SUSTAINABILITY REPORT 2022

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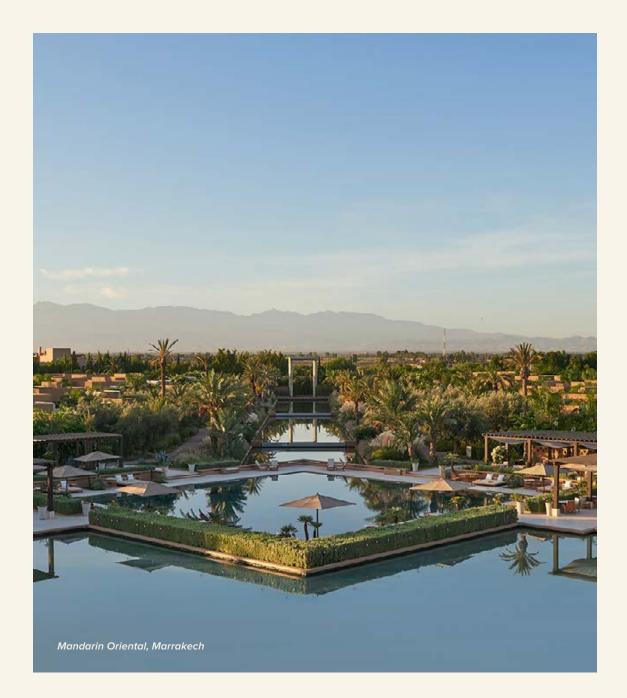
DARIN ORI THE HOTEL GROUP

Mandarin Oriental, Lake Como – Hert



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Aviation, as a sector, contributes 3.5% to global greenhouse gas emissions; it is the biggest contributor to our personal carbon footprints, if we fly. We are not yet reporting on Scope 3 emissions, but we recognise there are indirect activities that affect our business's value chain, and as such, we are working closely with our industry peers to help develop this framework via the Net Zero Methodology for Hotels.



WELCOME



Welcome to our Sustainability Report 2022.

As we enter our twelfth year of official sustainability reporting, we continue with the aim of being transparent about our progress in all ways possible to help advance benchmarks in luxury hospitality. We are publishing our data and examples of sustainability in action in a way that proves as useful, representative and informative as can be. Our ambition in communicating all our considerations in striving for climate-friendlier operations is to make even the most technical aspects of our business as relatable as possible to a wide audience. By sharing our metrics in an easy-to-digest way, we invite all our stakeholders - our guests, communities, colleagues, owners, shareholders, advisors, suppliers, and the media - to join us on our journey. We hope this might inspire other businesses to seek more sustainable solutions and unearth opportunities to collaborate on real solutions that minimise our collective impact.

Executive Summary

Highlights of Mandarin Oriental's 12th Sustainability Report

At our 36 hotels and 9 residences in 24 countries and territories around the globe, sustainability is about doing the right thing by ourselves, by our colleagues, by our families, and by the planet.



Over the past year, we have made **enhancements in our ESG Policies**, and disclosed climate-related financial risks in our first Task Force on Climate-related Financial Disclosures report in 2022.

Communication is a key to our success, and a dedicated sustainability department was set up in 2022 to enhance the overall sustainability governance structure.

We use **Greenview Portal** as our sustainability data management system, and we are in progress of aligning with the robust industry criteria set by Global Sustainable Tourism Council (GSTC).

In 2022, we reduced our Scope 1 emissions from 16% in 2012 to 12%, while Scope 2 emissions increased from 84% to 88% over the same period. We are not yet reporting on Scope 3 emissions, but we are working closely with our industry peers to help develop this framework.

We achieved a **30% carbon intensity reduction**, **31% energy intensity reduction**, **and 16% water intensity reduction** against our 2012 baselines.

We are on track with our Environmental Group Targets for 2030, with positive progress made by our hotels in meeting their individual property targets.

Energy audits in our hotels at three-year intervals provide insights to hotel operations, which inform recommended strategies and efficiency projects. Six energy audits were performed in 2022 in line with guidance from the American Society of Heating, Refrigerating and Air-conditioning Engineers Procedures for Commercial Energy Audits with estimated future savings of US\$11 million per annum.

We have continued our hard work of **eliminating 99%** of single-use plastics across all operations in 2022 excluding supplier packaging. We estimate our efforts avoid more than 930 metric tons of plastic waste yearly.

Continuing our responsible procurement endeavours from 2021, our key priority categories of endangered seafood, coffee, tea, cocoa, vanilla and paper **achieved 100% responsible sourced status**, verified by Lloyd's Register Quality Assurance, our independent third-party assurance.



The wellbeing of guests remains a top priority.

In 2022, we achieved an **average group score of 93.4% for our Safe and Sound audit**, a solid achievement with an increase of 0.65% from 2021. The year-end guest survey result also found that **87.6% of guests were satisfied** with Mandarin Oriental's sustainability efforts.

Our colleagues are the core of delivering legendary service, and we prioritise supporting mental and physical health and wellbeing.

We also place great emphasis on growing our talent and supporting diversity and inclusion throughout our workforce – in 2022 two female senior managers partook in a leadership programme with INSEAD.

Social impact is very important to us, as we strive to provide support to the communities in which we operate.

In 2022:

- » 426 social impact initiatives were conducted by colleagues.
- » 19,000 volunteer hours were carried out by colleagues.
- » **USD\$ 1.69M donations** were made in total from colleagues and the Mandarin Oriental Foundation.

Greenview conducted a sustainability risk assessment for us, taking into account climate, water, socioeconomic factors, biodiversity and regulations for all 36 properties, where risks and opportunities were identified and put in practice.

This sustainability report is different from our previous reports – we are reducing our environmental impact by publishing the report as PDF only to reduce our digital carbon footprint, and ensuring all the key messages are succinct and strong. We have created a more accessible and inclusive report which is more reader friendly and includes an audio recording of the full report.

We stay true to our guiding principles: delivering service excellence to our guests, supporting the development of our colleagues, serving the communities where we operate, and acting with responsibility for our planet.



letter from **the Group Chief Executive** James Riley

Sustainability is about doing the right thing by ourselves, by our colleagues, by our families, and by the planet.

We always aim to enhance our knowledge and understanding of sustainability, to keep questioning and challenging the prevalent and varying ideas in society, and reexamine how we can conduct ourselves in a more sustainable fashion in our daily lives.

Of course our industry can never be entirely sustainable, but we can endeavour to do our utmost to minimise our planetary impact and act with responsibility. Luxury does not have to be wasteful, and we can choose to support ethical supply chains with integrity. Mandarin Oriental is a relatively small player on the world stage, but from the strength of our brand, we use our voice to advocate for change along the value chain. This enables us to influence other key players in the market and the industry and bring our stakeholders and partners along with us on our sustainability journey.

2022 was an important year in making substantial progress towards our sustainability goals and commitments, and we are proud to have achieved considerable success through collective action. We appointed Lloyd's Register Quality Assurance as our third-party auditor to verify each hotel's compliance with our key commitments.

We have broadly achieved our target to eliminate singleuse plastics where possible, achieving an estimated 99% elimination across our operations and diverting approximately 930 tonnes of plastic waste per annum from landfills. Supplier packaging is excluded from our estimated impact, although we continue to work closely with our suppliers to eliminate single-use plastics. We have advanced our responsible sourcing commitments, verifying 100% responsibly procured coffee, tea, cocoa, vanilla, paper, and avoiding endangered seafoods. Sharing the global concern regarding the climate crisis, we continue to explore decarbonisation opportunities and ensure steady progress towards our 2030 environmental targets with property-led initiatives to reduce energy, switch to renewables, conserve water, and reduce waste. We conducted a sustainability risk assessment for our portfolio to broaden our understanding of where to focus our ongoing efforts. In 2023, we will continue to drive our efficiency initiatives with an increased focus on improved waste management.

We encourage our colleagues to challenge the status quo and share thoughts on how Mandarin Oriental can advance sustainability. Colleagues' continual learning is ingrained in our company culture, and 100% of our colleagues have completed our annual sustainability training. We are providing additional paid leave for volunteering in 2023, with every employee eligible for one paid day a year for charitable causes, to empower colleagues to interact with their communities and contribute to causes close to their hearts.

Our conviction for doing the right thing must resonate, above all, with our guests, and our resulting sustainability initiatives with consumers rather than statisticians.

Staying true to our guiding principles – delivering service excellence to our guests, supporting the development of our colleagues — we continue to serve the communities in which we operate, acting with responsibility for our planet. Thank you all, sincerely, for joining us on this journey.

James Riley Group Chief Executive



Mandarin Oriental's collection of luxury hotels and residences are found in the world's most desirable destinations – and with this comes a great sense of respect and responsibility. Our vision is to pursue A World of Fans. Through this vision, we are extending our commitment to hospitality excellence to all our customers, colleagues and communities.

36 hotels

Macau

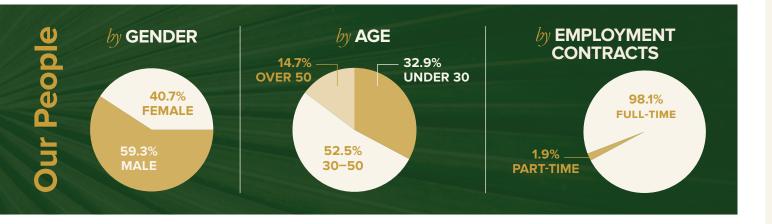
09 residences

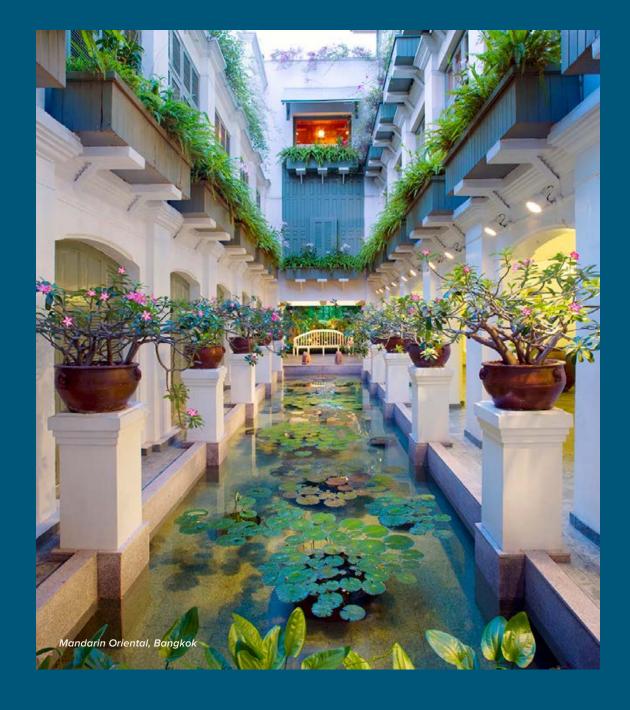
8,218 rooms

36 countries/territories

12,644 colleagues









Enhancement of ESG Policies

Faced with the complex, interlinked challenges of climate change and social equity, the globally-recognised Environmental, Social and Governance (ESG) framework has helped us shape group policies that maximise our environmental and social impact within our destinations and supply chains.



Environmental Impact

In 2022, we updated our Code of Conduct to incorporate sustainability into every level of decision-making. We adopted an Environmental Policy centred around our green commitments – including improving energy, water and material sourcing efficiency, reducing waste, and engaging stakeholders in sustainability efforts. We also disclosed climate-related financial risks in our first TCFD (Task Force on Climate-related Financial Disclosures) report as published in our Annual Report 2022, as part of our commitment to measure and manage how climate change will likely impact our business.

While our energy use and emissions rose in 2022 from a 2012 baseline, due to the growth in the number of hotels, spanning a floor area of 574,935 m2 in 2012 to more than double at 1,315,007 m2 by 2022, our energy intensity per metre square fell by 27% from a 2012 baseline, while renewable energy use rose from 4% to 8% over the same period. Our Scope 1 emissions reduced from 16% in 2012 to 12% in 2022, while our Scope 2 emissions increased from 84% to 88% over the same period, which may be attributed to a mixture of using more electricity rather than gas or diesel in our kitchens as well as for heating, and a few more hotels using heating from city sources, such as at Mandarin Oriental Wangfujing, Beijing.

In line with our industry's pace, we are not yet reporting our Scope 3 emissions, but we play an active role as advisory members in the development of the hotel industry-specific Net Zero Methodology for Hotels – a joint initiative with a wide range of stakeholders, launched as part of the Glasgow Declaration at COP 26 in Glasgow. A breakdown of our Scope 1, Scope 2 and Scope 3 emissions can be found in the appendix.



Social Impact

Our updated Diversity & Inclusion Policy is centred around fostering a diverse and inclusive working environment, fair HR practices, and career support for colleagues. We have always been against modern slavery and human trafficking, but our new Human Rights Policy promotes understanding of these key issues among our suppliers. This, together with the newly instituted Supplier Code of Conduct, outlines our intention to work with suppliers who meet our responsible procurement criteria and take social sustainability practices seriously.



Governance

Our sustainability governance structure contains five tiers, comprising seven groups, namely the Executive Advisory Panel, Sustainability Department, Sustainability Leadership Council, Diversity & Inclusion Council, Task Forces, Working Groups and Sustainability Champions and Committees. This structure enables us to collaborate effectively and harness synergies across the group.



Chaired by our CEO with external technical advisory provided by Greenview, it defines key priorities for the group and provides resources and mechanisms for accountability. It meets at least once every quarter.

SUSTAINABILITY DEPARTMENT

Led by the Group Director of Sustainability and Director of Sustainability, Global Development, it bolsters efficiency in internal coordination and strengthens mechanisms for verifying compliance and supporting sustainability improvements across the properties.

DIVERSITY & INCLUSION ('D&I') COUNCIL

Comprising group and property-level colleagues, it focuses on enhancing employee engagement and driving D&I-relevant performance.

SUSTAINABILITY LEADERSHIP COUNCIL

Comprising group and propertylevel colleagues, it filters thematic priorities into workstreams and focused action points to be implemented by the Working Groups.

TASK FORCES

Comprising group and propertylevel colleagues across various departments to solve specific challenges, gaps, and risks that are transversal. They come together for a finite period of time to collaborate, solve and implement solutions.

WORKING GROUPS

Comprising group and property-level colleagues, they address specific sustainability topics and can either be permanent or temporary as needed.

SUSTAINABILITY CHAMPIONS & COMMITTEES

Comprising colleagues who are passionate about sustainability, a committee has been established at every property. They advance the group's sustainability commitments by leveraging group-wide sustainability programme resources and then identify innovation initiatives that are specific to their location.





Diversity & Inclusion Council

Support a cultural shift that proactively encourages D&I through leadership commitment and accountability, group-wide awareness and engagement activities.



Environmental Impact

Develop group and property-level energy, carbon, water and waste inventory management plans, which serve as the basis for progressing towards 2030 Environmental Targets.



Food & Beverage Impact

Eliminate single-use plastic and identify responsible procurement and waste management opportunities in F&B.



Green Development

Develop and roll out internal guidance on integrating sustainability across property development, design, and pre-opening phases.



Green Spas

Engage guests and the wider community in health and wellness activities, go paperless with digital innovations and continue to eliminate single-use plastic, and identify responsible procurement opportunities in our spas.



Marketing & Communications

Strengthen internal sustainability communication processes and develop creative resources for external communication with guests.



Residences

Develop sustainability best practice sharing across residences and identify ways to become a sustainability resource for residents.





Rooms & Quality

Introduce new sustainability Legendary Quality Experiences, go paperless with digital innovations and continue to eliminate single-use plastic and identify responsible procurement opportunities in rooms & quality.



Guiding principles include bolstering efficiency in internal coordination, strengthening mechanisms for verifying compliance and supporting sustainability improvements and colleague-led initiatives across all properties. Three full-time colleagues represent a diversity of experience and female leadership alongside Torsten van Dullemen, Group Director of Sustainability, collaborating with motivated colleagues and stakeholders from around the world so that Mandarin Oriental has a positive impact on our people, our communities, and our planet.

Iris Lam, Director of Sustainability, Global Development, drives the strategy and leads the dayto-day function of the sustainability department. Iris has been a part of Mandarin Oriental's sustainability governance structure since its 2018 inception; she was previously a member of the Sustainability Leadership Council as the F&B Impact Working Group lead. Her experiences as a global food and beverage specialist in design and development for more than a decade in corporate and operational contexts helps drive win-win solutions for Mandarin Oriental, such as responsible procurement commitments, singleuse plastic-free operations, decarbonising the value chain, reducing waste and preserving biodiversity for future generations. Iris combines a deep love of design with a curiosity for cutting-edge commercial and climate solutions.

introducing the **Sustainability Department**

Mandarin Oriental's dedicated sustainability department was formed in 2022 to honour our group's desire to 'do the right thing' — an ideology that has prevailed since its very beginnings.

Florence Kwan, Sustainability Project Manager, transferred from working in revenue management at Mandarin Oriental, Hong Kong to steer project planning and management, data analysis and reporting. She also supports internal communications as a key content developer. With more than a decade of practical working experience in hospitality, Florence exemplifies how the group is developing sustainability talents from within.

Angelica Klein, Sustainability Coordinator, comes from a background of sustainability consultancies and start-ups, having been an independent, external sustainable food auditor for the Hong Kong properties. Her passion and enthusiasm for building a sustainable future shine through in her project coordination, governance team support, developing internal communications content, and as a sustainability ambassador for the group.

In less than a year, our dedicated sustainability department has demonstrated a strong synergy, and we look forward to activating more engagement and advancing climate awareness at Mandarin Oriental.



DOING THE RIGHT THING



More than ever, deeper consideration of the climate is vital in luxury hospitality.

This is not a new concern for us as a hotel group, having been monitoring and measuring our impact for many years. In 2022, we began amping up our processes for gathering, calculating and maintaining our energy, carbon, water and waste data in a groupwide Inventory Management Plan. Environmental catastrophes are happening everywhere – as verified by the IPCC: this is directly linked to humans overconsuming and emitting planet-heating greenhouse gases. And it is universally acknowledged these need to be taken more seriously by our industry.

As we work towards our 2030 Environmental Targets and weigh up more environmentally responsible practices across our operations, we aim to demonstrate how better efficiencies can contribute to long-term profitability. Mandarin Oriental, of course, complies with environmental laws and regulations, but we are now actively monitoring our progress toward energy, carbon, water and waste reduction, as well as responsible procurement in the regions we operate. In 2021, we set new group targets for the decade, our 2030 environmental targets.

THE GROUP MEASURES SUSTAINABILITY BY BREAKING DOWN OUR GOALS INTO 4 PILLARS:



Within these pillars, we have structured group goals and hotel-specific goals and targets.



GREENVIEW: Our Sustainability Software

Climate change is no longer a distant reality. We have been measuring energy, emissions, water and waste since 2012, using Greenview Portal since November 2019, and working towards reduction targets by 2020. Greenview supports Mandarin Oriental's sustainability programme with the Greenview Portal, a sustainability data management system that allows us to monitor our progress and collective impact as a group, and individually at each hotel. We regularly open-source environmental targets and progress, and messages that matter, to internal and external stakeholders, using annual sustainability reports, press releases, social media campaigns, champions calls, and an internal intranet system. We are also committed to align with the industry criteria set by the Global Sustainable Tourism Council, the non-profit initiated by a coalition of UN agencies, and we are on track to receive official GSTC Recognition in 2023. Individual hotels are encouraged to obtain GSTC Certification at the same time.

"Increasingly, hotels need to manage the myriad risks relating to sustainability. These include the obvious physical effects of climate change and water scarcity, but also the potential impacts of policies that governments will put in place themselves. On the other hand, a hotel can evaluate a wider range of data within the community and its habitats. By connecting a portfolio-wide assessment of risks, hotels are able to better value the actions to conserve resources, and prioritise local actions to help address threats to species and protected areas, as well as focus social impact efforts on issues identified within the community at property level, and identify common themes and scalable actions across the portfolio."

- ERIC RICAURTE, FOUNDER & CEO, GREENVIEW

Previously, we set common targets for all properties, but this approach ignores the individual context, circumstances and priorities. Now, we set property-specific targets. Every property is unique – for example, water risks are not distributed evenly across the world, electric utilities run on different types of energy sources and on-site equipment efficiency also varies. By implementing a tailored approach, we prioritise what is most important for each property. An annual inventory for energy, carbon, water and waste figures will be maintained, enabling property-specific baseline, targets, and year-on-year comparisons. The group's performance targets will be established based on the targets set by each property and a performance projection for new property openings.



the **BIGGER PICTURE**



We actively use the Greenview Portal to track data and monitor progress against our environmental targets.



We are an advisory council member of the Cornell Hotel Sustainability Benchmarking Index, an industry-led initiative to develop global benchmarking data on energy, water, waste and carbon emissions.



We are committed to aligning with the industry criteria set by the Global Sustainable Tourism Council (GSTC), the sustainable tourism non-profit initiated by a coalition of UN agencies. We seek to pursue formal GSTC Recognition in 2023.

Climate & Carbon

Monitoring and reducing our footprint

When talking about climate adaptations, the business community often refers to impacts with an *in the future* mindset, but we are committed to the *right now* with an eye on a resilient future — faster than is happening across the sector. In 2022, the world experienced an unprecedented strain on natural resources due to geopolitical issues and climate change; this meant rising energy costs and supply chain and logistic challenges. A long-standing group environmental protocol has let us manage anticipated climate-related physical risks and reduce our carbon footprint.

Risk Management Framework

THIRD-PARTY ASSESSMENTS FROM ISO AND COSO

In addition to self-monitoring across all properties, in 2022, we engaged a third-party consultant to conduct a sustainability risk assessment for our portfolio. This highlighted individual hotels' exposure to climate, water, biodiversity, and socioeconomic and sustainabilityrelated regulatory risks. The evaluations analysed acute (floods, droughts and cyclones) and chronic (change in long-term precipitation, temperature and sea level rise) physical risks, as well as transition risks (change in sustainability-related policies).

Aligning with the ISO 31000 and COSO principles helped identify, assess, and define strategies to monitor and consider location-specific mitigation measures for climate-related risks, including insurance plans for natural disasters, increased use of renewable energy, and energy and water efficiency initiatives.

SUSTAINABILITY IN ACTION: CARBON SEQUESTRATION

MANDARIN ORIENTAL, SHENZHEN How our coffee is helping nurture wetlands and mangroves

We support the Shenzhen Mangrove Conservation Foundation's habitats for migratory birds in Shenzhen Bay by donating RMB 1 to this charity for every cup of coffee ordered at The Mandarin Cake Shop, Bazaar and LIAN Lounge. Team members have also actively participated in MCF's activities, such as helping remove just under 100kg of invasive plants in Futian Mangrove Ecological Park. It was helpful and rewarding to gain a deeper understanding of the mangroves, the importance of protecting migratory birds, and their interconnected role in biodiversity. Mangrove forests are essential for flood protection, erosion reduction, carbon storage and nurseries for fish and crustaceans.

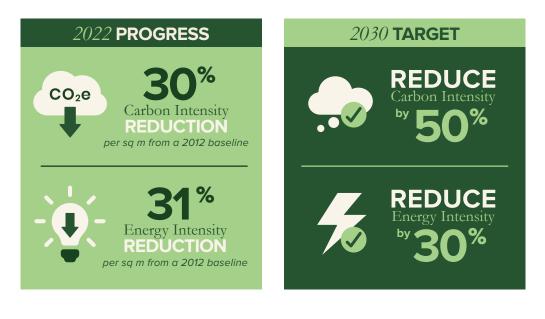
"Hospitality is responsible for 1% of global carbon emissions, with hotels accounting for around 21% of the industry's total emissions. Adding to this, 18% of food bought by the hospitality and food service industries is wasted each year, and in some locations, hospitality accounts for eight times more water used per person than the local population."

- SUSTAINABLE HOSPITALITY ALLIANCE'S BUSINESS CASE FOR SUSTAINABLE HOTELS REPORT

Mandarin Oriental, Jakarta

Energy

As a sector, deferring to science to inform the most impactful changes makes sense. Energy audits across our hotels at three-year intervals have provided insights into hotel operations, reflected in efficiency, coordinated by a close collaboration between the group sustainability department and group engineering operations. Six energy audits performed in 2022, in line with the American Society of Heating, Refrigerating, and Air-conditioning Engineers Procedures for Commercial Energy Audits, have estimated future savings of US\$1.2 million annually.



SUSTAINABILITY IN ACTION: WATER-COOLING WONDER

A little less chilled, a lot of savings

The hotel team observed that the chilled water supply in the centrifugal chiller – part of the air-conditioning system – was set to 6°C. They optimised the system and increased the chilled water supply temperature by 2°C. Through this, not only have we been able to improve the room experience for the guests but we were able to have 16% energy reduction annually against our initial target of 4%.

RENEWABLE ENERGY

To mitigate climate change, we must all do our part in transitioning from the world's reliance on fossil fuels to a greater use of clean energy. Our use of renewables doubled year-on-year, reaching 8% of our total energy use in 2022. We intend to continue working towards reaching our 15% goal by 2030. Fewer properties than many might appreciate are suited to solar panel installations, so we encourage properties to select sources that suit their needs.

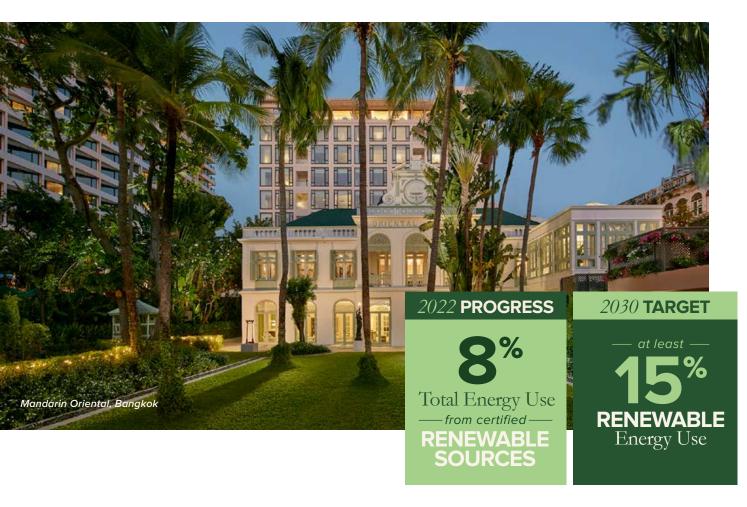
Mandarin Oriental, Santiago received a certificate commemorating their efforts to ensure that all the energy received from 1 April to 31 December 2022 came from non-conventional renewable energy sources via the Chilean electricity grid. In addition, our hotels purchase renewable energy from certified sources, such as Renewable Energy Certificates and Power Purchase Agreements. Mandarin Oriental, Santiago has installed a set of solar panels for providing electricity for the lighting and irrigation system at the rooftop terrace. The solar panel installation is part of a larger green rooftop project to increase biodiversity through a vegetable plot, fruit trees and beehives.



SUSTAINABILITY IN ACTION: GREEN ENERGY

MANDARIN ORIENTAL, GUANGZHOU Solar heating and heat pumps

Installing an energy-saving and emission-reduction system that combines photovoltaic panels and heat pump systems in the rooftop areas of the hotel has resulted in extraordinary annual gas savings of 152,000m³ and annual cost savings of RMB 460,000 (USD\$66,700), with a return on investment expected — in less than 38 months.





Transport

Driving electric power

Greener transportation could be considered low-hanging fruit in the transition towards cleaner fuels. We have invested greatly in charging stations, and give guests the option to choose green transfers while staying with us. 71% of our hotels offer electric or hybrid hotel cars — an 8% increase since 2022.



SUSTAINABILITY IN ACTION: ELECTRIC CARS

Electric Porsche Taycans

Just under 80% of our hotels offer electric or hybrid cars for hotel transfers. In partnership with the iconic German automobile brand, Mandarin Oriental, Munich offers guest transfers in these fully electric sports cars. They have an impressive range of up to 400 km, and the hotel's garage charges them using local green-energy supplier Stadtwerke München.

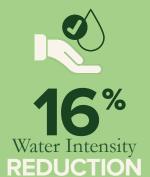
Water Every drop counts

Water conservation is a multi-dimensional issue, and we continue to actively engage our colleagues and guests to reduce, reuse and recycle water. With less than 3% of freshwater available, it is one of the Earth's most precious natural resources, which is increasingly threatened. At Mandarin Oriental, we have our eye on conservation innovations and have trained our colleagues on the importance of watersaving initiatives. The group sustainability department and group engineering operations collaborate closely to ensure that all properties have achievable targets for water reduction. Regular audits allow for real-time data and recommended adjustments to operations. An exhaustive water risk assessment is conducted every two to three years, with the next due in 2025.

2022 WATER RISK ASSESSMENT

We conducted a full sustainability risk assessment and the outcome regarding water was that at least 50% of portfolio (by floor area) have high or very high risks for both baseline and future water stress. Another key finding was that over 70% of the portfolio will likely see increased operating costs in the next five years due to water risks. Understanding property-specific climate and water risk levels allows us to better prioritise investments, assess insurance coverage adequacy and implement preventive maintenance and adaptation action plans.





2030 TARGET



andarin Oriental Bosphorus, Isto

SUSTAINABILITY IN ACTION: GREEN LINEN PROGRAMME

We have standardised this across the group to be an 'opt out' programme, in alignment with industry best standards, including the LQA and Forbes. Laundry is a significant area of water use. Guests now have their linens and towels changed every third day by default and can opt in to have them changed more frequently. Most Mandarin Oriental hotels depend on municipal water supplies, which account for 73% of our total water supply. The remainder sources come directly from desalination plants, groundwater, and recycled water. For example,

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

"Hotel laundry operations are a prime example of the challenges linked to water-energy nexus that is: the relationship between water and energy consumption. Laundry operations can account for up to a 20% of energy usage and 15% water consumption in hotels."

- PROFESSOR DR WILLY LEGRAND, AUTHOR 'SUSTAINABILITY IN THE HOSPITALITY INDUSTRY: PRINCIPLES OF SUSTAINABLE OPERATIONS' (FOURTH EDITION, 2023, PUBLISHED BY ROUTLEDGE)

SUSTAINABILITY IN ACTION: WATER-SAVING TAPS

MANDARIN ORIENTAL JUMEIRA, DUBAI Halving water use across all restrooms

A water conservation strategy is vital in this desert destination, and installing water-saving taps in both the front and back-of-house restrooms resulted in a 50% reduction in water consumption in just one month of installation!



Waste

Revolutionising reduction, reuse, recycling

We are on track with commitments to reduce waste intensity by 50% by 2030, sending less waste to landfill thanks to better segregation, and following our mantra 'reduce, reuse, recycle, upcycle', supporting our transition to a circular economy.

Waste monitoring is key

Better measurement allows better management. Segregation involves sorting waste into more than 20 categories, including paper, glass, plastic, organic, and metals. Our sustainability department works closely with our engineering and operations teams at all levels to ensure this happens. Together we ensure that all properties have achievable waste reduction targets in place. Waste figures are recorded by each property every month with two waste metrics: waste intensity and waste diversion. Best practices are shared through internal platforms, including our sustainability site and social app MyMO, driving our transition to a circular economy, across the board.

Better measurement allows better management



More than 20% of hotels have installed food waste digesters

Minimising food waste

A stand-out challenge across hospitality, this is especially important to tackle, since organic waste contributes up to 10% of global greenhouse gas emissions, according to the UNEP Food Waste Index 2021. We consider the growing, processing, manufacturing, and transportation of all food in our ecosystems. Our initiatives include colleague educational campaigns, donating excess edible food and diverting what is left through anaerobic biodigestors, creating compost and converting to green energy, animal feed and fertilisers.

SUSTAINABILITY IN ACTION: WASTE

THE LANDMARK MANDARIN ORIENTAL, HONG KONG

Upcycling linen napkins

Our naturally-tinted highest-quality cotton napkins avoid environmentally-unfriendly industrial bleaches in their manufacturing, and they are part of our circular waste innovations. Mil Mill is the first local pulp mill and education centre; they take all of our end-of-life linens, work their magic, and return them to us reborn as recycled paper towels and eco-friendly toilet paper.

Artificial-Intelligence-Powered Food Waste Monitoring Systems

Winnow Vision's award-winning Al-powered system is being trialled in many of our kitchens (spanning four properties representing each major operating region), with a potential roll-out across all properties in 2024. By identifying more than 600 food items, it overtakes human levels of accuracy in identifying waste. This advanced food-waste-management technology and data analysis helps inform the team in how to optimise portioning.



Food waste contributes up to 10% of global greenhouse gas emissions

- ACCORDING TO THE UNEP

SUSTAINABILITY IN ACTION: WASTE



MANDARIN ORIENTAL, JAKARTA Biopore Infiltration holes

730kg of food waste has been repurposed through this programme to improve soil condition and support efficient absorption of rainwater since 2019. The way it works: gateways capture rainwater and minimise run-off allowing more hydration to penetrate the soil. The holes are filled with organic waste, luring microorganisms which act as soil engineers, helping accelerate absorption.

MANDARIN ORIENTAL, PARIS No more breakfast buffet

Hesitant at first, guests now largely support our decision to serve breakfasts à la carte, as they appreciate and understand this is an effort to tackle unnecessary overconsumption. When faced with a generous buffet, it is hard not to be tempted to over-serve ourselves or select more than we can eat. This spares superfluous resources from being prepped and means less leftovers and their ensuing greenhouse gases emissions.



Design Greener architecture and construction

Considering more sustainable construction and embodied carbon needs to be a focus for all hospitality properties. Our development and technical services team recognises the impact of our buildings on the environment and rolled out our Product Standards & Guidelines (PS&G) for Responsible Hotel Development (RHDG) in 2021. The purpose of the RHDG is to provide documentation for all colleagues, owners and designers to refer to when addressing sustainability in design and construction. Since then, we have continued to monitor and amend the guidelines, where appropriate, to ensure our standards are current.

The PS&G guidelines are intended to provide a quality standard in a hotel's finished facilities and environment that will allow Mandarin Oriental to continue delighting our guests and creating hotels with a sense of place. Responsible hotel development includes considering and integrating sustainability principles during all phases of new developments and major refurbishments, as well as finding areas of improvement within our current operating properties. A great example of RDHG in action is the upcoming Mandarin Oriental, Costa Navarino, our first hotel in Greece equipped with a solar farm and water reservoir, scheduled to open summer 2023.

The built environment and construction sector accounts for just under 40% of global carbon emissions

- WORLD GREEN BUILDING COUNCIL

SUSTAINABILITY IN ACTION: GREEN BUILDING ASSESSMENT

MANDARIN ORIENTAL, KUALA LUMPUR Top SEDA rating for the third year

The hotel received a Three Diamond Rating in the Voluntary Sustainable Energy Low Carbon Building Assessment GreenPASS, driven by Sustainable Energy Development Authority in Malaysia. This third-yearin-a-row assessment result facilitates local authorities to develop a common carbon metric for low-carbon city development. MOTAC — the Ministry of Tourism, Art & Culture — also awarded the hotel an Asean Green Hotel Standard award, an initiative dedicated to promoting sustainable tourism practices.



Plastic Eliminating single-use

Every year, about eight million tons of plastic waste enters our oceans.

Mandarin Oriental first set its ambitious goal of a total ban on singleuse plastic in 2018, intending to reach 100% eradication by March 2021. Although we fell short of our initial goal due to restrictions imposed by the COVID-19 pandemic, we eliminated 99% of single-use plastic in our operations by the end of 2022, excluding supplier packaging. We conducted a sizing exercise with Greenview in 2021 on our most commonly used single-use plastics to approximate our collective impact. By relentlessly pushing through on this commitment, we have avoided more than 930 metric tons of plastic waste yearly.

The group is committed to eliminating all single-use plastic across all areas of our hotels, including rooms, spas, transport, restaurants and bars and in back-of-house areas not seen by guests, such as offices, colleague areas and kitchens, also encouraging suppliers to explore using a reusable model where possible. For housekeeping products, every property is encouraged to purchase in bulk, ensuring packaging is returned to suppliers, closing the loop.





Bottles









It takes more than following a set of guidelines to make change.

We foster a sense of responsibility with colleagues, which brings us to strive towards our 100% single-use plastic elimination goal. We encourage the properties to apply innovative changes to operations. For example, where possible, remove garbage bags and adopt new standard operating procedures to empty and sanitise.

Third-party assessment with LRQA

We have been tracking our single-use plastic progress over the past few years. In 2022, we strengthened our reporting process by engaging an independent third party, Lloyd's Register Quality Assurance, to verify our hotels' single-use plastic elimination status together with the use of Greenview Portal as our sustainability management system. While our relatively small footprint limits our contribution to global plastic reduction, we are in a strong position to inspire important changes in the industry, such as normalising plastic-free supplier packaging.



Empowering colleagues to identify solutions

Our colleagues were encouraged to identify singleuse plastic items and solutions. They are equipped with sample checklists, guidelines, training, and sharing of best practices and solutions over quarterly Sustainability Champions calls, case studies and via the internal social app, MyMO.

Working with our value chain

We work closely with our suppliers to identify ecoalternatives that meet our sustainability requirements. We carefully selected and have partnered with an ISOcertified hospitality products supplier, Palatino, to design a full range of bespoke guest rooms amenity collections to improve products to meet our quality requirements and uphold our sustainability commitments. Challenges include the hygiene mandates of local authorities and tackling the packaging that comes in from small-scale suppliers. We do our best to stipulate that suppliers must find eco-friendly solutions — and welcome any ideas and innovations.

Suppliers & Procurement

Our responsible procurement policy is made available to all in our supply chain. Guidelines ensure that ingredients are grown using sustainable agricultural practices and farmers have been paid a fair, decent wage. The group is strictly against any form of forced labour, child labour or unacceptable working conditions, which are included in full in our Modern Slavery Statement 2022 published on the company website.

Ethical, respectful, responsible

Mandarin Oriental continues to pursue the ethical sourcing of coffee, tea, vanilla and cocoa, and the avoidance of serving any endangered seafood species as detailed in the MOHG Avoid List, aligned with the latest 19 species listed in the WWF Endangered Seafood Guide. Our considerations extend beyond edible products to 100% sustainably-certified paper for all hotel areas. By the end of 2023, we will ensure we only serve cage-free eggs and responsibly-sourced sugar. We continue to keep up to date with industry best practices.

Certifications required, LRQA approved

We require all our hotels to self-monitor their ongoing responsible procurement status and continue to be independently verified. LRQA, our third-party independent auditors, will verify that all suppliers or distributors for our priority categories have provided assurances or certifications that their products meet our fair, equitable and sustainable standards. We must continue our engagement in strategic industry sessions, such as the Hong Kong Sustainable Seafood Coalition, while the latest findings from industry experts inform our sustainable seafood programme. The efforts of the group's restaurants have not gone unnoticed. We are proud to share that Amber at The Landmark Mandarin Oriental, Hong Kong, received a Green Star in the 2023 Michelin Guide, in addition to its two Michelin stars for 15 consecutive years since 2008 in recognition of its sustainability efforts.

Responsible honey programme

Bees play a vital role in nature through pollination, and to support healthy native bee populations globally, having professionally-tended urban beehives or resting points is essential for creating safe havens. Protecting and enhancing bee populations is essential to supporting local biodiversity and food security, and our programme has been running for more than five years, with on and off-site beekeeping incorporated into the operations when we launch new hotels. Eight of our hotels have on-site hives, and our other hotels have partnered with local beekeepers in the community to harvest honey and support local bee populations.



Landmark Mandarin Oriental, Hong Ka



DOING THE RIGHT THING



Human wellbeing is deeply intertwined with our natural environment.

At Mandarin Oriental, our sustainability commitments go beyond the environment as we strive to ensure socio-economic benefits for all the people and communities our work touches.



our STAKEHOLDERS

Guests

We empower our guests to become decision-makers in our sustainability programmes.



Locals

We engage with communities through local organisations, employ and upskill local talent, and support causes close to the hearts of our colleagues.



Industry

Participating in the Net Zero Methodology for Hotels, Cornell Hotel Sustainability Benchmarking Index and Green Lodging Trends Report, helps us raise our collective sustainability ambitions in luxury hospitality.



Owners and Developers

We maintain close partnerships and communications — from design and development to construction and management with sustainability a key consideration across all phases.

NGOs and Advisors:

We discuss our sustainability goals with thought leaders across travel and tourism. Greenview sits on our EAP as an advisor, and we also partner with international and local NGOs.



Colleagues

Our Safe and Sound programme promotes health and safety. We work hard to develop talents through career development plans, and engage our colleagues to advance the group's sustainability.



Shareholders

We hold discussions with our controlling shareholder Jardine Matheson Group, on climate risk management and sustainability progress, for both transparency and feedback.



Vendors, Suppliers, Contractors:

Responsible procurement opportunities are continually researched and promoted within our supply chain.



Our Guests

Legendary service is a longstanding hallmark of Mandarin Oriental — and it is at the heart of luxury hospitality.

As well as our dedication to service excellence, we invite guests to participate in a more responsible approach to luxury. We are focused on doing the right thing for places, colleagues, guests and communities, offering guidance so that all our hotels can prioritise sustainability – this includes mystery shopping visits to verify standards and raising awareness around impact.

Activation & Communication

A green linen standard is a basic expectation today, and our in-room card explains that we change the bed and bathroom linens after two nights unless the guest places the card accordingly to request a daily change. This is aligned with other luxury brands with an aim to reduce water, energy, and detergent usage in all our hotels. Mandarin Oriental guides each department to take ownership of its sustainability standards, training colleagues to feel confident in talking to our guests about why we have our initiatives in place.



SUSTAINABILITY IN ACTION: GREENER RETAIL

MANDARIN ORIENTAL JUMEIRA, DUBAI Eco-conscious concept store

Kind by M.O. is a beachside store selling sustainable and cruelty-free apparel and gifts, and many of the brands stocked are B Corp certified. It showcases emerging designers and artisanal retailers focusing on giving back to the community and environment. "If we are not happy, if we are not peaceful, we cannot share peace and happiness with others, even those we love, those who live under the same roof.

If we are peaceful, if we are happy, we can smile and blossom like a flower, and everyone in our family, our entire society, will benefit from our peace."

- THÍCH NHẤT HANH

Mandarin Oriental, Guangzhou

Health, Safety, Security

After dealing with the ever-changing landscape of COVID-19, we are well-versed in acting swiftly to keep our guests safe. Our rigorous safety standards and ongoing implementation of our WeCare programme ensure that international and local health, safety and hygiene standards are maintained. In 2022, we achieved an average group score of 93.37% for our Safe and Sound audit, an increase of 0.65% from 2021 – a solid achievement given the number of new properties undergoing their first formal FHLSS audits. We also treat guests' data with extreme sensitivity. Our Data Privacy Policy ensures the highest levels of integrity to protect personal information within our control.

Wellbeing & Mindfulness

Our world-class spa and wellness offerings are holistic, bringing spa treatments and fitness together. The Intelligent Movement Program was introduced in 2022 to encourage people to 'move more and move better'. Designed to encourage physical and mental movement in our typically inert lifestyles, it enables guests to refocus their minds and set clear intentions — when we are feeling good and giving our bodies the best treatment, we can spread positivity.

SUSTAINABILITY IN ACTION: SILENT NIGHT



all mandarin oriental hotel spas Disconnect to reconnect

Every year, we host an evening of silence in all our spas. Given the scarcity of silence in modern life, this was created to encourage people to disconnect from technology, and take time for quiet reflection. 'Amid the hustle and bustle of the busy holiday season, the search for stillness and calm is so important, which is why we aim to create a space where people can press the pause button and have some time to think, meditate or just take a break from being inundated with the noise of modern urban life,' says Jeremy McCarthy, Group Director of Leisure, Spa and Wellness.



SURVEY SAYS:

Our guests recognise that we care about sustainability

Climate awareness was upped through the guest satisfaction post-stay questionnaires. Mandarin Oriental asked guests to rate their overall satisfaction with the hotel's sustainability practices.

The 2022 year-end result found that 87.6% of guests were satisfied with the sustainability efforts — but of course, we know we could and will do better.

*2022 Guest Survey (48,440 responses)

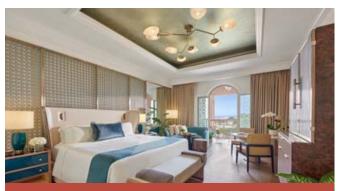
Agriculture is responsible for a huge slice of greenhouse gas emissions: meat and dairy make up nearly 60% of that carbon footprint and the UN says that farmed livestock globally accounts for roughly 11% of all human-created emissions.



SUSTAINABILITY IN ACTION: FOREST BATHING

MANDARIN ORIENTAL, BOSTON Sharing the benefits of Shinrin Yoku in the Spa

In partnership with New England Nature and Forest Therapy Consulting, the Forest Therapy Wellness Experience is based on this Japanese research-driven wellness practice using traditions of mindfulness, providing physical and mental health benefits through immersion in nature. Health benefits include soothing the cardiovascular and immune systems, by spending time in outdoor environments, including reservoirs, city parks and botanic gardens.



SUSTAINABILITY IN ACTION: ANIMAL-FREE BEDROOMS

EMIRATES PALACE MANDARIN ORIENTAL, ABU DHABI

Vegan suites pioneer

These six newly launched rooms are entirely free from animal-based products – wooden floors, feather-free duvets and vegan bathroom amenities. Wooden floors instead of woolbased carpets, faux leather furniture, featherfree duvets, and plant-based amenities are complemented by holistic vegan options across all dining outlets, and vegan-certified facials, body treatments and massages at the spa.



Our Colleagues

In the hospitality industry, our colleagues are at the core of delivering the guest experience — and their health and wellbeing is a priority.

Our annual colleague experience survey allows for continuous improvement in training, development, mentoring and other key services designed for our team members. The anonymous survey welcomes genuine feedback and concerns, creating an open, aware culture.

Health & Wellbeing

As part of our stringent WeCare protocols, the group hosted a four-week long Inner Strength-Outer Strength course for a third consecutive year in 2022, to provide resources and tools for colleagues' mental and physical health. We also held our seventh annual Colleague Wellness Week, designed to boost everyone's physical health and mental resilience.





Training & Development

Mandarin Oriental values and encourages continuous learning for colleagues, focusing on sustainability and career progression. All colleagues completed the annual sustainability colleague training in 2022, with an emphasis on place-based learning and sustainability best practices. With the support of a newly hired Digital Learning Manager, we are on track for a 2023 rollout of The Loop, a digital learning system that brings a holistic, contemporary learning experience for all colleagues.

Our Colleague Journey is curated to support different individual skill sets and learning styles. Our learning & development team takes great pride in ensuring their educational journey is smooth from the moment they join, with a series of curated programmes such as MOve Up, MOve Forward and MOve Ahead, and MBA Executive Programmes.

MOSAIC MENTORING

Nurturing talent and providing mentorship to enable personal and career development, the group's mentoring programme identifies high-potential colleagues (Aspiring Leaders) to be coached by senior colleagues (Inspiring Leaders) for a year. We are committed to fostering an environment where colleagues can work harmoniously and passionately, grow continually, and feel personally valued.

UNIVERSUM PARTNERSHIP

In 2022, we undertook an extensive research project with the agency Universum, to reinforce our employer value proposition and strengthen our global talent acquisition strategy. We now encourage all hotels to keep an accessible, updated database to prioritise the promotion of internal hires. In 2022, we launched Hiring with Impact, which inspires hotels to replace reactive, traditional recruitment methods with proactive, targeted strategies in identifying talent, prizing diversity, inclusion and the avoidance of unconscious bias.

WOMEN IN LEADERSHIP WITH INSEAD

In November 2022, two senior Mandarin Oriental colleagues from our corporate office, representing group human resources and group commercial strategy, attended the first flagship Women in Leadership programme with INSEAD, designed for senior executives within Jardines. They joined 16 female participants in a series of live webinars and individual and group coaching to better understand the systemic challenges women face in achieving gender diversity within an organisation – and how to strengthen their role as change agents.



SUSTAINABILITY IN ACTION: INVESTING IN TALENT

Rising Fans Programme

Our flagship Rising Fans Programme – designed to offer opportunities to fresh graduates, high potential and internal colleagues across key hospitality departments across our hotels – fosters an inclusive, diverse and resilient culture while inviting contributions to the group's sustainable development.



Paul Gouwy Mandarin Oriental, Geneva

Passionate about hospitality since he was 12, Paul graduated from Vatel Brussels and acquired Mandarin Oriental internship experiences across France, the United Kingdom and Belgium.

"At the Rising Fans programme, the combination of operations, projects and administration allows me to understand, in detail, the challenges of a hotel within a world-renowned group. It allows me to develop every day, thanks to the rotation between departments and the different positions held."



Laura Granados Mandarin Oriental Ritz, Madrid

Starting as an events trainee in 2017, Laura returned after her studies as an events coordinator and Rising Fan.

"What has surprised me positively about the programme is that all colleagues I have met so far – superiors and peers – have been happy to share their knowledge and collaborate. In addition to on-site training and ECornell e-Learning, mentorship by an Executive Committee member has helped my learning process, and I got valuable advice for my professional future."



Kay Rong Mandarin Oriental, Macau

Having graduated from Macau University with a degree in Hotel Management, Kay was employed as a Guest Services Supervisor in the Front Office.

"When I heard about the Raising Fans program, I expected it would be a management training programme with a similar plan for everyone. After I joined, I discovered it offers a chance to be cross-trained in other departments and unrivalled mentoring. Guidance from senior management has a significant impact on your professional and personal development."

A Commitment to Human Rights

Mandarin Oriental is always committed to upholding human rights at all hotels and residences and along our entire supply chain. Our Supplier Code of Conduct sets forth our principles and minimum standards for supplier compliance while holding their suppliers and subcontractors accountable and opening channels to report any concerns. Our approach to child and forced labour, wages and working hours, health and safety, freedom of association and non-discrimination is informed by the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Fundamental Conventions.

A Commitment to Diversity & Inclusion

We believe diverse perspectives – combined with an inclusive culture and equitable opportunities – stimulate innovation, increase organisational agility and strengthen resilience to disruption. Our workforce has representation from more than a hundred different nationalities. We deliberately foster a workplace where all colleagues can freely express themselves and their backgrounds without fear of discrimination or harassment. We also provide support to advance social equity and remove barriers to prospects for all colleagues.

Our ongoing actions are driven by our D&I Council and the Mandarin Oriental Diversity & Inclusion Policy, maintaining education among senior leadership and executives and awareness among colleagues.

SUSTAINABILITY IN ACTION: UPPING INCLUSIVITY



Celebrating global D&I-themed events

Partnering with the brand and communications team in 2022, we publicly celebrated several global events. On International Women's Day, we ran a dedicated campaign through internal and external communications in line with the 2022 theme, #BreakTheBias. Pride month was also celebrated where locally possible, with purposedesigned rainbow fan pins for participating colleagues and on social media.

Workshop on Leading a Safe, Respectful and Inclusive Mandarin Oriental

In 2022, the D&I Council hosted workshops with General Managers of all hotels, and the group's Operating Committee, on Leading a Safe, Respectful and Inclusive Mandarin Oriental. The session examined realistic and practical industry case studies, and, following a successful first phase, will be rolled out to all leadership positions across the group.

Sustainability Champions

Every year, we choose a colleague in each hotel, someone who has shown determination and drive to push forward our sustainability mission. Our governance structure supports these sustainability champions, and they are given toolkits to engage colleagues and identify innovative initiatives for their hotels. The champions come together to share best practices in dedicated quarterly calls and via our internal social app, MyMO.

SUSTAINABILITY STAR PROGRAMME

In 2022, we launched this colleague recognition programme to recognise individual colleagues, teams and departments who have gone above and beyond to exemplify Mandarin Oriental's values within the hotel and their local community. All colleagues are encouraged to submit their sustainability actions and/or plans to value diverse perspectives and grow sustainability actions at work and home. Forward-looking hospitality today relies on the integration of sustainability in everyday operations.





Our Communities

Social sustainability in luxury hospitality is not just about colleagues in the built environment.

We believe our presence in a destination should also positively benefit its communities. At Mandarin Oriental, we ensure this through education and skills development opportunities for disadvantaged youth and adults, disaster relief efforts fighting hunger, and promoting interconnected environment and animal welfare goals.

OUT COLLECTIVE IMPACT



Conducted by colleagues



volunteer hours Dedicated by colleagues



through concerted efforts from colleagues and the Mandarin Oriental Foundation



US\$1.69M + US\$65.000 donated

to US colleague charities from US-based **FANtastic Match**

more than

Fundraising, Philanthropy, Volunteering

SUSTAINABILITY IN ACTION: TAIPEI, MUNICH, HONG KONG



HONG KONG CORPORATE OFFICE Mindbrew baristas

Jointly launched by MINDSET and JRG in 2020, Mindbrew is an inclusive employment initiative that equips persons-in-recovery with the necessary skills to become professional baristas, helping them reintegrate back into society.

Mandarin Oriental, Taipei Love Share

The Christmas Charity Sales donated US\$10,000 and 3,000 volunteer hours to Taiwan Pawprint K9 Rescue and Taipei Stray Cats Protection Association, supporting sheltered stray animals in getting medical care and resources.



MANDARIN ORIENTAL, MUNICH Run for Life

The running team participated in this 6km run, raising €28,600 in donations for the German AIDS Foundation.

In 2022, we rolled out a group-wide commitment for one paid day off for colleagues to devote to volunteering.

Supporting Marginalised & Disadvantaged People

SUSTAINABILITY IN ACTION: MILAN



Riparto da me

Over the last five years, the hotel has been offering orientation and training opportunities to help reintegrate inmates from Milan Bollate Prison, back into the working world.





MANDARIN ORIENTAL, MILAN

Twice Michelin-starred Seta

Seta serves the most nutritious and delicious vegetables in town, thanks to their sourcing from Pappaluga Farm, which hires individuals with cognitive disabilities to cultivate vegetables biodynamically and sustainably. Our acclaimed Executive Chef, Antonio Guida, also supports hospitality students in their studies and projects.

MANDARIN ORIENTAL, MILAN Supporting L'Abilità Onlus

Chef Guida opens up his home, usually one Sunday a month, along with support from Federico Dell'Omarino, Marco Pinna, Manuel Tempesta, Aline Arruda and other colleagues – for a special lunch for up to 12 guests, raising about €8,000 per lunch for L'Abilità. This organisation supports children with disabilities to lead an ordinary life.

SUSTAINABILITY IN ACTION: MACAU & PRAGUE



MANDARIN ORIENTAL, MACAU

Supporting the Fuhong Society of Macau

Three people from the Fuhong Society of Macau, a non-profit for persons with intellectual disabilities and mental illness in rehabilitation, were hired by the hotel in 2022 to work in laundry services.

MANDARIN ORIENTAL, PRAGUE Supporting displaced Ukrainian women

Accommodation and access to services, such as laundry, were provided to three Ukrainian women refugees for three months, and two were employed by the hotel while living with us in the Czech Republic capital.

Cultural Conservation & Heritage

Going the extra mile to protect and preserve the cultural heritage of the destinations in which we operate, is part of our ongoing sustainability commitments. By partnering with cultural non-profits, integrating cultural traditions in our guest experience, and supporting environmentally-focused local artists, we help protect traditional cultures in a fast-changing world.

ASIAN CULTURAL COUNCIL AND MANDARIN ORIENTAL FELLOWSHIP

Since 2005, we have been partnering with the Asian Cultural Council – a non-profit that supports the preservation of indigenous arts, culture and traditions in Asia – through grants to artists, scholars and organisations in the USA and Asia.

Integrating Community-Based Experiences In Guest Offering

As part of our luxury hospitality experience, we not only bring guests into our hotels but also engage them in a meaningful way with our communities, wherever possible, supporting Indigenous peoples:

Mandarin Oriental, Guangzhou

Chinese calligraphy, traditional painting and seal cutting.

Emirates Palace Mandarin Oriental, Abu Dhabi

Tracing traditions from pre-modern UAE through to today, we host visits to a traditional oasis village and souk (market), where guests meet local potters, weavers and glass artisans.

Mandarin Oriental, Bangkok

Guests are blessed as they offer food and flowers to local Buddhist monks in the traditional morning alms-giving ceremony by the Chao Phraya River.

Mandarin Oriental, Taipei

Tea-roasting experiences with our partner Yoshan Tea, a tea house steeped in history.

Mandarin Oriental, Bodrum

Visits to one of the region's last nomadic villages, Yörük, give an insight into Türkiye's cultural and natural heritage, olive making, and this community's self-sufficient lifestyle. OUR PEOPLE



SUSTAINABILITY IN ACTION: SUPPORTING SUSTAINABLE ART

MANDARIN ORIENTAL, GUANGZHOU

Supporting up-and-coming artists

In July 2022, the hotel showcased emerging Chinese designer Sean Wu's Everlasting Resonance of Bamboo artwork in the lobby. Using the space as a medium, Sean Wu sought inspiration from natural bamboo, and recycledglass water bottles to create a bamboo-shaped lighting installation. The artwork's collision of straight and curved lines presented an artistic expression of Zen and vitality.

our Symbolic Signature Fans

We take great pride in our 11-bladed fan, the symbol that ties all our hotels together into a single identity. A fan is thoughtfully chosen for each hotel, and displayed to reflect that property's unique personality and shine a light on the cultural heritage of its location.



MANDARIN ORIENTAL, GENEVA

Found in an antique shop in the old town and lovingly restored by a local artist, Mandarin Oriental, Geneva's fan was created by an artist thought to be from high society, and offered by Edmond Taillard to his fiancée in 1989.



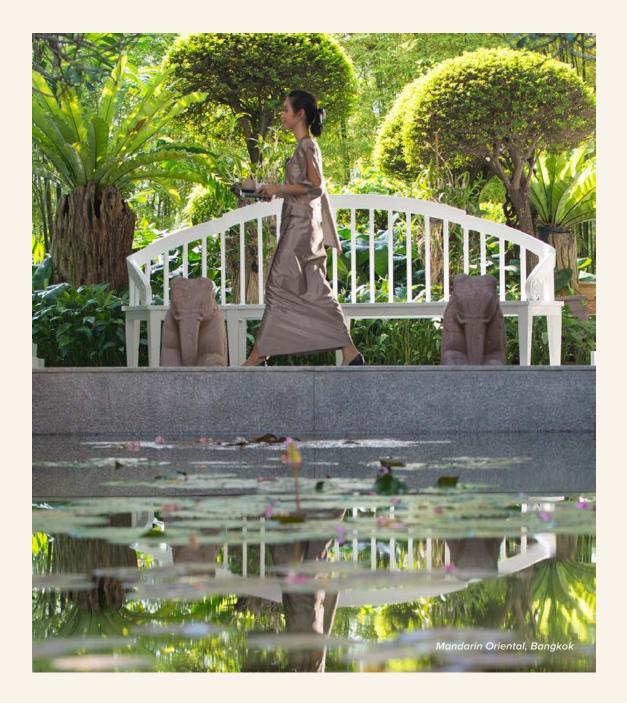
MANDARIN ORIENTAL, BOSTON

Imported from China during the golden age of the China trade in the late 1850s, Mandarin Oriental, Boston's fan highlights this Massachusetts city's close association with the Far East.



MANDARIN ORIENTAL, KUALA LUMPUR

This fan, designed and created by Malaysian pewter brand Royal Selangor, celebrates the unique artform of wayang kulit, or shadowpuppet theatre, a way of telling stories in Malaysia for over a thousand years. The fan features shadow puppet figures by the renowned Fusion Wayang Kulit studio, set against a 24-carat gilded backdrop with Malaysian motifs.







Q: WHY THE FRESH APPROACH TO MANDARIN ORIENTAL'S 12TH ANNUAL REPORT ON SUSTAINABILITY...

For our 2022 edition, we set out to reflect our recognition that measuring our sustainability impact, both positive and negative, provides necessary transparency to all our stakeholders, ultimately driving our accountability as an organisation and highlighting opportunities for ongoing improvement. As well as being Area Vice President, I am proud to have been entrusted with the inaugural role of Group Director of Sustainability, and now that we also have a dedicated Sustainability Department, it speaks to the investment in resources we have placed to expand our sustainability governance structure further. We also hope it means a wider audience than ever will enjoy reading about our endeavours and better understand what goes into more responsible hospitality.

Q: HOW TO WALK THE TALK WITHOUT GREENWASH?

Our guests are full of praise, very pleased and very appreciative of the brand's sustainability efforts. There is a fine line, though, between turning it into a marketing message, which we do not want to do; our aim is that through our brand we promote the importance of sustainability. First and foremost, we consider our impact in this way because it is the right thing to do.

Q&A with Torsten van Dullemen Group Director of Sustainability

Q: WHAT ARE THE GROUP'S STAND-OUT GOALS?

We are 99% single-use plastic-free in all of our properties, excluding supplier packaging, with amazing strides made in responsible agricultural procurement of products such as coffee, cocoa and vanilla, and in avoiding all endangered species from menus, including fish and shellfish. We have very strong targets for energy management, and advancing our waste management is one of our main priorities for 2023.

Q: ARE YOU SEEING AN INCREASE IN DEMAND FOR MORE SUSTAINABLE LUXURY HOSPITALITY?

I believe luxury agents will become even more particular about the brands they work with, either by personal choice or because clients demand it. I can see the agents, booking platforms and consortia we work with are getting more concerned about sustainability and are starting to gravitate towards other people in the travel world who are like-minded. Consumers now look to make sustainable choices across all aspects of their life. It is becoming a lifestyle for a lot of people, as they have a shared concern and I believe that directly or indirectly, it features in somebody's decision making when they buy something, whether that is food or cleaning products, or where they travel and who they stay with.

Q: HOW DOES THE GROUP CONSIDER SUSTAINABILITY THROUGHOUT ITS WIDER SUPPLY CHAIN?

Mandarin Oriental already seeks out suppliers who offer the most sustainable options, and not only are we promoting and helping those who care as much as we do about sustainability, but we are also pushing this responsibility further down the supply chain. We are not going to accept everything being wrapped in single-use plastic, because we are part of this process, and we have an opportunity to extend our influence.

Q: HOW TO ENSURE SUPPLIERS SHARE THE GROUP'S COMMITMENT TO SUSTAINABILITY, AND WHAT STANDARDS ARE REQUIRED OF THEM?

It is important that you are picky about who you do business with. While most of the effort we will expend on sustainability will be within our own four walls, we can also make effort with the supply chain on either side, to try and push sustainability as far down the supply line as we can, so it becomes something that becomes a force for good. We have developed a Code of Conduct that has to be signed by all of our suppliers, and we issue a set of responsible procurement guidelines so that all in our supply chain address our sustainability commitments.

Q: HOW DO THE TEAMS SUPPORT LOCAL COMMUNITIES IN A HANDS-ON WAY?

Part of being sustainable as a business, is also playing our part in giving back to the local communities in which we operate. A pilot project launched last year saw colleagues across six hotels offered a paid day off to volunteer for a charity of their choice, the take-up has been amazing, and this is something that will become a cultural norm within Mandarin Oriental. We now give one paid day leave for all employees for charitable initiatives, as implemented across the group from 2023.

Q: WHAT IS AN EXCITING SUSTAINABILITY INITIATIVE ON THE HORIZON?

From a strategic development perspective, we look to partner with owners who care about optimising the impact of their buildings, and a great example of this is the upcoming Mandarin Oriental, Costa Navarino, our first hotel in Greece equipped with a solar farm and water reservoir, which is scheduled to open in the second half of 2023. We are making sure that sustainability is at the forefront of our minds in the way we build properties, the way we will deliver the service, and minimising the negative impact something like that can have, but also to see what we can do to help develop the area in a very, very positive way.

Q: WHAT ARE THE GROUP'S NET ZERO TARGETS?

We may not yet be reporting on Scope 3 emissions - though we are in line with our industry's pace and aiming to be ahead in many ways - but we are working closely with our peers to help develop that framework and internally to understand our value chain emissions. This includes our participation as advisory members in the development of hotel industry-specific Net Zero Methodology for Hotels, first edition, and also the forthcoming update in the works - a joint initiative between Greenview, Tourism Declares, the Pacific Asia Travel Association (PATA), Sustainable Hospitality Alliance and the World Travel & Tourism Council (WTTC), supported by experts from hotel companies around the world, and with input from a wide range of stakeholders. It was launched alongside the Glasgow Declaration at COP 26 in Glasgow, and it is reviewed and updated as the landscape evolves.





— additional — **INFORMATION**

Performance Data

Total Workforce

Total Workforce	Male	%	Female	%	Total	%
By Region	7,667	59.3%	5,261	40.7%	12,928	
Asia	3,157	55.6%	2,525	44.4%	5,682	44.0%
Europe, Middle East & Africa	3,579	65.7%	1872	34.3%	5,451	42.2%
The Americas	826	54.2%	697	45.8%	1,523	11.8%
Corporate	105	38.6%	167	61.4%	272	2.1%
By Employment Contract	7,667	59.3%	5,261	40.7%	12,928	
Full-time	7,578	59.8%	5,103	40.2%	12,681	98.1%
Part-time	89	36.0%	158	64.0%	247	1.9%
By Colleague Category	7,667	59.3%	5,261	40.7%	12,928	
Line Staff	4,182	58.2%	3,006	41.8%	7,188	55.6%
Management	3,298	60.4%	2,166	39.6%	5,464	42.3%
Executive	187	67.8%	89	32.2%	276	2.1%
By Age Group	7,667	59.3%	5,261	40.7%	12,928	
Under 30	2,346	55.2%	1,903	44.8%	4,249	32.9%
30 to 50	4,203	62.0%	2,578	38.0%	6,781	52.5%
Over 50	1,118	58.9%	780	41.1%	1,898	14.7%
By Generation	7,667	59.3%	5,261	40.7%	12,928	
Gen Y	4,104	61.8%	2,532	38.2%	6,636	51.3%
Gen Z	1,428	53.6%	1,237	46.4%	2,665	20.6%
Other	2,135	58.9%	1,492	41.1%	3,627	28.1%
Executive Team and Board of Directors	Male	%	Female	%	Total	%
By Age Group	10		3		13	
Under 30	-	-	-	-	-	-
30 to 50	1	50.0%	1	50.0%	2	15.4%
Over 50	9	81.8%	2	18.2%	11	84.6%
By Nationality	10		3		13	
Europe	8	80.0%	2	20.0%	10	76.9%
North America	1	50.0%	1	50.0%	2	15.4%
Oceania	1	100.0%	0	0.0%	1	7.7%
New Hires	Male	%	Female	%	Total	% of Total
Hires by Age Group	2,994	56.3%	2,324	43.7%	5,318	41.1%
Under 30	1,520	54.0%	1,293	46.0%	2,813	52.9%
30 to 50	1,309	59.4%	894	40.6%	2,203	41.4%
Over 50	165	54.6%	137	45.4%	302	5.7%



New Hires Continued	Male	%	Female	%	Total	% of Total
Hires by Region	2,994	56.3%	2,324	43.7%	5,318	41.1%
Asia	1,104	53.1%	977	46.9%	2,081	39.1%
Europe, Middle East & Africa	1,519	60.6%	986	39.4%	2,505	47.1%
The Americas	353	52.1%	325	47.9%	678	12.7%
Corporate	18	33.3%	36	66.7%	54	1.0%
Total Turnover	Male	%	Female	%	Total	% of Total
Separations by Age Group	2,182	58.1%	1,573	41.9%	3,755	
Under 30	897	54.2%	758	45.8%	1,655	44.1%
30 to 50	1,106	61.2%	702	38.8%	1,808	48.1%
Over 50	179	61.3%	113	38.7%	292	7.8%
Separations by Region	2,182	58.1%	1,573	41.9%	3,755	
Asia	899	55.5%	720	44.5%	1,619	43.1%
Europe	992	61.0%	635	39.0%	1,627	43.3%
The Americas	269	57.7%	197	42.3%	466	12.4%
Corporate	22	51.2%	21	48.8%	43	1.1%
Turnover Rate by Age Group		28.5%		29.9%		29.0%
Under 30		38.2%		39.8%		39.0%
30 to 50		26.3%		27.2%		26.7%
Over 50		16.0%		14.5%		15.4%
Turnover Rate by Region		28.5%		29.9%		29.0%
Asia		28.5%		28.5%		28.5%
Europe, Middle East & Africa		27.7%		33.9%		29.8%
The Americas		32.6%		28.3%		30.6%
Corporate		21.0%		12.6%		15.8%

Health & Safety Incidents

Performance Indicator	Unit	2020	2021	2022
Safe, Sound & Sustainab	le			
Audit Results	% Compliance	91.8	92.7	93.3
Work-Related Injuries ¹	Fatality rate	0	0	0
	Rate of high-consequence work-related injuries	Not available ²	0.01	0
	Rate of recordable work-related injuries	Not available ²	6.83	7.10

1. Calculated based on 200,000 hours worked.

2. We reported on Lost Time Incidents in our past reports per GRI 403: Occupational Health and Safety 2016. 2021 is the first year we are reporting on Work-related Injuries per GRI 403: Occupational Health and Safety 2018

Environmental Performance

Performance Indicator	Unit	2012	2020	2021	2022
Energy					
Absolute energy consumption	GJ	1,045,228	1,381,850	1,520,954	1,739,819
(actual)	MMBTU	990,685	1,309,742	1,441,586	1,649,030
Energy intensity (actual)	MJ/sq m	1,812	1,129	1,243	1,323
Energy intensity (actual)	MBTU/sq ft	160	99	109	117
Direct energy	percentage	31%	21%	23%	24%
Indirect energy	percentage	69%	79%	77%	76%
Energy from renewables	percentage	4%	3%	3%	8%
Emission					
Absolute emissions (actual)	tons (metric) of CO2e	120,195	169,482	179,428	191,453
Absolute emissions (actual)	tons (US) of CO2e	132,492	186,822	197,786	211,040
Emission intensity (actual)	kg CO2e / sq m	208	138	147	146
	lb CO2e/ sq m	43	28	30	30
Scope 1	percentage	16%	10%	11%	12%
Scope 2	percentage	84%	90%	89%	88%
Water					
Absolute water consumption	Cu m	2,563,907	4,296,552	4,538,336	4,901,791
(actual)	million gallons (US)	677	1,135	1,199	1,295
Water intensity	litres/ sq m	4,445	3,511	3,708	3,728
Water Intensity	gallons (US)/sq ft	109	86	91	91
Waste					
Total waste	metric tons	5,176	8,183	10,879	15,549
	kilopounds	11,411	18,039	23,985	34,280
Diverted waste	metric tons	906	2,632	3,713	5,740
	kilopounds	1,998	5,803	8,187	12,655
Non-diverted waste intensity	kilograms/ sq m	12.62	5	6.13	7.86
Non-uiverteu waste intensity	pounds/ sq ft	2.58	1.02	1.26	1.61
Diversion rate	percentage	18%	32%	34%	37%

NOTES:

GHG emissions are calculated using GHG Protocol's market-based method. The group's 2022 location-based GHG emissions were 204,324 metric tons CO2e. Not inclusive of fugitive emissions from refrigerants. In 2022, this was 3,922 metric tons CO2e. There were some corrections made to the GHG emissions reported in the group's Annual Report 2022's TCFD Response and this Performance Table contains the updated GHG emissions.

Mandarin Oriental, Washington was excluded from calculations as the property was sold in September 2022.

Mandarin Oriental Bosphorus, Istanbul and Mandarin Oriental, Canouan have been excluded from waste figures due to incomplete data. Mandarin Oriental, Luzern and Mandarin Oriental, Shenzhen have been excluded from all figures due to incomplete data. ADDITIONAL INFORMATION

Global Reporting Initiative Index

Economic, environmental and social indicators

As a leader in luxury hospitality, it is a priority for us to ensure our sustainability reporting corresponds with global standards. The index below represents our data for 1 January to 31 December 2022, in line with the <u>Global Reporting Initiative (GRI)</u> standards.

GRI Standard	Disclosure	Response and / or Location			
GRI 2: General Disclosures 2021					
2-1	Organisational details	<u>About Us</u> 2022 Annual Report (p. 3)			
2-2	Entities included in the organisation's sustainability reporting	About Us			
2-3	Reporting period, frequency and contact point	1 January 2022 to 31 December 2022. Annual. sustainability@mohg.com			
2-4	Restatements of information	None during the reporting period.			
2-5	External assurance	We did not seek external assurance during the reporting period.			
		Mandarin Oriental Hotel Group supports a large supply chain with thousands of suppliers working with our hotels and corporate office.			
2-6	Activities, value chain and other business relationships	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.			
		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.			
2-7	Employees	Performance Data: Total Workforce and Turnover			
2-9	Governance structure and composition	Governance			
2-10	Nomination and selection of the highest governance body	2022 Annual Report (Board composition and operational management, pp. 110-114)			
2-11	Chair of the highest governance body	2022 Annual Report (Chairman, p. 3)			
2-12	Role of the highest governance body in overseeing the management of impacts	2022 Annual Report (Directors, p. 3)			
2-13	Delegation of responsibility for managing impacts	2022 Annual Report (Corporate Governance, pp. 110-136)			
2-14	Role of the highest governance body in sustainability reporting	<u>2022 Annual Report</u> (Corporate Governance, pp. 110-136, TCFD Response, pp. 23-28)			
2-19	Remuneration policies	2022 Annual Report (Remuneration Report, pp. 122-124)			
2-20	Process to determine remuneration	2022 Annual Report (Remuneration Report, p. 122)			
2-22	Statement on sustainable development strategy	Letter from the Group Chief Executive			
2-23	Policy commitments	ESG Policy Enhancements ESG Policies Modern Slavery Statement 2022			

		ESG Policy Enhancements
		Activation & Communication
2-24	Embedding policy commitments	Health, Safety and Security
		Inclusivity and Human Rights Suppliers & Procurement
2-25	Processes to remediate negative impacts	Human Rights Policy Modern Slavery Statement 2022
2-26	Machanisms for sociling advice and relating concerns	MOHG Speak Up platform operated by Deloitte
2-20	Mechanisms for seeking advice and raising concerns	
2-27	Compliance with laws and regulations	In 2022, there were no known instances of non-compliance with laws and regulations.
		Mandarin Oriental is a member of the Global Sustainable Tourism Council (GSTC) which aims to be an agent of change in the world of sustainable travel and tourism by fostering the increased knowledge, understanding, adoption and demand for sustainable tourism practices.
		We actively participate in local stakeholder groups including:
		Hotel Associations
2-28	Membership 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
		See further details under Our Stakeholders.
2-29	Approach to stakeholder engagement	Our Stakeholders
2-30	Collective bargaining agreements	Data is not consolidated at the group level for the reporting period.
GRI 3: Ma	terial Topics 2021	
		The key material issues identified through a materiality assessment built the foundation of the material topics that are discussed in this report. Additional key sustainability issues covered during ongoing internal and external stakeholder engagement exercises have also been weaved into different report sections to demonstrate how we are integrating these engagements into business actions.
3-1	Process to determine material topics	The materiality assessment was facilitated by a third-party consulting firm, Greenview, where the group 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.
		In 2022, we engaged key thought leaders from internationally recognised organisations to share their perspectives, to both validate and enhance our scope of material topics.
		See further details under Our Stakeholders.
GRI 201: E	Economic Performance 2016	
3-3	Management of material topics	2022 Annual Report
201-1	Direct economic value generated and distributed	2022 Annual Report (Financial Statements, pp. 36-97)
201-2	Financial implications and other risks and opportunities due to climate change	2022 Annual Report (TCFD Response, pp. 23-28)
201-3	Defined benefit plan obligations and other retirement plans	2022 Annual Report (Pension plans, pp. 60-63)
GRI 203: I	Indirect Economic Impacts 2016	
		Supplier Code of Conduct
3-3	Management of material topics	Suppliers & Procurement
		<u>Our Communities</u>
203-1	Infrastructure investments and services supported	Our Communities

GRI 205: Anti-corruption 2016				
3-3	Management of material topics	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. 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.		
205-3	Confirmed incidents of corruption and actions taken	MOHG has not identified any confirmed incidents of corruption within the group and with business partners.		
GRI 302: En	ergy 2016			
3-3	Management of material topics	Energy		
302-1	Energy consumption within the organisation	Performance Data: Environmental Performance Summary		
302-3	Energy intensity	Performance Data: Environmental Performance Summary		
302-4	Reduction of energy consumption	Energy Performance Data: Environmental Performance Summary		
GRI 303: Wa	iter and Effluents 2018			
3-3	Management of material topics	Water		
303-3	Water withdrawal	<u>Water</u> Performance Data: Environmental Performance Summary		
GRI 304: Bio	odiversity 2016			
3-3	Management of material topics	<u>Climate and Carbon</u> <u>Energy</u> <u>Suppliers & Procurement</u>		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Sustainability Risk Assessment		
GRI 305: Em	issions 2016			
3-3	Management of material topics	<u>Climate and Carbon</u> <u>Energy</u> <u>Transport</u>		
305-1	Direct (Scope 1) GHG emissions	Performance Data: Environmental Performance Summary		
305-2	Energy indirect (Scope 2) GHG emissions	Performance Data: Environmental Performance Summary		
305-4	GHG emissions intensity	Performance Data: Environmental Performance Summary		
305-5	Reduction of GHG emissions	Performance Data: Environmental Performance Summary		
GRI 306: Wa	aste 2020			
3-3	Management of material topics	<u>Waste</u> Single-use Plastic Elimination		
306-3	Waste generated	Performance Data: Environmental Performance Summary		
306-4	Waste diverted from disposal	Performance Data: Environmental Performance Summary		
306-5	Waste directed to disposal	Performance Data: Environmental Performance Summary		
GRI 308: Su	pplier Environmental Assessment 2016			
3-3	Management of material topics	Suppliers & Procurement		

Suppliers & Procurement

New suppliers that were screened using environmental criteria

308-1

BACK TO CONTENTS

GRI 401: Em	GRI 401: Employment 2016					
3-3	Management of material topics	Our Colleagues				
401-1	New employee hires and employee turnover	<u>Our Colleagues</u> <u>Performance Data: Turnover</u>				
GRI 403: Oc	cupational Health and Safety 2018					
3-3	Management of material topics	Health, Safety and Security Health and Wellbeing				
403-9	Work-related injuries	Health and Wellbeing Performance Data: Health & Safety Incidents				
GRI 404: Tra	ining and Education 2016					
3-3	Management of material topics	Training and Development Sustainability Champions				
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development				
404-3	Percentage of employees receiving regular performance and career development reviews	All hotel colleagues receive regular performance 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 prompts managers to have an annual conversation about colleagues' career aspirations and to establish a Personal Development Plan, in collaboration with each colleague				
GRI 405: Div	versity and Equal Opportunity 2016					
3-3	Management of material topics	Diversity and Inclusion Policy Inclusivity and Human Rights				
405-1	Diversity of governance bodies and employees	Performance Data: Total Workforce (Additional information on our Board of Directors can be found in the <u>Investors</u> section of our corporate website.)				
GRI 408: Ch	ild Labor 2016					
3-3	Management of material topics	Human Rights Policy				
408-1	Operations and suppliers at significant risk for incidents of child labor	Suppliers & Procurement				
GRI 409: Fo	rced or Compulsory Labor 2016					
3-3	Management of material topics	Human Rights Policy				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Inclusivity and Human Rights				
GRI 413: Loc	al Communities 2016					
3-3	Management of material topics	Our Communities				
413-1	Operations with local community engagement, impact assessments, and development programs	Our Communities				
GRI 414: Suj	GRI 414: Supplier Social Assessment 2016					
3-3	Management of material topics	Inclusivity and Human Rights Suppliers & Procurement				
414-1	New suppliers that were screened using social criteria	Suppliers & Procurement				
GRI 416: Cu	stomer Health and Safety 2016					
3-3	Management of material topics	Health, Safety and Security Wellbeing & Mindfulness				
416-1	Assessment of the health and safety impacts of product and service categories	Health, Safety and Security Wellbeing & Mindfulness				

GRI 418: 0	GRI 418: Customer Privacy 2016				
3-3	Management of material topics	Health, Safety and Security			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	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.			
		MOHG has not identified any substantiated complaints concerning breaches of customer privacy. We continue to maintain and update a formal incident response plan in the event of a breach.			

Sustainability Risk Assessment

Greenview analysis

In 2022, Greenview conducted a sustainability risk assessment for us – taking into account climate, water, socioeconomic, biodiversity and regulations – for all 36 properties. Using data from public sources such as WRI Aqueduct, Ecolab Water Risk Monetizer and Cornell Hotel Sustainability Benchmarking Index, the following metrics were assessed:

Water

KEY FINDINGS

Baseline and future water stress: High/very high risk for at least half the portfolio (by floor area).

Operating costs: Highly likely to increase in over 70% of the portfolio in the next five years.

climate

KEY FINDINGS

Precipitation and temperature changes: High/very high long-term impact on a third of the portfolio.

Sea level rise: High vulnerability for 40% of the portfolio.

OPPORTUNITIES IDENTIFIED

- » Understanding property-specific climate and water risks allows us to better prioritise investments, assess insurance coverage adequacy, and implement preventive adaptation action plans.
- » Every property must implement an environmental efficiency project annually, for measurable improvements in energy, water or waste.

RISING SEA LEVELS

Due to anthropogenic climate change, rising sea levels, combined with warming waters, threaten vital marine and coastal ecosystems and communities around the globe. rin Oriental, Bo

RISK AREA Biodiversity

KEY FINDINGS

Recognised protected areas: Over 70% of properties are within 20km; one in four properties within 5km.

Endangered or critically endangered species: All properties are within 50km of species identified by IUCN Red List Criteria.

OPPORTUNITIES IDENTIFIED

- Provide staff training on the significance of biodiversity, and protection of nearby endangered.
- Promote responsible biodiversity experiences for guests.

risk area Socioeconomic

KEY FINDINGS

Unemployed young people: A key risk for at least around 35% of properties.

OPPORTUNITIES IDENTIFIED

- » Better engage with the community and address local socioeconomic issues, based on local context.
- » Provide hospitality training and employment opportunities to local youth.



Regulatory

KEY FINDINGS

Climate-related regulations: Increasingly common in our locations, ranging from carbon taxes to phase-out of fossil-fuel vehicles.

Plastic use restrictions: Plastic bag and straw bans in most locations. Extends to mini toiletries and other single-use plastic in some locations.

OPPORTUNITIES IDENTIFIED

- Encourage properties to increase renewables, and the use of green transport, such as electric vehicles.
- » We embarked on the journey of single-use plastic elimination in 2018, well ahead of relevant regulations.



LRQA Independent Verification Statement

Relating to Mandarin Oriental Hotel Group

This Verification Statement has been prepared for Mandarin Oriental Hotel Group in accordance with our Sustainability contract.

Terms of Engagement

LRQA was commissioned by Mandarin Oriental Hotel Group (MOHG) to provide independent verification of its sustainability management and statements to the market.

Our verification covered MOHG's global operations and activities for areas identified in the following areas:

- Seafood Endangered Species
- Ethical Sourcing (Responsible Procurement)
- Single Use Plastics

This is completed by on-site audits, to verify how each property is operating in this market.

LRQA's responsibility is only to MOHG. LRQA disclaims any liability or responsibility to others as explained in the end footnote. MOHG responsibility is for providing access to the data needed. Ultimately, the reports have been approved by, and remain the responsibility of MOHG.

LRQA Opinion

Based on LRQA's approach, nothing has come to our attention that would cause us to believe that MOHG is now working towards or has achieved the standards it has set for its estate.

The opinion expressed is formed on the basis of a review of the reports generated in 2022 and is the professional judgement of the verifier.

LRQA's Approach

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training, and experience. The outcome of all verification is then internally reviewed by the Global Technical Manager to ensure that the approach applied is rigorous and transparent.

Signed

Dated: 19th June 2023

Nigel S.L. Maud Global Head of Retail & Hospitality On behalf of LRQA

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The English version of this Assurance statement is the only valid version. LRQA Group Limited assumed no responsibility for versions translated into other languages.

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Glossary Document

for the Mandarin Oriental Sustainability Report

Α

ACC – Asian Cultural Council is a non-profit that promotes a deeper respect and understanding of Asian cultural arts.

Associazione L'Abilità Onlus – this volunteer organisation in Milan supports children with different types of disabilities to experience more independent living.

Artificial-intelligence-powered food waste monitoring – we use Winnow Vision's system.

ASHRAE – we follow guidelines from the American Society of Heating, Refrigerating and Air-Conditioning Engineers procedures for commercial energy audits.

В

Biopore infiltration holes – a system to naturally process organic waste and enrich the soil.

С

Cage-free eggs — our eggs only come from hens that are not confined to cages and these chickens are able to walk, perch, and spread their wings.

Carbon Calculator – the group's focus is reducing emissions rather than offsetting through a third party. For hotel guests that opt to independently calculate their carbon offsets, our hotels will reference the Hotel Carbon Measurement Initiative (HCMI) metric output, which is an industry standardised metric for the carbon footprint of a room night.

CHSB – Cornell Hotel Sustainability Benchmarking is an industry-led global data collection and benchmarking initiative.

Circular Economy – tracking the generation and processing of waste, including food waste, and implementing measures to minimise what goes to landfill.

CO2e – Carbon dioxide equivalent: the number of metric tons of CO2 emissions with the same global warming potential as one metric ton of another greenhouse gas, and is calculated using Equation A-1 in 40 CFR Part 98. The group's 2022 location-based GHG emissions were 204,324 metric tons CO2e. Not inclusive of fugitive emissions from refrigerants. In 2022, this was 3,922 metric tons CO2e.

COSO Framework – this is a system used to establish internal controls to be integrated into business processes.

D

Diversity & Inclusion – Diversity refers to the representation of people with different characteristics, including but not restricted to race, ethnicity, gender, sexual orientation, age, disability, socioeconomic background, and religious beliefs. Inclusion focuses on creating an environment where all individuals feel welcomed, respected, and invited to contribute fully.

E

Embodied carbon – the total amount of greenhouse gas emissions associated with production, transportation, and disposal of a building or product over its entire life cycle, typically used in the construction sector.

F

Fuhong Society of Macau – a non-profit providing social services.

FHLSS – our hotels have undergone the Fire Life Health Safety & Sustainability audit and achieved an average Group score of 93.37% for our Safe and Sound audit.

G

GHG – greenhouse gas emissions are calculated using GHG Protocol's most widely used market-based method and accounting standards.

GLTR – Green Lodging Trends Report is the leading global benchmarking study on sustainability best practices in hotels.

Green Key Award – this eco-label indicates a hotel has met a significant set of environmental criteria.

Greenview – this sustainability consultancy provides the platform and portal through which we measure and analyse the data from all our hotels.

GSTC – The Global Sustainable Tourism Council manages the global standards for sustainable travel and tourism.



Н

Heat pump systems – energy-efficient devices that transfer heat from a lower temperature source to a higher temperature sink, providing both heating and cooling capabilities for buildings.

Hong Kong Sustainable Seafood Coalition – a coalition of industry members aiming to advance the sustainable seafood market in Hong Kong through good sourcing practices.

ILO Convention 138 – also known as the Minimum Age Convention, this treaty adopted by the International Labour Organization in 1973 sets out the minimum age at which children can be employed.

IMP – our Inventory Management Plan outlines policies, procedures, to inform an efficient operations through gathering, calculating and maintaining our energy, carbon, water and waste data.

IPCC – The Intergovernmental Panel on Climate Change is a body established by the United Nations and the World Meteorological Organization, informed by thousands of scientists who share and assess the latest scientific research on climate to provide policymakers with objective assessments, impacts, and adaptation and mitigation options when it comes to the climate crisis.

IUCN – The International Union for Conservation of Nature is an international organisation working in the field of nature conservation and sustainable use of natural resources.

J

Jardine Matheson Group – Mandarin Oriental Hotel Group is a member of this diversified Asian-based group founded in China in 1832.

Κ

Kind by M.O. - the eco-conscious sensitively-curated outlet at Mandarin Oriental Jumeira, Dubai.

L

LRQA — Lloyd's Register Quality Assurance, is a certification body providing independent assurance services to companies to improve their management systems and processes by assessing and certifying them against international standards such as ISO 9001.

Μ

MCF – Shenzhen Mangrove Wetlands Conservation Foundation is dedicated to environmental protection, and it runs the Futian Mangrove Ecological Park.

Michelin Green Star – this is given to restaurants in recognition of their commitment to sustainable practices (in terms of ingredient sourcing, waste management, energy usage, overall environmental impact) and is separate to the Michelin Guide's traditional star system which salutes culinary excellence.

Mindbrew – an initiative launched by non-profits MINDSET and JRG in Hong Kong as an inclusive employment initiative that trains people in mental health recovery to become professional baristas.

MOTAC Asean Green Hotel Standard -

a Malaysian certification that a hotel adheres to green and sustainable practices and adopts energy conservation measures.

Ν

Nature-based solutions – we are researching better ways to harness natural systems and biodiversity, such as using biopore infiltration holes to process organic waste (see B).

Net Zero Methodology for Hotels – this aims to define net zero for the broader benefit of the hotel industry as well as travel and tourism.

0

Overconsumption – this is the use of resources beyond what is needed, and we tackle this issue in ways such as transitioning from a breakfast buffet to a la carte choices.

Ρ

PPAs – our hotels have initiated Power Purchase Agreements with local utility companies, for the exclusive purchase of renewable energy.

Q

Qualitative analysis – our new dedicated sustainability department is ever evaluating the social and environmental impacts of our operations, and exploring ways to improve how our hospitality is having wider negative or positive results in ways that are not easily quantified.

R

RECs – our hotels have been purchasing Renewable Energy Credits to complement their move to cleaner, renewable energy.

RHDG Responsible Hotel Development Guidelines

 the supporting documentation we provide to all colleagues and external owners and designers to refer to when addressing sustainability in design and construction.

S

Safe and Sound – Mandarin Oriental's comprehensive Fire, Life, Health, Safety and Security guidelines programme for all properties, supported by an annual audit process conducted by a third-party assessor.

Scope 1 emissions – the greenhouse gases produced from sources that an organisation owns or directly controls as a result of its activity.

Scope 2 emissions – the gases which an organisation indirectly causes, produced from where the energy is purchased and used.

Scope 3 emissions – these are the emissions not produced by the organisation itself or the result of activities from assets owned or controlled by them, but by those that it's indirectly responsible for, upstream and downstream, so that the footprint of the organisation's entire value chain can be measured; this scope is usually the hardest to calculate.

SDGs – The United Nations Sustainable Development Goals are the set of 17 goals established by the UN in 2015 to address global challenges and guide efforts towards sustainable development by 2030, covering poverty, hunger, education, gender equality, clean energy, climate change, and more, helping to provide a framework for governments, organisations, and individuals to take action for a more inclusive, equitable, and sustainable future for all.

Soap Cycling – Asia's first social-impact-led soap-recycling organisation.

Sustainable Hospitality Alliance – a global membership organisation of hospitality businesses.





T

Taiwan Pawprint K9 Rescue and Taipei Stray Cats Protection Association – charities supporting animal welfare.

TCFD – Task Force on Climate-related Financial Disclosures is an initiative from the Financial Stability Board and a framework we use to disclose climate-related risks.

U

Universum – Employer specialist, a corporate member of ESOMAR, data, research and insights community.

UNWTO – The United Nations World Tourism Organisation promotes responsible tourism worldwide.

V

Veganism – we honour and facilitate the practice of eating food in no way derived from animals and we support those who choose lifestyles that avoid the use of animal products in their diets.

W

Water Conservation – various group-wide initiatives exist to allow for water intensity reduction, the rate at which water is used within a given area.

Waste Management – we are continually advancing our systems devoted to reducing the generation, characterisation, minimisation, collection, separation, treatment, and disposal of any refuse.

WWF Endangered Seafood Guide – a science- and research-based list published by the World Wildlife Fund, regularly updated to reflect changes in the status of species. We follow this colour-coded system, which means avoiding any fish with a red rating, which means it is endangered, only serving species which are wellmanaged, and responsibly caught or farmed using marine-friendly methods. **We Care** - in response to the COVID-19 pandemic, Mandarin Oriental implemented this programme of stringent protocols to safeguard the comfort, health and safety of guests and employees.

Χ

X-ray vision — this is representing what we encourage in all when it comes to scrutinise all sustainability claims.

Y

Gen Y – also known as Millennials, those born between the years 1981 and 1996 have grown up in the age of the internet and fast technological advancements. They form a substantial and well-integrated part of our workforce, and this generation is characterised by their preference for brands with good corporate social responsibility.

Youth not in employment, education or training (NEET) – an indicator presents the share of people aged 16-24 who are neither in employment nor in education or training, as a percentage of the total number of people in the corresponding age group, by gender.

Ζ

Gen Z – born between 1997 and 2012, this age group is known for holding brand ethics and corporate responsibility in high regard – even more so than Millennials. Very socially aware, we are delighted to see so many of our talents who go out of their way to support responsible brands, developing careers with us.



LOOKING to the FUTURE

A Sustainability Report with Impact

How we considered the eco-friendliness of this very document you are reading

We have been sensitive to our impact when creating this Sustainability Report, and we worked to make this document a little lower in its footprint — which is why we hope the text is tighter and the look is lighter and brighter. And in our endeavours to inspire eco X-Ray vision (see 'X' in our glossary), we thought you might be interested in what makes a digital document more responsible.

A leaner, greener format

We are only publishing the report as a PDF — a Portable Document Format — which will be emailed and available through our website. This reduces paper and ink use, but also has a knock-on effect of saving time, negating the carbon footprint associated with delivery and, in the long-term, all efforts towards a paperless office reduce purchased consumables and ultimately minimise plastics and heavy metals in landfill.

If you would like to print this report, to minimise paper, we have created a more sustainable executive summary distilling the report highlights, again to minimise any undue ink, energy or paper being used.

A more considered approach to content and design

All images are JPEGs, and we have borrowed from best practice in web design by resizing each image to their specific report dimensions, ensuring the smallest file size possible. There is a slight reduction in image quality/crispness, but we thought you would not mind a tiny bit of pixelation if you zoom in, if it saves on space.

All text has been reworked and professionally edited to tell our story succinctly and reduce the word count without losing any key information. We have been mindful of minimising our digital footprint and have kept the document under 7MB which means it can be easily sent via email. To further compress the PDF, we have avoided overlaying text on imagery, as this can impede visibility and amount of memory required to load and save.

When you download this Sustinability Report and store it digitally, your storage spaces still have an environmental impact from a cloud which requires energy-powered and water-cooled servers somewhere to store the files, so we suggest bookmarking the page rather than downloading it whenever possible.

Accessibility & Inclusivity

Throughout the report, we have increased the text size from the standard 8pt found in most reports, to 10pt. Keeping a light background and dark text for the bulk of the document makes it clearer and easier to read.

By increasing the typeface and using muted colours, we offer our executive summary in a more accessible format on our website.

The highlights of this report are also available as an audio recording for those who are visually impaired or for those who are neurodiverse, and who prefer to receive information aurally rather than visually.

CREDITS

This report has been put together by Mandarin Oriental's sustainability department with contributions from our sustainability champions, across the group, supported by group brand communications and edited by Bouteco, which includes authors Juliet Kinsman and Shivya Nath, and project manager Claire Randon. Design is by Concrete Creative, Alana Naylor.



mandarinoriental.com/sustainability

An audio version with highlights from the Sustainability Report is also available online.