Shangri-La’s CSR Vision/Mission Statement

We commit to operating in an economically, socially and environmentally responsible manner whilst balancing the interests of our diverse stakeholders.

We strive to be a leader in corporate citizenship and sustainable development, caring for our colleagues and guests, seeking to enrich the quality of life for the communities in which we do business and serving as good stewards of society and the environment.

Highlights for 2019

CARING FOR OUR GUESTS

6 in 10 guests rated us 5 out of 5 for Overall Stay Experience

87 hotels certified to international standards for food safety management (ISO 22000/HACCP)

100% of high and medium-risk product suppliers assessed for compliance

EMPOWERING OUR COLLEAGUES

Shangri-La Academy Online launched worldwide to facilitate personalised learning anywhere, anytime

100+ e-learning modules in the pipeline for 2020

260K+ volunteer hours served on community projects

749 People with Disabilities employed (1.85% of permanent headcount in our hotels)

PARTNERING WITH LOCAL COMMUNITIES

111 Embrace projects worldwide

- USD2.1M invested
- 31,600+ beneficiaries
- 1142 EMBRACE++ youth internships and apprenticeships

42,000+ sponsored meals for hungry children through our “Share the Flavour” campaign during Ramadan

Inaugural group-wide fire drills and evacuation exercises in partnership with local civil defense forces

SUSTAINABLE BUILDINGS

36 certified green buildings

90 GWh/year of energy savings from various green initiatives

120 CBM/year of freshwater savings from our showerhead replacement programme

11 hotels now serving in-room water in glass bottles

REDUCING ENVIRONMENTAL IMPACT

2019 vs 2018

- 4% Total Carbon Emissions
- 4% Total Energy Use

2019 vs 2018

- 19% Waste sent to landfills
- 17% Total kitchen waste

Recycling partnerships

- 149 tonnes of soap
- 12 tonnes of linen

91 hotels implementing paperless check-in

RESPONSIBLE CHOICES

15 Sanctuary projects >65 endangered species protected

“Leadership in Sustainable Seafood” Award received from Marine Stewardship Council

1st hospitality group to partner with Alipay Ant Forest app:

- >120,000 users have contributed green points to help us plant >5,000 trees by 2021

6 million plastic straws and stirrers per year eliminated from our operations
About Shangri-La

The name Shangri-La evokes images of a mythical, harmonious world; perfect and beautiful.

Our resorts and hotels are situated in some of the most pristine natural environments and some of the most vibrant urban centres around the world. In every place we do business, we aspire to live up to our name by providing stewardship for sustainable development.

We do this because we want to do right and it is the right thing to do.

In 2019, Shangri-La was listed on the Hang Seng Corporate Sustainability Index and Dow Jones Sustainability Asia Pacific Index. In addition to participating in the CDP Climate Change and Water Security surveys, we also subscribe to the UN Global Compact and have been recognised for our support of sustainable fisheries.

Welcome to our Sustainability Report 2019

We are committed to disclosing meaningful and timely information about our Environmental, Social and Governance (ESG) performance and management approaches with focus on material environmental and social topics for our hotel management services. Increasingly, we aim to leverage technology for better communication with our stakeholders and to help reduce our carbon footprint, such as by producing this Sustainability Report in digital format. An executive summary highlighting our sustainability initiatives is available in the Responsible Business Section of our latest Annual Report.

- **Scope of Sustainability Report**

  The scope of key performance data in this report includes 99 operating hotels that have been in operation for at least one full calendar year and the Aberdeen Marina Club in Hong Kong SAR. There has been a change in scope compared with our 2018 Responsible Business Report resulting from the closure of two hotels, namely Hotel Jen Brisbane, Australia and Shangri-La Hotel, Doha, Qatar. Our latest hotel, Shangri-La Hotel Suzhou Yuanqu, opened in Mainland China during the reporting period but has yet to complete a full year of operation. Development programmes, property rentals and property sales of the Group are not currently within the scope of our ESG disclosures.
Report Scope

OPERATING HOTELS
Subsidiaries, including Under Operating Lease 59
Associates 22
Managed 18

Asia
Hong Kong SAR
India
Bengaluru
New Delhi
Indonesia
Jakarta
Surabaya
Japan
Tokyo
Mainland China
Baotou
Beihai
Beijing
Changchun
Changzhou
Chengdu
Dalian
Fuzhou
Guangzhou
Guilin
Haikou
Hangzhou
Harbin
Hefei
Huhhot
Jinan
Lhasa
Manzhouli
Nanchang
Nanjing
Ningbo
Qingdao
Qinhuangdao
Qufu
Sanya
Shanghai
Shanghai
Shanxi
Shenyang
Shenzhen
Suzhou
Tangshan
Tianjin
Wenzhou
Wuhan
Xiamen
Xian
Yangzhou
Yiwu
Malaysia
Johor
Kota Kinabalu
Penang
Kuala Lumpur
Maldives
Male
Villingili
Mongolia
Ulaanbaatar
Myanmar
Yangon
Oman
Muscat
Philippines
Boracay
Cebu
Manila
Singapore
Sri Lanka
Colombo
Hambantota
Taiwan
Tainan
Taipei
Thailand
Bangkok
Chiang Mai
United Arab Emirates
Abu Dhabi
Dubai

Oceania
Australia
Cairns
Sydney
Fiji
Yanuca

Europe
France
Paris
Turkey
Istanbul

Africa
Mauritius

North America
Canada
Toronto
Vancouver
This report complies with relevant provisions from HKEX Main Board Listing Rule 13.91 and ESG Reporting Guide. In line with international best practices, it has also been prepared with reference to GRI Standards from the Global Reporting Initiative. For more information, please refer to the HKEX ESG Content Index and GRI Content Index respectively at the end of this report.

### Stakeholder Engagement and Materiality

**Sustainability in Shangri-La**

Our approach to prioritising ESG issues is shaped by our stakeholders’ expectations and priorities for sustainable development. We seek feedback from our guests through satisfaction surveys, and we actively engage with our colleagues and local communities on an on-going basis. In addition to meeting regularly with investors and responding to their queries, we participate in external surveys such as the Dow Jones and Hang Seng Sustainability Indexes and CDP, which allow us to benchmark our performance with respect to local and international peers in the hospitality, real estate and other sectors.

The first comprehensive materiality assessment of our business was conducted in 2012, and in 2016 we interviewed a selection of our external stakeholders to ensure that the issues we had previously identified continued to be relevant. This year, we have updated our materiality assessment to reflect important internal developments arising from the introduction of our Integrated Assurance Framework (IAF) and Balanced Scorecard. We are also mindful of the consultation outcomes recently published by HKEX concerning the review of its ESG Reporting Guide and related listing rules.

We welcome your feedback on the content of this report and our overall sustainability performance. Please contact us at csr@shangri-la.com.
Managing ESG Risks

Good corporate governance is integral to achieving sustainable, long-term value-creation through our business.

- Sound and effective systems of risk management and internal control are the cornerstone of corporate responsibility

Since December 2018, we have adopted an Integrated Assurance Framework (IAF) to support the Group’s strategic focus and growing business needs as well as to promote a responsible risk-management culture and develop a common language for risks and internal controls across all business units. Collectively, our four Lines of Defence (LODs) provide integrated assurance to the Board and Shareholders as follows: 1st LOD by Regions & Hotels/Properties; 2nd LOD by Corporate Headquarters; 3rd LOD by our Integrated Audit Department and 4th LOD by our External Auditor.

The Group approaches risk-management through the IAF by applying the key principle of integrated assurance to ensure key operational risks of Safety & Security, Legal, IT & Cyber Security, Human Capital and Procurement are managed with clear accountability. We are committed to working progressively through the current and emerging material ESG issues facing our business in order to strengthen our commitment to ESG goals and objectives.

- Code of Conduct and Ethics

In all dealings with our guests, colleagues, business partners, shareholders and suppliers, the Group is committed to upholding the core values that define our reputation and brand, namely integrity, fairness, respect, ethical business conduct and excellence in service. The Group has in place a Code of Conduct and Ethics that reaffirms and promotes these values by setting out the standards required of our directors, officers and employees in the performance of their duties. The Group is committed to conducting its affairs in full compliance with all applicable laws, rules and regulations.

- Climate-related Risks

We constantly strive to better understand the impact of environmental and climate-related risks on our businesses in order to develop appropriate mitigation and adaptation measures. For more information please refer to our CDP Climate Change survey response, which is updated annually.

- Procurement & Supply Chain

Effective and responsible engagement with our suppliers is important for maintaining our competitive advantage and ensuring the quality of services we provide to our guests. It also allows us to leverage our influence and promote sustainable development of local communities in all places we do business.

We have a comprehensive Supplier Code of Conduct (SCoC), which states our expectations with regard to legal and regulatory compliance, product safety and quality, business integrity and ethics, labour standards, the environment, anti-corruption, record-keeping, confidentiality, data protection and intellectual property rights. Our preference is always to do business with partners who go above and beyond our basic requirements in terms of environmentally and socially responsible behaviour.

In 2019, we are not aware of any instances of non-compliance with laws and regulations that have a significant bearing on the performance of the Group.
Our Supply Chain

Suppliers by Geographical Region

- 72% China
- 28% Rest of the World

> 20,000 Suppliers of goods and services to the Group

As a signatory to the UN Global Compact, the Group is committed to upholding fundamental human rights.

To ensure proper respect for human rights throughout our supply chain, we insist that our suppliers must implement fair, humane and non-discriminatory employment practices, treat their employees fairly, and respect diversity and inclusion. We do not condone any form of forced labour, including coerced, bonded, indentured or child labour; nor do we condone any form of slavery and/or human trafficking, or any contribution thereto.

Since 2010, we have banned shark fin from our Chinese restaurants and banquet menus. Our hotels source sustainable seafood products certified by the Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC). In 2019, the Group received MSC’s “Leadership in Sustainable Seafood Award” and Futian Shangri-La, Shenzhen received MSC’s “China Hotel of the Year Gold Award.”

Working Together to Make a Difference: Reducing Single-Use Plastics

In 2019, we implemented a group-wide ban on plastic straws and stirrers, switched to glass bottled water for more venues and outlets, and introduced greener packaging for our in-room slippers. These initiatives are part of our overall plastic reduction roadmap, under which we plan to tackle many more items, including packaging for bathroom amenities, takeaway containers, utensils and more.

We are working closely with our suppliers to achieve the right balance. Our goal is to raise awareness and improve acceptance for reducing single-use plastics among our colleagues and guests, while investing in long-term alternative solutions that will not compromise our guest experience.
Our Guests

*Sustainability is a collaborative effort.*

- Everyone can help to protect our fragile planet; we strive to inform and educate our colleagues, guests and suppliers about best practices.

- We aim to do our best to make responsible choices and to encourage others – guests, colleagues and third parties – to do the same.

Our Balanced Scorecard is a strategic management tool for assessing the performance of our hotels in a holistic and transparent way with reference to measurable indicators that are quantified, benchmarked and aggregated. The scorecard system is designed to align our entire organisation behind a common set of key focus areas. It encourages both collaboration and personal accountability among our colleagues by rewarding them for teamwork as well as individual performance.

**Guest Experience**

In order to ensure that all guests’ feedback receives the priority it deserves, we track measurements of guest satisfaction through our Balanced Scorecard and link them directly to regular performance reviews of our colleagues.

Since 2018, we have implemented TrustYou, which is an independent comprehensive feedback measuring tool designed to help us evaluate guest satisfaction dynamically. It combines internal and external ratings data with an evaluation of our hotels’ performance relative to competitors in each market. Our Post-Stay Guest Survey gathers information from guests on their Overall Stay Experience (OSE), which feeds into each hotel’s TrustYou ComplIndex score. Regular feedback to the hotels about their scores on key drivers for OSE provides useful insight for our colleagues to design and implement new initiatives that will continually enhance guest experience.

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**Key Drivers for Overall Stay Experience (OSE)**

- Our People • Overall Arrival • Overall Departure • Overall Breakfast • Overall Guest Room & Bathroom

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-box OSE ratings across all hotels*</td>
<td>60.5%</td>
<td>63.0%</td>
</tr>
<tr>
<td>Post-Stay Guest Survey rate**</td>
<td>15.6%</td>
<td>15.8%</td>
</tr>
</tbody>
</table>

* The percentage of ratings that are 5 out of 5. This measure reflects the number of “truly delighted” guests.

** The number of completed surveys divided by total survey invitations sent to guests with an email address upon check-out.
Safety and Security

The safety and wellbeing of our guests and colleagues is our highest priority. We strive to continually enhance security standards throughout our fast-expanding portfolio of properties and hotels.

Shangri-La has a number of policies in place concerning guest security, including but not limited to conflict resolution, crime, medical emergencies and emergency evacuations. Our Corporate Security Division is responsible for implementing these policies in line with our values and commitment to protecting human rights.

Cross-functional emergency response teams are on duty in our hotels 24 hours a day, 7 days a week. Each hotel undergoes an annual security audit to ensure that the Group’s standard operating and emergency response procedures are robust and well understood. Together with our Group Business Continuity Plan, these procedures help to guarantee the highest standards of safety and security for our guests, colleagues and visitors. We also have a group-wide Security and Safety Reporting System (SSRS) in place to facilitate timely reporting and management of every incident.

Achieving Shared Goals: “Race for Hope”

We are the first hospitality group to launch on Alipay Ant Forest, a new app available from China’s leading payment and lifestyle platform. This latest environmental protection campaign brings together all 50 Shangri-La hotels in mainland China to encourage daily participation from guests, colleagues and local communities under the banner of Shangri-La’s “Race for Hope” programme.

Everyone is invited to earn and donate points by participating in eco-friendly activities, such as walking or using public transport. The points are converted into real trees that are planted and nurtured by local NGOs to help combat deforestation in vulnerable regions across China. With just a few simple steps on Alipay, we can all help to protect the planet.

To complement this online initiative, our hotels have been hosting various offline events, such as family-friendly races and fun-run competitions. On 1st December, over 700 people participated in our family-friendly 5km race and 2km fun-run at Century Park, Shanghai.

We want to instill a sense of urgency that all of us must start doing our part now to save our planet.

Victor Vazquez, Executive Vice President – Operations, East China

Our Goal: To plant 5,000 trees by 2021

>120k People who have contributed green points to “Shangri-La Ant Forest” (December 2019)
Cyber-Security

Shangri-La’s Global Privacy and Data Protection Policy sets out our commitment to safeguarding the personal information of our guests and to respect data privacy in full compliance with relevant laws and regulations, including the European Union’s General Data Protection Regulation that was introduced in May 2018.

Customer Data Security & Data Privacy Protection

Security initiatives for customer facing websites and mobile app implemented in 2019

- Engaged an established and reputed external IT vendor to prevent web and “robot” attacks
- Implemented Two Factor Authentication (2FA) for Golden Circle membership accounts
- Educated Golden Circle members about password security, including reminders to change passwords regularly

Additional cyber-related initiatives (either implemented or in-progress in 2019)

- Engaged Symantec 24x7 security monitoring services
- Conducted regular internal threat hunting
- Implemented a series of server-related security measures, including tightening controls over privileged accounts
- Refreshed information security related policies and standards to enhance our internal management practices, including regular bug-fixes and reviews of our firewall

Food Safety

To maintain the quality of our guest experience as well as the integrity of our business, we are committed to safeguarding food safety in accordance with Shangri-La’s comprehensive food safety management system. In parallel, many of our hotels implement local or international standards for food safety management.

In 2019, we strengthened our supplier management programme for F&B suppliers. Under the new system, all High and Medium-risk product suppliers must meet our stringent requirements via one of three methods.

Enforcing High Standards

-1,400 (100%) High and Medium-risk suppliers identified and affirmed to meet our stringent requirements

<table>
<thead>
<tr>
<th>Method 1</th>
<th>OR</th>
<th>Method 2</th>
<th>OR</th>
<th>Method 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of Certification</td>
<td>Method 2</td>
<td>Third-party audit</td>
<td>Method 3</td>
<td>Hotel hygiene audit</td>
</tr>
<tr>
<td>e.g. ISO 22000/ GFSI recognised schemes</td>
<td></td>
<td></td>
<td>(only applicable for small-scale suppliers)</td>
<td></td>
</tr>
</tbody>
</table>
• **Fire Life Safety**

Shangri-La’s standards for Fire Life Safety (FLS) reference the USA National Fire Protection Association’s regulations, China Green Building codes and other relevant codes for the countries in which we operate. At least one dedicated FLS manager is appointed in each hotel with responsibility for monitoring and maintaining our FLS systems. All hotels are subject to FLS Audits at least once a year to verify their compliance with the Group’s standards and procedures.

In April 2019, we hosted a group-wide fire drill and evacuation exercise to strengthen our safety culture and prepare our colleagues to handle any emergency situation. Many of our hotels conducted fire drills and safety training activities in collaboration with local fire departments and civil defence forces.

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**Our People**

- At Shangri-La, we strive to attract and retain talented people who are a good fit for our corporate culture.
- We promote a fair and inclusive workplace where all colleagues treat each other with courtesy and respect; we empower everyone to pursue their personal and professional goals.

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**Meet our Colleagues**

**VALUED AND ENGAGED WORKFORCE**

<table>
<thead>
<tr>
<th>Employees</th>
<th>Work full-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>46,439</td>
<td>98%</td>
</tr>
</tbody>
</table>

**DIVERSITY AND EQUAL OPPORTUNITIES**

<table>
<thead>
<tr>
<th>Females overall</th>
<th>Females in top management positions</th>
<th>Females in junior management positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>42%</td>
<td>9%</td>
<td>43%</td>
</tr>
</tbody>
</table>

**749 PWDs employed in 2019**

1.85% of our permanent headcount (hotels) in 2019

Our hotels partner with local organisations to create opportunities for people with disabilities (PWDs).
## Employee Profile*

<table>
<thead>
<tr>
<th>By Age group</th>
<th>Number</th>
<th>Share of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30 years</td>
<td>16,155</td>
<td>35%</td>
</tr>
<tr>
<td>30 – 50 years</td>
<td>25,302</td>
<td>54%</td>
</tr>
<tr>
<td>Over 50 years</td>
<td>4,982</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>By Region</th>
<th>Number</th>
<th>Share of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainland China &amp; Hong Kong SAR</td>
<td>24,416</td>
<td>53%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>22,023</td>
<td>47%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>By Gender</th>
<th>Number</th>
<th>Share of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>26,783</td>
<td>58%</td>
</tr>
<tr>
<td>Female</td>
<td>19,656</td>
<td>42%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Employees</th>
<th>Number</th>
<th>100%</th>
</tr>
</thead>
</table>

## Profile of New Hires and Employee Turnover**

<table>
<thead>
<tr>
<th>By Age group</th>
<th>Newly Hired Employees</th>
<th>Employee Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Rate</td>
</tr>
<tr>
<td>Under 30 years</td>
<td>7,305</td>
<td>16%</td>
</tr>
<tr>
<td>30 – 50 years</td>
<td>4,608</td>
<td>10%</td>
</tr>
<tr>
<td>Over 50 years</td>
<td>464</td>
<td>1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>By Region</th>
<th>Newly Hired Employees</th>
<th>Employee Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Rate</td>
</tr>
<tr>
<td>Mainland China &amp; Hong Kong SAR</td>
<td>7,642</td>
<td>16%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>4,735</td>
<td>10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>By Gender</th>
<th>Newly Hired Employees</th>
<th>Employee Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Rate</td>
</tr>
<tr>
<td>Male</td>
<td>6,729</td>
<td>14%</td>
</tr>
<tr>
<td>Female</td>
<td>5,648</td>
<td>12%</td>
</tr>
</tbody>
</table>

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* Our employees are defined as workers who are in an employment relationship with the Group, including permanent and contract employees (full time and part time). In 2019, the Group also provided opportunities for 2,741 interns and trainees on a temporary basis.

** Method for calculation of rates: Number of employees in the sub-category hired or who have left our employment during the reporting period divided by total headcount at the end of the reporting period.
• Human Capital

Under our IAF, the Group risk category of Human Capital encompasses a number of material issues for our hotels, ranging from corporate culture, succession planning, talent acquisition & retention, and training & development, to employee engagement, payroll, absenteeism and health & safety. Considering the global nature of our operations, there are also significant legal, regulatory and compliance implications associated with human resource management in our hotels.

We are committed to ensuring that our workplaces embrace diversity and are free from discrimination on the basis of gender, race, religion, disability, marital status, sexual orientation, family status or any other personal characteristics. We do not condone harassment or any form of conduct that may cause our colleagues to feel embarrassed or uncomfortable at work.

Leveraging the Power of the Digital Age: Shangri-La Academy Online

2019 was a year of transformation for learning with the introduction of Shangri-La Academy Online. This bespoke virtual platform facilitates learning anytime and anywhere; providing our colleagues with dynamic, engaging and relevant content that they can review at their own pace.

The content is organised into:

- **Essential Learning** – to know more about our brand, or comply with legal requirements
- **Functional Learning** – to enhance skills based on job functions
- **Leadership Learning** – to develop high potentials in line with our Leadership Competencies

Hotel Jen Tanglin Singapore was selected to pilot the new system early in 2019.

Zul is the Fire Life Safety (FLS) Manager at Hotel Jen Tanglin Singapore. As a former Singapore Civil Defence Force Fire fighter and officer, he has extensive experience conveying important knowledge and skills about FLS.

According to Zul, the best thing about Shangri-La Academy Online’s new Global Fire Life Safety e-learning course is that it empowers his colleagues to take charge of their own learning process.

Alice from Housekeeping has worked at Hotel Jen Tanglin Singapore since 2013. She was one of our first colleagues worldwide to complete all essential learning courses via Shangri-La Academy.

At first, Alice found it challenging to adjust to the new way of learning but she quickly got up to speed and now goes online daily to keep herself updated on all the latest content.

“This learning tool caters for people of all ages, backgrounds and experiences."

“With the new App from Shangri-La Academy Online, every day is the start of a new learning journey!”

Our Code of Conduct and Ethics sets out the standards we expect every employee to uphold. We have a whistleblowing and whistle-blower protection policy in place to support anyone who comes forward with a query or complaint.
Learning & Development

We foster a culture of active learning throughout our organisation. Every hotel, regional and corporate office has an annual budget amounting to 2% of payroll cost for learning and development initiatives, including essential, functional and leadership programmes, subscriptions for digital content from the Shangri-La Academy Learning Management System, on-the-job learning, and participation in internal or external workshops.

We strive to ensure that all learning is relevant and effective. In addition to using e-assessment to validate colleagues’ experiences, we collect data from participants for course evaluation. To ensure consistency across the Group, our hotels maintain complete records of learning and development activities for all colleagues, which are subject to regular audits by our Corporate HR division.

Blended Learning

- Critical essential learning programmes – such as Fire Life Safety – are delivered in a “blended” format.
- This means learners first complete an online course to gain theoretical knowledge.
- Then they put their knowledge into practice during facilitated sessions under the guidance of a Fire Life Safety Manager. For example, using a fire extinguisher or a fire blanket in real-life settings.
- After completing the course, there is constant reinforcement of learning through regular drills and exercises.
- Some hotels also implement a buddy system, whereby experienced colleagues are assigned to support those who have less experience in acquiring new skills.

Culture of Learning

<table>
<thead>
<tr>
<th></th>
<th>Goal: To drive consistent standards and enhance safety culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Learning</td>
<td>Features:</td>
</tr>
<tr>
<td></td>
<td>• 100% of eligible colleagues must complete and pass our core</td>
</tr>
<tr>
<td></td>
<td>learning programmes (Code of Conduct, Hotel Security, Food</td>
</tr>
<tr>
<td></td>
<td>Safety, Fire Life Safety and Information Security)</td>
</tr>
<tr>
<td></td>
<td>• 5 – 21 days/colleague/year (depending on role and level of</td>
</tr>
<tr>
<td></td>
<td>employment)</td>
</tr>
<tr>
<td>Shangri-La Academy</td>
<td>Goal: To build up the capability of all hotels to roll out</td>
</tr>
<tr>
<td>(since 2004)</td>
<td>digital learning</td>
</tr>
<tr>
<td></td>
<td>Features:</td>
</tr>
<tr>
<td></td>
<td>• &gt; 100 e-learning programmes in the pipeline for 2020</td>
</tr>
<tr>
<td>Nurturing Talent</td>
<td>Goal: To actively implement talent review and succession</td>
</tr>
<tr>
<td></td>
<td>planning processes</td>
</tr>
<tr>
<td></td>
<td>Features:</td>
</tr>
<tr>
<td></td>
<td>• Leadership teams are responsible for identifying and</td>
</tr>
<tr>
<td></td>
<td>stewarding the development of high potentials in each hotel</td>
</tr>
<tr>
<td></td>
<td>• Leadership development programmes are offered to our</td>
</tr>
<tr>
<td></td>
<td>colleagues at various management levels</td>
</tr>
</tbody>
</table>
• Employee Experience

We are focused on creating a nurturing environment where our people can grow and thrive.

We strive to support our colleagues to achieve their personal and professional goals. In 2019, we conducted a group-wide Employee Experience Programme Survey complemented by focus group sessions in which our colleagues were encouraged to co-own any problems they are experiencing at work and to find solutions collectively.

• Occupational Health & Safety

Safeguarding the health and safety of employees and others with whom we work is a top priority. We ensure that every hotel has an Occupational Health and Safety (OHS) management system in place to: identify potential health and safety hazards in the workplace; implement plans and procedures to control these hazards; and, regularly review and revise those plans in order to achieve continuous improvement in OHS performance. The Group’s OHS Implementation Manual provides guidance to hotels on how to prepare and implement OHS Management Systems in accordance with internationally recognised standards such as OHSAS 18001.

Our hotels conduct regular assessments to ensure that all OHS training needs have been identified and fulfilled, particularly for new and less-experienced colleagues. In addition, multiple learning resources covering OHS knowledge and skills are available from Shangri-La Academy Online.

Security measures across all properties continue to be reviewed to reflect any change in the risk environment. These measures reflect each country’s risk assessment as determined by independent agencies and ratings from international experts.

Shangri-La’s Security and Safety Reporting System tracks data on accidents. We combat the spread of infectious diseases through training and information briefings for our colleagues.

Unity in the Face of Disaster: Honouring Victims of the Colombo Attack

On 21 April, Shangri-La Hotel Colombo was one of three luxury hotels among several other sites targeted in a series of terrorist bombings that rocked Sri Lanka. Although the tragedy caused untold pain and suffering for many, our global Shangri-La family came together during this difficult time to provide comfort and support.

In November, Shangri-La Hotel Colombo unveiled a Memorial Garden in honour of the people who lost their lives during this tragic event.

It has partnered with the Dialog Foundation, a local non-profit organisation, to provide long-term educational support for children from affected communities.

In the aftermath of this attack, the Group has supported various charitable events, foundations and memorial funds established by the families of some of the victims.
Our Environment

We are Custodians of the Planet.

- We aim to protect and preserve our environment for future generations to enjoy

We invest in green buildings certified to local and international standards. This helps to ensure our new projects and renovations integrate sustainable design features, construction techniques and operational processes across the entire value chain in line with industry-best practices. Environmental considerations are also fully integrated into daily operations of our hotels through Environmental Management Systems (EMS) that provide a robust framework for planning, managing and controlling environmental impact.

- Climate Impact

2019 vs 2018

- 4% Total carbon emissions
- 4% Total energy use
- 2% Carbon footprint (kgCO₂e/BU)
- 2% Energy footprint (kWh/BU)
Within the scope of this report, our hotels consumed 1,952.9 giga watt-hours (GWh) of energy and 18,056 mega litres (ML) of water. Total Scope 1 & 2 GHG emissions amounted to 1,048.1 kilo-tonnes of carbon dioxide equivalent (ktCO₂e).

Please refer to the GRI Content Index at the end of this report for information on the basis of calculation of our reported energy data.
• **Energy**

In addition to purchased electricity, chilled water and steam, our hotels consume fossil fuels for heating and standby electricity generation as well as for cooking. Combustion of fossil fuels results in some local air emissions, namely NOx, SOx and Particulate Matter (PM).

• **Water**

Water accounts for a significant portion of our hotels’ utility bills, with many paying not only to purchase fresh water but also to dispose of wastewater. To ensure compliance with local regulations and provide data for accurate calculation of Scope 1 GHG emissions, the Group monitors Biological Oxygen Demand (BOD) content of effluents from all hotels.

Since water is a scarce resource in many places around the world, our hotels have a responsibility not to consume more than necessary. We work hard to mitigate our impact on the availability of freshwater in ecologically sensitive regions. For example, our resorts in Boracay, Cebu, the Maldives, Mauritius and Yangon operate desalination plants using groundwater or seawater to produce freshwater for consumption. Furthermore, our resorts in the Sultanate of Oman, Maldives and Mauritius produce recycled water for irrigation, washing of external surfaces and other suitable purposes.

“Water stress” refers to the ability, or lack thereof, of local ecosystems to meet human and ecological demand for water. It occurs when demand exceeds supply during a certain period, or when poor water quality restricts its use. At Shangri-La, we use the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI) to identify which of our hotels are located in areas experiencing “High” or “Extremely High” levels of water stress. These areas include North, East and West China, Hong Kong SAR, Singapore, the Philippines, Indonesia, Australia, the United Arab Emirates, Oman, India, Mongolia and Turkey.

We participate in CDP's questionnaires on climate change and water security annually to help us manage our environmental risks and opportunities, and provide useful information to our stakeholders. For more information, please refer to our most recent questionnaires on the CDP website.
Performance against Targets

We have targets in place to reduce our environmental footprints for energy, water and carbon by 15% in 2020 compared with 2015\(^2\). This goal has challenged our hotels to reduce the energy, water and carbon intensities of their operations by 3% per year on average.

Between 2015 and 2019, the number of properties included in the scope of our performance evaluation increased from 85 to 100. These charts show the average performance of all properties compared with desired reduction trends over this period. The energy, water and carbon intensities of our portfolio decreased by 10.0%, 3.6% and 8.9%, respectively.

\(^2\) For properties opened before 2015, the baseline is the 2015 performance of each property. For properties opened in 2015 or 2016, the baseline is the 2016 or 2017 performance of the property, respectively. During the reporting period, environmental targets and performance evaluations were not applicable for properties opened after 2016.
Our hotels strive to continually improve their environmental performance. Many have implemented energy and water saving technologies and initiatives to reduce consumption of precious resources. Some hotels are producing renewable energy for hot water or electricity using photovoltaics.

### Energy saving initiatives

<table>
<thead>
<tr>
<th>Initiative</th>
<th>2018</th>
<th>2019</th>
<th>Estimated Annual Energy Savings (GWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Centralised heat pumps</strong></td>
<td>16</td>
<td>22</td>
<td>39.60</td>
</tr>
<tr>
<td>(300% more efficient than boilers or heaters for generating heat)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Vacuum boilers</strong></td>
<td>3</td>
<td>5</td>
<td>3.06</td>
</tr>
<tr>
<td>(15–30% more efficient than conventional steam and hot water boiler systems)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Low-temperature laundry</strong></td>
<td>82</td>
<td>82</td>
<td>39.69</td>
</tr>
<tr>
<td>(saves energy by reducing consumption of electricity for heating water)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LED replacement</strong></td>
<td>–</td>
<td>29</td>
<td>5.39</td>
</tr>
<tr>
<td>(uses up to 75% less energy than traditional light fittings)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Showerhead replacement in staff facilities</strong></td>
<td>–</td>
<td>53</td>
<td>2.15</td>
</tr>
<tr>
<td>(saves energy by reducing consumption of electricity for heating water)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Water saving initiatives

<table>
<thead>
<tr>
<th>Initiative</th>
<th>2019</th>
<th>Estimated Annual Water Savings (CBM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Showerhead replacement in staff facilities</strong></td>
<td>53</td>
<td>119.8</td>
</tr>
<tr>
<td>(reduces water consumption by 20–30% by limiting the flow rate)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Biodiversity and Conservation

Shangri-La is proud to operate hotels in some of the most beautiful and ecologically diverse regions of the world. We are committed to conserving and protecting the biodiversity of these areas for present and future generations to enjoy. Through Sanctuary, Shangri-La’s Care for Nature project, 15 hotels have formed partnerships with local experts to leverage specialised knowledge and skills. Many of these hotels support Shangri-La Eco Centres, which seek to engage with colleagues, guests and locals about conservation through interactive learning experiences and other educational activities. In 2019, we invested USD103,000 on our Sanctuary projects.
**Sanctuary Projects at a Glance**

Several Sanctuary projects have created artificial reefs to support natural recruitment of corals. We transplant coral fragments to aid in the recovery of specific coral species, and drop fish houses to help increase the abundance and diversity of fish species.

- **Students outreached**: 2,275
- **Colleagues volunteered**: 3,009
- **Mangrove saplings planted**: 1,318
- **Turtle hatchings released**: 4,020
- **Corals planted***: 1,541
- **Fish houses dropped**: 684

*Several Sanctuary projects have created artificial reefs to support natural recruitment of corals. We transplant coral fragments to aid in the recovery of specific coral species, and drop fish houses to help increase the abundance and diversity of fish species.*
Celebrating Nature: Helping to Conserve Biodiversity in Cebu, Philippines

In June 2019, Shangri-La Mactan, Cebu launched the first-of-its-kind Shangri-La Eco-trail, a stunning nature route that showcases endemic, medicinal, rare and endangered plants across all 13-hectares of the resort.

Guests can spot notable endemic plants including the Cebu Cinnamon, a rare tree discovered in the 1980s, and the Cynometra Cebuensis, an endangered flowering plant recently discovered in the Tabuan forest. Both plants are unique to Cebu.

Our flora sanctuary helps visitors to our resort to gain a deeper appreciation and knowledge of the natural beauty of Cebu.”

Joost H.P.E. Folkers, Resident Manager, Shangri-La Mactan, Cebu

Shangri-La Mactan, Cebu also has its own six-hectare marine protected area situated in front of its white sand beach. Established in 2007, the resort’s Sanctuary Care for Reef Project has a successful track record of helping to propagate a rich diversity of marine life while promoting sustainable livelihoods for local residents and fostering a culture of environmental stewardship among guests, colleagues and the local community alike.
Our Community

We are proud to be part of the local community in every place we call home.

- We work collaboratively to benefit local people by helping to promote their produce and protect their culture.
- We thrive when our communities do too.

We actively embed the ownership of Corporate Social Responsibility (CSR) initiatives within the management and culture of our hotels. In accordance with our Balanced Scorecard approach, we encourage each hotel to identify their local stakeholders and to determine the nature of their CSR programmes in relation to local needs.

“Waste not, want not”: Serving Food with Purpose

Food waste has been described as one of the biggest problems facing mankind today. To tackle this important issue, our hotels are actively exploring creative ways to reduce food waste and encourage our guests and colleagues to make more sustainable choices.

Shangri-La at the Fort, Manila, for example, has implemented a zero food waste programme in Bake House – its new sustainable cake shop and bakery. One of its innovative creations is the “Conscious Cookie”, a delicious biscuit baked from the trims and excess ingredients of other pastries.

In May, our hotels in the Middle East, India and the Indian Ocean came together during the period of Ramadan to raise awareness about global hunger. Ramadan is traditionally a time for families and friends to share Iftar – the meal enjoyed by Muslims after sunset to break their fast. A portion of proceeds from Iftar meals served in our hotels were donated to ShareTheMeal (a digital application of the United Nations World Food Programme) in order to help children-in-need.

Conscious cookies created from extra trims and surplus ingredients
• Waste

Disposing of waste into landfills can cause serious problems for local communities.

Some waste will eventually decompose, but not all, and in the process it may smell, or generate methane gas, which is explosive and contributes to global warming. Leachate from landfill sites can also threaten local surface water and groundwater sources.

Our hotels strive to reduce the amount of waste that ends up in landfills through waste prevention and recycling. To avoid unnecessary paper waste for example, 91 hotels have implemented paperless check-in. At the same time, our recycling partnerships with key group suppliers and NGO partners continue to grow.

43%  
Diversion Rate for Non-Hazardous Waste

19%  

91  
Hotels implementing Paperless Check-in

<table>
<thead>
<tr>
<th>Recycling in Tonnes</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Soap recycling</td>
<td>135.7 (30 hotels)</td>
<td>↑ 146.6 (35 hotels)</td>
<td>↑ 149.1 (38 hotels)</td>
</tr>
<tr>
<td>Linens For Life</td>
<td>8 (2 hotels)</td>
<td>↑ 12.4* (4 hotels)</td>
<td>↑ 12.6 (4 hotels)</td>
</tr>
</tbody>
</table>

* Please note 2018 Linens for Life data has been re-stated.

In 2019, the reported amount of non-hazardous waste sent to landfills by our hotels declined by nearly one fifth compared with the previous year. This category of waste includes food, paper and cardboard, plastics, metals, glass and garden waste. We recognise that some of our hotels still experience great difficulty in monitoring and collecting reliable data for their waste disposal. They do their best to take actual measurements or make estimations based on volume when weight data is not available.
Non-Hazardous Waste (Tonnes)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018*</th>
<th>2019</th>
<th>2019 vs 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of hotels reporting</td>
<td>95</td>
<td>102</td>
<td>100</td>
<td>-2%</td>
</tr>
<tr>
<td>Total</td>
<td>43.1</td>
<td>50.6</td>
<td>48.5</td>
<td>-4%</td>
</tr>
<tr>
<td>To Landfill</td>
<td>33.7</td>
<td>33.8</td>
<td>27.5</td>
<td>-19%</td>
</tr>
<tr>
<td>Diverted e.g. recycling</td>
<td>9.4</td>
<td>16.8</td>
<td>21.0</td>
<td>25%</td>
</tr>
<tr>
<td>Diversion Rate</td>
<td>22%</td>
<td>33%</td>
<td>43%</td>
<td></td>
</tr>
</tbody>
</table>

* Please note 2018 waste data has been re-stated because we identified an error in the unit of measurement reported by one hotel, which has subsequently been corrected.

Food waste is our most significant sub-category of waste, accounting for nearly half (45%) of total non-hazardous waste by weight. Our hotels are taking primary steps to avoid food waste at source through appropriate planning, storage and handling, as well as secondary steps to recycle unavoidable food waste through food donations and composting. The efficacy of these measures is borne out in our data for waste sent to landfill and waste diverted in 2019 compared with our base year in 2017.

Food Waste (Tonnes)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2019 vs 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>25.7</td>
<td>26.3</td>
<td>21.9</td>
<td>-17%</td>
</tr>
<tr>
<td>To Landfills</td>
<td>20.7</td>
<td>14.9</td>
<td>8.1</td>
<td>-46%</td>
</tr>
<tr>
<td>Diverted e.g. food donations and composting</td>
<td>5.0</td>
<td>11.4</td>
<td>13.9</td>
<td>+22%</td>
</tr>
</tbody>
</table>

Hazardous Waste

Our hotels produce a small amount of hazardous waste, which is disposed of responsibly in accordance with locally applicable regulations and procedures. In 2019, our hotels recorded 95.6 tonnes of hazardous waste for disposal, including paints, cleaning chemicals, and retired light fittings and electrical equipment.

- **Volunteering**

Our colleagues are keen to volunteer in support of Embrace and Sanctuary, Shangri-La’s signature CSR projects as well as other smaller-scale community programmes such as tree planting and beach clean-ups. Our Volunteer Leave Policy encourages and recognises their participation. All permanent employees and trainees are eligible to take up to 8 hours of volunteer leave per year during normal working hours.

45,000
Volunteers

91%
Participation rate from our colleagues

260,000
Volunteer hours

17%
Reduction in Total Food Waste

46%
Reduction in Food Waste sent to Landfills
In 2018, our colleagues in China raised RMB5.7 million through our CSR initiative called Ride for Hope 3 to help children with hip disabilities and heart diseases in collaboration with the Ai You Foundation’s Morning Star Project. With the support of funds raised through this community outreach project, in 2019, 240 orphaned and financially disadvantaged children received life-changing surgeries.

Our hotels form long-standing partnerships with their local communities to promote health, wellbeing and/or education through Embrace, Shangri-La’s Care for People Project.

Established in 2009, one of the key purposes of this programme is to foster a sense of responsibility from each hotel towards its community by identifying and responding to local needs in the form of financing, infrastructure and facilities, or labour and skills. Most of our hotels have chosen to work with children and young adults – particularly people with special needs – by increasing their access to education and skills development opportunities. Other hotels invest in health services, such as surgeries and cancer treatments, for those who would otherwise have no access to life-saving care.
Expanding Horizons for Children in Sabah

At Shangri-La’s Tanjung Aru Resort & Spa, our colleagues are helping to create opportunities for students at SK Bantanyan School, which is attended by children of the indigenous Kadazan community living on the outskirts of Kota Kinabalu, Malaysia.

When our partnership started four years ago, the school ranked 54/58 in the district but it has since risen to 27. In 2019, all graduating students from the primary school were successfully enrolled into secondary education.

Over the years, our colleagues have worked hard to improve the school’s infrastructure by building toilets and fixing classrooms. They have also introduced “Meal a Day” and “English Booster” programmes to ensure all students have access to adequate nutrition and learning support.

In 2019, SK Bantanyan School partnered with the local Jesselton Philharmonic Orchestra to create the first school orchestra in Sabah. With our hotel’s support, 28 students had the opportunity to expand their horizons and to enter a whole new world of music.

SK Bantanyan students celebrate together after their soirée debut
Shangri-La Asia Limited Sustainability Report 2019

HKEX ESG Content Index 2019

Shangri-La Asia has complied with all “Comply or Explain” provisions in accordance with Hong Kong Exchange Main Board Listing Rule 13.91 and ESG Reporting Guide.

<table>
<thead>
<tr>
<th>Provisions</th>
<th>Location of Disclosures and additional information</th>
</tr>
</thead>
</table>
| **Aspect A1: Emissions and waste** | MANAGING ESG RISKS: Code of Conduct and Ethics  
OUR ENVIRONMENT: Climate Impact  
OUR COMMUNITY: Waste  
KPI A1.1: Emissions of NOx, SOx and Particulate Matter are not reported. |
| GENERAL DISCLOSURE |  
| **Aspect A2: Use of resources** | OUR ENVIRONMENT: Climate Impact  
KPI A2.5: We do not systematically collect data on packaging materials used in our hotels. This data is not available. |
| GENERAL DISCLOSURE |  
KPIs: A2.1, A2.2, A2.3, A2.4, A2.5 |
| **Aspect A3: Environment and natural resources** | OUR ENVIRONMENT: Green Buildings; Biodiversity & Conservation |
| GENERAL DISCLOSURE |  
KPI: A3.1 |
| **Aspect B1: Employment** | MANAGING ESG RISKS: Code of Conduct and Ethics  
OUR PEOPLE |
| GENERAL DISCLOSURE |  
Optional KPIs: B1.1 and B1.2 |
| **Aspect B2: Health and safety** | MANAGING ESG RISKS: Code of Conduct and Ethics  
OUR PEOPLE: Occupational Health & Safety |
| GENERAL DISCLOSURE |  
Optional KPIs: B2.1 and B2.3 |
| **Aspect B3: Development and training** | OUR PEOPLE: Learning & Development  
Optional KPIs: B3.1 and B3.2: 100% of our employees receive training. We are focused on evaluating training outcomes and do not monitor training hours. |
| GENERAL DISCLOSURE |  
Optional KPIs: B3.1 and B3.2 |
| **Aspect B4: Labour standards** | MANAGING ESG RISKS: Code of Conduct and Ethics; Our Supply Chain  
KPI B4.2: There have been no incidences of child or forced labour discovered. |
| GENERAL DISCLOSURE |  
Optional KPIs: B4.1 and B4.2 |
| **Aspect B5: Supply chain management** | MANAGING ESG RISKS: Our Supply Chain  
OUR GUESTS: Food Safety |
| GENERAL DISCLOSURE |  
Optional KPIs: B5.1 and B5.2 |
| **Aspect B6: Product responsibility** | MANAGING ESG RISKS: Code of Conduct and Ethics  
OUR GUESTS: Guest Experience; Safety & Security; Cyber Security; Food Safety; Fire Life Safety  
KPI B6.1: Product recalls are not relevant to our industry.  
KPI B6.2: We disclose data on guest satisfaction rather than complaints.  
KPI B6.3: As part of our management approach to internal and external compliance, the Group takes reasonable steps to protect our intellectual property rights in relevant jurisdictions, including trademarks and copyright works, as well as to observe the intellectual property rights of others. |
| GENERAL DISCLOSURE |  
Optional KPIs: B6.1, B6.2, B6.3, B6.4 and B6.5 |
| **Aspect B7: Anti-corruption** | MANAGING ESG RISKS: Code of Conduct and Ethics  
KPI B7.1: There were no concluded legal cases brought against the Company during the reporting period concerning corruption. |
| GENERAL DISCLOSURE |  
Optional KPIs: B7.1 |
| **Aspect B8: Community investment** | OUR COMMUNITY: Volunteering; Embrace |
| GENERAL DISCLOSURE |  
Optional KPIs: B8.1 and B8.2 |
### GRI Content Index 2019

#### Energy

<table>
<thead>
<tr>
<th>GRI 103: Management Approach 2016</th>
<th>OUR ENVIRONMENT: Climate Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>103-1 Disclosure of management approach</td>
<td></td>
</tr>
<tr>
<td>103-2 The management approach and its components</td>
<td></td>
</tr>
<tr>
<td>103-3 Evaluation of the management approach</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 302: Energy 2016**

<table>
<thead>
<tr>
<th>302-1 Energy consumption within the organization</th>
<th>Group-wide conversion factors for 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>302-3 Energy intensity</td>
<td></td>
</tr>
</tbody>
</table>

**OUR ENVIRONMENT: Climate Impact**

- Diesel/Gas/Wood (Kwh/ltr or Kwh/kg): 11
- City hot water and steam/SH (Kwh/GJ): 278
- Chilled water (Kwh/Kwh): 0.312
- Gas (Boiler & Kitchen) (Kwh/MJ): 0.27

#### Water

<table>
<thead>
<tr>
<th>GRI 103: Management Approach 2016</th>
<th>OUR ENVIRONMENT: Climate Impact; Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>103-1 Disclosure of management approach</td>
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</tr>
<tr>
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<td></td>
</tr>
</tbody>
</table>

**GRI 303: Water and Effluents 2018**

<table>
<thead>
<tr>
<th>303-3 Water withdrawal</th>
<th>Please refer to our CDP Water Security survey response</th>
</tr>
</thead>
</table>

**OUR ENVIRONMENT: Climate Impact**

Please also refer to our CDP Water Security survey response

#### Emissions

<table>
<thead>
<tr>
<th>GRI 103: Management Approach 2016</th>
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<td></td>
</tr>
<tr>
<td>103-3 Evaluation of the management approach</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 305: Emissions 2016**

<table>
<thead>
<tr>
<th>305-1 Direct (Scope 1) GHG emissions</th>
<th>Gases included in the calculations and GWP values applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>305-2 Indirect (Scope 2) GHG emissions</td>
<td>Sources for emission factors used in 2019</td>
</tr>
</tbody>
</table>

**OUR ENVIRONMENT: Climate Impact**

- CO₂: 1
- CH₄: 21
- N₂O: 310

**Consolidation approach**

- Operational control

- Scope 2 grid emission factors (China): China’s regional power grid baseline emissions factor 2015
<table>
<thead>
<tr>
<th><strong>Employment</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
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<td>103-3</td>
<td>Evaluation of the management approach</td>
</tr>
<tr>
<td><strong>GRI 401: Employment 2016</strong></td>
<td></td>
</tr>
<tr>
<td>401-1</td>
<td>New employee hires and employee turnover</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Diversity and Equal Opportunity</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 103: Management Approach 2016</strong></td>
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<td>Evaluation of the management approach</td>
</tr>
<tr>
<td><strong>GRI 405: Diversity and Equal Opportunity 2016</strong></td>
<td></td>
</tr>
<tr>
<td>405-1</td>
<td>Diversity of governance bodies and employees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Customer Health and Safety</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 103: Management Approach 2016</strong></td>
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</tr>
<tr>
<td>103-3</td>
<td>Evaluation of the management approach</td>
</tr>
<tr>
<td><strong>GRI 416: Customer Health and Safety 2016</strong></td>
<td></td>
</tr>
<tr>
<td>416-1</td>
<td>Assessment of the health and safety impacts of product and service categories</td>
</tr>
</tbody>
</table>