



MANDARIN ORIENTAL
THE HOTEL GROUP

SUSTAINABILITY REPORT 2019

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Mandarin Oriental, Sanya

Introduction



Message from the CEO

Corporate responsibility values are deeply ingrained in Mandarin Oriental's culture, and sustainability implications are carefully considered with each and every decision across the Group. As we grow our portfolio of luxury hotels and residences around the world, we place great importance on operating our hotels sustainably over the long term. Our colleagues are encouraged to act responsibly in everything that they do, with particular emphasis on how they can impact their local communities. 2019 was an extremely busy year for the Group and was one in which we faced challenges but also made significant progress with our sustainability efforts.

We have implemented a strong governance structure to guide us towards our objectives, by incorporating sustainability elements into our policies and procedures. During the year, we strengthened colleague engagement by conducting 29 sustainability workshops across our portfolio. These workshops not only inspire greater colleague passion, but help us to better understand how best to support and drive colleagues' efforts.

We also set ourselves an ambitious goal of eliminating all single-use plastic from our hotels by the end of March 2021. This is a significant challenge, and while our relatively small footprint limits our contribution to the world's plastic reduction, we are in a strong position to provide valuable leadership and drive important changes in the industry. The current COVID-19 pandemic will have some impact on our efforts, but we remain committed to our original objective of 100% elimination within our timeline, and I am delighted at how our colleagues have embraced this task and to see the considerable progress that has been made so far. By the end of 2019, the Group had identified and eliminated 86% of 23 of the most common items of single-use plastic in use across the portfolio. Our hotels are now widening the scope of their work to identify and trial viable eco-alternatives for the remaining single-use plastic items on property, with successes and best practice being shared across the Group and announced on a bi-annual basis.

Another key achievement in 2019 was to establish a programme for responsible procurement. Our respect for nature and for the people who work in the supply chain has been an important factor in driving this commitment. Key priority items for responsible procurement have now been well defined, and relevant goals and targets are being set for 2020 and beyond.

Finally in 2019, we opened four new hotels, in Beijing, Dubai, Doha and Lake Como, and with additional properties in the pipeline, we fully recognise the importance of having a strong sustainability governance structure to guide us towards our future objectives. I have confidence that we are well placed to move forward with a sustainable growth trajectory.

The achievements in 2019 were made possible by the hard work and dedication of the Group's 12,500 colleagues who continue to identify impactful ways to support their local community and environmental needs.

At a time when our industry and the Group is undergoing extensive transformation, we will continue to evolve and grow while holding true to our core values as we move along our sustainability journey. I look forward to seeing continued progress throughout 2020.



James Riley
Group Chief Executive

About this Report



Mandarin Oriental, Paris

This is Mandarin Oriental Hotel Group (MOHG or the Group)'s eighth Sustainability Report covering the 2019 calendar year, January 1st to December 31st.

The 2019 Report covers MOHG's progress in its sustainability initiatives which have been monitored and reviewed. To enhance the comparability of data, only hotels with complete full-year data are included in the performance summary and analysis.

The information presented in this report makes references to the Global Reporting Initiative (GRI) Standards: Core option. Key material sustainability issues were identified through different stakeholder engagement exercises and are discussed in forthcoming sections. As a supporter of the United Nations Sustainable Development Goals (SDGs), this Report demonstrates our commitment to them through our various sustainability initiatives.

Corporate Profile

Recognised for creating some of the world's most sought-after properties, the Group offers contemporary luxury with its signature Oriental charm. Over the past 56 years, the Group has grown from its Asian roots into a global brand, operating in major cities and resort destinations.

THE AMERICAS

Boston • Canouan • Miami
New York • Santiago • Washington, D.C.

EUROPE, MIDDLE EAST & AFRICA

Abu Dhabi • Barcelona • Bodrum
Doha • Dubai • Geneva • Lake Como
London • Madrid • Marrakech • Milan
Munich • Paris • Prague

ASIA-PACIFIC

Bangkok • Beijing • Guangzhou
Hong Kong (2) • Jakarta • Kuala Lumpur
Macau • Sanya • Shanghai
Singapore • Taipei • Tokyo



33

Hotels

7

Residences

23

Countries/
Territories

7,906

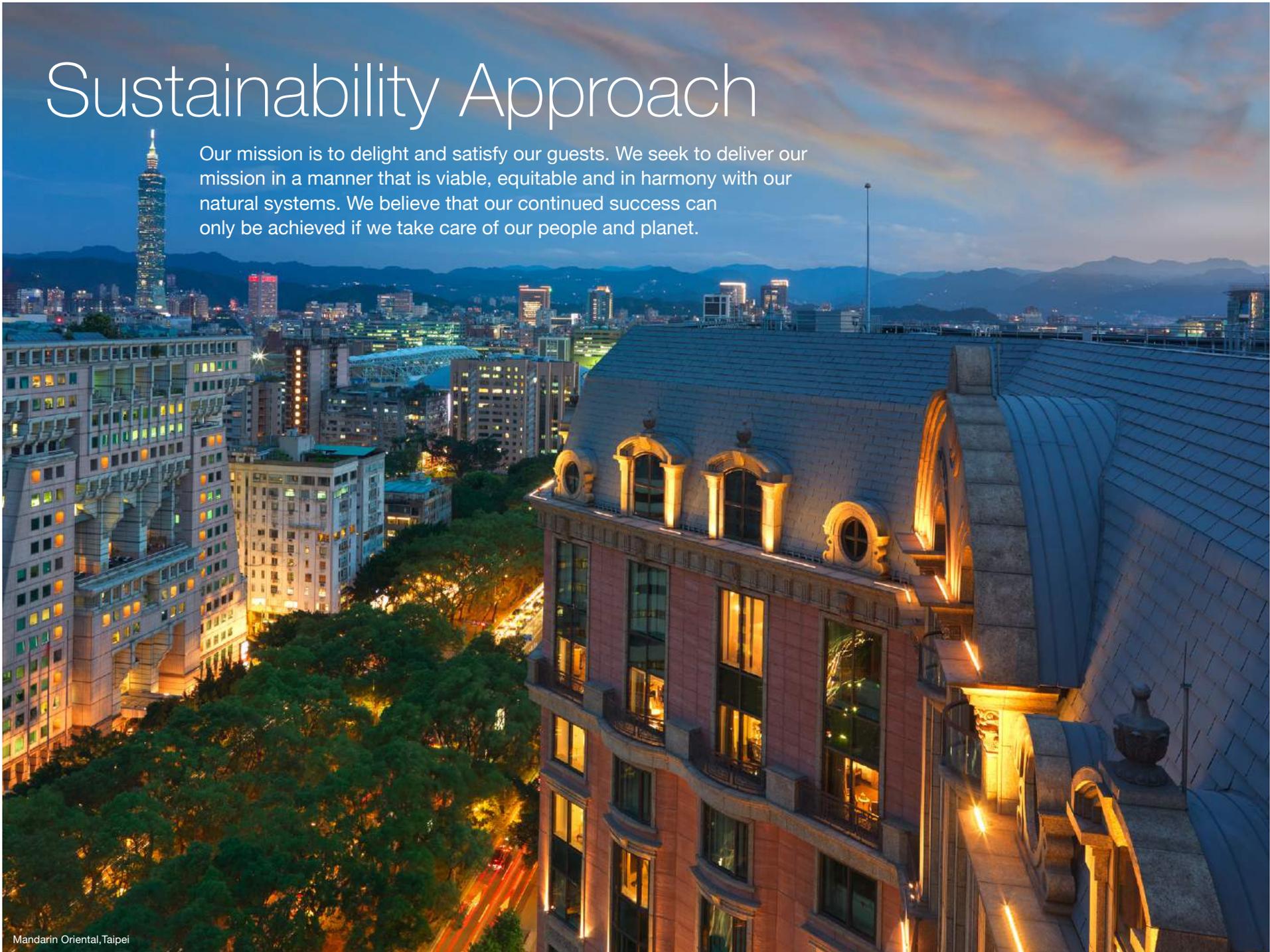
Rooms

12,600

Colleagues

Sustainability Approach

Our mission is to delight and satisfy our guests. We seek to deliver our mission in a manner that is viable, equitable and in harmony with our natural systems. We believe that our continued success can only be achieved if we take care of our people and planet.



Mandarin Oriental, Taipei

Doing More for a Sustainable Future

Mandarin Oriental continuously strives to do more for the sustainability of our common future. We are committed to maximising social and economic benefits for the communities where we operate, responsibly managing our environmental impact and fulfilling our social commitments within our operations and across our supply chains. Our five *Guiding Principles* illustrate how we aspire to engage all our stakeholders, from guests and colleagues to all partners, in our relentless pursuit of sustainability and hospitality excellence. These principles are in alignment with the UN Sustainable Development Goals¹—a plan of action, and an urgent call for sustainable development that emphasises people, planet, prosperity and partnerships. Detailed correspondence to different UN Sustainable Development Goals is set in Appendix C.

Delighting our Guests

We are committed to exceeding guest expectations by surprising them with our ability to anticipate and fulfil their wishes when it comes to sustainability.



Delighting our Colleagues

We value each colleague and provide a caring, inclusive, motivating and rewarding environment for all. We bring out the best in our people through effective training and personal development, enabling a fulfilling career with the Group.



Acting with Responsibility

We maintain integrity, fairness and honesty in all our internal and external relationships. We support initiatives that improve the environment and are responsible members of our communities.



Working Together

We emphasise the importance of teamwork and treat each other with mutual respect and trust. By working cooperatively with both internal and external parties, we contribute to the Group's success and the sustainable development of cities where we are located.



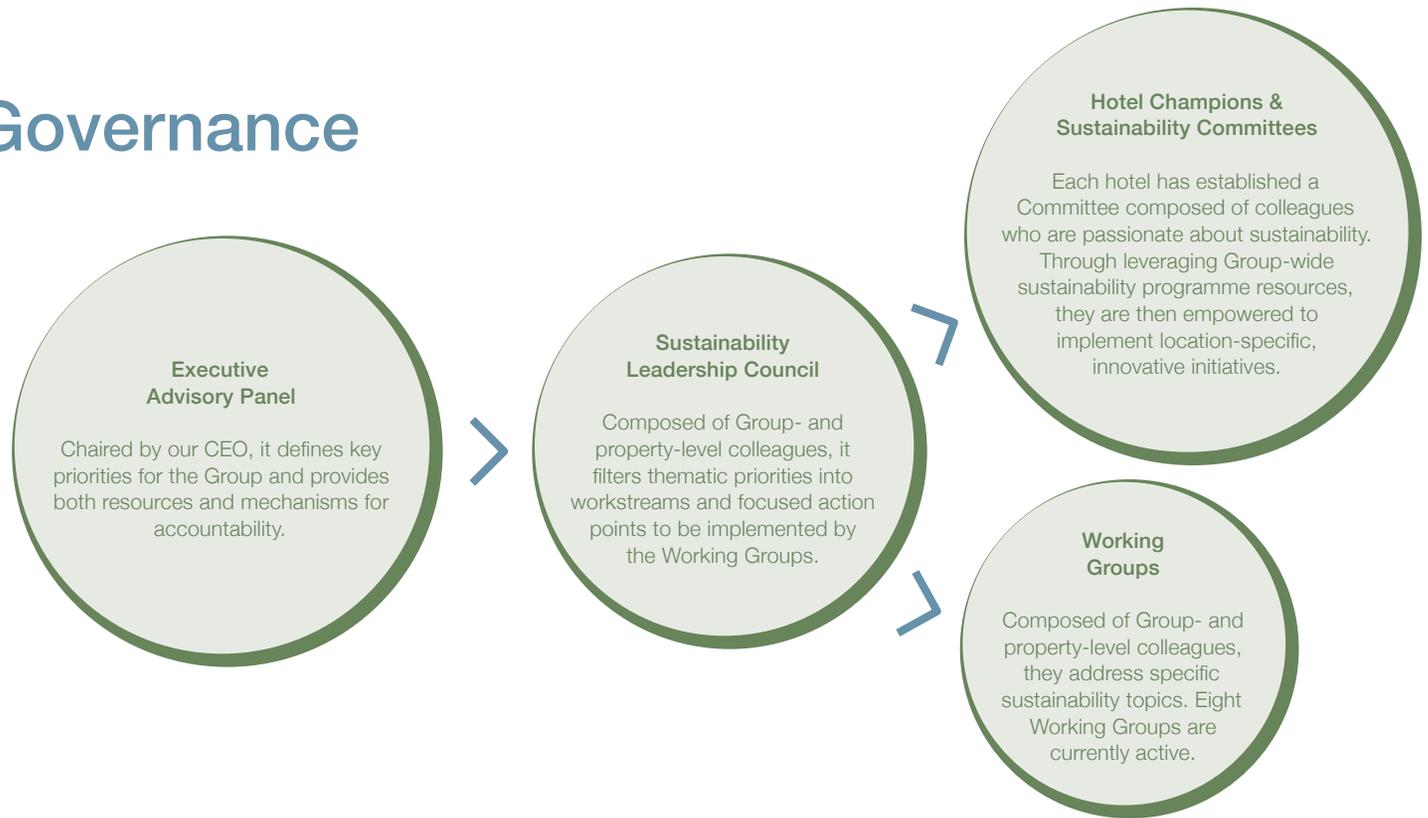
Becoming the Best

We intend to be an innovative leader in the luxury hospitality industry. We constantly improve our service delivery, as well as the quality of our products and facilities, ensuring that we appeal to our multi-generational audience.



Sustainability Governance

Following the establishment of the Group Sustainability Strategy for 2018–2020, the robust 4-tier governance framework, in particular the formation of thematic working groups, has successfully driven multiple sustainability initiatives. By the end of 2019 a total of eight working groups had been activated, each of which sets its own targets and goals in support of the Group’s broader sustainability objectives, identifying industry-wide best practices, as well as facilitating cross-pollination of innovative ideas among sister hotels.



WORKING GROUP	Hotel Sustainability Committee (HSC) Support	Guest Engagement	Human Rights and Inclusiveness	Food & Beverage Impact	Green Spas	Measurement and Reporting	Green Development	Responsible Procurement
FOCUS AREAS 2019	Provide HSCs support, including in the areas of sustainability training and sharing best practices	Identify ways to integrate sustainability into guest engagement	Develop anti-human trafficking and modern slavery policies and practices and monitor gender diversity	Eliminate single-use plastic and identify responsible procurement opportunities in Food & Beverage (e.g. coffee, tea, seafood)	Eliminate single-use plastic and identify responsible procurement opportunities in Spas	Oversee the annual sustainability report, related online data-gathering platforms and implement online sustainability management system	Identify ways to integrate sustainability throughout hotel development, design, and pre-opening phases	Maximise opportunities in responsible procurement and support the implementation of responsible procurement programmes and related policies

2019 at a Glance

Reduced energy intensity by 19.6% in 2019*

ON TRACK

to reach 20% reduction target by 2020

Reduced water intensity by 16.4% in 2019*

ON TRACK

to reach 20% reduction target by 2020

Reduced greenhouse gas emission intensity by 27.0% in 2019*

AHEAD OF GOAL

to reach 25% reduction target by 2020

Diverted 45% of waste from landfills**

*from 2007 baseline **compared to 2012 ratio of 18%

13 hotels granted Forbes' 'Five-Star Spa' award, more than any other hotel group



Approximately 70,000 kilograms of used soap and bottled guestroom amenities have been diverted from landfill and donated to support those in need through our Clean the World partnership



Announced strategic plan to eliminate single-use plastic by March 2021. **Achieved 63% elimination success** for 60 most common items²

Raised **US\$110,000** for the Baan Nokkamin Foundation's orphanage in Thailand since 2016, exceeding our original goal



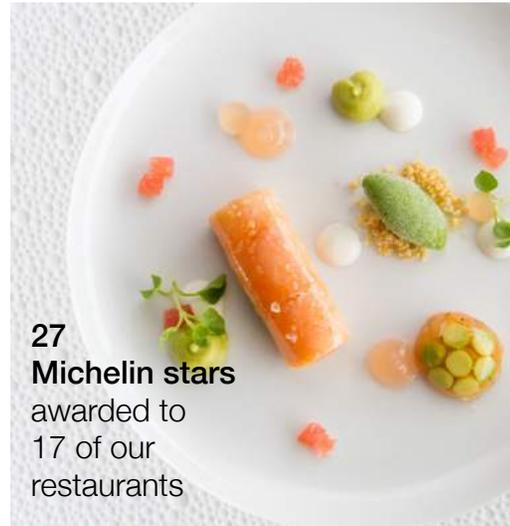
US-based FANtastic Match donated over **US\$64,000** to US colleague charities

2019 at a Glance



Making good progress towards 2020 goal of converting to LED lighting at all hotels

14 years of support for Asian Cultural Council's Mandarin Oriental Fellowship for Cultural Heritage Preservation



27 Michelin stars awarded to 17 of our restaurants

Launched responsible procurement roadmap

Spent **70,000 hours volunteering** at local charities through FANTastic London as our way to show gratitude for the local community's support



Practised on- and off-site beekeeping at **27% of our hotels**, contributing to conservation of the world's bee populations and ecological balance

29 Hotel Sustainability Committee Engagement Workshops conducted to raise awareness

Organised volunteer events to care and find homes for rescued animals in the United States, Middle East and Asia



Supported **more than 200** charities and community organisations

Delighting Our Guests



“With our guests’ heightened environmental and social awareness, delighting and surprising them can no longer be based solely on quality service and products. Ensuring that we integrate sustainability into every detail is the key”.
—Brittany Anthony, Leader of Guest Engagement Working Group

Mandarin Oriental, Lago di Como

Guest Satisfaction and Loyalty

Discreet, personalised service lies at the heart of everything we do. The Group created the Legendary Quality Experiences (LQEs) guidance document to aid our colleagues in delighting and creating remarkable experiences for our guests.

At Mandarin Oriental, we believe that pulse checks are important to monitor and maintain our hotels' service performance if we are to be recognised as a leader in luxury hospitality. All hotels receive three annual audits for performance against the LQEs, with the results shared Group-wide. Apart from LQEs, Mandarin Oriental utilises various quality benchmarking processes to monitor and improve performance, including the international benchmarking standards established by Leading Quality Assurance (LQA). Starting from late 2019, in addition to service quality, we also now gather guest feedback on our sustainability performance. This comprises a new sustainability section with two multiple choice questions and one open-ended question that have been added to the guest LQA survey. The questions are designed to allow us to better understand our guests' satisfaction levels pertaining to our sustainability efforts and also provide suggestions for how we can improve.

At the same time, we also measure ourselves against other international standards, including those awarded by the American Automobile Association in the United States, the Forbes Travel Guide and the Michelin Guide.

We continue to strive to offer better recognition to our loyal guests. Fans of M.O., Mandarin Oriental's distinctive guest recognition programme, was designed to better identify and delight our loyal guests. Fans of M.O. not only allows for greater personalisation of a hotel stay, but also provides immediate access to partner benefits and exclusive offers throughout our portfolio of hotels. Members who book through our website can further benefit from stay perks such as early check-in or late check-out, a dining or spa credit, daily breakfast, or even a room upgrade.



Mandarin Oriental, Taipei



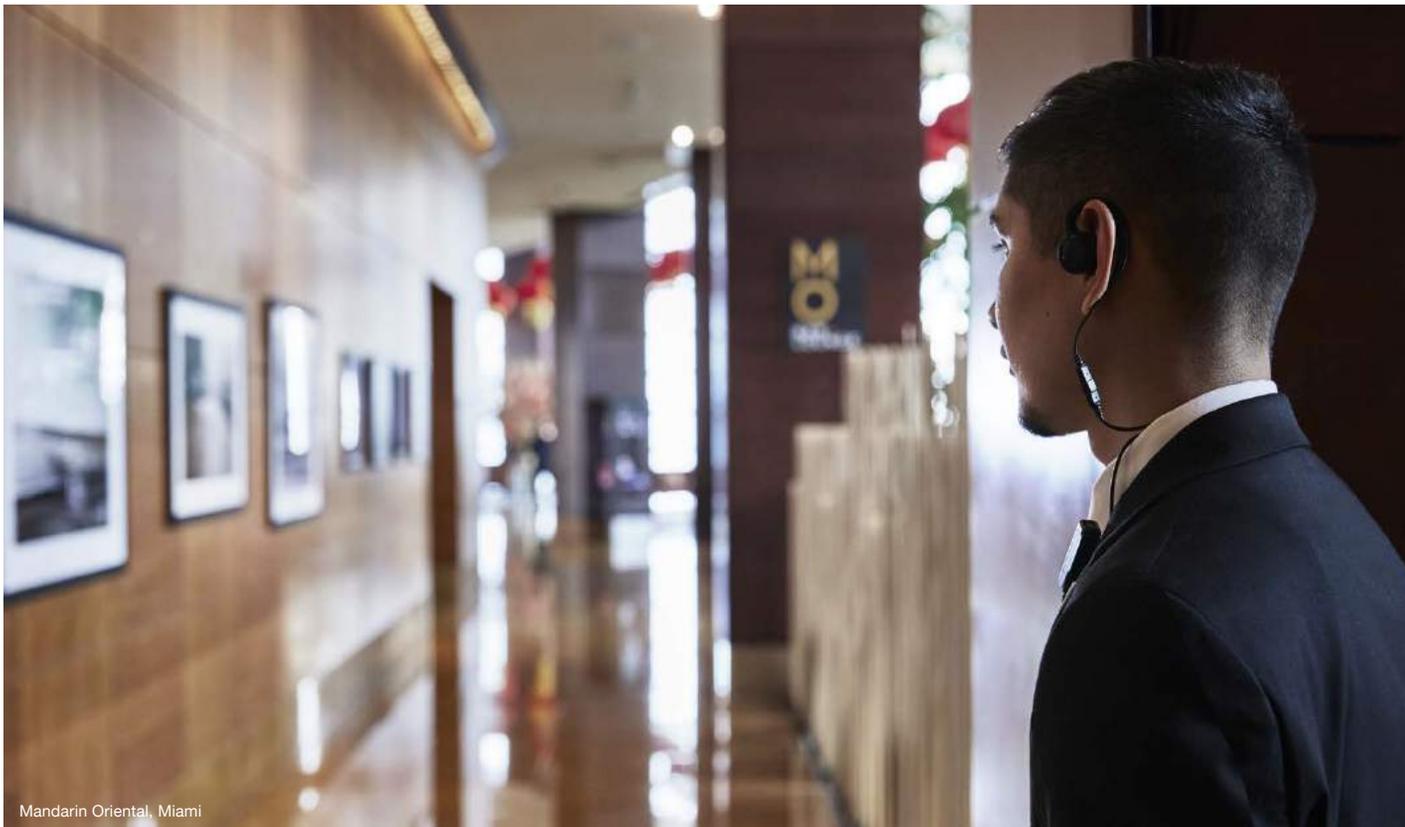
Fans of M.O., Mandarin Oriental's distinctive guest recognition programme, was designed to better identify and delight our loyal guests.

Safety & Security

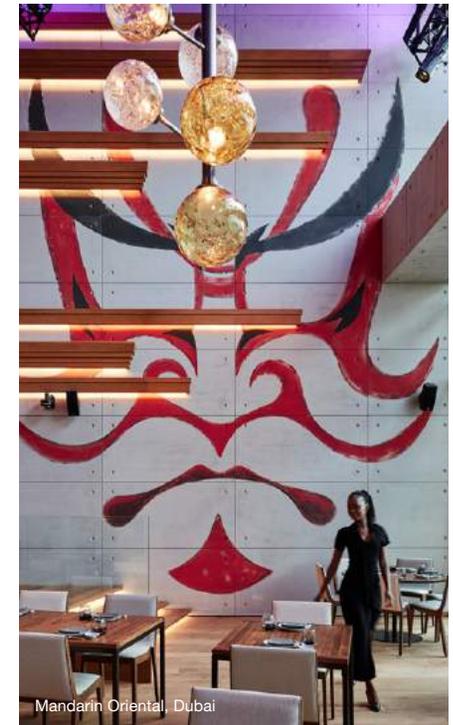
The safety and security of our guests has always remained a top priority and is addressed through our Safe and Sound programme. Established in 2000, this programme covers fire safety, security, risk management, food safety as well as health and safety for guests and colleagues. Detailed guidelines, continuously updated based on recognised international standards and best practices, ensure that we have a consistent approach across our operations.

Each fully operational hotel is audited annually to monitor their compliance with these Safe and Sound guidelines. Audits are conducted by an independent auditing company and include a verification of documentation and records in place, as well as a physical inspection of the facilities. The annual audit process ensures that hotel management teams are focused on health and safety issues and are prepared to manage crises and business disruptions. Executive compensation is based in part on the hotel's annual audit results.

Besides ensuring the safety of our guests' physical assets, we also treat seriously the security of our guests' personal private data. Our Data Privacy Policy clearly illustrates our commitment in handling personal data with the highest integrity, security and care.



Mandarin Oriental, Miami



Mandarin Oriental, Dubai

2019 Safe and Sound Audit and Occupational Safety Results

The audit performance has remained consistent over the years and the Group's overall average score was 92.7% in 2019, surpassing our target by 2.7%.

Sustainability Initiatives

At Mandarin Oriental, we believe that creativity and innovation allow us to provide luxurious and authentic service in an environmentally and socially conscious way. Consequently, our hotels have incorporated sustainability elements across different areas of our services:

To play a leading role within the community at large in eliminating single-use plastics, we proactively identified our single-use plastic inventories and have an all-encompassing programme to replace them with environmentally-friendly alternatives.

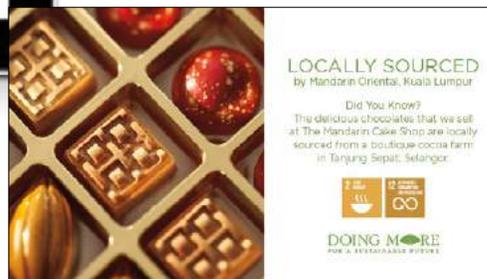
Sustainable luxury goes beyond materials to impact all aspects of the travel experiences we offer. Electric cars give rise to considerably lower GHG emissions over their lifetime compared

to conventional (internal combustion engine) vehicles. They have become increasingly popular and many luxury models are now available, a number of which have been introduced into our transportation fleets. They are now an option at select Mandarin Oriental hotels in the United States, Europe, Middle East and Asia, providing further ways to reduce our carbon footprint. In 2019, electric cars were added to Mandarin Oriental, Dubai, Mandarin Oriental Wangfujing, Beijing and Mandarin Oriental, Sanya.

We have also leveraged advances in technology to further improve the check-in and stay experience of our guests. Guest registration at check-in across 23 hotels is now being done on an iPad using the new Property Management System. This has shortened check-in time and also led to an 80% saving in printing

registration cards. Guests also have access to our online library of international newspapers and magazines, which offers a greater selection of global media and enables us to reduce the amount of paper consumed. Mandarin Oriental Wangfujing, Beijing has taken things a step further with their in-room interactive electronic tablet. It features a special sustainability section, where guests can choose from options such as chemical-free laundry cleaning to opting out of daily bed linen changes. Eleven hotels have also piloted using HelloMO, a digital messaging service for guests to connect directly with our hotel colleagues, resulting in an immediate and personalised response and service.

The dedication and commitment of our hotels to sustainability may not always be immediately recognised by guests. As such, to showcase our initiatives, hotels such as Mandarin Oriental, Kuala Lumpur have created sustainability-themed infographics that are displayed in guest elevators and in-room televisions.



Positively Impact the Community Together

Colleagues at Mandarin Oriental, Bangkok have initiated meaningful ways to interact with both guests and communities through their in-room donation programme and charity partnerships with local organisations. For example, a donation envelope and a 'Doing More for Sustainable Future' recycle bag are provided to guests so that they may donate money or any items they wish to give away to the beneficiaries. Supporting the local community and its heritage is one of the key elements which we believe contributes to an overall sustainable business.



Health & Wellness

Guided by our Oriental heritage and influenced by local cultures, the Group has created award-winning spa concepts integrated with a unique sense of place in every hotel location. Each Spa at Mandarin Oriental is individually-designed to offer the optimum combination of traditional holistic healing experiences, results-driven beauty treatments and personalised fitness and wellness assessments.

In 2019, we celebrated the 10-year anniversary of Mandarin Oriental's Signature Treatments and Products that are available at our spas around the world. In recognition of our unique wellness and beauty offerings, *Forbes*' 'Five-Star Spa' award was granted to a record 13 hotels in 2019, more than any other hotel group in the world.

Mindful Meetings

We are taking traditional meetings to new heights with innovative wellness add-on options for planners and attendees. Mindful Meetings incorporate elements of nourishment, movement, stillness, connections and well-being through customisable options in any of the hotel's opulent meeting spaces. Meetings are designed to be more mindful, support quality engagement, greater focus and deliver an even more meaningful experience for attendees. Developed by our Guest Engagement Working Group, a set of Green Meeting Guidelines was finalised in 2019 and prepared for integration into Mindful Meetings. Guests can now opt for more natural, environmentally-friendly and low-carbon elements such as infused water, fresh local food and a vegan menu.

mindful
MEETINGS



Mandarin Oriental, Doha

“We notice that sustainability and wellness initiatives tend to go hand in hand—and rightfully so, as people cannot truly be well if we do not have a well planet. Moving away from single-use plastic has led us to think more holistically about the impact of our choices and we now provide a larger range of sustainable options across wellness-oriented offerings in our fitness centres and meeting rooms”.
— *Jeremy McCarthy, Group Director of Spa*



Mandarin Oriental, Bangkok

DELIGHTING OUR GUESTS

Greening Our Spa

Since 2017, Mandarin Oriental has been a member of the Green Spa Network, a non-profit organisation dedicated to the idea that “vital people can make a vital planet possible”, by sharing best practices and helping to drive the industry towards sustainable development.

Following our commitment to eliminate plastic waste, 63% of common single-use plastics in Spas have now been replaced with eco alternatives. Additionally, 69% of our Spas are now equipped with amenity dispensers, while small plastic amenity bottles are no longer provided.

Digital Wellness

Our signature Digital Wellness initiative continues to offer our guests a ‘Digital Wellness Escape’ journey. The programme is designed to help guests find new ways to manage their relationship with technology and the stress that can come with a constantly connected digital lifestyle. Our renowned annual Silent Night wellness event takes place at all Mandarin Oriental Spas leading up to Christmas. With no talking or music allowed, it provides the perfect chance for individuals to experience a quiet time of true contemplation and genuine mindfulness during their spa treatment.



Forest Therapy

Bringing the natural world further into our Spa offerings, Forest Therapy was launched in partnership with Aromatherapy Associates at Mandarin Oriental Boston, Singapore and The Landmark, Hong Kong in 2019.

Inspired by the Japanese art of Shinrin-Yoku—or Forest Bathing rituals—this new treatment provides calming benefits for mind and body, similar to those experienced in a peaceful natural landscape.

Delighting Our Colleagues

“Diversity is our strength. We value and respect the uniqueness of every colleague. With a caring, motivating and rewarding environment for all, we believe that we can bring out the best in our people and enable them to thrive in their careers with the Group”.

—Paul Clark, Chief Human Resources Officer



Mandarin Oriental, Canouan

Human Rights and Inclusiveness

Globalisation has enhanced diversity in the hospitality and tourism industry. More than ever, a hotel is a true melting pot of various cultures. As an employer, we embrace people from diverse backgrounds and are dedicated to fostering inclusiveness in the workplace. All our colleagues are offered regular training, experiences and opportunities to advance their careers.

We profoundly respect human rights and are committed to the United Nations Universal Declaration of Human Rights and the International Labour Organisation’s Fundamental Conventions. They focus primarily on the prohibition of child and forced labour, wages and working hours, health and safety, freedom of association and non-discrimination. Mandarin Oriental Hotel Group also complies with all applicable federal, state and local laws governing non-discrimination in employment across all our locations. Our Group’s Employment Policy applies to all terms and conditions of employment including recruiting, hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation and training.

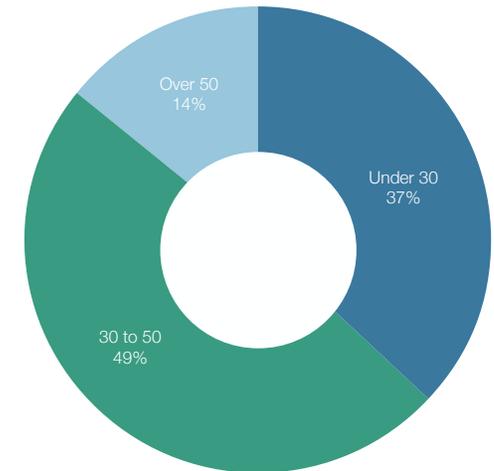
Mandarin Oriental Hotel Group expressly prohibits any form of workplace harassment based on race, colour, religion, gender, sexual orientation, gender identity or expression, national origin, age, genetic information, disability, or veteran status. Improper interference with the ability of our colleagues to perform their job duties may result in discipline up to and including dismissal.

Established in 2018, our Human Rights and Inclusiveness Working Group, which includes senior stakeholders from Legal, Finance, Human Resources, Learning and Development, Sales and Marketing and Operations, leads the development of the Group’s anti-human trafficking and modern slavery policies and practices and also monitors gender diversity. The working group is focused on ensuring ethical business practices across the Group and along the supply chain, with an additional remit to promote awareness of associated risks amongst colleagues. One of the key achievements in 2019 was the incorporation of the Human Trafficking Policies & Procedures in the Group Security Policies & Procedures Manual. Mandarin Oriental (UK) Limited and Mandarin Oriental Hyde Park Limited’s statement pursuant to the UK’s Modern Slavery Act 2015 is set out in Appendix D.

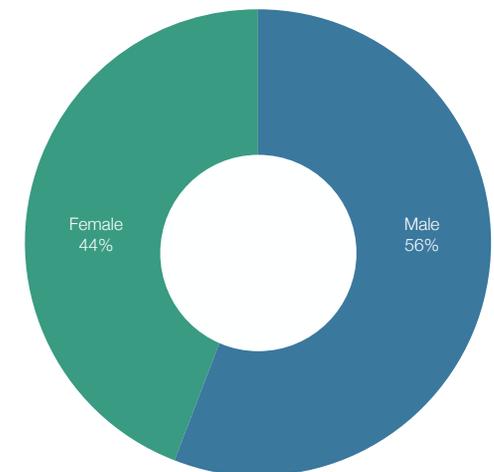
To ensure that ethical business practices are robust and effectively implemented across the Group and along the supply chain, a Code of Conduct is incorporated into every colleague’s employment contract requiring that all operations comply with all applicable laws and regulations and that proper standards of business conduct are maintained.

People with disabilities are highly-valued colleagues and it is important to recognise and tap their strengths so that they have the opportunity to unleash their full potential. Every year, Mandarin Oriental Pudong, Shanghai and Mandarin Oriental Wangfujing, Beijing hire people with disabilities to work in various disciplines, ranging from Housekeeping and Food & Beverage to Security.

Employee by Generation



Employee by Gender



Talent Engagement

To maintain the highest standards of service for our valuable guests, colleagues need to be well-trained and knowledgeable in their scope of work. Our colleagues are not just employees but also ambassadors of their respective hotels and our brand.

Sustainability Engagement

To advance in our sustainability journey, it is important to drive momentum across our hotels, starting with action from Hotel Sustainability Committee members. In late 2018, the Hotel Sustainability Committee Engagement Workshop was rolled out with an aim to enhance committee members' understanding of the Group's sustainability commitment, provide an opportunity to revisit their sustainability achievement and challenges, as well as facilitate their brainstorming of next steps to meet their sustainability goals and targets. Since the kick-off in late 2018, 30 Hotel Sustainability Committee Engagement Workshops have been conducted.



Colleague Engagement and Turnover

We operate in an industry that is characterised by high turnover rates.

We are pleased to report that we are going against the industry norm as colleague satisfaction remains high and has steadily improved over the years. Through our Colleague Engagement Survey platform, we actively solicit feedback from colleagues—not just addressing their scope of work, but also looking deeper to address specific needs and purposes, from management down to the department level. To facilitate a more robust engagement, pulse surveys were launched in 2019 to replace the conventional annual surveys.

On a global level we continued to work on the three highest drivers of engagement, which were Mission, Vision and Guiding principles, Customer Focus and Management. In a similar vein to previous years, we experienced a 38% global turnover rate; it remains below the current industry average. Colleagues under 30 continue to be the demographic with the highest turnover rate of 56%.



Hotel Sustainability Committee Engagement Workshop at Mandarin Oriental, Macau



Hotel Sustainability Committee Engagement Workshop at Mandarin Oriental, Jakarta

DELIGHTING OUR COLLEAGUES

In support of MOHG's pledge to eliminate single-use plastic, our hotels have continued to actively engage colleagues in this high-profile movement. Various engaging, interactive and educational approaches have been adopted by hotels to raise awareness and support amongst colleagues in phasing out single-use plastic. Hotels including Mandarin Oriental, Paris and Mandarin Oriental, Bangkok presented stylish water bottles as a gift to colleagues and stopped offering plastic water bottles back-of-house. Mandarin Oriental, Munich launched a MyMO Challenge asking colleagues to look for as many single-use plastic items as possible in order to develop the most comprehensive single-use plastic inventory list for elimination, offering an award to the colleague who identified the most. Mandarin Oriental, Hong Kong produced a video to raise colleague awareness on single-use plastics.

Leveraging digital and social media platforms, sustainability best practices were also shared amongst sister hotels through our internal social app MyMO and internal sustainability web pages. Hotels rolled out their respective tailored sustainability awareness campaigns, with messages delivered through training classes, via videos, competitions, posters and other interactive means.

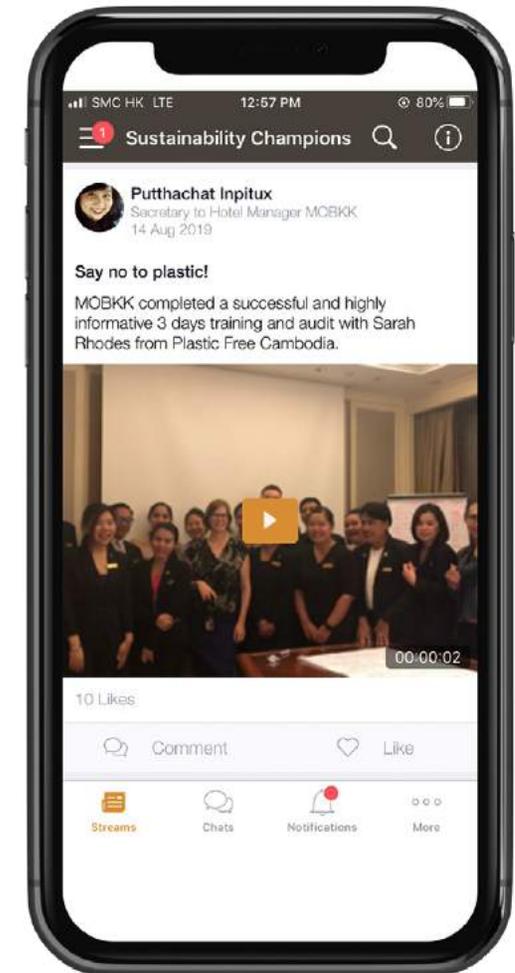
In honour of World Environment Day in June, Mandarin Oriental, Paris organised a Sustainable Development Week where colleagues undertook initiatives including "plogging" (a combination of jogging and picking up garbage) in the local neighbourhood, set up an employee market for seasonal fruits and herbs and even organised an internal workshop to create their own natural deodorants.



Colleagues of Mandarin Oriental, Paris undertake "plogging"



Reusable water bottles at Mandarin Oriental, Paris



MyMO App Mandarin Oriental, Bangkok

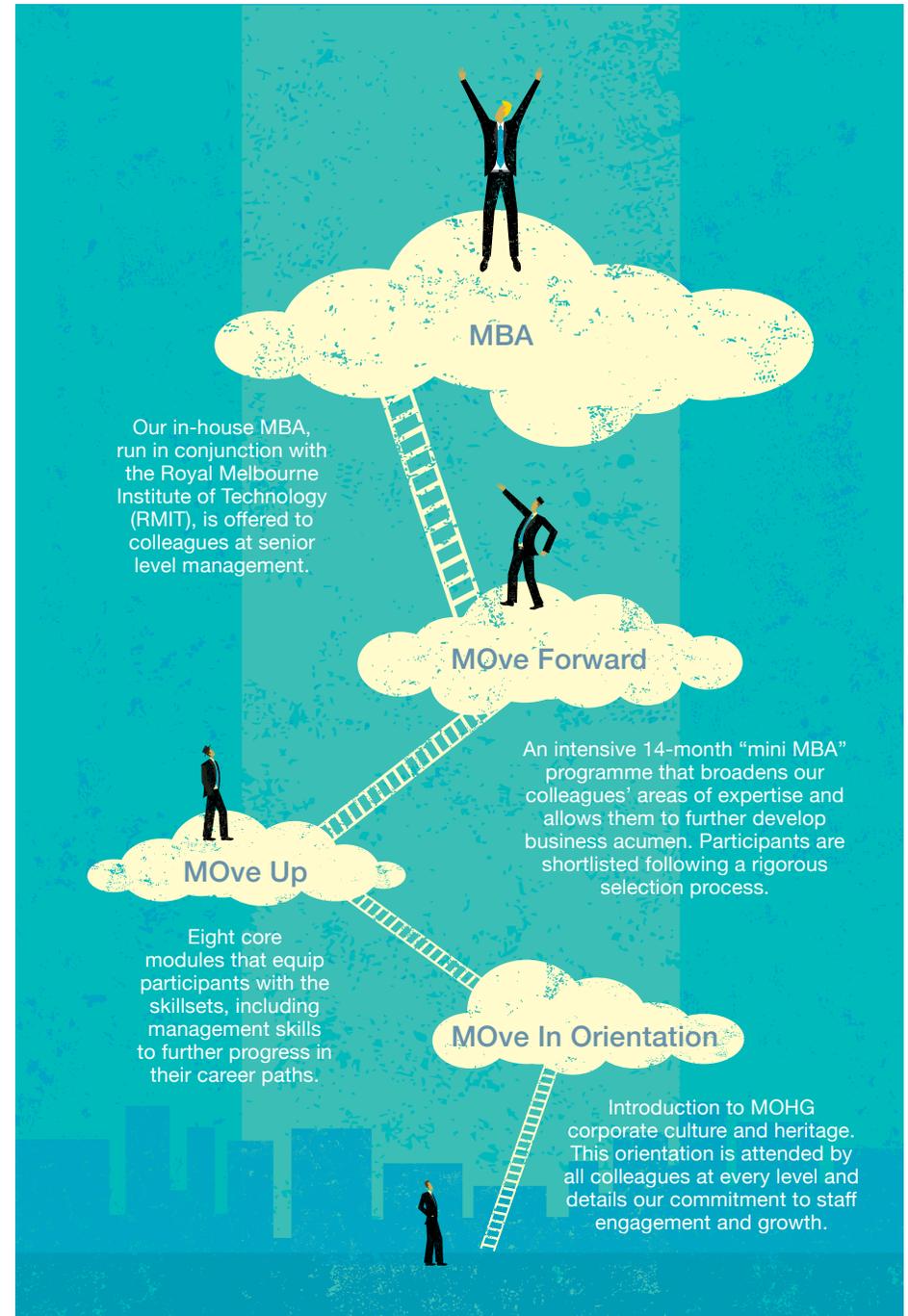
Training and Development

Given the ongoing expansion of the brand, developing well-trained and engaged colleagues is more important than ever. From the initial interview process through the comprehensive M^Ove In orientation and on to our numerous Learning and Development programmes, we are committed to providing a Mandarin Oriental ‘Colleague Journey’ that exceeds colleague expectations. Our approach to Learning and Development is unique in that we emphasise continuous and experiential learning supported by traditional classroom training methods. Our personalised and occupational focus ensures that training is conducted effectively and efficiently.

Every hotel opening is planned meticulously and early involvement of intensively trained and engaged colleagues is an essential step in this process. As such, at every opening hotel, a group of Cultural Exchange Ambassadors (CEAs) work alongside local colleagues as ambassadors of the Mandarin Oriental brand. These experienced ambassadors infuse the brand’s culture among new colleagues whilst training them on detailed and customised Standard Operating Procedures. The composition of CEA teams frequently changes to introduce fresh perspectives at each opening.

Once new colleagues join the Mandarin Oriental family, our mandatory M^Ove In Orientation programme empowers them to learn about our culture, our heritage and our story. It includes a Sustainability Training Programme which introduces a general understanding of sustainability issues and practices at Mandarin Oriental. An annual Sustainability Awareness Refresher Training Programme is also available for all existing colleagues. In 2019, the topics for both programmes were single-use plastic and food waste.

To support career growth of our talent, our online performance management system gives colleagues and their managers the ability to track performance, training and overall professional development in real-time. Our signature M^Ove Up, M^Ove Forward and MBA Executive programmes remain our core learning and development tools. The Junior Management programme M^Ove Up targets supervisors and junior managers, while the M^Ove Forward senior leadership programme targets experienced managers. Seventeen colleagues from Asia were selected in late 2019 for the 2020 programme, while 12 participants from the Europe and Middle East regions similarly embarked on their M^Ove Forward journey. In parallel, in 2019 we launched the MOHG Mentoring Programme to facilitate the personal growth and career development of colleagues.



DELIGHTING OUR COLLEAGUES

Our in-house one-of-a-kind MBA programme continues to help us develop future leaders within the Group as part of our succession planning. Another 12 senior-level managers commenced their MBA studies in March 2019.

We have built close relationships with many institutes and hotel schools around the world to help nurture future talent at Mandarin Oriental and across the hospitality industry. Whether at a career fair or a job interview, we aim to provide a memorable and rewarding experience that lets the candidate “feel the brand”. Globally, we offered Food & Beverage, Rooms and Spa management development programmes targeted at young talented hospitality graduates. Mandarin Oriental, Barcelona was recognised for their support to the industry and was honoured with ‘The Inspiring Young Talent Award 2019’ by Les Roches Marbella.



Mandarin Oriental, Barcelona was honoured with ‘The Inspiring Young Talent Award 2019’



Mandarin Oriental Hyde Park, London

Health and Safety

Encouraging colleague wellness has always been an important component at Mandarin Oriental and we have committed considerable time and resources to create a corporate culture that places a strong emphasis on it. Colleague wellness activities consider physical health, mental health and nutrition, while they also provide an opportunity to support teambuilding and engagement with local communities.

2019 marked 10 Years of Wellness in the Group. To commemorate the anniversary all our properties celebrated Global Wellness Day (8 June 2019) with a variety of complimentary activities for both guests and colleagues. From a meditation class at Mandarin Oriental, Geneva to opting for a healthier menu at Mandarin Oriental, Bangkok, hotels organised engaging activities to mark the special occasion.

Now in its fourth year, our annual Colleague Wellness Week continues to be the core driver of colleague wellness activities held across the Group. A wide selection of physical activities were arranged for colleagues such as aerobic dance, meditative yoga, Pilates, Zumba classes and even a cycling session with the General Manager at Mandarin Oriental, Boston. At Mandarin Oriental, Doha, the hotel also arranged physical fitness tests for colleagues, covering eye exams and diabetes assessments. Sound healing therapy, aromatherapy and mindful meditation sessions were also organised to combat stress, while healthy eating classes were likewise well received.

We strive to provide a safe working environment for our colleagues and constantly review our occupational health and safety performance to identify areas of improvement. In 2019, there were 6.8 incidents per 100 colleagues resulting in lost time, a slight increase from 2018, but majority of which were minor injuries.

To further reduce the incidence of injuries, we are strongly committed to increasing associated training programmes and continually implementing improvement actions.



Colleagues participating in wellness activities at Mandarin Oriental, Boston (above), and Mandarin Oriental, Milan (top right)

Acting With Responsibility



“Any global company, as we are, must be responsible, and must devote efforts to improve the sustainability of our businesses and operations around the globe”.
— Vincent Marot, Chief Technical Services Officer, Mandarin Oriental Hotel Group

Li Feng at Mandarin Oriental, Jakarta

Carbon and Energy

In our day-to-day operations, we are particularly conscious of our ecological footprint that impacts the local community and the wider environment. Back in 2012, the Group had set 2020 Environmental Targets as our long-term goals in order to drive internal changes, adopt industry best practices and embrace innovation to enhance operational efficiency. To ensure that we are on track to achieving these goals, we monitor the sustainability progress of our hotels through quarterly management reviews.

Climate risk is inevitable in our business and compels us to be proactive in reducing our carbon footprint.

Every hotel has to perform an energy audit at three-year intervals. These provide insights about their operations and recommended strategies going forward. The audit is conducted based on guidelines from the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)'s Procedures for Commercial Energy Audits.

We have also implemented a Group wide standard for reporting and recording energy consumption levels, so that we have hard data to analyse. We believe that what gets measured, gets managed. As a result of these reviews, equipment efficiency performance upgrade projects are identified and tailored to individual hotel needs.

One of our long-term goals has been to convert all lighting to light-emitting diode (LED) by 2020. The progress has been impressive and most of the Group's properties are already using energy-efficient LED lighting both in back-of-house and guest-facing areas, meaning that in 2019 approximately 71% of our lighting needs were fulfilled by LED.

However, there are still challenges to be resolved during this upgrade process, such as compatibility with dimming light systems. We will continue our scheduled LED installations in different properties through 2020 but acknowledge that some projects will be completed in the years to come, in order to co-ordinate with renovation programmes.



2020 Environmental Targets

Energy

20%
Energy intensity reduction per square metre

✓

On Track
19.6% reduction from baseline 2007

2020 Environmental Targets

Carbon

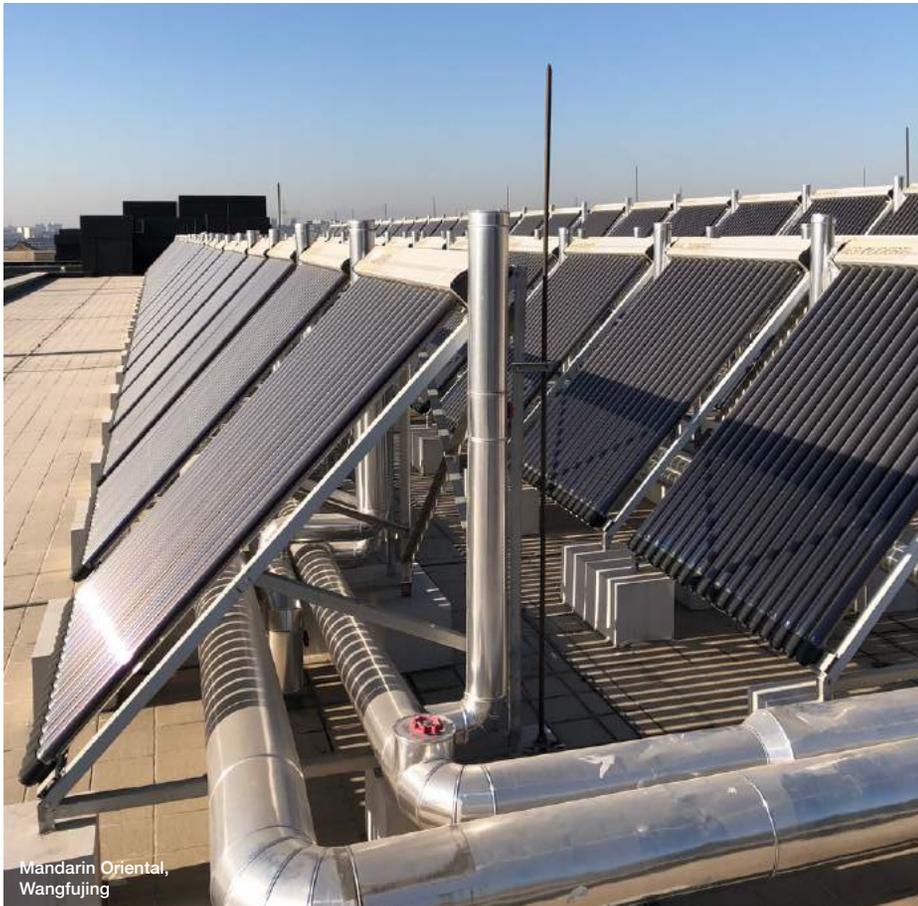
25%
Greenhouse Gas Emissions intensity reduction per square metre

✓+

Ahead
27% reduction from baseline 2007

Renewable Energy

We are progressively increasing our provision of renewable energy sources. Mandarin Oriental Munich, Washington, D.C. and Milan are all using renewable energy sources for their electricity supply. All of our three newly-opened hotels, namely Mandarin Oriental Wangfujing, Beijing, Mandarin Oriental, Doha and Mandarin Oriental, Dubai, have installed solar thermal hot water panels to generate hot water for buildings. Mandarin Oriental, Wangfujing also installed photovoltaic (PV) panels and generates more than 18,000 kWh electricity annually to support lighting. Since opening in March 2019, this solar heating and electricity system has helped Mandarin Oriental Wangfujing, Beijing save an estimated RMB113,000.



Mandarin Oriental, Wangfujing

Our Carbon Zero Hotel at Santiago

Mandarin Oriental, Santiago has set a good example of how a hotel can contribute to a city's sustainable development. They engaged local engineering talent to implement a "Heat Guard" project which optimises the control system governing hot water boilers. This has resulted in a natural gas saving of 31% (164 m³ of natural gas). This successful "Heat Guard" project was certified for an annual energy saving of 2,193,376 kWh, equivalent to 443 tons of CO₂. Mandarin Oriental, Santiago is the first to receive this certificate from the institution supported by the Chilean Energy Ministry.

They also supported their local electric vehicle charger brand "ENEL X" as part of the "National Car Chargers Network of Chile", while an electric car charger has been installed for use by guests.

As part of the 2019 United Nations Climate Change Conference, COP 25, Mandarin Oriental, Santiago, was one of five Chilean hotels invited to participate in a "Hotel Carbono Zero" initiative through the "For the Planet" programme. Taking 2018 as the baseline, the hotel's 2019 carbon footprint was measured and energy savings achieved through different initiatives was paid by "Colbun Company", a power company, as a carbon credit equivalent³.

Moreover, the hotel was recognised with a Silver Category Energy Efficiency performance certificate for 2019–2021. As part of the certification, Mandarin Oriental, Santiago was given two complimentary scholarships to participate in the Energy Manager Formation Programme, subsequently taken on by two Engineering team members who are now recognised as "Energy Managers".



Performance in 2019

Our energy intensity has gradually decreased since 2007, with a reduction of 19.6% from the 2007 baseline by 2019. We are on track to reach our goal of 20% intensity reduction by the end of 2020.

Absolute energy consumption for the Group was 1,370TJ, a further reduction of 3.3% over 2018. This is the result of the partial closure of Mandarin Oriental, Bangkok and Mandarin Oriental Hyde Park, London.

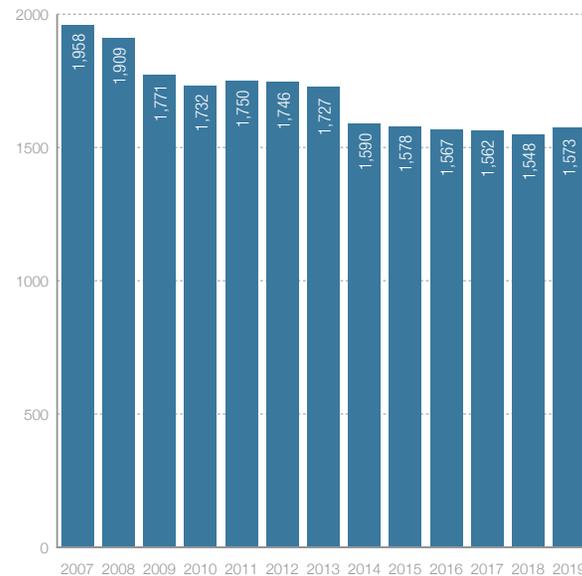
Since starting our environmental management programme in 2007, we have gradually phased out diesel fuel for hot water and space heating, replacing it either with gas-fired boilers or heat pumps. The last diesel operated boiler was at The Excelsior, Hong Kong and was taken out of service when the hotel closed in March 2019. Currently, diesel is only used as a back-up in the event of gas interruption and for emergency generators, thereby contributing less than 0.1% of our total energy consumption in 2019.

Our carbon footprint has been effectively controlled as a result of different greenhouse gas emission reduction programmes, ranging from energy efficient projects to progressive increases in the use of renewable energy sources. In 2019, the absolute greenhouse gas (GHG) emissions generated by the Group amounted to 143,088 metric tons of CO₂ equivalent, including reductions from renewable energy certificates (RECs). As a round-the-clock business that provides services in an indoor environment, electricity has always been our primary energy consumption. Consequently Scope 2 GHG emissions contributed 85% of the total GHG emissions. The Group's GHG emissions intensity was 178 kg CO₂e per square metre, representing a 27% reduction compared to the 2007 baseline, surpassing our 2020 goal of a 25% reduction.

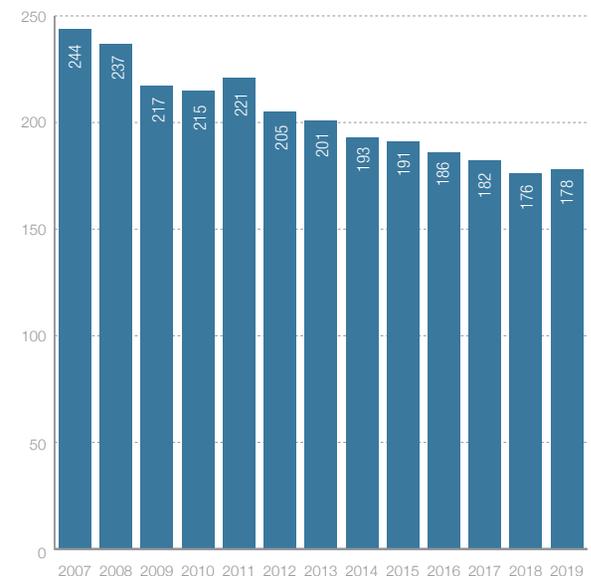
“In 2019, we launched our online Sustainability Data platform as well as our internal Sustainability site to facilitate sustainability performance reporting, best practice sharing, and data monitoring”.

—Peter Lofgren, Leader of Measurement and Reporting Working Group

Energy Intensity
(MJ/m²/year)



Greenhouse Gas Emission Intensity
(kg CO₂-Eq/m²)



Water

According to Global Risk Report 2020⁴, water crises are one of the top ten global risks in terms of likelihood and impact. Mandarin Oriental Hotel Group is well aware of the precious nature of water as a resource. With extreme weather conditions such as droughts and floods becoming more frequent, we continually seek to identify and manage water risks through water risk assessments, setting water conservation goals, adopting water-saving practices and holding regular performance reviews.

The majority of Mandarin Oriental hotels are fully dependent on municipal water supplies, which account for 94% of our total water supply. The remaining 6% is sourced directly from surface water, groundwater and desalination plants. Mandarin Oriental, Bangkok relies partially on river water, Mandarin Oriental, Canouan on desalinated

water and Mandarin Oriental, Bodrum predominantly uses groundwater purified by reverse osmosis.

Given that water conservation is a multi-dimensional issue, we strive to actively engage our colleagues and guests to work together for a better future. Our water conservation strategies at hotels are based on the principle of reduce, reuse and recycle.

Based on recent research⁵, laundry alone contributes to approximately 16% of total water consumption in U.S. hotels. Although most of our laundry is outsourced, we have made efforts to reduce water usage associated with laundry. With the advancement of technology, not only can laundry efficiency be improved, but water consumption can also be drastically decreased. For

example, at Mandarin Oriental, Washington, D.C., new washing machines were installed that have decreased water consumption by 80%. Along with the use of polymer spheres, or XOrbs, linen is now washed more gently, potentially extending lifespan by 17%.

In terms of wastewater recycling, different hotels have adopted different approaches. For Mandarin Oriental, Doha, as part of the sustainable Msheireb Downtown Doha development, its wastewater is treated at Downtown Doha's on-site water treatment plant, currently the world's largest of its kind, before getting reused for district cooling and water flushing. As for Mandarin Oriental, Hong Kong and Mandarin Oriental, Tokyo, both recycle water from the cooling towers for water flushing.



Mandarin Oriental, Bodrum predominantly uses groundwater purified by reverse osmosis

2020 Environmental Targets

Water

20% water intensity reduction per square metre (2007–2020)

✓

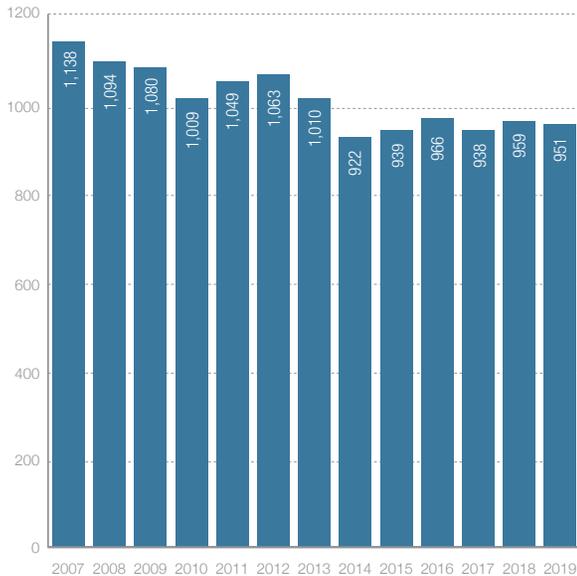
On Track
16.4% intensity reduction from baseline 2007

Performance in 2019

Our progress in water savings has been rewarding. In 2019, water intensity was 951 litres/guest night, marking a 16.4% reduction from the baseline year 2007 and representing a slight decrease of 0.8% compared to the previous year. Our absolute water consumption was 3,296,310 m³, a figure that also reflected a decrease of 6.1% compared to 2018. The gradual improvement in water conservation was achieved mainly due to increased water-saving awareness amongst colleagues and guests alike. We will continue to influence and inspire our colleagues and guests to be aware of and practise better water management.

Water Intensity

2007–2019 (litres/guest night)



A wooden butterfly with an eco-message to enhance guest awareness in use at Mandarin Oriental, Paris

Less Water for More

As a hotel holding the “HQE Exploitation” (High Environmental Quality) label, Mandarin Oriental, Paris’ building and equipment have been designed to maximise adoption of eco-friendly initiatives.

As almost half of the hotel’s water consumption arises from direct use by guests, considerable efforts have been put into water-saving measures in guestrooms, all whilst maintaining the guest experience. For all guestrooms, dual flushing toilet cisterns and eco-mode handheld showers—which use nine litres of water per minute instead of the conventional 12—were installed. To enhance guest awareness of water conservation, a wooden butterfly with an eco-message is placed on towels in the bathroom. Guests can opt in to our linen and towel reuse programme by placing the wooden butterfly on their bed. With this programme, laundry volume has been largely reduced.

In the back-of-house area, motion-activated sensors are installed for water taps as a water-conservation measure. To engage colleagues in water conservation efforts, videos and images highlighting the importance of water conservation are shared prominently in colleague common areas and during sustainability training.

Finally, to keep its beautiful green wall evergreen, a drip irrigation system is used. Watering only takes place at night and in the early morning to minimise water wastage through evaporation.

Waste

With our commitment to a 25% reduction in waste intensity by 2020, the Group has developed action plans for more than 30 waste categories to better segregate and divert waste away from landfill. We utilise the “Reduce, Reuse, Recycle and Upcycle” model and support the transition to a circular economy.



2020
Environmental
Targets

Waste

25% Waste intensity reduction per guest night



On Track
21.3% waste intensity reduction compared with 2012 baseline

Waste to Resources

From the removal of plastic straws to the switch to bagasse takeaway containers and the replacement of plastic water bottles by glass bottles, Mandarin Oriental, Miami has made significant progress toward eliminating all 60 single-use plastic items commonly found across the Group. By the end of 2019, 82% of those commonly found single-use plastic items were replaced. To facilitate the recycling of glass bottles, Mandarin Oriental, Miami has installed a GLSand Machine, a compact glass bottle crusher that reduces bottles in volume by 10:1 to a sand-like product. The machine is designed for waste reduction, cost reduction and sustainability for food, hospitality and leisure industries. The sand generated is then used for the hotel's man made beach.





Reduce

Minimising Resource Wastage

Launch of Green Meetings

e-Newspaper, paperless guest communications and corporate marketing materials

Food donation to local charities

Reduction of food waste using bio-digesters

Single-use plastic elimination programme

Reuse

Giving a Second Life to Resources

Donation of reusable items including mattresses, linens, towels and furniture to colleagues, communities and charity partners

Donation of used soap and bottled amenities to Clean the World for sanitation and repackaging before distribution to underprivileged in developing countries

Recycle

Cradle-to-Cradle

Coffee capsule recycling

Bottle cork recycling

Local partnership for proper recycling of electronic and other hazardous wastes

Metals, paper, plastic and glass bottle recycling via local partners

Upcycle

Transforming Waste Into Material

Repurpose used flowers as sustainable gifts for our guests

Upcycle of used cooking oil into biofuel

Donation of abalone shells to a sustainable jewellery brand that turns them into accessories

Food and green waste composting and donation as farm feed or fertiliser

Waste Monitoring

Based on our principle that what gets measured gets managed, the Hotel Sustainability Committees closely monitor our waste performance at the hotel level, while the Sustainability Leadership Council do likewise at the Group level. Best practices are shared across hotels through our internal sustainability platform, driving improvements in their efforts to eliminate single-use plastic.

Food waste is becoming more of a focus for the Group and we are working on proactively addressing this problem in our hotels and restaurants. We recently explored the use of a cloud-based software and artificial intelligence (AI) to intuitively identify the type of food thrown away and at what cost. The AI system produces real-time analytical reports that pinpoint key opportunities to cut waste, as well as track and benchmark performance. Trial participating hotels have been identified and trials are targeted to commence in 2020. If a successful Return on Investment (ROI) trend is achieved, this will be rolled out to all of our hotels. From experience, kitchens tend to see a 40–70% reduction in food waste within 6–12 months, generating food cost savings of between 2–8%, a change which improves profit margins whilst enabling operations to be conducted in an ethical and environmentally friendly manner.

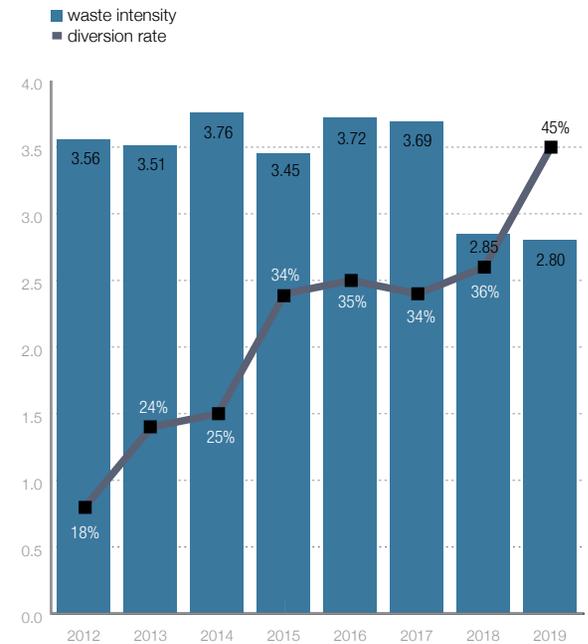
Performance in 2019

In 2019, waste landfill intensity recorded a 21.3% reduction compared to the baseline year, meaning that 2.8 kg of waste was sent to landfill per guest night. Currently 45% of waste is diverted away from landfill. The significant uplift of the waste diversion rate—from 18% in 2012 to almost half of the waste collected being diverted—contributes to enhanced awareness among colleagues and the adoption of further food waste diversion initiatives. Compared with 2018, the quantity of food waste diversion increased by 44%. Diverted food waste alone through various approaches, ranging from composting through turning to animal feed and sewage, constituted 39% of the total diverted waste.

We have also marked a decade of partnership with Clean the World where used soap and bottled amenities are donated to the underprivileged in developing countries, helping to prevent hygiene-related illness. We have donated around 70,000 kg of soap and bottled amenities to support Clean the World in their work since 2009, also diverting this waste away from landfill.

We will continue to raise awareness amongst our colleagues and guests regarding saving resources, reducing pollution and improving waste management. To challenge ourselves and to be more impactful, our hotels are developing waste management initiatives that are innovative and embedded with circular economy thinking, covering aspects such as reducing, recycling and donating.

Waste Intensity and Diversion Rate
(kg/guest night and percentage)



Biodiversity Conservation

Humble Honeybees

Bees visit over 90%⁶ of leading global crop types and pollinate 65% of all fruit and vegetables we consume. They play a vital role in the ecosystem and their loss would be catastrophic for farming and the global population. In addition to the foods we eat, they also pollinate food that the animal food chain relies on, which we ultimately consume. Honeybees are therefore crucial in securing our food supply chain. However, the global bee population is declining at an alarming rate, attributed mainly to the loss of habitats and urbanisation. Even though the scale of our contribution may be small, we believe that it is important we contribute to tackling this critical issue. As such, we have initiated a beekeeping programme and are working towards a full commitment from all our hotels to either invest in a minimum of two rooftop beehives or work with a local beekeeper by the end of 2020. Currently,

approximately 30% of our hotels have taken part in the beekeeping programme and on-site/off-site beekeeping is practiced at at our hotels in Paris, Doha, Santiago and Guangzhou. The remaining hotels have put this in their 2020 hotel plans. The cost of the hives can be offset by the production of honey (whilst contributing to the increased bee population for pollination), and is therefore beneficial for all concerned. Our hope is that other restaurants and hotels will follow our initiative.

Honey harvested from our beehives is then served to our guests, further integrating sustainability into the guest experience. As our mission is to directly support the bee population, we are not only driving the use of sustainable honey products but also investing in more beehives. Doing so is not just about being a good corporate citizen but is also cost-effective for our operations in the long run.



Sustainable honey from Mandarin Oriental, Doha



Sustainable Seafood

Currently, nearly 90% of global fish stocks are fully exploited, overexploited or depleted⁷. The public is now more concerned than ever about the fragility of the marine ecosystem and how destructive overfishing can be. At Mandarin Oriental, we have undertaken to help shape a more sustainable seafood supply chain. Consequently, in 2019 we took on as one of our 2020 goals the target of procuring sustainably-certified seafood whenever possible, certified by the Aquaculture Stewardship Council (ASC) or the Marine Stewardship Council (MSC). We believe that by increasing the demand for sustainable seafood, we can help to drive greater sustainability and transparency in seafood supply chains. For the hotels that do not have sustainably-certified seafood readily available in their location, they will be guided to source seafood items recommended by sustainable seafood guides such as the ones by WWF, Monterey Bay Aquarium's Seafood Watch and the Good Fish Guide. To further support our colleagues, we have arranged responsible procurement training for Sustainability Champions and procurement colleagues which includes step-by-step guidance on sourcing sustainable seafood.

Working Together

“As corporate citizens, we fundamentally believe that keeping our business and supply chain free from modern slavery and human trafficking is our critical responsibility. Our policies and the way we implement them underscore our firm commitment”.

—Alison Tsai, Leader of Human Rights and Inclusiveness Working Group



Mandarin Oriental, Santiago

Responsible Procurement

The hospitality industry is a unique business, one that involves the purchase of thousands of different products and services. We are conscious that every purchasing decision we make has an impact on the environment and society. We also believe that sustainable choices require careful consideration of social, environmental and economic impacts.

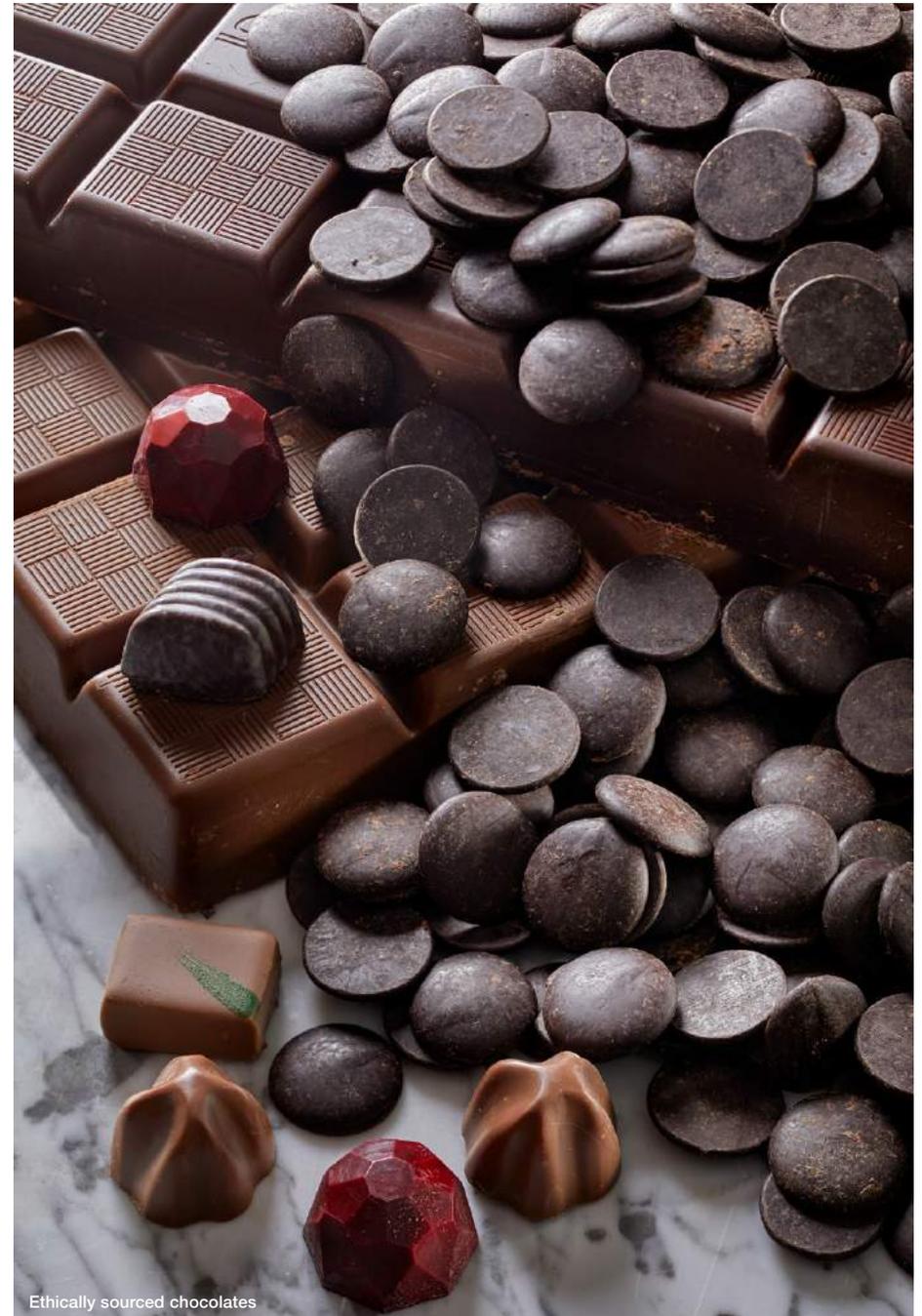
2019 was the year we set the foundation and corporate strategy for responsible procurement. A robust responsible procurement roadmap was therefore established to improve our current sourcing practices.

At the corporate level, the Group has established a Responsible Procurement Policy to ensure that purchasing decisions factor in social and environmental impact. The policy also includes a Supplier Code of Conduct which sets out principles and minimum standards that the Group expects its suppliers to comply with and also hold their own suppliers and subcontractors accountable for. In support of the Colleagues' Code of Conduct and Supplier Code of Conduct, the Group maintains a whistleblower policy to facilitate employees and suppliers to report any concerns about malpractice.

To encourage hotels to develop strategic responsible procurement plans, a roadmap was initiated, while training was also arranged for Hotel Sustainability Champions and associated colleagues, in order to raise their awareness and understanding. There will also be tools such as guidelines, policies and procedures rolled out in 2020 that offer more detailed instruction and guidance.

On the procurement front, we are proud to announce that we have successfully switched to purchasing 100% ethically sourced coffee, tea, vanilla and cocoa. All suppliers or distributors have been required to provide assurances or certifications that their produce meets our standards.

We are now expanding our focus to include other aspects of responsible sourcing including seafood and cage-free eggs. We have started the process in Hong Kong, and we will continue to work with suppliers in all the regions in which we operate to increase the percentage of cage-free eggs sourced globally, with a target of 100% global compliance by 2025.



Ethically sourced chocolates

Single-use Plastic Phase-out

Plastic waste is one of the most serious environmental concerns affecting our planet today. Hotel groups are in a unique position to help decrease global plastic consumption and provide consumers with innovative single-use plastic alternatives. As a leader in the luxury hospitality industry, Mandarin Oriental is eager to do its part and drive important change by eliminating all single-use plastic by the end of March 2021. This applies not just in the public spaces that guests see, but concerns all single-use plastic items across all departments. To this end, we completed a thorough stock inventory check to identify the most common items of single-use plastic used across our global portfolio.

A strategy for bathrooms free of single-use plastic was developed in 2019 to holistically outline MOHG's approach to create a "win-win" outcome—maintaining elements both of luxury and sustainability. A new line of bathroom amenities have now been identified and will be rolled out across the Group.

To help our colleagues identify the best eco-alternatives for different single-use plastic items, we developed a Plastic Guide. It provides comprehensive information and considerations when selecting eco-alternatives and also recommends the best available eco-alternatives for different items. In addition, we arranged internal training on plastic for all colleagues, particularly our Sustainability Champions. The Group also continues to test concepts and invites colleagues from all hotels to find solutions which can then be shared and rolled out across the Group as best practice.

To ensure we stay on track with the Group's goal, we divided the most common single-use plastic items into three phases of elimination. By the end of 2019, we replaced 63% of the 60 most common items with eco-alternatives. In addition to items identified, hotels have also started to identify and eliminate other remaining single-use plastic items, with a commitment to eliminate all of them by March 31, 2021. While our progress is likely to be impacted by the unprecedented COVID-19 situation, we remain committed to our goals and to continuing our elimination process.

Leading a sizeable, critical and innovative change is never easy. We have therefore worked closely with our vendors and suppliers to push for best-in-class options and, thanks to increasing public environmental awareness, it is encouraging to see that the supplier market is evolving and more eco-alternatives are becoming available.

“We continue to push our vendors and can see alternative options pop up more frequently now, which is encouraging”.

—Anja Luthje, Group Director of Rooms and Quality



Supporting Local Business and On-site Fresh Produce

MOHG is firmly committed to contributing to the communities where it operates, responsibly managing its environmental impact and fulfilling its social commitments. This key principle aligns with one of the tenets of responsible procurement, namely that supporting local produce and purchasing helps in the fight against global warming, reduces waste and boosts the economy. It also enhances local job creation and wealth while strengthening the community's cohesiveness. Naturally it also guarantees the freshness of produce that we offer to our guests and colleagues. Mandarin Oriental, Miami for example, added local craft beers to their menu to enhance the sense of place for guests, while Mandarin Oriental, Kuala Lumpur serves fresh, sustainable fish from a local aquaculture farm.

Our hotels continue to provide farm-to-table food and beverage options for their guests. For example, the organic herb and vegetable garden at Mandarin Oriental, Marrakech regularly provides fresh harvests to serve the hotel's restaurants, while guests at Mandarin Oriental, Canouan are welcomed with coconuts freshly picked from their gardens.

In addition, MOHG kick-started a 'Farm by MO' project that built on the innovative in-house vertical farming idea that came up during an internal colleague Hackathon Competition to brainstorm new ideas. It developed in response to growing customer concerns regarding issues including food sourcing and carbon footprint. Vertical farms use a fraction of the water, land, and energy of conventional farming and can be customised and implemented in non-revenue-generating spaces within our hotels. We have commenced the validation process for this vertical farming technology and the subsequent quality of its fresh produce. Any advancements will be disclosed in greater detail in the next Report.



Local craft beers at Mandarin Oriental, Miami



Organic vegetables at Mandarin Oriental, Marrakech



Guests at Mandarin Oriental, Canouan are welcomed with coconuts freshly picked from their gardens

Serving Community

At Mandarin Oriental, we are committed to positively impacting our local communities and celebrating our cultural heritage. Rather than a top-down approach, the Group empowers hotels to decide on their own charity partners and take part in activities that are meaningful and impactful for their local community. In particular, the Mandarin Oriental Foundation has supported our community contributions via the FANTastic Match programme in the U.S. and via Mandarin Oriental Fellowship grants to the Asian Cultural Council. More than US\$94,000 was donated through the Mandarin Oriental Foundation in 2019.

FANTastic Match

Four charitable beneficiaries in the U.S. partnered with our four U.S. hotels in Boston, Miami, New York and Washington, D.C. in 2019 under FANTastic Match. Through volunteering, fundraising and donations, we supported causes in the U.S. for children and young people as well as food-saving initiatives such as City Harvest. From the Mandarin Oriental Foundation's US\$94,000, US\$64,000 was used to support FANTastic Match programmes.



Franciscan Children's Charity

Mandarin Oriental, Boston's FANTastic Match charity partner, Franciscan Children's has served children and adolescents with complex medical, mental health and educational needs since 1949.



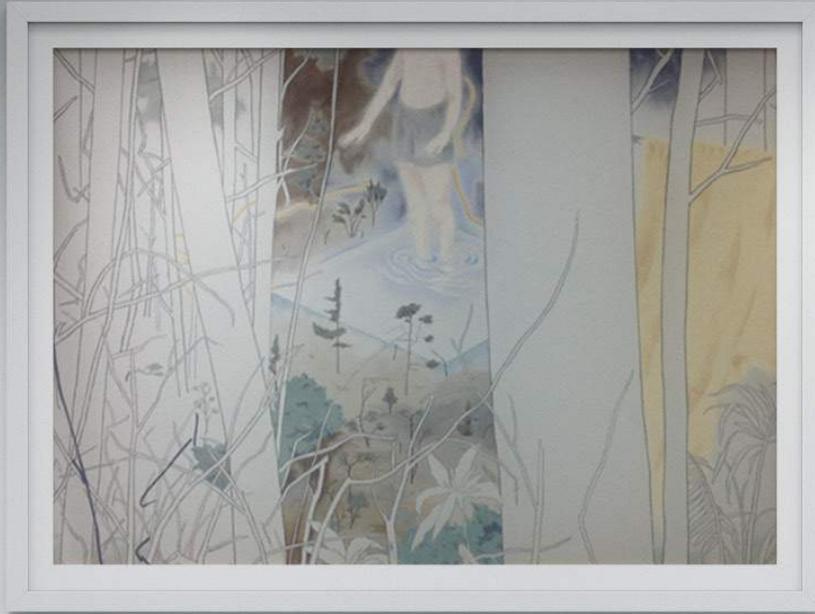
D.C. S.T.O.R.M.

Mandarin Oriental, Washington, D.C. partnered with D.C. S.T.O.R.M. "Students Taught Organization and Respect through Mentoring" providing positive role models to expand horizons for inner-city middle school preteens and teenagers.



City Harvest

Mandarin Oriental, New York provides 'hands on' assistance to City Harvest, a charity that collects excess food and delivers it free of charge to 500 soup kitchens and other food programs across the five boroughs of New York City.



Huang-Sheng Su

Mandarin Oriental Fellowship with the Asian Cultural Council

The Asian Cultural Council (ACC) is a non-profit organisation founded in 1963. It aims to strengthen international respect and understanding through the provision of grants to artists, scholars and organisations from the U.S. and Asia. Mandarin Oriental Hotel Group has partnered with ACC since 2005 and has established a dedicated ACC Mandarin Oriental Arts Fellowship programme that focuses on preserving the indigenous arts, cultures, and traditions of Asia. In 2019, the Mandarin Oriental Fellowship was awarded to a Taiwanese ink painting artist, Huang-Sheng Su. The Fellowship supported and provided opportunities for Mr. Su to meet New York scholars and curators, to investigate contemporary art practices and ink art collections in the U.S. and to gain perspectives on his own work as a traditionally trained ink artist.

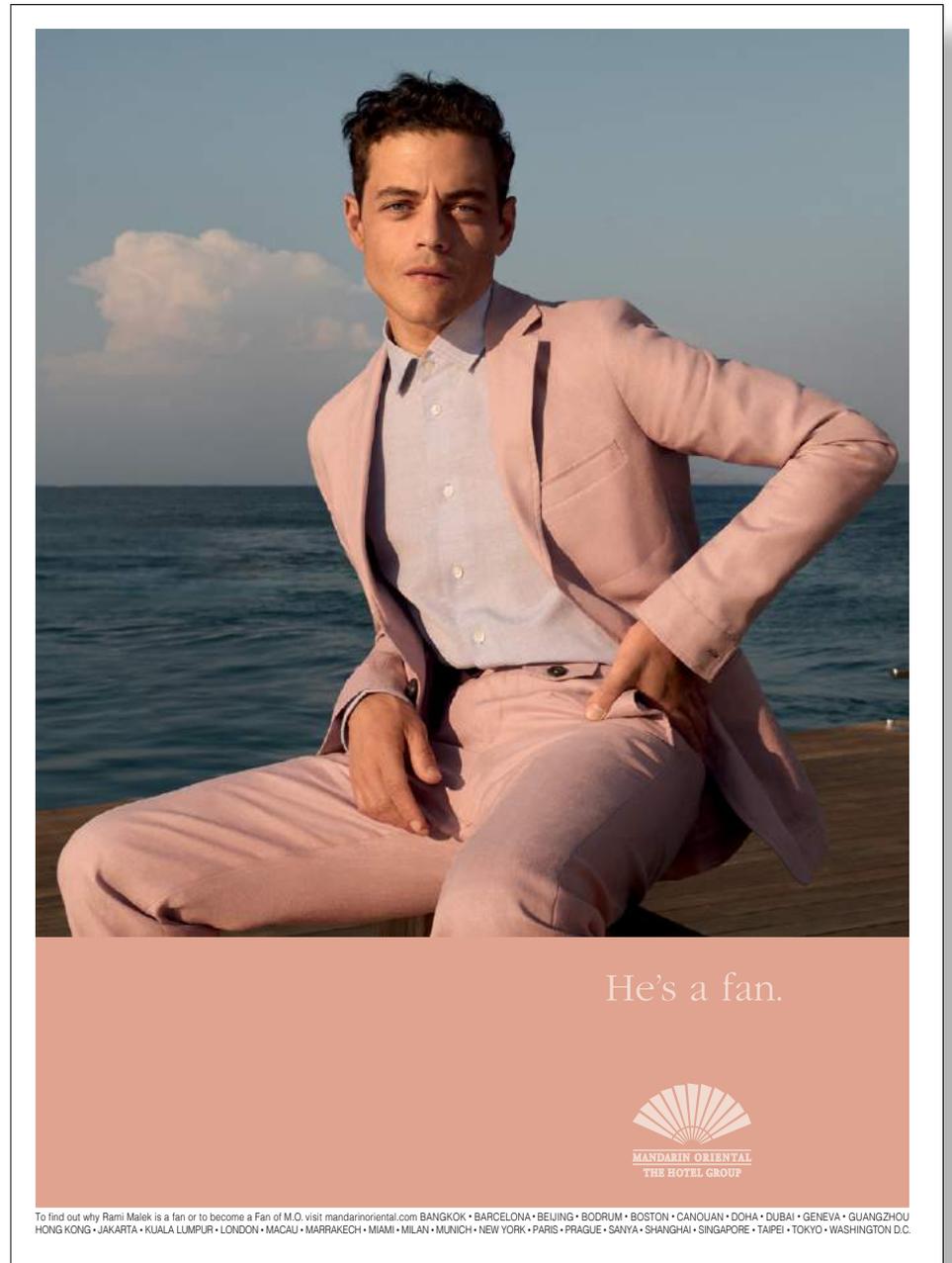
“The opportunity to visit artist studios is very rare in Taiwan, but through the Mandarin Oriental Fellowship with ACC, I was invited to visit artist studios in New York”. —Mr. Su

The Fan Campaign

Our award-winning advertising campaign which launched in 2000, “He’s a Fan/She’s a Fan”, simply and elegantly connects the Group’s well-recognised symbol—the fan—with international celebrities who regularly stay at our hotels and are true fans of Mandarin Oriental. In appreciation of their support, the Group donates to each celebrity’s individual choice of charity. In 2019 the Group welcomed two new fans to the Group, the Oscar-winning actor, Rami Malek and visual artist, photographer and designer, Chen Man. It is more than just a marketing campaign, however, as all celebrities are unpaid but thanked for their participation with a donation made to the charity of their choice.



Chen Man



Rami Malek



Cultural Heritage Preservation

Mandarin Oriental's widely-recognised 11-bladed fan logo is a symbolic piece of the Group's oriental culture. In addition to our trademark logo, all Mandarin Oriental hotels have their own hallmark fan to represent the unique heritage of their property. Each fan, therefore, is a visual representation of the cultural soul of each location and invokes a sense of place unique to where it resides.

The following are four of the newest fans to join the Mandarin Oriental Hotel Group.



Mandarin Oriental,
Doha

Mandarin Oriental, Doha's Signature Fan

Designed locally and handcrafted by French fan specialist, Maison Duvelleroy, Mandarin Oriental, Doha's fan is a celebration of Qatari identity with a mix of Middle Eastern-inspired design elements. The burgundy tone and patterns on each of the fan blades depict a series of connected symbols that are intrinsic to Doha, while the tassel is a beautiful reminder of the significance of pearling to the heritage of the city.



Mandarin Oriental,
Santiago



Mandarin Oriental,
Dubai



Mandarin Oriental,
Wangfujing

Fighting Hunger

**Mandarin Oriental,
New York**

volunteers helped to redistribute 95,000 pounds of food to families struggling with hunger in New York City. The Fancy Food Show is the largest specialty food trade show in North America and our colleagues helped to reclaim 119 pallets of gourmet food products. They also participated in nutrition education and demonstrations at mobile markets, donating volunteer hours equivalent to US\$9,990 to City Harvest, a New York-based charity.



**Mandarin Oriental,
Paris**

saves food from being wasted and support the less fortunate through sales of surplus pastries from Camelia Restaurant via the phone App Too Good To Go. All proceeds are donated to Soupe Saint Eustache, a local non-profit organisation that distributes meals daily to the homeless. Colleagues also volunteer in serving the meals.



**The Landmark
Mandarin Oriental, Hong Kong**

regularly donates surplus perishable produce to a local charity, Food Angel, that uses them to prepare meals for the city's underprivileged and elderly.



**Mandarin Oriental,
Kuala Lumpur**

has continued their support for a local food charity called Reach Out. Three nights a week, colleagues join small groups of volunteers and go out on nightly runs to hand-deliver hot meals to the homeless.



**Mandarin Oriental,
Singapore**

donates surplus breads and pastries to Food from the Heart, a non-profit organisation devoted to distributing food to the less fortunate.



Environmental Conservation

Mandarin Oriental, Bangkok participated in a clean-up of Bangkok's Chao Phraya river. The hotel and their neighbours cleaned up garbage from the river and surrounding areas to promote environmental awareness, while they also introduced street food vendors to single-use plastic alternatives.

Colleagues at Mandarin Oriental, Jakarta felt that in order to deliver authentic destination experiences to guests, it was important to partner with the neighbourhood and be a true part of the community.

They therefore participated in multiple regional and national clean-up activities that collected a total of 45,254.53 kg of litter from 133 locations across the country.

Volunteers from Mandarin Oriental, Boston and Mandarin Oriental, Doha spent time caring for companion and farm animals at adoption centres by enhancing their environment. Volunteers from Mandarin Oriental, Boston also spent time contributing to ecological restoration work by Emerald Necklace Conservancy that helps to keep Boston's 1,100 acres of parkland, named Emerald Necklace, beautiful.



Mandarin Oriental, Bangkok
Chao Phraya river clean up

Mandarin Oriental,
Boston works with
the Emerald Necklace
Conservancy



Caring for
animals at
Mandarin
Oriental,
Doha.



Supporting River Clean-up in Cambodia

Pollution of water by plastic waste is a serious global issue, especially in developing countries where waste infrastructure lacks development. Mandarin Oriental Hotel Group sponsored the Water Falling Festival, a plastic waste collection campaign in Cambodia organised by Ocean Recovery Alliance, with a US\$15,000 donation. As part of the festival, children and community members near Tonle Sap Lake set nets to catch plastic waste, thereby helping to protect the lake's biodiversity.

WORKING TOGETHER

Children and Orphanages

Supporting children and orphanages in different parts of the world has been a key community focus for several of our hotels. Colleagues in Mandarin Oriental, Marrakech painted the walls of an orphanage to create a more vibrant environment for the children living there. Mandarin Oriental, Taipei, Mandarin Oriental, Tokyo and Mandarin Oriental, Guangzhou all organised Christmas parties and activities for disadvantaged children.

Following a successful 2019 fundraising campaign, Global F&B teams have now contributed to date almost US\$110,000 for the orphans of Bangkok's Baan Nokkamin Foundation to date. Having started in 2016, our fundraising efforts have exceeded our original goal of US\$100,000. With our annual contributions, we are glad to have made a difference by enabling opportunities for these underprivileged children. Initiatives in 2019 alone included supporting a semester's worth of education, school supplies, and extracurricular sports for 153 children, ranging from primary through to high school ages. Our fundraising has also gone on to support young adults at Baan Nokkamin, with 10 of 40 university students who received scholarships being on track to earn their bachelor's degree this year.

In further support of our local community, Mandarin Oriental, Bangkok organised multiple day trips in 2019, allowing 1,225 volunteers to help with the extensive refurbishment of three schools in Ayutaya, Samut Prakan and Ratchaburi. They committed more than 6,000 hours of work to beautify these schools.

Moving towards 2020, all hotels will be required to identify and execute a significant social inclusion project that has maximum potential to engage both colleagues and the community.



Children decorate gingerbread houses at a party at Mandarin Oriental, Guangzhou



A holiday party for children at Mandarin Oriental, Bangkok



Colleagues of Mandarin Oriental, Bangkok help to beautify a local school

Health

Several hotels including Mandarin Oriental, Prague, Mandarin Oriental, Macau and The Landmark Mandarin Oriental, Hong Kong supported the MOvember campaign, an annual charity event in support of prostate cancer that is held during November. Through various fun internal competitions, hotels raised funds for the charity that aims to raise awareness of men's health issues.

We launched MOGoesPink Campaign in honour of October being Breast Cancer Awareness Month. Hotels not only took part in the #HumanRibbonChallenge to help spread awareness about breast cancer, but also initiated different activities to proactively engage guests and colleagues around the subject. For example, Mandarin Oriental, Taipei, Mandarin Oriental, Santiago and Mandarin Oriental, Miami designed special F&B menus and donated a portion of proceeds to breast cancer charities.



Mandarin Oriental, New York's human ribbon



Mandarin Oriental, Canouan's beach side human ribbon



A pink tea at Mandarin Oriental, Taipei



MINDSET festive donations

Mandarin Oriental contributes to parent company, Jardine Matheson's mental health MINDSET campaign. The programme aims to raise public awareness and understanding of mental health issues, as well as provide direct assistance to individuals, families and organisations in need of help. Mandarin Oriental, Singapore, The Landmark Mandarin Oriental, Hong Kong and Mandarin Oriental, Macau all launched different projects in support of the MINDSET programme. These ranged from festive donations and participation in charity walks to volunteering as Jardine Ambassadors, all to help drive Jardine Matheson Group's charitable activities.



FANtastic London

Following a fire at Mandarin Oriental Hyde Park, London in 2018, our colleagues spent more than 40,000 hours volunteering at local charities as a way to give back to the community. In recognition of Mandarin Oriental, Hyde Park, London's commitment, they were honoured with the Best CSR Strategy award by the 2019 HR Excellence Awards for the Fantastic London campaign.

As a continuation of FANtastic London 2018, Mandarin Oriental Hyde Park, London pledged an additional 10,000 volunteering hours in 2019. Activities included The Passage Summer Garden Party at the College Garden in the grounds of Westminster Abbey, where the team delivered banqueting services including bartending, food running, van loading and washing-up. Two of the biggest contributions were made with Oxfam, where colleagues volunteered 21,000 hours in Oxfam shops across London, and also the Felix Project, who were supported with 6,000 hours of food sorting and redistribution. Our London team eventually volunteered a remarkable total of 70,000 hours of community service.



Partnership

Through partnerships with professional companies and organisations, we strive for continuous improvement and innovation amongst our hotels.

Examples in 2019 include Mandarin Oriental, Kuala Lumpur who signed a deal to work with the World Wildlife Fund-Malaysia to work towards enhancing and improving their sustainability best practices. The objective of the partnership is to improve sustainability in four areas—reducing food waste; eliminating single-use plastic; increasing sustainable seafood procurement and using FSC-certified paper for paper products. Mandarin Oriental, Kuala Lumpur aims to be a sustainability role model and a trailblazer for the movement towards hotel sustainability in Malaysia.

As waste auditing is one of the effective approaches in identifying areas of improvement in waste management, Mandarin Oriental, Bangkok partnered with Oceanic Global for support in tackling single-use plastics. An intense 3-day training and single-use plastic audit was conducted. Based on the plastic audit results, specific action plans were developed, and a goal was set to attain the Plastic Free badge by 2020.



Sustainable seafood at Mandarin Oriental, Kuala Lumpur



Mandarin Oriental, Bangkok partnered with Oceanic Global for support in tackling single-use plastics.

Becoming the Best



Mandarin Oriental, Boston

BECOMING THE BEST

With our colleagues' dedication and commitment to delighting our guests, Mandarin Oriental hotels are renowned for luxury service and culinary excellence. In 2019, 18 Mandarin Oriental hotels received the highly-coveted *Forbes Travel Guide* 5-star rating. In addition, 13 hotels have been granted *Forbes*' 'Five-Star Spa' award, more than any other hotel group in the world. Mandarin Oriental, Boston was also recognised as the Winner of the World Spa Awards in the Massachusetts' Best Hotel Spa 2019 competition. From fine dining to relaxed bistros, we offer a range of dining destinations spanning a world of cuisines. With 27 Michelin stars awarded to 17 of our establishments, we are one of the world's most acclaimed hotel groups when it comes to recognition for our culinary offerings.

We were also delighted to be awarded the *Best Luxury Hotel Brand* at the APAC Business Traveller Awards. Mandarin Oriental, Hong Kong won *Best Business Hotel in the World* while Mandarin Oriental, Kuala Lumpur took home the title of *Best Business Hotel in Kuala Lumpur* at the same awards.

One of our MO Concierge colleagues in Mandarin Oriental, Geneva won the 2019 *Les Clés d'or Youth Award* during the 66th International Congress of Union International des Concierges d'Hotels.

Striving to provide the most memorable home-away-from-home experience to our guests, all our hotels underwent a revolutionary system transformation in 2019. With the new system, internal communications have been further streamlined, further enhancing our guests' experience.



Mandarin Oriental, Bangkok celebrates *Forbes* Five-Stars



The team at Mandarin Oriental Hyde Park, London celebrates their Five-Star status



Mandarin Oriental, Boston mark their 5 Star honor

Appendices



Mandarin Oriental, Kuala Lumpur

APPENDICES

Appendix A

Total Workforce

Total Workforce	Male	%	Female	%	Total	%
By Region	7,040	56%	5,568	44%	12,608	
Asia	3,682	55%	3,009	45%	6,691	53%
Europe	2,043	61%	1,309	39%	3,352	27%
The Americas	1,195	53%	1,052	47%	2,247	18%
Corporate	120	38%	198	62%	318	3%
By Employment Contract	7,040	56%	5,568	44%	12,608	
Full-time	6,731	57%	5,103	43%	11,834	94%
Part-time	77	30%	178	70%	255	2%
Casual	232	45%	287	55%	519	4%
By Colleague Category	7,040	56%	5,568	44%	12,608	
Line Staff	4,108	56%	3,284	44%	7,392	59%
Management	2,606	57%	1,954	43%	4,560	36%
Executive	152	55%	122	45%	274	2%
Other (Casual/Trainee)	174	46%	208	54%	382	3%
By Age Group	7,040	56%	5,568	44%	12,608	
Under 30	2,451	52%	2,259	48%	4,710	37%
30 to 50	3,579	59%	2,525	41%	6,104	48%
Over 50	1,010	56%	784	44%	1,794	14%
Executive Team and Board of Directors	Male	%	Female	%	Total	%
By Age Group						
Under 30	-	-	-	-	-	-
30 to 50	1	50%	1	50%	2	14.3%
Over 50	9	75%	3	25%	12	85.7%
By Nationality						
Europe	7	70%	3	30%	10	71.4%
North America	2	67%	1	33%	3	21.4%
Oceania	1	100%	0	0%	1	7.1%

Appendix A

Performance Data: Turnover

New Hires	Male	%	Female	%	Total	% of Total
Hires by Age Group	3,340	54%	2,833	46%	6,173	49.0%
Under 30	1,902	52%	1,782	48%	3,684	59.7%
30 to 50	1,316	59%	926	41%	2,242	36.3%
Over 50	122	49%	125	51%	247	4.0%
Hires by Region	3,340	54%	2,833	46%	6,173	49.0%
Asia	1,351	51%	1,301	49%	2,652	43.0%
Europe	1,507	60%	1,004	40%	2,511	40.7%
The Americas	447	50%	452	50%	899	14.6%
Corporate	35	32%	76	68%	111	1.8%
Total Turnover	Male	%	Female	%	Total	% of Total
Separations by Age Group	2,610	54%	2,227	46%	4,837	
Under 30	1,376	52%	1,260	48%	2,636	54.5%
30 to 50	1,033	56%	815	44%	1,848	38.2%
Over 50	201	57%	152	43%	353	7.3%
Separations by Region	2,610	54%	2,227	46%	4,837	
Asia	1,329	51%	1,279	49%	2,608	53.9%
Europe	1,038	61%	662	39%	1,700	35.1%
The Americas	220	47%	249	53%	469	9.7%
Corporate	23	38%	37	62%	60	1.2%
Turnover Rate by Age Group		37.1%		40.0%		38.4%
Under 30		56.1%		55.8%		56.0%
30 to 50		28.9%		32.3%		30.3%
Over 50		19.9%		19.4%		19.7%
Turnover Rate by Region						
Asia		36.1%		42.5%		39.0%
Europe		50.8%		50.6%		50.7%
The Americas		18.4%		23.7%		20.9%
Corporate		19.2%		18.7%		18.9%

Appendix A

Performance Data: Healthy & Safety Incidents

Performance Indicator	Unit	Region	2017	2018	2019
Safe, Sound & Sustainable					
Audit Results	% Compliance		88.7	88.4	92.7
Lost Time Incident Report	Lost Time Incidents/100 employees	ALL	6.71	6.03	6.82
		Asia	2.35	2.67	2.67
		Europe	9.26	9.38	11.02
		The Americas	20.58	15.62	15.84
	Severity of incidents/100 employees	ALL	24.89	27.88	28.04
		Asia	17.33	20.12	13.62
		Europe	48.94	41.74	47.38
		The Americas	24.31	42.81	53.31

Appendix A

Performance Data: Environmental Performance Summary

Performance Indicator	Unit	2017	2018	2019
Energy				
Absolute Energy Consumption (Actual)	GJ	1,385,392	1,416,733	1,369,701
	MMBTU	1,313,098	1,342,804	1,298,226
Energy Intensity (Actual)	MJ/m ²	1,562	1,544	1,562
	MBTU/ft ²	138	136	138
Scope 1	percentage	32%	32%	31%
Scope 2	percentage	69%	68%	69%
Emissions				
Absolute Emissions (Actual)	tons (metric) of CO ₂ e	161,569	158,239	143,088
	tons (US) of CO ₂ e	178,097	174,426	157,726
Emissions Intensity (Actual)	kg CO ₂ e/m ²	182	176	178
	lb CO ₂ e/ft ²	37	36	36
Scope 1	percentage	16%	16%	15%
Scope 2	percentage	84%	84%	85%
Water				
Absolute Water Consumption (Actual)	m ³	3,416,030	3,511,620	3,296,308
	million gallons (US)	903	928	871
Water Intensity	litre/guest night	938	959	951
	gallon (US)/guest night	248	253	251
Waste				
Total Waste	metric tons	15,776	12,261	11,622
	kilopounds	34,780	27,032	25,623
Diverted Waste	metric tons	5,428	4,447	5,204
	kilopounds	11,967	9,804	11,473
Waste Landfill Intensity	kilograms/guest night	3.69	2.85	2.80
	pounds/guest night	8.14	6.28	6.17
Diversion Rate	percent	34	36	45

Mandarin Oriental, Sanya, Marrakech and Bodrum have been excluded from water intensity measures. In general, properties have been excluded if the data is distorted by major changes or abnormally high values (where, for example, irrigation is included).

Mandarin Oriental, Canouan, Lake Como and Sanya have been excluded from the waste figures due incomplete data.

Mandarin Oriental, Bangkok and London has been excluded from all intensity measures in 2019 due to partial closure.

Appendix B

Global Reporting Initiative Index

This report has been prepared following the Global Reporting Initiative (GRI) Standards, an internationally-recognised set of indicators for economic, environmental and social aspects of business performance. Details of the GRI Standards can be found at www.globalreporting.org/standards. In the GRI Index, we provide references to locate content in this report as well as provide direct answers to indicators and direct readers to external sources on our corporate website.

Indicator	Description	Location and/or Direct Answer
I. General Disclosures		
Organisational Profile		
102-1	Name of the organisation	About this Report (p. 4)
102-2	Activities, brands, products, and services	Corporate Profile (p. 5)
102-3	Location of headquarters	Hong Kong, SAR
102-4	Location of operations	Corporate Profile (p. 5)
102-5	Ownership and legal form	2019 Annual Report
102-6	Markets served	Corporate Profile (p. 5)
102-7	Scale of the organisation	Corporate Profile (p. 5)
102-8	Information on employees and other workers	2019 Performance Tables: Total Workforce (p. 51)
102-9	Supply chain	<p>Mandarin Oriental Hotel Group supports a large supply chain with thousands of suppliers working with our hotels and corporate office.</p> <p>Our approach to managing procurement and vendor relationships is mostly decentralised with properties directly selecting and purchasing most of the items used to support daily operations—most notably food, cleaning and spa products.</p> <p>Beyond our regular and ongoing purchases of items required for daily operations, our Group also procures building materials, information technology, furniture, fixtures and equipment for our hotels and residences.</p>
102-10	Significant changes to the organisation and its supply chain	The Group opened four new hotels in 2019 in Dubai, Doha, Beijing and Lake Como. At the same time, The Excelsior in Hong Kong closed for redevelopment.
102-11	Precautionary Principle or approach	<p>Safe and Sound Programme (p. 13)</p> <p>MOHG supports the precautionary approach to environmental challenges. (pp. 25–33)</p> <p>Human Rights and Inclusiveness (p. 18)</p> <p>Modern Slavery Statement (p. 64)</p> <p>Responsible Procurement (p. 35)</p>
102-12	External initiatives	UN Sustainable Development Goals Index (p. 63)
102-13	Membership of associations	<p>Mandarin Oriental actively participates in local stakeholder groups including:</p> <ul style="list-style-type: none"> - Hotel Associations - Chambers of Commerce - Business Development Councils - Convention and Visitors' Bureaus and Promotion Organisations - Travel and Tourism Associations - Community Benefit Organisations - Employer Organisations and Professional Associations

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Indicator	Description	Location and/or Direct Answer
Strategy		
102-14	Statement from the most senior decision-maker about the relevance of sustainability and organisation's strategy	Message from the CEO (p. 3)
102-15	Key impacts, risks, and opportunities	Doing More for a Sustainable Future (p. 7)
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Doing More for a Sustainable Future (p. 7) Guest Satisfaction and Loyalty (p. 12) Safe & Sound Programme (p. 13) Human Rights and Inclusiveness (p. 18) Responsible Procurement (p. 35)
102-17	Mechanisms for advice and concerns about ethics	<p>The Group conducts its global business in a highly professional and ethical manner. Our standards are clearly set out in the company's Code of Conduct, a set of guidelines to which every colleague must adhere. Our Code of Conduct requires that we comply with all applicable laws and regulations, and proper standards of business conduct.</p> <p>We maintain whistleblowing policies and procedures to encourage the reporting of any inappropriate activity. Any failures to comply with the Code of Conduct are investigated and disciplinary action is taken as appropriate, up to and including termination.</p> <p>The Group's Employment Policy also prohibits all forms of harassment and discrimination, such as impeding movement or creating an intimidating, hostile or offensive work environment, and provides procedures by which colleagues can raise, in confidence, any matters of serious concern such as suspected non-compliance or illegality.</p>
Governance		
102-18	Governance structure of the organisation, including committees of the highest governance body and those responsible for decision-making on economic, environmental and social impacts.	<p>Our CEO-chaired Sustainability Executive Advisory Panel is responsible for Mandarin Oriental's overall sustainability strategy including the establishment of measurable goals, developing programmes, and promoting and soliciting feedback on sustainability initiatives.</p> <p>With oversight from the Group's Risk Management Committee, enterprise risks are also assessed and reviewed annually and shared with the Board's Audit Committee.</p> <p>(Additional information on our Board of Directors and governance structure can be found in the "Investors" section of our corporate website.)</p>

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Indicator	Description	Location and/or Direct Answer
Stakeholder Engagement		
102-40	List of stakeholder groups	Mandarin Oriental Hotel Group serves a diverse group of stakeholders, which includes our guests; colleagues; owners and developers of our properties; local communities in which we operate; shareholders; suppliers, vendors and contractors; industry associations and non-government organisations.
102-41	Collective bargaining agreements	Data is not consolidated at the Group level for the reporting period.
102-42	Identifying and selecting stakeholders	Stakeholders are identified based on our respective economic, social and environmental impacts in the context of our value chain.
102-43	Approach to stakeholder engagement	<p>Primary engagement methods among key stakeholder groups include:</p> <ul style="list-style-type: none"> - Guests: Guest Satisfaction Surveys, Solicitation of Direct and Targeted Feedback to Inform Quality Programmes - Colleagues: Colleague Engagement Surveys, Career Development Plans and Performance Reviews, Hotel Sustainability Committees, Safe and Sound Programme, training - Owners and Developers: Close partnerships and regular communications throughout design, development, construction and management of properties - Local Communities: Participation in local Hotel Associations, Chambers of Commerce, Business Development Councils, Community Benefit Organisations, local Heritage Preservation Initiatives, local Talent Retention and Training Organisations and local Recycling Organisations - Shareholders: Ongoing and routine discussions with our controlling shareholder Jardine Matheson Group on Financial Performance, Risk Management and other current issues; Financial and Sustainability Reporting; Shareholder Feedback Mechanisms - Vendors, Suppliers and Contractors: Supplier Meetings to discuss sustainable sourcing opportunities; Food & Beverage Conference; partnerships with local farmers, ranchers and fisheries - Industry Peers and Trade Associations: Participation in World Travel and Tourism Council's Task Force on Industry Strategies for Climate Change and Industry Hotel Carbon and Water Measurement Initiatives; Monitoring and Evaluating Industry Corporate Responsibility Initiatives - NGOs and Outside Advisors: Interviews and Panel Discussions to discuss opportunities to improve Sustainability Programmes and Reports
102-44	Key topics and concerns raised	<p>Identified topics of concern through stakeholder engagement among key stakeholder groups include:</p> <ul style="list-style-type: none"> - Guests: Guest Wellness, Food Safety, Information Protection - Colleagues: Compensation and Benefits, Professional Development, Occupational Health and Safety, Sustainability, Community Engagement - Owners and Developers: Economic Performance, Energy Efficiency, Risk Evaluation and Monitoring - Local Communities: Economic Presence and Participation, Local Talent Acquisition and Retention Skills Training, Culture and Heritage Protection - Shareholders: Corporate Governance, Economic Performance, Customer Satisfaction, Environmental Performance, Risk Evaluation and Monitoring - Vendors, Suppliers and Contractors: Economic Performance, Operational Eco-Efficiency, Climate and Water Risk, Sustainable Food, Human Rights in the Supply Chain - Industry Peers and Trade Associations: Carbon Emissions Reduction Targets, Human Rights in the Supply Chain and Tourism Industry - NGOs and Outside Advisors: Energy, Water, Waste, and Greenhouse Gas Emissions, Colleague Training and Skills Development, Guest Engagement on Sustainability, Human Rights in the Supply Chain and Tourism Industry, Biodiversity, Supply Chain Responsibility

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Indicator	Description	Location and/or Direct Answer
Reporting Practice		
102-45	Entities included in the consolidated financial statements	2019 Annual Report (“Principal Subsidiaries, Associates, Joint Ventures and Managed Hotels”, p. 77)
102-46	Defining report content and topic boundaries	<p>About this Report (p. 4)</p> <p>The key material issues identified through the materiality assessment built the foundation of the material topics that are discussed in this report. Additional key sustainability issues covered during on-going internal and external stakeholder engagement exercises have also weaved into different report sections to demonstrate how we are integrating these engagements into business actions.</p> <p>The materiality assessment was facilitated by a third-party consulting firm, Greenview, where the Group Sustainability Committee evaluated a series of sustainability topics based on the degree of the Group’s economic, social and environmental impacts (both actual and potential) and the level of stakeholder concern for each topic. We also considered issues that are specific to the travel and tourism industry.</p> <p>To validate and enhance the Committee’s preliminary assessment, we convened a stakeholder panel, which incorporated perspectives from internationally recognised organisations</p>
102-47	List of material topics	<p>UN Sustainable Development Goals Index (p. 63)</p> <p>Also, please refer to the Management Approach Disclosures in this GRI Content Index, where we have provided disclosures on selected economic, environment and social topics.</p>
102-48	Restatements of information	All historical environmental data have been restated due to the migration to the new environmental data management software.
102-49	Changes in reporting	None during the reporting period.
102-50	Reporting period	Our reporting period is calendar year 2019.
102-51	Date of most recent report	2018 Sustainability Report
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	sustainability@mohg.com
102-56	External assurance	We did not seek external assurance during the reporting period.
Management Approach		
103-1	Explanation of the material topic and its Boundary	Please refer to the Management Approach Disclosures in this GRI Content Index, where we aim to frame our disclosures with an explanation of each topic’s importance to the organisation and our stakeholders, as well as the scope of our impacts.
103-2	The management approach and its components	Please refer to the Management Approach Disclosures in this GRI Content Index, where we discuss policies, procedures and practices in addition to goals and objectives for material topics.
103-3	Evaluation of the management approach	Please refer to the Management Approach Disclosures in this GRI Content Index, where we aim to report on challenges and opportunities in a balanced manner and identify future plans.

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Material Aspects	GRI Indicators		Location and/or Direct Answer
II. Specific Disclosures			
Management Approach Disclosures and Indicators			
ECONOMIC			
Economic Performance	201	Management approach disclosure	2019 Annual Report
	201-1	Direct economic value generated and distributed	2019 Annual Report (Financial Statements, pp. 33–75)
	201-2	Financial implications and other risks and opportunities for the organisation’s activities due to climate change	<p>In the World Economic Forum’s Global Risks Report 2020⁸, risks associated with climate change were named among the world’s top five risks in terms of likelihood and potential impact.</p> <p>Changing climate patterns may cause an increased occurrence of droughts, hurricanes and typhoons, risks affecting our infrastructure, our colleagues’ livelihoods, our guests’ travel plans and the health of our communities.</p> <p>With oversight from the Group’s Risk Management Committee, enterprise risks are assessed and reviewed annually and shared with the Board’s Audit Committee. In addition to enterprise risks, local risk assessments are conducted by each property. Based on these risk assessments, business continuity plans are updated for each property. Business continuity plans consider a series of property-specific risks, which includes terrorism, contagion and extreme weather events.</p>
	201-3	Coverage of the organisation’s defined benefit plan obligations	2019 Annual Report (Pension plans, pp. 57–60)
Indirect Economic Impacts	203	Management approach disclosure	<p>Doing More for a Sustainable Future (p. 7)</p> <p>Responsible Procurement (p. 35)</p> <p>Serving Community (p. 38)</p>
	203-1	Infrastructure investments and services supported	<p>2019 At a Glance (pp. 9–10)</p> <p>Serving Community (p. 38)</p>
Anti-Corruption	204	Management approach disclosure	<p>Bribery and corruption are explicitly prohibited in our Code of Conduct, with oversight from our Group Finance and Risk Management functions. Internal Control Audits are also conducted at the Group’s hotels and corporate offices in Asia Pacific, Europe and the Middle East. In the United States, a third-party audit firm conducts the audits. Additionally, we conduct background checks on prospective partners.</p> <p>We maintain whistleblowing policies and procedures to encourage the reporting of any inappropriate activity. Any failures to comply with the Code of Conduct are investigated and disciplinary action is taken as appropriate, up to and including termination.</p>
	204-1	Communication and training on anti-corruption policies and procedures	<p>All General Managers and senior colleagues are expected to actively support anti-corruption policies at individual hotels and properties. Certifications of compliance with the Code of Conduct are obtained from all hotels annually with a mid-year update.</p>

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Material Aspects	GRI Indicators		Location and/or Direct Answer
ENVIRONMENTAL			
Energy	302	Management approach disclosure	Carbon and Energy (p. 25) Renewable Energy (p. 26)
	302-1	Energy consumption within the organisation	Performance in 2019: Carbon and Energy (p. 27) Performance Data: Environmental Performance Summary (p. 54)
	302-3	Energy intensity	Performance in 2019: Carbon and Energy (p. 27) Performance Data: Environmental Performance Summary (p. 54)
Water	303	Management approach disclosure	Water (pp. 28–29)
	301-3	Water withdrawal by source	Performance in 2019: Water Consumption (p. 29) Performance Data: Environmental Performance Summary (p. 54)
Biodiversity	304	Management approach disclosure	Biodiversity Conservation (p. 33) Serving Community (p. 38)
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity Conservation (p. 33)
Emissions	305	Management approach disclosure	Carbon and Energy (p. 25) Renewable Energy (p. 26)
	305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Performance Data: Environmental Performance Summary (p. 54)
	305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Performance Data: Environmental Performance Summary (p. 54)
	305-4	Greenhouse gas (GHG) emissions intensity	Performance in 2019: Carbon and Energy (p. 27) Performance Data: Environmental Performance Summary (p. 54)
Effluents and Waste	306	Management approach disclosure	Waste (pp. 30–32)
	306-2	Waste by type and disposal method	Performance in 2019: Waste Intensity and Diversion Rate (p. 32) Performance Data: Environmental Performance Summary (p. 54)
Supplier Environmental Assessment	308	Management approach disclosure	Responsible Procurement (p. 35)
	308-1	New suppliers that were screened using environmental criteria	Responsible Procurement (p. 35)

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Material Aspects	GRI Indicators		Location and/or Direct Answer
SOCIAL			
Employment	401	Management approach disclosure	Human Rights and Inclusiveness (p. 18)
	401-1	Employee turnover	Talent Engagement: Colleague Engagement and Turnover (p. 19) Performance Data: Turnover (p. 52)
Occupational Health and Safety	403	Management approach disclosure	Safe and Sound Programme (p. 13) Health and Safety (p. 23)
	403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities	Health and Safety (p. 23) Performance Data: Health and Safety Incidents (p. 53)
Training and Education	404	Management approach disclosure	Sustainability Engagement (p. 19) Training and Development (pp. 21–22)
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Training and Development (pp. 21–22)
	404-3	Percentage of employees receiving regular performance and career development reviews	We have an established online performance management system, which gives colleagues and their managers the ability to track performance, training and overall professional development in real-time. The system also promotes more frequent manager interaction by supplying tools for providing relevant feedback. Colleagues and managers can add developmental or coaching comments at any time during the year. All managers also complete a two-day training programme called “Managing Performance and Development” to provide them with the skills
Diversity and Equal Opportunity	405	Management approach disclosure	Human Rights and Inclusiveness (p. 18)
	405-1	Diversity of governance bodies and employees	Performance Data: Total Workforce (p. 51) (Additional information on our Board of Directors can be found in the “ Investors ” section of our corporate website.)
Human Rights Assessment	412	Management approach disclosure	Human Rights and Inclusiveness (p. 18) Responsible Procurement (p. 35)
	412-2	Employee training on human rights policies or procedures	Human Rights and Inclusiveness (p. 18) Modern Slavery Statement (p. 64)

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Material Aspects	GRI Indicators	Location and/or Direct Answer
Local Communities	413	Management approach disclosure Serving Community (pp. 38–47)
	413-1	Operations with local community engagement, impact assessments, and development programmes All operations had local community engagement programmes during the reporting period.
Supplier Social Assessment	414	Management approach disclosure Human Rights and Inclusiveness (p. 18) Responsible Procurement (p. 35)
	414-1	New suppliers that were screened using labor practices criteria Human Rights and Inclusiveness (p. 18) Responsible Procurement (p. 35)
Customer Health and Safety	416	Management approach disclosure Safety and Security (p. 13) Health and Wellness (pp. 15–16)
	416-1	Assessment of the health and safety impacts of product and service categories Safe and Sound Programme (pp. 13) Health and Wellness (pp. 15–16)
Customer Privacy	418	Management approach disclosure Mandarin Oriental's Data Privacy Policy provides guidance on information protection practices, which is focused on maintaining the confidentiality, availability and integrity of guest and colleague information. The information protection programme is designed to align with our Guiding Principles and leverage the strength of our company's culture. Policies and best practices are based on the ISO 27001 and 27002 standards for information security, and globally accepted principles for the privacy of personal information. Our Group Risk Management Committee governs the programme, with actions and responsibilities cascading to each of our properties. In the face of escalating threats to businesses over the past few years, the Group has made a strong commitment to information security with a focus on continuous improvement, so that we can identify and appropriately mitigate our risks and potential exposures to specific threats.
	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data We continue to maintain and update a formal incident response plan in the event of a breach.

Appendix C

UN Sustainable Development Goals Index

Mandarin Oriental Hotel Group aims to align its sustainability strategies, programmes and reporting with the UN Sustainable Development Goals—a plan of action for sustainable development that emphasises people, planet, prosperity and partnerships. The UN Sustainable Development Goals include 17 goals and 169 targets. For additional information, please visit: <https://sustainabledevelopment.un.org/sdgs>. To assist readers, the UN Sustainable Development Goals Index provides page references to corresponding initiatives and efforts that can be found in our 2019 Sustainability Report.

Goal	Topic	Location
Goal 1	No Poverty	Supporting Local and On-site Fresh Produce (p. 37)
Goal 2	Food	Waste (pp. 30–32) Biodiversity Conservation (p. 33) Fighting Hunger (p. 42)
Goal 3	Health and Well-Being	Health and Wellness (pp. 15–16) Health and Safety (p. 23) Health (p. 45)
Goal 4	Education	Training and Development (pp. 21–22) Children and Orphanage (p. 44)
Goal 5	Gender Equality	Human Rights and Inclusiveness (p. 18)
Goal 6	Water	Water (pp. 28–29)
Goal 7	Clean Energy	Renewable Energy (pp. 26–27)
Goal 8	Decent Work and Economic Growth	Health and Safety (p. 23) Responsible Procurement (p. 35) Supporting Local and On-site Fresh Produce (p. 37) Becoming the Best (p. 49)
Goal 9	Industry, Innovation and Infrastructure	Carbon and Energy (pp. 25–27)
Goal 10	Diverse and Inclusive Colleagues	Human Rights and Inclusiveness (p. 18)
Goal 11	Sustainable Cities	Sustainability Initiatives (p. 14) Carbon and Energy (pp. 25–27) Waste (pp. 30–32) Mandarin Oriental Fellowship with Asian Cultural Council (p. 39) Cultural Heritage Preservation (p. 41) Becoming the Best (p. 49)
Goal 12	Responsible Consumption and Production	Waste (pp. 30–32) Responsible Procurement (p. 35)
Goal 13	Climate Change	Sustainability Initiatives (p. 14) Carbon and Energy (pp. 25–27)
Goal 14	Life Below Water	Sustainable Seafood (p. 33) Single-use Plastic Phase-out (p. 36)
Goal 15	Biodiversity	Biodiversity Conservation (p. 33) Environmental Conservation (p. 43)
Goal 16	Peace, Justice and Strong Institutions	Human Rights and Inclusiveness (p. 18) Responsible Procurement (p. 35) Modern Slavery Statement (p. 64)
Goal 17	Partnerships for the Goals	Waste (pp. 30–32) Partnership (p. 47)

Appendix D

Modern Slavery Statement

This statement is made by Mandarin Oriental (UK) Limited and Mandarin Oriental Hyde Park Limited (“MOUK”) pursuant to the UK’s Modern Slavery Act 2015 for its financial year ending 31 December 2019. MOUK is part of Mandarin Oriental Hotel Group (the “Group”) and its ultimate parent company, Mandarin Oriental International Limited, is incorporated in Bermuda and has a standard listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore, and is a member of the Jardine Matheson Group. The Group is an international hotel investment and management group which owns, manages and operates 32 hotels and 7 residences in 23 countries and territories in Asia-Pacific, Europe, Middle East and the Americas.

The statement provides the measures taken by MOUK to ensure that its business and supply chain remain free from modern slavery and human trafficking. MOUK does not operate a UK website, and this statement will be included in the Group’s Annual Sustainability Report published each year on the Group’s website operated by Mandarin Oriental Hotel Group Limited, the operating entity of its office headquarters based in Hong Kong. This statement has been approved by the board of directors of MOUK on 15 May 2020.

The Group aims to operate in a manner consistent with the United Nations Universal Declaration of Human Rights and with the International Labour Organization’s Fundamental Conventions regarding child and forced labour, wages and working hours, health and safety, freedom of association and non-discrimination. The UN’s Sustainable Development Goals serve as an important reference point for the Group as we execute our sustainability policy and programmes.

The following policies demonstrate the Group’s commitment to the above:

- The Code of Conduct incorporated into every employee’s employment contract requires all hotels, regional offices and corporate offices to comply with all applicable laws and regulations and to maintain proper standards of business conduct.
- The Group has established a Responsible Procurement Policy to ensure purchasing decisions are made respecting human and labour rights. The policy also includes a Supplier Code of Conduct, which sets out the principles and the minimum standards that the Group expects its suppliers to comply with and to hold their own suppliers and subcontractors accountable, including ethical practices and compliance with all applicable legislation such as the Modern Slavery Act in the UK.
- In support of the Group’s Code of Conduct and Supplier Code of Conduct, the Group has established whistleblowing policies to facilitate employees and suppliers to report their concerns, including a “Speak Up” platform operated by Deloitte which offers three channels for reporting serious and genuine concerns about malpractice at the earliest practicable stage so we can take appropriate action: dedicated toll-free whistleblowing telephone lines; website (<https://secure.deloitte-halo.com/MOHGSpeakUp>); and email. The MOHG Speak Up website is available in 12 languages and toll-free telephone lines are available in 24 locations and 10 languages.
- All hotels are required to comply with Group Policies and Procedures, including the Group Security Operations Manual which sets out indicators of potential victims of human trafficking and suggested responses.

The Group’s initiatives on human rights including modern slavery are overseen by our 4-tiered Group Sustainability Governance Structure, headed by the Executive Advisory Panel consisting of the Group’s CEO and key senior management personnel. They define the key priorities for the Group and provide both resources and accountability mechanisms, while regular Panel meetings are held to review progress in our sustainability priorities. Next, a Sustainability Leadership Council consists of colleagues at the Group and property levels that lead working groups with thematic priorities. The Working Group on Human Rights and Inclusiveness (which focuses on modern slavery, amongst others) includes senior stakeholders from Legal, Finance, Human Resources, Learning and Development, Sales and Marketing and Operations, to ensure a thorough understanding and evaluation of risks associated with modern slavery.

Externally, we work closely with a number of NGOs both locally and on a Group-wide level, including the Mekong Club and participate in its regular Hospitality Roundtable meeting to discuss initiatives with industry peers. In October 2019, the Mekong Club presented training on modern slavery to management at Mandarin Oriental, Singapore. Modern slavery awareness training is scheduled to be rolled out to Mandarin Oriental Hyde Park, London and also to the Group’s corporate office in London in 2020. Further, our Learning & Development department is working with a sustainability consultant to include modern slavery in their annual training in 2020.

Mandarin Oriental Hotel Group is strongly opposed to all forms of modern slavery, and as part of our sustainability initiatives we will continue to enhance our awareness training and collaborate with external experts to identify risks and implement solutions to tackle the evil of human trafficking.

JAMES RILEY
Chief Executive Officer
15 May 2020
Mandarin Oriental Hotel Group

Endnotes

- 1 The UN Sustainable Development Goals include 17 goals and 169 targets. For additional information, please visit: <https://sustainabledevelopment.un.org/sdgs>.
- 2 Average elimination success across operating hotels
- 3 These carbon credits are excluded from our emission calculations.
- 4 World Economic Forum. “Global Risks Report 2020” January 2020. <https://www.weforum.org/reports/the-global-risks-report-2020>
- 5 EPA Gov. “Saving Water in Hotels.” March 2016, https://www3.epa.gov/watersense/commercial/docs/factsheets/hotels_fact_sheet_508.pdf
- 6 Pollinators, Pollination and Food Production The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)
- 7 Environment and Natural Resource Security, World Economic Forum, <https://www.weforum.org/agenda/2018/07/fish-stocks-are-used-up-fisheries-subsidies-must-stop/>
- 8 World Economic Forum. “Global Risks Report 2020” January 2020. <https://www.weforum.org/reports/the-global-risks-report-2020>