



**KECK SENG INVESTMENTS  
(Hong Kong) LIMITED**  
Stock Code: 184

**2020**

**Environmental, Social and  
Governance Report**

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# ABOUT THE COMPANY

Keck Seng Investments (Hong Kong) Limited (“KSI” or the “Company”) and its subsidiaries and associated companies (together referred to as the “Group”).

The principal activities of the Group are hotel and club operations, property investment and development and the provision of management services. The Group manages its businesses mainly in the property segment in Macau (“Macau”) and also hotel investment segment including Holiday Inn Wuhan Riverside (“HIRW”) in the People's Republic of China; Sheraton Saigon Hotel & Towers (“SSHT”) and Caravelle Hotel (“Caravelle”) in Vietnam; Best Western Hotel Fino Osaka Shinsaibashi (“BWO”) in Japan; W San Francisco (“WSF”) and Sofitel New York (“SNY”) in the United States; Sheraton Ottawa Hotel (“SOH”) and Delta Hotels by Marriott Toronto Airport & Conference Centre (“DTA”) in Canada. The corporate office is located in the Central Business District of Hong Kong.



## About the report

This Environmental, Social and Governance (“ESG”) Report published by the Group outlines the various initiatives of the Company and its subsidiaries and associated companies. With the report, we hope all stakeholders can better understand the Group’s strategy, objective and performance of ESG.

The report is available in both English and Chinese. If there are inconsistencies between the English and Chinese versions, the English version shall prevail.

## Reporting Boundary

This report covers on the main businesses and operations of the Group between 1 January 2020 and 31 December 2020. In this report, we focus principally on the ESG aspects of Macau operations and overseas hotels which stated above. One major business unit, SNY was not reported due to suspension of operation of the hotel this year.

The Group's ESG practices and reporting processes are continuously being reviewed. Efforts are expended in enhancing the capacity for data collection, analysis and reporting throughout the Group, with a step-by-step approach. Key performance indicators ("KPI") are included in the report with elaboration, to establish assessment baselines and facilitate comparison.

## Scope and Accountability

To review the Group's ongoing work on risk management and ESG performance and reporting is a regular agenda item in each Audit and Compliance Committee meeting and Board meeting. The Board evaluate and manage material ESG issues identified, and as well as the progress on ESG issues for ensuring that appropriate and effective ESG risk management and internal control systems are in place. The local management of each major reporting entity is accountable for ESG management. The scope as well as roles and responsibilities of ESG management is well defined in each entity.

## Reporting Standard

The report is prepared in accordance with Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as contained in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and also the HKEXs proposed changes to its ESG Guide published by SEHK on 18<sup>th</sup> December, 2019.

The four reporting principles in the following form the backbone of this report:

- **Materiality:** Materiality assessment should be conducted and identified material issues for our core business operations through stakeholder engagement to determine the focus of this report.
- **Quantitative:** Environmental and social responsibility data were collected to monitor our progress in implementing environmental and social responsibility initiatives.
- **Balance:** Both our achievements and improvement plan present an unbiased picture of our environmental, social and governance ("ESG") performance.
- **Consistency:** The reporting methodologies remain consistent with past reports to enable a meaningful comparison of our performance. In case of changes in data compilation methodology and scope, remarks are provided for stakeholders' reference.

A complete index, covering the KPIs of ESG Reporting Guide is inserted in page 25 to 28 for reader's easy reference.

## Stakeholder Engagement

In order to understand stakeholders' views and expectations on ESG issues, participation of stakeholders is an important part of the business process of the Group. The Group identifies key stakeholders as shareholders, customers, employees, suppliers, community, and regulatory bodies. Through various engagement channels summarized as below, it maintains open and two-way communication with the various stakeholders.

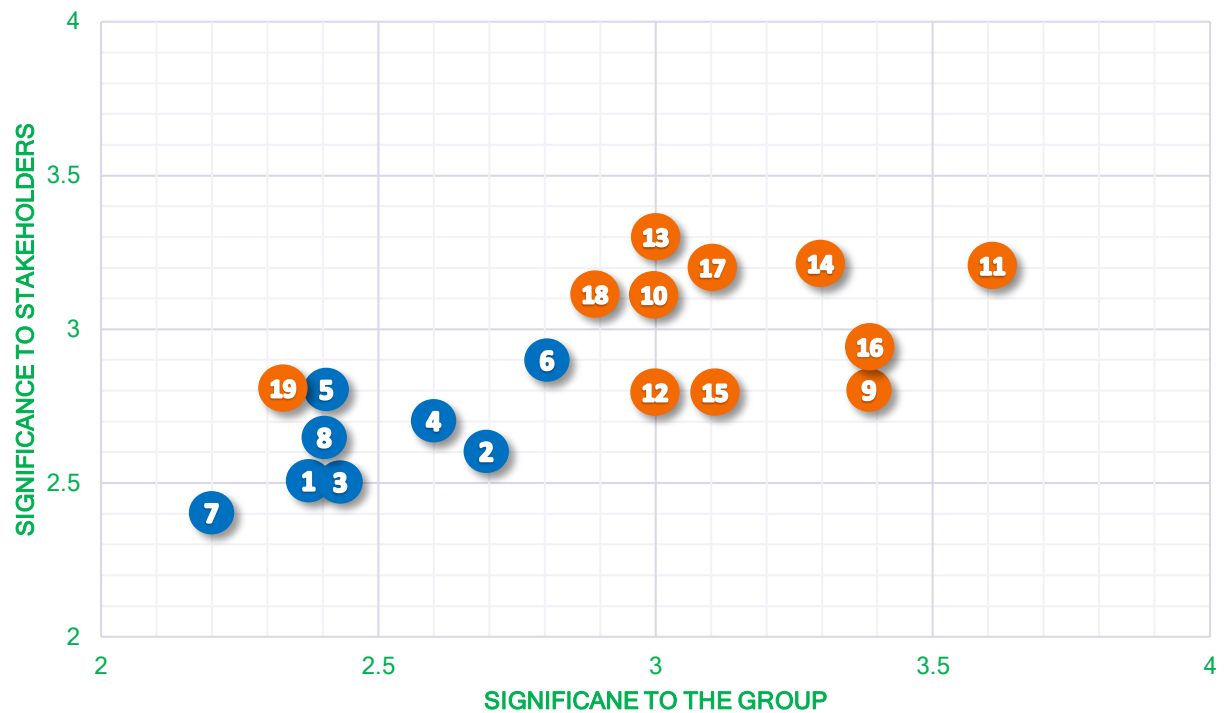


Stakeholders	Focuses	Communication channels
Shareholders	<ul style="list-style-type: none"> <li>• Operation compliance</li> <li>• Operating results of the Company</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders' meeting and Board meetings</li> <li>• Announcements and circulars</li> <li>• E-mail, telephone, and the Company's website</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Services standard</li> <li>• Customers' feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Front-line staff</li> <li>• Customer surveys</li> <li>• Customer service and hotlines</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Employees' rights</li> <li>• Remuneration and benefits</li> <li>• Employees' performance and development</li> <li>• Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Circulars, manuals, policy and procedure guidelines</li> <li>• Performance appraisal</li> <li>• Training and workshops</li> <li>• Employee satisfaction surveys</li> <li>• Labor union and employee representative congress</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Financial position</li> <li>• Ethics and Integrity</li> <li>• Environmental management</li> </ul>	<ul style="list-style-type: none"> <li>• Site inspection</li> <li>• Audits</li> <li>• Tender notices for procurement</li> <li>• E-mail and telephone</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Environmental management</li> <li>• Social responsibility</li> <li>• Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Public / community activities</li> <li>• ESG reports</li> <li>• Mass media</li> </ul>
Regulatory bodies	<ul style="list-style-type: none"> <li>• Legal compliance</li> <li>• Corporate governance and internal controls</li> <li>• Operational issues</li> <li>• Ethics and integrity</li> <li>• Financial situation</li> </ul>	<ul style="list-style-type: none"> <li>• Regular reporting</li> <li>• Announcements and circulars</li> <li>• Special research</li> <li>• E-mail, telephone, and the Company's website</li> </ul>

## Materiality Analysis

Effective stakeholder engagement can help to identify material issues in conducting a materiality assessment by the Group. Materiality assessment process consists of identification of key interests of both internal and external stakeholders and the relevant ESG topics, prioritizing issues identified through a ranking exercise, and validation of key material ESG issues by our management. We present the results in the following “Materiality Matrix” with two dimensions, which are “Materiality to the Group” and “Materiality to Stakeholders”. Based on the assessment

### \*Materiality Matrix



#### Environmental Issues

1. Greenhouse gas emissions
2. Hazardous waste discharge
3. Non-hazardous waste discharge
4. Use of energy resources
5. Use of water
6. Wastewater discharge
7. Use of packaging materials
8. Climate change

#### Social Issues

9. Staff remuneration, allowances and benefits
10. Recruitment, promotion and resignation
11. Occupational safety and health
12. Employees' development and training
13. Prevention of child labour & forced labour
14. Equal opportunity, diversity and anti-discrimination
15. Supply chain management
16. Products and service quality
17. Data protection and privacy
18. Anti-corruption
19. Community investment

Footnote: \*The materiality of SNY is not included as its information is not available this year.

by the business units' managements, for external stakeholders, they focus more on the social area, such as occupational safety and health, prevention of child labour & forced labour. For the impact on business, the managements concern about products and service quality.

## Approval

Information in this report is sourced from official documents, statistical data, management and operational information of and collected by the Group in accordance with its policies and practices. The report has been approved by the Board of Directors.

## Feedback Mechanism

We welcome your feedback. Whether as a customer, business partner, member of the public, the media or community group, your views and suggestions can help us define and strengthen the Group's future ESG strategies, activities, performance and reporting. Please contact us by email [ksi.internal.audit@oceangardens.com.mo](mailto:ksi.internal.audit@oceangardens.com.mo).



Solar Energy Equipment at Ocean Gardens



# MANAGEMENT STATEMENT

2020 has been a very unpredictable year, marked by the COVID-19 pandemic that have impacted multiple industries including the hospitality sector. Despite the changing circumstances, sustainability and environmental conservation are still important issues for our customers, suppliers, shareholders, employees, regulatory bodies and governments of respective countries, and the general public. The Group is committed to the long-term sustainability of its businesses and communities where our stakeholders work and reside. We aim to do business fairly, ethically and in accordance with local laws that promote and safeguard fair competition between businesses. We seek to work with contractors and suppliers that behave in an economical, environmentally friendly and socially responsible manner.

The Group considers that there is a close linkage between its Environmental, Social and Governance (“ESG”) strategy and business operations. ESG strategy and policies facilitate the Group’s understanding of its exposure to emerging environmental and social risks, and its linkage to new commercial opportunities. Our hotels strictly follow their hotel chains’ sustainability goals which consist of reduction of environmental impact, community and employee development and human right initiatives. ESG reporting is the process by which the Group gathers data to monitor, control and manage its environmental performance and social responsibilities.



We are committed to create an open, transparent and safe working environment where our employees feel comfortable to work in. A confidential whistle-blowing mechanism has been established to ensure all raised concerns are promptly responded and followed up by our Internal Audit Team and Audit and Compliance Committee.

Our employment contracts stipulate that all staffs must act with integrity with their behavior made in best interest of the Group and to comply with all relevant local regulations. Any violations with our employment contract will be subject to disciplinary actions or terminations.

In the financial year of 2020,

- No incident of corruption practices was identified.
- There was no incident of significant non-compliance with any relevant laws and regulations in all material aspects for the business operation of the Group.





# OUR ESG GOVERNANCE STRUCTURE

An effective governance structure for Environmental, Social and Governance matters can help ensure that ESG issues are factored into high-level discussion and appropriate systems and processes are implemented with adequate resources.

## A. Board's ESG oversight:

- Evaluate and determine ESG-related risks and opportunities;
- Ensure appropriate and effective ESG risk management and internal control systems are in place;
- Set ESG management approach, strategy, priorities and objectives;
- Review performance periodically against ESG-related goals and targets;
- Approve disclosures in the ESG report.

## B. Audit and Compliance ("A&C") Committee:

- Oversee and advisory on Risk Management and Internal Control and ESG related matter;
- Reviewing the Group's performance periodically against ESG-related goals and targets, and
- Esurance of compliance of the Group.

## C. ESG working group reporting to the A&C Committee and the board:

- Recommend ESG policy to A&C Committee and Board;
- Report to the A&C Committee on the Group's ongoing Risk Management, Internal Control and ESG matters;
- Preparation of ESG Report, CG Report for the Board Approval.

## D. Correspondence person of each of major Business Units

- Contact point between Business Units and the Group's management;
- Execution of the Group's ESG policy and targets;
- Assist to collect raw information for preparation of Report;
- Assist to obtain views from internal stakeholders and external stakeholders respectively.

The local management of each major reporting entity is accountable for ESG management. The scope as well as roles and responsibilities of ESG management is well defined in each business unit entity.



# OUR ENVIRONMENTAL AREA

The Group maintains a global perspective on managing our emissions, minimizing consumption of fresh water and energy. The local management of each major reporting entity is accountable to ESG management, performance and reporting. The Group (including its subsidiaries and associates) has complied with all environmental regulations and internal policies related to environmental responsibility. We aim to improve our performance continually in line with best practices, and to be prepared to respond to future challenges and opportunities on sustainable development. No incident of significant non-compliance with relevant environmental policies, laws and regulations was identified in 2020 for our Group.



## Our Emissions

The Group have complied with emissions levels, discharges and waste practices of respective local government environmental authorities.

Consistent with previous years, we consider that the KPI results calculated based on the number of rooms occupied will be more appropriate and justified for comparison in view of the operation of our hotels in this year. The below table shows the emission levels for our properties:

Emission Type	Unit of Measurement	Year	Macau	SSHT	HIRW	BWO	SOH	*SNY	WSF	Caravelle	DTA	**Total (Hotels)
SOx, NOx and Particulate Matter	KG / Room		Emission amounts are not significant.									
Total Greenhouse Gas Emissions	KG '000	2019	2,929	7,664	2,936	445	1,933	4,139	2,210	4,719	3,929	27,975
		2020	3,131	5,067	3,247	250	1,174	n/a	1,092	4,375	3,246	*18,451
	KG/ m <sup>2</sup> ** or KG/ Room	2019	65**	67	38	8	29	32	21	158	35	388
		2020	69**	191	69	23	91	n/a	45	338	122	*879
Total Hazardous waste produced	KG	2019	1,455	641	388	0	77	400	1,261	301	248	3,316
		2020	211	439	271	0	49	n/a	450	1,090	105	*2404
Average Hazardous waste produced	KG / Room		Amount is not significant on an average basis.									
Total Non-Hazardous Waste Produced	KG '000	2019	3,098	1,945	248	64	35	461	115	851	501	4,220
		2020	3,098	987	248	12	***	n/a	110	481	137	*1,975
	KG/ m <sup>2</sup> **or KG/ Room	2019	69**	17	3	1	1	4	1	28	4	59
		2020	69**	37	5	1	***	n/a	5	37	5	*90

\* No data of SNY is available due to its operation suspension in 2020.

\*\*Unlike the hotel operation, the operation in Macau is mainly attributed to property management service. Thus, GFA measurement base is still used for KPI calculation in Macau operation. The total figure refers to the summation of the eight hotels at same measurement unit which is different from the Macau operation.

\*\*\* The data is not available due to no waste audit performed during pandemic.

Note: We have applied the relevant Emission Factors in the calculation of GHG emissions of all business units outside Hong Kong (mainly based on a report "Country Specific Electricity Grid Greenhouse Gas Emission Factors" issued by Carbon Footprint in July 2020).

Please refer to the Chart 1 regarding to average CO<sub>2</sub> emission per room occupied and Chart 2 regarding to average non-hazardous waste per room occupied below for all hotel properties.

### Chart 1: Average CO<sub>2</sub> Emission per room occupied for various hotels



SNY\*: No data is available due to its operation suspension in 2020.

Compared to our other regions, SSHT and Caravelle which are in Vietnam generated more CO<sub>2</sub> emissions on average due to its higher average direct and indirect energy consumption. The emission standards are higher in other countries (North America, Japan and China). The significant increase in both SSHT and Caravelle in 2020 is due to the electricity consumption was fixed around 80% irrespective of the low occupancy rate. In both SOH and DTA, although they shut down every electrical source not required, some large equipment, such as large coolers, freezers, etc. had to remain turning on.

### Chart 2: Average Non-Hazardous Waste per room occupied for various hotels



SNY\*: No data is available due to its operation suspension in 2020.

Without proper planned system of waste management in Vietnam, there are misunderstanding and lack of knowledge in the society about the waste treatment technology. SSHT and Caravelle produced significantly higher non-hazardous waste than other hotels on average. Their impact at low occupancy during pandemic period is larger than other hotels. The 2020's figure of SOH

was not available due to no waste audit performed during pandemic. WSF has achieved over 70% diversion rate which most of waste had been recycled.

Our properties make their best efforts to reduce the amount of emissions through periodic inspections and maintenance of vehicles, generators and boilers. As a result, they manage to keep the emissions below allowable emission standards.

In terms of reducing wastes, all of our properties separate hazardous and non-hazardous wastes. Whilst waste-reduction efforts are made through recycling, wastes that cannot be recycled would either go to landfills (for non-hazardous waste) or be specially handled by third party contractor (for hazardous waste).

Please find below for a list of our initiatives on managing and reducing emissions, hazardous waste and non-hazardous waste:

	Macau	SSHT	HIRW	BWO	SOH	SNY	WSF	Caravelle	DTA
Regular inspections on machinery and vehicles	✓	✓	✓		✓	✓	✓	✓	✓
Resource Recycling	✓	✓	✓	✓	✓	✓	✓	✓	
Donation of unused resources	✓				✓				✓
Use LED for lighting (which has longer lifespan than traditional lighting)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Training on managing wastes		✓					✓		

## Our Use of Resources

Throughout the year our properties had consumed the resources as follow:

Type of Resource	Unit of Measurement	Year	Macau	SSHT	HIRW	BWO	SOH	*SNY	WSF	Caravelle	DTA	**Total (Hotels)
Total direct and indirect energy consumption (electricity, gas and oil)	kWh '000	2019	4,028	17,260	3,075	1,493	8,886	10,960	5,083	9,452	17,812	74,021
		2020	4,009	11,665	3,600	737	5,988	n/a	2,877	8,944	5,188	*38,999
	kWh / m <sup>2</sup> ** or kWh / Room	2019	89**	152	39	27	134	84	49	316	158	959
		2020	89**	440	76	67	462	n/a	120	691	195	*2,051
Total Water Consumption	m <sup>3</sup>	2019	44,599	163,391	57,845	25,114	44,026	82,581	31,921	69,675	90,099	564,652
		2020	41,851	91,940	36,059	4,813	12,426	n/a	11,723	62,232	49,073	*268,266
	m <sup>3</sup> / m <sup>2</sup> ** m <sup>3</sup> / Room	2019	0.99**	1.44	0.74	0.45	0.66	0.64	0.31	2.33	0.80	7.37
		2020	0.93**	3.47	0.76	0.44	0.96	n/a	0.49	4.81	1.85	*12.78
Total Packaging Materials used for finished products	Tonnes		Due to the nature of our business (property sales, rental and property management and hotel operation), there are no significant packaging materials used for our products and services.									

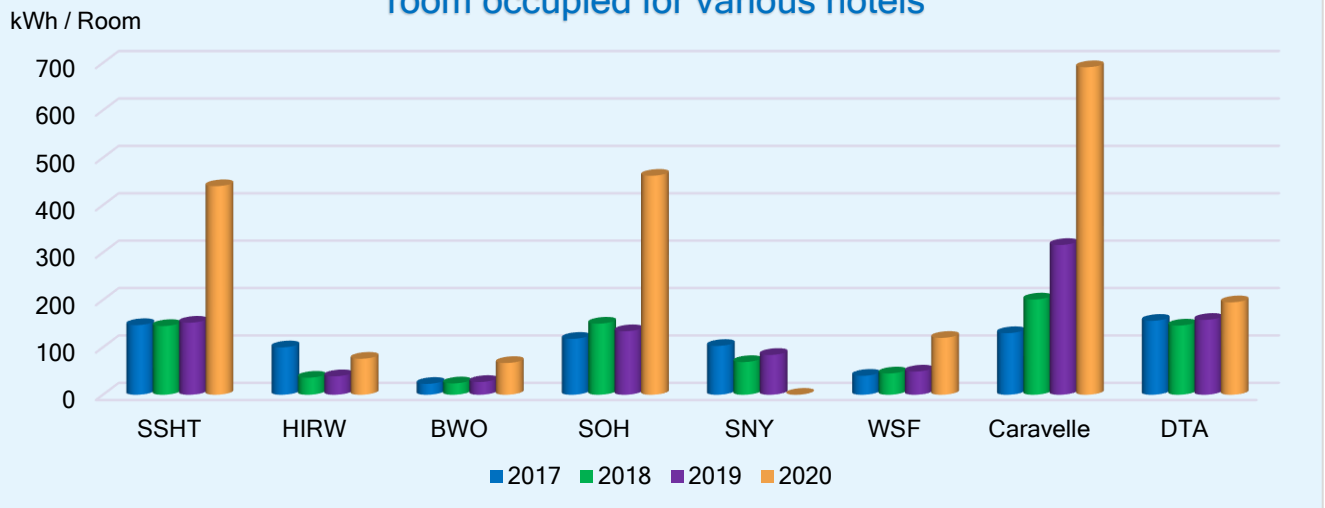
\* No data of SNY is available due to its operation suspension in 2020.

\*\* Unlike the hotel operation, the operation in Macau is mainly attributed to property management service. Thus, GFA measurement base is still used for KPI calculation in Macau operation. The total figure refers to the summation of the eight hotels at same measurement unit which is different from the Macau operation.

Please refer to the Chart 3 regarding to average direct and indirect energy consumption per room occupied and Chart 4 regarding to average water consumption per room occupied below for our hotel properties.



Chart 3: Average Direct and Indirect Energy Consumption per room occupied for various hotels



SNY\*: No data is available due to its operation suspension in 2020.

Caravelle, SSHT and SOH consumed more energy on average due to the types of hotel. Since the three hotels have more facilities, such as meeting rooms, swimming pool, etc. which consumed more energies irrespective of their occupancies were high or low. For budget hotel like BWO and business hotel such as WSF, guests may spend their rest time in the hotels only. Therefore, energy consumption fluctuation over years is less significant even at low occupancy or during temporary closure period.

Chart 4: Average Water Consumption per room occupied for various hotels



SNY\*: No data is available due to its operation suspension in 2020.

SSHT and Caravelle consumed significantly more water to run the business than the other hotels as there are more restaurants and swimming pools. Control in water consumption in the other hotels is better than both the hotels in Vietnam. The significant increases in both SSHT and Caravelle in 2020 are due to water consumption was not always in line with occupancy as they consumed water in many other purposes including cleaning public areas, kitchen and for staffs. Moreover, Caravelle found leakage in the water pipe and wastewater treatment system encountered many breakdowns and the recycling ratio is low in comparison with previous years.

Our Group have implemented a number of initiatives on saving energy and water usage including the following:

	Macau	SSHT	HIRW	BWO	SOH	SNY	WSF	Caravelle	DTA
Replace old lightings with LED lightings	✓	✓	✓	✓	✓	✓	✓	✓	✓
Utilize Solar Energy	✓	✓							
Replace cooling tower pump		✓				✓		✓	
Install energy or water saving facilities	✓		✓		✓		✓	✓	
Water recycling		✓						✓	
Training on energy or water saving								✓	✓



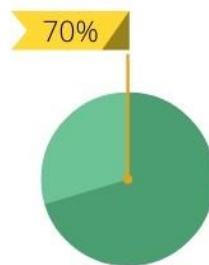
Use reusable glass bottles in each hotel room to replace plastic bottles in Caravelle

60+ Earth Hour 2020 of Caravelle

Without advanced system of waste management in Vietnam, there are misconceptions and lack of knowledge in the community-at-large about the waste treatment technology. Apparently, SSHT produce higher non-hazardous waste than the other hotels on average.



None of our subsidiaries have issues on sourcing water that is fit for use and consumption.



Both of SOH and WSF have achieved over 70% diversion rate as most of the waste had been recycled.

## Our Environment and Natural Resources

Our property management and hotel operations produce wastes such as food scraps, oil and cleaning chemical disposals. In addition, significant amount of water, electricity, diesel and gas need to be utilized for daily operations.

Continuous efforts have been made by our properties to minimize our operations' impact on the environment and natural resources:

- Waste recycling;
- Energy and water saving;
- Donation of unused materials or linens.



## Climate Change

Our Group understands that the intensifying situation of climate change poses potential risks to our business and hence we must put resilience at our operations, be well-prepared and be vigilant to the potential damages. Such risks include physical and transition. In response to these, the Group has created risk management system and procedures to monitor, manage and control climate change impacts. Particular measures include the preparation of disaster



recovery plans to handle unexpected emergencies etc. The Group is aware that electricity is the major contributor of its energy usage. Thus, the Group had taken a proactive approach to implement energy-saving initiatives for both on-site operation and site offices of the Properties, from using low-impact LED lighting devices to switching off idling lightings and electrical appliances.

Our hotels actively participate in environment-friendly initiatives organized by their respective hotel chains. We aim to minimize emissions, waste production and use of resources. Our properties have received the following recognitions on their respective efforts to protect the environment during the year:

Property	Award
HIRW	IHG Green Engage Level 2
SNY	Trip Advisor Green Leaders Bronze Level
WSF	LEED Platinum Level
SOH	Trip Advisor Green Leaders Green Partner
Caravelle	Earth Check Platinum Certified 2020
	2020 World Luxury Awards as Luxury Eco/Green Hotel
DTA	Trip Advisor Green Leaders Silver Level

**回收**  
月餅盒  
好 Easy

Reciclar as caixas de bolos lunares é muito fácil  
Recycling moon cake boxes is very easy

回收月餅盒日期: 2020年10月1日 (中秋節) 至10月15日  
Prazo para recolha de caixas de bolo lunar: 1 de Outubro (Festival "Chong Chao") a 15 de Outubro de 2020  
Moon cake boxes' collection period: October 1 (Mid-Autumn Festival) to October 15, 2020

2876 2626 www.dspa.gov.mo

Ocean Gardens - Mooncake Containers Recycling Program 2020

節約能源, 齊來行動  
VAMOS AGIR PARA POUPAR ENERGIA

2020 清  
節  
週

歡迎您參與 PARTICIPE  
2020.06.14-20

8984 8885

HTTP://WWW.GDSE.GOV.MO

Ocean Gardens - participated in Macau Energy Saving Week 2020

**EARTH CHECK**  
PLATINUM CERTIFIED  
2020

Caravelle Saigon Hotel  
Earth Check Platinum Certified 2020

**IHG**  
InterContinental Hotels Group

*IHG Green Engage™ system*

**LEVEL TWO**

*Holiday Inn Wuhan Riverside*

This hotel is committed to leading the way through sustainability

LEVEL ONE LEVEL TWO LEVEL THREE LEVEL FOUR

Awarded by the IHG Corporate Responsibility Team

HIRW  
Level 2 Certificate from IHG Corporate Responsibility





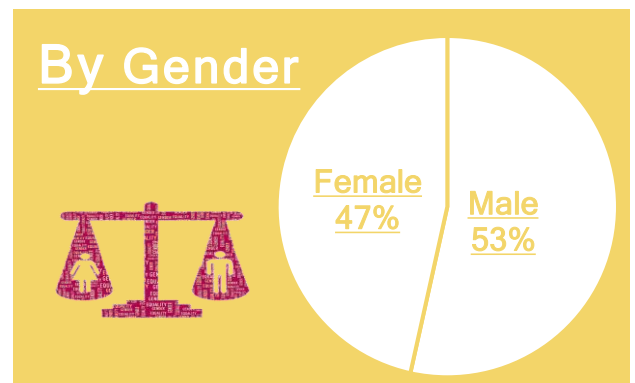
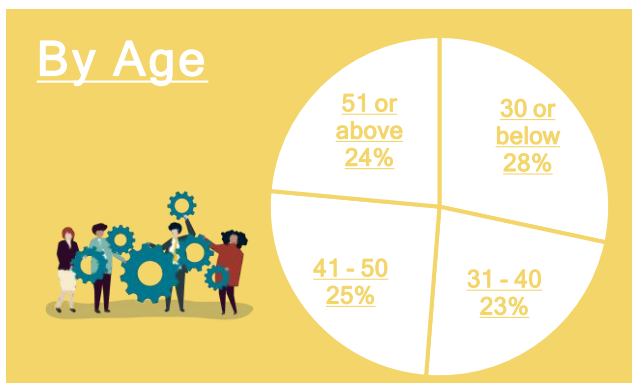
# OUR SOCIAL AREA

## Our Workforce Diversity

The Group treasures talent as it is the foundation of the Company's business growth and key for driving success and maintaining sustainable development. Since our Group invests in properties across the globe, we embrace workplace diversity in order to bring in the best talents, provide broader range of services, better cater to our customers' needs, and enable our employees to perform to their highest ability.

Our Group (including our properties) follows local labor laws and only recruit employees within legal working age. Personal information of applicants is fully inspected to ensure no child and forced labor are employed.

### Total workforce by business units, age group and gender



SNY\*: No data is available due to its operation suspension in 2020.

	Macau	SSHT	HIRW	BWO	SOH	SNY*	WSF	Caravelle	DTA									
<b>Number of Person</b>																		
30 or below	14	209	41	7	17	n/a	32	195	60									
31 - 40	63	110	47	5	25	n/a	63	137	14									
41 - 50	75	89	66	3	26	n/a	80	97	75									
51 or above	93	47	52	1	52	n/a	104	27	101									
<b>Total by BU</b>	<b>245</b>	<b>455</b>	<b>206</b>	<b>16</b>	<b>120</b>	<b>n/a</b>	<b>279</b>	<b>456</b>	<b>250</b>									
<b>Total by gender</b>	<b>162</b>	<b>83</b>	<b>274</b>	<b>181</b>	<b>102</b>	<b>104</b>	<b>9</b>	<b>7</b>	<b>63</b>	<b>57</b>	n/a	n/a	<b>108</b>	<b>171</b>	<b>247</b>	<b>209</b>	<b>119</b>	<b>131</b>



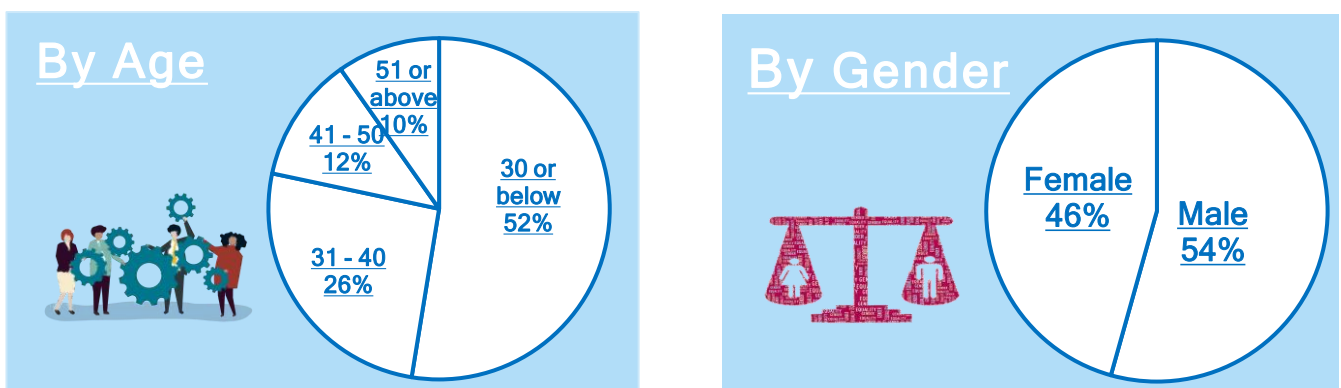
**Total workforce 2,027 (2019: 2,484)**

(SNY\*: No data is available due to its operation suspension in 2020.)

## Our Relationship with Employees

We believe attracting and retaining loyal employees in the respective geographical areas of operations is key to our success. We are an equal opportunity employer and aim to provide a work environment that is respectful, challenging, rewarding and safe. We have policies covering training and development, labor practices, human rights and workplace health and safety. A policy of localizing as many of the positions as possible is in place throughout the Group, subject to suitable and sufficient local executives and staff with relevant qualifications and experiences being available. We pursue the highest standards of integrity and honesty from every employee in every process.

### Number of employees departed during 2020 by business units, age group and gender



SNY\*: No data is available due to its operation suspension in 2020.

	Macau	SSHT	HIRW	BWO	SOH	SNY*	WSF	Caravelle	DTA									
<b>Number of Person</b>																		
<b>30 or below</b>	0	124	30	1	7	n/a	6	123	5									
<b>31 - 40</b>	3	59	10	0	7	n/a	8	53	5									
<b>41 - 50</b>	5	22	8	0	3	n/a	4	25	0									
<b>51 or above</b>	11	19	1	1	3	n/a	5	11	4									
<b>Total by BU</b>	19	224	49	2	20	n/a	23	212	14									
<b>Total by gender</b>	16	3	120	104	17	32	2	0	7	13	n/a	n/a	12	11	126	86	6	8



**Total number of employees departed: 563 (2019: 647)**

(SNY\*: No data is available due to its operation suspension in 2020.)

**\*Total turnover rate 27.78% (2019: 26.05%)**

(SNY\*: No data is available due to its operation suspension in 2020.)

\*\* Footnote: Total number of employees departed/Average number of employees for the year X 100%

We provide orientation to new employees with many on-the-job training opportunities. In addition, we encourage our employees to apply for sponsorship to attend job related external course to enrich their knowledge and skills. It is our responsibility to reward our employees with their hard work and dedication.

Salary and remuneration are competitive and are based on varying conditions in different countries in which the Company and its subsidiaries operate. Discretionary bonus is paid out according to the performance of the employees and the policies of the company. To help our

employees develop their careers, employees with exceptional performance and the required experience are considered for promotion when such opportunities are available.

## Our Work Place Safety

The Group is committed to provide a safe working environment for its employees. We comply with all applicable local laws and regulations on work safety to minimize the possibility of employees getting injured when performing their duties. General and customized occupational safety training sessions are provided to employees based on their specific roles and responsibilities. During the past three years, there were no work-related fatalities. The Group has 336 (2019: 687) lost days due to work injury in 2020.



Safety Notice Board of SSHT

## Measures specifically targeted at COVID-19

Since outbreak of COVID-19 pandemic, the Group has become highly conscious of the potential health and safety impacts that may bring to its employees and customers. Apart from strengthening sanitation at the Group's properties, the Group has also adopted precautionary measures such as temperature screening before entering the premises and providing employees with sufficient epidemic prevention supplies, including face masks and hand sanitizers.



Usage of Disinfectant (Non-toxic electrolyzed water) to sanitize building common areas in Ocean Gardens

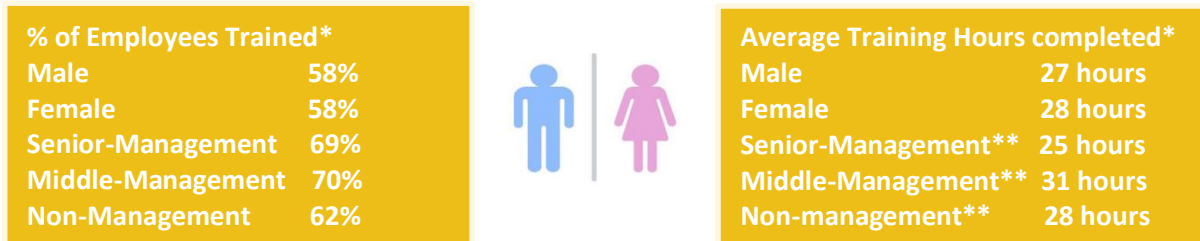


Commitment to Cleanliness in our hotels



## Training and Development

We believe that training is essential to continuous improvement in employee performance, as well as contributing to their career growth. The Group provide its new employees with the required orientation and on-the-job training. In addition, we encourage our employees to improve their job-related knowledge through sponsorship of relevant external courses.



\* No data of SNY is available due to its operation suspension in 2020.

\*\* No data of WSF is available due to new HR system was launched as the historical data could not be retrieved.



MI Culture Housekeeping Week of SSHT



Waste Recycling Seminar of HIRW

## Labour Standards

The Company and its subsidiaries follow local labour law and only recruit employees with legal working age. The Employee Handbook has guidelines on overtime work, allowances and compensation leave etc.

## Supply Chain Management

Suppliers and contractors are selected based on work quality, stock delivery manner, cooperation and price. We seek to work with contractors and suppliers that behave in an economical, environmentally friendly and socially responsible manner. The Group has 2,374 local suppliers and 221 non-local suppliers (2019: 2,468 local suppliers and 221 non-local suppliers).

Where possible, the Company and its subsidiaries purchase environmentally friendly products from qualified vendors to reduce the negative impacts on the environment.



## Product Responsibility

We maintain mutually beneficial relationship with our customers and strive to provide quality service. Our properties mainly provide property management, property sale & leasing, hotel room accommodations and food & beverage services. In 2020, 0% (2019: 0%) of our products / services are subject to recall due to safety and health reasons.



Wedding Venue of HIRW



Fitness Center of WSF



Restaurant of SOH

We put customers at the heart of our business. During the year, 222 (2019: 2,588) product and service-related complaints from customers are received and replied and followed up promptly. The significant drop in number of complaints this year compared with last year is mainly due to temporary suspension of operation of our hotels in North America. Our management and staffs also ensure that such complaints are resolved in a satisfactory manner.



Our property management business in Macau (Ocean Gardens) is ISO 9001:2015 certified. In order to achieve this accreditation, we have to demonstrate our ability to provide services that meet customer needs and comply with applicable regulatory requirements.

**Ocean Gardens**  
ISO 9001: 2015 Certified (Quality Management Systems)

Our hotel properties have stringent quality assurance procedures in place to ensure service provided is in accordance with the international hotel chain requirements.

Service quality of our properties are well recognized as evidenced by the following awards / accreditations received by our properties during the year:

Property	Award / Accolades
SSHT	Tripadvisor Travelers' Choice 2020
	Nominee for Vietnam's Leading Hotel 2020 (nominated by World Travel Awards)
	Nominee for Vietnam's Leading City Hotel 2020 (nominated by World Travel Awards)
	Nominee for Asia's Leading Conference Hotel 2020 (nominated by World Travel Awards)
	Nominee for Vietnam's Leading Business Hotel 2020 (nominated by World Travel Awards)
HIRW	Tripadvisor Travelers' Choice 2020
SOH	AAA Three Diamond Hotel
SNY	Conde Nast Traveler - Reader's Choice Awards 2020
	Tripadvisor Travelers' Choice 2020
	AAA Four Diamond Award
Caravelle	Tripadvisor Travelers' Choice 2020
	Smart Travel Asia's Best of the Decade Awards - No. 7 of Best Hotel Makeovers
	Top 10 Best Hotels & Resorts in Vietnam Readers' Choice Awards 2020 by Destin Asian
	2020 World Luxury City Hotel Spa awarded to Kara Spa
DTA	Tripadvisor Travelers' Choice 2020
	AAA Three Diamond Hotel
Ocean Gardens	ISO 9001: 2015 Certified (Quality Management Systems)
	"Best Elderly Employers with Talented Elderly People Award 2020" - Excellence Award



**SSHT**  
Tripadvisor Travelers' Choice  
2020



**Caravelle**  
Smart Travel Asia's Best of the Decade Awards – No. 7 of Best Hotel  
Makeovers

We respect intellectual property rights and our properties comply with relevant laws and regulations on intellectual property. Internal procedures are established for intellectual property rights protection and they are disseminated to all relevant staffs. Our properties only purchase authentic software licenses.

The Group protect customer data privacy and comply with all relevant laws and regulations. Internal procedures are established for protecting customer data and they are disseminated to

all relevant staffs. We inform our customers the purpose and recipients of data during data collection. We only collect personal data that is necessary for conducting our business and we retain personal data for the period necessary in compliance with relevant provisions. Stored customer information is only accessible to authorized personnel.

## Anti-Corruption

We believe that every employee has a responsibility to act with integrity. Our employment contracts have clearly stipulated that all staffs must act with integrity and in the best interest of the Group and to comply with all relevant local regulations. Any violations with our employment contract will be subject to disciplinary actions or terminations.

Employees are encouraged to raise their concern by training or report any suspicious case through our confidential whistle-blowing mechanism, every reported case is promptly followed up and investigated by our Internal Audit Team and Audit and Compliance Committee. There is a whistle-blowing policy in place.

There was no reported case (2019: 0) on bribery and corruption against the company and the employees in 2020.

## Community Investment

Community investment is important to our social sustainability. The Group conducts business with honesty, integrity and respect for all people and communities, especially towards our employees. Dialogue between management and employees is integral to our work practices and takes place daily and directly in the respective local cultural environments.



Money donated

HK\$4,127k

Time donated

120hours

### Ocean Gardens

“Best Elderly Employers with Talented Elderly People Award 2020”  
– Excellence Award





**SNY**  
The Bowery Mission



**SSHT**  
Charity trip to Be Tho Center in Dong Nai Province, home to 145 unfortunate children



**HIRW**  
Blood Donation



**SOH**  
CHEO Foundation







**HIRW**  
Visit Old Folk's Home



**SSHT**  
Mooncake Visit to Disability School at Binh Duong



**WSF**  
Lights with Hope



**SSHT**  
Lights with Hope



This year we have participated in different social activities as follows:

- Handicapped Population
- Environmental Protection and Concerns
- Children Welfare
- Women Welfare
- Support for Poverty
- Humanitarian Support
- Health and Community Support



**SSHT**  
Happy Women's Day 2020

Charitable donations made by the Group during the year amounted to HK\$4,127,111 (2019: HK\$1,210,470) on an aggregated basis.



**Caravelle**  
Environment & Wellness Week



**HIRW**  
Green Walk



**HIRW**  
Charity Bazaar

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<b>Aspect A1: Emissions</b>		
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	8 to 9
KPI A1.1	The types of emissions and respective Emissions data.	8 to 9
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	8 to 9
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	8 to 9
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	8 to 9
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	10
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<b>Aspect A2: Use of Resources</b>		
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KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	12
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	10

Aspects and General Disclosures in HKEx ESG Reporting Guide	Description	Page No. Reference
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KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	13

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KPI B1.2	Employee turnover rate by gender, age group and geographical region.	15 to 16

#### Aspect B2: Health and Safety

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Aspects and General Disclosures in HKEx ESG Reporting Guide	Description	Page No. Reference
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KPI B6.2	Number of products and service related complaints received and how they are dealt with.	19 to 20
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	19 to 20
KPI B6.4	Description of quality assurance process and recall procedures.	19 to 20
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# PHOTOS OF MAJOR PROPERTIES OF THE GROUP

## Macau Operations



## Holiday Inn Wuhan Riverside



## Sheraton Saigon Hotel & Towers





### Caravelle Saigon Hotel



Hotel Exterior



Superior Room

### Best Western Osaka Hotel



Hotel Exterior



Standard Double Room

### W San Francisco



Hotel Exterior



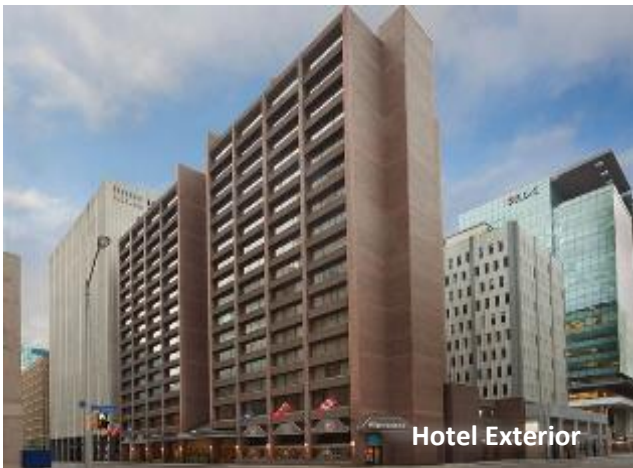
Spectacular Room



**Sofitel New York**



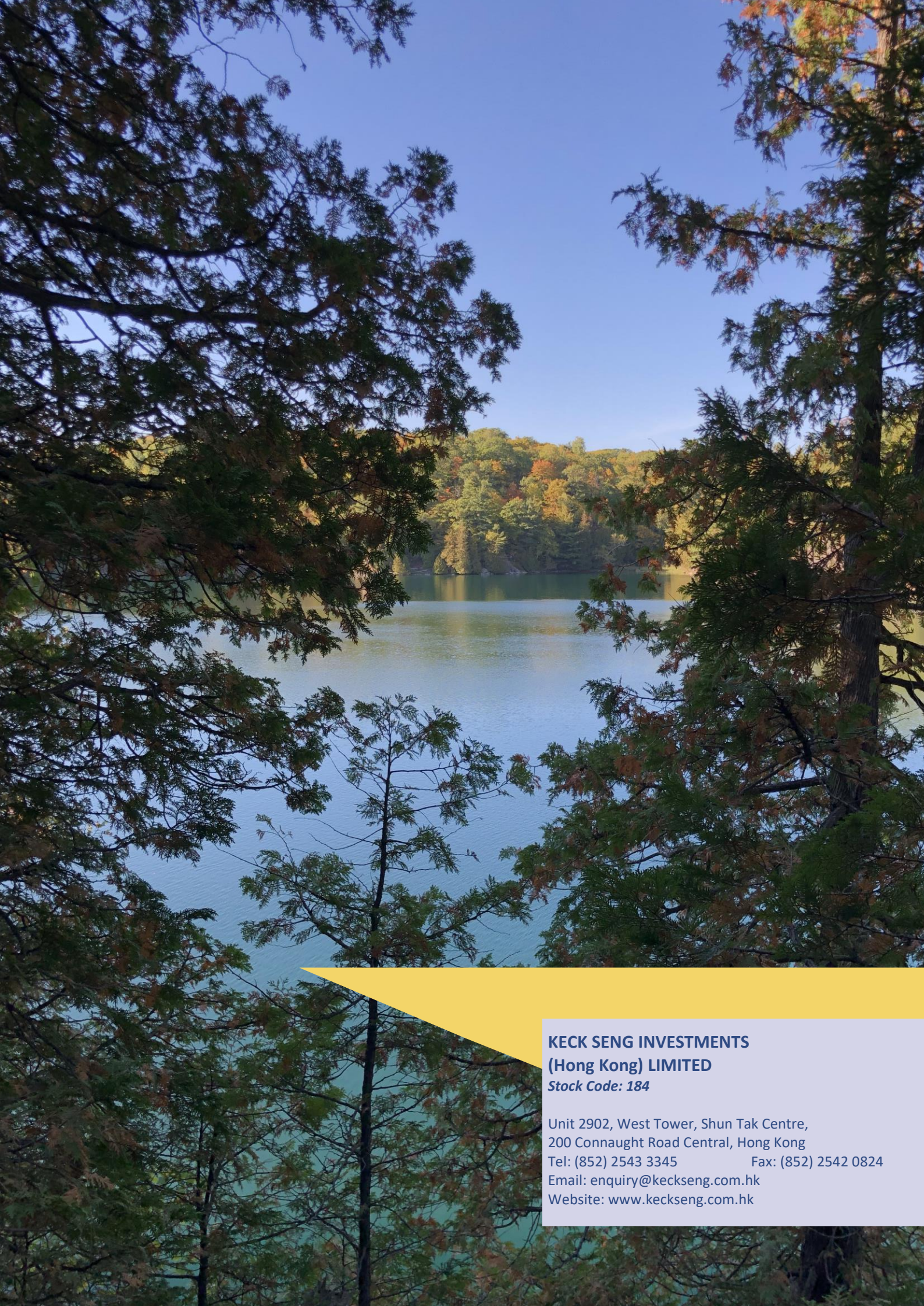
**Sheraton Ottawa Hotel**



**Delta Hotels by Marriott Toronto Airport & Conference Centre**







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