

ENGAGING OUR STAKEHOLDERS

Engaging and responding to our stakeholders is a key part of our overall governance and management approach. We proactively engage a wide range of key stakeholders including employees, customers, regulators, lenders, shareholders and investors, non-governmental organisations, media and others. It is important for us to capture and understand how their views change and ultimately how we can implement improvements to the business today and in the future.

Stakeholder Group	Why and how we engage	Examples in 2019
 Our Guests	<p>Engaging our guests and ensuring their satisfaction is critical to how we run our business.</p> <p>We continue to develop a best in class booking and E-Commerce experience that drives increasing room bookings, while demonstrating differentiated brand values.</p> <p>On the sales side, we continue to focus on nurturing our relationships with PenClub members, our in-house preferred travel partner programme.</p> <p>Enriching the lives of our guests is important and for this reason, The Peninsula provides guests and visitors the opportunity to engage with immersive, experiential art, allowing them to create memories that they will carry for a lifetime.</p> <p>Through refreshed marketing collateral, content and partnerships we can present the brand in a more meaningful, relevant and engaging way. This entails not only creating continuity in our existing materials, but also using our rich history and heritage to mine new stories that will elevate the brand.</p>	<ul style="list-style-type: none"> A new responsive web booking engine was deployed to the peninsula.com and focused on customising the booking engine experience and features creating a per user bespoke E-Commerce experience focused on demonstrating brand values, while increasing conversion rates. Annual PenClub partner targets were introduced to maintain status and access to the group's most valuable room benefits. In March, a multi-year global contemporary art programme, Art in Resonance was launched during Art Basel Hong Kong. Since its founding, The Peninsula Hotels has been committed to promoting the rich and vibrant cultural aspects of the destination cities in which it resides – hosting local artists as part of its 'Artist in Residence' programme; which is designed to support emerging artists, while also providing guests access to culturally-representative pieces. 'Art in Resonance' references the programme and reflects a deeper commitment from The Peninsula Hotels to engage with the artistic sphere, not only as a venue but as an originator and innovator of culture. In April, The Peninsula Beijing, commenced its landmark 30th anniversary year by inviting guests born in 1989, the hotel's opening year, to celebrate their 30th birthdays together through a range of promotions. In June, The Peninsula Hotels partnered with world-leading independent arts charity BAFTA (the British Academy of Film and Television Arts) in Shanghai on the launch of their new programme 'BAFTA Breakthrough China' – an initiative designed to identify and nurture the next generation of creative talent in Asia and encourage mutual collaboration between practitioners. In December, The Peninsula Hotels revealed enchanting festive moments for the family with 'Stories from the Tree' – themed events, including live storytelling, gingerbread baking classes and festive-themed fare to bring loved ones together and raise funds for children's charities.
 Our People	<p>In 2019, we placed a greater emphasis on attracting and retaining employees, as well as rewards and recognition, employer branding, and staff engagement. Our key objective over the next 3 years is to develop our existing talent and to harness their potential, allowing us to become more agile and nimble as a group.</p> <p>We increased two-way communication with senior management through discussion forums and Open House meetings.</p> <p>We explored best practices to reward and recognise high performing staff.</p>	<ul style="list-style-type: none"> Continued to develop a global employer branding and recruitment campaign across all our properties worldwide which is aligned with Human Resources and business goals Promoted the use of Microsoft Yammer as a communication tool across the group Explored best practices and reward and recognition programmes See pages 86 and 91 for more details on our employee engagement strategy

Stakeholder Group	Why and how we engage	Examples in 2019
 Our Cities: Governments	<p>Our Executive Directors and Chairman regularly meet with senior Hong Kong Government leaders and Legislative Council members to discuss areas of concern for the tourism and property sectors. Our Chief Executive Officer and senior executives are members of the World Travel & Tourism Council (WTTC) which actively engages with governments around the world on industry issues on behalf of members.</p> <p>Our project team members in London, Istanbul and Yangon meet with select local government representatives, diplomats and relevant stakeholders to discuss local issues and enhance cooperation ahead of our three project hotel openings.</p>	<ul style="list-style-type: none"> Engaged with Hong Kong Government departments on tourism initiatives particularly with regards to the new developments in West Kowloon and the Kowloon Waterfront Membership of WTTC Engaged with local government representatives and diplomats in London, Istanbul and Yangon
 Financial Analysts and Investors	<p>Our Investor Relations team and our Executive Directors meet regularly with financial analysts and investors, as well as participate in non-deal investor road shows, post-results briefings and the AGM</p>	<ul style="list-style-type: none"> Investor Conferences in Hong Kong and China Financial reports and website Annual General Meeting (AGM) One-on-one meetings and conference calls Regular briefings with research analysts
 Media	<p>The Peninsula Hotels Marketing team conducts regular press briefings and attends high profile trade shows in all our key markets as well as emerging markets, and the HSH Corporate Affairs team organises press conferences with Executive Directors at annual/interim results and individual interviews throughout the year in Hong Kong. We host regular press groups from the world's most prestigious travel, luxury and business publications to visit the cities in which we operate.</p>	<ul style="list-style-type: none"> International Luxury Travel Market (ILTM) in Cannes HSH financial results press conferences at The Peninsula Hong Kong and AGM High-profile media programmes
 Community and NGOs	<p>Our Corporate Responsibility and Sustainability team meets with non-profit organisations, academia and industry advocacy groups regularly throughout the year to keep ourselves informed of the latest developments on sustainability issues, and contributes to the sustainability development of the wider community by sharing HSH's experience at various local and regional conferences and industry committees.</p> <p>In 2019, we expanded our membership to include participating in like-minded organisations to support global issues such as climate change, single use plastics, human rights, sustainable seafood etc.</p> <p>This engagement also includes our support to different charities around the world. Our operations also engage with local charities to provide support where possible.</p>	<ul style="list-style-type: none"> Member of Business for Social Responsibility, Responsible Luxury Initiative Partnership with The Hong Kong Council of Social Service Member of We Mean Business, Global Tourism Plastics Initiative, Mekong Club and the HK Sustainable Seafood Coalition Participation in several sharing sessions organised by the think-tank China Water Risk on the topic of water stress
 Partners and Suppliers	<p>Our partners are also key to our growth, as they help us to ensure the successful operation of our properties in their local markets.</p> <p>Sustainable guidelines such as the Building Research Establishment Environmental Assessment Method (BREEAM) were incorporated since the beginning of project planning, for the construction of the new hotels and renovation projects.</p>	<ul style="list-style-type: none"> The Peninsula Yangon has been undertaking an extensive restoration and heritage preservation, cataloguing to preserve the history and heritage of Myanmar. The Peninsula Istanbul is undergoing a highly complex restoration and construction project on the banks of the Bosphorus, in collaboration with local authorities and Heritage Board. The Peninsula London, Istanbul and Yangon are referencing international green building standards during their development

We always seek to improve on the area of stakeholder engagement and we are compiling a thorough stakeholder engagement profile for our three project markets in 2019.

We encourage our stakeholders to give us feedback on our approach. Comments and enquiries can be sent to our email address at corpaffairs@peninsula.com.