



MGM CHINA HOLDINGS LIMITED  
美高梅中國控股有限公司

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# CREATE A BETTER TOMORROW TODAY

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**SUSTAINABILITY REPORT 2020**

**MGM China Holdings Limited**






(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2282



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# CHAIRPERSONS' MESSAGE



2020 was a year of challenges and changes that put our sustainability practices to the test. Amid the turbulent times, MGM China stayed grounded and walked hand-in-hand with our community to safeguard our home – Macau. We extend our profound gratitude to the Macau Government for its support, as well as to frontline workers and healthcare professionals who fought each day to keep us safe during the COVID-19 pandemic. We are thankful for our loyal team members who stood with us and rose to the challenges brought on by the pandemic, and our community members and partners who worked together to make our city one of the safest in the world.

Our response to the pandemic is a testament to the sustainability practices we have in place at MGM China. Guided by our sustainability principles, and based on our robust governance framework, we remained resilient and continued to facilitate the return to normalcy through supporting and initiating various pandemic relief programs. Leaning on the strength of our team members and the alliance with our community partners, we donated MOP20 million to the Hubei province through the Liaison Office of the Central People's Government in the Macau SAR, created over 2,000 pieces of artwork for the medical staff in Wuhan, and donated 600,000 face masks to Macau's Government and local community organizations in 2020.





We also launched the “MGM SME Anti-Epidemic Support Program” and waived one-month basic rents for retail tenants. Since the pandemic took hold, our priority has been to ensure the safety and well-being of our team members and guests and to remain a reliable resort operator for our guests. Following the Macau Government’s mandate to mitigate the spread of the virus, we swiftly implemented extensive health and wellness and social distancing initiatives including limiting the number of gaming tables and spacing slot machines, temperature checks, mask protection and requiring health declarations submitted through the Macau Health Code system. We could not have carried out these initiatives without the dedication of our team members.

Last year was a wakeup call to world. It has never been clearer that a business model that looks after the planet and the community, while also pursuing economic prosperity is the most sustainable way forward.







From the onset, MGM China has been operating with the sustainability vision **“Create a Better Tomorrow Today”** at its core. Our years of commitment to fulfill our duty as a responsible corporate citizen has helped us navigate through the low tides in solidarity with the city. And we will continue to stay steadfast in progressing with the city to a full recovery.

As an important next step in our sustainability journey, we are proud to present MGM China’s first standalone Sustainability Report. This maiden report provides greater transparency and accountability into the breadth of our sustainability efforts and communication with our stakeholders, and also highlights key activities and initiatives that are embedded across our operations. The report also attests to our ambition of becoming the best-in-class example of sustainability in our industry.

This year, we made further inroads in our sustainability governance by revisiting and expanding membership of our Sustainability Committee and enhancing our sustainability framework. The framework encompasses five pillars – **People, Community, Planet, Partners & Guests and Sustainability Governance** – which will enable us to focus on what matters the most. Our approach to sustainability not only encompasses procedures and personnel within MGM China, but also extends to our stakeholders and beyond to **“Create a Better Tomorrow Today”** for the communities in which we operate.

To this end, we have conducted a comprehensive independent stakeholder engagement exercise this year involving over 780 internal and external stakeholders. This has enabled us to gain a more thorough and inclusive picture of our stakeholders’ expectations, as well as to identify the topics of greatest importance. We are a firm believer that maintaining long lasting relationships with our stakeholders is fundamental to our success now and in the future.

We have also taken steps to boost the satisfaction of our guests and to promote the extensive growth of the Macau tourism industry, supporting the Macau Government’s latest “Tourism+” concept to further develop Macau into a world-class tourist destination. In addition, we also proactively supported the Macau Government’s tourism revival initiative “Macau Ready Go” and mega roadshow “Beijing Macau Week” in Mainland. Since our establishment in 2007, promoting cultural tourism by integrating originality, creativity and innovation has always been at the heart of our business. Over the years, we have invested billions of dollars in art and entertainment programs, accumulated viewership of over 1 billion and an audience reach of more than 1.5 trillion globally.

Some of the achievements that we are most proud of this past year include international recognition for our social impact and sustainability efforts in

Macau. We received a total of 29 human resources accolades including the “BEST Award 2020” from the Association of Talent Development and the “Best Employer of Year 2020” from VeryEast. We are particularly honored to be the first integrated resort and hotel operator in Macau to receive the Grand Award in the Human Capital Development Category of the PATA Gold Awards 2020. During the global pandemic, we also leveraged downtime to enhance the skill sets of our team members, achieving over 460,000 training hours with an average of over 44 hours to each team member.

In our quest to lead positive change for the planet through our environmental stewardship, MGM COTAI received a Three Star Green Building Operation certification under the “Green Building Label” last year, making it the first mega complex in Macau and in the Greater Bay Area, and the second in Greater China, to attain the highest ranking in both China Green Building Operation Label and China Green Building Design Label. Through vigorous improvement, MGM MACAU has well exceeded the energy saving target of 20% by 7 percent points in 2020 compared to the 2013 baseline, whereas MGM COTAI has already achieved 14% actual energy saving since its opening in 2018. To further our energy efficiency, we are working towards a target of achieving normalized energy saving of 2% per year.

Our sustainability ambitions echo with global priorities and efforts to make tomorrow a better place for all, particularly the United Nations’ Sustainable Development Goals (“SDGs”). We

also fully support the Country’s goal of reaching peak emission by 2030 and carbon neutrality goal by 2060 through setting ambitious short – and long – term targets to facilitate the net zero carbon progress. For example, we are targeting a normalized energy saving of 13% for both MGM MACAU and MGM COTAI by the end of 2025 compared to 2019, to which we hold ourselves accountable and will continue to report our progress.

With great confidence in the economic recovery, we look forward to advancing our sustainability journey in 2021. To support and strengthen Macau’s sustainability growth, we are committed to accelerating our innovation in sustainability development across our operations and will continue to increase our stakeholder engagement to create long-term shared value. While we continue to invest and maximize our positive impact for our team member, community, and planet, we will also delve into how we can perfect guest our experience with an infusion of cultural tourism.

The past year was a year of social distancing, but our proximity with our team members and our community grew. We would like to thank our team members for their constant efforts in supporting our sustainability mission and extend our gratitude to our customers and our stakeholders for staying on together with us and making it possible for us to achieve many great accomplishments together. With great pride, we share with you our sustainability work, strategy, and achievements through this report, and we look forward to continuing our sustainability efforts to grow and flourish with Macau.



**William J. Hornbuckle**  
*Chairperson and Executive Director*  
**MGM China Holdings Limited**  
Aug 2021



**Pansy Ho**  
*Co-Chairperson and Executive Director*  
**MGM China Holdings Limited**  
Aug 2021



# ABOUT THIS REPORT

This is the first standalone annual sustainability report (the “Report”) of MGM China Holdings Limited (Stock Code: 2282) (“MGM China” or the “Company”). This Report sets out the overall sustainability approach, achievements, and commitment of the Company and our two major properties, MGM MACAU and MGM COTAI, and focuses on the sustainability issues that are material to our key stakeholders.

## REPORTING BOUNDARY

This Report covers the Company’s sustainability strategies and performance from 1 January to 31 December 2020. It focuses on the business operations of MGM MACAU and MGM COTAI in Macau, Hong Kong and Mainland China where the Company has majority operational control. We present the environmental performance data that arises from business operation in Macau, while covering social performance data of Macau, Hong Kong, and Mainland China.

## REPORTING STANDARDS

This Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option. We also report on all of the disclosure requirements and “comply or explain” provisions outlined in the Environmental, Social and Governance Reporting Guide (“ESG Guide”) of The Stock Exchange of Hong Kong Limited (HKEx).

The reporting principles established by the GRI Standards and the ESG Guide, including stakeholder inclusiveness, sustainability context, materiality, and completeness, as well as quantitative, balance and consistency have been well adhered during the preparation of this Report. The Company ensures proper presentation of quality information with accuracy, balance, clarity, comparability, reliability, and timeliness. We present quantitative data with calculation methods and relevant terms the Company defined. The data is calculated using consistent methodologies to allow effective year-to-year comparison.

This Report is also prepared with the reference to the Task Force on Climate-related Financial Disclosures (“TCFD”) and SDGs. The Company supports SDGs and has identified specific goals that best align with the Company’s operations and sustainability strategies.

To increase level of accuracy, part of our sustainability performance data has been reviewed by the Internal Audit team of our parent company, MGM Resorts International.

## CONTACT US

We welcome your feedback and your valuable input will help us continue to improve. If you have any suggestions or questions about the content of this Report, please contact us by email at [sustainability@mgm.mo](mailto:sustainability@mgm.mo).

# ABOUT MGM CHINA

## OUR BUSINESS OVERVIEW

As a leading hospitality company, MGM China develops, owns and operates two integrated resorts in the Greater China region. With the vision to deliver high-quality entertainment and hospitality experience, we stay dedicated to make great moments happen.

It is our mission to unleash greatness in our talented people and our portfolio of products and brand. Together, we strive to make great moments that bring artistry and entertainment to life.

MGM China is majority-owned by MGM Resorts International, one of the world's leading global hospitality companies. MGM China is the holding company of MGM Grand Paradise, SA which holds one of the 6 gaming concessions/subconcessions to run casino games in Macau. MGM Grand Paradise, SA currently owns and operates MGM MACAU and MGM COTAI. For more information regarding our financial performance and business operations, please refer to the corporate Annual Report 2020.

## Company Profile at a Glance



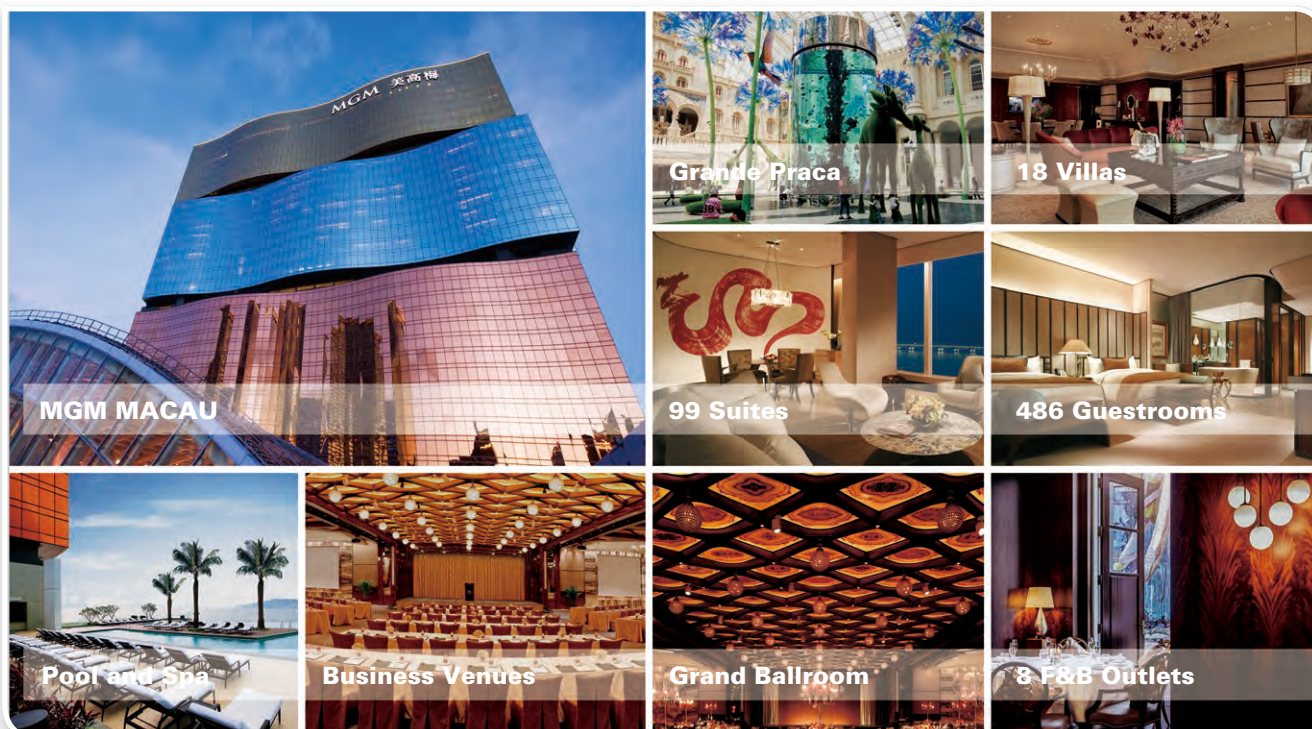
**2** Integrated Resorts



**585,683m<sup>2</sup>** GFA

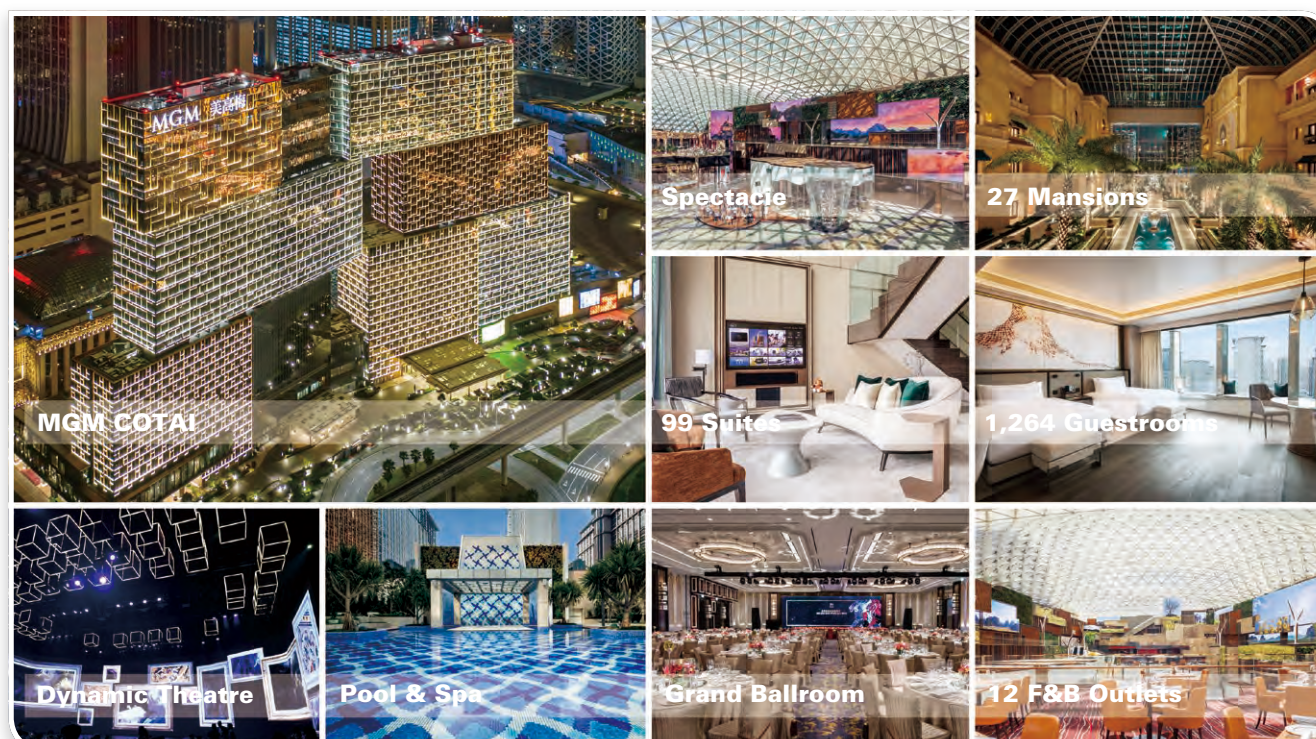


**~2,000** Rooms





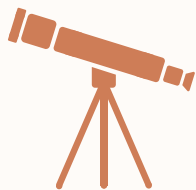
MGM MACAU, a Forbes Five-Star luxury integrated resort, is situated on the Macau Peninsula, with direct access to a luxury retail shopping complex. It offers approximately 600 guest rooms and suites, featuring exceptional state-of-the-art entertainment facilities including a 5,000 square feet MGM Art Space, 8 diverse restaurants, retail outlets, world-class pool and spa facilities, and approximately 1,600 square meters of convertible convention space. The resort's focal point is the signature Grande Praca and features Portuguese-inspired architecture, dramatic landscapes and the breathtaking 8-meter-tall cylindrical MGM Aquarium located at the heart of the sunlit atrium.



MGM COTAI, the recent addition and the first international Mansion at MGM China for ultimate luxury experience, debuted in 2018 as the iconic “jewelry box” of Cotai, offering Asia’s first dynamic theater and a Spectacle to wow every guest who steps foot in the resort. It embraces the concept of art and entertainment experience for guests through seamlessly integrated technology and innovative forms of entertainment. It offers approximately 1,400 hotel rooms and suites, meeting space, high end spa, retail offerings and food and beverage outlets. It is the only mega complex and hotel in Macau to gain three-star certification in both China Green Building Design and Operation Label, as well as the first hotel in the Greater Bay Area and second in Greater China to receive the certifications.

## VISION AND CORE VALUES

We aspire to be great in everything we do. Greatness as a way of life for us means the pursuit of greatness for the betterment of ourselves and others. We share a culture and a vision where every Golden Lion team member thrives in an environment of Greatness. Collectively, our great goals and our core values distinguish and make us uniquely MGM China.



***Our Vision – To be the best-in-class operator of integrated destination resorts that deliver high-quality entertainment and hospitality experience***

At MGM China, we promise to make great moments happen for all our stakeholders. Guided by our core values T.I.E, Teamwork, Integrity & Trust and Excellence, our team members commit to offer best-in-class services in meeting the expectations of our stakeholders. As a prominent and responsible corporate leader, we continue to build and invest in a strong pool of talent to further the development of tourism in Macau.

### Our Core Values



#### TEAMWORK

Achieves effective results, builds team spirit and celebrates each other's successes



#### INTEGRITY & TRUST

Shows integrity and builds trust with one another



#### EXCELLENCE

Innovates and optimizes services to meet the expectations of others

### Sustainable Business in Times of COVID-19

In 2020, the COVID-19 pandemic has caused significant disruptions globally which impacted our business in a number of ways, most significantly during the temporary suspension of a majority of operations at MGM MACAU and MGM COTAI in the beginning of the year. To sail through the challenging times, MGM China has taken various measures to reduce the impacts brought by COVID-19 and explore ways for resuming and running business in the face of evolving client expectations and operational standards under the new normal.

MGM China will continue to prioritize health and safety of our stakeholders, innovate in guest experiences and attractions, support the impacted communities, and collaborate with the Macau Government in its attempt to contain the pandemic. Collectively, we contribute to a stronger and more resilient community, support the revival of Macau's tourism industry, and create more and more great moments for our stakeholders in Macau in the future.



# SUSTAINABILITY AT A GLANCE

## Team Development



**10,300+**  
team members



**33**  
different nationalities



Received **460,000+**  
training hours



**1:1.083**  
female to male staff ratio



Attained **29** HR  
Awards from international  
and regional renowned  
institutions.



**8,100+** team members  
received workplace health  
and safety trainings



**> 6,500** learning  
courses available on the  
e-learning platform



## Environmental Performance



**31.1%**  
Energy consumption  
intensity compared to  
2019



**39.7%**  
Water consumption  
intensity compared to  
2019



**33.3%**  
Greenhouse gas (GHG)  
emissions intensity  
compared to 2019



**1st** Hotel in Greater Bay  
Area to attain Three-star  
Green Building Design and  
Operation Label



Diverted **410+ tons**  
of recyclables from  
landfills



Purchased MOP  
**\$22.9M** of green  
products and services



## Community Investment



**1,800+** volunteers



Contributed **20,600+**  
community service hours



Donated around MOP  
**\$32M** to a wide range  
of community programs



Over **7,700**  
beneficiaries

## Guest and Partnership



**2,800+** suppliers  
engaged



**52.9%** of local  
suppliers



**4.4/5** overall customer  
satisfaction score under  
our Hotel Post Stay Survey



MGM MACAU attained  
three **Five Stars**  
Awards from Forbes Travel  
Guide

# Our Approach to Sustainability



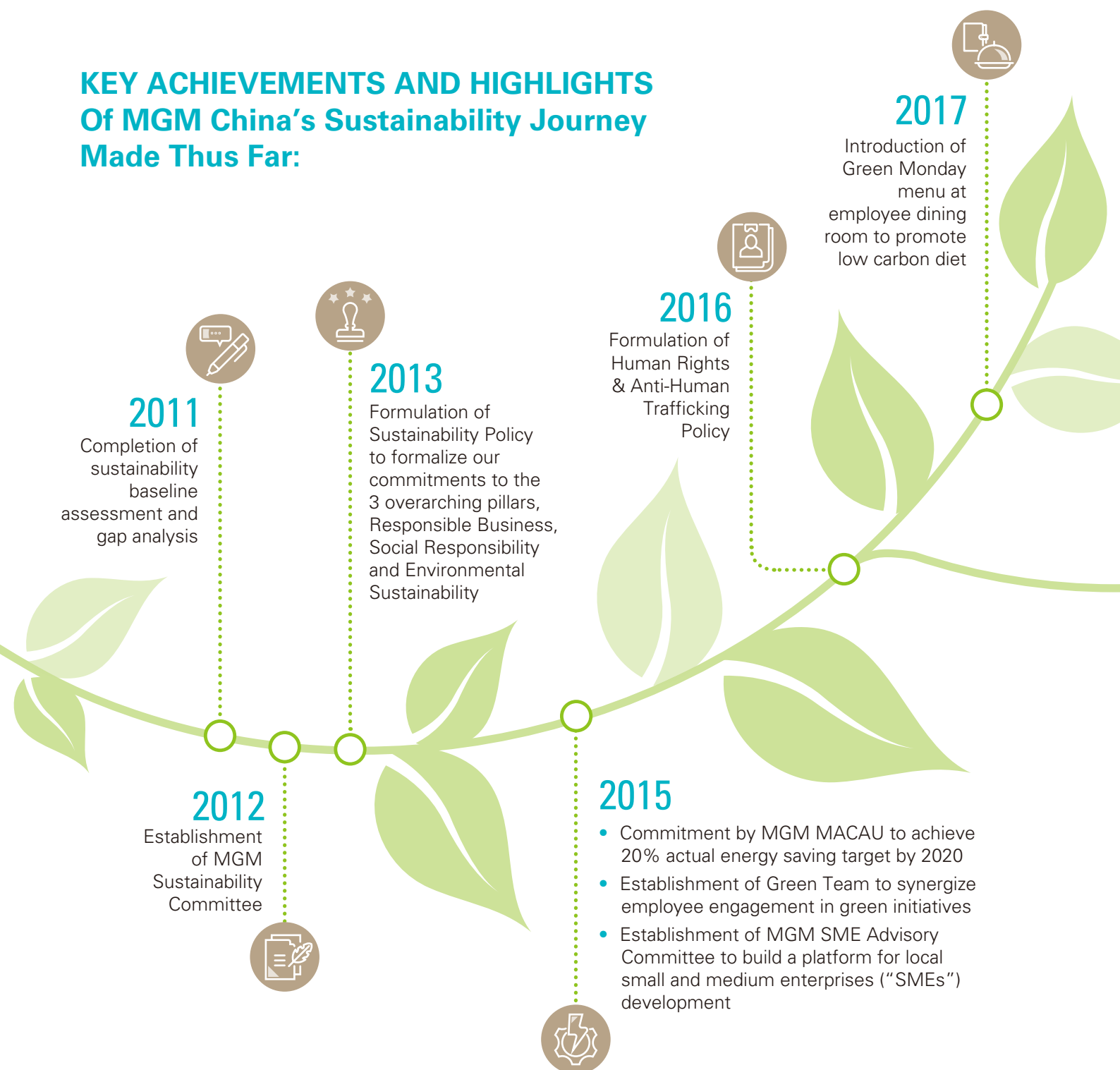
At MGM China, we believe doing well by doing good. Laying the foundation since 2007, we have always come forward in welcoming and actively exploring opportunities in realizing sustainability both within our operations and in our close relationships with stakeholders.



# OUR APPROACH TO SUSTAINABILITY

Rapidly evolving market trends, regulatory standards, stakeholder expectations, coupled with the increasingly pressing need for climate change mitigation, have together been urging the advancement of corporate governance on sustainability. As such, holding onto our high corporate ethical standards as well as our vision of "Create a Better Tomorrow Today", we have formulated a new sustainability framework with strategic pillars to focus on what matters the most to us, and have strengthened our sustainability governance that underlies every facet of our sustainability effort.

## KEY ACHIEVEMENTS AND HIGHLIGHTS Of MGM China's Sustainability Journey Made Thus Far:





## 2018

- Addition of electric buses to the shuttle bus fleet and charging stations for electric vehicles
- Achievement of the China Green Building Design Label Three-Star Certification by MGM COTAI



## 2020

- Achievement of energy saving targets of MGM MACAU and MGM COTAI
- Expansion of Sustainability Committee membership and integration of new framework
- Revisited stakeholder engagement exercises and materiality assessment
- Achievement of the Three-star Green Building Operation Label under the "China Green Building Label" certification scheme by MGM COTAI

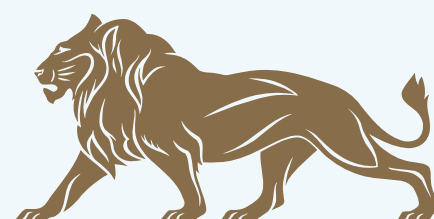
## 2019

- Commitment by MGM COTAI to achieve 19% normalized energy saving target by 2020
- First integrated resort operator in Macau to implement the No Plastic Program to phase out all single-use plastics in restaurants and casinos
- Deployment of the first ORCA food waste disposal solution in Macau



## 2030

- Targets aim to be achieved by 2030
  - Energy saving of 13% by 2025 (compared to 2019 baseline)
  - Reaching peak carbon emission by 2030
  - Achieve 100% electric shuttle bus by 2023
  - Reduce 90% bottled water consumption by 2030 (compared to 2018 baseline)
  - Achieve 100% food waste diversion rate by 2030
  - Eliminate 100% single-use plastics by 2030
  - Maintain record of zero work-related fatalities of all our employees
  - 100% of employees receive labor rights, diversity, and social inclusion training
  - Achieve 200,000 cumulative volunteer hours through the Golden Lion Volunteer Team

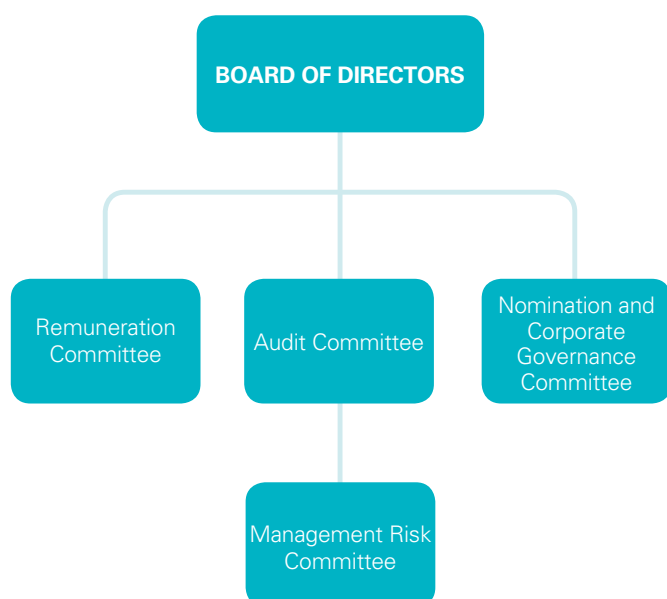




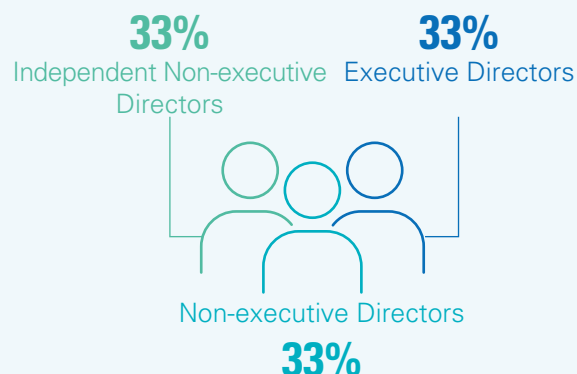
## CORPORATE GOVERNANCE AND BUSINESS ETHICS

MGM China believes effective corporate governance is fundamental to enhancing shareholders' values and safeguarding the interests of employees, business partners, and the community in which the Company operates in. We are committed to establishing good corporate governance practices and procedures in order to attain high ethical standards.

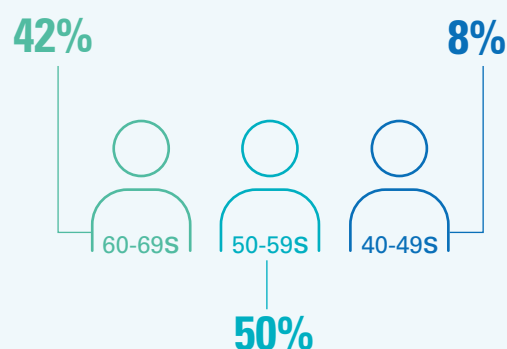
As the highest governance body, the Board currently comprises of 12 Directors. We ensure the Board's composition is well balanced in terms of knowledge, experience, and diversity of perspectives to meet the Company's current and future strategic priorities. Apart from that, we also strive to enhance the diversity of opinions at the Board, encompassing broad dimensions, including but not limited to gender, age, cultural, ethnicity and educational background, which we believe would collectively contribute to better business performance.



### Board of Directors Composition



### Board of Directors Age Distribution



Three Board-level committees have been established under the supervision of the Board for handling different duties and comply with the corresponding requirements, hence achieving sustainable and balanced development. Specifically, we pay high attention to our risk management and internal controls to ensure risks that might have an impact on our business operations are well-managed. The Management Risk Committee was established in 2015, which is appointed by and subject to the oversight of the Audit Committee. Responsibility for the Company's daily operations has been delegated to executive Directors and senior management by the Board and is executed by the Company department units. For more information in relation to our businesses and corporate governance, please refer to our [Annual Report 2020](#).

## Business Conduct

Integrity is at the center of our business. As a responsible and trusted operator of integrated resorts, MGM China is committed to doing business honestly and taking proactive approach to promote a fair and ethical workplace. We have adopted a [Code of Business Conduct and Ethics and Conflict of Interest Policy \(Code of Conduct\)](#) which sets out the Company's ethical value and business principles. The Code of Conduct applies to everyone at the Company to guide them on how to work the right and appropriate way. The Code of Conduct defines expectations on various business aspects including:

- **Anti-corruption;**
- **Use of confidential information;**
- **Conflicts of interest; and**
- **Insider trading.**

The Anti-Money Laundering ("AML"), Combating Financing of Terrorism ("CFT") & Combating Proliferation Financing ("CPF") Policy (the "AML Risk Assessment Policy") establishes the Internal Control Standards which supplements the Code of Conduct as a guiding framework to ensure the compliance requirements pertaining to currency transaction and all applicable AML laws and regulations. Compliance plans are developed by the AML Compliance Committee at MGM Grand Paradise to minimize the related risks that may dispute the integrity of our business. We are committed to work against corruption and have established a set of Anti-Corruption Guidelines to communicate the associated risks and our zero tolerance against all forms of corruption and extortion to all employees, ensuring compliance with all relevant anti-corruption laws.

Trainings regarding ethical business conduct are provided to all employees upon induction and more comprehensive trainings are provided to all assistant-managers and above. The Board has also received internal trainings on material topics, such as corporate governance, connected and notifiable transactions, legal and regulatory and business.

## Whistle-blowing Policy

The responsibility to uphold our Code of Conduct and values is universal. To enable reporting of ethical concerns and potential compliance issues in strict confidence, we have set up an 24/7 [Integrity Hotline](#) service, maintained by an independent third-party service. The Integrity Hotline is accessible to our employees and other parties who desires to report concerns or suspected misconduct, malpractice or irregularity related to MGM China. In addition to the Integrity Hotline, employees can report their concerns or questions anonymously to the Compliance Officer without fear of reprisals, who in turn reports the concerns to the independent Compliance Committee. Any employees that have concern over violations of the Code can also report to the Human Resources department. All information received will be kept and treated in a strictly confidential manner.



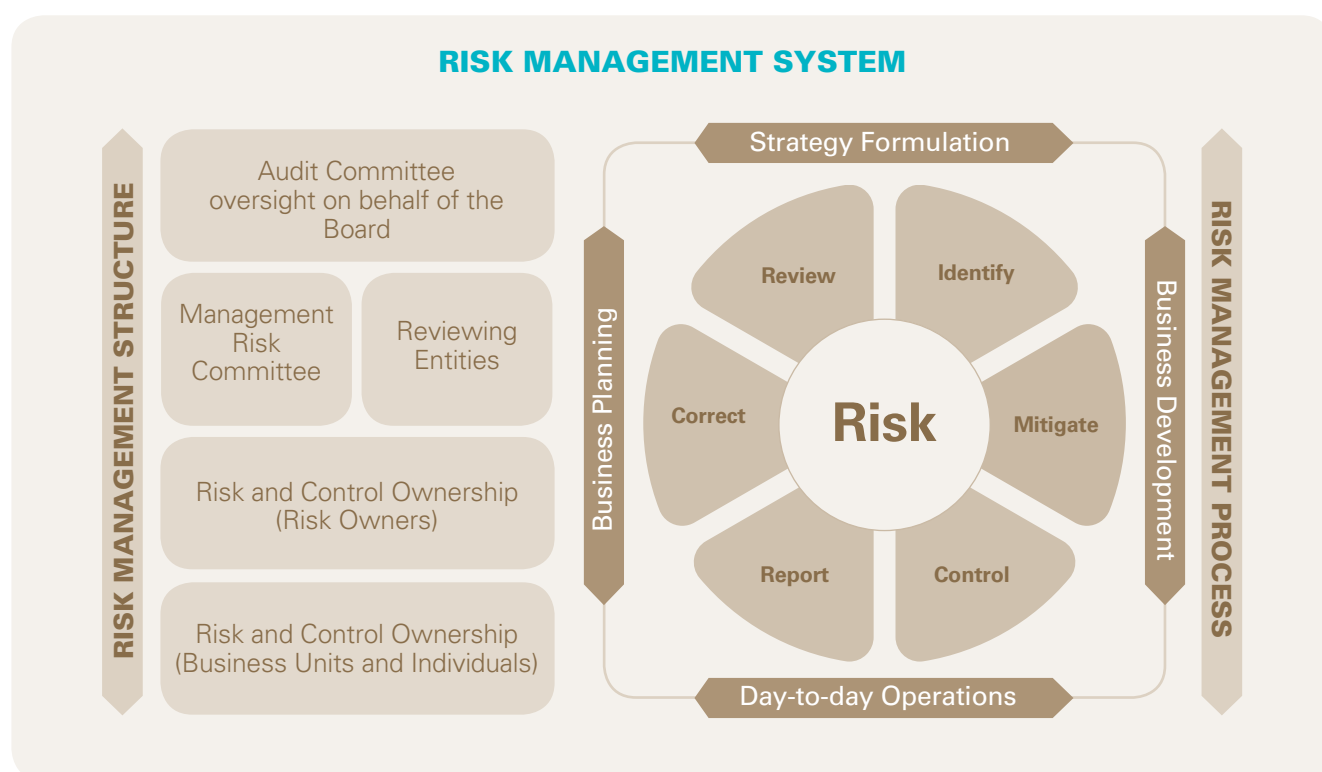
## Responsible Gaming

To safeguard the community we operate in, we actively promote and closely follow government regulations on responsible gaming. A Responsible Gaming Committee and a Responsible Gaming Operations Team are established to respond to potential gambling-related problems. The committee works with internal and external parties in establishing and implementing an array of responsible gaming initiatives to assist our guests in making mindful decisions. For more details in relation to promoting responsible gaming at MGM China, please refer to the **For Better Guest and Partner Relationships** chapter of this Report.

## DRIVING BUSINESS RESILIENCE

Risk management is one of the key elements to achieving sustainable and resilient business development. The Board maintains and reviews the effectiveness of the risk management and internal controls systems, whilst the Management Risk Committee assists the Board, Audit Committee and senior management to oversee the overall risk management framework and to manage risks including people, strategic, financial, business, operational, credit, market, liquidity, security, property, IT, legal, regulatory, reputational, climate-related risks and sustainability-related risks on an ongoing basis.

The Management Risk Committee conducts a quarterly review of the Company's risk management system. All risks are analyzed based upon an Impact/Likelihood matrix and are assigned to one of the following ratings: Low, Medium Low, Medium, Medium High, and High. Our risk management system also identifies parties responsible for such risks as well as the relevant reviewing parties and any plans to mitigate such risks.



A team of significant crisis management is formed across various levels and departments to handle all risks in swift manner. A three-level alert mechanism triggering corresponding actions on the Company's communication, plan and strategy has been set out for the team. Regular training and promotion are conducted to ensure the capability of emergency handling.

Being an integral part of effective risk management, the robust internal control systems safeguard the shareholders' investment and the Company's assets. The systems serve three major purposes:

- to timely respond to significant business, operational, financial, compliance and other risks to fulfill the Company's business objectives;
- to maintain proper accounting records for the provision of reliable financial information for internal or external reporting; and
- to comply with internal policies and relevant rules and regulations.

Under the risk management and internal control systems, a range of potential risks and opportunities to our business are acknowledged and managed.

In 2020, we had faced unprecedented challenges brought by the COVID-19 pandemic as Macau experienced its lowest visitation in decades due to travel restrictions and quarantine measures. During those difficult times, we showed our resilience and timely response to the challenges. We undertook financial measures to sustain our businesses with great determination. A number of recovery strategies have been developed to boost visitations upon the relaxation of travel restrictions in mainland China. Pertaining to brand awareness, we have strengthened our marketing activities through promotions, events and strategic collaborative events. We also focus on enhancing our guest experience by upgrading hotel rooms, food, beverage, retail, and entertainment offerings, as well as expanding and refurbishing of non-gaming areas.

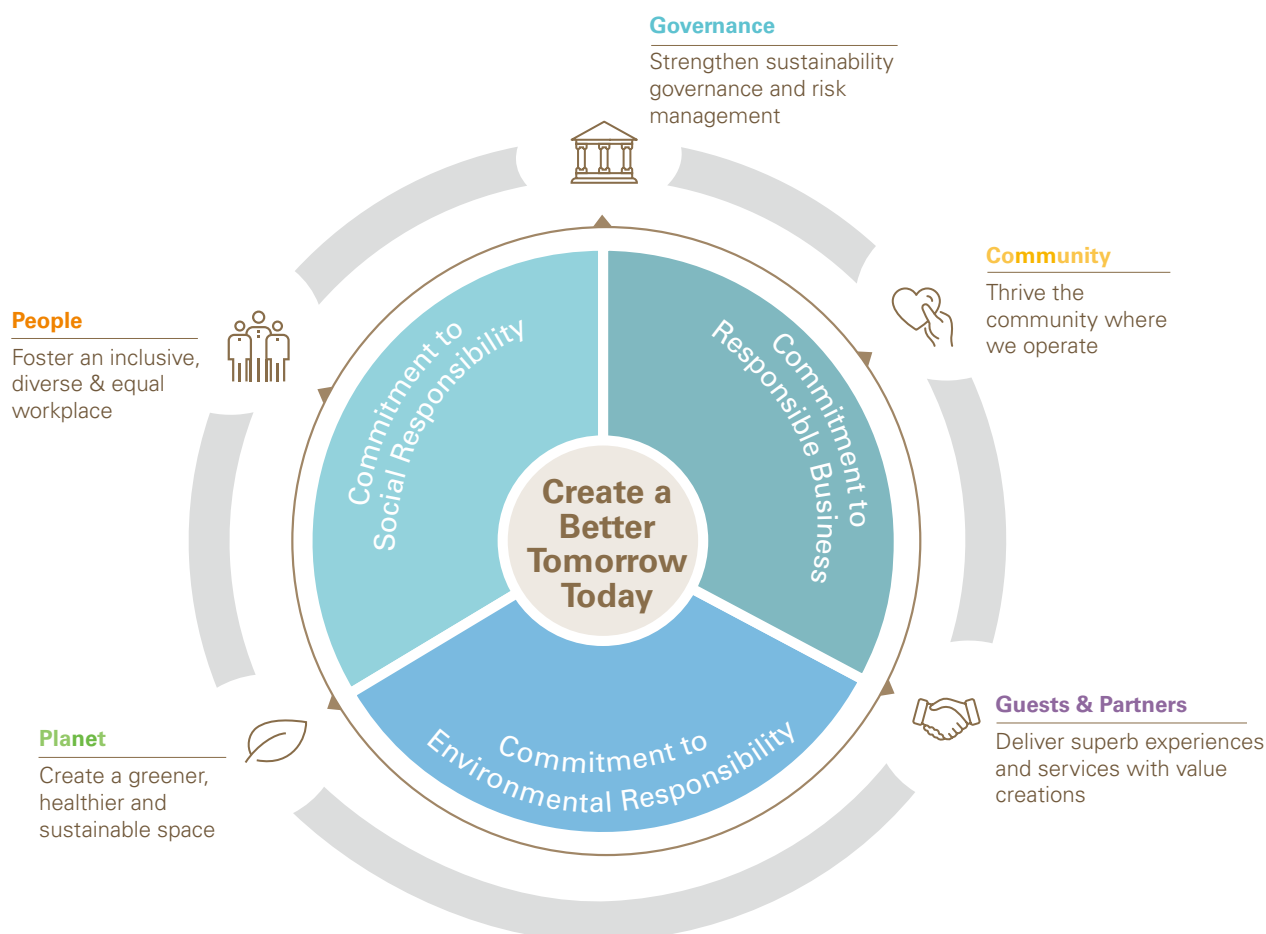


## SUSTAINABILITY VISION AND FRAMEWORK

We go beyond our responsibility as a corporate citizen in creating positive, long-term values within our business operation, the communities in which we operate, our surrounding environment and our partnerships. Over the years, we continued to work towards the realization of our Sustainability Vision, "Create a Better Tomorrow Today" by taking into account the impact of every decision we made along the way. We believe that a strong culture to operate our business sustainably and responsibly will lead us to shaping a more sustainable future for our business, the community and Macau. Moreover, the robust sustainability framework helps us to streamline organization structure and increase our productivity. We pursue sustainability through the combination of internal policies and strategy, which align with the SDGs.

We believe that good sustainability practices are based on sound policy formulation. In 2020, a new integrated sustainability framework was devised in consideration of the market trends, industry practice and stakeholders' feedback to better strategize our sustainability direction and effort. Our Sustainability Policy framework aligns our Sustainability Vision with MGM China's mission and its core values in three areas of commitment: **Responsible Business, Social Responsibility, and Environmental Responsibility**. To fulfil these commitments, we embody **People, Community, Planet** and **Guests & Partners** at the heart of our sustainability strategies along with **Governance** to deliver sustainable values to our business, the environment and society.

MGM China seeks to work collaboratively with its stakeholders both internally across functions within the Company and externally in monitoring the performances and progress of those commitments. Looking forward, we will devise more comprehensive key performance indicators ("KPIs") under each of the pillars to monitor our sustainability performance and track progression.



## SUSTAINABILITY GOVERNANCE

At MGM China, we integrate sustainability management into all levels of our governance, from Board-level and management-level committees to operational-level teams and business units. Established in 2012, the MGM Sustainability Committee ("Committee"), chaired by the non-executive director of the Board, drives us towards fulfilling our Sustainability Vision and goals. In recognition of the rocketing awareness on sustainability in the market, we advance the structure of our Committee to enhance diversity, uphold accountability and the multi-disciplinary nature of sustainability. Therefore, the Committee underwent a restructuring, increasing the membership from 7 to 11 core departments in 2020.

The 3 operational-level teams, namely the Community Volunteer Team, Climate Change and Carbon Management Team, and Green Team are in place to encourage employees' participation in community events, explore environmental enhancement opportunities, and engage and inspire fellow team members to help us achieve our environmental objectives.

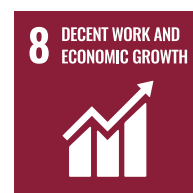
### Sustainability Governance Structure



## RESPONSE TO GLOBAL CALLS FOR SUSTAINABLE DEVELOPMENT

MGM China supports the SDGs and has identified and aligned the Company's strategy and initiatives with 9 relevant SDGs addressing global challenges.

### UN SDGs Supported by MGM China

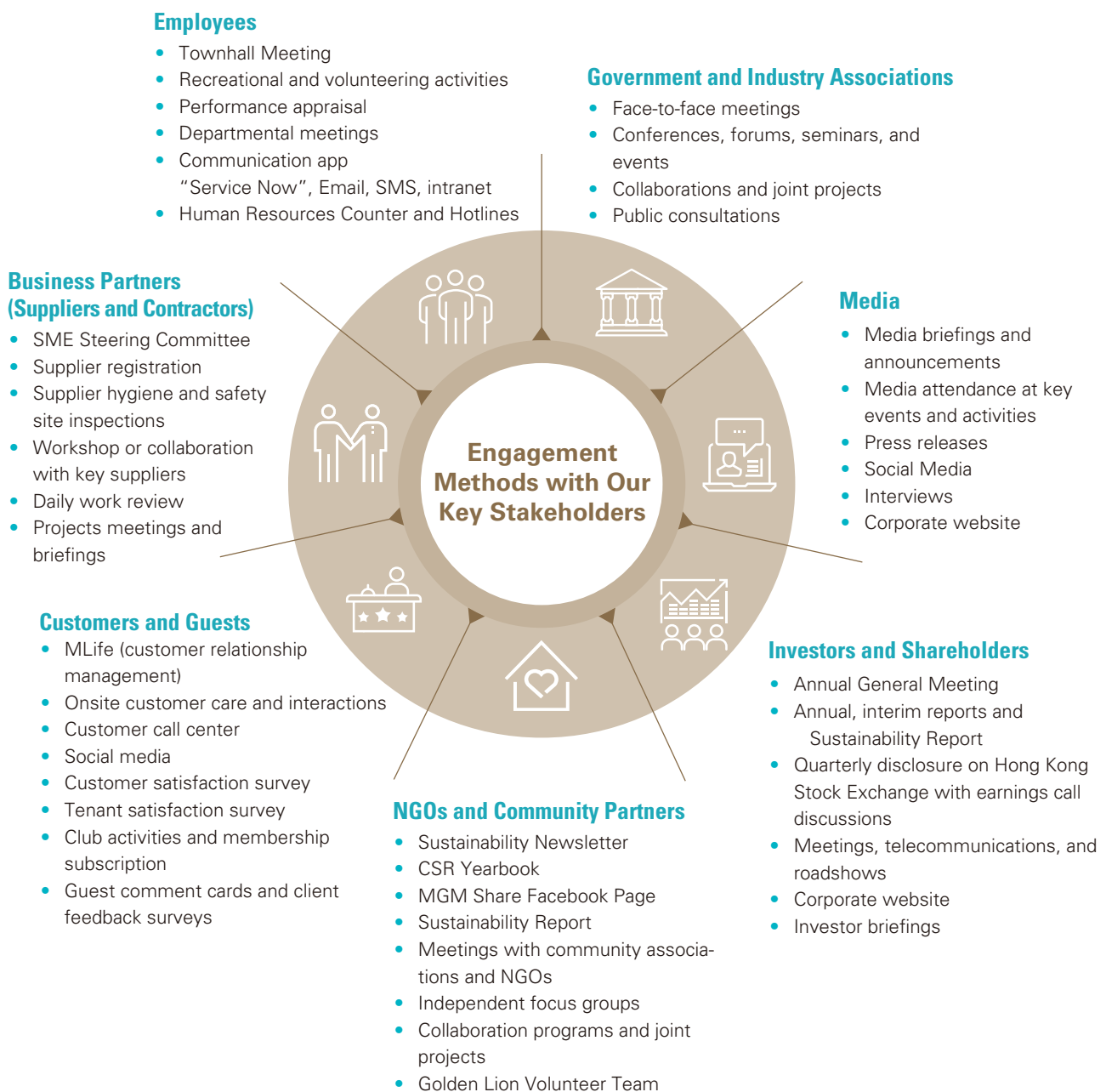




## STAKEHOLDER ENGAGEMENT

Communication with our stakeholders on sustainability is imperative to understand their concerns and expectations on our environmental, social and governance strategies and performance. As such, we remain proactive in creating engagement opportunities with a diverse range of stakeholders, including employees, business partners, suppliers, customers, NGOs, community, and shareholders, through an array of communication channels on a regular basis. Invaluable opinions gathered are taken into thorough consideration in defining our sustainability directions, strategies, and reporting priorities to ensure every business decision we make is well-informed and based upon mutual trust.

### Engagement Methods with Our Key Stakeholders



During this year, we commissioned an independent consultant to conduct stakeholder engagement and materiality assessment to review the prioritization of the sustainability material topics. A series of stakeholder engagement activities were conducted with reference to key principles of the AA1000 Stakeholder Engagement Standard. With consideration of MGM China's business operation, sustainability trends and international reporting guidelines were identified and incorporated into the exercise to gather in-depth understanding of stakeholders' opinions and expectations towards MGM China's sustainability performance and strategies.

**780+**

In 2020, we engaged stakeholders with a wide array of stakeholders including Committee members, employees, investors, suppliers and contractors, community partners, industry associations, guests, and customers as well as tenants.



Questionnaire surveys



**2**

Focus Group Workshops



**5**

In-depth Interviews

## MATERIALITY ASSESSMENT

The materiality assessment process helps us to identify and prioritize sustainability topics which have the most significant impact on the company's businesses and development and being most material to our stakeholders. The process is summarized as below:

### Step 1



#### TOPIC IDENTIFICATION

- Based on the Company's previous material topics and referencing from international reporting standard, industry best practices and emerging sustainability trends, a list of 31 sustainability topics were identified and categorized into 6 areas for prioritization

### Step 2



#### TOPIC PRIORITIZATION

- Stakeholders were invited to rank the sustainability topics by evaluating the topics' importance to the Company and stakeholders' interest through various engagements
- Peers' disclosure practices were reviewed to identify industry standards
- A prioritized list of material topics was developed

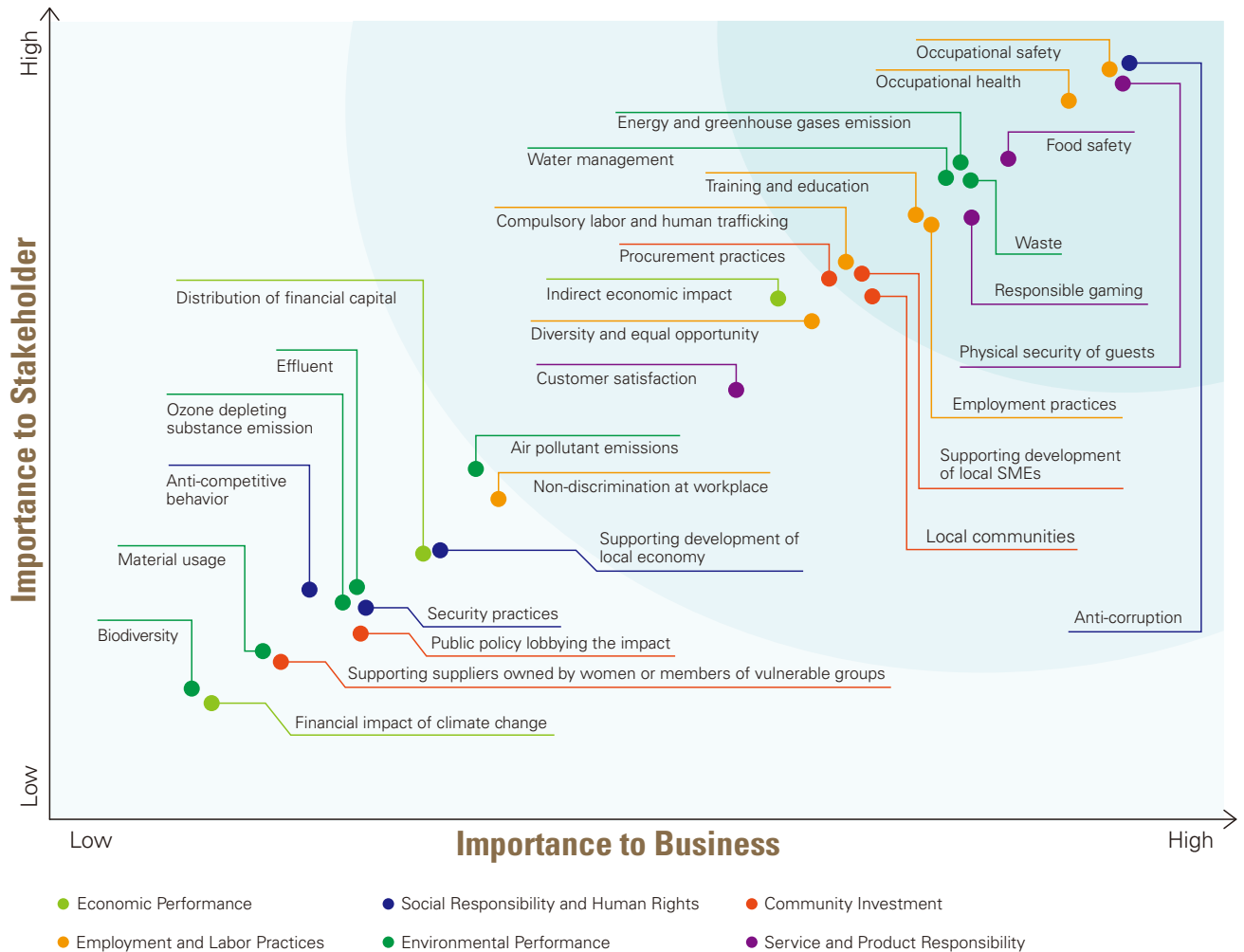
### Step 3



#### VALIDATION

- Discussed and validated the material topics by the Committee for reporting and subsequent strategic management

## MATERIALITY MATRIX


























































## MATERIAL TOPICS AND THEIR RESPECTIVE BOUNDARIES

There were 18 material topics plotted within the threshold under the assessment. During the review and validation process, 2 additional topics (Financial impact of climate change and Supporting development of local economy) were considered important. In addition, business ethics, data privacy and corporate governance are the fundamental principles as well as business core values, hence constituted as material topics too.

The table below shows the final list of the material topics and their corresponding boundaries in which certain topics are regrouped into a total of 15 material topics to deliver a summative picture of materiality.

Category	Material Topics	Impact Boundaries				
		Employees	NGOs/ Community Partners	Business Partners (Suppliers & Contractors)	Guests/ Customers	Investor/ Shareholders
Economic	Anti-corruption					
	Indirect economic impact					
Environmental	Climate change and energy management <sup>1</sup>					
	Waste					
	Water management					
Social	Occupational health and safety <sup>2</sup>					
	Training and education					
	Employment practices					
	Diversity and equal opportunity					
	Compulsory labor and human trafficking					
	Procurement practices					
	Customer satisfaction					
	Customer health and safety <sup>3</sup>					
	Responsible gaming					
	Supporting local communities <sup>4</sup>					

<sup>1</sup> Regrouped "Financial impact of climate change" and "Energy and greenhouse gases emission".

<sup>2</sup> Regrouped "Occupational safety" and "Occupational health".

<sup>3</sup> Regrouped "Physical security of guests" and "Food safety".

<sup>4</sup> Regrouped "Supporting development of local economy", "Local communities" and "Supporting development of local SMEs".

## RESPONDING TO STAKEHOLDERS

From the series of stakeholder engagement exercises that took place this year, key feedback from stakeholders is selected and our responses are listed below:

### Sustainability Governance and Strategy

Stakeholders would like to know more about MGM China's sustainability strategy, policy, performances, and targets.

#### Stakeholder feedback

This year, we are reviewing the sustainability strategy and framework with new composition of the Committee along with various stakeholder engagements to revisit sustainability topics priorities. Understanding that stakeholders have great interests in corporate sustainability disclosure, we will enhance our transparency through publishing standalone report along with initiatives and medium- to long-term targets and goals.

More information on our initiatives could be found in the **Our Approach to Sustainability** Chapter.



#### Our responses

### Climate Change and Energy

Stakeholders agreed that MGM China have been putting constant effort in green building and energy optimization program, and look forward to seeing bolder initiatives to achieve carbon neutral by 2030 or clean energy adoption.

#### Stakeholder feedback

Without a doubt, climate change needs collective action and we stay at the forefront in taking up the challenge. We make continuous efforts to optimize energy efficiency and explore new opportunities to incorporate green measures at our operations. Moreover, we aim to align our business development with the Country's goal of reaching peak emission by 2030 and carbon neutrality by 2060.

More information on our initiatives could be found in the **For a Better Planet** Chapter.



#### Our responses

### Waste Management

Stakeholders are interested in knowing how MGM China manages its waste generated, especially on food waste, and look forward to seeing more ambitious steps in waste recycling.

#### Stakeholder feedback

We review our operations to avoid unnecessary consumption and look for meaningful ways to utilize resources before disposal. Moreover, we continue to explore and expand the types of items we can collect for reuse and recycling at our operations.

Recycling programs are in place to reduce waste, covering paper, plastic, e-waste, cooking oil, etc. To tackle food waste generation, we also took the lead to install the first ORCA food digester in handling food waste in Macau.

More information on our initiatives could be found in the **For a Better Planet** Chapter.



#### Our responses

### Supply Chain Management

Stakeholders were aware of MGM China's support and collaboration with local SMEs over the years and would like to see more seminars and workshops regarding development plan, procurement standards as well as environmental and social preferences.

#### Stakeholder feedback

We have worked closely with our business partners in promoting responsible practices along our value chain. We strive to bring local SMEs to do business in mainland China and the global market and pave the way for local creative industries to cooperate with us. The MGM SME Committee was created in 2015 in which prioritizes local sourcing and has achieved over 85% and 23% of total procurement spending in Macau's local enterprises and SMEs respectively. A series of Anti-epidemic initiatives were provided for SMEs to cope with the difficult times.

More information on our initiatives could be found in the **For Better Guest and Partner Relationships** Chapter.

#### Our responses

### Community Investment

Stakeholders recognized MGM China's efforts in providing various opportunities for younger generation. At the same time, stakeholders would like to see more engagements in terms of promoting environmental protection and social inclusion among youth through corporate social responsibility events.

#### Stakeholder feedback

We are devoted in offering career opportunities such as internship programs to local youth and organized community service events in collaboration with schools and education institutions to encourage the younger generation to give back to the community.

We also create extraordinary experience for local youth, for example A Day with MGM and Nurturing Little Craftsman Series, with the aim to engage the younger generation in learning about professionalism and culture. In the future, we will explore more collaboration or engagement with different stakeholders on sustainability topics. More information on our initiatives could be found in the **For a Better Community** Chapter.

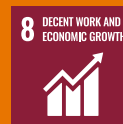
#### Our responses



# For a Better Team



Our team members are our most valuable assets who are passionate in hospitality industry to deliver high-quality and great service and share our visions and goals to bring artistry and entertainment to life. Our people are the heart of the Company that drives our business growth and reinforce our brand as a leading resort operator. With our vision in mind to gather great people to create great moments, we seize the opportunities to retain the best in the industry and to unleash their greatness. We aim to create the most inclusive and pleasant environment for our team members, so not only can they enjoy a full range of welfare, but also find empowering opportunities to thrive and progress their careers.



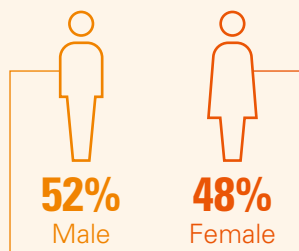
# PEOPLE

## Human Capital

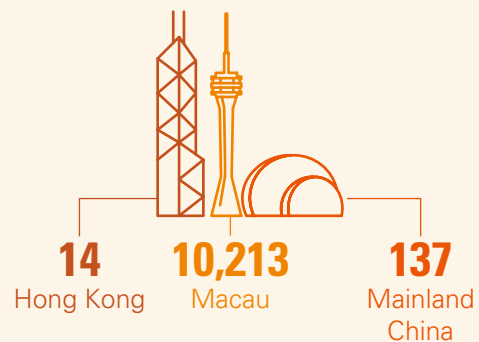
### Team Profile

People are at the center of our culture. We build and invest in a strong and diverse pool of talent with over 10,000 team members to support our development and operation.

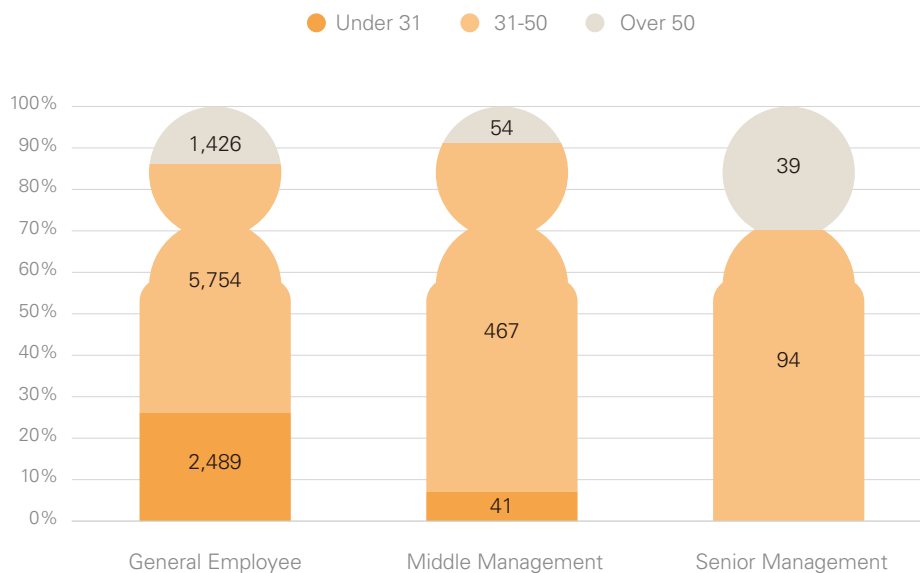
#### Workforce by Gender



#### Workforce by Region



#### Workforce by Age Group and Employee Category

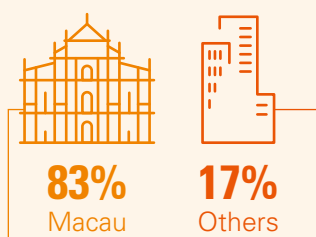


## Talent Recruitment

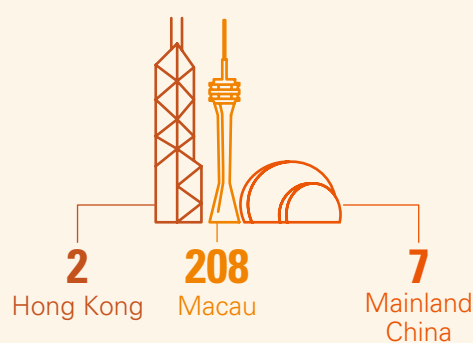
As a leading resort operator in the Greater China region that delivers best-in-class experience to our guests, our excellence depends on high performing employees. Our Human Resources Policies are well-designed to attract and retain talents who demonstrate professional attitude and commit to provide premium services, creating unmatched experiences for our guests.

In support of the Macau Government's development plan to transform the city into a tourism education and training hub in the Greater Bay Area, MGM China strives to nurture potential candidates that show passion in launching a career in the tourism and hospitality industry.

### Percentage of senior management<sup>5</sup> from local community and others



### Total new hires by geographical region



## Rewarding and Retaining Talents

We offer competitive remuneration and benefits to attract and retain talents. Our philosophy is to reward eligible employees with meaningful, fair and comprehensive benefits, and to encourage structural career and professional development within the workforce.

Our package includes a bundle of employee benefits, including medical care, provident fund and discretionary bonuses to reward high performing employees. We also offer a wide range of leave entitlements, such as marriage, maternity and paternity leaves, allowing flexibility for our employees to balance their work and family responsibilities.

<sup>5</sup> Director level and above employees are considered senior management who were hired from the local community (Macau).



To offer better incentives for our team members to perform their best, we keep innovating and transforming our compensations and benefits practices. Modeling after the concept of our customer loyalty program MLife, we gamify the compensations and benefits structure to allow more flexibility in rewarding team members. Team members can earn credits from outstanding performance, recognitions from guest or departments, seniority, achievements and participation in sustainability events. Team members are also entitled to benefits of the MLife Employee Program, which offers exclusive discounts and loyalty points for their resort spending. Our team members can also enjoy special employee privileges at 200+ shops and restaurants too.

To thrive and advance our team members' career path, a well-structured career developmental plan is in place to motivate our team members. We perform an external and internal salary benchmarking exercise annually and review our team members' salaries based on a transparent timeline and promotional plan. Management conducts annual review with each team member regarding their performance, goal setting and to gain better understanding on their career expectations. These approaches assist our employees to fulfill their potential and explore their career horizontally and vertically. In addition to salary adjustment and promotion, team members with outstanding performance on specific projects or events, or have demonstrated continual excellence will be recognized with our Golden Lion Awards or Leo Awards. In 2021, we will launch a new "MGM Service Excellence" journey to elevate and promote our service culture with "Great Moments Awards", sharing sessions, and more.

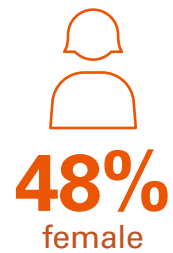


## Diversity and Equal Opportunities

Understanding that a diverse, inclusive and positive workplace is also the key to retain talents, we uphold a high standard of fairness to eliminate discrimination and mistreatment within the Company. We treat all our employees fairly, regardless of their gender, age, ethnicity, family status, sexual orientation, disability, race, religion and any other aspect of personal difference. Our employees are expected to share the same commitment with us and demonstrate mutual respect and appreciation towards others.

Macau is a flourishing destination for tourism and leisure, which means we encounter guests from around the globe. To maintain a global service standard and mindset, we leverage on the power of a richly diverse team comprising professionals from different backgrounds to enrich the services we offer to our guests from around the world. We support anyone who has a passion to create greatness, regardless of their differences. To further embed inclusivity in our culture, we provide opportunities to disadvantaged individuals to help build their career capacity. In 2020, we have over 40 disadvantaged team members serving in different departments, helping them to utilize their competencies and pursue continuous development. MGM China was being recognized in both “employer” and “employee” categories of the 2019 Excellent Disabled Employees & Hiring Disabled Staff Recognition Scheme, a program co-organized by the Labour Affairs Bureau (“DSAL”) and the Social Welfare Bureau (“IAS”) of the Macao SAR. It was the seventh time MGM China received honors in the “employer” category and saw its employees earn distinctions for the fourth time. Moreover, our team comprises members from different nationalities showcase our effort in broadening the diversity in our workforce. We also work towards creating an equal workplace through means of remunerations and career development.

**33** different nationalities  
with a gender ratio of



## Taking the Human Rights Pledge

As a responsible employer, we absolutely respect the rights of all our team members and treat everyone with equity and fairness. We have zero-tolerance to workplace discrimination and human trafficking related issues. The Company has formulated a [MGM Human Rights and Anti-Human Trafficking Position Policy](#) that is aligned with well-recognized universal values and standards, including the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, which covers non-discrimination, prohibition of child and forced labor, and civil and political rights. We strive to comply with and go beyond the minimum statutory requirements with regard to labor issues. We perform rigorous background checks and work with established and trusted contracting agencies that support our human rights focus and avoid any child or forced labor. MGM China’s Employee Handbook (“Handbook”) clearly illustrates our labor policies and practices, which cover compensation, dismissal, recruitment, promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare. The Handbook is well circulated and communicated to our employees through new hire orientation program. During the reporting period, there were no incidents of non-compliance concerning applicable labor practice-related laws and regulations that had significant impact to the Company.

## Nurturing Our People

### Learning and Development

We aim to cultivate a team with specific industry knowledge and skills for a sustainable business growth and the upkeep of our reputation in providing services of exceptional quality. We offer an array of continuous development opportunities to our team members, equipping them with essential technical and soft skills such as leadership, customer relationship building and software applications, and nurturing them to excel in offering premium guest services. We also leverage our market presence and scale to work in collaboration with professional external parties in providing professional skills and vocational trainings to our team members.

#### Total Training Hours



Despite the COVID-19 pandemic has disrupted normal operation, the total training hours have reached **450,000+** in 2020, with an average of 43 hours per employee.

**4,000+** team members attended virtual classroom or remote online courses during the year.



#### Average Training Hours by Gender in 2020



Female

**42.2** Hours



Male

**44.5** Hours



#### Average Training Hours by Employee Category in 2020



Senior and Middle Management

**20.7** Hours



General Employee

**45.1** Hours

## Discovering a Greater You

“Unleashing Greatness”, one of our well-structured career development project, covers an array of talent development opportunities and aims to fully intrigue the career interests and grasp the potential of our team members.



探索學習的樂趣，綻放更璀璨的人生！

Discover the Joy of Learning, Discover a Greater You!

### Unleashing Your Personal and Professional Greatness

#### MGM Academy

MGM Academy Program is launched in 2009 to offer thousands of world class learning courses and activities, covering topics such as leadership skills, personal development, customer services, and operational management.

#### MGM eAcademy

An e-learning platform established in 2016, providing **> 6,500 learning courses**, is established to facilitate self-directed learning, our team members can access the learning materials and track the learning progress from anywhere and at anytime.

During the pandemic, we introduced virtual classroom developed by a local young entrepreneur, Yorkshire Online Academy, through which we offered a series of distance learning in online mode to **> 4,000 team members**.

### Unleashing Your Career Greatness

#### PRIDE

MGM China's award-winning career development program, PRIDE, was established in 2014. It provides a series of tracks for high potential team members to prepare for higher management roles in MGM.

The program comprises various learning opportunities, including management skills training, industry visits, cross exposure, and mentorship programs.

Overseas educational trips to international tourism destination such as US, Japan, Singapore, Peru etc. have been organized for **> 300 PRIDERS**, giving them a chance to learn from “best-in-class” operators and leaders across the globe.

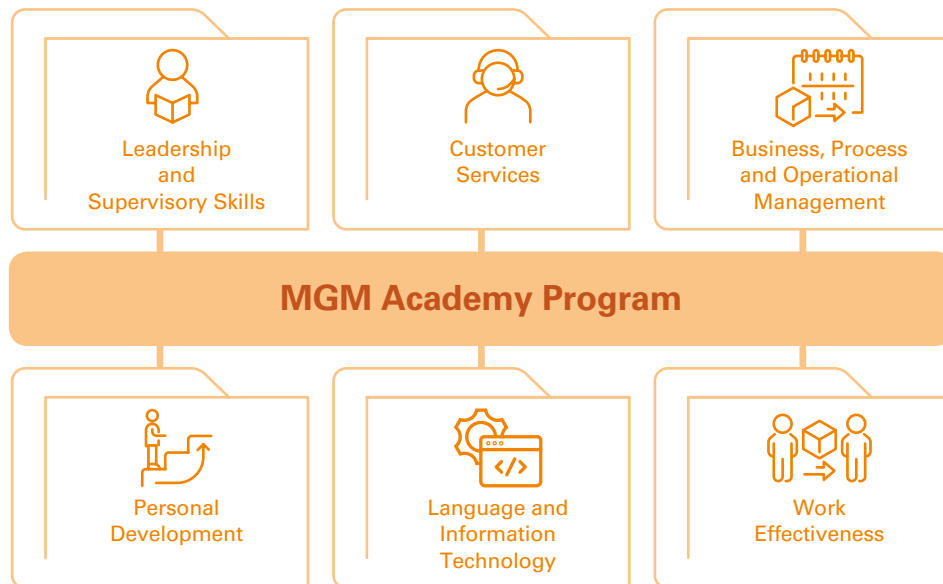
In 2020, 3 tracks, namely Managerial, Specialist & Supervisory Tracks, have been successfully completed.

#### MAP

Management Associate Program (MAP), established in 2014, is a fast-track career program designed for new local graduates in Macau, providing opportunities for young local individuals with passion in hospitality industry to join managerial roles in MGM China.

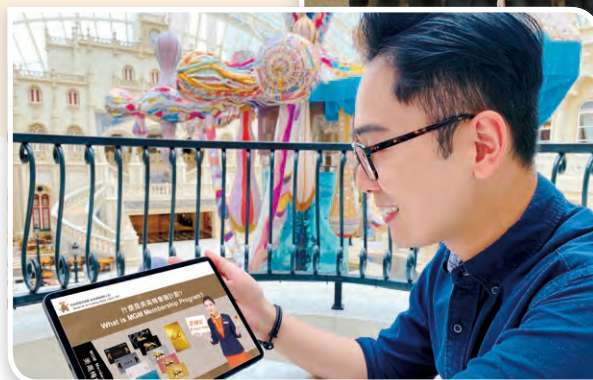


## Key subjects of the Learning Curriculum



Being selected to the PRIDE program is definitely a pleasure and also a challenge for myself. I enjoyed the PRIDE journey a lot, especially the activities on team building, risk management, critical thinking... all of them are great experience and knowledge which had built my capacity to rise up to the challenge brought on by the COVID-19 pandemic; the competence afforded by the program helps me confidently lead my team to sail through the difficult times. I am proud to be a Prider, and I wish all the new Priders can fully enjoy the journey as well.

**Antonio Wong - PRIDER/ Workforce Management Manager**





## Embracing External Collaboration

We develop pipelines of diverse talent through providing a broad range of educational and vocational trainings for our team members in partnership with over 20 government departments and local organizations such as DSAL, Macau Government Tourism Office ("MGTO"), Macau Federation of Trade Unions ("FAOM"), Macao Polytechnic Institute ("MPI") and other educational institutions.

### Partnership with Educational Institutions



#### Macao Polytechnic Institute ("MPI")

We work with MPI to offer Diploma in Gaming Management and Certificate Course in Management for our team members, promoting their professional development in the hospitality industry.

#### The University of Macau ("UM")

A leadership certificate course has been jointly organized by MGM China and UM for 26 team members from middle management, aiming to develop their leadership skills and to promote their upward mobility.

### Professional Workforce Development Series with DSAL

We partnered with the DSAL to co-organize the "Professional Workforce Development Series", attracting over 5,000 team members. The Series offered diverse professional trainings under 3 pillars: "Occupational Quality Training", "Professional Certification" and "Career Development Program".

The Series also introduced a brand new "Food and Beverage Occupational Quality Training" to our team members, making us the first integrated resort hotel to co-organize training of such aspect with DSAL and FAOM.



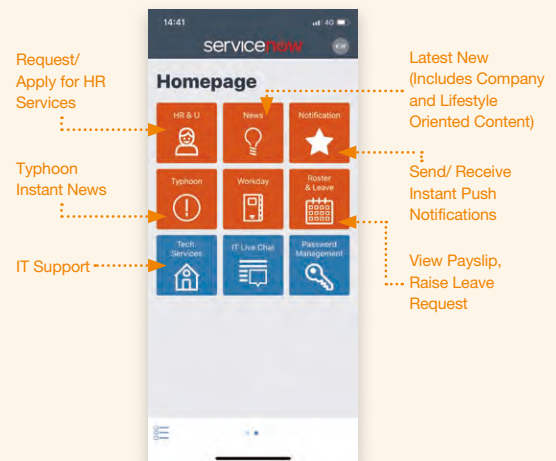
## Employee Engagement and Wellbeing

### Encouraging Employee Communication

Clear and effective communication with our team members is crucial to maintaining synergetic collaboration and support. Our Open-Door Policy encourages team members to share concerns with their immediate supervisors or arrange a meeting with representatives from Human Resources Partner Team via an inquiry hotline. To ensure that their voices can be heard and understood, we have established a well-structured grievance reporting mechanism for team members to file a report with clear guidelines. We value team members' comments and feedbacks and actively facilitate two-way communication between our team members and management. Diverse employee communication channels have been established, including MLife Insider (a Company intranet), Human Resources Service Counter, WeChat channel and a multi-purpose mobile app named "Service Now".

### E-platform to connect with team members seamlessly – Service Now

The app integrates the existing Human Resources management functions, and adopts cloud-based solution to offer instant messaging and 24-hour live chat for our team members to address their concerns, which streamlines the engagement process and reduce the needs of submitting paperwork, helping us to better engage with team members in a more convenient and eco-friendly manner.



### Key Features



#### 24/7 E-platform for HR Services

Request for HR services at anytime and anywhere.



#### Paperless Method for Administration Works

View employment profile, pay slips, apply leaves, and submit medical claims in an instant.



#### Instant Push Notification

Receive latest company news, typhoon arrangements information, as well as other notifications for better work arrangement.



#### Technical Support

Seek IT Support and facilitate the process in addressing the technical issues they encounter at work.



## Taking Good Care of Our Employees' Wellbeing

Creating a workplace that fosters health and wellbeing of our people is the key to unleash the greatness of our talent pool. At the heart of our effort to take good care of our team members' wellness is our dedication to provide extensive programs and welfare facilities. We have also organized a wide range of leisure staff and family activities to maintain team members' work-life balance, while building up internal cohesion, sense of belonging and morale.



As a supportive employer, we strive to provide the best help to our team members when they need it the most. We aim to assist our team members in overcoming their personal difficulties and maintaining a healthy work-life balance.

### Employee Assistance Program ("EAP")



Our EAP engages an independent organization to provide professional on-site and telephone counseling services to our team members, where they can seek confidential and free assistance.

Additionally, team members can share their concerns through note-writing and online chat with EAP counselors.

Personal wellbeing intertwines with family relationships, and we offer great resources to our team members and their immediate family members through "Let's Meet" face-to-face interactive counseling sessions to resolve their personal issues.

We also focus on supporting physical health of our team members. At our Employee Health Center, in-house doctors and nurses provide basic medical needs and first-aid to our team members. We continue to diversify medical services at the Center to offer quality care for team members, including western doctor and traditional Chinese medicine consultation, physiotherapy and dietitian consultation. Refreshment Zones are offered in our workplace where our team members can enjoy leisure moments and gather with their colleagues during their break time. We also offer delicious and nutritious meals to our team members at the employee dining room Home Base at all hours.

### Refreshment Zones at Workplace



#### Quiet Zone

An oasis with relaxing ambience and comfortable lounge chairs for team members to sit back, relax and recharge.



#### Mothers Zone

Cozy and well-equipped area that operates 24-hour to support nursing mothers who are transitioning back to work.



#### Internet Cafe

Another relaxing option that offers free freshly brewed coffees, iPads and PC stations for team members to enjoy their break time.

To boost team spirit and vitality among team members, we established Golden Lion Sports Teams to connect team members who are passionate about sports and to promote health benefits of an active lifestyle. The teams include: Dragon Boat Team, Basketball Team, Soccer Team, Badminton Team, Fencing Team, Table Tennis Team, Bowling Team and Running Team. We organize and participate in different sport events to showcase our spirit of determination and perseverance. Not only have they achieved outstanding results in various competitions, the sport team members also cultivate strong bonding and great relationships with each other.

In addition, volunteerism is one of our goals to create a better community and enrich our lives by lending a helping hand. Our long-established Golden Lion Volunteer Team has been dedicated to supporting community activities since 2010. We actively engage our team members and their families and friends to serve the needy through various type of services.







## Case Study

### Golden Lion Sports Team – Shines at Macau International Dragon Boat Races

MGM China's Dragon Boat Team has participated in Macau International Dragon Boat Races for the 12th consecutive year. In 2020, near 60 of our team members formed the Dragon Boat Team and competed across 4 categories as 2 sub-teams. The women's team delivered impressive performance and won the first runner-up in the Macau Standard Dragon Boat Race – Women Category (500m). The accomplishment showcase the exceptional capability and Golden Lion Spirit of our team members.



Dragon boat races put team spirit and full cooperation to the test. With an average age of 42, our biggest challenge was to enhance our physical strength. The pandemic also made quite an impact on our preparation, so we had to dedicate more time to training. I am thrilled to see our efforts paid off. And I'd like to express my gratitude for the Company's support and our trainer's patience and guidance.

**Cheng In Han - Table Games Dealer**





## Cultivating Culture Appreciation and Competence

We pivot our brand around artistry. To further cultivate team members' appreciation and competence for arts and culture, we regularly host series of seminars and workshops on respective topics, including the Country's unique craftsmanship spirits.

### Arts and Culture – Getting into Macau's History

2020 is the 15<sup>th</sup> anniversary of the Historic Centre of Macau being inscribed on the World Heritage List on 15 July 2005. To commemorate the special date in Macau's history, we have launched a series of programs for team members to learn about the historic features and cultural knowledge of Macau as part of our effort to promote Macau's heritage.



### ***"MGM National Education Series Seminar – The Formation and Development of the Historic Center of Macau" and Guided Tours of Historic Center***

We were honored to have Professor Lam Fat lam, Director of School of Humanities and Social Sciences of MPI, to host a seminar which inspired our team members to inherit the city's eclectic mix of Eastern and Western attributes. In addition, it also featured practical e-learning course and guided tours, which were co-organized with the Cultural Affairs Bureau and drew nearly 300 team members to participate.

### Instilling Craftsmanship into Team Members

In collaboration with Guangdong Federation of Trade Unions and FAOM, we kicked off the "Fostering & Nurturing Great Craftsmanship in Greater Bay Area (Macau)" initiative and held the "Sharing Session on Nanyue Craftsmanship" to promote craftsmanship spirits to 300 individuals from different organizations. To integrate craftsmanship into MGM China's talent development programs, we also organized the "Craftsmanship Training Course" by the professional speakers for our frontline team members.



### Learning About National Security

We have always been supportive in National Education and encourage our team members to learn about the importance of National Security to Macau and other regions.

On the National Security Education Day, we shared the “National Security Education Exhibition”, a 360° virtual reality exhibition co-organized by Macau SAR and China Liaison Office with team members, bringing more convenience for people to learn about the topic.



## Occupational Health and Safety ("OHS")

Ensuring workplace health and safety is our prime priority. We aim to achieve zero incidents by complying with OHS standards recommended by local Government, and relevant laws and regulations to safeguard our team members and contractors. The Health and Safety Policy and Occupational Health & Safety Manual were established to guide our workplace health and safety practices. We clearly communicate the policies and practices to all team members and require them to abide by them. Our OHS practices are aligned with ISO 45001 standards and associated requirements, as well as all applicable local laws and regulations. The Safety Department is responsible for identifying workplace hazards and conducting workplace safety incident investigations. Meanwhile, the Risk and Safety Operations Committee, comprising senior to middle management representatives, meets quarterly to review and discuss on investigation results of injury incidents and relevant mitigation measures. The Committee also facilitates effective communication between management and general team members regarding workplace and public safety matters.

### Guidelines and Tips



The Company delivers a wide range of health and safety guidelines and instructions to team members, such as reminders to wear proper protective gears and examine equipment before use, and to remind team members on potential hazards and prevent on-the-job accidents.

### Incidents Reporting



We recognize the importance of accident prevention and consider it a shared responsibility between everyone in the Company. Team members are highly encouraged to report anything that is hazardous or potentially hazardous at workplace to their department heads.

### Contingency Plans for Emergencies



Our contingency plan sets out clear guidelines to instruct team members regarding fire emergency evacuation plan. The Security Division is established to provide prompt assistance to employees during emergencies. We also formulated a Pandemic Preparedness Plan ("Plan") with departmental guidelines for flu and pandemic measures. Together with the Macau Health Bureau guidelines, our resorts have been conducting body temperature screening and health code checking program along with environmental cleaning and disinfection practice. In 2020, no outbreak has been reported within our property operations, reflecting the effectiveness of the Plan and associated measures.

### Workplace Health and Safety Training



We provide workplace safety and hygiene related trainings and eLearnings for team members of different roles and positions. Trainings include safety card training and examination, and cover topics such as food safety and hygiene matters. Besides those general trainings, role-specific occupational safety trainings were provided for team members in different operation areas to increase their awareness on particular hazards and relative prevention measures. We pay greater attention to workplace hygiene under the pandemic and included COVID-19 related modules in our eLearning, which introduced disease preventive measures and practices to our employees.

Apart from formal guidelines and operating procedures, we organized a series of employee activities from time to time to remind and refresh team members on the importance of OHS, and to foster the culture of work safety.



During the reporting year, **8,100+ team members** received workplace health and safety trainings via face to face training or eLearning.

### Supporting Industry Occupational Safety Training

We collaborate closely with DSAL, with whom we co-signed the Occupational Safety and Health Charter in 2017 and initiated the “Hotel & Catering Occupational Safety Card” training in 2018, a widely recognized training which strengthens team members’ awareness on basic safety knowledge and common hazards in the hospitality industry and shares corresponding preventive measures. To date, more than 5,000 team members have attended the course and gained certificates after passing the assessments.

With all these efforts, a significant decline in work injury has been recorded with a 11% drop in 2019, and even 59% in 2020. We will continue to communicate with all parties to achieve the goal of having zero work injury.

**Fatality  
Rate**

**0**



**Recordable  
Work-related  
Injury Rate**

Per **200,000** hrs  
worked  
**1.05 cases**



### “Healthy Workplace Happy Life” Event

In 2020, we have co-organized the “Healthy Workplace Happy Life” activity with DSAL, FAOM and Women’s General Association of Macau. The theme this year is “Zero Work Injury, We All Have Responsibility”.

The event comprised a series of leisure and recreational activities, including seminars, design competitions, fitness classes and roadshows, with the ultimate goal to remind our team members of the importance of occupational safety, as well as to promote personal wellness.



### Sharing Session on “Macau Youth Empowerment and Contribution to Fight COVID-19”

The COVID-19 pandemic has left significant impacts on everyone. To boost the spirit and instill hopes in all of us, we joined hands with Macao Youth Federation to a host sharing session on “Macau Youth Empowerment and Contribution to Fight COVID-19” on 25th September, 2020 for 300 team members. We invited Dr. Lo Iek Long, President of Macao Youth Federation and the then Clinical Director of the public Conde S. Januario Hospital Centre, and Mr. O Leong, Senior Technician of Health Bureau, to share their frontline experiences in combating the pandemic in Macau, while encouraging our team members to stay strong and positive amid challenging times.





# For a Better Community



"Developing the City and Building our Community" is ingrained in our culture. As a caring and responsible corporate leader, we not only value our team members, but we are also passionate about improving the wellness of the community, especially in challenging times. We create inclusive engagement for the community and foster the city's development through community investment, youth empowerment and arts and culture programs. We grow with the community together for a better shared future.



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



11 SUSTAINABLE CITIES AND COMMUNITIES



17 PARTNERSHIPS FOR THE GOALS



# COMMUNITY

## GIVING IS A PART OF WHO WE ARE

To uphold our corporate culture, we continued to fulfill our pledge to contribute to and connect with the community despite the pandemic during this reporting year. We distributed resources to serve different social groups in the community, in particular our senior citizens, younger generation, disabled and underprivileged families. As a part of the Macau community, we participate in building an inclusive and harmonious environment and hence a better Macau for all. Our endeavor to create a better community is manifested through 3 main aspects.



## Community Investment

We avidly encourage team members to engage with the local community through volunteering, and we are proud to have a strong team of team member volunteers, the Golden Lion Volunteer Team. In 2020, on top of contributing over MOP30 million cash and in-kind donations, we also devoted ourselves to a series of signature events to bring positive impacts to the community.

### 1,800+

Golden Lion Volunteer Team  
volunteers participated



### 90+

Community Events



### 20,000+

Volunteer hours contributed



### 7,000+

Beneficiaries



For more information about our community engagements, please visit our Facebook Page: [MGMSHare](#).



Charitable donations are part of our long-standing tradition of supporting local community in which we operate. Some of our philanthropic effort highlights this year are:



Donated **MOP 300,000** to the Macau Holy House of Mercy's Welfare Shop project for the **8<sup>th</sup>** consecutive year, with an accumulative amount of **MOP 2.3 million**, reaching **7,900** disadvantaged beneficiaries by distributing food hampers to them.

Donated **MOP 600,000** to Tung Sin Tong Charitable Society for the **13<sup>th</sup>** consecutive year, supporting the provision of local welfare services at large.



Donated **MOP 600,000** to Macau Daily News Readers' Foundation for the **13<sup>th</sup>** consecutive year to support the "Walk for a Million" campaign.





## Case Study

**“MGM Community Care Campaign”** is our heartfelt gift to the community. The campaign was held for the 9<sup>th</sup> consecutive year in 2020, partnering with 20 community associations to offer a wide reach and extensive benefits. Our MGM team members have contributed practically 1,000 hours to this campaign, engaging over 300 youth and children through a series of heartwarming activities, including:

“The MGM Experience” provided teenagers with opportunities to work at our integrated resorts and volunteer at various community associations, intriguing their career interests while contributing to the community



The **“MGM Floral Design Workshop”** offered a floral arrangement class for teenage girls from Sheng Kung Hui Macau Social Services Coordination Office



The **“MGM Children’s Health Day”** offered 200 children with free body check-ups conducted by invited professionals from Worker’s Medical Clinic of FAOM.



The **“Inclusion Baking Workshop”** where volunteers bonded with their children and members of the Macau Special Olympics through baking together.



The “Clothing and Toys Donation” donated items collected from our team members to the disadvantaged groups via Macau Salvation Army and Happy Market of Fuhong Society of Macau. We also promoted “Blood Donation” to encourage our team members to give blood.

## Caring for Local Senior Citizens

Local seniors are one of the major target beneficiaries within the breadth of our community engagement. The Local seniors are one of the major target beneficiaries within the breadth of our community engagement. The **"Health Day for Senior Buddies"** is one of our traditional philanthropic programs designed specifically for local senior citizens, which we have been hosting for over 10 years. We

offered the senior citizens free one-on-one health consultations by medical practitioners from the Chinese Medicine Association of Macau and Chinese herbal soups with customized recipes that cater to different nutritional and health needs. On the day of the event, our MGM Golden Lion Hairdressing Team also provided complimentary haircut service to the senior citizens. This annual program has served over 1,800 senior citizens since 2010. We are always looking to create memorable and great moments for our senior citizens. Previously, we also organized "Love Moments at Spectacle" to help take their wedding photos at MGM COTAI Spectacle.

Our philanthropic programs also include **"Spring Clean for Love"**, through which we offer pre-Chinese New Year household cleaning services for senior citizens and **"Haircut for Love"**, sprucing up senior citizens with free hair makeovers to welcome the festive season. To help nourish the wellbeing of our senior citizens, MGM China have also been providing safety inspections before typhoon season every year since Typhoon Hato's turmoil in 2017. This year, we included the element of COVID-19 prevention and held the **"Together, We Fight the Pandemic and Storms"** program to help the seniors prepare for both the typhoon season and the pandemic.





## Empowering Future Generation

Younger generations are the future leaders and innovators. This is why we are passionate about inspiring the youth and unleashing their potentials through different exposure opportunities and development programs. We place special emphasis on grooming talents for the local tourism and hospitality industry, allowing them to hone lasting skill sets that can be readily applied to future career opportunities in the industry. For over a decade, MGM joined forces with government departments and local institutions to introduce internship programs for local youth. In the reporting year, apart from supporting 36 university students to complete their 6-month internship program in different departments at MGM, the Company especially supported the **"Fresh Graduate Internship Program"**, an initiative of the DSAL, to provide internship programs for 22 fresh university graduates.

MGM is also the only large-scale integrated resort operator to support "Summer Internship Program" launched by Education and Youth Affairs Bureau for 6 consecutive years, and to date, over 60 university students have joined this program.

We also hosted the 8<sup>th</sup> **"MGM High School Internship Program"** to advocate career planning at a younger age. So far, we have created precious career experience opportunities for over 160 students through these programs.

Apart from the internship programs, we have also been co-organizing the **"Culinary Demonstration Workshops"** to share culinary techniques and industry insights with students from the Faculty of Hospitality and Tourism Management from Macau University of Science and Technology since 2018. We also launched the **"MGM x City U Youth Education Series"** with the City University of Macau to give students property visits and educational sharing throughout the year to reach out and nurture more future industry talents.



COVID has made last year very difficult for me as a fresh graduate, so I feel very lucky to have received this opportunity and get the working experience at MGM. I am grateful for my team members who had helped me to transition into my full time role. Through the program, I gained more knowledge on computer systems, casino operation, and communication skills — all of these helped me progress greatly and I am thankful for the program for offering me this opportunity.

**Peter Chong – Fresh Graduate Internship Program/ Technology Service Specialist**



## Working Towards a Diverse and Inclusive Macau

Apart from our ongoing volunteering activities and community investments, it is also our sustainability mission to create and contribute to a holistic cross-disciplinary and cross-sectorial social cycle that is self-driven and self-sufficient. Therefore, we have been using the Public-Private-Community Partnership ("PPCP") approach to engage with different parties to maximize our social impact and shaping of a more diverse and inclusive local community.

### F&B Vocational Trainings for Mental Health Rehabilitants

To facilitate the path for mental health rehabilitants to return to the community, we joined hands with Fuhong Society of Macau to offer a series of food and beverage related vocational trainings for their trainees. Conducted by MGM pastry chefs and restaurant service team members, the training program equipped the trainees with solid skills of professional standard including core-service procedures, customer service manners and culinary skills.





## Disabled's Well-Being Concerns

Parallel with the 10-year Plan for Rehabilitation Services rolled out by the Macau Government to improve the quality of life of people with disabilities, we sponsored the Macau Assistive Technology Resources Center run by the General Union of Neighborhood Associations of Macau ("UGAMM"). The Center is the first of its kind one-stop center in Macau. As a sponsor of the Center, we also partnered with the Center to ramp up our efforts in promoting social inclusion. A series of training programs on the proper use and cleaning of assistive devices was held to strengthen the competence of our volunteers to provide more considerate services in the future. An experience day was organized for our team members, their family and other community partners to acquire practical information and enhance their understanding of people with disabilities.



## Innovative Ways to Serve Our Community

To better accommodate the evolving needs of different social groups in the community, we have tapped into more innovative ways of providing services by incorporating new technologies and online platform into our community service and collaboration with the Government and NGOs.

### Mobile Speech Therapy Service

Ü CARE Moving Care and Service Shuttle is the first ever community-wide speech therapy service vehicle in the Greater Bay Area. It is a project that we collaborated with Sheng Kung Hui Macau Social Services Coordination Office. The vehicle travels around different parts of the local community to provide speech therapy services, including consulting, case referrals and language development, to children with special education needs.



## Sign Language eLearning Program

MGM China partnered with MGTO and Macau Deaf Association to launch Macau's first sign language eLearning programs for the public in 2019. In addition to basic sign language courses on daily expressions and Macau's tourism resources, MGM has joined hands with MGTO and the Oral History Association of Macau to expand the eLearning program to include introductory series of Macau history and culture this year. The program has attracted over 4,000 registrations since its launch and has enabled learners to promote and share the stories of Macau to global tourists.



## Case Study: Together to Fight COVID-19



The COVID-19 pandemic has been a global health challenge for everyone. Despite it being a challenging time for us to adapt to the new business environment, we continued tending to the needs of different community groups. We have widened our reach beyond charity donations and introduced various supporting initiatives and relief programs to fight COVID-19 together with the community.



Supporting the Macau Government's anti-epidemic effort, we stood by the 3C Principles to combat the pandemic hand-in-hand with all levels of the society.

## 3C PRINCIPLES



Communicate

Connect

Care

### ESTABLISHED

## 7-POINT SAFETY PLAN

1



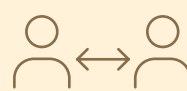
Temperature measurement

2



Wear masks and other protective equipment

3



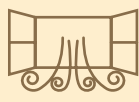
Maintain social distancing

4



Frequent hand washing and disinfection

5



Maintain a clean environment and good indoor air quality

6



Establish rules to reduce the risk of transmission

7



Leverage technology to reduce face-to-face contact

### STAY CONNECTED DESPITE OF SOCIAL DISTANCE



Provided anti-epidemic information and message to team members and family through "Service Now" app, social media, email and SMS



Created 25 videos on different topics in relation to pandemic updates, hygiene and health matters



Connected local citizens with the external LED wall disseminating anti-epidemic message and videos to support the Government's effort on fighting virus



We have considered the community needs with compassion when providing pandemic resilience community support to address the community's well-being and reduce the impacts caused by COVID-19. The community support was to meet the below needs:



**Basic needs**



**Educational needs**



**Communication needs**



**Financial needs**

## PANDEMIC RESILIENCE COMMUNITY SUPPORT



**1,000,000**

Face Masks



**800**

Learning kits



**MOP 20 million**

Monetary support





**2,000**



Supply kits





## Pandemic Resilience Community Support Highlights

Community Group	Community Support Highlights	Amount of Beneficiaries/Donations
 <p><b>The Nation and the Macau Government</b></p>	Donated to Hubei province for purchasing preventive and medical supplies to support Central Government anti-epidemic work	<p>MOP <b>20</b> million,</p> <p><b>500,000</b> face masks,</p> <p><b>2,000</b> pieces of artwork,</p> <p><b>3,000</b> sets of pastries</p>
	Donated face masks to the Macau Government and pandemic care kits to NGOs for distribution to the needy in community	
	Organized MGM Art and Solidarity in Action and gathered artwork from Golden Lion team members to appreciate the frontline workers in Wuhan	
	Co-organized the "Sweet Indulgence in Appreciation to the Angels in White" campaign with the Women's General Association of Macau, extended our appreciation to local nurses by distributing MGM specially crafted pastries	
 <p><b>Community (Elderly, Women and Children and Youth)</b></p>	Took the lead to provide cleaning and sterilizing work to ensure a hygienic environment for different communities	<p><b>100,000</b> children-sized masks,</p> <p><b>10</b> health checking robots,</p> <p><b>5,200</b> care gifts,</p> <p><b>2,800+</b> supply and learning kits,</p> <p><b>408,000</b> personal protective equipment and hygienic items (surgical masks, disposable caps, hand sanitizers &amp; other necessary items)</p>
	Donated and supported the "Guardian of Love" program that we collaborated with Women's General Association of Macau	
	Collaborated with 15 organizations to provide care gifts to solitary and vulnerable elderly	
	Donated supply kits to local elderly in need via FAOM, UGAMM and Caritas Macau	
	Donation to frontline staff of FAOM, UGAMM and Caritas Macau	
	Arranged a video chat with members of Long Cheng Centre of Fuhong Society of Macau to show care and share information on the preventive anti-epidemic measures	
	Disturbed learning kits to families with special needs for children self-care and learning	
	Supported the "DSAL Skills Upgrading and Employment Training Program" to help locals to acquire new skills	

Community Group	Community Support Highlights	Amount of Beneficiaries/Donations
 SMEs	<p>The first integrated resort to answer the Government's call to waive 15 days of basic rent for all retail tenants at MGM MACAU and MGM COTAI</p> <p>Offered assistance programs including "Down Payment for Future Business" and "14-day Fast-track Payment"</p> <p>Launched the "MGM SME Anti-Epidemic Support" program</p> <p>Partnered with SMEs to provide exclusive shopping programs for team members</p>	<p><b>All</b> retail tenants at MGM MACAU and MGM COTAI</p> <p><b>210+</b> local SMEs</p>
 Team Members	<p>Organized sharing session on "Youth Empowerment and Contribution to Fight COVID-19" with Macau Youth Federation and shared Macau's success in combating the pandemic</p> <p>Introduced virtual classroom developed by a local entrepreneur venture, Yorkshire Online Academy, and provided a series of distance learning module</p> <p>Provided 24-Hour Employee Assistance Hotline to support team members and family, and shared anti-pandemic information and updates with them via different communication channels</p> <p>Provided paid holidays to stay home during the business closure period</p>	<p><b>4,300</b> team members</p> <p><b>All</b> team members</p>





## Arts, Culture and Heritage

Motivated by the Company's motto of constantly creating new experiences, we endeavor to drive continuous innovations with originality and creativity. Moving forward, we will deepen the integration of different sectors through establishing joint arts and culture projects to support the **"Tourism +"** Roadmap as proposed by the Macau Government.

Arts and culture are ubiquitous in our daily lives, we believe transforming them into soft power could connect communities and regions as one. Guided by our devotion in this aspect, we continue to collaborate with the world's artists to create an international platform for arts at our properties. Hailing art dialogues from the East and the West and blending traditional and innovative elements together, we created one-of-a-kind MGM-style aesthetics that enchants the world. Over the years, we have organized and supported many public art projects, exhibitions, symposiums, and mega-scale cultural and artistic events such as the Art Macao and MGM Art Symposium. We will continue to lead the industry by presenting artworks that capture the essence of humanity to public spaces.

### Art is for Everybody

This year, we continued to facilitate art collaboration through 'M Art at MGM COTAI, a conceptual creative space that inspires cultural conversations and promotes MGM aesthetics. It is a platform that allows artists and cultural lovers from different backgrounds and ages to exchange ideas and inspire them in their creative endeavors.



'M Art offers training of art guides and provide opportunities for emerging artistic talents. To boost the art scene in Macau and make it sustainable, we have organized art docent training programs which have to date prepared over 1,200 university students for the task in guided tours for the public.



The space also let local artists to showcase their talent to visitors of MGM COTAI through collaborations. This initiative is one of our efforts to nurture local new artists and creative industries. Many local artists have collaborated with 'M Art this year, including Skic Cheok and Winky Lam. We also partnered with local designers

YCC and Vanda Chan to introduce the "MGM Memory Card", a drawing of MGM with their unique style, to unleash creativity and imagination.

We also engaged children with arts through our "Kids Imagination" activity series, specially designed for children aged 5 or above and their parents, to manifest our belief that everybody can be an artist.



## New Arts Experience

To show our ambition in boosting synergy and extending the “Tourism+” concept, we opened the MGM Art Space in MGM MACAU in 2013. It is the only dedicated gallery space in a Macau resort designed specifically for art and cultural exhibitions. This 6,000 sq. ft. gallery hosted world-class exhibitions from classical Renaissance to cutting-edge contemporary, offering wondrous, immersive and interactive experiences for visitors of all ages.



We would like to invite you to have a virtual visit of the **MGM's Road to Art** and **MGM Art Space** for more information.

Over 300 A-list artworks are integrated harmoniously into public spaces of MGM's hotels. The centerpiece – The Chairman's Collection at MGM COTAI – is a story of Macau compiled by MGM and a number of artists with the aim of redefining public art. Featuring paintings, sculptures and installations by some of the most celebrated figures in Asian contemporary art arena, the collection puts the East-meets-West influence on the region's art scene, reflecting the contemporary attributes of the 20th century.

## Signature Art Piece – Valkyrie Octopus

The art installation Valkyrie Octopus has become a popular photo spot in Macau. The art piece was created by eminent Portuguese artist Joana Vasconcelos, commissioned especially for MGM MACAU in 2015, and it has been on touring exhibitions in the Belt and Road countries. To celebrate the homecoming of this great art piece, we launched the “Sino-Portuguese Cultural Tour”. Visitors could explore Macau's unique Sino-Portuguese aesthetics through a cultural tour filled with arts, architecture, music, gastronomy, craft and a specially designed Portuguese afternoon tea at MGM MACAU.



## Preserve the Past, Nurture the Future

We are proud to preserve the rich Lingnan culture and share the great stories of the Chinese people with the world. From including the culture of craftsmanship into talent development programs for our team members to organizing sharing sessions and training courses for the future generations, we advocate the inheritance of craftsmanship spirit to the wider community.

This year, we partnered with Guangdong Federation of Trade Unions and FAOM to kick off craftsmanship initiative and held “Sharing Session on Nanyue Craftsmanship”. We invited the inheritors of Guangzhou embroidery, one of the first national intangible cultural heritages, to give a seminar to nearly 300 teachers and students at Lou Hau High School and Premier School Affiliated to Hou Kong Middle School. They shared insights on integrating folk arts and craftsmanship in Lingnan Culture through innovation. A “Craftsmanship

Training Course” was also organized for our frontline staff to learn from the inheritors the spirit of craftsmanship. Beyond the sharing session, MGM China also held “Guangzhou Embroidery Experience” workshop at MGM COTAI for 40 aesthetes where the embroidery masters guided them to create embroidery flowers and explore the folk art.



Another great tradition that we are proud to promote is Lion Dance, an intangible cultural heritage and a significant aspect of Lingnan culture. On top of facilitating the “MGM Lion Dance Championship” and “Junior Lion Dance Program” since 2010 and 2015 respectively, we extended our support to Macau Special Olympics (“MSO”) in forming the first lion dance troupe for people with intellectual disabilities. In 2020, we partnered with MSO to establish the Lion Dance School Performance program, and co-organized various performance opportunities for the MSO Lion Dance Team, which is comprised of more than 20 members with intellectual disabilities, to showcase their talents to over 300 audiences in local schools. This is also part of our efforts to promote the embrace of diversity and social inclusion emphasized in Chinese culture.

With these efforts, we aim to nurture our future generation with appreciation of craftsmanship and support the Nation’s advocacy of the craftsmanship spirit and cultivate the preservation of traditional and rich culture in the Greater Bay Area.







## Mini Case

### MGM Junior Lion Dance Training Program

The Lion Dance Training Program has an important role in passing on the Lingnan culture, and it has been one of our long-term arts and cultural programs since 2015. Lion dance is recognized as a traditional Chinese sport around the world, connecting the Chinese communities in different parts of the world.

Over the years, we have trained nearly 380 future lion dance masters, and 80 of them had advanced to the “Junior Lion Dance Continuous Training Program” to continue their journey in lion dancing. This year, MGM China continued to organize this signature summer program for children aged 5 to 8 for 6 consecutive years. We provided a seven-week lion dance training courses for young children to learn and pass on the unique Lingnan culture

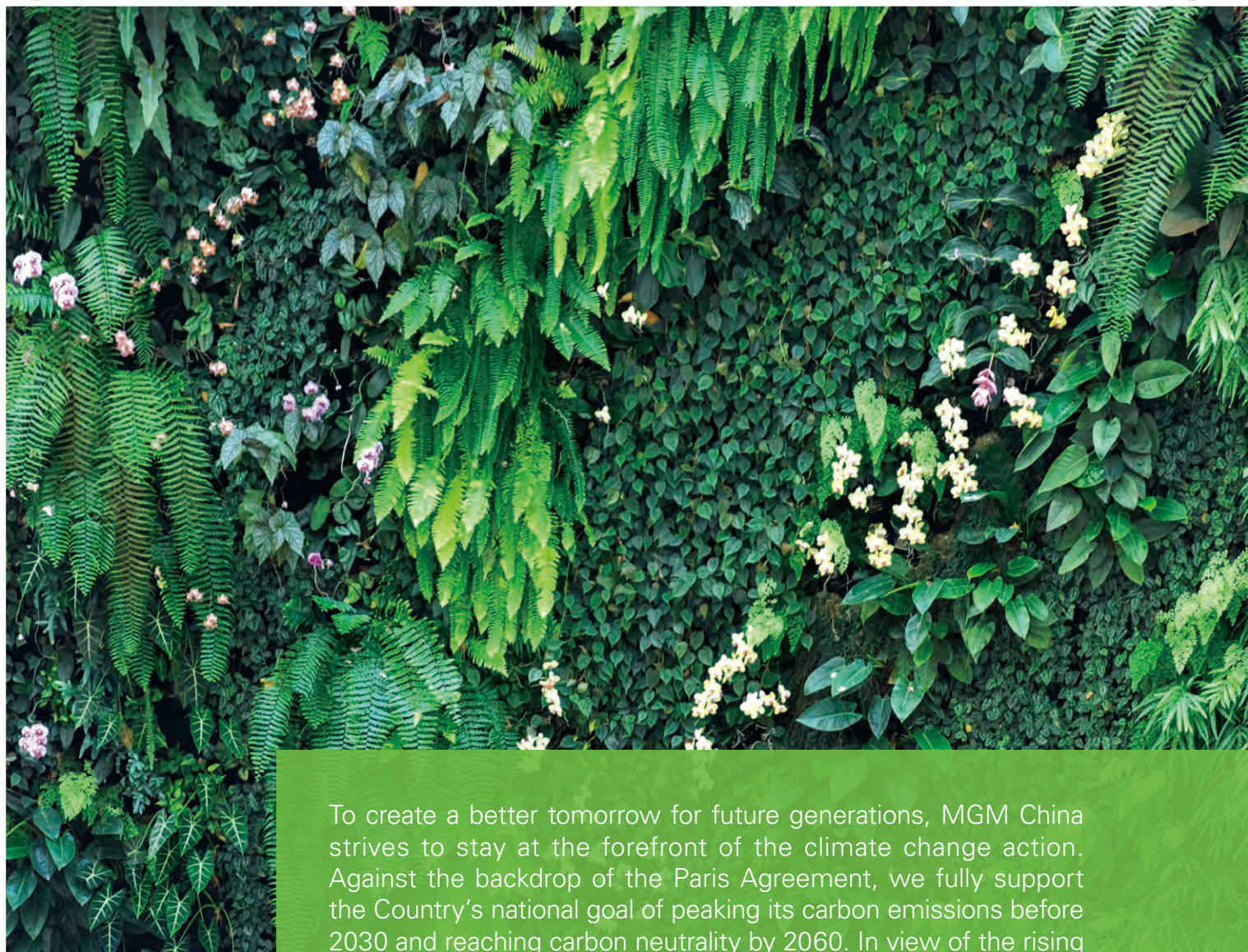


Since 2015, the program had nurtured **380+** future lion dance masters and groomed **40** new graduates in 2020.





# For a Better Planet



To create a better tomorrow for future generations, MGM China strives to stay at the forefront of the climate change action. Against the backdrop of the Paris Agreement, we fully support the Country's national goal of peaking its carbon emissions before 2030 and reaching carbon neutrality by 2060. In view of the rising global and local environmental challenges, the Environmental Protection Bureau ("DSPA") of the Macau Government has also raised the bars on environmental performance of major players within the industry. Shouldering the expectations, we will continue to operate in a resource-efficient, environmentally conscious and sustainable manner, and strive towards realizing the future of green, decarbonized and zero-waste operations.





# PLANET

## Operating in a Sustainable Manner

Our commitment to environmental responsibility is demonstrated through the Sustainability Policy, which guides us to endeavor in developing a more sustainable business model through managing our environmental footprints, optimizing resource utilization and decarbonizing our daily operations. In addition to the Policy, we formulate and maintain our environmental programs according to globally recognized standards. In 2019, MGM COTAI has attained the ISO 14001:2015 environmental management system certification in recognition of our continual improvement on the management of environmental matters.



In 2020, MGM MACAU has won the Gold Award in the “2019 Macao Green Hotel Award” co-organized by the DSPA and the MGTO. The achievement is a recognition of our efforts in facilities enhancement, indoor air quality and atmosphere control, as well as the community outreach in promoting green practices. This accolade also makes it on par with MGM COTAI, which achieved Gold Award in 2018.

We incorporate sustainable strategy into our day-to-day operations covering the following focus areas:

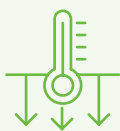


## Side Story

### Sustainability Actions during Closedown

COVID-19 has been a difficult period for our business, but it is also a unique opportunity for us to understand the intricacy of our buildings and identify improvement areas in reducing our carbon emissions in long run. The fruitful insights that we gained during such challenging times will still be applicable when we return to normalcy.

Under the lead of MGM China's Facilities Management team, we streamlined and modified the operations of our building facilities strategically during the 2 weeks shutdown period with the following action plans to reduce our carbon footprint, from our energy consumption to water usage.



Ramp down the air conditioning in unoccupied/unnecessary area like gaming, kitchen, restaurant during casino closing period

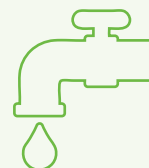


Minimize normal lighting for casinos and kitchen areas



Put our lift service in low energy mode

Total water use decreased by over **29,000m<sup>3</sup>**, enough to fill 67 times the size of MGM COTAI's swimming pool.



Our electricity consumption was down by **37%** at MGM MACAU and by **29%** at MGM COTAI whilst gas consumption was down by **49%** and **98%** respectively.

Our response to the Covid-19 crisis has helped us understand our buildings better, and there are certain ideas to be explored to improve our green building strategy and to increase our resilience for any future unpredictable events. It was the result of collaboration and continuous communications with operational departments up and down the organization is a key task to the list of measures to find the 'middle ground'.

**Greg Meares - Vice President of Facilities Management**



MGM China supports the environmental protection efforts and goals of the Macau Government, and strictly complies with national and local environmental laws and regulations. In addition, we have long been collaborating with the DSPA to foster a green operation culture within the hospitality industry. We are committed to managing our environmental impacts in alignment with the improvement actions rolled out by the Joint Environmental Protection Action Task Force ("JATF") that was formed by DSPA, which include eliminating plastic bottled water and enhancing the food waste diversion rate to at least 70%.



## Energy and Carbon Management

Climate change is a great challenge that requires a global coalition to resolve. Since the historic Paris Agreement came into effect in 2016, countries and governments have been striving to enhance decarbonization and more than 130 nations have committed to reach carbon neutrality by the mid-century, and China is committed to achieve the goal by 2060. MGM China is dedicated to advocating the Net Zero Pledge to support of the national commitment and explore the technology innovation and cost-saving opportunities. Given that hospitality industry nature and dynamic operation heavily relies on energy usage, purchased electricity accounts for a significant proportion of our operations associated carbon emissions. To align with our commitments to curbing greenhouse gas emissions and achieving carbon neutrality in the long run, we consider energy and carbon management as one of our core environmental responsibilities.

Since 98% of our carbon emissions come from energy usage, we manage our buildings and operations in the most optimal way through adopting more efficient ways of energy use and reviewing regularly for continuous improvements. In 2020, MGM COTAI attained the ISO 50001:2018 certification for effective energy management systems ("EnMS"), joining MGM MACAU which became the first integrated resort to receive ISO 50001 certification in 2016 to make both of the Company's properties ISO 50001 certified.



## Major Decarbonization Actions

As one of the hospitality leaders in Macau, we seize opportunities to drive decarbonization through upgrade of equipment and technology, low-carbon operation adaptation, and collaborative partnerships to ensure transition to a low-carbon future. To better understand our energy consumption and carbon footprint patterns, we engaged a professional consultant in this reporting year to conduct carbon audit review. The report provides us with a comprehensive overview of our carbon footprint and management, while presents opportunities for improvement to better our low carbon development strategy.

Apart from regular monitoring and inspections, facilities and equipment maintenance are pivotal for resource management. We constantly review and collaborate with the independent energy consultant to make sure our facilities are in their best conditions and to continuously identify efficiency and other decarbonization opportunities. Since 2011, the overall reduction of carbon emissions from those projects for both MGM MACAU and MGM COTAI is equivalent to about 31,500 tons CO<sub>2</sub>.

During the reporting year, we carried out multiple equipment enhancement projects for both MGM MACAU and MGM COTAI. Looking ahead, we will continue to study the feasibility of making renewable energy a more viable option for our operations.

### Highlights of Decarbonization Projects in 2020



#### New Technology Application

Pressure Independent Characterized Control Valves (PICCVs) are installed to achieve balanced flow of chilled water. PICCVs directly control chilled water flow required by the coil to avoid the overflow situation and hence achieving energy savings.



#### Kitchen Exhaust Fans ("KEF") Demand Control Ventilation Rectification

This project implemented demand-controlled ventilation in our restaurant kitchens, which allows a better control of KEF based on the actual demand of kitchen hood exhaust, streamlining the operation system and achieving reduction in energy consumption.



#### LED

#### Fixtures Enhancement

LED lights are more energy-efficient and durable than the traditional incandescent lights, and they are our preferred option when retrofitting our buildings. Not only is MGM COTAI equipped with 100% LED lightings, but we also replaced all floodlights for the 2 billboards on the façade of MGM MACAU with LED lightings in 2020.



#### Electrification

To lessen our dependence on fossil-based energy, we began utilizing heat pumps in our operations. Unlike traditional boilers, heat pump uses the more efficient energy source of electricity and transfers the heat generated from space cooling for warming. In 2020, we utilized 100% of the installed heat pumps at MGM COTAI.



In total, over **2,480,000** kWh of electricity were saved which is equivalent to around **1,070 tons of CO<sub>2</sub>e** through implementing the highlighted projects.

### Think Forward • Think Green

As one of the steps forward to achieve a carbon neutral operation, we are installing solar thermal panels and photovoltaic systems on our roofs to fully utilize solar power. Looking ahead, we will continue to study the feasibility of making renewable energy a more viable option for our operations.

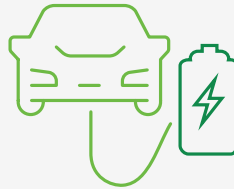
#### Grid Decarbonization Zero Emissions



## Green Transportation

Traditional fossil fuel-based vehicle transportation is another major emissions source in our operations. As part of our decarbonization strategy, we are in the process of phasing out our conventional vehicles and replacing them with electric vehicles. We have added 10 electric buses to our guest shuttle fleet since 2018. In addition, we have been installing charging stations in our properties for the convenience of e-vehicles users.

Charging stations for **electric buses** and **electric cars** are installed at our hotels, accessible for both our guests and team members to encourage low-carbon transportation.



**18** electric vehicle charging  
stations in total

We aim to achieve **100%** electric shuttle bus fleet by 2023

## Continuous Monitoring

As a hospitality operator, the changes of parameters such as occupancy of guest rooms, temperature changes and use of public areas have significant impacts on how we manage our operations in a low-emission and energy-saving manner. Striking a balance between energy efficiency and occupant comfort, we adopt intelligent building application to transform technical services and drive initiatives in building operations and maintenance through smart monitoring platforms. We prioritize indoor ambient quality and guest comfort, employing sensors to monitor key air quality parameters and ensuring space comfort is attained. In 2020, we also started the development of using an advanced model of taking solar irradiance reading together with temperature and relative humidity to dynamically control different space temperature.

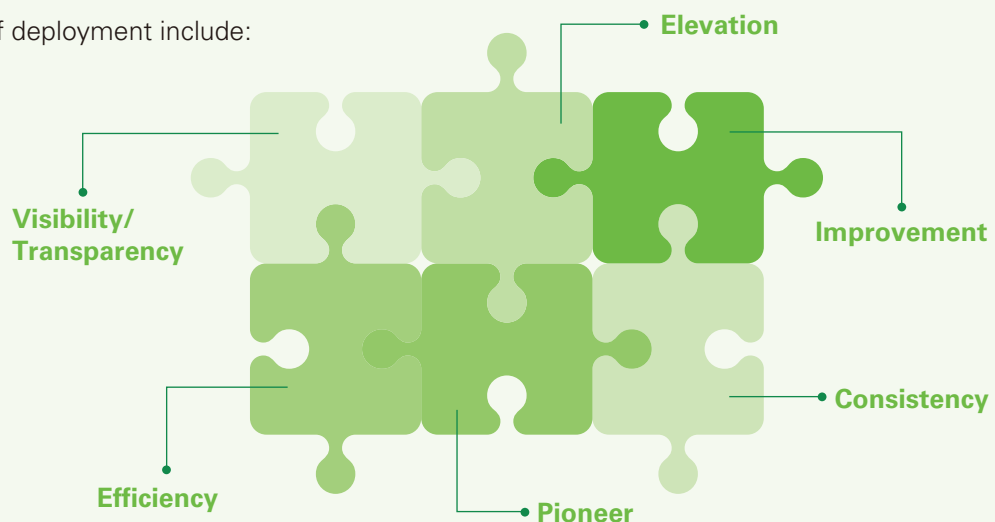


## Case Study

### Data Analytics Platform – Pioneer and Innovator in Building Operations and Facilities Management

Leveraging the power of cloud computing and Internet of Things (“IoT”) technology, we identify operational issues that are often ‘invisible’ and overlooked and improve overall building performance and guest experience. We utilize proprietary building intelligence software in the process, which has revolutionized conventional project-based commissioning works.

Key benefits of deployment include:





## Practicality and User Experience

### Reporting Dashboard

- personalization of reporting modules, indicating KPIs, sustainability achievements such as energy and water usage reduction, consumption tracking

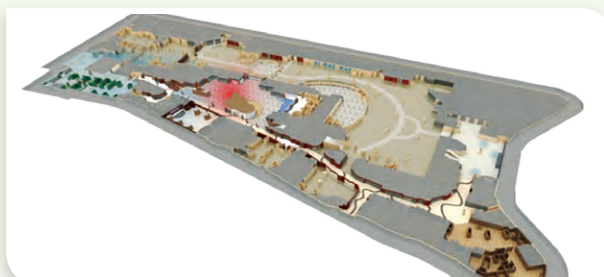


### Equipment/System Diagnostic

- identifies key 'hidden' issues often obscured in the sea of data, and categorizes opportunities according to priority, cost savings and duration

### Thermal Comfort Dashboard

- solar irradiance predicted mean vote ("PMV") modelling coupled with conventional temperature and humidity monitoring for dynamic zone setpoint reset for thermal comfort, 3-D thermal imaging for visualization



## Coverage

Full facility coverage of all building systems



## IoT Data Points Collected & Analyzed

11,210,000+



## Electricity Saved

37,000,000+ kWh



## Technology Awards

More than 5 international awards



## Energy and Emission Performance at a Glance<sup>6, 7</sup>



### Energy Targets

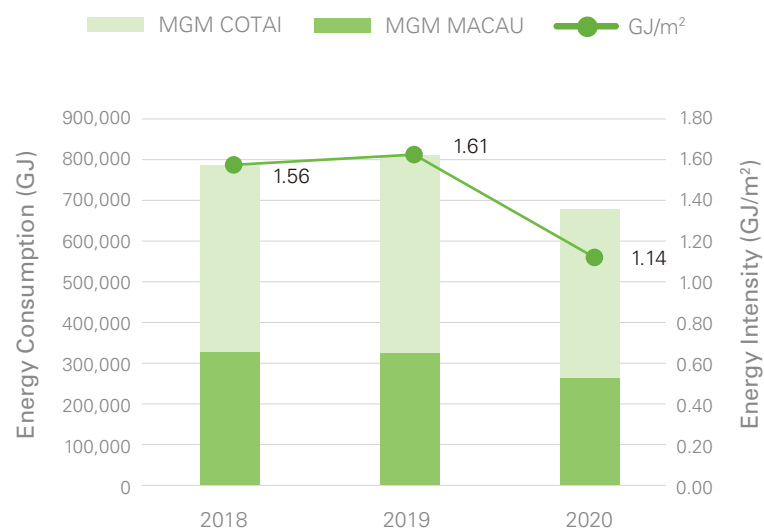
- Normalized energy reduction target:  
**↓ 4%** for MGM MACAU and MGM COTAI respectively by March 2021 compared to the 2019 baseline.
- Long-term energy consumption reduction target:  
**↓ 13% by 2025** for MGM MACAU and MGM COTAI respectively compared to the 2019 baseline.



### Progress Towards Our Targets

- Normalized saving achievement towards our long-term target (as of March 2021):  
**↓ 9.5%** for MGM MACAU  
**↓ 12.9%** for MGM COTAI

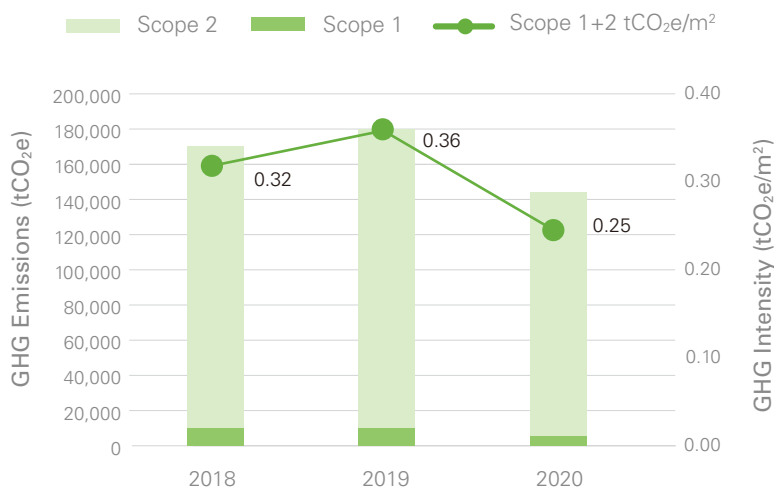
### Energy Performance Summary



<sup>6</sup> Due to the impact of the COVID-19 pandemic, the resort operations have been interrupted. We ramped down our operations, including lightings and chiller plants in 2020 which led to relatively abnormal decreasing trend in energy consumption and GHG emission compared to 2019.

<sup>7</sup> Gross Floor Area of MGM COTAI has been updated for the calculation of energy and greenhouse gas emissions intensity for 2020.

## GHG Performance Summary



## Journey to Climate Resilience

Climate change is intensifying, and its impacts are becoming more acute than ever. We recognize that climate change can pose a huge threat to our operations and the communities in which we operate. A case in point, climate change can worsen frequency and intensity of extreme weather events such as typhoon and flooding, which present huge risks to our employees and properties, as well as the safety of our guests, all of which will significantly affect the continuity and sustainability of our businesses. In this regard, MGM China has been strengthening its climate resilience in alignment with the recommendations of the TCFD.





## Governance

The Board is responsible for overseeing, evaluating and determining our sustainability-related risks, including climate risks. These risks have been raised to board-level attention and embedded into the overall risk management framework, ensuring appropriate and effective sustainability risk management and internal control systems are in place. Senior management provides confirmation to the Board on the effectiveness of these systems.

Our Committee is responsible for establishing policies, programs and procedures to ensure solid implementation of our commitments, vision and goals in tackling climate risks that set out in our Sustainability Policy.

The Committee meets quarterly to discuss the progress of the Company's sustainability goals. Our climate and decarbonization relate strategies, works done and progress towards targets will be reported to the Board and senior management on a regular basis.

## Strategy

The Company has built a multi-pronged climate strategy to manage climate related risks and matters through ways of mitigation, adaptation and education.

Green concepts are incorporated into our properties from building design to operational phases, to act in line with national decarbonization commitment and standards.

Climate resilience is also incorporated into the newly built Design Guidelines and commissioning requirements. This assists us to develop our operation manuals and key documents such as load reduction strategies and operation procedures to address climate risks.

Capacity building is another focus of our climate strategy. We conduct workshops for our team members to build their awareness and capabilities to manage future climate related risks. For details of our initiatives, performance and achievements, please refer to section "Energy and Carbon Management" and "Green Building" of this Report.

## Risk Management

We adopt a four-step climate risk management, through which we proactively identify, assess and prioritize climate risks along our value chain. As risks are identified, we implement mitigation measures and continuous monitoring to enhance our climate change resilience.

We have identified various climate risk scenarios that are material to our operations, and established a focused group to perform studies on Building Resilience and Emergency Operation Actions that are most appropriate. We also conducted engineering studies for peak demand management, water and electricity supply shortage plan. Mitigation strategy is developed and incorporated into our Contingency Operation Manuals for our facilities to cope with emergencies caused by climate risks. An Emergency Group was also formed to formulate and guide us the contingency plans. It leads the Company to maintain core operations and safeguard the health and safety of our guests and employees in emergency situation, such as super typhoon and flooding.

## Targets and Metrics

With our efforts in decarbonization, our carbon intensity has dropped from the previous level in 2019. To further our commitment on climate change mitigation, we have set a target of achieving energy saving of 13% for MGM MACAU and MGM COTAI individually compared to 2019 baseline. We seek to achieve the target by applying new energy efficient technologies in our operations.

We also disclose our carbon footprint, target and performance through the Carbon Disclosure Project ("CDP") as part of our parent company, MGM Resorts International. Not only will we continue to improve our climate resilience effort through the plan-do-check-act framework in accordance with ISO 14001 and ISO 50001 standards, we will also work in collaboration with professional third parties to explore the feasibility of adapting Science Based Targets initiatives ("SBTi") and developing long-term carbon emission reduction targets.

## Water Management

Water is a vital yet scarce resource. Although our business operation does not cause significant water stress to the local community, we share the responsibility in conserving water and preventing water scarcity. Throughout the year, we have implemented robust water management practices to encourage water usage in an efficient manner. Expanding our efforts in 2020, we will leverage technologies to monitor and optimize our water performance, as well as empowering our team members to understand and take actions on water scarcity.

### Three-pronged Approach

#### Optimization and Monitoring

We are keen to explore opportunities to optimize our operation processes to control our water usage.

A three-level sensor system is in place to measure and monitor 100% of water usage in our properties, allowing us to trace abnormal water consumption trend and identify water saving opportunities.

We also strive to enhance the efficiency of our fixtures and fittings, for instance, we have installed shower heads and faucets with low-flow alternatives, and dual flush toilets whenever practicable. To monitor performance, we conducted monthly meetings to review consumption and conduct regular leakage tests on water pipes and tanks to identify malfunctions.

In 2020, we have performed optimization of water softener regeneration limit to reduce water for backwashing.

## Implementation of Water Recycling

We also expanded the scope of our water recycling program. We have started harvesting rainwater for the use of cooling towers, and collect condensate water from cooling towers and air handling units for flushing toilets. Furthermore, we have also implemented the Reverse Osmosis ("RO") system to recycle bleed-off water from the cooling tower and to be used for the makeup of the cooling tower to achieve water saving.



In 2020, we have carried out 6 water recycling programs to achieve a water consumption reduction of 68,100 m<sup>3</sup> including recycling of swimming pool water and fire service tank water drain off. Following these initiatives, MGM COTAI has successfully achieved 12% utilization ratio of recycling unconventional water.

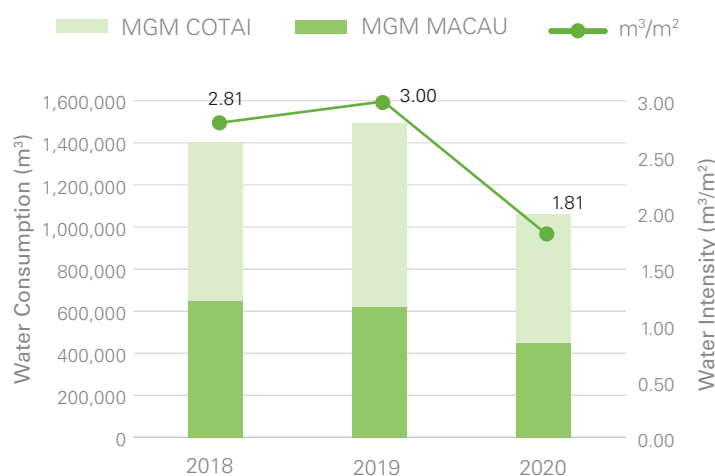


## Enhancement of Water Conservation Awareness

We extend our influence to encourage our key stakeholders, including employees and guests, in adopting water saving practices. We reward our guests with loyalty points to motivate them to opt-in our towel and linen reuse program to reduce water usage, and we raise awareness towards water conservation and recycling to our team members through multiple communication channels.

## Water Performance at a Glance<sup>8, 9</sup>

### Water Performance Summary



<sup>8</sup> Due to the impact of the COVID-19 pandemic, the resort operations have been interrupted. The unexpected plunge in the occupancy rate led to abnormal decreasing trend in water consumption compared to 2019.

<sup>9</sup> Gross Floor Area of MGM COTAI has been updated for the calculation of water intensity for 2020.

## Waste Management and Reduction

Waste is an essential part of our environmental impact management. By actively adopting the 5Rs of waste management, namely reduce, reuse, recycle, recover and repair, we endeavor to utilize resources and recover waste materials in the most responsible manner. Aligned with local regulations and guidelines, our waste handling strategy guide us to recycle or dispose waste safely and properly.

Our waste composition is non-hazardous and hazardous wastes which are generated along our value chain, involving guests, contractors, tenants, customers and employees. We encourage stakeholders to segregate different types of waste at source so as to explore meaningful ways to utilize resources before disposal. Hazardous wastes such as oil-based paint, solvent adhesives, fluorescent tubes, batteries, toner cartridges, and other electronic waste do arise from our operation periodically, and there is a comprehensive protocol to safely handle such waste. All hazardous wastes are handled by licensed contractors for proper disposal, thereby avoiding negative impacts to our environment. To tackle waste generation at our properties, we initiated various measures with particular focus on food waste management, plastic waste elimination and waste audit.



Waste sorting bins in hotel guest room



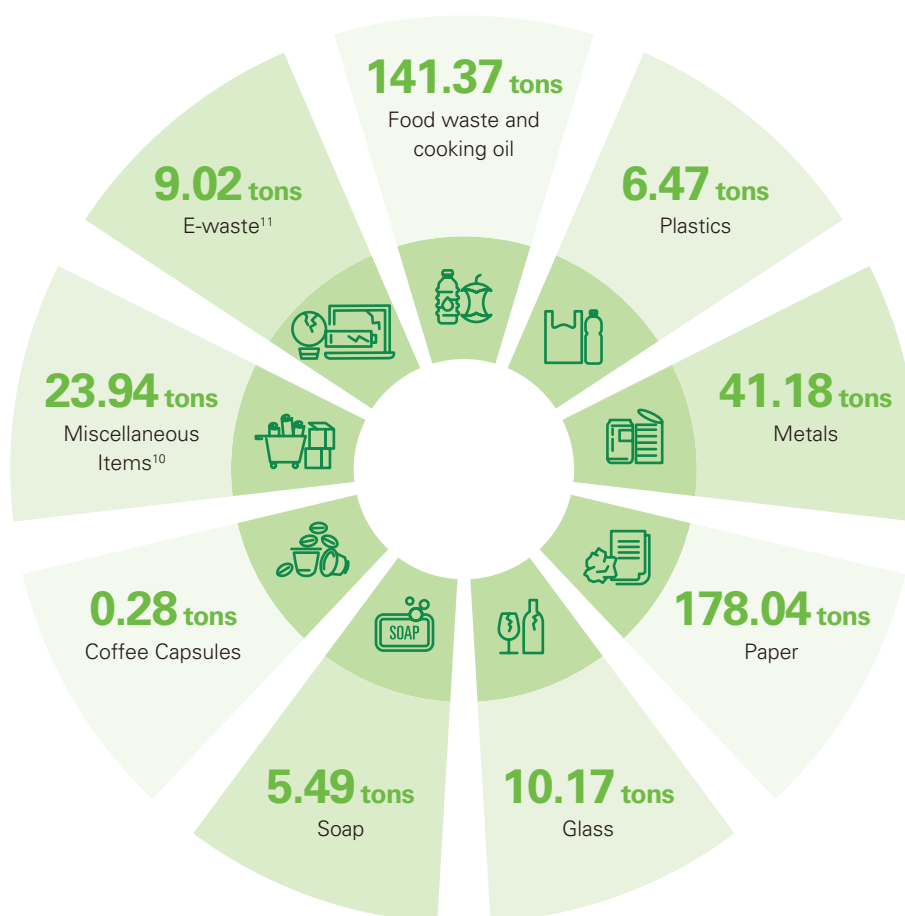
Soap recycling under the partnership charity program with Clean the World



Staff Recycling Corner



### Summary of the total recyclables collected in the reporting year:



### Responding to DSPA's Advocacy on Waste Management

The first integrated resort operator to drive the elimination of single-use plastics

Reusing unused playing cards to optimize the use of resources

Replacing plastic made straws and cutlery with biodegradable alternatives

Managing food waste with advanced technologies to achieve more than 70% diversion rate

<sup>10</sup> Miscellaneous items include trolleys, metal float trays, carpet, box sleeve and used workshop materials, etc.

<sup>11</sup> E-Waste includes lighting, batteries as well as electrical and electronic equipment.

## Food Waste Management Journey

Based on studies of Macau's municipal solid waste, food waste accounts for up to 40 percent of the waste we produce each day. With a great number of meals served throughout the day at our properties, food waste is one of the largest contributors of our waste composition, and it is the core focus of our waste management. We constantly explore innovative technologies that we could adopt to better tackle the food waste problem. Our multi-pronged food waste management strategy deploys the following 3 types of technologies:



### Food Digester

We are the first integrated resort to introduce the ORCA food digester to Macau. The digester mimics the natural food digestion process, and mainly handles our food waste from production kitchen at MGM MACAU. It can divert about 400 tons of food waste into eco-friendly liquid every year.



### Food Composter

At MGM COTAI, we utilize a food composter to transform food waste into nutrient-rich organic fertilizer. The system has composted more than 200 tons of food waste since its operation in 2018, and the fertilizer produced from the process has nurtured over 100,000 plants at our properties.



### Food Dehydrator

At our staff restaurants, food dehydrators are utilized to handle leftovers. Plate waste is dehydrated to reduce its liquid and volume, thereby minimizing burden on transportation and incineration.

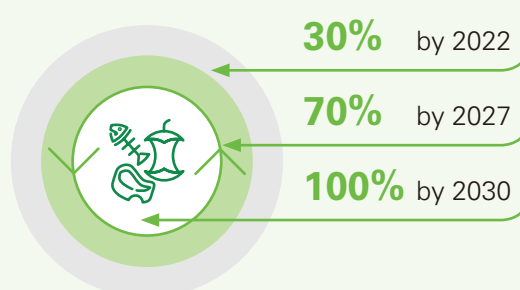
On top of implementing innovative technologies to manage our food waste, we also joined DSPA's commercial food waste sampling and data analysis program in this reporting year to contribute to its future plan in building a local central food waste treatment facility. This helps us and the community to explore new ways to turn food waste into resources while reducing its environmental impacts.

As a regular food waste monitoring mechanism, our Food and Beverage Team conducts inspections and reviews across our restaurants regularly to identify better solutions of handling and controlling food waste. To analyze our waste management performance and identify improvement areas more comprehensively, we also assigned a professional external consultant team to perform waste audit at both MGM MACAU and MGM COTAI in 2020.

In the coming years, we will continue to refine our waste management strategy to seize more opportunities in achieving a zero waste operations.



## Food Waste Diversion Rate Targets



## Case Study

### Waste Management Review and Audit

During the reporting year, we appointed external parties to conduct a Waste Management Review and Audit as a pilot study for us to better understand of the waste composition and review our current handling practices for improvement. Summary of the projects includes:



#### On-site measurement and audit

Wastes were collected for weighting and sorting to identify the waste composition.



#### Stakeholders interview

Engaged key departments and tenants through surveys and interviews to learn about the status of waste management and recycling practices.



#### Data review and analysis

Leveraged the data and information collected from the review process to inform the revision of our waste management approach.

## Plastic Avoidance Operation

Plastic waste is another major focus of our waste management scheme. Since 2019, we have implemented the “No Plastic Program”, which aims to eliminate single-use plastics from our food and beverage operations. This makes us the first integrated resort operator in Macau to advocate the elimination of single-use plastics.

### No Plastic Program

Under this Program, we replaced all single-use plastics that we offered at our food and beverage outlets with eco-friendly alternatives. For instance, we used polylactic acid, a corn starch-based biodegradable material, as the alternative material for takeaway food container and cutlery. Compared to single-use plastics, the bioplastic is fossil fuel-free and can naturally degrade, and are comparatively more environmentally friendly.

The Program has saved approximately **4.5 million** pieces of single-use plastic per year from being disposed into the environment.

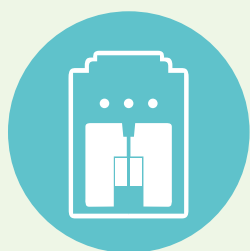


In addition to the “No Plastic Program”, we have started to phase out plastic bottled water in our casinos by installing beverage stations, to further cut down plastic waste generation and live up to our commitment for plastic-free operations.

### Progress on Waste Reduction at Source

As another key initiative of our plastic reduction strategy, we also began serving water in glasses instead of plastic bottles and installed new beverage stations in the gaming floors at MGM MACAU and MGM COTAI in 2020. The implementation has seen 1 million plastic bottles being averted.

The beverage stations are connected to potable water supply system, offering our guests instant access to drinking water. With the built-in filtration system, which consists of a set of purifying filters and germicidal ultraviolet-c (“UVC”) lamp, we ensure that the water we offer to guests is safe and of premium quality. This new initiative can reduce the plastic waste generation while providing safe drinking water.



Water filtration system and dispenser to ensure water quality



Waste Management at a Glance<sup>12, 13, 14</sup>

## Plastic Free Targets



**90%** consumption of bottled water by 2030 comparing to 2018

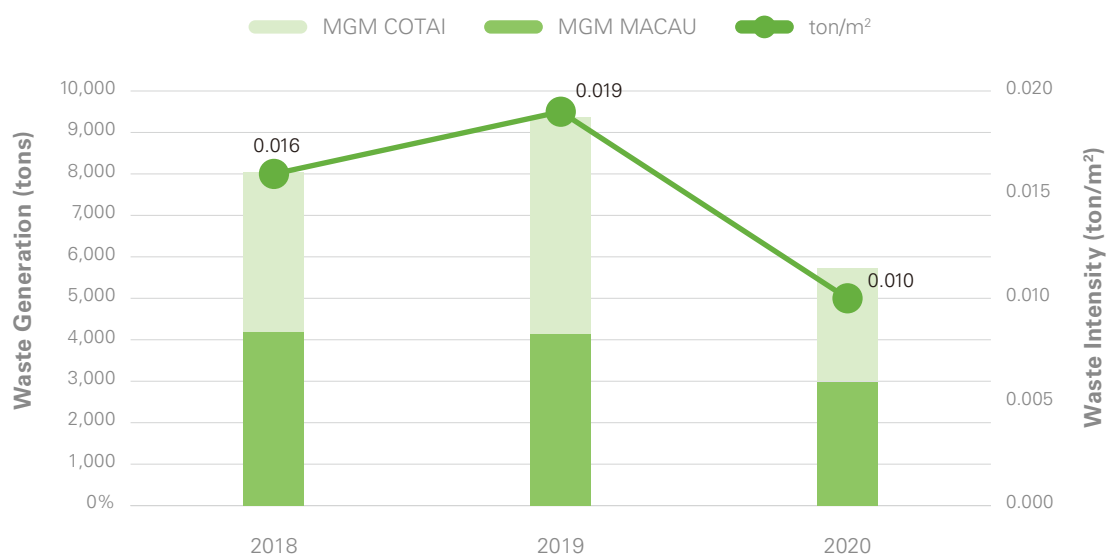


## Progress in 2020



**60%** consumption of bottled water comparing to 2018

## Waste Performance Summary



<sup>12</sup> Due to the impact of the COVID-19 pandemic, the resort operations have been interrupted. The unexpected plunge in occupancy rate, guest visitations and demands for food and beverage services led to abnormal decreasing trend in waste generated compared to 2019.

<sup>13</sup> Gross Floor Area of MGM COTAI has also been updated for the calculation of waste intensity for 2020.

<sup>14</sup> Calculation in 2020 accounts for all waste generated from our business operations, including hazardous and non-hazardous waste. For the breakdown and intensity of the respective waste type, please refer to the Performance Data Summary.

## Green Building

Buildings are great consumers of energy. As such, we manifest our all-rounded environmental protection commitments and efforts through building high-performance and environmentally sustainable infrastructure to ensure the long-term sustainable development in the Macau community. We strive to incorporate environmental concepts into the whole lifecycle of our properties from building planning, design to operation.



### Case Study

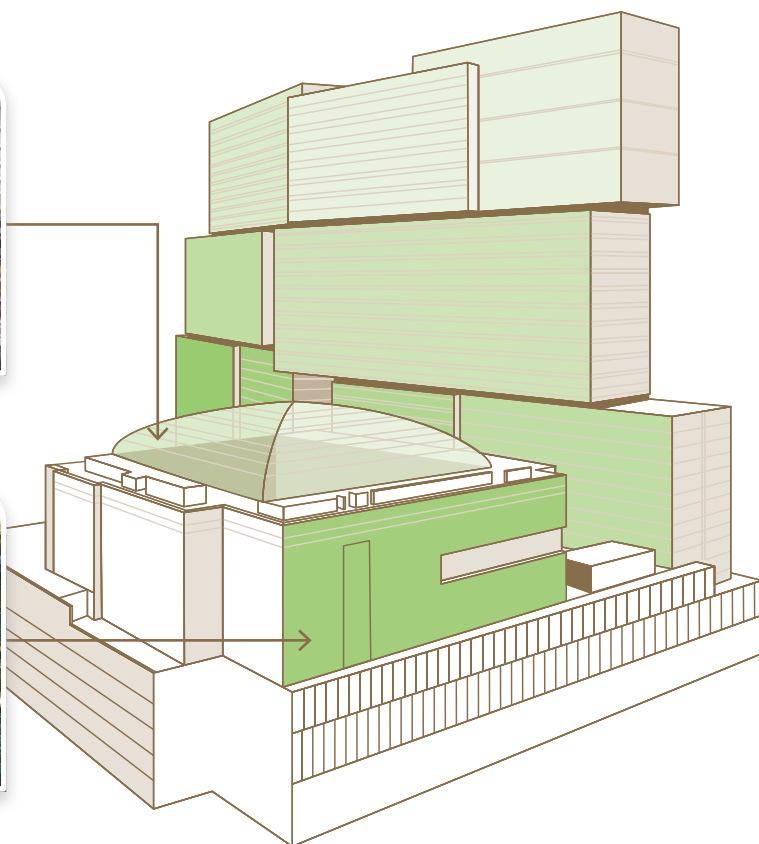
#### Benchmark of Green Buildings

MGM COTAI, with its outstanding standard of green building, was designed and has been operating in tune with national policies on green buildings and the nation's climate pledges to the Paris Agreement. From highly innovative heating and cooling systems, water efficiency measures, high standards for noise, light and air quality to the world's largest indoor art garden with over 100,000 plants.

#### The Spectacle



#### Urban Greenery



## Sustainability Design Features of MGM COTAI

### The Spectacle

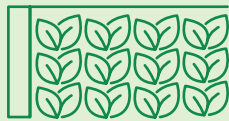
The Spectacle at MGM COTAI becomes the record holder of the largest free-span gridshell glazed roof (self-supporting) on January 19, 2019, making it the first architectural and structural GUINNESS WORLD RECORDS™ title for Macau, China. It is composed of **2,845** glass pieces, allowing excellent utilization of natural lighting.



At the Podium of the Spectacle, temperature sensors and Pyranometers are installed to achieve indoor dynamic temperature monitoring and adjustment. We strive to maintain indoor temperature in the atrium at an optimal level (**23°C**) to offer guests a comfortable environment and at the same time reducing energy consumption.

### Urban Greenery

Nature's Art, an indoor garden with multiple large-scale plant walls located within the Spectacle at the central area of the resort, are harmonized with the digital art from around the globe showcasing on the world's largest area of permanent indoor **LED screens**. The vertical green walls hold **over 100,000** plants and by calculating the total greenery of skyrise and vertical which equivalent to over **70%** rooftop greening. They also act as an indoor air purifier and air-cooler to optimize the indoor-nature experience.



### Guest Room

In each of the **1,390** guest rooms, we adopt **100% of LED** lighting and use hygiene and cleaning equipment with water-saving model. Recycling bins are provided in each guest room to encourage guests to participate in our recycling program. We also engage guests to join our sustainability journey by encouraging them to support the linen and towel reuse program as well as reading our in-room sustainability information.



## Sustainability Operation Features in MGM COTAI

### Energy Management

We adopt data analytic tools to collect, record and analyse the electricity consumption through over **1,000** smart electricity meters. This technology assists us to identify improvement opportunities in energy management immediately and efficiently.



Various energy efficiency measures have been adopted at MGM COTAI including the recovering of residual heat to provide steam and hot water for the building. In addition, we collaborated with energy experts to conduct assessment review to adopt a reliable high voltage energy system that could avoid wasting space and energy for installation of individual transformer substation to support a mega resort's operation.

### Water Management

At MGM COTAI, we fully utilize the unconventional water collected from RO System, Water Softener, Condensation Pipe Water, Swimming Pool and Fire Service Tank drain off for cooling tower make up, irrigation, flushing and floor cleaning. We also installed water leakage detection system in various operation areas. Together with BMS monitoring alarms, we can identify the exact leakage location by the sensing cable.



These efforts enable MGM COTAI to achieve a **12%** utilization ratio of recycling unconventional water.

## Assessment and Recognition

Approaching the end of 2020, a panel of judges made up of leading Chinese green building experts conducted an inspection and assessment of MGM COTAI in terms of green operation and management practices. The assessment considered whether the operations of MGM COTAI meet the specific criteria in land reservation, energy reservation, water reservation, building materials reservation and environmental protection. They gave particular recognitions towards MGM's success in energy management, reuse of water resource and promotion of low carbon lifestyle.

MGM COTAI is the only mega complex and hotel in Macau to attain both Three-star Green Building Design Label and Three-star Green Building Operation Label, which are the highest ratings under the "China Green Building Label" certification scheme. The achievements have also brought MGM COTAI the glory of being the first hotel in the Greater Bay Area and second in Greater China to receive the certifications which takes significant steps to lead the sustainable development in the integrated resort industry by example.



‘In the spirit of ‘early and pilot implementation’, MGM always stays at the forefront of protecting the environment. When MGM COTAI was still at the planning stage, we pledged to present an integrated resort with the utmost level of sustainability and fully embrace the nation’s green building policies. In the future, we will continue to work towards the nation’s targets of green building development and reducing carbon emissions as set out in the 14th Five-Year Plan. It is our fervent hope that we can share our experience in putting up green buildings and related practices. We also look forward to collaborating with industry and community peers to groom emerging professionals in green buildings. This will foster Macau’s sustainable development and help build a society where people can live in harmony with the environment.’

**Pansy Ho – Co-Chairperson and Executive Director**

‘MGM COTAI has delivered an exceptional performance in energy management, reuse of water resources and promotion on low carbon lifestyle. The property is an exemplar of green hotels, and what it has achieved sets a great paradigm in the Greater Bay Area. With an aspiration to promote green buildings in Macau, MGM organizes seminars for the industry and opens its door for participants to enhance their understanding of green building design and operation labels, encouraging them to move forward in this direction.’

**Wang Youwei - Director of China Green Building Council**



## Environmental Stewardship

To promote environmental awareness among our employees and influence our stakeholders, we must foster behavioral change. MGM China is dedicated to championing the environmental stewardship at large. We actively organize and participate in a series of green initiatives such as seminars, workshops and campaigns to enrich people's environmental consciousness.

### Employee Engagement

We believe our team members are the key for us to achieve our environmental visions and goals and we have been instilling our culture of sustainability in every team member. Our Green Team was created in 2015, which comprises of team members from across our operations. They lead the mission to search for innovative ways to engage and inspire other team members in adopting green practices. We also keenly support various external environmental events or campaigns and encourage company-wide participation, such as the Macau Energy Conservation Week and Earth Hour. Besides those activities, we also launched the employee-oriented Go Green Campaign to promote sustainability concepts and practices through different educational and interactive events, such as the "Go Green Week" with fun-packed activities like green marketplace, roadshows, and green tours.



## Macau Energy Conservation Week 2020

We are a keen supporter of the Macau Energy Conservation Week organized by the Macau Government, and we have participated in the event for 10 consecutive years. The Macau Energy Conservation Week 2020 took place between June 14 to 20 and we promoted a series of activities to our team member in support of the campaign, including Light-Off One Hour and Casual Wear Day, a day which we encouraged our team members to put on casual outfits and turned the air-conditioners up to 23–25°C to conserve energy.

## Earth Hour 2020

We are also an active participant in the annual global initiative “Earth Hour” organized by World Wide Fund for Nature (“WWF”). On March 28, we turned off the exterior illuminations at 8:30pm for one hour, including the MGM MACAU and MGM COTAI signboard light on the building, fountain at the main entrance, exterior façade floodlights, spotlights at the Lion statue, and all LED screens.



In the same vein, we have been supporting the “Earth Hour, Every Month” campaign in Macau since 2013 – a joint effort between the local resorts and hotels of similar nature.



## Case Study

### Go Green Week 2020

The Go Green Week made a comeback in 2020 with featured theme of **“Zero Waste, Better Place”** to inspire a Waste-free Living.

We kickstarted our Go Green Week with a refashioned clean plate campaign – Clean Plate Challenge 2.0. The Challenge aims to raise our team members’ awareness towards food waste problem, and mobilize them to avoid obtaining excessive food and reduce food waste. In addition, we prepared a surprise menu on Green Monday, where chefs prepared special vegetarian dishes for team members to encourage adoption of a plant-based and low-carbon diet.



Over **1,000** team members participated



Clean Plate Challenge 2.0 – Reusable food bag as lucky draw prizes to further encourage waste-free living



To thoroughly promote the zero waste concept, the recycling stall game which showcased tips on how to sort different types of recyclable items in Macau was also assembled by repurposing leftover timber.

We also invited local eco-product merchants Mai Lon, Enough Reusable Product,

and Food Trend to introduce some novel eco-products at the Go Green Marketplace for team members to explore different waste-free and eco-alternatives to everyday items.



Green Monday of the Week





## Community Education and Outreach

Apart from fostering green practices within the Company, we also proactively share contents such as our latest environmental features, events, achievements and green eco lifestyle tips through our **MGM Go Green Newsletters** every quarter, which is publicly accessible on our corporate website.



We leverage our resources and scale to launch environmental programs for our guests and the community, advocating sustainability concepts to all of our stakeholders. In previous years, we have organized diverse sustainability-driven community outreach programs, most notably the Ocean Conservation workshops and our Green Building Tours. We also demonstrate strong support to the environmental initiatives organized by both Macau Government and external environmental parties with a goal of raising public awareness towards the significance of environmental conservation such as tree planting events, tree maintenance programs, and beach cleaning activities.

Under unprecedented COVID-19 pandemic, we made an unfortunate but necessary decision not to organize large scale environmental outreach program in 2020 due to health and safety concerns and implementation of social-distancing measures. We look forward to launching our environmental-related programs after the COVID-19 pandemic situation is eased.

### Ocean Conservation Workshop

We believe that education at a young age is the key to build up one's sustainability consciousness. In 2019, we invited over 150 students and teachers from 3 local primary schools to MGM MACAU for a tour of the aquarium with a follow-up interactive workshop.

The tour and workshop consisted of presentation session to introduce information on marine pollution and protection, Question-and-Answer session to answer students' curiosity, and craft-making session where the students turned recycled materials into creative art pieces.

The event successfully delivered the key message of environmental conservation to the students and intrigued them to learn about ocean conservation.





## Green Building Tours

To showcase to the wider community about our sustainability efforts, we invite primary schools, universities and professional associations to tour our properties and learn about our practices in water preservation, energy conservation and waste reduction.

In previous years, we have invited participants from Institute for Tourism Studies to a Food Waste Handling tour at MGM COTAI. Participants gained better understanding on our integrated approach to handle food waste and learnt tips to reduce scraps in their own kitchens.



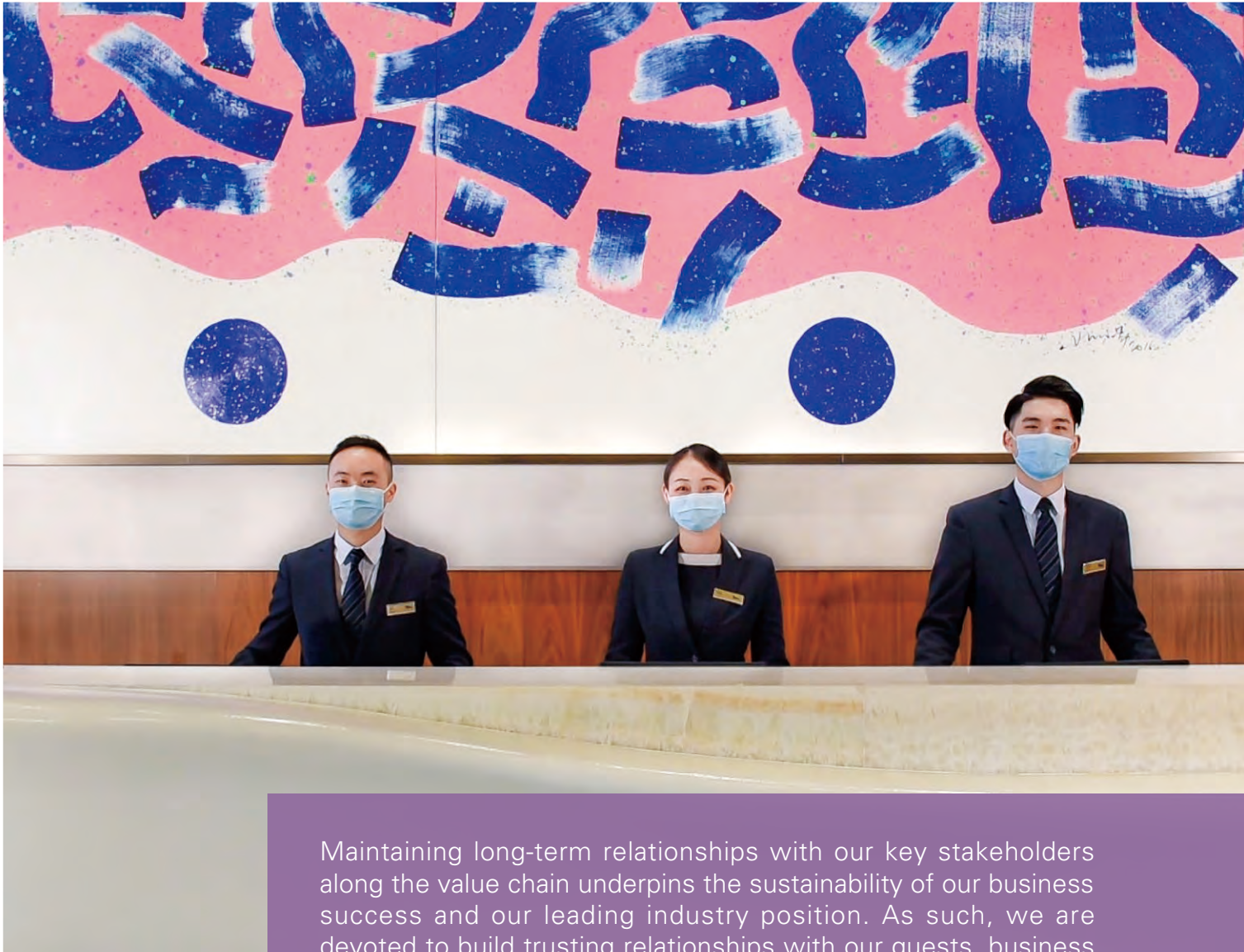
## Celebrating the 50th Anniversary of Earth Day: A Tribute to Nature

To celebrate the 50th anniversary of Earth Day, MGM partnered with Macao Orchestra to take classical music out of the solemn concert halls – together they presented the “Celebrating the 50th Anniversary of Earth Day: A Tribute to Nature” at MGM COTAI, with the Orchestra performing Beethoven’s Symphony No. 6 in F major, Op. 68 “Pastoral” under the world record roof of the Spectacle.

In addition, we have organized a guided tour of “Earth Day X Nature’s Art” for guests to discover the green facility features at MGM COTAI. We also prepared a Symphony afternoon tea and a moss ball planting workshop for our visitors to learn more about environmental conservation through artistic entertainment.



# For Better Guest and Partner Relationships



Maintaining long-term relationships with our key stakeholders along the value chain underpins the sustainability of our business success and our leading industry position. As such, we are devoted to build trusting relationships with our guests, business partners, suppliers, vendors and tenants through delivery of exceptional services and partnership engagements. We closely observe the tourism developmental direction “Tourism+” advocated by the Macau Government and leverage our novelty and innovation to grasp the opportunities brought by the Greater Bay Area, creating more magnificent guest experience and shared value.



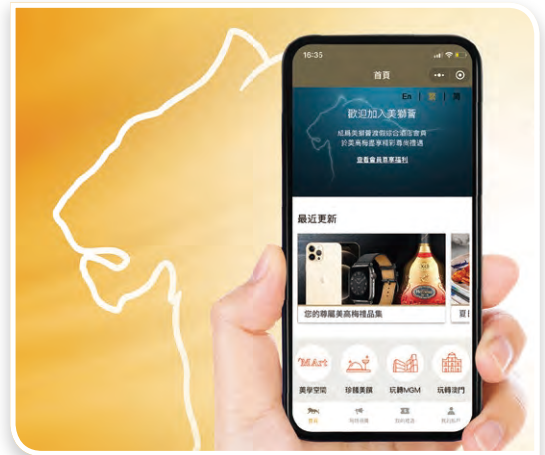


# VALUE CHAIN (GUESTS & PARTNERS)

## Delivering Quality for Our Guests

### Shaking Up Guest Experiences and Engagement

Extraordinary customer engagement and experiences remain indispensable in growing and maintaining our large and diverse customer base. The MLife Membership Program develops customer loyalty and strengthens rewarding relationships by understanding their preferences and needs, thereby elevating the overall customer experience to the next level. This year, we are delighted to announce that MGM MACAU has been named a Five-Star Hotel by Forbes Travel Guide for the fifth consecutive year while Tria spas at both MGM MACAU and MGM COTAI also achieved a Five-Star recognition. On the other hand, MGM COTAI was named “Best Meeting & Conventions Hotel in Macau” at TTG China Travel Awards. These accomplishments have manifested our way of delighting our customers by constantly exceeding their expectations and we will continue to pursue improvement in our services.



## Extend Entertainment with Innovation

With evolving customer expectations, industry trends and regional focal points in tourism, we continue to elevate multifaceted interaction with our guests with the leading-edge innovations and technologies in Meeting, Incentive, Convention, and Exhibition (MICE), Sports, Gastronomy, Festive, e-Commerce and in particularly, Arts and Culture.

We are committed to driving Macau to become a global tourism destination by utilizing the latest technology to provide the most innovative entertainment experience to our guests. Our groundbreaking MGM Theater, Asia's first dynamic and high-tech theater, is renowned for its stage for art and cultural performances where global artists and audience are drawn together by its cutting-edge technologies to bring multisensory experiences. As a trendsetter in Asia's entertainment landscape, the MGM Theater has successfully held a variety of entertainment experiences since its establishment, including the FUERZA BRUTA WAYRA's first-ever-in-Macau show and the world's first residency of the Harry Potter Film Concert Series. With the aim of forging the entertainment frontier and boosting the local tourism industry, Dong Mingzhu, Chairman of Gree Electric who is also dubbed as the livestreaming queen, decided to organize her first-ever grand livestream show in Macau in 2020. The show transformed the stage of MGM Theater into different styles of smart home scenes, and the show set an unprecedented livestream sales record in Macau of over RMB 900 million.



Asia's **1st** dynamic theater



**Largest** indoor 4K LED screen

**10** Seat **2,000** people in different configurations



Redefining entertainment experience through **innovative** technology

Another intriguing experience we offer to our guests is the brand-new immersive experience Sea Odyssey, where the Spectacle of MGM COTAI and Grande Praça of MGM MACAU are transformed into an underwater world by state-of-the-art technology. Our guests can bask in the warmth of sun while enjoying the accompany of silvery shiny dolphins and other sea creatures soaring around the breathtaking 8-meter-tall cylindrical MGM Aquarium at MGM MACAU or the sun-lit atrium at the Spectacle of MGM COTAI.

Beyond the underwater wonderland, our guests can also indulge in the rich biodiversity and greenery within the Spectacle, where over 100,000 plants of different species and the perpetually changing landscapes on the LED wall take them on journeys unimagined.

To break with tradition and continued to integrate cultural heritage into tourism since our opening in 2007, we strive to offer a seamless blend of entertainment and unique local culture to the multi-cultural tourist composition in Macau. Keeping pace with the “dual-circulation” development pattern within the Greater Bay Area, we proudly pioneer the infusion of cultural heritage into tourism by advocating and enhancing the inheritance of traditional Chinese art in tourists experience. With the establishment of “Tourism+” model built on Lingnan culture, we can enrich guest experience and inspire creativity.





## Customer Satisfaction

We are committed to providing the best guest experience through professional and quality customer services. Internal guidelines and standards, such as, good practices of customer greetings and engagement, company grooming standards, etc. have been established with monitoring by senior team members to maintain high level of service quality. On-the-job trainings are provided for frontline staff to ensure all employees are well-trained and familiar with the Company's service standards.

Customer experience and their feedback are important indicators of the quality of our service delivery. To better understand our guests' expectations and improve their experience, we connect with our guests by deploying various channels, regularly reviewing the feedback collected and providing timely responses to meet their concerns.

We have an open communication channel for customers to share their feedback on our service, the Hotel Post Stay Survey track customer satisfaction and allow us to monitor our service quality and make improvement. The Survey incorporates 3 major indicators for guests to evaluate their experience with us – the Service Standard Satisfaction Score, the Net Promoter Score ("NPS") and the Overall Customer Satisfaction Score. Other questions are designed to understand customers' main reasons for choosing us and their budget, so as to better grasp their expectations and to further leverage our competitive advantage in securing our loyal customer base. Regardless of the reduced number of responses in 2020 due to the confined level of economic activities and tourism during the pandemic, we continued to attain satisfactory guest experience ratings this year.

## Customer Feedback Channels

### Onsite customer care and interaction



### Mlife membership



### Surveys



### Corporate website



### Customer hotlines



### Online travel platforms



### Social media



## Key drivers for overall Service Standard Satisfaction:



**Check-in  
experience**



**Check-out  
experience**



**Hotel  
shuttle bus**



**Room  
cleanliness**



**Staff  
friendliness**

## Key figures of Guest Satisfaction

2019

2020



**Average Number of  
Survey Conducted**

**40,800+**

**12,800+**



**Average Overall Net  
Promoter Score**

**+54%**

**+53%**



**Average Overall Customer  
Satisfaction Score**

**4.5 / 5**

**4.4 / 5**

With online navigation and reservation of travel experiences remain a prevailing market trend, we put equal attention to customers' feedback on online travel agencies ("OTA") to obtain a more holistic understanding of our service delivery. Amidst the challenging year for businesses and tourism, we are proud to continue claiming the leading position on TripAdvisor, the world's largest travel platform. At the same time, we have been adding more OTA to our observation, for instance Ctrip, DianPing, Fliggy and Meituan, and we are exploring opportunities for greater inclusion.



MGM Macau ranked **1<sup>st</sup>** on TripAdvisor with **FULL** ratings consecutively in both year 2019 and 2020



MGM Cotai ranked **2<sup>nd</sup>** under the Traveler's Rank category for 2 years in a row in 2019 and 2020



**Key Figures of OTA****2019****2020****Average Number of Reviews****8,460+****1,580+****Average Overall Customer Satisfaction Score****4.7 / 5****4.7 / 5**

MGM China has a formal mechanism to handle every consumer complaint received in a consistent and efficient manner. We are committed to providing acknowledgement of complaints and a formal response as promptly as possible. To avoid the reoccurrence of similar instances, complaints received are carefully managed under well-established procedures and reported to management in regular meetings.

## Customer Health and Safety

Customer health and safety have received unprecedented level of attention amidst the pandemic. With comprehensive internal guidelines and standards and a professional team, we continuously make great effort to safeguard the health and safety of our customers and earned their trust over the years.

### Building and Facility Safety

We conduct analysis of potential risks that may cause harm to our guests. Taking into account multifaceted functions of our properties, particularly during large-scale events and festive seasons, a comprehensive crowd management system is effectively in place to protect the safety of our customers at all times. To enhance staff awareness against potential safety risks, a wide array of health and safety related trainings, including first aid care and fire drills are also organized on a regular basis across the Company. Our team members are equipped with knowledge on the handling of emergency situations, such as fires, flooding, electricity and water supply interruptions and chemical spills, that may arise from accidents or extreme weather events namely typhoons and rainstorms.

### Food Safety

Apart from physical risks, hygiene and food safety are also our top concerns. A Food Safety Management Manual is established based on relevant Macau laws and regulations and draws reference from international food safety standards, such as HACCP and ISO 22000. To uphold stringent hygiene and food safety standards, hygiene personnel are appointed to conduct daily inspections whereas independent external parties are engaged to perform food laboratory tests on a monthly basis. Along our supply chain, we conduct thorough inspection and evaluation on the performance of our food and beverage suppliers regularly to validate the compliance with our food safety and hygiene expectations.





## Case Study

With regards to the impacts of the COVID-19 pandemic, we swiftly implemented a series of measures to safeguard the health and safety of our guests and team members. Our anti-pandemic efforts have also been recognized by the CLO in July 2020. A tour at MGM COTAI to observe the property's anti-pandemic implementations was offered and was highly appreciated by representatives from the CLO.



### Key Pandemic Precautionary Measures Taken at Our Premises



Temperature check



Limit number of gaming tables



Wear mask



Limit seats available per table game



Valid and negative COVID-19 test results (in casino)



Increase spacing between slot machines



Valid health declaration submitted through the Macau Health Code system



Reduce opening hours of bars and restaurants

## Customer Data Privacy and Product Responsibility

Data privacy and cybersecurity have never been more paramount in the increasingly digitalized world. We fully understand and respect our customers' concerns for the privacy of their personal information. To ensure their personal information and data are well-protected, we established [Privacy Policy and Information Security Policy and Standards](#) ("Privacy Policy") to inform the collection, use, protection, and sharing practices of personal information within the Company. All information collected is properly stored on secured servers that are protected by firewalls and other industry standard security measures against unauthorized access. We require strict adherence to the Privacy Policy by all employees, contractors, consultants, temporary employees, and other workers. Team members who commit violations are subject to disciplinary action, including termination of employment.

Engaging our customers with a profound sense of product responsibility, we ensure the fairness and accuracy of marketing information delivered to customers as set out in our policies and practices. We proactively collect feedback from our customers and communicate material information to senior management for consideration when reviewing and updating our internal policies. During the reporting year, we did not receive any complaints concerning breach of customer privacy from regulatory bodies nor customers.

## Promoting Responsible Gaming

Given the pervasive and inherent compliance risks in the industry, our longstanding commitment is to promote responsible gaming to our team members, guests and the public. As a responsible corporate citizen, we fully recognize the significance of upholding ethical gaming practices and our strict adherence to the maintenance of all necessary regulatory licenses, permits, approvals, registrations, findings of suitability, orders and authorizations pursuant to the Macau laws, regulations and ordinances pertaining to our operation.

### Our Lines of Defense

Dedicated committees and personnel act as our lines of defense against gaming malpractices to ensure our compliance with relevant laws and regulations. Comprising senior management, our Responsible Gaming Committee promotes the Company's adherence to Macau legislations and fosters effective communication on responsible gaming. The Responsible Gaming Operations Team serves as our first line of contact in identifying potential issues that arise and handling problem gambling cases onsite. Any related cases observed would be handled in accordance with predefined protocols. The team members and representatives onsite are certified with the Macau Responsible Gaming Advisor to provide immediate assistance to players on suspected gambling problems and help them to make informed gambling decisions. For those who might be suffering from the negative consequences of problem gambling, our representatives can provide full assistance in the application of the Voluntary Self-exclusion and a Third-party Exclusion program for the people who experience it or their family members who are concerned. Throughout our operations, the concept of responsible gaming is also promoted among our guests through information kiosks and other communications.

Cultivating an internal responsible gaming culture, our team members are required to follow the Company's Employee Gaming Policy that stipulates the prohibition of all team members from participating in any gaming activities in the premises of MGM China and obtaining any account with any gaming promoter that operates in our premises. We abide by the relevant local legislations such as prohibiting employees who work inside the gaming area from entering the gaming floor of local casinos while off-duty. On top of that, we prioritize the education of responsible gaming to all team members on their first day of work. The RG Awareness Training is a mandatory course for all MGM team members and a refresher training will be delivered periodically to ensure that we are of a positive force in the industry in driving RG initiatives.

## Awareness-raising Engagement

By leveraging our leading industry position, we broadcast the concept of responsible gaming with customers and the wider community. We keenly supported the “Macau Responsible Gaming Campaign” co-organized by the Social Welfare Bureau, The Gaming Inspection and Coordination Bureau (“DICJ”) and the UM, which aims to enhance public understanding of responsible gaming.

### 2020 Responsible Gaming (“RG”) Promotions

Under the RG promotion this year, the theme “Lost Control, Lose Family” covering a wide spectrum of promotional events, such as roadshows, training programs, workshops, seminars and family outings, has emphasized the significant impact responsible gaming could have on a family’s wellbeing.

In addition, a workshop themed “Healthy Family starts with Financial Stability” was conducted by Sheng Kung Hui speakers regarding knowledge on healthy financial management, financial liabilities and the potential impacts of gaming on families. To promote building of healthy family relationships, we offered professional counselling services for team members and their family members to cope with gambling-related problems.

Engaging our team members through interactive activities, we also introduced a new training program, named “Let’s Roll RG”, which we aim to educate team members about the causes of gambling addiction, proper conduct of responsible gaming and importance of financial planning.



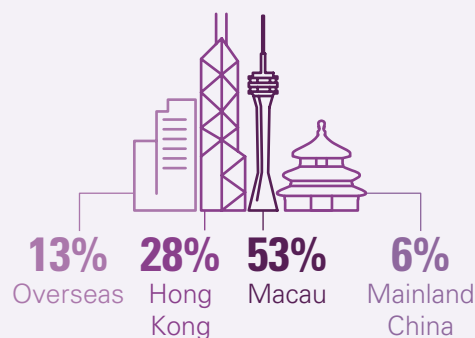
**3,000+** team member participated responsible gaming awareness and related topic in 2020. Accumulative training hours on responsible gaming reach **3,100 hrs.**

## Responsible Supply Chain Management

As a responsible business, we believe that our social responsibility extends beyond our team members and guests. We embed our sustainability culture in the supply chain and partnerships with suppliers, contractors and business partners. Guided by our Sustainable Procurement Policy, we aim to mitigate our social and environmental impacts without compromising our service quality.

During the reporting year, we sourced products and services from over 2,800 suppliers based in Macau, Mainland China, Hong Kong and other overseas countries.

### Supplier Profile by Location



## Supplier Code of Conduct

All vendors are required to accept and abide by the principles of our Supplier Code of Conduct ("SCOC") upon vendor registration process. We aspire to engage suppliers that are committed to working hand in hand with MGM China and sharing the same values of business integrity and corporate responsibility. To this end, we ensure contractors and suppliers understand the requirements by stipulating them in guidelines disseminated whenever feasible. The SCOC covers the Company's expectations for suppliers and contractors in complying with relevant laws, regulations and standards regarding human rights, diversity, workplace health and safety, climate change and carbon emission, noise control, waste handling, water conservation, corporate governance, business conduct and ethics. Work instructions are also provided for contractors responsible for cleaning and handling chemicals to keep the exposure of hazardous substance to the minimum. Upholding high standards on the sustainability throughout our supply chain, the environmental, health and safety performance of suppliers and contractors are taken into account in the procurement evaluation process whenever possible.

## Procurement Procedures

Our approach to procurement reflects our focus on enhancing sustainability along the supply chain. The Supply Chain Services team closely follows our Sustainable Procurement Policy. MGM China has also formulated the Purchasing Standard Operating Procedure, with reference to the ISO 14001 Environmental Management System, to manage all potential environmental and social risks involved in the purchasing process. The Procedure ensures that robust internal controls are maintained and adhered to and we can obtain quality goods and services at the best available prices from reputable vendors.

The Company recognizes the sustainability efforts made by our supply chain partners. Supplier proposals with innovative and impactful sustainable components will be given additional credits during tendering evaluation process. Not only the newly selected suppliers but also the existing ones are important drivers of our sustainability performance along the supply chain. We regularly perform site visits and inspections and communicate in meetings and briefings with our engaged suppliers and business partners to closely monitor their performance and to exchange sustainable best practices.



We promote the purchase of sustainable alternatives through the adoption of sustainable and responsible selection criteria whenever applicable. We procure organic, fair trade and locally produced products for a range of commodities including food & beverage, operating supplies, construction and renovation, transportation and logistics through collaborating with internal departments, suppliers and partners.

As we serve meals to a large number of guests and team members daily, we are conscious of sourcing food ingredients that are responsibly and sustainably sourced. During the year, we sourced more than 20 types of sustainable products, such as organic wine and other beverages, meat and vegetable. For instance, we source sustainable seafood with the MSC label certified by the Marine Stewardship Council ("MSC"), that is awarded to wild seafood caught with methods of the least impact to ecosystems or that the fisheries are properly managed, to preserve marine ecosystems. Looking forward, we will continue to seek opportunities to maximize the types of sustainably sourced products during procurement.



**Sustainable procurement  
including 20 types of  
products**

## Collaboration with Local SMEs and Businesses along the Sustainable Journey

Our enthusiasm for nurturing sprouting businesses underlies our creative minds and innovation in extensively supporting local SMEs to create win-win partnership that foster the diversification of Macau's economy. Envisioned to setting the stage for SME development, the MGM SME Committee is dedicated to exploring new opportunities in bringing local SMEs to do business in mainland China and the global market. Showing significant progress in achieving greater diversity in our supplier portfolio since its establishment in 2015, the Committee regularly organizes a wide spectrum of events for local SME suppliers to accelerate their business incubation and to pave the way of cooperating with local creative industries.

### Proportion of our procurement spending in 2020



On local SMEs **> 23%**

On local Macau enterprises **> 85%**

We continue to innovate and create new opportunities to nurture the growth of local SMEs. Our supporting initiatives pivot around 4 primary foci: "Micro SMEs", "Made in Macau", "Young Entrepreneurs" and "Greater Bay Area Opportunities". With creativity and innovation at the center of our strategy, we seek opportunities to reinforce the development and growth of local SMEs and to gain their footing in the Greater Bay Area by integrating the SMEs into the innovative business hub. We will continue to explore the opportunities of establishing mutually beneficial partnerships to foster the diversity of Macau's economy.

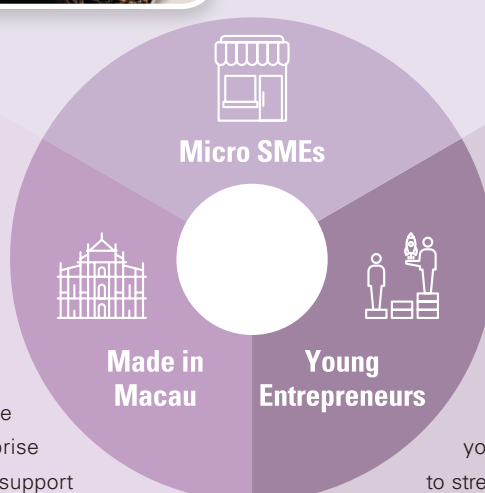


#### Promotion of M-Mark Scheme to high potential SMEs

During the year, we joined hands with Industrial Association of Macau and Macau Productively and Technology Transfer Center ("CPTTM") to promote the Macau Product Quality Certification (M-Mark) Scheme through site visits to five high potential SME vendors within our operation, facilitating their participation in the scheme to raise their competitive advantage.

#### Procurement of Face Mask from Local Manufacturer

MGM China signed a Memorandum of Understanding ("MOU") with a Macau enterprise – Macaufacture Medical Supplies Limited ("MMSL") on its purchase of 300,000 locally produce "853 brand" surgical face masks. We are the first large enterprise in Macau to collaborate with MMSL support the brand to emerge from the pandemic situation. The collaboration also shows our practical support for local brands to promote Macau's economic diversification.



#### Macao Young Entrepreneur Incubation Center ("MYEIC") x MGM Young Entrepreneur Nurturing Program

MGM collaborated with Parafuturo de Macau ("PFM Macau") and MYEIC to launch the MYEIC x MGM Young Entrepreneur Nurturing Program to equip young talents with the suitable strategies to strengthen their connection with the evolving market. Throughout the 4 sessions conducted during the year, participants gained invaluable experiences of receiving tailored professional guidance from the MGM management on essential, information technology and purchasing. On-site inspections of MGM properties were also arranged to enrich their understanding of the operations of sizeable corporates.



## Greater Bay Area Opportunities

### “Work Hand-in-Hand to Explore Greater Bay Area Opportunities” event series

In 2020, MGM China continued to co-organize the “Work Hand-in-Hand to Explore Greater Bay Area Opportunities” event series with The Industry and Commerce Association of Macau for the second consecutive year. Participating parties gathered at Fuhuali, Zhuhai, showcasing local brands, creative products and local designs of Macau, with the aim to introduce local Macau SMEs to the Greater Bay Area market.



### Bringing-forth Products from Portuguese-speaking Countries to Macau Market

We are the first ever large corporation to have signed a trading agreement with Charlestrong Café Companhia Limitada, a Macau SME, to purchase their organic East Timor specialty coffee. The collaboration manifested our contribution in promoting Macau as the Commercial and Trade Cooperation Service Platform between China and Portuguese-speaking Countries.



### SME Visit to the Zhuhai Brief

Since its establishment in 2014 as the first shared service center in Fuhuali, Zhuhai, the Zhuhai Brief has been realizing its aim of facilitating the integration of Macau SMEs into the Greater Bay Area. During the year, we arranged SMEs visits to the Zhuhai Brief with experts' sharing to enrich their understanding on the taxation system, laws and procurement procedures in the Greater Bay Area.





We have made continuous efforts in pursuing excellence in corporate governance, social responsibility, environmental protection, and service quality. The highlights below summarize our major achievements this year which allows our continuous enhancement throughout the sustainability journey. Moreover, we are fully aware that a sustainable future can only be realized through partnerships and cooperation, so we actively support and collaborate with various associations to create positive impacts in the local community and around the globe.

## Awards and Recognitions

Awards/Recognitions	Organizer
ATD BEST AWARD 2020	Association of Talent Development
PATA – Human Capital Grand Award	PATA
Distinguished Family-Friendly Employer Award, Outstanding Family Friendly Employer Award, Family Friendly Employer Award, Supporting Nursing Mothers Award	The Women's General Association of Macau
Three-star Green Building Operation Label	China Green Building and Energy Saving (Macau) Association
MGM MACAU – Gold Award	DSPA and MGTO
MGM MACAU – Five-Star rating MGM MACAU & MGM COTAI – Tria Spa – Five-Star rating	Forbes Travel Guide
Human Resources Director Asia Hot List 2020	Human Resources Director Asia
Southern China HR Excellence Awards 2019 – Excellence in Employer Branding Award	Guangdong HR Management Association
Southern China HR Excellence Awards 2019 – HR Best Practice Award	Guangdong HR Management Association
Southern China HR Excellence Awards 2019 – HR Pioneer Award	Guangdong HR Management Association
China Talent Development Awards 2019–2020 – Talent Development Award and Innovative Practice Award	China Training Magazine
The Innovative Use of Technology in Human Resources – Silver Stevie Winners	2020 Asia-Pacific Stevie Awards – Stevie Awards organization
Best HR Management Teams in China	Best HR Management Awards 2020 – HRSalon China
2020 Talent Management Best Practices Awards 2020 APAC Digital Learning Program Best Practice Award	aTalent
HRFlag Awards 2020 – Best HR Team, Best HR COE – MGM Academy and Best HR Program – MGM Career Development Program	HRFlag
HRTech China 2020 INNO Awards – Innovative Team	HRTech China
Best Employer of Year 2020 and Outstanding Enterprise in Fighting the COVID 19 in 2020	VeryEast
Best Practice of Organization Development in Greater China 2020	HRoot





Awards/Recognitions	Organizer
Digital Media Award, Best Employer Branding Video Editing Award, Best Employer Branding Copywriting Award, Best Employer Branding Video Storytelling Award	HRFlag
Outstanding Corporate for Volunteerism	Macau Volunteer Association
2020 Outstanding Employers of “Senior Citizen Talent” Award	Macau Social Welfare Bureau, Macau Social Security Fund and Macau Labour Affairs Bureau
MGM COTAI – Best Meeting & Conventions Hotel in Macau	TTG China Travel Awards
Best Restaurant (Cantonese Cuisine) – Imperial Court Best Restaurant (Sichuan Cuisine) Five Foot Road Best Chef of the Year – Yang Dengquan (Five Foot Road)	2020 Best Restaurant Awards by Ganlan Huabao
50 Best Discovery 2020 – Aji	The World's 50 Best Restaurants
SCMP Top 100 Tables 2020 – Aji	South China Morning Post
BEST of the BEST MASTERCHEF Recommendation Restaurant 2020 – Five Foot Road & Imperial Court	Asia Art Of Cuisine Society
Michelin Plate 2020 – Five Foot Road & Imperial Court	The MICHELIN Guide
Creative Event Award	Macao Convention and Exhibition Commendation Awards 2020

## Memberships

Partner	Nature of Membership
The American Chamber of Commerce in Macau	Corporate Member
British Chamber of Commerce in Macao	Corporate Member
The Mekong Club, Limited	Member
Câmara de Comércio e Indústria Luso-Chinesa	Member
The Macau International Golden Keys Association	Local Member
PATA Macau Chapter	Member
France Macau Chamber of Commerce	Corporate Member
Macau Hotel Association	Member
The Macau Human Resources Management Association	Corporate Member
Zhuhai Association of Service Trade and Outsourcing	Vice President Unit

# PERFORMANCE DATA SUMMARY

The tables below present a quantitative overview of MGM China's sustainability performance for the calendar year ending December 31<sup>st</sup>, 2020, unless otherwise stated, and historical data is presented for comparison purpose.

## ECONOMIC PERFORMANCE<sup>15</sup>

	Unit	2020	2019	2018
Revenue <sup>16</sup>	HK\$'000	5,095,983	22,765,036	19,200,721
Operating costs (Exclude tax expenses)		7,943,933	10,314,500	9,235,173
Tax expenses <sup>17</sup>		2,414,837	10,625,736	8,902,826
Total gross floor area	m <sup>2</sup>	585,683	498,545	498,545

## ENVIRONMENTAL PERFORMANCE<sup>18</sup>

	Unit	2020	2019	2018
Energy consumption				
Total energy consumption	GJ	669,750	800,535	776,397
Energy consumption intensity <sup>19</sup>	GJ/m²	1.14	1.61	1.56
Indirect energy consumption				
Electricity consumption	GJ	609,027	692,319	649,706
Direct energy consumption				
Liquefied petroleum gas (“LPG”)	GJ	38,346	47,066	103,280
Natural gas		16,280	19,494	–
Diesel		3,799	35,618	19,886
Gasoline		2,298	6,037	3,524
GHG emissions <sup>20</sup>				
Direct GHG emissions (Scope 1) <sup>21</sup>	tCO <sub>2</sub> e	5,480	10,714	10,488
Indirect GHG emissions (Scope 2) <sup>22</sup>		138,723	169,811	162,856
Total GHG emissions (Scope 1 & 2)		144,203	180,525	173,344
GHG emissions intensity <sup>19</sup>	tCO <sub>2</sub> e/m²	0.25	0.36	0.32

<sup>15</sup> Economic data covers operations of the whole Company. For more financial data, please visit our [Annual Report 2020](#).

<sup>16</sup> In 2020, due to the COVID-19 pandemic and travel restrictions and quarantine measures in Macau, the total visitation in Macau was 5.9 million, compared to 39.4 million in 2019. This leads to the significant drop in our revenue and room occupancy rate.

<sup>17</sup> Tax expenses include gaming taxes and income tax expense, deducting income tax benefit.

<sup>18</sup> Environmental data covers operations at MGM MACAU and MGM COTAI.

<sup>19</sup> Gross Floor Area of MGM COTAI has been updated in the calculation of intensity for 2020.

<sup>20</sup> GHG emissions are calculated with reference to ISO 14064 International Standard and the Hong Kong Government's Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition), with location-specific emission factors where applicable.

<sup>21</sup> Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by the Company, including fuel consumption from stationary and mobile combustion sources and use of refrigerants. Emissions from combustion of natural gas and diesel are calculated based on Greenhouse Gas Inventories issued by U.S. Environmental Protection Agency (EPA) and CDP Technical Note respectively. The direct GHG emissions figure has been restated to reflect an adjustment in actual fuel consumption.

<sup>22</sup> Scope 2 emissions are indirect GHG emissions from the consumption of purchased electricity by the Company. The corresponding emission factor, as provided by the utility company Companhia de Electricidade de Macau (CEM), was 0.791 kg CO<sub>2</sub>e/kWh. The indirect GHG emissions figure on [Annual Report 2020](#) has been restated to reflect an adjustment in actual electricity consumption.

	Unit	2020	2019	2018
Water consumption				
Total municipal water consumption	m³	1,060,232	1,494,352	1,402,056
Water consumption intensity <sup>19</sup>	m³/m²	1.81	3.00	2.81
Waste management				
Waste generated – Hazardous <sup>23</sup>	tons	9.02	–	–
Waste disposed <sup>24</sup> – Non-hazardous (landfill & incinerated)		5,283.59	–	–
Waste diverted <sup>25</sup> – Non-hazardous				
Food waste and cooking oil	tons	141.37	–	–
Paper		178.04	–	–
Plastic		6.47	–	–
Metals		41.18	–	–
Glass		10.17	–	–
Soap		5.49	–	–
Coffee Capsules		0.28	–	–
Miscellaneous Items <sup>26</sup>		23.94	–	–
Hazardous waste intensity <sup>19</sup>	tons/m²	0.000015	–	–
Non-hazardous waste intensity <sup>19</sup>		0.010	–	–
Material consumption				
Renewable material consumption				
Paper	tons	17.78	–	–
Non-renewable materials consumption				
Plastic	tons	30.98	–	–

<sup>23</sup> Includes e-waste such as lighting, batteries as well as electrical and electronic equipment which are defined by local legislation. All hazardous waste is recycled and handled by licensed contractors.

<sup>24</sup> Includes construction and demolition waste disposed to landfill and general waste for incineration.

<sup>25</sup> Includes composted, digested and dehydrated food waste and recycled waste.

<sup>26</sup> Includes ad-hoc items such as trolleys, metal float trays, carpet, box sleeve and used workshop materials.

## SOCIAL PERFORMANCE<sup>27</sup>

### Workforce

Total workforce	Unit	2020
Employees	number	10,364
<b>Employee by employment type</b>		
Full-time (Permanent)	number	10,354
Part-time (Permanent)		10

### Workforce profile

	Unit	2020		
		Senior Management <sup>28</sup>	Middle Management	General Employee
Employees by gender and employment category				
Female	number	47	218	4,711
Male		86	344	4,958
Employees by age group and employment category				
Under 31	number	–	41	2,489
31–50		94	467	5,754
51 or above		39	54	1,426
Employees by geographical region (work location) and employment category				
Macau	number	130	550	9,533
Hong Kong		3	4	7
Mainland China		–	8	129

### Employee New Hires

	Unit	2020
Total new hires		
New hires	number	217
New hires rate <sup>29</sup>	%	2.09
By gender		
Female	number	103
Male		114
By age groups		
Under 31	number	122
31 – 50		89
51 or above		6
By geographical region (work location)		
Macau	number	208
Hong Kong		2
Mainland China		7

<sup>27</sup> Social data covers operations of the whole Company.

<sup>28</sup> Director level and above employees are considered senior management.

<sup>29</sup> New hire rate is calculated using the total number of full time and part time employees as of 31 December 2020.



## Employee Turnover

	Unit	2020
Total turnover and turnover rate		
Turnover	number	922
Turnover rate <sup>30</sup>	%	8.90
By gender		
Female	number (%)	397 (7.98)
Male		525 (9.74)
By age groups		
Under 31	number (%)	404 (15.97)
31–50		445 (7.05)
51 or above		73 (4.81)
Total turnover by geographical region (work location)		
Macau	number (%)	905 (8.86)
Hong Kong		4 (28.57)
Mainland China		13 (9.49)

## Board composition

	Unit	2020
By gender		
Male	number	9
Female		3
By age groups		
Under 31	number	0
31–50		2
51 or above		10

## Parental leave

	2020			
	Employees entitled to parental leave (number)	Employees took parental leave (number)	Employees returned to work after parental leave (number)	Employees returned to work for more than 12 months after parental leave (number)
<b>By gender</b>				
Male	5,388	176	173	198
Female	4,976	169	155	138

<sup>30</sup> Turnover rate is calculated using the total number of full time and part time employees as of 31 December 2020.

## Ratio of basic salary and remuneration of female employees to male employees<sup>28, 31</sup>

	2020
<b>Ratio of basic salary of female employees to male employees by employment category</b>	
Senior management	1:1.21
Middle management	1:1.07
General employee	1:1.03
<b>Ratio of remuneration of female employees to male employees by employment category</b>	
Senior management	1:1.20
Middle management	1:1.11
General employee	1:1.06

## Occupational health and safety<sup>32</sup>

	Unit	2020	2019	2018
<b>Work-related injuries and fatalities</b>				
Fatalities	number	0	0	0
	per 100 workers	0	0	0
Recordable work-related injuries <sup>33</sup>	number	90	–	–
	per 200,000 hours worked	1.05	–	–
High-consequence work-related injuries <sup>34</sup>	number	3	–	–
	per 200,000 hours worked	0.04	–	–
Lost days due to work injuries	days	1,956	–	–
	per 200,000 hours worked	22.85	–	–

<sup>31</sup> Basic salary refers to fixed, minimum amount paid to an employee for performing his or her duties, excluding any additional remuneration, such as payments for overtime working or bonuses. Remuneration refers to basic salary plus additional allowances, including bonuses, transportation fee, overtime pay and other welfares.

<sup>32</sup> The recordable work-related injuries rate, high-consequence work-related injuries and lost day rate are calculated based on the number of days lost per 200,000 hours worked (100 employees working 40 hours per week for 50 weeks). Total hours worked hours: 17,119,005.

<sup>33</sup> Recordable work-related injuries refer to work-related injury or ill health that results in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

<sup>34</sup> High-consequence work-related injuries refers to work-related injury that is expected to fully recover longer than 6 months, excluding fatalities.

## Employee development and training

	2020			
	Total training hours (hours)	Average training hours per person (hours)	Percentage of workforce trained (%)	Percentage of employees received regular performance review (%)
<b>By gender</b>				
Male	240,097	44.56	100	100
Female	209,949	42.19	99	100
<b>By employee category</b>				
Senior management <sup>28</sup>	1,683	12.65	100	100
Middle management	12,701	22.60	100	100
General employee	435,661	45.06	99	100

	Unit	2020
Percentage of workforce trained on MGM China's human rights policies and procedures	%	100
Percentage of employees anti-corruption policies have been communicated to		100
Anti-corruption and anti-money laundering trainings provided to the board of directors and employees	hours	4,862

## Supply chain management

	Unit	2020
<b>Number of suppliers</b>		
Total number of suppliers	number	2,807
<b>Number of suppliers by geographical region</b>		
Mainland China	number	175
Macau		1,486
Hong Kong		781
Others (e.g. overseas)		365

## Community investment

	Unit	2020
<b>Resources contributed</b>		
Total cash donations	HK\$'000	29,310
Total in-kind donations		1,520
Total volunteer hours	hours	20,606



# GRI STANDARDS AND HKEx ESG CONTENT INDEX

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
General Disclosures				
102: General Disclosures 2016				
<b>Organizational profile</b>				
102-1	–	Name of the organization	About this Report	P.6
102-2	–	Activities, brands, products, and services	About MGM China	P.7-9
102-3	–	Location of headquarters	Avenida Dr. Sun Yat Sen, Edifício MGM MACAU NAPE, Macau	–
102-4	–	Location of operations	About MGM China	P.7-9
102-5	–	Ownership and legal form	About this Report	P.6
102-6	–	Markets served	About MGM China	P.7-9
102-7	–	Scale of the organization		
102-8	KPI B1.1	Information on employees and other workers	Performance Data Summary	P.108-113
102-9	KPI B5.1 KPI B5.2 KPI B5.3	Supply chain	For Better Guest and Partner Relationship	P.92-105
			Performance Data Summary	P.108-113
102-10	–	Significant changes to the organization and its supply chain	There were no significant changes to the Company or its supply chain during the reporting period.	–
102-11	–	Precautionary principle or approach	Our Approach to Sustainability  Annual Report 2020 – Corporate Governance Report (P.100 – 120)	P.11-26
102-12	–	External initiatives	Our Approach to Sustainability	P.11-26
			Major Recognitions, Awards and Memberships	P.106-107
102-13	–	Membership of associations	Major Recognitions, Awards and Memberships	P.106-107
<b>Strategy</b>				
102-14	–	Statement from senior decision-maker	Chairpersons' Message	P.2-5
<b>Ethics and integrity</b>				
102-16	–	Values, principles, standards, and norms of behavior	About MGM China	P.7-9
			Our Approach to Sustainability	P.11-26
102-17	KPI B7.2	Mechanisms for advice and concerns about ethics	Our Approach to Sustainability	P.11-26

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
Governance				
102-18	–	Governance structure	Our Approach to Sustainability  Annual Report 2020 - Corporate Governance Report (P.100 - 120)	P.11-26
Stakeholder engagement				
102-40	–	List of stakeholder groups	Our Approach to Sustainability	P.11-26
102-41	–	Collective bargaining agreements	There are no collective negotiation or collective bargaining agreements in Macau as there are no trade unions or workers’ committees.	–
102-42	–	Identifying and selecting stakeholders	Our Approach to Sustainability	P.11-26
102-43	–	Approach to stakeholder engagement		
102-44	KPI B6.2	Key topics and concerns raised		
Reporting practice				
102-45	–	Entities included in the consolidated financial statements	Annual Report 2020 - Consolidated Financial Statements (P.165 - 257)	–
102-46	–	Defining report content and topic boundaries	About this Report	P.6
			Our Approach to Sustainability	P.11-26
102-47	–	List of material topics	Our Approach to Sustainability	P.11-26
102-48	–	Restatements of information	No restatement of information in 2020.	–
102-49	–	Changes in reporting	This Report is our first standalone Sustainability Report.	–
102-50	–	Reporting period	About this Report	P.6
102-51	–	Date of most recent report	Annual Report 2020 - Sustainability (P.57 - 99) published in April 2020	–
102-52	–	Reporting cycle	Annual	–
102-53	–	Contact point for questions regarding the report	About this Report	P.6
102-54	–	Claims of reporting in accordance with the GRI Standards	About this Report	P.6
102-55	–	GRI content index	GRI Standards and HKEx ESG Content Index	P.114-122
102-56	–	External assurance	Some of our ESG performance data have been reviewed by MGM Internal Audit team of MGM Resorts International.	–

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
Topic-specific Disclosures				
GRI 200 Series: Economic				
<b>201: Economic Performance 2016</b>				
103-1 103-2 103-3	–	Management approach	Our Approach to Sustainability  For Better Guest and Partner Relationship  <i>Annual Report 2020</i> –(P.22-55)	P.11-26  P.92-105
201-1	–	Direct economic value generated and distributed	Performance Data Summary  <i>Annual Report 2020</i> – Management Discussion and Analysis (P.42) Consolidated Statement of Profit or Loss and Other Comprehensive Income (P.172) Consolidated Statement of Financial Position (P.173-174) Financial Summary (P.287)	P.108-113
<b>203: Indirect Economic Impacts 2016</b>				
103-1 103-2 103-3	GD B8	Management approach	Our Approach to Sustainability  For a Better Community  For Better Guest and Partner Relationship	P.11-26  P.47-64  P.92-105
203-1	–	Infrastructure investments and services supported	For a Better Community  For Better Guest and Partner Relationship  Performance Data Summary  <i>Annual Report 2020</i> - Management Discussion and Analysis (P.23-55)	P.47-64  P.92-105  P.108-113
–	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	For a Better Community  Performance Data Summary	P.47-64  P.108-113
–	KPI B8.2	Resources contributed (e.g. money or time) to the focus area		

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
<b>204: Procurement Practices 2016</b>				
103-1 103-2 103-3	GD B5 B5.2	Management approach	Our Approach to Sustainability  For Better Guest and Partner Relationship	P.11-26  P.92-105
204-1	–	Proportion of spending on local suppliers		
<b>205: Anti-corruption 2016</b>				
103-1 103-2 103-3	GD B7 KPI B7.2 KPI B7.3	Management approach	Our Approach to Sustainability  For Better Guest and Partner Relationship	P.11-26  P.92-105
205-2	KPI B7.3	Communication and training about anti-corruption policies and procedures	Our Approach to Sustainability  Performance Data Summary  Annual Report 2020 – Sustainability (P.57-99)	P.11-26  P.108-113
205-3	GD B7 KPI B7.1	Confirmed incidents of corruption and actions taken	During the reporting period, there were no incident of non-compliance concerning the corrupt practices.	–
–	KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored	Our Approach to Sustainability	P.11-26
<b>GRI 300 Series: Environmental</b>				
<b>302: Energy 2016</b>				
103-1 103-2 103-3	GD A2, A3	Management approach	Our Approach to Sustainability  For a Better Planet	P.11-26  P.65-91
302-1	KPI A2.1	Energy consumption within the organization	Performance Data Summary	P.108-113
302-3	KPI A2.1	Energy intensity		
302-4	KPI A2.3	Reduction of energy consumption	For a Better Planet	P.65-91



GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
<b>303: Water and Effluents 2018</b>				
103-1 103-2 103-3	GD A2, A3	Management approach	Our Approach to Sustainability  For a Better Planet	P.11-26  P.65-91
303-1	KPI A2.4 KPI A3.1	Interactions with water as a shared resource	For Better Guest and Partner Relationship  Our water consumed is supplied through municipal water supply systems in compliance with the local laws and regulations. There is no significant impact associated with water resources caused by the Company's operation.	P.92-105
303-2	–	Management of water discharge-related impacts	For a Better Planet	P.65-91
303-5	KPI A2.2	Water consumption	For a Better Planet  Performance Data Summary	P.65-91  P.108-113
<b>305: Emissions 2016</b>				
103-1 103-2 103-3	GD A1, A3, KPI A1.5	Management approach	Our Approach to Sustainability  For a Better Planet	P.11-26  P.65-91
305-1 305-2 305-4 305-5	KPI A1.1 KPI A1.2 KPI A1.5	Direct (Scope 1) GHG emissions Energy indirect (Scope 2) GHG emissions GHG emissions intensity Reduction of GHG emissions	For a Better Planet Performance Data Summary	P.65-91 P.108-113
305-7	KPI A1.1	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Due to the nature of our business operations, emissions of NOx, SOx and other pollutants are considered insignificant in our operations.	–

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
<b>306: Waste 2020</b>				
103-1 103-2 103-3	GD A1, A3 KPI A1.6 KPI A3.1 KPI B5.4	Management approach	For a Better Planet	P.65-91
306-1	KPI A3.1	Waste generation and significant waste-related impacts		
306-2	KPI A3.1	Management of significant waste-related impacts		
306-3	KPI A1.3 KPI A1.4	Waste generated	Performance Data Summary	P.108-113
–	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Packaging materials were not considered as material topic to our operation. We have included relevant reduction initiatives in our “No Plastic Program” and waste management system.	–
<b>308: Supplier Environmental Assessment 2016</b>				
103-1 103-2 103-3	GD B5 KPI B5.4	Management approach	For Better Guest and Partner Relationship	P.92-105
308-1	KPI B5.2 KPI B5.3	New suppliers that were screened using environmental criteria	All new suppliers were screened using environmental criteria through our procurement process in 2020.	–
<b>Climate Change</b>				
–	GD A4	Identification and mitigation of significant climate-related issues	For a Better Planet	P.65-91
	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		

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
GRI 400 Series: Social				
<b>401: Employment 2016</b>				
103-1 103-2 103-3	GD B1	Management approach	For a Better Team	P.27-46
401-1	KPI B1.2	New employee hires and employee turnover	For a Better Team Performance Data Summary	P.27-46 P.108-113
401-3	–	Parental leave	Performance Data Summary	P.108-113
<b>403: Occupational Health and Safety 2018</b>				
103-1 103-2 103-3	GD B2 KPI B2.3	Management approach	Our Approach to Sustainability For a Better Team	P.11-26 P.27-46
403-1	GD B2 KPI B2.3	Occupational health and safety management system		
403-2	KPI B2.1 KPI B2.2 KPI B2.3	Hazard identification, risk assessment, and incident investigation		
403-3	KPI B2.3	Occupational health services		
403-4	–	Worker participation, consultation, and communication on occupational health and safety		
403-5	KPI B2.3	Worker training on occupational health and safety	Performance Data Summary	P.108-113
403-6	–	Promotion of worker health	For a Better Team	P.27-46
403-7	KPI B2.3	Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	For Better Guest and Partner Relationship	P.92-105
403-9	KPI B2.1	Work-related injuries	Performance Data Summary	P.108-113
–	KPI B2.2	Lost days due to work injury		

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
404: Training and Education 2016				
103-1 103-2 103-3	GD B3	Management approach	For a Better Team	P.27-46
404-1	KPI B3.2	Average hours of training per year per employee	Performance Data Summary	P.108-113
–	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)		
404-3	–	Percentage of employees receiving regular performance and career development reviews		
405: Diversity and Equal Opportunity 2016				
103-1 103-2 103-3	–	Management approach	For a Better Team	P.27-46
405-1	KPI B1.1	Diversity of governance bodies and employees	Performance Data Summary	P.108-113
405-2	–	Ratio of basic salary and remuneration of women to men		
408: Child Labor 2016				
103-1 103-2 103-3	GD B4	Management approach	For a Better Team	P.27-46
408-1	KPI B4.1 KPI B4.2	Operations and suppliers at significant risk for incidents of child labor	No operations and suppliers with significant risk for incidents of child labor and young workers exposed to hazardous work were identified.	–
409: Forced or Compulsory Labor 2016				
103-1 103-2 103-3	GD B4	Management approach	For a Better Team	P.27-46
409-1	KPI B4.1 KPI B4.2	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No operations and suppliers with significant risk for incidents of forced or compulsory labor were identified.	–



GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
<b>413: Local Communities 2016</b>				
103-1 103-2 103-3	GD B8	Management approach	For a Better Community	P.47-64
413-1	KPI B8.1 KPI B8.2	Operations with local community engagement, impact assessments and development programs	For a Better Community  Based on the business nature of the Company, 413-1a (i)-(iii), (vi)-(vii) are not directly applicable to our operations of the Company.	P.47-64
<b>414: Supplier Social Assessment 2016</b>				
103-1 103-2 103-3	GD B5	Management approach	For a Better Guest and Partner Relationship	P.92-105
414-1	KPI B5.2 KPI B5.3	New suppliers that were screened using social criteria	All new suppliers were screened using social criteria through our procurement process in 2020.	–
<b>416: Customer Health and Safety 2016</b>				
103-1 103-2 103-3	GD B6	Management approach	For a Better Guest and Partner Relationship	P.92-105
416-2	–	Incidents of non-compliance concerning the health and safety impacts of products and services	During the reporting period, there were no incidents of non-compliance concerning the health and safety impacts of products and services.	–
–	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not considered as material topic to our business. No products were subject to recall for health and safety reasons in 2020.	–
–	KPI B6.4	Description of quality assurance process and recall procedures.	For Better Guest and Partner Relationship	P.92-105
<b>418: Customer Privacy 2016</b>				
103-1 103-2 103-3	GD B6 KPI B6.5	Management approach	For a Better Guest and Partner Relationship	P.92-105
418-1	GD B6 KPI B6.2	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2020, we did not experience any significant data privacy breaches or receive any complaints.	–
<b>Intellectual Property Rights</b>				
–	GD B6	Management approach	For a Better Guest and Partner Relationship	P.92-105
–	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	During the reporting period, there were no incidents of non-compliance concerning the intellectual property rights.	–

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