will give away 15,000 delicacies to the Hong Kong public including hampers, chocolates and pastries on its website. This link will be available from 25 November 2016 until 11 December 2016. hsh150.peninsulaboutique.com
- ➤ With the help of the Salvation Army, Tai Pan Laundry will prepare and distribute lunchboxes to the elderly living in the Tai Wo Hau Estate
- ➤ HSH Head Office will partner with New Life Psychiatric Rehabilitation Association and Kadoorie Farm to farm fresh produce and bake organic cookies for underprivileged elderly people

<*Photo release #3 – Hong Kong community initiatives>*







Art workshops



Asian Youth Orchestra

The community efforts will continue in other HSH properties around the world:

The Peninsula Beijing

The Peninsula Beijing is working with Beijing Fengtai Lizhi Rehabilitation Center which provides service to students with mental illness to help them with their recovery and equip them with enough working skills to integrate back into society. They will also organise a charity sale of hot chocolate from 16 to 25 Dec on Wangfujing street to raise funds for The Shanghai Roots & Shoots Million Tree Project, targeting to raise funds for planting 1500 trees.

The Peninsula Shanghai

The Peninsula Shanghai will be celebrating the festive season with children who suffer from cerebral palsy and teachers of local charity CereCare to provide services including fixture repairs, maintenance, and wall-painting. The Peninsula Shanghai has also been working with



The Library Project and Raleigh China to help underprivileged children. A new library will be donated this year to a remote school, where The peninsula's engineering team will help set up the library and improve the school's lighting system.

< Photo release #4 – Worldwide Community Efforts>



A new library is donated to The Library Project, Shanghai

The Peninsula Tokyo

The Peninsula Tokyo created a "Chiyoda-ku Volunteer Supporting Company", a group that requires an annual membership fee of JPY 10,000 and meets bi-monthly to help the underprivileged elderly. Volunteer activities involved visiting two local wards in the Chiyoda-ku area to support bed making, facility clean-ups, cooking and entertainment for the elderly.

The Peninsula Bangkok

Fundraising programmes with the theme of "HSH 150th Anniversary – Giving back to the Community" were organised during 2016. A total of one million Thai baht will sponsor 150 years of education for children of ethnic minority and poor families, providing at least 25 students with funding for the last six years of their secondary education. The funds will be raised through various community engagement projects including "Run for Children", a sponsored run up 36 flights of stairs to the rooftop of the hotel.







Run for Children, Bangkok

The Peninsula Manila

The "Hope for the Philippines" The Peninsula – Gawad Kalinga Village has finally become a reality in 2016. What was once 10,000 sq m of grass, fields planted to watermelon and coconut trees is now a lively, bustling community, with pastel-colored houses providing homes for 75 families devastated by Typhoon Haiyan. A Volunteer Day was also held to work with Liter of Light, which is a global, grassroots movement committed to providing affordable, sustainable solar light to people with limited or no access to electricity.

The Peninsula New York

The Peninsula New York team organised a special volunteer day for The New York Center for Children, located on the Upper East Side. 27 employees donated more than 126 hours over two days to help with maintenance projects.







The New York Center for Children

The Peninsula Chicago

The Peninsula Chicago will be organizing a fundraising event with "Little Brother's Friends of the Elderly" for 100 guests. Volunteer staff from the hotel will prepare food bags to be delivered to the elderly as well as to help prepare for Thanksgiving holiday outreach.

The Peninsula Beverly Hills

In partnership with A Place Called Home (a South Central LA charity for underserved young people) chefs from The Peninsula Beverly Hills visited underprivileged children once a week to orchestrate cooking programs and hosted a variety of lunches, and participate in the charity's after-school programs.

The Peninsula Paris

The Peninsula Paris will help local orphan children working together with French charity Apprentis d'Auteuill. Staff from the hotel will visit orphanages to provide pastry and carpentry lessons, as well as sports activities for the children. Books will also be sold in a Book Exchange to fundraise for the charity.

Quail Lodge & Golf Club, Carmel

Quail Lodge introduced a special opportunity for guests to purchase a ticket for *The Quail: A Motorsports Gathering* while making a difference in the local community. Through the Charitable Patron ticket, 50% of all proceeds directly benefited Rancho Cielo, a preferred Charity of *The Quail*. Rancho Cielo is a comprehensive learning and social services centre for



underserved youth in Monterey County. In 2016, *The Quail* raised \$57,500 to benefit Rancho Cielo.

The Landmark Vietnam

The Landmark will be working with Christina Noble's Children's Foundation to create an out site activity for impoverished children and young ladies aged 6-16 at Tho Trang Park (near Girls Home) with an "Amazing Race" concept to improve physical and mental health.

Thai Country Club

Temples play an important role everyday life for Thai people. The Thai Country Club in Bangkok will reach out to underprivileged children, as well as elderly, by cleaning and tidying a local temple in the district of Bangpakong.

For a full list of community and charitable initiatives, and more details on Sustainable Luxury Vision 2020, please visit our Corporate Sustainability website at http://www.hshgroup.com/en/sustainable-luxury





Cleaning day at Sunee Satthathum Temple





1500 Trees Planting with The National Forest Management Center at 229



About The Hongkong and Shanghai Hotels, Limited (HSH)

Incorporated in 1866 and listed on the Hong Kong Stock Exchange (00045), The Hongkong and Shanghai Hotels, Limited is the holding company of a Group which is engaged in the ownership, development, and management of prestigious hotels and commercial and residential properties in key locations in Asia, the United States and Europe, as well as the provision of tourism and leisure, club management and other services. The Peninsula Hotels portfolio comprises The Peninsula Hong Kong, The Peninsula Shanghai, The Peninsula Beijing, The Peninsula Tokyo, The Peninsula Bangkok, The Peninsula Manila, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, and The Peninsula Paris. Projects under development include The Peninsula London and The Peninsula Yangon. The property portfolio of the Group includes The Repulse Bay Complex, The Peak Tower, The Peninsula Office Tower and St. John's Building in Hong Kong; The Landmark in Ho Chi Minh City, Vietnam; 1-5 Grosvenor Place in London, UK, and 21 avenue Kléber in Paris, France. The clubs and services portfolio of the Group includes The Peak Tram in Hong Kong; Thai Country Club in Bangkok, Thailand; Quail Lodge & Golf Club in Carmel, California; Peninsula Clubs and Consultancy Services, Peninsula Merchandising, and Tai Pan Laundry in Hong Kong.

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