

Independent Assurance Report

Independent Assurance Report to The Hongkong and Shanghai Hotels, Limited

KPMG was engaged by The Hongkong and Shanghai Hotels, Limited to provide assurance on the Sustainability Review and Data Statements 2012 (further referred to as "The Report") for the year ended 31 December 2012.

Responsibilities of the Directors of The Hongkong and Shanghai Hotels, Limited

The Directors of The Hongkong and Shanghai Hotels, Limited ("HSH") are responsible for the preparation of The Report for the year ended 31 December 2012, for determining the content and statements contained therein, and for establishing sustainability reporting guidelines and maintaining appropriate records from which the reported sustainability information is derived.

Responsibilities of the independent assurance provider

Our responsibility is to express our conclusions to HSH on the findings of our work referred to below and to examine the presentation of the sustainability information for consistency with our findings. Our independent limited assurance report is made solely to HSH in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Board of Directors of HSH those matters we have been engaged to state in this independent limited assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than HSH for our work, for this independent limited assurance report, or for the conclusions we have reached.

Scope of work

Our engagement was designed to provide the readers of The Report with limited assurance on whether the information in The Report is in all material respects fairly stated in accordance with the reporting criteria described below. Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance.

Basis of our work

We conducted our work in accordance with ISAE 3000¹, with a team of specialists in auditing sustainability information and with experience in similar engagements. This standard requires that we comply with applicable ethical requirements, including independence requirements, and plan and perform the engagement to obtain limited assurance about whether the information presented is free from material misstatement.

HSH uses the Sustainability Reporting Guidelines of the Global Reporting Initiative (G3.1), as detailed in the Reporting Standards and Assurance of the Sustainability Review. It is important to view the performance data in the context of this explanatory information.

Work performed

We planned and performed our work to obtain all the evidence, information and explanations that we considered necessary to provide sufficient evidence for us to give limited assurance over the scope of work outlined above.

Our work included the following procedures using a range of evidence-gathering activities which are further explained below:

- An evaluation of the results of HSH's stakeholder consultation processes and their methodology for determining the material issues for key stakeholder groups;
- Media analysis and an internet search for references to HSH during the reporting period;
- Conducting interviews across the business concerning sustainability strategy and policies for materials issues and their implementation;
- Conducting interviews with management and other personnel at HSH to obtain an understanding of the information collection process;
- Examining and testing of the systems and processes in place to generate, aggregate and report the sustainability performance information. We also tested the reliability of underlying sustainability information at the local operations selected for a site visit;
- Visits to a risk-based selection of two local operations;
- Checking the GRI Index on pages 220 to 221 to ensure consistency with the GRI application level of B+; and
- Reading the information presented in The Report to determine whether it is in line with our overall knowledge of the sustainability performance of HSH.

Conclusion

Based on the work performed described above, nothing has come to our attention that causes us to believe that The Report of HSH for the year ended 31 December 2012, is not presented fairly, in all material respects, in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative (G3.1) as described on pages 220 to 221 of the Report.



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1. International Standard on Assurance Engagements 3000: Assurance engagements other than audits or reviews of historical information, issued by the International Auditing and Assurance Standards Board.