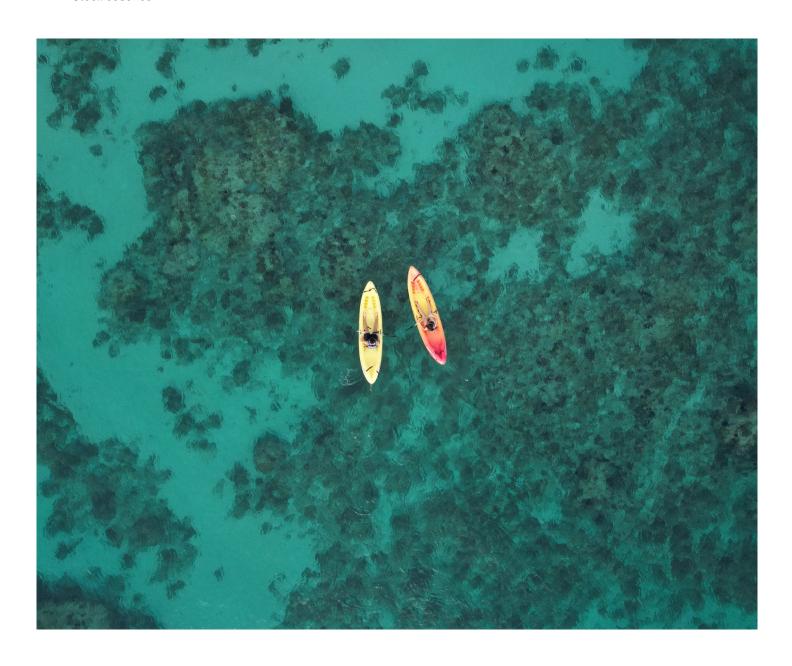
SUSTAINABILITY REPORT 2022

SHANGRI-LA ASIA LIMITED

Incorporated in Bermuda with Limited Liability Stock code: 69



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Our Vision, Our Purpose, Our Business

Our Vision

What we aspire to be



To be the best-loved hospitality group, pioneering new horizons and setting new benchmarks.

Our Purpose

Why we exist



We host people to the colourful joys of life in a sustainable manner.

Our Business

What we do



Inspired by our Asian heritage, we enable people to live, work, play, eat, and rest well through the environments we create and the memorable experiences we deliver.

Our Beliefs

Code of behaviour we live by

Do good

We strive to do the right thing from the heart, with integrity, care and sustainability.



Obsess over customer experience

We are obsessed with delivering heartfelt hospitality to our guests, creating moments of joy that truly matter.



Own our success

We act with the desire to succeed and drive business results.



Compete to win

We have a winning mindset. We take pride in high performance and set new benchmarks.



Never give up

Resilience is in our DNA. We adapt to change with determination and flexibility.



ESG Statement

- We are committed to operating in an economically, socially and environmentally sustainable manner while balancing the interests of diverse stakeholders in order to make a positive impact on our local communities in every location.
- We strive to be leaders in corporate citizenship and sustainable development, holding ourselves accountable to international standards in order to serve as good stewards of society and the environment.
- Our Environmental, Social and Governance (ESG) Framework is underpinned by strong corporate governance, with emphasis on material topics for our business and our stakeholders organised into four pillars: Our Business, Our Communities, Our Environment and Our People.

Sustainability at A Glance



LEADERSHIP MESSAGE



As part of Shangri-La's vision to be the best-loved hospitality group, we are committed to building a sustainable business for our employees, customers, communities, business partners, and shareholders.

Shangri-La's sustainability mindset is already deeply ingrained in our DNA. Despite the challenges of the last few years, we have made significant progress in our sustainability efforts such as focusing on strengthening our Shangri-La Culture and delivering the heartfelt promise of Shangri-La Cares.

In 2022, Shangri-La hotels continued to steadfastly support our local communities. We contributed 26,000 volunteer hours of COVID-19 pandemic relief with home visits, pre-packaged meals, and essential items that benefitted almost 200,000 people from disadvantaged communities around the world. This represents just a portion of our total volunteering efforts and donations, which also include our signature campaigns— Embrace and Sanctuary— that have allowed us to build long-lasting and meaningful partnerships with our communities over many years.

On the environmental front, we have renewed our commitment to being an industry leader with new reduction targets for carbon emissions, energy, water, and single-use plastics. Reducing single-use plastics from our hotel operations is an objective that is particularly close to my heart, and I am pleased to report on the significant progress that has been made. As of the end of 2022, we are on track to meet our reduction targets. 100% of our hotel properties eliminated full plastic takeaway containers, cutleries, and bags, while 95% implemented zero or low single-use plastic water bottle options for Food and Beverage banquets.

It is imperative that we strive to do more to embrace ESG in our daily operations. In January 2023, we established a new Environmental, Social and Governance (ESG) division that will reinforce our commitment to building a sustainable business for all stakeholders under the stewardship of the Shangri-La Board of Directors and the Audit & Risk Committee.

As we continue to transform our business, ESG will feature strongly in our strategic plans and priorities in the following manner: $\frac{1}{2} \sum_{i=1}^{n} \frac{1}{2} \sum_{i$

- Our business operations will be more efficient in using environmental resources such
 as energy and water, and in upholding the highest standards of health, safety, and
 security for our guest, colleagues, and other stakeholders.
- Our supply chain will work towards more responsible sourcing with suppliers.
- Our strong governance framework will ensure strict observance of the highest governance principles, driving our business to operate in a sustainable manner and deliver long-term stakeholder value.
- Our community engagement programmes will provide long-lasting positive impact in education and health on local communities.

Thank you for your support in making Shangri-La the best-loved hospitality group. Let us pioneer new horizons and establish new benchmarks on our ESG journey.

Kuok Hui Kwong,

Chairman

ABOUT SHANGRI-LA



The Shangri-La Group ("Shangri-La" or "the Group") refers to Shangri-La Asia Limited and its subsidiaries and affiliates, part of the Kuok Group, one of Asia's most dynamic multinational conglomerates and a leader in properties, logistics, agribusiness, maritime, and hospitality. We are primarily listed on the Stock Exchange of Hong Kong (HKEX) with a secondary listing on the Stock Exchange of Singapore (SGX). For full information about the Group's financial performance and Corporate Governance, please refer to our <u>Annual Report</u>.

Shangri-La International Hotel Management Limited (Headquarters/HQ) is a wholly owned subsidiary of Shangri-La headquartered in Hong Kong SAR, with operations in Hong Kong SAR, Shanghai, Beijing, Kuala Lumpur, and Singapore.

Our Hotel Brands









Celebrating with our home city



In July 2022, Shangri-La celebrated the 25th Anniversary of the establishment of the Hong Kong Special Administrative Region. Shangri-La's Hong Kong story began in 1981 with the opening of Kowloon Shangri-La, Hong Kong. Since then, the city has become our home, with the opening of three more hotels and the establishment of our corporate headquarters.

To mark the special occasion for our home city, we unveiled "Blossoming Hong Kong", a digital artwork honouring Hong Kong's harmony with nature. Our "Blossoming at Every Age" campaign also invited guests of all ages to celebrate with us by enjoying exciting gastronomy and staycation experiences.

About This Report

This report fulfils relevant provisions of the Stock Exchange of Hong Kong (HKEX) Main Board Listing Rule 13.91 and ESG Reporting Guide, and references selected standards from the Global Reporting Initiative. Please refer to the ESG Reporting Content Index for more information.



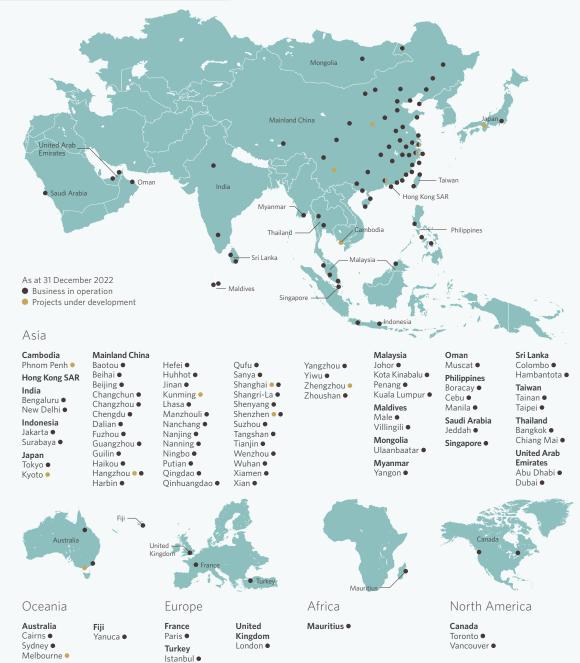
Scope of ESG Disclosures

The focus of this report is on the material ESG impacts of the Group's owned and managed hotels and investment properties. The reporting scope aligns with the Group's Annual Report. For a full list of properties and detailed information about the scope and data methodology for ESG datasets, please refer to the ESG data summary.

The Group's Business Presence

OPERATING HOTELS	104
Owned - subsidiaries	57
Owned - associates	23
Leased	3
Managed	21
INVESTMENT PROPERTIES	28
Owned - subsidiaries	14
Owned - associates	14

NEWLY OPENED HOTELS	2
Owned	0
Managed	2
NEWLY NON-HOTEL PROPERTIES OPENED	1
Owned	0
Managed	1



OUR SUSTAINABILITY



At Shangri-La, we are constantly adapting to new trends and seizing opportunities. Our ESG Governance structure facilitates stakeholder-driven solutions, encouraging innovation at all levels of our organisation to create a more resilient business and drive sustainable growth.

Leadership for Sustainable Development

Shangri-La's commitment to leadership for sustainable development has been reflected in our approach to business since the first hotel opened in Singapore in 1971. Since the publication of our first sustainability report in 2010, the Group has promoted the sustainable development of the global travel and tourism sector.



Listed from 2011 - 2022



Listed from 2013 - 2021



Participated in Climate Change Survey since 2011 Water Security Survey since 2017



Signatory since 2011

Awards and Recognition



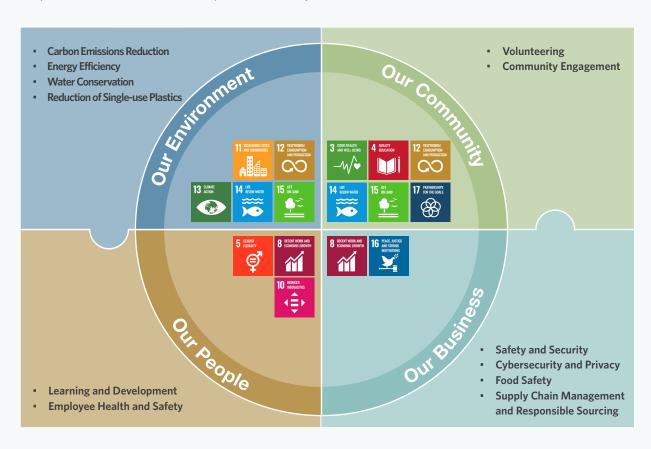
In 2022, Shangri-La was honoured to receive recognition for its contributions to sustainable development.

- CDP China "Guardian of Nature" Award 2022
- "#ImIn" Award 2022 a new accolade from the Condé Nast Traveler China Gold List
- St James Settlement "Save and Share Gold Partnership" Award 2022
- Hong Kong Council of Social Services (HKCSS) "Caring Company" Label 2022-2023

Group Sustainability Framework

Shangri-La's Sustainability Framework is built on four pillars: Our Environment, Our People, Our Community and Our Business. Each pillar is populated by ESG topics that are material for our business and our stakeholders.

The first comprehensive materiality assessment was conducted in 2012. In 2019, we updated the list of material topics to reflect internal developments following the introduction of our Integrated Assurance Framework. We will complete a comprehensive materiality assessment in 2023 to update and review our ESG material topics in a holistic way.

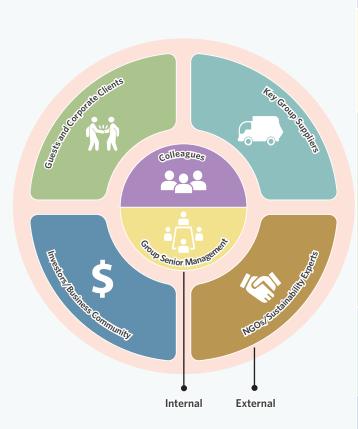


Green Finance

In 2022, we made our first foray into exciting new opportunities in green financing. In consultation with lenders and an external loan validator, we selected five sustainability-linked loan targets for our organisation based on materiality, including employee work injury rate, energy consumption intensity, carbon emissions intensity, water consumption intensity, and the reduction of single-use plastics intensity.

Stakeholder Engagement

Shangri-La's Sustainability Framework is continually adapting to reflect the evolving needs and expectations of our key stakeholder groups. We value our stakeholders and engage them at all levels through various channels. The Group arranges regular consultations to understand stakeholders' thoughts and to collect their input relating to ESG matters.



Engagement Mechanisms

Colleagues

- Shangri-La Culture Pulse Survey
- Monthly all-staff newsletters
- Quarterly townhall meetings
- Regular communication with internal network of ESG champions

Group Senior Management

Corporate Clients

Guests and

- Within the Board of Directors, our Audit & Risk
 Committee oversees our ESG strategy and receives
 quarterly updates from the ESG Committee on progress
 towards our goals
- The ESG Committee meets quarterly and comprises senior members of key functions
- Guest satisfaction surveys
- Direct customer feedback
- Providing ESG data to support customers in achieving their own ESG goals
- Continued evolution of Shangri-La Cares programme for customers
- Targeted stay campaigns, loyalty promotions, and stay experience improvements
- Through <u>Shangri-La Circle</u>, we provide our members with the opportunity to donate their points to support the efforts of non-profit organisations
- Feedback through engagement surveys

Key Group Suppliers Refreshed Supplier Code of Conduct

Food safety audits

- Work with suppliers to identify local and sustainable sourcing options
- Feedback through engagement surveys

Investors/ Business Community

- Regular investor meetings and responding directly to investor enquiries
- Participation in selected ESG rating agency surveys and disclosures

NGOs/ Sustainability Experts

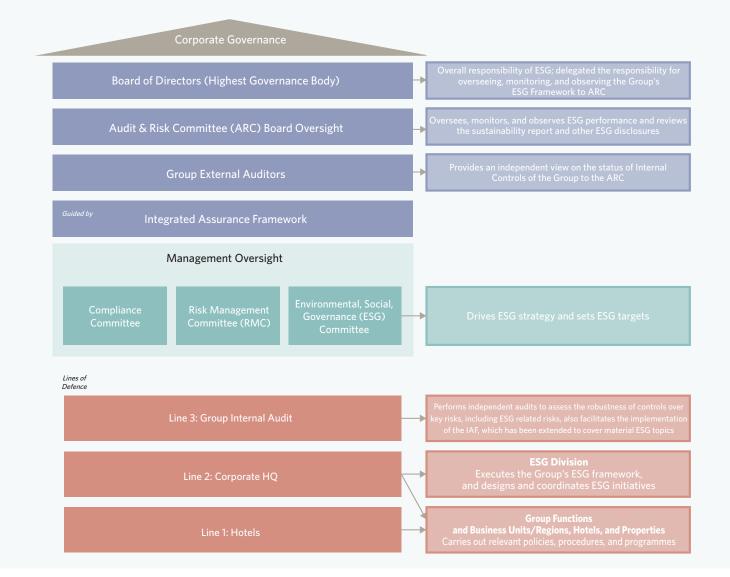
- Continued close collaboration with international and local charities and NGOs to develop our communities and support them in times of natural disaster events and throughout the pandemic
- Colleague volunteerism
- Feedback from activity participants
- Feedback through engagement surveys

ESG Governance

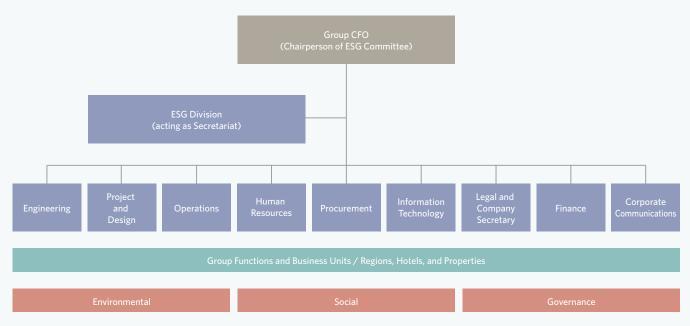
Our approach to ESG Governance stems from the Group's Integrated Assurance Framework (IAF), which provides a robust and holistic basis for managing risks in our business and ensuring the effectiveness of internal controls to mitigate the risks. Shangri-La's highest governance body, the Board of Directors, has delegated the responsibility for overseeing, monitoring, and observing the Group's ESG Framework to its Audit & Risk Committee (ARC). The ARC reviews the Group's annual sustainability report and other ESG disclosures for final endorsement by the Board.

At the management level, the ESG
Committee is responsible for developing and driving the implementation of ESG strategy and ensuring accountability of the Group's performance with reference to ESG metrics and targets. The ESG Committee is chaired by the Chief Executive Officer/Chief Financial Officer and comprises senior management representatives from all group functions, including Engineering, Project and Design, Procurement, Corporate Communications, Human Resources, Legal and Company Secretary, and Operations. Each member of the Committee is responsible for related goals or targets

and provides quarterly updates to the Committee on the progress made and challenges faced. The ESG Committee reports to the ARC four times a year and to the Board at least once a year to review and address our sustainability strategies, initiatives, and targets.



ESG Committee Structure



From January 2023, the ESG Committee will be supported by a newly created ESG Division, based in corporate headquarters. The ESG Division will liaise closely with group functions, regions, and properties to design and coordinate ESG initiatives.

Integrated Assurance

There are several risk categories defined under the IAF which corresponds to material ESG topics in our Sustainability Framework, such as Safety and Security, Regulatory and Compliance, Human Capital, Procurement, and Cybersecurity. To remain sensitive and adaptable to the needs and circumstances of diverse market conditions, we strive to maintain an optimal balance between centralised internal controls and localised decision-making. The HQ ESG Division, together with the regional offices, form the second line in our Lines of Defence (LoD) Model by actively encouraging and supporting our properties, who are at the first line, to take the initiative to identify and manage local ESG risks.

Integration of ESG into the Group's Integrated Assurance Framework

1 st LoD	Our properties manage day-to-day operations, identifying and addressing ESG risks and opportunities locally, and organise local corporate social responsibility and community engagement activities on an ongoing basis
2 nd LoD	Headquarters formulate the Group's ESG strategies, policies, programmes, and initiatives as outlined in this report, and monitors compliance through a comprehensive process of regular audits
3 rd LoD	The Group Internal Audit (GIA) Department performs independent audits to assess the robustness of controls over key risks, including ESG related risks. GIA also facilitates the implementation of the IAF, which has been extended to cover material ESG topics

Balanced Score Card

The Balanced Score Card is our group-wide strategic management tool for evaluating the performance of our regions and properties. In 2022, it incorporated key performance indicators (KPIs) relating to all four pillars of the Group's ESG Framework. Incorporating ESG-related metrics into our Balanced Score Card is a strategically important commitment to align our business with our sustainability strategy and contributes to the achievement of Shangri-La's overall sustainability efforts. During the year, we also identified additional Base Metrics to further the Group's strategic priorities at headquarters, and the regional and property levels. The new Base Metrics will be introduced to the Balanced Score Card in 2023.

Base Metrics Measuring ESG Performances

Our People	Our Environment	Our Community	Our Business
Base Metrics - 2022 Core Learning Programme Succession Planning	 Energy and Water 	 Volunteer and Community Engagement 	Guest EngagementSafety and Security Audit
 Additional Base Metrics - 2023 Essential Learning Programme Succession Planning Shangri-La Culture 	 Reduction of Single-use Plastics 	Community Projects	Internal ComplianceCleanliness Inspection

OUR PEOPLE



The Group implements policies, processes, and procedures to address a range of material ESG topics related to human resources management, including talent acquisition and retention, training and development, succession planning, employee engagement, and occupational health and safety. Every day, our people strive to bring Shangri-La's beliefs and shared values to life. These values are embedded in the Group's Code of Conduct and Ethics and Human Resources (HR) Policy.

Shangri-La Culture

Our Shangri-La Culture emanates from the very top of our organisation and extends throughout our workforce at every level of employment. The Directors' Handbook is a comprehensive guide to the responsibilities and behaviours of members of our highest governance body. Save for the provision that the positions of Chairman and Chief Executive may be served by the same person, this handbook complies fully with the Corporate Governance Model Code of the HKEX. It is supplemented by our Code of Conduct and Ethics, which underpins the values and principles with which the Group conducts its business. The Code sets out high standards of behaviour for all directors, officers, and employees, covering areas such as equal opportunity and respect in the workplace, corruption and bribery prevention, conflict of interest, workplace health and safety, personal data and confidential information protection, insider dealing, and protection of company assets and reputation.

The Group conducts its affairs in full compliance with laws and regulations concerning employment, remuneration and benefits, freedom of association, and collective bargaining. In 2022, close to half (49%) of our workforce were represented by an independent union and/or belonged to a collective bargaining agreement.

Our Nature

Fundamental qualities in our character that define us



Humility

Courtesy Sincerity

Respect

Thoughtfulness Selflessness

Employees raising a genuine and substantiated grievance in good faith under the "Grievance Handling Policy" will be protected from reprisal or retaliation. HR will acknowledge the case in writing within five days and escalate it to the next level if the employee is not satisfied with the response. The Group CEO's response shall be final and binding.

Inaugural Shangri-La Culture Pulse Survey



In mid-2022, we conducted our first company-wide Shangri-La Culture Pulse Survey to help us gain a better understanding of our employees' perspectives on the Group's internal engagement strategies and identify areas for improvement. All colleagues were invited to provide anonymous feedback in a questionnaire looking at various aspects of corporate culture with emphasis on three critical behaviours: Collaborate as One, Recognise and Celebrate, and Courage to Change.

We were pleased to receive a 90% response rate and gratified by the overall result of 3.7 on a 4-point scale. This indicates that our colleagues relate well to the Shangri-La Culture and are translating critical behaviours into their daily actions and interactions. Of the three critical behaviours that were assessed, Recognise and Celebrate received the lowest overall score, suggesting that this is the area we should focus on for improvement. We understand that our colleagues want Shangri-La to support their career journeys

and are looking forward to more targeted opportunities.

The findings of this inaugural survey will establish a baseline for ongoing monitoring and evaluation of the Group's progress on its journey of cultural transformation. All business units have created roadmaps with specific and time-bound action plans for enhancing the Shangri-La Culture within their operations. Moving forward, we will incentivise continuous improvement by adjusting our Balanced Score Card. In addition to completing their defined actions plans, business units should strive to achieve a 100% survey response rate with net promotor scores exceeding 80%, indicating that no less than 8 in 10 respondents can be considered "promotors" of Shangri-la Culture and would recommend Shangri-La to a friend.

Employment Profile

As the impact of the global COVID-19 pandemic on our business continues to ease, we have started to recruit new members. Onboarding is another important mechanism for ensuring that our new hires acquire the necessary knowledge and behaviours to become trusted members of our team. In 2022, we introduced a new mentorship programme for recruits in Hong Kong, matching them with "Onboarding Buddies" to provide support during their first three months of employment.

Performance in 2022



Employee Headcount

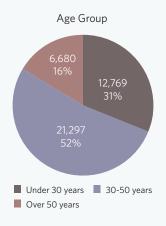
Headcount

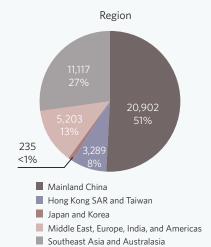
New Hires

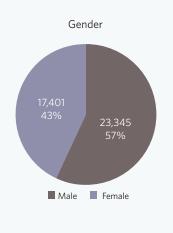
Voluntary Turnover Rate

40,746 11,158 19%

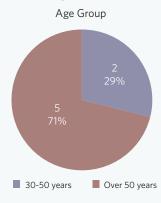
Total Employees



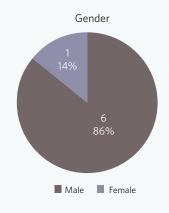


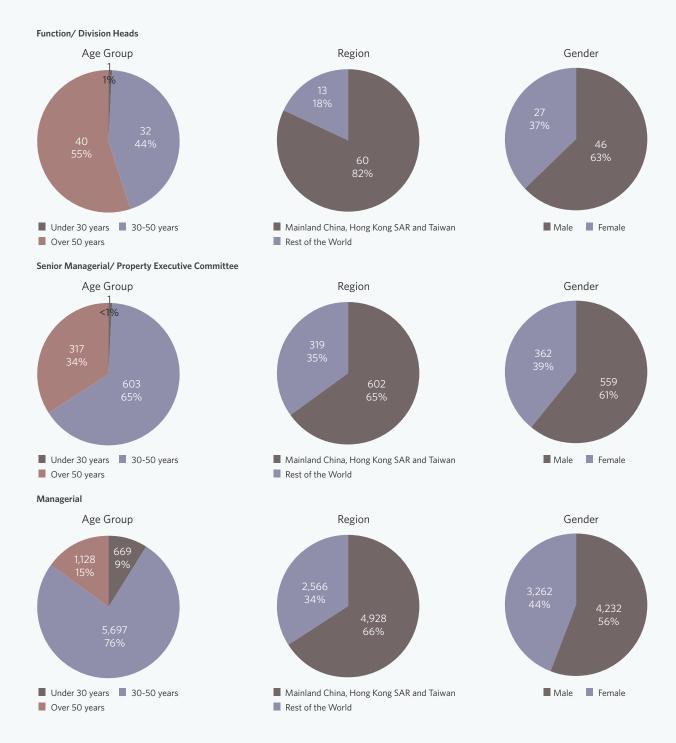


Position Senior Management

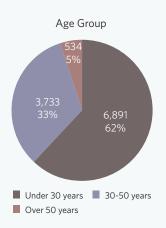




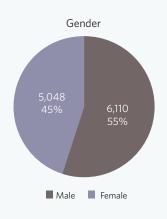




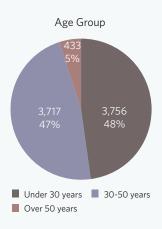
New Hires



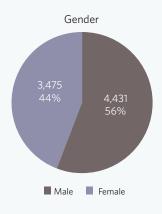




Voluntary Turnover







Equity, Diversity, and Inclusion







We strive to ensure that our workplaces are free from discrimination with respect to gender, race, religion, disability, marital or family status, sexual orientation, or any other personal characteristics. In accordance with the Group's policy on Equal Opportunity and Respect, we make employment decisions based on merit and insist that all colleagues treat each other with courtesy, consideration, and respect. We are also committed to making reasonable accommodations in the workplace for religious observances.

Performance in 2022



Nomen

Total headcount

43%

Senior Management

14% 37%

Senior Managerial/Property Executive Committee

39%

Managerial

44%

People With Disabilities (PWDs)

479 colleagues

1.4% of total hotel headcount

Function/Division Heads

The Group's commitment to diversity and inclusion is integral to its value system and corporate identity. We will continue to embrace gender equality and go by meritocracy when it comes to talent acquisition, promotion, remuneration, training, and transfer. We are proud of the Group's diverse and inclusive culture that is exemplified by the contribution of women. For decades, we have continuously contributed to the socioeconomic development of local communities by providing training and employment opportunities for PWDs.

Celebrating and caring for women

There is a famous saying that "women hold up half the sky", but regretfully, despite progress in many parts of the world, gender equality in the home, in education, and in the workplace cannot be taken for granted. In March 2022, the Group took time to celebrate women and their achievements on International Women's Day, hosting team-building events and partnering with local NGOs to raise funds and awareness in support of gender equality.



Colleagues at the Kerry Hotel, Beijing, enjoyed a friendly tennis match to celebrate International Women's Day



Volunteers from Shangri-La Jakarta participated in a fun-walk in support of Institute KAPAL Perempuan Indonesia, a charity promoting gender equality in education

Each year, more than 2.3 million cases of breast cancer occur around the world and in many places, it is the leading cause of female cancer deaths. To raise awareness about this incredibly important issue for women's health, we hosted more than 30 events and activities at nine properties to mark the month of "Pink October" in 2022.



At Shangri-La Singapore, colleagues donned cheerful outfits for the Pink Ribbon Walk at Bedok Reservoir Park



Shangri-La The Shard, London organised Pink Afternoon Tea for our business partners to raise breast cancer awareness

Nurturing deeper connections among the next generation



Shangri-La is one big family. We enjoy deep and meaningful connections with each other that extend not only to our colleagues but also to the next generation.

We launched our Shangri-La + Management Trainees Programme in 2022. 18 young talents joined us in 2022, and another 12 will join in 2023. The programme provides an accelerated career development journey, with ongoing development opportunities, stretch assignments and job rotations at hotel operation departments, regional offices, and headquarter functions for enhanced exposure and experience.

Each year, in partnership with Kerry Engagement and St. James' Settlement, Headquarters and our Hong Kong properties welcome children of the Group's employees and underprivileged young adults to learn more about our business and gain valuable real-life work experience through the Raindrop Summer Internship Programme.

Succession Planning

It is vitally important that we invest in suitable platforms, resources, and opportunities for talented individuals to grow beyond their current roles. Succession planning has been included as a base metric in our Balanced Score Card with the objective of ensuring that business units build a talent pool within the Group to continue our legacy and support our expanding portfolio. We strive to ensure that all Executive Committee positions have at least one identified talent for succession in the short-to-medium term and Individual Development Plans have been put in place for all identified talents.

Performance Management

In 2022, we piloted an enhanced performance management programme to guide Shangri-La leaders in developing structured priorities and objectives based on the Group's Strategic Operating Framework. Our initial goal is to foster better internal alignment throughout the organisation through optimising the allocation of resources and measuring progress with key performance indicators.

Roughly 2,700 colleagues participated in the pilot, which we plan to extend to all permanent employees in 2023.

Learning and Development

Learning and development is integral to many aspects of the Group's management. We engage with our people to embrace and embody the Group's beliefs and shared values, perform our roles with dedication and expertise, and bring to life the Group's policies, processes, and procedures. Our Learning and Development team uses technology, story-telling, gamification, and video-based content to add colour to our learning experiences, and we strive to nurture our people to achieve their full potential by engaging senior leaders to help facilitate the career development of emerging talent.

Performance in 2022

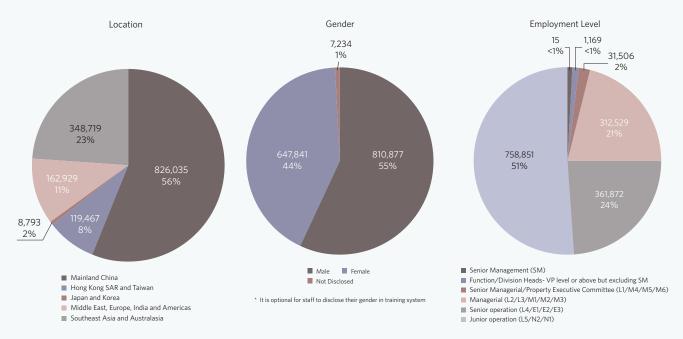


100% of permanent employees completed and passed the Group's Core Learning programme on Shangri-La Culture

 $36 \ {\rm average} \ {\rm training} \ {\rm hour} \ {\rm per} \ {\rm employee}$

 $\mathsf{USD}82 \text{ average training spent per employee}$

Training Hours



Shangri-La Academy is at the centre of the Group's learning and development strategy. Its learning programmes focus on developing Core, Functional, and Leadership skills of our people as follows:

Types of Learning	Description	2022 Updates
Core Learning	Shares basic information for carrying out our duties and ensuring the safety and security of our guests	We introduced a new Core Learning course entitled "The Shangri-La Culture Experience"
Functional Learning	Enhances our skills to perform and perfect role-specific functions	We introduced several new learning courses through Shangri-La Academy Online such as "Sales STAR 2.0", a blended learning series comprising nine modules that combine online learning and virtual classrooms with experiential activities
Leadership Learning	Nurtures our high-potential talent for developing the next generation of leaders from within the Group	We implemented a new leadership development framework to help us identify future general managers, resident managers, and other leaders within the Group utilising formal 360-degree leadership assessments that systematically collect feedback from peers, direct reports, and supervisors

We are continually reviewing and improving the Group's learning and development programmes. Shangri-La Academy collects data from participants for course evaluation. All hotels maintain complete training records, which are subject to regular audit by the Human Resources division to ensure consistency across the Group.

Shangri-La Academy Online

In July 2022, we upgraded our learning platform to offer a truly transformative experience for our colleagues. The new platform features personalised recommendations based on each colleague's role, gamification elements such as leaderboards, and a social learning environment that encourages collaboration and connection among peers. During 2022, more than 266 courses and 410 learning materials have been developed and made available in multiple languages.

Celebrating our top global learners



Each month, we identify and acknowledge the property that has accumulated the most active learning hours. Our system tracks not only the number of learning badges collected and eLearning courses completed by colleagues in each property, but also the number of active logins via desktop versus mobile devices. This data helps us to gain a comprehensive picture of how our colleagues prefer to engage with the platform so that we can continue to improve its functionality.

Employee Development Programmes

To help our talents perform their job duties and pave their career path at Shangri-La, we have created employee development programmes that allow our colleagues grow into different roles and responsibilities. Programmes aim to equip the learners with coaching skill, explore capabilities of being a leader, and apply these skills in daily operations, through a self-directed learning journey. A total of 3,523 programmes and workshops were hosted in 2022.

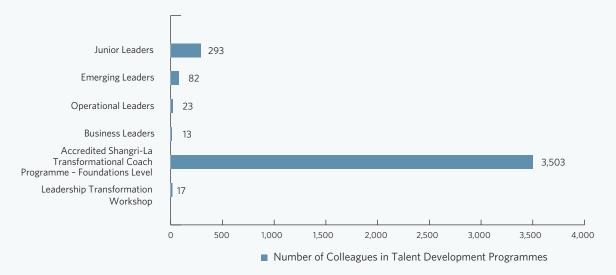
Junior Leaders: First-time supervisors and front-line colleagues with potential to become supervisors

Emerging Leaders: Mid-Managers; a programme pilated in 2022 and to be scaled in 2023

Operational Leaders: Executive Committee members and regional leaders

Business Leaders: Resident Managers with potential to become General Managers

Accredited Shangri-La Transformational Coach Programme: Self-directed learning for leaders to develop and apply coaching skills **Leadership Transformation Workshop:** Designed to inspire leaders to reflect on their role and contributions from different perspectives



Building trust and empowering our people



Workplace coaching is a powerful tool for unlocking our people's potential for self-directed development.

In 2022, we launched the Accredited Shangri-La Transformational Coach Programme to build an internal network of qualified coaches. Since July, 27,000 global learners have begun their coaching journey at the Foundational level, exploring the basic principles of coaching. Participants practise coaching concepts in their daily work. Over time, the programme will support them as they progress towards the Proficient and Expert levels. Those who successfully complete all three levels can become Accredited Shangri-La Transformational Coaches.

Caring for Our Colleagues

We prioritise the health and safety of our workforce. Our properties have Occupational Health and Safety Management Systems (OHSMS) in place, covering their employees and other workers. The Group OHS Implementation Manual provides guidance to properties on preparing and implementing an OHSMS. In 2022, 38 properties elected to obtain external certification in accordance with internationally recognised standards such as ISO45001.

We monitor key performance indicators for Occupational Health and Safety. The most common types of injury experienced by our colleagues are cuts, falls, sprains, and burns. The most common types of work-related health issues are back pain and tendinopathy. All employees are required to attend "Fire and Life Safety" training course to attain a basic knowledge about OHS.

Employee Recorded Injuries Performance in 2022



Embracing holistic approaches to wellness and wellbeing in our workplaces

In 2022, our properties across the Group nurtured our employees' mental and physical wellbeing by offering fun and educational engagement activities, including fitness and meditation classes, webinars on managing personal finances and self-care, and a family and friends photo challenge.



River excursion team-building activity for colleagues at Shangri-La Chiang Mai



2,206 colleagues joined the "Positive Psychology" lecture in the Mainland China region, sharing psychology knowledge and skills to assist colleagues to manage adversity



Mental health awareness session for colleagues at Shangri-La Tanjung Aru, Kota Kinabalu

OUR ENVIRONMENT













At Shangri-La, we implement green building standards in the design and construction of our new properties and renovation projects, and we strive to reduce the environmental footprint of our property portfolio over time by achieving continuous improvement in operational efficiencies and avoiding waste. In 2022, we updated intensity reduction targets for carbon emissions, energy and water.

Targets for Reducing Environmental Impact



Carbon Emissions Intensity

15%

by 2025 vs 2019 baseline





Energy Intensity

by 2025 vs 2019 baseline



on track

Based on Gross Floor Area (m²)



Water Intensity

▼5%

by 2025 vs 2019 baseline



needs attention



Single-use Plastics Intensity

by 2026 vs 2019 basline



on track

Based on Number of Occupied Room Nights



Due to the impact of COVID-19 on our company, including decreased occupancy, Shangri-La experienced an increase in our water intensity and decrease in our carbon emissions intensity metrics in 2022.

Sustainable by Design

We obtain certifications for new development projects under various green building schemes to gain recognition for our properties' sustainability attributes. These include materials and construction waste to energy and water-efficiency, indoor air quality, and aesthetics. There are business as well as environmental advantages to this approach, including increased asset valuation and improved guest experience.

Green Building Certifications in 2022



36 properties obtained 39 certificates

* Three properties obtained more than one certificate

17 Leadership in Energy and Environmental Design (LEED)

7 China Green Hotel

Singapore Building and Construction Authority (BCA) Green Mark

12 Other green building standards

Project and Development

Our Project and Design team oversees all new development projects and asset enhancement initiatives for the Group. Shangri-La's project and development manual outlines our management approach for design optimisation, ensuring alignment with local statutory requirements and in-house design standards as well as international best practices. The manual is updated regularly to reflect lessons learned, stakeholder feedback, market trends, and new advances in technology.

Key Processes for Design Optimisation

Life Cycle Cost Analysis

We strive to develop designs and systems with improved long-term performance, considering initial, operating, and maintenance costs as well as various life cycle options.

Building Information Modelling

Our design approach integrates structured, multi-disciplinary data to produce digital life cycle representations of our projects from planning and design through to construction and beyond.

Supplier Engagement

We engage with suppliers, consultants, and contractors on a fair and equitable basis in accordance with our Supplier Code of Conduct and procedures for sustainable procurement.

Smart transformation to a vibrant, green, mixed-use development



Shangri-La Fuzhou has been redesigned and transformed into a transport-oriented, mixed-use urban living room, incorporating new Grade A executive offices and exciting retail options for locals and visitors alike, in addition to our existing well-loved hotel.

Inspired by the rich architectural history of China's Fujian province and conveniently located in the heart of Fuzhou, ample green public spaces will seamlessly integrate the new retail and commercial development with the surrounding neighbourhood and adopt clean and green technologies, making it a prime example of Shangri-La's sustainability initiatives. The project is being implemented using green building guidelines to achieve the Green Mark Gold certification issued by the Building and Construction Authority (BCA) of Singapore.

Green features of this development

Energy saving	 High efficiency chiller plant system (14% more efficient than code requirement) Variable speed drives for HVAC equipment (e.g., fans, pumping system, and cooling towers) Demand-controlled ventilation using CO₂ and CO sensors to optimise air intake and exhaust in public areas and carparks Heat recovery systems in the Office Tower Energy efficient features for lifts and escalators (e.g., Variable Voltage Variable Frequency (VVVF) motors, sleep mode, and motion sensors) Double glazed windows using low-emission glass
Water saving	 Water-efficient fittings (e.g., water taps, mixers, and flushing cisterns) Water meters for monitoring and control Rainwater harvesting for landscape irrigation
Other green features	 Chiller refrigerant with zero ozone depletion potential and very low global warming potential Plentiful green planting and restoration of existing trees

Mitigating Environmental Impact

We implement robust Environmental Management Systems in all our properties, integrating the Group's policies and processes for environmental protection into our daily operations. The Engineering division conducts regular audits to ensure that the operation and maintenance of Building Mechanical and Electrical Systems comply with established standards, monitors the energy and water efficiency of major plants, and verifies compliance with local regulatory requirements.

Performance in 2022



 $104 \; \mathsf{properties} \; \mathsf{were} \; \mathsf{audited} \; \mathsf{internally}$

45 properties had obtained ISO14001: Environment Management System Certificates

Carbon Emissions Reduction

The easing of COVID-19 pandemic restrictions and the resumption of more normal operating conditions in some regions contributed to a moderate 7.6% increase in total scope 1 and scope 2 carbon emissions from our properties in 2022. Carbon emissions intensity remained within our target level of 146 kg CO_2e/m^2 for 2022.

Performance in 2022* ('000 tonnes CO₃e)



Total 835

Carbon Emissions ('000 tonnes CO₂e)

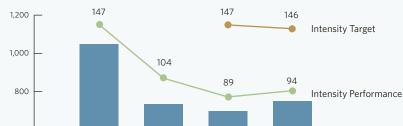
Scope 1 107

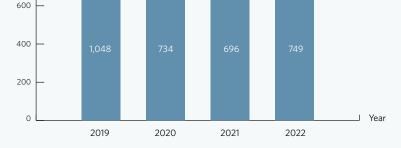
Scope 2 642

Scope 3 **86**

Carbon Intensity (kg CO₂e/m²)

Total Scope 1 and Scope 2





In line with international best practice, we are expanding the scope of our carbon accounting inventory to include Scope 3 carbon emissions that arise in our value chain as an indirect result of Shangri-La's activities. This year, for the first time, we disclose data for three categories of Scope 3 carbon emissions.

Scope 3 Carbon Emissions* ('000 tonnes CO_2 e)



Business Travel

0.3

Fuel-and Energy-Related Activities Not Included in Scope 1 or Scope 2

34.0

Waste Generated in Operations

51.8

^{*} All carbon emissions data adopt Greenhouse Gas Protocol Corporate Standard for methodology.

Energy Efficiency

As the main driver of Shangri-La's scope 1 and scope 2 carbon emissions, the trend for energy use in our hotels is broadly similar to carbon emissions during the COVID-19 pandemic. We will monitor the situation closely as our hotels continue to resume more normal operating conditions.



In 2022, there was a 9.8% increase in total energy use compared with 2021. Energy intensity remained within our reduction target level of 273 kWh/m^2 for 2022.

Across the Group, we continue to implement an ongoing programme of investments and initiatives to mitigate our environmental impact from energy use and achieve operational cost savings, including renewable energy from rooftop solar installations for both hot water and electricity.

Chiller data monitoring and analysis

Mainly for hotels with chilled/cooling water pumps and manually controlled Variable Speed Drive. We are optimising proper frequency control through data analysis.

Variable control optimisation for chiller plants

We are improving chiller system performance by replacing or calibrating inaccurate sensors and modifying our hotels' operations strategies to align with climatic conditions.

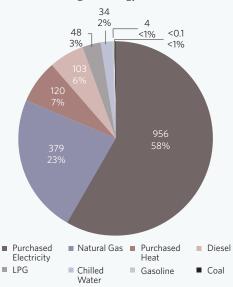
Energy model for benchmarking

We track and evaluate our hotels' energy consumption each month to ensure they achieve reasonable energy savings under low occupancy conditions.

Energy efficiency strategy for low load

All properties
have implemented
utilities savings
measures during
the COVID-19
pandemic
by adjusting
Mechanical and
Engineering
system strategies
or shutting down
equipment.

Shangri-La Energy Mix (GWh)



Implementation of Intelligent Building Management Systems

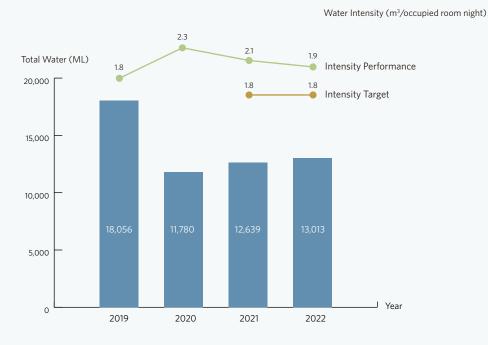


Intelligent Building Management Systems (IBMS) use software to automatically monitor and control building mechanical and engineering services, such as ventilation, temperature control, lightings, and security cameras.

At the end of 2022, 17 Shangri-La properties in Mainland China had adopted IBMS smart building management platforms, integrating traditional controls with enterprise-level systems, Internet of Things (IoT), and cloud technologies. In these properties, our Engineering division leverages service-centric applications and big data analysis to standardise the management of our portfolio while improving operational efficiencies and saving costs. The IBMS smart platform also helps to boost the guest experience and improve life cycle building valuation.

Water Conservation

In 2022, there was a moderate 3% increase in water use at our properties compared with 2021. Our targets are based on water intensity per occupied room night, which increased during the Covid period as occupancy rates reduced across the Group. Nonetheless, we anticipate that increasing occupancy to pre-Covid levels, combined with continued water-saving measures in our properties, will help us achieve our 2025 target.

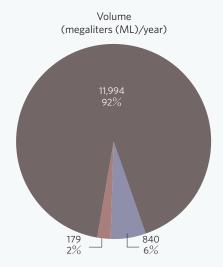


As occupancy improved in select markets in 2022, water intensity reduced slightly to 1.9 m³/occupied room night. This performance exceeds our water intensity target of 1.8 m³/occupied room night for 2022.

To ensure compliance with local regulations and provide data for the accurate calculation of Scope 1 GHG emissions, we monitor Biological Oxygen Demand (BOD) content of effluents from our properties.

We have made substantial investments to mitigate the impact of our hotels on the availability of freshwater in ecologically sensitive regions. Our resorts in Boracay, Cebu, and the Maldives for example, operate desalination plants using groundwater or seawater to produce freshwater for consumption. In the Sultanate of Oman, the Maldives, and Mauritius, our resorts recycle water for irrigation, washing external surfaces, and other suitable purposes.

Water withdrawal data by source



- Water withdrawal: Third-party sources
- Water withdrawal: Brackish surface water/Seawater
- Water withdrawal: Groundwater-renewable

Laundry water recovery pilot project



Laundry can account for as much as 20% of a hotel's total water consumption. In response to local water stress and the risk of water supply interruptions, Shangri-La Rasa Ria, Kota Kinabalu, has recently implemented a pilot project for water recovery. Wastewater from white linen washing is being directed through an AquamiserTM Water Reuse System, which consists of a filtration unit and storage tanks, for reuse in the next wash cycle. The pilot project is expected to achieve energy savings in excess of 342 MWh/year and water savings of 18.6 ML/year.

Reduction of Single-use Plastics

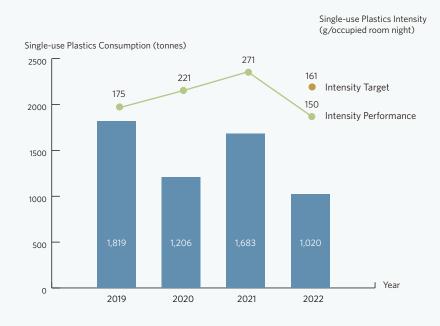
Shangri-La strives to reduce the use of single-use plastics. Since the end of 2019, we have banned plastic straws and stirrers in all our hotels. We continue to explore solutions to achieve our target of reducing single-use plastic intensity in our operations by 50% by 2026 compared with our baseline level in 2019.

As of the end of 2022, 100% of our hotel properties have eliminated full plastic takeaway containers, cutleries and bags, while 95% have implemented zero or low single-use plastic water bottle options for Food and Beverage (F&B) banquets. Additionally, close to one third of our hotels have switched to providing filtered water in glass bottles, plant-based bottles, TetraPaks and/or installing filtered water taps in guestrooms, and 7% have converted to guestroom shower dispensers. In compliance with local waste management regulations, 38% of hotels in Mainland China do not voluntarily provide disposable guest bathroom amenities such as toothbrushes and combs.

While hygiene and safety considerations during the COVID-19 pandemic hampered our progress, single-use plastics intensity declined from 271 g/occupied room night in 2021 to 150 g/occupied room night in 2022, achieving our 2022 reduction target of 161 g/occupied room night.

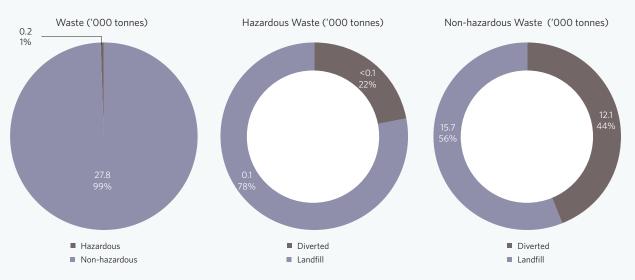
Single-use Plastics Items Eliminated/To Be Reduced:

- Plastic water bottles
- Guestroom shower bottles
- Bathroom amenities
- Food and beverage takeaway containers
- Soft drink bottles
- All others (e.g. plastic bags and garbage Bags)



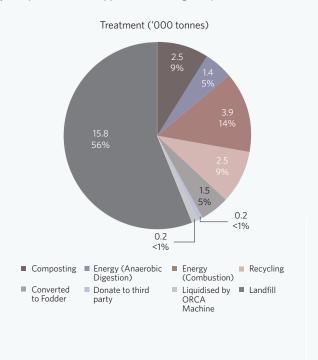
Waste Reduction

We dispose of responsibly and in accordance with the policies and procedures of Environmental Management System (EMS), with strict enforcement and regular audits which ensure that hotels comply with locally applicable regulations and procedures.

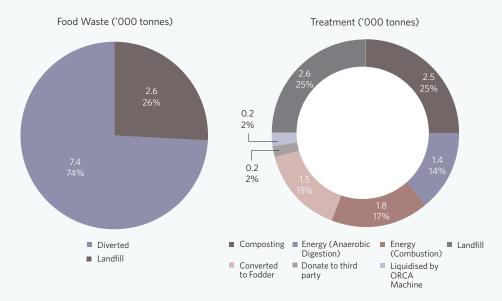


The Group strives to reduce the amount of waste that ends up in landfills through the twin strategies of waste prevention and waste diversion. Waste diversion includes reuse, recycling, energy recovery, donation, and composting, as local conditions permit. Many of our hotels are constrained by the availability of responsible waste management options, such as comprehensive recycling programmes, in their respective jurisdictions. 59% of our hotels have ongoing recycling programme for either general waste or food waste.

All hazardous waste, such as paints and containers, fluorescent lightings, would be either recycled, reused or treated by designated collectors before disposal. Such practices are fully compliant with the applicable local legal requirements.



Food waste is our operating hotels' most significant sub-category of waste by weight. We are taking steps to avoid food waste at the source by reducing overproduction through better planning, storage, and handling. We are also taking secondary steps to recycle unavoidable food waste through energy recovery and composting.



Resuming support for Soap for Hope and Linens for Life



36 Shangri-La properties resumed their support for Diversey's Soap For Hope programme in 2022. Colleagues help to recover used soap from guestrooms for transportation to local facilities where people in need of employment reprocess it using an innovative but simple cold-press method. In 2022, we diverted 14.7 tonnes of used guest soaps from landfills and turned them into more than 120,000 new soap bars that were either distributed locally to people in need or transported by Diversey for donation in other communities.

In 2022, Shangri La Yanuca Island, Fiji, was the first Shangri-La hotel to relaunch its support for Diversey's Linens For Life programme. It donated 700 kg of end-of-life linens to local NGOs for conversion into saleable items that will enhance the livelihoods of people in its local community.

Taking Action on Climate Change

Shangri-La recognises that climate change may pose the greatest set of sustainability challenges to our business and the communities we serve. We are focused on strengthening the ability of our business to anticipate, prepare for, and respond to all threats from changing climate, whether they be "physical" — resulting from specific events or climate patterns — or "transitional" — because moving to a lower-carbon economy will involve policy, legal, technological, and market disruptions.

Moving forward, Shangri-La will align its sustainability reporting more closely with the Recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD).

Physical Climate Risks

We recognise acute physical risks for our business associated with the increased severity and frequency of extreme weather events such as typhoons and floods, especially in the Asia Pacific region. More than one-third of our portfolio are in geographical areas that are highly vulnerable to typhoons and cyclones, including Mainland China's coastal regions, Japan, India and Sri Lanka, the Philippines and Oceania. Rising sea-levels pose additional risks to our beachside resorts in Fiji, the Philippines, Malaysia, Indonesia, Sri Lanka, and the Maldives. Severe flooding due to rising sea levels may reduce the expected useful life of these assets and undermine their asset value.

The Group has established emergency response and crisis management capabilities which have been frequently tested in various parts of the world over the years. In 2022, for example, Shangri-La Chiang Mai experienced flooding from the Ping River and deployed its flood gates to limit property damage. We engage with our colleagues regularly to raise awareness about emergency response procedures and our emergency response teams receive regular training. In the aftermath of natural disasters, the Group has a long and proud legacy of providing emergency support for victims and assisting local communities with clean-up and rebuilding efforts.

When planning and designing our new development projects, the Group takes into consideration the vulnerability of potential sites to extreme weather conditions. Our design standards ensure that new developments are suitably equipped with enhanced safety features for climate risk mitigation and disaster prevention and management.

Transitional Climate Risks

There is a growing trend among our guests to demand greater transparency about the environmental performance of our properties and our business, including climate change mitigation measures. This shift in consumer preferences inspires us to focus renewed effort on developing and promoting environmentally-friendly products and services.

Five hotels in Beijing, Mainland China, have been allocated a greenhouse gas emissions quota. Even though the financial impact of these initiatives on the Group is not material at this time, we are mitigating future risks by designing our buildings sustainably and mitigating our environmental impact through enhanced eco-efficiency as outlined in the previous section of this report.

OUR COMMUNITY



With over 50 years of experience in Asia, we are deeply embedded into local society and, as such, continue to challenge ourselves to contribute positively towards our communities and environment. Our signature community engagement programmes, Embrace, Sanctuary, and Rooted in Nature, have been firmly incorporated into the operations of our hotels and resorts for many years. In every location, we engage with local stakeholders to support good causes in health, education, and environmental protection, create employment, and promote local culture in balance with local ecology.

Performance in 2022



53% colleagues participated in community engagement

² 126,115 volunteer hours

241,701 beneficiaries reached

21,776 volunteers

2,410 volunteer activities

 $\mathsf{USD}80,\!160 \text{ donated to charity organisations}^\star$

^{*} Excludes USD8,960 donation from members' <u>Shangri-La Circle</u> Points to MedArt and Oxfarm Hong Kong

Embrace, Shangri-La's Care for People Project





Embrace, Shangri-La's Care for People project, has been operating since 2009 with the objective of promoting health, wellbeing, and education for children and youth in underprivileged communities. We encourage every property to implement community outreach initiatives in response to local needs. We focus on building lasting partnerships with tangible impacts, such as improving literacy, increasing employment opportunities, improving nutrition, or treating diseases.

Performance in 2022



 $78\,$ active projects

536 activities

10,340 children or young adults assisted

278 internships/apprenticeships/job placements offered

Embracing community partners to care for people



Shangri-La Suzhou

Since 2014, Shangri-La Suzhou has partnered with the Suzhou Jiayue Special Children Early Intervention Centre to provide support for children with hearing disabilities. Over the past three years, nearly 240 children have benefitted from this partnership. In addition to providing funding for six hearing-impaired children to receive cochlear implants, the hotel has donated equipment for detecting hearing loss and specialised education systems for teaching children with special needs.



Shangri-La Dubai

For more than a decade, Shangri-La Dubai has worked with the Emirates Down Syndrome Association to support education and vocational training for persons with Down Syndrome. The hotel's resident chef and chief engineer lent their expertise to design a fully operational commercial kitchen for use as a training venue. In 2022, 125 beneficiaries took part in training and enjoyed a community dinner.



JEN Singapore Orchardgateway by Shangri-La

Since 2018, JEN Singapore Orchardgateway by Shangri-La has joined forces with Singapore's Halogen Foundation to empower young leaders. In 2022, the hotel invited 71 students from local secondary schools to visit and learn about careers in the hospitality sector by engaging with colleagues from various departments. Building on the success of these sessions, the hotel plans to arrange similar activities for more students in the future.

Sanctuary, Shangri-La's Care for Nature Project





Shangri-La is privileged to operate in some of the most pristine natural habitats in the world. It is our responsibility to conserve biodiversity in these extraordinary places for future generations to enjoy. This is the rationale behind Sanctuary, Shangri-La's Care for Nature Project, that was launched more than a decade ago and brings together various conservation initiatives from our properties under one umbrella. While each project is uniquely tailored to each hotel's specific circumstances, all properties seek to engage with their local communities to build long-term partnerships for environmental protection.

Performance in 2022



10 active projects

156 activities

 $449_{\text{corals planted}}$

94 fish houses dropped

Sanctuary Projects at a Glance in 2022



Key Initiatives









Shangri-La Mactan, Cebu

Shangri-La's Villingili Resort & Spa, Maldives

Shangri-La Tanjung Aru, Kota Kinabalu Shangri-La Rasa Sentosa, Singapore

2

Shangri-La Haikou

2

Shangri-La Sanya

2 Shangri-La Boracay

Shangri-La Rasa Ria, Kota Kinabalu

Shangri-La Hambantota

Shangri-La Le Touessrok, Mauritius

Shangri-La Xian

<u>\$</u>

Shangri-La Yanuca Island, Fiji

Shangri-La Rasa Sayang, Penang & Shangri-La Golden Sands, Penang

Shangri-La Barr Al Jissah, Muscat

Aberdeen Marina Club

Regretfully, due to reduced occupancy and the temporary closure of hotels and resorts, five projects have been suspended in 2022, including the reef care project at Shangri-La's Villingili Resort and Spa, Maldives, Shangri-La Mactan, Cebu, and the care for nature project at Shangri-La Sanya.

Safeguarding biodiversity for future generations



Shangri-La Rasa Sayang, Penang, and Shangri-La Golden Sands, Penang

Since 2011, Shangri-La Rasa Sayang, Penang, and Shangri-La Golden Sands, Penang, have worked with local conservation groups to support the Turtle Sanctuary at Panti Kerachut beach in Penang National Park. Over the years, the hotels have sponsored a wide array of activities to raise funds and awareness, engaging with local schools, and organising beach clean-ups to help preserve the natural habit for sea turtles.



Shangri-La Yanuca Island, Fiji

Shangri-La Yanuca Island, Fiji, has a long-term partnership with the National Trust of Fiji's Sigatoka Sand Dunes National Park. The hotel's hugely successful "Heritage in Young Hands" afterschool programme provides educational support for local students and raises awareness about environmental conservation. Up to 80% of participants excel academically and assume leadership roles within their schools.



Shangri-La Rasa Sentosa, Singapore

Since 2018, Shangri-La Rasa Sentosa, Singapore, has engaged with local students in its hydroponic garden to raise awareness about food security and threats to the global food supply from climate change and other environmental concerns. Students learn about the benefits of hydroponic growing methods, such as higher-yields, water saving, and reduced dependence on chemical pesticides and fertilisers.

Rooted in Nature



Rooted in Nature is another of the Group's long-standing community engagement initiatives, promoting locally and ethically sourced ingredients such as fruits and vegetables, free-range eggs or meat, and sustainably sourced seafood. Properties have established their own sustainable farming facilities or initiatives such as setting up herb and vegetable gardens, bee farms, hydroponic farming systems, sourcing produce from local farmers, or installing food recycling systems.

Performance in 2022



Nearly 2,800 Rooted in Nature menu items

653 colleagues participated in training

Laying down roots for sustainable production and consumption





Kerry Hotel, Hong Kong

Since 2020, Kerry Hotel, Hong Kong, has joined forces with Nespresso and FoodCycle Plus, a local NGO, to create and maintain an outdoor herb garden. FoodCycle Plus recycles coffee grounds from used Nespresso capsules to produce compost fertiliser for the twenty different varieties of herbs and vegetables that grow in the garden, including basil, rosemary, pumpkin, corn, eggplant, beets, and kale.

Shangri-La Rasa Sayang, Penang, and Shangri-La Golden Sands, Penang

The Herb and Spice Garden jointly managed by Shangri-La Rasa Sayang, Penang, and Shangri-La Golden Sands, Penang, is back in bloom after the COVID-19 pandemic. The garden has expanded to twice its original size and boasts a new array of exotic herbs and spices, such as coriander, Thai basil, Kaffir lime, Ceylon cinnamon, lemongrass, wild pepper, ginger, and vanilla.

Shangri-La Dubai

Shangri-La Dubai sources hand-reared, organically farmed, soil-grown superfood microgreens from New Leaf, a local organic farm that prides itself on consuming a fraction of the water required for more traditional farming methods.

Other Initiatives and Partnerships



In 2022, as the COVID-19 pandemic continued to impact lives and livelihoods around the world, we expanded our community engagement activities to support the most vulnerable members of our communities and frontline workers, doing our part in the fighting the pandemic together during this difficult time.

53 hotels 295 activities

25,948 volunteer hours

199,856 beneficiaries

Fighting the pandemic together



In response to the outbreak of the fifth wave of COVID-19 in Hong Kong in February 2022, Shangri-La Cares partnered with several charitable organisations to provide hot meals, test kits, and care packages to the most vulnerable members of our community. The response from our colleagues and culinary teams in support of this initiative was overwhelming and from March to April 2022, they cooked and distributed nearly 240,000 hot meals.



Volunteers from Midtown Shangri-La, Hangzhou delivered caring kits to COVID-19 testing sites



Shangri-La Songbei, Harbin, hosted frontline workers from the Xinxin Yiyuan community for a complimentary meal



Volunteers from Shangri-La hotels throughout Mainland China reached out to elderly people isolated during the pandemic with cakes and gifts on their birthdays

Joining forces to make a difference



Kerry Group Kuok Foundation

In 2022, Shangri-La Group and Kerry Group Kuok Foundation collaborated to organise a joint community support initiative, donating rice, oil, blankets and first-aid kits to 600 needy families in Suichuan and Xiushui counties in Jiangxi Province to support the work of the local government. Shangri-La Nanchang was responsible for the logistic and had activated and organised a volunteer team to deliver supplies to the villagers in need.

Make-A-Wish Foundation

Family has always been at the heart of Shangri-La and on International Day of Families 2022, Shangri-La hotels in the Middle East, Europe, India and Canada launched a partnership with Make-A-Wish International to raise funds and awareness for the inspiring work the charity does for children with critical illnesses. The hotels offered Make-A-Wish Come True stays and restaurant experiences, in addition to working with local affiliates of Make-A-Wish to help grant wishes. In 2022, the hotels raised over USD25,000 and donated over USD70,000 worth of gift in kind experiences, as well as granting 23 wishes. A wish has the ability to transform the lives of children and their families during some of the most difficult times, giving a sense of hope and escapism when needed most. Through this partnership, Shangri-La invites guests to make a difference by supporting Make-A-Wish to help children experience the power of a wish.



OUR BUSINESS



The Group has well-established policies and procedures to safeguard all aspects of safety and security. Our properties are subject to annual audits to verify their compliance with Group standards on engineering safety, food safety, fire and life safety, and security.

Performance in 2022



99%

of hotel properties passed the operational audits*

* The four hotels that did not pass were required to implement remedial actions, such as more regular training and quarterly inspections from Area Hygiene Managers.

Shangri-La Cares

Our "Shangri-La Cares" promise comes straight from the heart, underpinning the caring spirit of our brand and guiding unrelenting efforts to ensure every guest's wellbeing and comfort as they rediscover Shangri-La and the world. In the context of the ongoing COVID-19 pandemic, we have implemented a series of safety standards across all properties, while specific precautionary measures in place may vary slightly by destination to align with local requirements and social norms.

"Shangri-La Cares" is guided by two key pillars:

- Enhanced Cleanliness and Hygiene Standards: We are continuing to use stringent health and safety measures that help guests feel at ease when they are at our properties to stay, work, play, eat, and rest.
- Safer and More Convenient Options: Guests can enjoy more contactless functionality through our Shangri-La Circle app, online check-in and express check-out digital menus, and payment.

As international travels resume, we are implementing the "Business as Usual" (BAU) standards as part of our ongoing efforts to heighten cleaning and hygiene protocols, to offer a consistent level of assurance across all our hotels as part of our continuous efforts to create a trusted and nurturing environment for our guests and colleagues.

Precautionary measures to combat COVID-19 in our hotels

Our People						
 Face masks/gloves* Safe physical distancing Temperature screening* 	Contactless check in/check out Temperature screening* Health declarations*	 Rigorous sanitisation, especially air handling units and high-touch items EPA listed disinfectants 	Rigorous sanitisationReduced capacitySafety amenities e.g., hand gels	Rigorous sanitisationReduced capacityContactless payments	 Rigorous sanitisation Health declaration* Social distancing 	Temperature screening* Safety amenities Buffet protocols Reduced capacity

^{*} As applicable, depending on local regulations and conditions

Safety and Security

Cross-functional emergency response teams are on duty 24 hours a day, seven days a week. Together with our Group Business Continuity Plan, the Group's standard operating and emergency response procedures help to guarantee the highest standards of security for guests, colleagues, and hotel visitors. Our Security and Safety Reporting System (SSRS) facilitates timely record-keeping and timely follow-up on reportable incidents.

Bringing out the best of our security personnel



In 2022, the Group Security function introduced a new initiative to test and develop the safety and security skills of our hotel-based colleagues. The first Shangri-La Safety and Security Skills Competition took place in Singapore to promote active collaboration with local authorities and continuous learning among members of our Emergency Response Teams, First-Aid trained personnel, and lifeguards.

Teams representing our hotels and properties in Singapore competed in five events to determine the overall champions.

Skill Area		Format
First Aid	Singapore Red Cross	Four colleagues from each hotel competed to demonstrate correct first aid techniques (e.g. bandaging, CPR, AED) in the shortest time
Lifeguard - Open Seas	Singapore Life Saving Association	One or two lifeguards from each hotel demonstrated open sea rescues from beaches and floating platforms in the shortest time
Lifeguard - Pool	Singapore Life Saving Association	One or two lifeguards from each hotel competed to demonstrate correct techniques for line throw, and rescue tubes in the shortest time
ERT Fire Response	Singapore Civil Defence Force	Four to six colleagues from each hotel competed to demonstrate correct techniques for donning PPE, and laying hose in the shortest time
Crime Prevention and Counterterrorism	National Crime Preventing Council and Singapore Police Force	Quiz-style competition for five colleagues from each hotel demonstrating security knowledge relating to front of house, housekeeping, engineering, F&B, and security

Food Safety

We safeguard food safety at our properties in accordance with Shangri-La's comprehensive food safety management system.

Performance in 2022



97%

of medium and high-risk food and beverage products suppliers have complied with Shangri-La Food Safety audits*



90

of hotels obtained external certification (e.g. ISO22000: Food Safety Management System and Hazard Analysis Critical Control Point (HACCP))

* There were delays in completing assessments in Mainland China due to COVID-19 control measures. Supplier audits in Sri Lanka were impacted by civil unrest.

Studying food safety high risk policies



In 2022, we launched new learning materials on the Shangri-La Academy for all direct and indirect food handlers. The training modules include Shangri-La's Food Safety Management High Risk Policies which colleagues are required to complete before commencing work. To pass the course, learners must complete a multiple-choice assessment with 100% accuracy.

Fire and Life Safety

Shangri-La's standards for Fire and Life Safety (FLS) reference the USA National Fire Protection Association's regulations and other relevant codes in all jurisdictions. FLS managers at all properties are responsible for monitoring and maintaining FLS systems in accordance with the Group's standards and local codes.

Cybersecurity

Since 2019, we have progressively implemented a Group-wide Information Technology (IT) Security framework to build our lines of defence against increasingly sophisticated attacks. The Group's organisation-wide baseline security posture comprises of 15 key security controls that have been universally implemented across all properties and business units.

Implemented cybersecurity controls

Anti-virus controls	Web surfing protection	IT project governance and quality assurance	Patching controls	Change management
Backup and restoration	Authentication of system administrators	Password controls	Remote access controls	User access management
Perimeter firewall	Domain Name System (DNS)	Network segmentation	Email security controls	System event log and monitoring

Our colleagues are the first line of defense for cybersecurity. All employees must complete the Cyber-Security Orientation and Personal Data Protection training annually. New hires attend a mandatory phishing fundamentals course and any colleague who fails our monthly phishing email simulation tests must attend refresher training.

Between May and July 2022, we discovered that a sophisticated threat actor had illegally accessed our guest databases at several properties in Asia. The relevant authorities were informed immediately, and we engaged cyber-forensic experts to contain the issue, and performed a remediation exercise to eradicate the threat actor from our environment. In September, we notified guests of the affected properties and set up a dedicated customer support service to provide up to date information and assistance. We have also reviewed the lessons learnt from the incident, bolstered our cyber defences, and further enhanced our Group security policies.

Guest Experience

In 2022, we migrated our guest feedback management system to Medallia. The new system supports our hotels in strategically identifying key improvement priorities using key driver analysis and text analytics to extract customer feedback from survey responses and online reviews. We also launched a new "Guest Experience Recovery Action Tool" (GReAT), replacing our old system with an integrated groupwide solution that centralises guest issues from all hotels, contact centres, regional offices, and headquarters. A mobile version is available to facilitate real-time access.

Performance in 2022



Score 86.5 Overall Stay Experience ratings across all hotels

Celebrating collaborative partnerships in delighting our guests



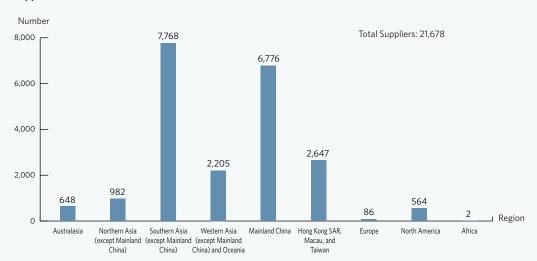
Core Project Team (CPT) is a tool to drive process improvement using DMAIC — Define, Measure, Analyse, Improve, and Control — Six Sigma's core data-driven improvement methodology. Our annual CPT Award recognises project teams from around the world who have made significant improvements to increase guest loyalty and show strong team collaboration in CPT project implementation. In 2022, the Core Project Team Gold Award went to Shangri-La Jakarta.

Supplier Engagement

At Shangri-La, ensuring the sustainability of our suppliers is fundamental to our success as a business. We are committed to the core values that define the Group's reputation and brand: integrity, fairness, respect, ethical business conduct, and excellence in service. Our supply chain management is governed by our Supplier Code of Conduct.

We require all suppliers, their employees, subsidiaries, affiliates, and subcontractors to adhere to ethically, socially, and environmentally responsible business practices as outlined in our Supplier Code of Conduct. Failure to comply with any provision may result in termination of our business relationship. We also actively seek out supply chain partners with strong credentials whose commitment to good practice goes beyond the minimum requirements.

Supplier Locations



Responsible Business Practices covered by our Supplier Code of Conduct

- Compliance with laws and regulations
- Product quality and safety
- Business integrity and ethics
- Labour standards and practices
- Environment
- Community engagement
- Anti-corruption

- Accurate books and records
- Confidentiality
- Data protection
- Intellectual property rights

Human Rights

Shangri-La observes high standards of human rights in our own workplaces and in our relationships with stakeholders. As a signatory to the United Nations Global Compact since 2011, we are committed to upholding fundamental human rights by ensuring proper respect for human rights in our supply chain. We insist that all suppliers implement fair, humane and non-discriminatory employment practices, treat their employees fairly and respect diversity and inclusion. We do not condone any form of slavery, human trafficking or forced labour, including coerced, bonded, indentured, or child labour.

Anti-corruption

Shangri-La maintains a steadfast commitment to ethical business practices as outlined in our Code of Conduct and Ethics. As Shangri-La colleagues, we must uphold our ethical obligation to step forward and shed light on any suspected instances of fraud, dishonesty, bribery, or corruption, as well as avoid conflicts of interest and prevent bribery. The Corruption Prevention Guide, prepared by the Independent Commission Against Corruption, Hong Kong (ICAC), was shared to all directors as a refresher in 2022. In 2022, there were no concluded legal cases brought against the Group concerning corruption or fraud.

Whistleblowing

Shangri-La's Whistleblowing and Whistleblower Protection Policy outlines our processes and procedures for inviting, facilitating, and following up on reports of suspected wrongdoing from any concerned party, including employees and business partners. We are not aware of any instances of non-compliance that have a significant bearing on performance of the Group during the reporting period.

Data Privacy and Intellectual Property

Shangri-La's <u>Group Corporate Data Protection Policy</u> sets out our commitment to safeguarding the personal information of our guests, colleagues, and business partners in full compliance with applicable laws and regulations such as the People's Republic of China's Personal Information Protection Law, the European Union's General Data Protection Regulation, Hong Kong's Personal Data (Privacy) Ordinance, and Singapore's Personal Data Protection Act.

In 2022, we revamped our personal data protection training module to enhance our colleagues' understanding of the importance of personal data protection and to guide them on data handling procedures and processes with real-life examples.

The Group takes reasonable measures 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. Such measures include a prohibition on the downloading of unauthorised software packages, registration of our intellectual property rights, issuance of guidance notes for our employees on brand and logo usage, and on established Digital Assets Management System to control the use of images and videos. We also work with external parties to monitor intellectual property compliance and take enforcement action when necessary to protect our rights.

During the year, the Group received seven complaints from third parties concerning their personal data that were handled by the Group. There were no complaints from regulatory bodies.

CONSOLIDATED ESG DATASET

Scope of Key Performance Indicators (KPIs) in this report include Operating Hotels that have been in operation for at least one full calendar year as of 31 December 2022 and Operating Investment Properties as listed below. Please refer to the table below for scope details.

Scope of KPI Datasets

	OPERATING HOTELS	OPERATING INVESTMENT PROPERTIES
Our People	✓	✓
Our Environment (ex. water and waste)	✓	✓
Water	✓	
Waste	✓	
Our Community	✓	✓
Our Business (ex. cybersecurity)	✓	
Cybersecurity	✓	✓

In 2022, the scope of our KPI datasets increased by two Operating Hotels— Shangri-La Qiantan, Shanghai, and Shangri-La Shougang Park, Beijing, which opened in October and December 2021, respectively.

The scope of management approach information in this report also includes newly opened hotels (i.e., opened in 2022) and hotel projects under development. Performance data for these properties will be disclosed in the reporting period following the year in which they become fully operational.

Properties in Scope

	2020	2021	2022
Management approach information and key performance data			
# Total	101	130	132
Operating Hotels	101	102	104
Operating Investment Properties	-	14	28
Management approach information only			
#Total		4	3
Newly-opened Hotels	_	2	2

Properties List

Subs	sidiaries				
Mair	nland China				
1 4 7 10 13 16 19 22 25 28	Shangri-La Shenzhen Shangri-La Beihai Shangri-La Qingdao Shangri-La Wuhan Shangri-La Guangzhou Shangri-La Huhhot Shangri-La Guilin Shangri-La Qufu Shangri-La Nanjing Shangri-La Resort, Shangri-La Shangri-La Zhoushan	2 5 8 11 14 17 20 23 26 29	Futian Shangri-La, Shenzhen JEN Shenyang by Shangri-La Shangri-La Dalian Shangri-La Harbin Shangri-La Chengdu Shangri-La Wenzhou Shangri-La Manzhouli Shangri-La Lhasa Shangri-La Qinhuangdao Shangri-La Songbei, Harbin	3 6 9 12 15 18 21 24 27 30	Shangri-La Xian Shangri-La Changchun Pudong Shangri-La, Shanghai Shangri-La Fuzhou Shangri-La Baotou Shangri-La Ningbo Shangri-La Yangzhou Shangri-La Sanya Shangri-La Xiamen
	g Kong				
32	Kowloon Shangri-La, Hong Kong	33	Island Shangri-La, Hong Kong	34	Kerry Hotel, Hong Kong
	apore				
35	Shangri-La Singapore	36	Shangri-La Rasa Sentosa, Singapore		
	aysia	0.0	1511.0		
37 40	Shangri-La Kuala Lumpur Shangri-La Golden Sands, Penang	38	JEN Penang Georgetown by Shangri-La	39	Shangri-La Rasa Sayang, Penang
+0	Shangh-La Golden Sands, Fenang	41	Shangri-La Shangri-La Rasa Ria, Kota Kinabalu		
The	Philippines		onang. La nasa may neta milasara		
42	Makati Shangri-La, Manila	43	Edsa Shangri-La, Manila	44	Shangri-La Mactan, Cebu
45	Shangri-La Boracay				
	land				
46	Shangri-La Bangkok	47	Shangri-La Chiang Mai		
Othe	er Areas				
48	Shangri-La Yanuca Island, Fiji	49	Sule Shangri-La, Yangon	50	Shangri-La's Villingili Resort & Spa
51 54	JEN Maldives Male by Shangri-La Shangri-La The Marina, Cairns	52 55	Shangri-La Paris Shangri-La Ulaanbaatar	53	Maldives Shangri-La Sydney
57	Shangri-La Colombo	55	Shangh-La Glaanbaatai	56	Shangri-La Sydney Shangri-La Hambantota
Und	er Operating Lease				
58	Shangri-La Tokyo	59	Shangri-La The Shard, London	60	JEN Singapore Orchard gateway by Shangri-La
Asso	ociates				
Mair	nland China				
1	China World Hotel, Beijing	2	Shangri-La Beijing	3	Kerry Hotel, Beijing
4	Shangri-La Hangzhou	5	China World Summit Wing, Beijing	6	JEN Beijing by Shangri-La
7 10	Kerry Hotel Pudong, Shanghai Shangri-La Tianjin	8 11	Jing An Shangri-La, Shanghai Shangri-La Nanchang	9 12	Shangri-La Shenyang Shangri-La Tangshan
13	Midtown Shangri-La, Hangzhou	14	Shangri-La Jinan	15	Shangri-La Tangshan Shangri-La Putian
	g Kong			.5	
16	JEN Hong Kong by Shangri-La				
	apore				
5 ₀ 17	JEN Singapore Tanglin by Shangri-La				
	aysia				
18	Shangri-La Tanjung Aru, Kota Kinabalu				
The	Philippines				
19	Shangri-La The Fort, Manila				
Othe	er Areas				
20 23	Shangri-La Jakarta Shangri-La Le Touessrok, Mauritius	21	Shangri-La Surabaya	22	Shangri-La Bosphorus, Istanbul

Ope	rating Hotels Owned With Equity Inter	ests			
Mar	aged Operating Hotels				
Maii	nland China				
1 4 7	Shangri-La Changzhou Shangri-La Yiwu Shangri-La Shougang Park, Beijing	2 5	Shangri-La Suzhou Shangri-La Yuanqu, Suzhou	3 6	Shangri-La Haikou Shangri-La Qiantan, Shanghai
Mala	aysia				
8	Traders Hotel, Kuala Lumpur	9	JEN Johor Puteri Harbour by Shangri-La		
The	Philippines				
10	JEN Manila by Shangri-La				
Oth	er Areas				
11 14 17 20	Shangri-La Far Eastern, Taipei Shangri-La Al Husn, Muscat Shangri-La Eros, New Delhi Shangri-La Vancouver	12 15 18 21	Shangri-La Far Eastern, Tainan Shangri-La Dubai Shangri-La Bengaluru Shangri-La Toronto	13 16 19	Shangri-La Barr Al Jissah, Muscat Shangri-La Qaryat Al Beri, Abu Dhabi Traders Hotel, Qaryat Al Beri, Abu Dhabi

Sub	sidiaries				
Mai	nland China				
1	Shangri-La Residences, Dalian Phase II of Shangri-La Wuhan	2	Shangri-La Centre, Qingdao	3	Shangri-La Centre, Chengdu
Sing	gapore				
5	Shangri-La Apartments, Singapore	6	Shangri-La Residences, Singapore		
Mal	aysia				
7	UBN Tower, Malaysia	8	UBN Apartments, Malaysia		
Non	ngolia				
9	Central Tower, Ulaanbaatar	10	Shangri-La Centre, Ulaanbaatar		
Oth	er Areas				
11 14	Sule Square, Yangon Mall and Office Tower at One Galle Face, Colombo	12	Shangri-La Residences, Yangon	13	The Pier Retail Complex, Cairns
Ass	ociates				
Mai	nland China				
1	China World Trade Center - Phase I Century Towers, Beijing	2 5	China World Trade Center - Phase II Beijing Kerry Centre	3	China World Trade Center - Phase IIIA and IIIB
7	Jing An Kerry Centre - Phase I	8	Jing An Kerry Centre - Phase II	6	Kerry Parkside Shanghai Pudong
10	Hangzhou Kerry Centre	11	Jinan Enterprise Square	9	Tianjin Kerry Centre
				12	Shenyang Kerry Centre - Phase II
Sing	gapore				
13	Tanglin Mall, Singapore	14	Tanglin Place, Singapore		

KEY PERFORMANCE METRICS

OUR PEOPLE

	2020	2021	2022
Employee Headcount Note1			
#Total	42,300	39,017	40,746
Under 30 years	13,536	12,780	12,769
30 - 50 years	22,842	20,443	21,297
Over 50 years	5,922	5,794	6,680
Mainland China, Hong Kong SAR and Taiwan	23,688	24,592	24,191
Rest of World	18,612	14,425	16,555
Mainland China			20,902
Hong Kong and Taiwan			3,289
Japan and Korea	Not disc	closed	235
Middle East, Europe, India, and Americas			5,203
Southeast Asia and Australasia			11,117
Male	24,075	22,072	23,345
Female	18,225	16,945	17,401
Diversity and Inclusion -% Female representation			
Total Headcount	43%	43%	43%
Senior Management	Not disclosed	25%	14%
Function/Division Heads- VP level or above but excluding Senior Management	Not disclosed	34%	37%
Senior Managerial/Property Executive Committee - M4-M6	39%	40%	39%
Managerial - M1-M3	44%	44%	44%
#People with Disabilities (PWDs)	632	550	479
% PWD representation Note 2	1.5%	1.7%	1.4%
New Hires			
#Total	3,732	8,934	11,158
Under 30 years	2,836	6,226	6,891
30 - 50 years	784	2,308	3,733
Over 50 years	112	400	534
Mainland China, Hong Kong SAR and Taiwan	3,284	7,892	6,334
Rest of World	448	1,042	4,824
Male	1,941	4,529	6,110
Female	1,791	4,405	5,048
Turnover Note 3	7,	.,	5/5 .5
#Total		9,111	7,906
Under 30 years		4,637	3,756
30 - 50 years		3,998	3,717
Over 50 years	Not disclosed	476	433
Mainland China, Hong Kong SAR and Taiwan	Note 4	6,274	4,634
Rest of World		2,837	3,272
Male		5,101	4,431
Female		4,010	3,475

	2020	2021	2022
Occupational Health and Safety			
#Fatalities	0	0	0
Total recorded injuries	1,138	1,041	1,462
Lost days due to work injuries	14,513	10,828	11,655
Full-time Equivalent (FTE) Note 5	43,224	43,106	45,765
Learning and Development			
#Shangri-La Academy online training hours	2.1 million	1.1 million	1.5 million
Average training hours per colleague	51	28	36
Average training spend per colleague	USD168	USD168	USD82

Notes

- 1. Definition of Employee: Unless otherwise specified, the scope of employment data in this report reflects persons who are in a direct employment relationship with the Group, excluding contractors.
- 2. Definition of PWD representation: Percentage share of people with disabilities in total hotel permanent headcount
- 3. Definition of Voluntary Turnover: Number of employees leaving employment following resignation only (i.e., excluding internal transfers, retirement, or dismissal).
- 4. Due to complexities arising from the COVID-19 pandemic, we did not disclose the number or breakdown of voluntary turnover in 2020. The overall voluntary turnover rate in 2020 was 19%.
- 5. Definition of FTE: all permanent headcount, casual, and contract staff who are in a direct employment relationship with the Group.

New Training Metrics in 2022

	Headcount	Percentage of Total
Training Hours by Location		
Mainland China	826,035	56%
Hong Kong and Taiwan	119,467	8%
Japan and Korea	8,793	2%
Middle East, Europe, India and Americas	162,929	11%
Southeast Asia and Australasia	348,719	23%
Training hours by Gender		
Female	647,841	44%
Male	810,877	55%
Not Disclosed	7,234	1%
Training Hours by Employment Level		
Senior Management	15	< 1%
Function/Division Heads- VP level or above but excluding Senior Management	1,169	< 1%
Senior Managerial/Property Executive Committee (L1/M4/M5/M6)	31,506	2%
Managerial (L2/L3/M1/M2/M3)	312,529	21%
Senior Operation (L4/E1/E2/E3)	361,872	24%
Junior Operation (L5/N2/N1)	758,851	51%

OUR ENVIRONMENT

	Units	2020	2021	2022
Certified green buildings Note 1		36	36	36
Energy				
Total	GWh	1,332	1,497	1,645
Purchased electricity		782	879	956
Natural gas		325	361	379
Diesel		91	86	103
Purchased heat		79	113	120
LPG		32	32	48
Chilled water		17	22	34
Gasoline		5	3	4
Coal		0.6	0.6	<0.1
Carbon				
Greenhouse gas emissions Scope 1 & 2 Note 2		734	696	749
Scope 1	/000 Tannaa CO a			107
Scope 2	′000 Tonnes CO ₂ e	Not di	Not disclosed	
Scope 3 Note 3				86
Water				
Consumption	ML	11,780	12,639	13,013
Hazardous Waste				
#Properties reporting	#	101	102	104
Total	Tonnes	113.8	223.0	151.5
To landfill				117.7
Diverted		Not di	sclosed	33.7
Diversion rate Note 5				22%
Non-hazardous Waste Note 4				
#Properties reporting	#	101	102	104
Total	'000 Tonnes	26.1	33.9	27.8
To landfill		11.6	13.3	15.7
Diverted		14.5	20.6	12.1
Diversion rate Note 5		55%	43%	44%
Total Food Waste	'000 Tonnes	9.7	16.3	10.0
To landfill		1.6	2.9	2.6
Diverted		8.2	13.4	7.4
Total Single-use Plastics Waste Consumption Note 6	Tonnes	Not di	sclosed	1,020
Climate Change				
CDP survey score - Climate		B-	С	B-
CDP survey score - Water		В	С	В

Notes

- 1. Three properties have more than one certification. A certification for two conjoined properties has been counted as a single certification.
- 2. Definition of scope 1 and scope 2 greenhouse gas emissions: Includes direct and indirect emissions from Fuel and Energy consumption. Greenhouse gas emission factors for gird purchased electricity and chilled water vary by location, adopting CEA (Electricity), CGGI, Defra, GHG, IEA (Electricity), NGA provided by Greenstone platform. Please note standard emission factors in the table below.
- 3. Definition of scope 3 greenhouse gas emissions: Includes Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2, Waste, and Business Travel. Greenhouse gas emissions factors vary by location, adopting Defra and GHG provided by Greenstone platform. Please note standard emission factors in the table below.
- 4. Definition of non-hazardous waste: Food waste, paper and cardboard, plastics, metals, glass, and linens. Some of our hotels have difficulty collecting and disclosing data about the amount, composition, and disposal of waste streams, often because third-party waste management contractors are unable to provide this information. When more accurate data is not available, our hotels make estimations based on waste volume.
- 5. Definition of diversion rate: Diverted waste/Total waste. Waste diversion includes reuse, recycling, energy recovery, donation, composting; converted to fodders and liquidised food waste by ORCA machine.
- 6. Definition of single-use plastics waste: plastic water bottles, guestroom shower bottles, bathroom amenities, food and beverage takeaway containers, soft drink bottles, all others (e.g. plastic bags and garbage bags).

Standard Emissions Factors for CGGI calculations

	Diesel	Gasoline	Coal	Natural Gas	LPG	District Heating	Natural Gas	LPG
Unit	kg CO ₂ /L	kg CO ₂ /L	kg CO ₂ /tonne	kg CO ₂ /MJ	kg CO ₂ /MJ	kg CO ₂ /kWh	kg CO ₂ /kWh	kg CO ₂ /kWh
Value	2.7	N/A	2239	N/A	N/A	0.2	0.2	N/A

Standard Emissions Factors for DEFRA calculations

	Diesel	Gasoline	Coal	Natural Gas	LPG	District Heating	Natural Gas	LPG
Unit	kg CO ₂ /L	kg CO ₂ /L	kg CO ₂ /tonne	kg CO ₂ /MJ	kg CO ₂ /MJ	kg CO ₂ /kWh	kg CO ₂ /kWh	kg CO ₂ /kWh
Value	2.5	2.8	2270.5	N/A	N/A	0.2	0.2	0.2

Standard Emissions Factors for GHG calculations

	Diesel	Gasoline	Coal	Natural Gas	LPG	District Heating	Natural Gas	LPG
Unit	kg CO ₂ /L	kg CO ₂ /L	kg CO ₂ /tonne	kg CO ₂ /MJ	kg CO ₂ /MJ	kg CO ₂ /kWh	kg CO ₂ /kWh	kg CO ₂ /kWh
Value	2.7	2.7	2458.2	N/A	N/A	0.2	0.2	0.2

Standard Emissions Factors for NGA calculations

	Diesel	Gasoline	Coal	Natural Gas	LPG	District Heating	Natural Gas	LPG
Unit	kg CO ₂ /L	kg CO ₂ /L	kg CO ₂ /tonne	kg CO ₂ /MJ	kg CO ₂ /MJ	kg CO ₂ /kWh	kg CO ₂ /kWh	kg CO ₂ /kWh
Value	2.7	N/A	2436.5	N/A	N/A	0.2	0.2	0.2

OUR COMMUNITY

	2020	2021	2022
Volunteering			
#Volunteers	22,489	22,985	21,776
Volunteer hours	118,200	115,334	126,115
#Beneficiaries reached	Not disclosed	Not disclosed	241,701
#Activities	2,000	810	2,410
Embrace			
#Projects	76	75	78
Project expenses in USD	735,000	542,717	785,500
#Children and young adults assisted	21,700	7,660	13,623
#Internships and apprenticeships	477	207	264
#Job placements	14	8	14
Sanctuary			
#Projects	10	14	10
Project expenses in USD	51,000	43,777	113,928
Species at risk of global extinction	54	54	7
Students engaged in environmental education	974	84	60
Colleagues who volunteered for conservation activities	1,057	803	201
Turtle hatchlings released	5,500	4,560	3,787
Corals planted	137	68	449
Mangroves planted	100	1,500	132
Fish houses dropped	515	40	94
Rooted in Nature			
#Properties	88	94	92
#Rooted in Nature menu items	2,138	2,227	2,763
Donations (USD)	923,000	688,000	80,160

OUR BUSINESS

	2020	2021	2022
Guest Experience			
Overall Stay Experience Rating Note 1	Not disclosed	83	86.5
Post-stay guest survey rate Note 2	15.0%	16.0%	20%
Food Safety			
#Properties with ISO22000: FSMS and/or Hazard Analysis Critical Control Point			
certification	85	85	90
Cybersecurity			
#Information security breaches or other incidents	0	0	1
#Substantiated complaints from regulators or other third parties	0	0	7
Fines and penalties received or paid	0	0	0

Notes

- 1. Definition Overall Stay Experience (OSE): Average rating from guests on stay experiences across hotels.
- 2. Definition post-stay guest survey rate: Number of completed surveys divided by total survey invitations sent to guests with an email address upon check-out.

ESG REPORTING CONTENT INDEX

This report complies with Mandatory Disclosure Requirements and "Comply or Explain" Provisions in accordance with Hong Kong Exchange Main Board Listing Rule 13.91 and ESG Reporting Guide, with reference to Global Reporting Initiative (GRI) Standards.

The HKEX ESG Guide shall take precedence if there is any discrepancy in the disclosures between the HKEX ESG Guide and GRI Standards. For further details, please refer to the $\underline{2022 \ Annual \ Report}$ (AR) if necessary.

Stater	nent of use	Shangri-La (Asia) Limited has reported with reference to the GRI Standards for the period 1 January 2022 to 31 December 2022 GRI 1: Foundation 2021				
GRI 1	used					
Applio	cable GRI Sector Standard(s)	Universal Standard				
GRI S	tandards	Section	Page	Remarks		
GRI 2:	General disclosures 2021					
2-1	Organisational details	About Shangri-La About This Report	5 6			
2-2	Entities included in the organisation's sustainability reporting	About This Report Property List	6 50-51			
2-3	Reporting period, frequency, and contact point	About This Report Consolidated Data	6 49			
2-4	Restatements of information	Caring for Our Colleagues	23	OHS Performance stated as 2.5 incident per 100 FTE in SR2021		
2-5	External assurance	Caring for Our Colleagues Targets for Environmental Impact	23 25	HKQAA verified five targets and 2019 baseline: Injury Rat Carbon Emissions, Energy, Water, Single-use Plastics		
2-6	Activities, value chain, and other business relationships	Supplier Engagement	47			
2-7	Employees	Employee Profile Key Performance Metrics	14-17 53	Full-time Equivalent		
2-8	Workers who are not employees					
2-9	Governance structure and composition					
2-10	Nomination and selection of the highest governance body					
2-11	Chair of the highest governance body					
2-12	Role of the highest governance body in overseeing the management of impacts					
2-13	Delegation of responsibility for managing impacts	ESG Governance	10-11			
2-14	Role of the highest governance body in sustainability reporting					
2-16	Communication of critical concerns					
2-17	Collective knowledge of the highest governance body					
2-18	Evaluation of the performance of the highest governance body					
2-19	Remuneration policies	A 15 40000	0.4	Remuneration Policy for		
2-20	Process to determine remuneration	Annual Report 2022	86	Executive Director and Senior Management		
2-22	Statement on sustainable development strategy	ESG Statement	2			
2-25	Processes to remediate negative impacts	Shangri-La Culture	13	Grievance Handling Policy		
2-26	Mechanisms for seeking advice and raising concerns	Whistleblowing Shangri-La Culture	48 13			
2-27	Compliance with laws and regulations			There is no non-compliance and fine in 2022		
2-29	Approach to stakeholder engagement	Stakeholder Engagement	9			
2-30	Collective bargaining agreements	Shangri-La Culture	13			

GRI Sta	ndards	HKEX ESG Guide	Section	Page	Remarks
GRI 204	: Procurement Practices 2016				
3-3	Management of material topics	B5.3 B5.4	Supplier Engagement	47	
204-1	Proportion of spending on local suppliers	B5.1 B5.2	Зиррнег <u>сп</u> удуентент	47	
GRI 205	: Anti-corruption 2016				
3-3	Management of material topics	B7.2	Anti-corruption	47	
205-2	Communication and training about anti-corruption policies and procedures	B7.3	Anti-corruption	47	
205-3	Confirmed incidents of corruption and actions taken	B7.1	Whistleblowing	48	
GRI 302	Energy 2016				
3-3	Management of material topics	A2.3	Our Environment Mitigating Environmental Impact	25 28	
302-1	Energy consumption within the organisation	A2.1	Energy Efficiency	29-30	
302-2	Energy consumption outside the organisation	A2.1	Scope 3 Carbon Emissions	28	
302-3	Energy intensity	A2.1	Energy Efficiency	29	
302-4	Reduction of energy consumption	A2.3 A4.1	Sustainable by Design Energy Efficiency	26-27 29-30	
302-5	Reductions in energy requirements of products and services	A2.3 A4.1	Energy Efficiency	29-30	
GRI 303	: Water and Effluents 2018				
3-3	Management of material topics	A2.4			
303-1	Interactions with water as a shared resource	A2.2			
303-2	Management of water discharge related impacts	A2.4 A4.1	Water Conservation	30-31	
303-3	Water withdrawal	A2.2			
303-5	Water consumption	A2.2			
GRI 305	: Emissions 2016				
3-3	Management of material topics	A1.1	Mitigating Environmental Impact		
305-1	Direct (Scope 1) GHG emissions	A1.2			
305-2	Energy indirect (Scope 2) GHG emissions	A1.2	Carbon Emissions	28	
305-3	Other indirect (Scope 3) GHG emissions	A1.3	Carbon Linissions		
305-4	GHG emissions intensity	A1.2			
305-5	Reduction of GHG emissions	A1.5 A4.1	Our Environment	25-35	

GRI Sta	ndards	HKEX ESG Guide	Section	Page	Remarks
GRI 306	: Waste 2020				
3-3	Management of material topics			33	
306-1	Waste generation and significant waste-related impact	A1.3 A1.4 A2.5			
306-2	Management of significant waste-related impact	A1.6 A2.5 A3.1 A4.1	Waste Reduction	33-34	
306-3	Waste generated			33	
306-4	Waste diverted from disposal	A2.5 A3.1		33-34	
306-5	Waste directed to disposal				
GRI 401	: Employment 2016				
3-3	Management of material topics		Our People Shangri-La Culture	13	
401-1	New employee hires and employee turnover	B1.1 B1.2	Employment Profile	17	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees				Full-time employees enjoy life insurance, health care, parental leave, and retirement provision at HQ
401-3	Parental leave		 a. Total number of employees that were entitled to parental leave, by gender b. Total number of employees that took parental leave, by gender c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender e. Return to work and retention rates of employees that took parental leave, by gender 		Male: 15,258 Female: 12,680 Male: 431 Female: 394 Male: 426 Female: 377 Male: 369 Female: 302 Male: 99% Female: 96%

		HKEX			
GRI Sta	ndards	ESG Guide	Section	Page	Remarks
GRI 403	: Occupational Health and Safety 2018				
3-3	Management of material topics				
403-1	Occupational health and safety management system	B2.3	Caring for Our Colleagues	23	
403-5	Worker training on occupational health and safety	B2.3			
403-8	Workers covered by an occupational health and safety management system		 a. The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system b. The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system that has been internally audited c. The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system that has been audited or certified by an external party 		a. 7,602 (19%) b. 4,424 (11%) c. 3,170 (8%)
403-9	Work-related injuries	B2.1 B2.2	Caring for Our Colleagues	23	
GRI 404	l: Training and Education 2016				
3-3	Management of material topics				
404-1	Average hours of training per year per employee	B3.2	Learning and Development	20	
404-2	Programs for upgrading employee skills and transition assistance programs			21-22	
404-3	Percentage of employees receiving regular performance and career development reviews	B3.1	Performance Management	20	100% of colleagues received regular performance and career development reviews "Personal Development Review"

GRI Sta	ndards	HKEX ESG Guide	Section	Page	Remarks
GRI 405	: Diversity and Equal Opportunity 2016				
3-3	Management of material topics		Equity, Diversity, and Inclusion	18	
405-1	Diversity of governance bodies and employees		Employment Profile Equity, Diversity, and Inclusion	14-17 18	
405-2	Ratio of basic salary and remuneration of women to men		 a. % of male colleagues in Revenue Generating Management Headcount (M1 or above) (Rooms/F&B/Culinary/S&M/Spa & Recreation) b. % of female colleagues in Revenue Generating Management Headcount (M1 or above) (Rooms/F&B/Culinary/S&M/Spa & Recreation) 		a. 2,998 (56%) b. 2,313 (44%)
GRI 408	3: Child Labour 2016				
3-3	Management of material topics	B4.2	Human Rights		
408-1	Operations and suppliers at significant risk for incidents of child labour	B4.1	Supplier Engagement	45	
GRI 409	9: Forced or Compulsory Labour 2016				
3-3	Management of material topics	B4.2	Human Rights		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	B4.1	Supplier Engagement	47	
GRI 413.	: Local Communities 2016				
3-3	Management of material topics	B8.1		36	
413-1	Operations with local community engagement, impact assessments, and development programs	B8.2	Our Community	36-42	
GRI 416	: Customer Health and Safety 2016				
3-3	Management of material topics		Our Business	43	
416-1	Assessment of the health and safety impacts of product and service categories		Shangri-La Cares Safety and Security Food Safety	43 43 45	
416-2	Incidents of non-compliance concerning the health and safety impact of products and services		Food Safety	45	
GRI 418	Customer Privacy 2016				
3-3	Management of material topics	B6.5			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	B6.5	Data Privacy and Intellectual Property	48	