

INDEPENDENT ASSURANCE REPORT

KPMG was engaged by The Hongkong and Shanghai Hotels, Limited ("HSH") to undertake a # limited assurance engagement on the Corporate Responsibility and Sustainability Report and Data Statements 2015 of HSH (further referred to as "The Report") for the year ended 31 December 2015.

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

The Directors of HSH are responsible for the preparation and presentation of The Report specifically ensuring that in all material respects The Report is prepared and presented in accordance with the Sustainability Reporting Guidelines (G4) of the Global Reporting Initiative and the Environmental, Social and Governance Reporting Guide (ESG Guide) Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as described in the Section of GRI Content Index of The Report. This responsibility also includes the internal controls relevant to the preparation of The Report that is free from material misstatement whether due to fraud or error.

Responsibilities of the independent assurance provider

Our responsibility is to express a conclusion to the Directors of HSH based on our limited assurance procedures referred to below. 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 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 conclusion we have reached.

Basis of our work

We conducted our work in accordance with International Standard on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements. These standards required the assurance team to possess the specific knowledge, skills and professional competencies needed to provide assurance on sustainability information. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements, and that we comply with the requirements of the Code of Ethics for Professional Accountants issued by International Ethics Standards Board for Accountants to ensure their independence. HSH uses the Sustainability Reporting Guidelines of the Global Reporting Initiative (G4), as detailed in the Reporting Standards and Assurance section on the inside front cover of the Corporate Responsibility and Sustainability Report. It is important to view the performance data in the context of this explanatory information.

Work performed

A limited assurance engagement on a corporate responsibility and sustainability report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Corporate Responsibility and Sustainability Report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures include:

- An evaluation of the results of HSH's stakeholder consultation processes and their methodology for determining the material issues for key stakeholder groups;

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

- 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 material 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;
- Data included in the report agreed, on a sample basis, to underlying calculations and supporting schedules;
- Performed an analytical review of data provided by each operation and investigated, through discussion with management, key movements compared to prior year, expectations and targets;
- Checking the GRI Content Index on pages 84 to 91 for consistency with G4 reporting guidelines in meeting Core disclosure level and the Environmental, Social and Governance Reporting Guide (ESG Guide) Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

- 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 our limited assurance procedures as described above, nothing has come to our attention that causes us to believe that Corporate Responsibility and Sustainability Report and Data Statements 2015 of HSH for the year ended 31 December 2015, is not presented fairly, in all material respects, in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative (G4), and the Environmental, Social and Governance Reporting Guide (ESG Guide) Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as described in the Section of GRI Content Index on pages 84 to 91.



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The 2015 HSH Corporate Responsibility and Sustainability Report meets GRI G4 Core Level requirements and has successfully completed GRI's Materiality Disclosures Services. The Company has also complied with all "comply or explain" provisions as set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules. For more details, please refer to our Corporate Responsibility and Sustainability Report.

