

# Sustainability Data Statements

This section provides statistical information on the Group's sustainability performance. To facilitate stakeholders in understanding and bench-marking our corporate responsibility performance, our reporting follows Global Reporting Initiative's (GRI) disclosure framework, which is an internationally recognised set of indicators for economic, environmental and social aspects of business performance.

## 1. Sustainability Performance Highlights<sup>1</sup>

			2012	2011	2010	2009	2006-08 baseline
Economic	Revenue	HK\$m	5,234	5,058	4,731	4,233	–
	Operating costs	HK\$m	2,053	1,986	1,847	1,698	–
	Employee wage and benefits	HK\$m	1,842	1,728	1,639	1,512	–
	Capital expenditure	HK\$m	1,049	335	261	281	–
	Payments to providers of capital	HK\$m	231	195	171	192	–
	Tax payments to governments <sup>2</sup>	HK\$m	437	422	376	396	–
	Total floor area	'000 m <sup>2</sup>	588	588	588	518	518
	Total number of guest nights	'000	1,110	1,090	1,082	870	1,089
People	Headcount		8,006	7,759	7,730	7,415	–
	Turnover	%	19.2%	19.5%	19.4%	11.7%	–
	Headcount by Gender	% Female	41%	41%	40%	41%	–
	Average training spend <sup>3</sup>	HK\$	2,645	–	–	–	–
Health and Safety	Safety						
	Injury rate <sup>4</sup>	reported incidents per 200k hrs	7.6	9.5	–	–	–
	Fatality	reported incidents	0	0	–	–	–
	Health and safety training	'000 hours	17	11	–	–	–
Environment	Greenhouse gas emissions	'000 tCO <sub>2</sub> e	116	118	127	113	104
	Group carbon intensity	tCO <sub>2</sub> e per m <sup>2</sup>	0.197	0.200	0.216	0.218	0.201
	Total energy use	'000 GJ	823	840	856	808	873
	Energy intensity	Mj per m <sup>2</sup>	1,398	1,428	1,455	1,512	1,684
	Energy saved through reduction initiatives	GJ	35,711	44,750 <sup>5</sup>		3,540	–
	Emissions of ozone depleting substances	kg CFC-11e	71	92	146	167	–
	Direct water consumption	'000 m <sup>3</sup>	1,804	1,820	1,854	1,539	1,921
	Water intensity						
	Hotels Division	litres per guest night	1,280	1,320	1,367	1,363	1,411
	Commercial Properties Division	litres per m <sup>2</sup>	1,888	1,988	1,773	1,557	1,712
	Water recycled	'000 m <sup>3</sup>	122	95	142	129	–
	Waste generated <sup>6</sup>	tonnes	6,270	4,712	–	–	–
	Waste recycled <sup>6</sup>	tonnes	2,350	685	–	–	–
Community	Monetary Donations						
	Company donations <sup>7</sup>	HK\$ '000	1,537	4,163	617	1,689	–
	Employee/Customer donations	HK\$ '000	1,306	290	642	97	–
	Community Outreach						
	Service hours	hours	7,332	6,192	3,788	2,084	–
	Employee volunteers		591	942	2,420	1,004	–
	Internships & Retraining scheme						
	Training hours	'000 hours	392	540	305	87	–
	Participants		1,069	1,210	693	393	–

Footnotes:

- Please refer to Reporting Scope on page 61 for the scope of businesses covered in the reporting of employee, health and safety and environmental performance. The 2006-08 baseline are used for benchmarking environmental performance. Collection of health and safety data based on GRI's guidelines began in 2011.
- Inclusive of corporate income tax, property and real estate tax, and payroll tax.
- Average training spend is based on total annual training spend per full-time equivalent.
- Injuries recorded include from minor first aid incidents to more severe incidents that required hospitalisation. Variations in local interpretation of injury definition may affect the completeness of the data reported. Occupational disease rate is not reported here because accurate information is not available.
- 44,750 GJ represented energy saved over 2010 and 2011 through reduction initiatives implemented.
- The reporting scope of waste management data has expanded from 2011 to cover 6 more operations so as to align with the scope of other environmental areas. Result reported exclude The Peak Complex as accurate waste data are not available. Group diversion rate in 2012 was 37.5%. If we confine the scope to that of 2011, total waste generated and recycled in 2012 would be 5,888 tonnes and 2,282 tonnes and the overall diversion rate would be 38%.
- Donations reported have not included HSH's yearly contribution to the Hong Kong Heritage Project which is an archive project for preserving valuable historical records of the Kadoorie family and its businesses.

Sustainability Data Statements

2. Profile of Our Workforce

		2012 Commercial Properties, Clubs & Services <sup>2</sup>			2011 Commercial Properties, Clubs & Services			2010 Commercial Properties, Clubs & Services			2009 Commercial Properties, Clubs & Services		
		Hotels <sup>1</sup>		Total	Hotels		Total	Hotels		Total	Hotels		Total
Workforce Demographics	Total Headcount <sup>3</sup>	6,158	1,848	8,006	6,039	1,720	7,759	6,064	1,666	7,730	5,827	1,588	7,415
	by Employment Types												
	Full-time	5,612	1,557	7,169	5,475	1,547	7,022	5,444	1,511	6,955	5,334	1,499	6,833
	Part-time & Casual	546	291	837	564	173	737	620	155	775	493	89	582
	by Type of Contracts												
	Permanent or At Will contract <sup>4</sup>	6,018	1,649	7,667	3,062	1,453	4,515	3,043	1,429	4,472	2,956	1,389	4,345
	Fixed term or temporary contracts	140	199	339	2,752	210	2,962	3,026	221	3,247	2,691	173	2,864
	by Geographical Locations												
	Asia	4,703	1,693	6,396	4,575	1,543	6,118	4,633	1,493	6,126	4,481	1,451	5,932
	United States of America	1,455	155	1,610	1,464	177	1,641	1,431	173	1,604	1,346	137	1,483
	by Gender												
	Male	58.3%	61.3%	59.0%	58.4%	62.7%	59.4%	58.7%	63.6%	59.8%	58.4%	62.7%	59.4%
	Female	41.7%	38.7%	41.0%	41.6%	37.3%	40.6%	41.3%	36.4%	40.2%	41.6%	37.3%	40.6%
Turnover	by Management Role												
	Management	7.5%	5.6%	7.1%	7.4%	6.1%	7.1%	6.4%	6.1%	6.4%	11.03%	9%	10.5%
	Non-management	92.5%	94.4%	92.9%	92.6%	93.9%	92.9%	93.6%	93.9%	93.6%	88.97%	89%	89.4%
	Employees under Collective Bargaining	13.9%	9.6%	12.9%	13.0%	12.5%	12.9%	12.0%	12.4%	12.1%	10.9%	9.9%	10.7%
	Total Turnover Rate <sup>5</sup>	18.3%	21.1%	19.2%	17.6%	26.1%	19.5%	18.1%	24.0%	19.4%	13.0%	11.0%	11.7%
	by Geographical Locations												
	Asia	20.3%	21.6%	20.6%	18.73%	24.69%	20.3%	19.8%	20.4%	20.0%	11.3%	10.7%	11.0%
	United States of America	11.7%	11.5%	11.7%	13.86%	50.59%	16.1%	12.6%	81.3%	17.2%	14.9%	75.0%	15.8%
	by Gender												
	Male	18.5%	18.9%	18.6%	10.14%	13.77%	10.9%	17.6%	23.8%	19.0%	n/a	n/a	n/a
	Female	17.8%	28.0%	19.9%	7.45%	12.35%	8.5%	18.9%	24.5%	20.0%	n/a	n/a	n/a
	by Age Group												
	Under 30 years old	35.6%	41.8%	36.6%	10.10%	8.53%	9.76%	10.2%	8.7%	9.9%	n/a	n/a	n/a
New Hires	30 to 50 years old	11.3%	18.8%	12.9%	6.59%	13.77%	8.17%	6.6%	10.4%	7.4%	n/a	n/a	n/a
	Over 50 years old	7.8%	15.4%	10.5%	0.89%	3.81%	1.54%	1.3%	1.4%	2.1%	n/a	n/a	n/a
	by Geographical Locations												
	Asia	1,026	343	1,369									
	United States of America	230	117	347									
	by Gender												
	Male	703	258	961									
	Female	553	202	755									
	by Age Group												
	Under 30 years old	835	174	1,009									
	30 to 50 years old	397	200	597									
	Over 50 years old	24	86	110									
Parental Leave	Took Parental Leave												
	Male	61	10	71									
	Female	110	13	123									
	Returned to Work After Taking Parental Leave												
	Male	100%	100%	100%									
	Female	87%	91%	88%									
	Returned and Still Employed After 12 Months												
Training	Male	98%	86%	97%									
	Female	95%	89%	95%									
Average training spend <sup>6</sup>		HK\$ 2,974	HK\$ 1,197	HK\$ 2,645									
	Employees Receiving Regular Performance Reviews <sup>7</sup>	89.2%	96.9%	90.8%	99.8%	90.5%	97.8%	99.7%	99.9%	99.8%			

Footnote:

1. Data reported under the Hotels Division covers the Group's hotel operations and head office operations in Hong Kong, Beijing, Bangkok, Shanghai and the US.

2. Data reported covers the Group's commercial properties as well as all other clubs and services operations.

3. Headcount data covers the entire workforce including full-time and part-time employees working on permanent, fixed term and at will contracts, and non-contracted employees, but does not include daily contingent casual labour.

4. All employees are employed "at will" at U.S. hotels, which means an employee may resign or be terminated from employment at any time for any or no reason, with or without notice. By 2011, they were grouped as part of fixed term employment, but they are now incorporated into the permanent employment.

5. Based on GRI's disclosure requirement, the turnover rate refers to full-time employees only. 2009 Turnover calculation methodology differs from subsequent data, as actual total figures were not available.

6. Average training spend is based on total annual training spend per full-time equivalent.

7. Data reflects the percentage of full-time employees receiving performance reviews. If total workforce, including part-time and casual employees, is accounted for, the percentage will be 81.3%, with 83.6% of all male and 78.1% of all female employees.

Sustainability Data Statements

3. Our Environmental and Community Performance

			2012 Commercial Properties, Clubs & Services <sup>1</sup>			2011 Commercial Properties, Clubs & Services			2010 Commercial Properties, Clubs & Services			2009 Commercial Properties, Clubs & Services			2006-2008 Commercial Properties, Clubs & Services		
			Hotels		Total	Hotels		Total	Hotels		Total	Hotels		Total	Hotels		Total
Environment	Greenhouse gas emissions <sup>2</sup>	'000 tCO <sub>2</sub> e	96	20	116	95	22	118	104	23	127	91	22	113	84	21	104
	Scope 1 emission	'000 tCO <sub>2</sub> e	16	6	22	13	6	19	16	6	22	14	6	20	12	5	16
	Scope 2 emission	'000 tCO <sub>2</sub> e	80	14	94	82	16	98	88	17	104	76	16	92	71	16	87
	Carbon intensity	tCO <sub>2</sub> e per m <sup>2</sup>	0.214	0.142	0.197	0.213	0.160	0.200	0.232	0.164	0.216	0.241	0.157	0.218	0.220	0.147	0.201
	Total energy use	'000 GJ	682	141	823	692	148	840	714	142	856	662	146	808	720	153	873
	Direct energy use	'000 GJ	182	73	255	183	69	251	189	61	251	189	67	256	217	69	287
	Indirect energy use	'000 GJ	500	69	568	510	79	589	524	81	605	473	79	552	502	84	586
	Energy intensity	MJ per m <sup>2</sup>	1,524	1,000	1,398	1,547	1,048	1,428	1,623	1,064	1,455	1,684	1,047	1,512	1,899	1,097	1,684
	Direct water consumption	'000 m <sup>3</sup>	1,420	384	1,804	1,438	382	1,820	1,479	375	1,854	1,186	354	1,539	1,537	385	1,921
	Water intensity (Hotels Division)	litres per guest night	1,280	–	–	1,320	–	–	1,367	–	–	1,363	–	–	1,411	–	–
	Water intensity <sup>3</sup> (Commercial Properties Division)	litres per m <sup>2</sup>	–	1,888	–	–	1,988	–	–	1,773	–	–	1,557	–	–	1,712	–
	Water recycled	'000 m <sup>3</sup>	122	–	122	95	–	95	142	–	142	129	–	129	–	–	–
	Waste generated <sup>4</sup>	tonnes	5,888	382	6,270	4,597	115	4,712	–	–	–	–	–	–	–	–	–
	Waste recycled <sup>4</sup>	tonnes	2,279	70	2,350	681	4	685	–	–	–	–	–	–	–	–	–
	Emission of ozone depleters	kg CFC-11e	55.5	15.5	71.0	68.3	23.7	92.0	115.9	30.1	145.9	151.8	15.6	167.4	–	–	–
Community	Monetary donations	HK\$ '000	2,514	329	2,843	4,355	98	4,453	1,004	255	1,259	1,635	151	1,786			
	Company donations <sup>5</sup>	HK\$ '000	1,493	44	1,537	4,065	98	4,163	389	228	617	1,538	151	1,689			
	Donations by employees and customers	HK\$ '000	1,021	285	1,306	290	0	290	615	27	642	97	0	97			
	Community outreach																
	Service hours	hours	6,248	1,084	7,332	6,192	0	6,192	3,608	180	3,788	1,548	536	2,084			
	Employee volunteers		508	83	591	942	0	942	2,307	113	2,420	937	67	1,004			
	Number of beneficiaries		977	2,868	3,845	–	–	–	–	–	–	–	–	–			
	Internship and retraining scheme																
	Training hours	'000 hours	382	10	392	540	0	540	290	15	305	85	2	87			
	Number of participants		504	565	1,069	1,210	0	1,210	679	14	693	389	4	393			

Footnotes:

1. Inclusive of The Repulse Bay Complex, The Peak Complex, St. John's Building, The Landmark, Thai Country Club, Quail Lodge & Golf Club and Tai Pan Laundry.

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

3. Water intensity of Tai Pan Laundry (8.37 litres per kilogram washed in 2012, down from 14.8 in 2011) is excluded as its intensity is measured on different metrics from that of properties and clubs. The increase of water intensity of the Commercial Properties Division in 2011 was mainly due to the rise in municipal water use at Thai Country Club as a result of the declining quality of well water. The use of local well water was not recorded in the water consumption and intensity in previous years.

4. The reporting scope of waste management data has expanded from 2011 to cover 6 more operations so as to align with the scope of other environmental areas. Result reported exclude The Peak Complex as accurate waste data are not available. Group diversion rate in 2012 was 37.5%. If we confine the scope to that of 2011, total waste generated and recycled in 2012 would be 5,888 tonnes and 2,282 tonnes and the overall diversion rate would be 38%.

5. Donations reported have not included HSH's yearly contribution to the Hong Kong Heritage Project which is an archive project for preserving valuable historical records of the Kadoorie family and its businesses.

# Sustainability Data Statements

## GRI Index

To facilitate stakeholders in understanding and bench-marking our corporate responsibility performance, our reporting follows the Global Reporting Initiative G3.1 disclosure framework, which is an internationally recognised set of indicators for economic, environmental and social aspects of business performance. GRI guidelines help companies in selecting material content and key performance indicators. For more on GRI, please see [www.globalreporting.org](http://www.globalreporting.org).

● Fully reported      ● Partially reported

Index according to GRI (G3.1 Core Indicators)		Reported	Page(s)
<b>1. Vision and Strategy</b>			
1.1	Statement from the CEO or Chairman	●	7, 20
1.2	Description of key impacts, risks, and opportunities	●	20, 64, 66-67, 125-130
<b>2. Organisational Profile</b>			
2.1-2.6	Name, HQ location, ownership, legal form, structure, countries of operation, primary brands and services	●	2-3, 143-145
2.7	Markets	●	2-3
2.8	Scale of the company	●	2-3
2.9	Significant changes during report period	●	9-10, 14, 18, 61
2.10	Awards received in the report period	●	28-29
<b>3. Reporting Parameters</b>			
3.1-3.5	Reporting period, reporting cycle, contact point, content selection process	●	61, 66-67, 124, 227
3.6-3.8	Boundary of the report, any specific limitations	●	61
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	●	No significant divergence from GRI Protocols. For additional information see the footnotes in the data tables.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	●	Occupational disease rate has not been reported in 2012 because accurate information is not available; in addition, the 2012 safety disclosure does not cover lost time injuries.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied	●	All employees are employed "at will" at U.S. hotels. By 2011 they were grouped as part of fixed term employment, but they are now incorporated into the permanent employment data. Waste and Community data have been expanded to cover the complete reporting scope of this report. For additional information, please see footnotes in the data tables on pages 215-219 and the Reporting Scope on page 61.
3.12	Table identifying the location of Standard Disclosures	●	220-221
3.13	Policy and current practice with regard to seeking external assurance for the report	●	61, 222
<b>4. Management, Obligations and Commitment</b>			<b>The policies and procedural manuals for each sustainability areas and the overall governance framework are outlined on page 63. More detailed discussions can also be found at the beginning of each respective section and in the 2011 Sustainability Report.</b>
4.1	Governance Structure.	●	104, 119
4.2	Independence of the Supervisory Board Chairman	●	107
4.3	Governance body and/or independent members of management	●	106-108, 117-118, 139
4.4	Mechanisms to provide recommendations to highest governance body.	●	66-67, 72, 104, 119
4.5	Linking compensation of senior governance body/managers with sustainability performance.	●	134-137 We currently do not link compensation of senior managers specifically to sustainability performance. Compensation is linked with a senior manager's overall performance which includes sustainability performance along with other aspects such as operational and management performances.
4.6, 4.7	Processes to avoid conflicts of interest and for determining composition, qualifications, diversity and expertise of the highest governance body and its committees.	●	111, 115, 117-118, 133, 139
4.8, 4.12	Internal statements of sustainability mission, values, codes of conduct, and principles and the status of their implementation. External charters, principles, or other initiatives to which the organisation subscribes.	●	61, 63, 69, 87-88

Index according to GRI (G3.1 Core Indicators)	Reported	Page(s)
4.9 Procedures of the highest governance body for overseeing the identification and management of sustainability performance, including relevant risks, and compliance with international standards/codes.	●	63-67, 119
4.10 Processes for evaluating the highest governance body's own sustainability performance.	●	63, 119
4.11 Explanation of whether/how the precautionary approach or principle is addressed.	●	63, 66-67, 74, 82-86
4.13 Memberships of strategic nature with associations or advocacy bodies	●	63, 87, 90
4.14-4.17 Selection of stakeholders, stakeholders engaged, approaches to stakeholder dialogue (type/frequency), statements on key concerns raised by stakeholders	●	66-67
<b>5. Performance Indicators</b>		
<b>5.1 Economics</b>		
EC1 Economic value generated and distributed	●	32-59, 215
EC3 Defined benefit plan coverage	●	183-185
EC4 Significant financial assistance received from government	●	No significant financial assistance received from government
<b>5.2 Environment</b>		
EN3 Direct energy consumption by primary energy source	●	75
EN4 Indirect energy consumption by primary source	●	75
EN5 Energy saved due to energy efficiency improvements	●	75, 215
EN6 Energy efficiency initiatives/renewable energy based products, and resulting energy reductions achieved	●	75-77, 81
EN7 Initiatives to reduce indirect energy consumption and reductions achieved	●	75-77
EN10 Percentage/total volume of water recycled & reused	●	77-78
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity	●	215, 218-219
EN16 Total direct/indirect GhGs emissions by weight	●	75, 215, 218-219
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved	●	75-76, 87
EN19 Emissions to ozone-depleting substances by weight	●	77, 215, 218-219
EN22 Total weight of waste by type and disposal method	●	79-81, 215, 218-219
EN23 Total number and volume of significant spills.	●	No significant spills recorded in 2012
EN26 Initiatives to mitigate environmental impacts of products and services	●	74-81, 87-89
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	No fines or non-monetary sanctions for non-compliance with environmental laws and regulations recorded in 2012.
<b>5.3 Social and Wider Society Performance</b>		
LA1 Workforce by employment type and region	●	68, 216-217
LA2 Total number and rate of new employee hires and turnover by age group, gender, and region.	●	70-71, 216-217
LA4 Percentage of employees covered by collective bargaining agreements	●	69, 216-217
LA7 Injuries, absentee rates and work-related fatalities	●	83, 215
LA12 Percentage of employees receiving regular performance and career development reviews	●	70, 216-217
LA15 Return to work and retention rates after parental leave, by gender	●	71, 216-217
HR3 Employee training on aspects of human rights	●	69
HR4 Incidents of discrimination and actions taken	●	69
HR9 Total number of incidents of violations involving rights of indigenous people and actions taken	●	No incidents of violations involving rights of indigenous people were recorded
SO3 Percentage of employees trained in corruption prevention	●	69
SO4 Actions taken in response to incidents of corruption	●	69
SO8 Monetary value of fines and number of non-monetary sanctions for non-compliance with laws and regulations	●	Except as stated on page 71, there was no non-compliance with laws that resulted in significant fines or sanctions identified.
PR4 Total number of incidents of non-compliance with regulations/voluntary codes on product and service information and labelling, by type of outcomes.	●	No incidents of non-compliance recorded.
PR8 Total number of substantiated complaints on breaches of customer privacy and losses of customer data.	●	No incidents of substantiated complaints regarding breaches of customer privacy and losses of customer data.