

# MGM China Holdings Limited

(Incorporated in the Cayman Islands with limited liability)  
Stock Code: 2282



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

## Create a Better Tomorrow *Today*

SUSTAINABILITY REPORT 2021



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# Chairpersons' Message

2021 was a year filled with both challenges and opportunities. Despite the ongoing global disruptions caused by the COVID-19 pandemic, MGM China has been adapting and improving our company's resilience, while continuously optimizing its operations and promoting sustainable development. The global pandemic had a significant impact not only on our business operations, but also on the communities in which we live and work. However, our greatest mission is to ensure that our business operates in a safe manner, while extending aid to the community at our home — Macau.

In order to serve our customers and the society, we continued to improve our business and sustainability practices. MGM China has always been guided by the sustainability vision "Create a Better Tomorrow Today." Years of dedication to upholding our obligations as a responsible corporate citizen have aided us in navigating the city during these challenging times and enabled us to remain resolute in our pursuit of a full recovery for the city.

Over the past two years, our enhanced sustainability framework has sharpened our focus across the pillars of People, Community, Planet, Partners & Guests, and Sustainability Governance. We also support the relevant United Nations Sustainable Development Goals ("SDGs") in our sustainability framework, which has enabled us to carry forward our vision to improve sustainability performance and strengthen our capabilities.





In 2021, we launched and engaged in a wide array of initiatives to realize our sustainability goals and expand our positive impacts along the value chain. As a green pioneer in our industry and region, we further enhanced our approach in addressing climate-related risks that are material to our operations as steps to future-proof our business.

Given the unprecedented urgency of actively addressing climate change to enable agility and resilience in our business, climate-related and other environmental issues have been included as integral components of our company's risk assessment and management approach. We identified climate-related risks that are material to our operation and formulated mitigation and adaptation actions.

Mitigation actions and countermeasures are now incorporated into our Contingency Operation Manuals, while adaptation actions now form a critical component of Design Guidelines and commissioning requirements for newly constructed properties and projects. To further enhance transparency in our sustainability reporting, we have made reference to the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations on climate-related disclosures.

In response to Macau's green policies, and the national goal of peak emission by 2030 and carbon neutrality by 2060, our work to address climate impacts has been scaled to further drive decarbonization through the upgrading of equipment and technology, low-carbon operations, and collaborative partnerships to facilitate the transition to a low-carbon future.





MGM China has partnered with hotels in mainland China and Macau for the establishment of the Low Carbon Green Hotel Development Alliance ("LCGHDA") to expedite the industry's transition to a low-carbon operation for a greener economy in the Greater Bay Area ("GBA"). In addition, we partner with Nam Kwong Natural Gas Company Ltd to implement the natural gas changeover project for MGM MACAU, and adopting green operations and reaching another milestone in sustainable development. We have set a medium-term target to achieve normalized energy savings of 13% by 2025 compared to a 2019 baseline, and are also actively exploring ways to align our decarbonization plans with the Science Based Target initiative ("SBTi").

During the COVID-19 pandemic, we utilized our Spectacle and the MGM Theater to introduce new cultural tourism products to drive our property visitation and business growth. By leveraging the Tourism+ development model on the foundation of Lingnan culture, we have launched the "MGM Lion IP Program" and a series of tourism products that rejuvenate and integrate culture with technology to energize cultural tourism in Macau.

With creativity and innovation at the heart of our strategy, we seek to strengthen the growth and development of local small and medium enterprises ("SMEs"), as well as helping them gain a foothold in the GBA. In 2021, our spending on procurement from SMEs rose to 30% of total procurement spending. We pledge to lead and deepen our partnerships with local SMEs to promote Macau's economic diversification.







We are committed to creating a forward thinking and engaging workplace for our employees. Beyond ensuring health, safety and competitive pay, we create opportunities for growth and development for our team members. This year, we increased our training spending by 27% to further prepare our team members for success. Additionally, we hosted our first Employee Talent Competition for team members to showcase their talents while promoting work-life balance and boosting employee morale in a fun and causal way.

**William J. Hornbuckle**  
*Chairperson and Executive Director*  
**MGM China Holdings Limited**  
May 2022

We are grateful for the tremendous support from our Golden Lion Team and the trust of our stakeholders. With ambition, perseverance and creative thinking as central values that drive our work, we will continue to collaborate with our stakeholders to create a better tomorrow. Sustainability will continue to be a key element in our pursuit of becoming a company that will thrive in the future, and we look forward to making even greater progress in the year to come.

**Pansy Ho**  
*Co-Chairperson and Executive Director*  
**MGM China Holdings Limited**  
May 2022

# About This Report

This is our second 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 in addressing the sustainability issues that are material to our key stakeholders.

## Reporting Period and Boundary

This Report covers the Company's sustainability strategies and the environmental, social and governance ("ESG") performance during the period from 1 January to 31 December 2021 (the "reporting period" or "the Year"). This Report covers the Company's hospitality, gaming, and entertainment business 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 our 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 in accordance with the "mandatory disclosure requirements" and adhere to the "comply or explain" provisions outlined in the Environmental, Social and Governance Reporting Guide ("ESG Guide") under Appendix 27 of the Main Board Listing Rules issued by The Stock Exchange of Hong Kong Limited ("HKEx").

## Reporting Principles

The content of this Report is defined based on the reporting principles established by the GRI Standards, including stakeholder inclusiveness, sustainability context, materiality, and completeness. Moreover, principles set out in the ESG Guide namely quantitative, balance and consistency have been well adhered to during the preparation of this Report. The Company also ensures a proper presentation of quality information with accuracy, balance, clarity, comparability, reliability, and timeliness.

Materiality	Quantitative	Balance	Consistency
Materiality was assessed based on the results of stakeholder engagement and relevant material topics were reviewed and confirmed by senior management to ensure their significance.	We present quantitative data with calculation methods and relevant terms the Company defined.	We disclosed our ESG performance data on an unbiased basis with a full picture of both our accomplishments for the reporting period and potential for enhancement in the future.	The data is calculated using consistent methodologies to allow effective year-over-year comparison.

This Report is also prepared with reference to 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 the level of accuracy and credibility, 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

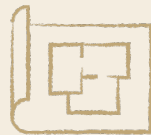
As a leading hospitality company, MGM China develops, owns and operates two integrated resorts in the Greater China region. With the vision to deliver high-quality entertainment and hospitality experience, we stay dedicated to making great moments happen.

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 (NYSE: MGM), 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 six gaming concessions/sub-concessions 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 2021.

## Company Profile at a Glance



**2**  
Integrated  
Resorts



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



**~2,000**  
Rooms

Grande Praça



99 Suites



Grand Ballroom



Pool and Spa



MGM MACAU



18 Villas



486 Guestrooms



8 F&B Outlets

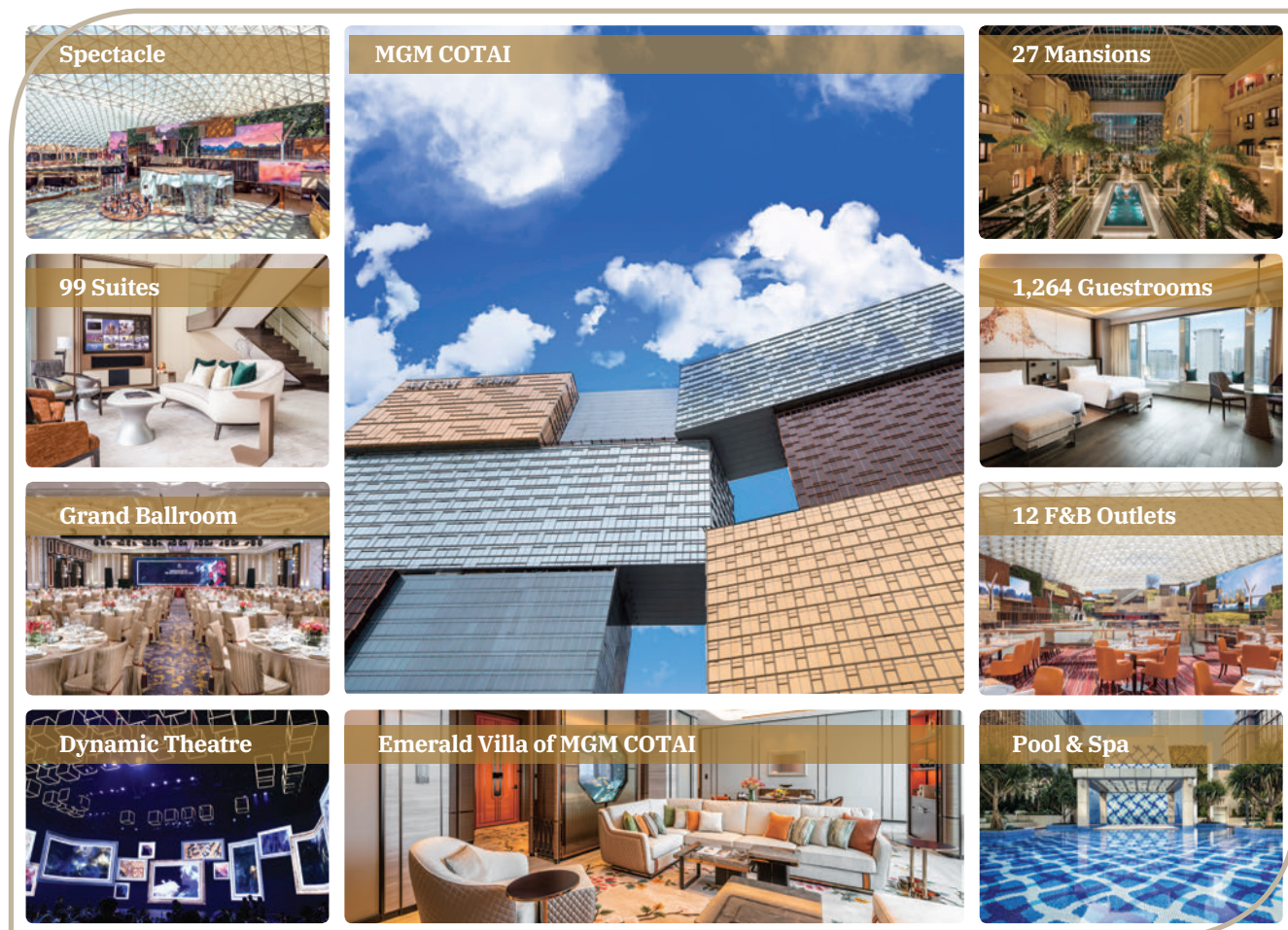


Business Venues





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 6,000 square feet MGM Art Space, eight 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 Praça which 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 was the latest addition of MGM China for ultimate luxury experience, debuted in 2018 as the iconic "jewelry box" of Cotai. It is home to Asia's first dynamic theater MGM Theater and a sunlit architecture wonder, the spectacle, that wow every guest who steps foot in the resort, offering approximately 1,400 hotel rooms and suites, meeting space, spa, retail offerings, and food and beverage outlets. It embraces the concept of art and entertainment experience for guests through seamlessly integrated technology and innovative forms of entertainment. It is the only mega complex and hotel in Macau to attain three-star certification in both China Green Building Design and Operation Label, as well as the first hotel in the GBA and second in Greater China to receive the certifications. Our efforts to create a value-added experience for our customers have been recognized by the industry awards. This year, the Emerald Villa of MGM COTAI attained double accolades for its interior design, namely the Winner for the SBID International Design Awards 2021 in the Hotel Bedroom & Suites Design category as well as the Platinum Winner at the 2021 MUSE Design Awards in the Interior Design (Hotels & Resorts) category. MGM China is by far the first entity in Macau to receive these two esteemed recognitions that honor exceptional interior designs worldwide.

## Vision and Core Values

We strive for excellence in all we do. Greatness as a way of life for us means the pursuit of greatness for the betterment of ourselves and others. Our culture is built on a shared vision that enables every Golden Lion team member to thrive in an environment of excellence. Collectively, our great goals and core values distinguish us as uniquely MGM China.



### Our Vision —

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

At MGM China, we are committed to creating great moments for all our stakeholders. Guided by our core values **T.I.E**, that is Teamwork, Integrity & Trust and Excellence, our team members strive to deliver the best-in-class services to meet the evolving expectations of our stakeholders. As a prominent and responsible corporate leader, we continue to build and invest in a strong pool of talent to contribute to the tourism development in Macau.

## Our Core Values



### Teamwork

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



### Integrity and Trust

Shows integrity and builds trust with one another



### Excellence

Innovates and optimizes services to meet the expectations of others

## A New Era of Business Sustainability

The COVID-19 pandemic has changed the way we operate our business and the lives around us. We adapted and emerged from this new normal and became stronger and more resilient. Visitation to Macau and our properties have bounced back steadily since October 2020 due to the resumption of tourist visa issuance and the efforts to control the pandemic by mainland China and the Macau Government. Throughout the pandemic outbreak, we maintained close communication with our customers and stressed our efforts to support social distancing and implement extensive hygiene initiatives which contributed to Macau's success in controlling the pandemic.

Together with our product enhancements and attention to service quality that created the basis for a strong operating momentum, our market share reached a record high of 14% in the last quarter of 2021. This achievement is attributed to our team's effort and dedication to excellence.

Given the uncertainties in the development of COVID-19, travel-related restrictions and conditions of visitation to Macau may be introduced from time to time and impact the visitation to our properties. Despite the challenges ahead, we remain optimistic about the outlook for Macau and the future of MGM China. We will continue to invest in innovative projects and programs to support the City's development as a world-class tourism and leisure destination in this new era of sustainability.

# Sustainability at a Glance

## Team Development



**10,100+**  
team members



**28**  
different nationalities



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



Attained **31** HR Awards  
from international and  
regional renowned institutions.



**>91,000 hrs**  
workplace health and  
safety trainings



Over **14,000**  
eLearning courses available with  
**98%** monthly utilization rate

## Community Investment



**5,200+** volunteers participated



Donated around MOP **\$24M**  
for a wide range of community programs



Contributed **30,500+**  
community service hours



Over **27,500+** beneficiaries

## Environmental Performance



**↓ 22%**  
energy consumption  
intensity compared to 2019



**↓ 28%**  
water consumption  
intensity compared to 2019



**↓ 16%**  
greenhouse gas ("GHG") emissions  
intensity compared to 2019



Corporate Environmental Leadership  
Awards — Service Sector —  
**Bronze Award**



Diverted **560+ tons**  
of recyclables from landfills



Purchased over MOP **\$59.1M**  
of green products and services

## Guest and Partnership



**1,800+**  
suppliers engaged



**57%**  
of local suppliers



**85**  
new local SMEs partnerships



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



Emerald Villa of MGM COTAI clinched  
**Two International  
Interior Design Accolades**

## Sustainability Accreditations



Greater Bay Area  
Business  
Sustainability Index 2020  
粵港澳大灣區企業可持續發展指數2020

**Top 20**  
in Greater Bay Area Business  
Sustainability Index



Hotel Business  
Sustainability Index  
酒店業可持續發展指數

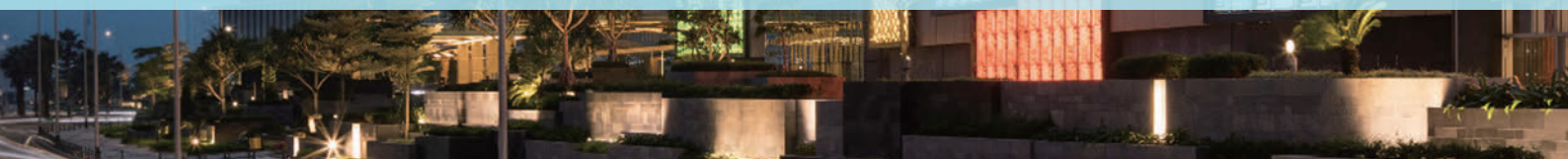
**Top 10**  
in Greater China Hotel  
Business Sustainability Index





# OUR APPROACH TO *Sustainability*

At MGM China, we believe in doing well by doing good. Since laying the foundation in 2007, we have always been open to exploring and embracing sustainable initiatives, both within our operations and in our interactions with stakeholders. As sustainability becomes mainstream, we welcome practices contributing to our 2030 Sustainability Vision.



# Our Approach to Sustainability

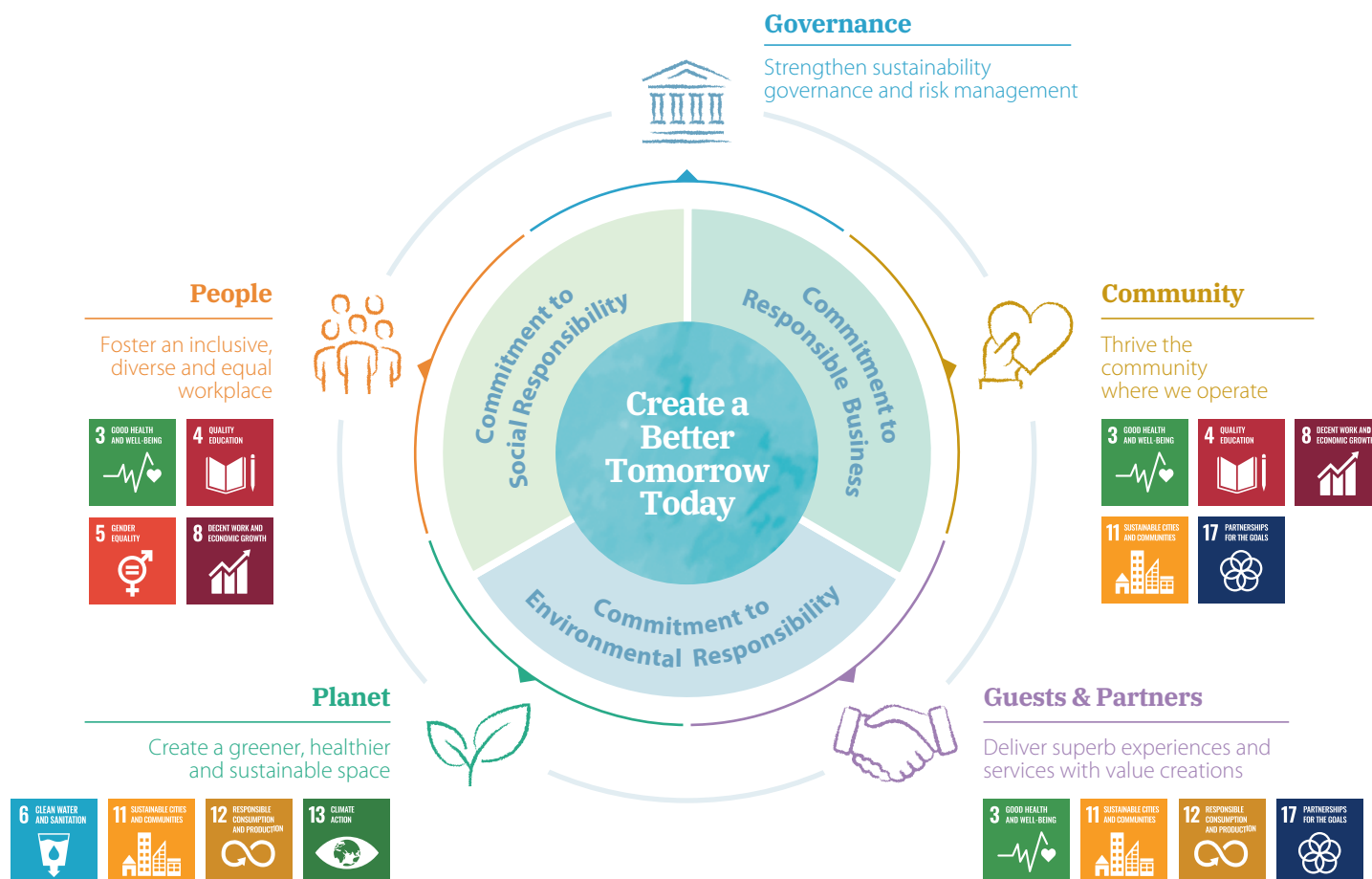
To ensure the long-term success of our business, it is fundamental that we look after those who mean the most to us. This ethos is the foundation of our sustainability vision, "Create a Better Tomorrow Today", signifying that our decisions will affect the society and the environment of tomorrow. Our vision serves as a call to action to operate as a sustainable and responsible company where our business activities positively impact the people and environment of Macau. With new sustainability framework and strategic pillars that focus on what matters the most to us, we have strengthened the sustainability governance that supports our sustainability efforts in all of their facets.

## Sustainability Vision and Framework

Our sustainability approach 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. We are an ardent believer in an inclusive culture to support the sustainable development and deliver long-term value for our business, the community and Macau. Over the years, we pursue sustainability through the combination of internal policies and strategy, which also make reference to SDGs.

Sound policy formulation is the foundation for good sustainability practices. Our sustainability framework reflects the latest industry and market trends and expectations from our stakeholders, as well as priorities recognized by SDGs. 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 fulfill these commitments, the framework encompasses pillars — **People**, **Community**, **Planet** and **Guests & Partners** — at the heart of our sustainability strategies along with **Sustainability Governance** which will enable us to focus on what matters the most.

MGM China seeks to work collaboratively with internal and external stakeholders in monitoring and evaluating the performances and progress of those commitments. We are actively reviewing our existing Key Performance Indicators ("KPIs") and assessing the feasibility of designing new ones to enable more effective and efficient management of our progress.





## Sustainability goals and targets we aim to achieve in 2030:



Save **13%**  
energy by 2025  
(compared to a  
2019 baseline)



Reduce **90%**  
bottled water  
consumption  
(compared to a  
2018 baseline)



Maintain a record of  
**0** work-related  
fatalities of all  
our employees

Reaching peak  
carbon emission  
by **2030**



**100%**  
food waste diversion



**100%**  
of employees receive  
labor rights, diversity,  
and social inclusion  
training



**100%**  
electric shuttle  
bus by 2023



Eliminate  
**100%**  
single-use plastics



Achieve **200,000**  
cumulative volunteer  
hours through  
the Golden Lion  
Volunteer Team

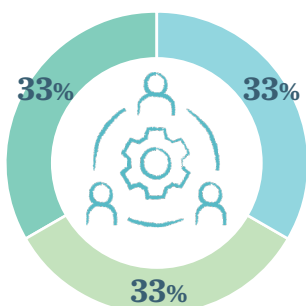
During the reporting period, MGM China was named the top 10 performers in “the Greater China Hotel Business Sustainability Index (Hotel BSI)” and the top 20 performers in the “Greater Bay Area Business Sustainability Index (GBABSI)” by the Chinese University of Hong Kong (CUHK) Business School’s “2020 Business Sustainability Indices” program. This is a demonstration of our efforts in walking the sustainability talk in everything we do.

## Corporate Governance and Business Ethics

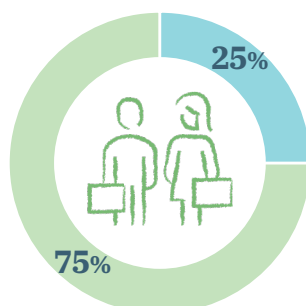
Governance ensures there are appropriate structures and processes to guide everyone in an organization to build an environment of trust, transparency and accountability where the interests of all stakeholders are protected. MGM China believes that effective corporate governance is fundamental to enhancing shareholders’ values and safeguarding the interests of employees, business partners, and the community in which the Company operates.

As the supreme governing body of the Company, the Board of Directors (the “Board”) assumes the overall responsibility for the development and review of our sustainability strategy. The Board comprises 12 directors, including four executive Directors, four non-executive Directors, and four independent non-executive Directors. We treasure the diversity in knowledge, experience and background of our Board members as it could help enhance our corporate reputation and investor relations by establishing MGM China as a responsible corporate citizen.

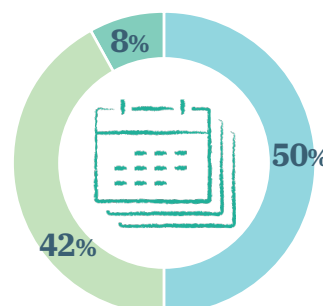
## Board of Directors Composition



- Executive Directors
- Non-executive Directors
- Independent non-executive Directors



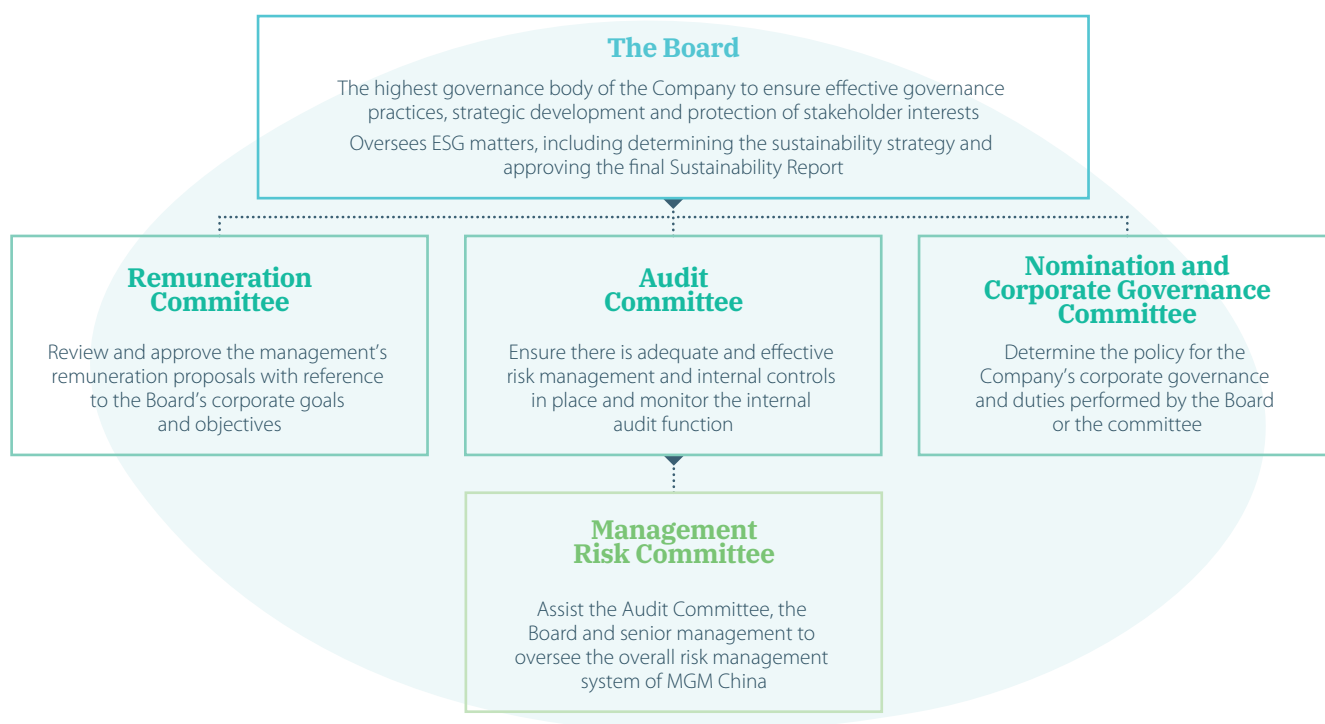
- Female representation on Board
- Male representation on Board



- 60 and above
- 50-59s
- 40-49s



Under the Board's direction, three Board-level committees have been set up to handle various responsibilities and comply with the appropriate regulations, thereby achieving sustainable and balanced development. In particular, we ensure all risks that might impact our business and operation are well-managed through our risk management and internal controls. The Management Risk Committee was established in 2015, which is appointed by and subject to the oversight of the Audit Committee. Managing the Company's daily operations has been assigned to the executive directors and senior management by the Board and carried out by the Company's departments. Please refer to our [Annual Report 2021](#) for more information on our businesses and corporate governance.



## Ethics and Integrity

Business ethics and integrity are among the underlying principles of all our business activities. As a responsible and trusted operator of integrated resorts, MGM China is committed to doing business honestly and taking a proactive approach to promote a fair and ethical workplace. Our [Code of Business Conduct and Conflict of Interest Policy](#) ("Code of Conduct") outlines the principles that all our employees shall apply to our guests, customers, employees, vendors and the local communities where we do business. Aspects of our "Code of Conduct" include:

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

At MGM China, we have zero tolerance for any forms of bribery, corruption, extortion, fraud and money laundering activities. Anti-Corruption Guidelines have been developed to educate all employees about the risks of corruption and ensure compliance with all anti-corruption measures. To complement and articulate our approach to maintaining business ethics and compliance with relevant laws and regulations, we have formulated Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) & Combating Proliferation financing (CPF) Policy (AML Policy), with relevant internal control standards established. Compliance plans are developed by the AML Compliance Committee of MGM Grand Paradise to minimize the related risks that may dispute the integrity of our business.

All employees are required to attend training programs related to business ethics upon commencement of their employment with us, while Directors received internal training on corporate governance, connected and notifiable transactions, legal, regulatory and other business disciplines.

## Whistle-blowing Policy

The responsibility to uphold our Code of Conduct and values is universal. To enable reporting of concerns of ethics and potential non-compliance, we have set up a [24/7 integrity hotline service](#), maintained by an independent third-party service provider and accessible to all our employees. Employees could also report such concerns directly to the Compliance Officer or the Human Resources department, whichever is more appropriate as considered by that employee. All concerns will be reported directly to the Compliance Committee for discussion and resolution. Information about the whistleblower as well as the whistle-blowing reports will be handled confidentially to protect the whistleblower from any retaliation.

## 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 on promoting responsible gaming at MGM China, please refer to the “For Better Guest and Partner Relationships” Chapter of this Report.

## Driving Business Resilience

Effective Risk Management is crucial to achieving sustainable and resilient business growth. The Management Risk Committee, appointed and subjected to the oversight of the Audit Committee, is responsible for overseeing our risk management framework to ensure that appropriate and sufficient internal controls are in place. The Management Risk Committee conducts quarterly review of the Company's risk management system and assesses risks that could have a material impact on MGM China based on their impact and likelihood, these risks include people, strategic, financial, business, operational, credit, market, liquidity, security, property, IT, legal, regulatory, reputational as well as sustainability-related risks (including climate risks). A team of significant crisis management is formed across various levels and departments to handle all risks in a 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 trainings are conducted to ensure the capability of emergency handling.





## 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 (the "Committee"), is chaired by a non-executive Director of the Board, which comprises of senior representatives across departments. The Committee oversees and holds the ultimate responsibility for the Company's sustainability plan and implements sustainability strategies in the day-to-day operations to drive us towards fulfilling our sustainability vision and goals. Recognizing the market's growing interest in sustainability, we further enhanced the structure of the Committee by embracing diversity and upholding accountability and the multi-disciplinary nature of sustainability. Therefore, the Committee underwent a restructuring that increased the membership from 7 to 11 core departments in 2020.

Three operational-level teams, namely the Community Volunteer Team, Climate Change and Carbon Management Team, and Green Team are established 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.

### Board Level



#### The Board

- Supervise the Company's sustainability direction, strategy and performance
- Evaluate and determine the Company's sustainability-related risks and approves the final Sustainability Report

### Management Level



#### Sustainability Committee

- Chaired by a non-executive Director of the Board
- Comprises senior representatives across departments with at least one committee member championing each important impact areas

##### Responsibilities:

- Oversee and hold ultimate responsibility for the Company's sustainability agenda
- Integrate sustainability considerations into the decision-making process
- Implement sustainability strategy in daily operations of each important impact areas



#### Sustainability Task Force

- Led by the Sustainability Team
- Comprises department-specific teams

##### Responsibilities:

- Provide support to the Committee
- Facilitate effective communications across operations

### Operation Level



#### Community Volunteer Team



#### Climate Change and Carbon Management Team



#### Green Team

## Stakeholder Engagement

Communication with stakeholders is imperative to understand their concerns and expectations regarding our environmental, social, and governance strategies and performance. On a regular basis, MGM China engages with a wide range of stakeholders, including employees, business partners, suppliers, customers, NGOs, the community, and shareholders, through an array of communication channels. We define stakeholders as both internal and external interest groups that interact with us and are influenced by, have an influence over, or have a vested interest in MGM China. Invaluable opinions gathered are taken into thorough consideration in defining our sustainability directions, strategies, and reporting priorities to ensure that every business decision we make is well-informed and based upon mutual trust.

### How we engage and communicate with our key stakeholders

 <b>Employees</b>	<ul style="list-style-type: none"> <li>• Townhall Meeting</li> <li>• Recreation and volunteering activities</li> <li>• Performance appraisals</li> </ul>	<ul style="list-style-type: none"> <li>• Departmental meetings</li> <li>• Service Now (mobile app)</li> <li>• Human Resources counter and hotlines</li> </ul>
 <b>Customers and Guests</b>	<ul style="list-style-type: none"> <li>• MLife (customer relations management)</li> <li>• Onsite customer care and interactions</li> <li>• Customer call center</li> <li>• Customer/Tenant satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>• Guest comments cards/feedback</li> <li>• Club activities and membership</li> <li>• Social media</li> </ul>
 <b>Investors and Shareholders</b>	<ul style="list-style-type: none"> <li>• Annual general meeting</li> <li>• Annual, interim reports and Sustainability Report</li> <li>• Quarterly disclosure with earning calls discussion</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate website</li> <li>• Investor briefings</li> <li>• Meetings and roadshows</li> </ul>
 <b>Business Partners (suppliers and contractors)</b>	<ul style="list-style-type: none"> <li>• SME Steering Committee</li> <li>• Supplier registration</li> <li>• Supplier hygiene and safety site inspections</li> </ul>	<ul style="list-style-type: none"> <li>• Workshop and collaboration with key suppliers</li> <li>• Daily work review</li> <li>• Project meetings and briefings</li> </ul>
 <b>NGO and Community Partners</b>	<ul style="list-style-type: none"> <li>• Meetings with community associations and NGOs</li> <li>• Collaboration programs &amp; join projects</li> <li>• Independent focus groups</li> <li>• Golden Lion Volunteer Team</li> </ul>	<ul style="list-style-type: none"> <li>• MGM Share Facebook page</li> <li>• Sustainability Newsletter</li> <li>• CSR Yearbook &amp; Sustainability Report</li> </ul>
 <b>Media</b>	<ul style="list-style-type: none"> <li>• Media briefing</li> <li>• Announcements</li> <li>• Media attendance at key events and activities</li> </ul>	<ul style="list-style-type: none"> <li>• Press release</li> <li>• Social media</li> <li>• Interview</li> <li>• Corporate websites</li> </ul>
 <b>Government and Industry Association</b>	<ul style="list-style-type: none"> <li>• Face-to-face meetings</li> <li>• Conferences, forums, seminars and events</li> </ul>	<ul style="list-style-type: none"> <li>• Collaborations and joint projects</li> <li>• Public consultations</li> </ul>





An independent consultant was commissioned to conduct a stakeholder engagement and materiality assessment to review the prioritization of the sustainability material topics. Considering MGM China's business operation, sustainability trends and international reporting guidelines were identified and incorporated into the exercise to understand the stakeholders' expectations and opinions about the Company's sustainability performance and strategies. To ensure that there is an open dialogue with our stakeholders and demonstrate our impartiality, a series of stakeholder engagement activities were conducted with reference to the key principles of the AA1000 Stakeholder Engagement Standard.

## Materiality Assessment

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



### STEP 1 Identification

- Upon reviewing MGM China's prior year's material topics and referring to the international reporting frameworks, market best practices and sustainability trends that are relevant to the Company, a list of 31 sustainability topics was identified and categorized into 6 different areas for materiality assessment.



### STEP 2 Prioritization

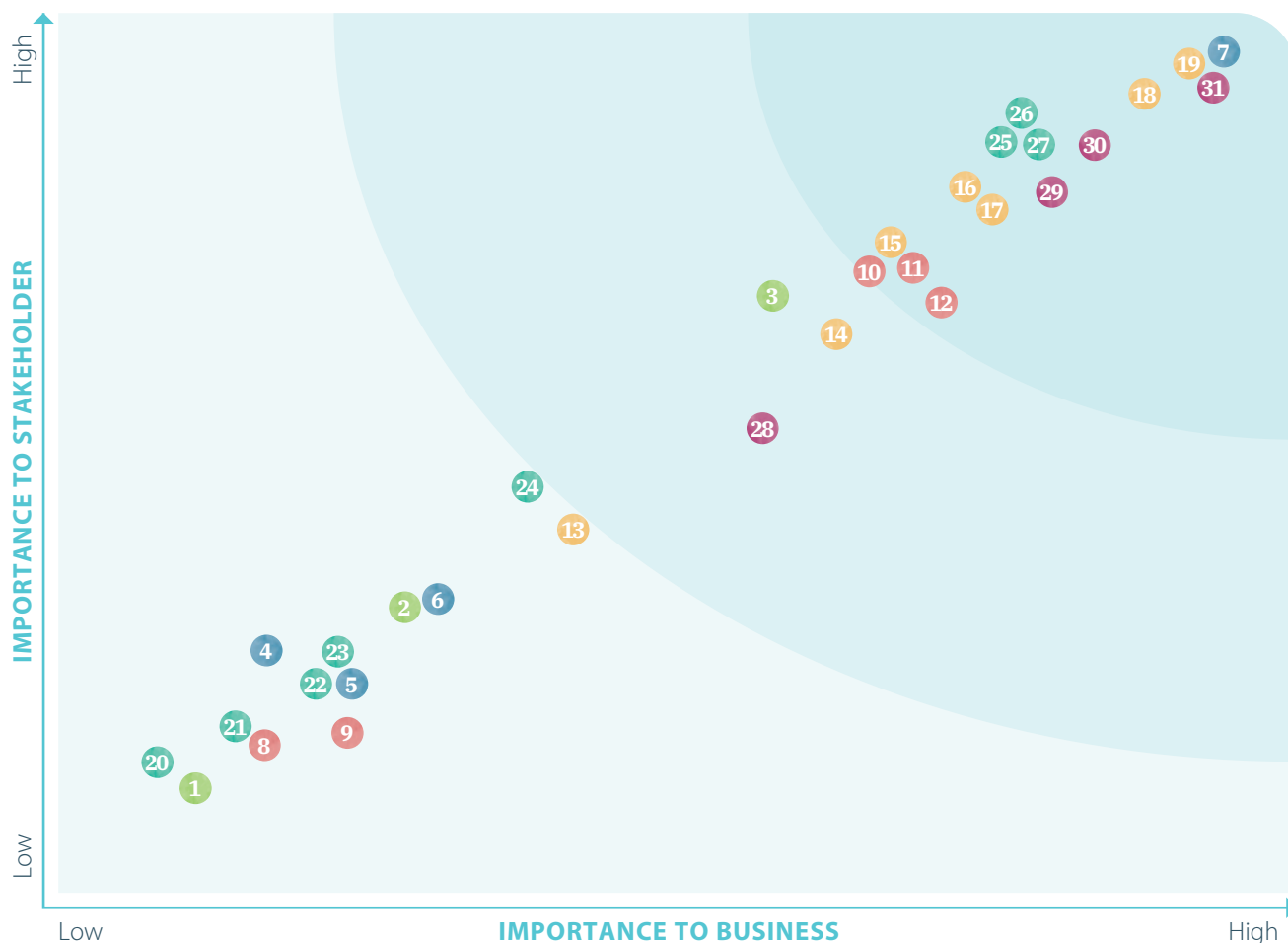
- Feedback from the stakeholders was collected through various engagement channels to solicit their views on the sustainability topics that are important to them and MGM China.
- Benchmarking analysis was performed to understand our peers' disclosure practices and fed into our consideration in prioritizing the sustainability topics identified.
- A prioritized list of material topics was developed.



### STEP 3 Validation

- The list of material topics was reviewed and validated by the Committee for reporting and subsequent strategy development.

## Materiality Matrix



### Economic Performance

- 1 Financial impact of climate change
- 2 Distribution of financial capital
- 3 Indirect economic impact

### Social Responsibility and Human Rights

- 4 Anti-competitive behavior
- 5 Security practices
- 6 Supporting development of local economy
- 7 Anti-corruption

### Community Investment

- 8 Supporting suppliers owned by women or members of vulnerable groups
- 9 Public policy lobbying the impact
- 10 Procurement practices
- 11 Supporting development of local SMEs
- 12 Local communities

### Employment and Labor Practices

- 13 Non-discrimination at workplace
- 14 Diversity and equal opportunity
- 15 Compulsory labor and human trafficking
- 16 Training and education
- 17 Employment practices
- 18 Occupational health
- 19 Occupational safety

### Environmental Performance

- 20 Biodiversity
- 21 Material usage
- 22 Ozone depleting substance emission
- 23 Effluent
- 24 Air pollutant emissions
- 25 Water management
- 26 Energy and greenhouse gases emission
- 27 Waste

### Service and Product Responsibility








- 28 Customer satisfaction
- 29 Responsible Gaming
- 30 Food safety
- 31 Physical security of guests



## Material Sustainability Topics and Respective Boundaries

During the validation process, we have reviewed the materiality assessment by considering our sphere of influence and our business priorities in identifying and regrouping the material topics. The 20 material topics identified last year, which remained relevant and applicable to us, were reviewed and confirmed by the Committee. Besides, business ethics, data privacy, and corporate governance form part of our fundamental principles and corporate core values, which constitute the material topics. Relevant SDGs are linked to corresponding material topics to ensure our disclosures are cohesively aligned with our strategic objectives on sustainability.

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					Primary SDGs
		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

Stakeholders' comments and opinions are highly valued and formed our basis for review of material topics. Below is a summary of their widely consulted topics. Our responses to their valuable feedback are explained in the respective Chapters of the Report.



### Stakeholder feedback

#### Sustainability Strategy

What is MGM China's overall strategy and relevant policies to deliver a resilient and impactful sustainability performance?

#### Our response

Recognizing the importance of sustainability disclosure to stakeholders, we will increase our transparency by issuing a standalone report along with initiatives and medium-term to long-term goals and performances. During the year, we have started formulating our Climate Change Policy to enhance our approach in identifying and assessing climate-related risks. We will further review our TCFD disclosures and enhance and expand our current metrics applied to measure climate-related risks.

For more information, please refer to the "**Our Approach to Sustainability**" Chapter of the Report.



### Stakeholder feedback

#### Climate change and Energy Management

We appreciated that MGM China considers the Region's carbon neutrality goal into its strategy. We would like to know what actions and measures MGM China has taken to respond this goal?

#### Our response

In response to China's ambition of achieving peak carbon emission by 2030 and carbon neutrality by 2060, MGM China is dedicated to advocating the Net Zero Pledge to support the national commitment through the upgrade of equipment and technology, low-carbon operation adaptation, and collaborative partnerships to ensure the transition to a low-carbon future.

In 2021, we have kick-started a natural gas transition project at MGM MACAU to switch to a clean energy operation while MGM COTAI has been utilizing natural gas since its opening. Our mid-term and long-term strategies are the transition to fully electric shuttle buses by 2023 and our goal of achieving normalized energy savings of 13% by the end of 2025. We will also look into the feasibility of quantitative climate scenario analysis and set science-based reduction goals in the future.

For more information, please refer to the "**For a Better Planet**" Chapter of this Report.





## Stakeholder feedback

### Green Building

What inspires MGM China the most after receiving the prestige three-star certification in both green building design and operation label?

### Our response

Being recognized by these distinguished awards allows us to showcase our green building efforts to the community. We are committed to advocating green building development and low-carbon behaviors in the GBA with industry and government collaboration.

This year, MGM China joined hands with hotels in the GBA for the establishment of LCGHDA to expedite the industry's transition into a low-carbon operation toward a greener economy. In addition, we will continue to apply Green Building principles at all stages of our properties, including the design stage (incorporate green criteria in Request for Proposals (RFPs) and commissioning), construction stage (apply due diligence on ESG matters over suppliers and contractors) and operation stage (promote energy efficiency, onsite renewable energy adoption etc.)

For more information, please refer to the **"For a Better Planet"** Chapter of this Report.



## Stakeholder feedback

### Guest Experience and Partners Relationship

Beyond resilience of services during COVID-19 pandemic, what kind of innovative solutions has MGM China implemented or considered to upgrade its customer experience?

### Our response

MGM China is devoted to creating an extraordinary experience for our guests and customers. We follow our ethos of "Originality + Innovation + Technology" to expand our service capabilities by applying big data, cloud-based service platform to continuously enhance the overall experience and deliver value-added services to our guests. This year, we have partnered with two high-tech enterprises in Macau to kick start our digital transformation journey.

For more information, please refer to the **"For Better Guest and Partner Relationships"** Chapter of this Report.





## FOR A BETTER *Team*



Making great moments is at the heart of everything we do. Together we dedicated ourselves to accomplishing our vision by being the best-in-class operator of integrated resorts that deliver high-quality entertainment and hospitality experience. Our team members are critical to the success of MGM China, without them we would not be able to provide fine services and experiences to our guests. We take tremendous pride in our team members who reflect our brand and values in all that they do to accomplish our vision and make great moments happen for all our stakeholders.





# People

## Human Capital

### Team Profile

People are at the center of our culture. At MGM China, we have a strong and diverse pool of talent with more than 10,000 team members. We believe that diversity of thoughts and backgrounds can foster innovation and create impact, as well as drive the development of an inclusive culture.

### Workforce by Region


**11**

Hong Kong


**9,961**

Macau


**145**

Mainland  
China


### Workforce by Age Group and by Employee Category

	AGE 18-30	AGE 31-50	AGE over 50
Management	34	612	89
General Employees	2,055	5,802	1,525

### Talent Recruitment

As a leading integrated resort operator in the Greater China region that delivers the best-in-class experience to our guests, our excellence depends on high-performing employees. Our Human Resource policies are designed to attract and retain professionals who are committed to providing premium services, which create exceptional experiences for our guests. In alignment with the Macau Government's development strategy to develop the city into a tourism education and training hub for the GBA, MGM China seeks to nurture potential candidates who demonstrate an interest in pursuing a career in tourism and hospitality.

### New Hires by Region


**2**

Hong Kong


**782**

Macau


**37**

Mainland  
China


Over **92%** of MGM's management team are Macau locals



## Rewarding and Retaining Talents

MGM China places great emphasis on attracting, nurturing and retaining our talent, as well as looking after their continuous professional development and personal well-being during their career with us. All team members are empowered to reach their full potential through different career development and mentoring programs, continuous learning, performance reviews, and cross-departmental exposure opportunities.

We offer competitive remuneration packages and benefits, including medical care, provident fund and discretionary bonuses to reward high-performing employees. Also, a wide range of leave entitlements, such as marriage, maternity and paternity leaves, are offered to help our team members to balance their work and personal commitments, making MGM China a great place to work. To offer better incentives for our team members to perform their best, we keep innovating and transforming our compensation and benefits practices. 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 enjoy special employee privileges at 200+ shops and restaurants as well.



A comprehensive career development plan is in place to drive our team members to flourish and build their careers. Every year, we conduct a salary benchmarking exercise to review team members' salaries and promotional plans. Management conducts annual reviews to ascertain team members' performance and target setting in order to better understand their career aspirations and achieve their full potential. In addition to the salary adjustments and promotions, team members who excel at specific projects, events, or demonstrate continuous excellence will be recognized by the Golden Lion Awards or Leo Awards. A new "MGM Service Excellence" journey to elevate and promote our service culture with "Great Moments Awards" was launched in 2021, please refer to the **"For Better Guest and Partner Relationships"** Chapter of this Report for more information.



In 2021, there were **269** team members received the **Golden Lion Awards** to recognize their excellent performance and showcase the spirit of MGM greatness.



**79**  
managerial  
staff



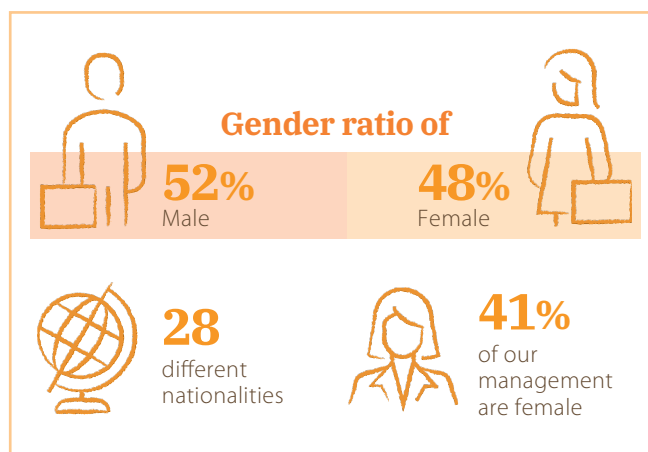
**190**  
general  
employees



## Diversity and Equal Opportunities

Workplace equality is indispensable for social inclusion. MGM China upholds a high standard of fairness to eliminate discrimination and mistreatment within the Company to create a fair and inclusive workplace where everyone's rights and unique attributes are respected. 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 toward others. Additionally, we believe that a diverse, inclusive, and positive workplace is also essential for retaining talents.

Our visitors come from all over the world, as Macau is a thriving tourism and leisure destination. We leverage the strength of a richly diverse team comprised of professionals from different backgrounds to enrich the services we offer to our guests from around the world with a global service standard and mindset. Despite their differences, we support anyone striving to create greatness. To further embed inclusivity in our culture, we provide opportunities to disadvantaged individuals to help build their career capacity. In 2021, we have 40 team members, who are disadvantaged, working in various departments, helping them develop their skills and pursue continuous development. Our diverse workforce reflects our dedication to fostering an inclusive work environment. In addition, we also actively seek to create an equal workplace through means of remunerations and career development.



## Taking the Human Rights Pledge

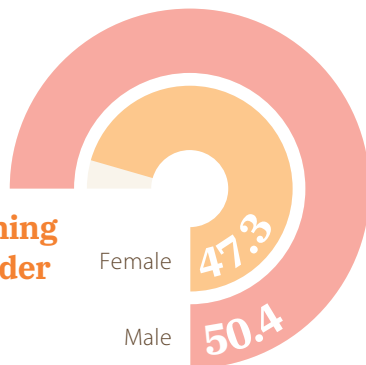
Being a responsible employer, we respect the rights of all our employees and treat everyone equally. We have zero-tolerance to workplace discrimination and human trafficking-related issues. The Company respects and promotes the human rights of our employees through our employment practices and internal policies. Our [MGM Human Rights and Anti-Human Trafficking Position Policy](#) is formulated and guided by the internal human rights principles encompassed in the Universal Declaration of Human Rights, the International Labour Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights. We strive to comply with and go beyond the minimum statutory requirements with regard to labor and human rights issues. We perform rigorous background checks and work with established and trusted contracting agencies that support the focus of human rights and avoid any child or forced labor. Alongside the policy, the MGM China's Employee Handbook (the "Handbook") outlines our comprehensive human resources framework together with our detailed 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 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 a significant impact on the Company.

## Learning and Development

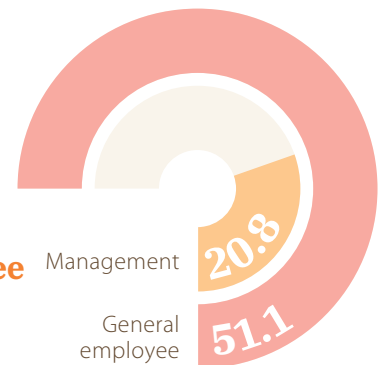
Employees' continuous learning and development is essential for the long-term success of the Company. We consistently encourage team members to acquire specific industry knowledge and skills to support their professional growth and the Company's needs. We provide a wide spectrum of internal and external training opportunities to deepen our team members' knowledge and help them acquire the essential technical and soft skills for them to offer premium services to our guests. Additionally, we collaborate with external institutions that provide professional skills and vocational training certification programs to our team members by leveraging our market presence and scale. During the reporting period, over 494,000<sup>5</sup> training hours were delivered with an average of 48.9 hours per employee.



### Average training hours by gender in 2021:



### Average training hours by employee category in 2021:



## Recognition for our endeavors in Human Capital Development

In 2021, MGM received over **30+ awards** and recognitions in multiple categories of employee learning, career development and digital learning. Some of the more prominent awards include:



To recognize the success of our project "MGM Youth Empowerment & Engagement Initiative"



Gold trophies were received in the following categories, namely Learning & Development Strategy, Workplace Wellbeing and Compensation Design.

<sup>5</sup> Training hours counted for employees as of 31 December 2021.



## Discovering a Greater You

One of our well-structured career development projects, "Unleashing Greatness", offers a range of talent development opportunities and assists our team members in discovering their professional interests and unleashing their potential.



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 Career Greatness

#### PRIDE

Established in 2014, PRIDE is MGM China's award-winning career development program that provides a series of tracks, ranging from 9 to 15 months, which enables high potential employees to prepare for higher-level management roles within the Company.

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

Over **300 PRIDERS** have been given the learning opportunity from the "best-in-class" programs.

MGM continues to support ongoing PRIDE programs to develop team members with **4** different tracks targeting different career levels annually.

#### MAP

The Management Associate Program (MAP), created in 2014, is a fast-track career program for local graduates in Macau, providing possibilities for young local individuals with a passion for the hospitality sector to join MGM China in managerial roles.

Cross-training opportunity with one-to-one mentorship by a senior company leader at MGM hotels in China with development programs lasting for **18 to 30 months** depending on experience/qualifications.

### Unleashing Your Personal and Professional Greatness

#### MGM Academy

The MGM Academy Program began in 2009 with the goal of providing thousands of world-class learning courses and activities on topics such as leadership, personal development, customer service, and operational management.

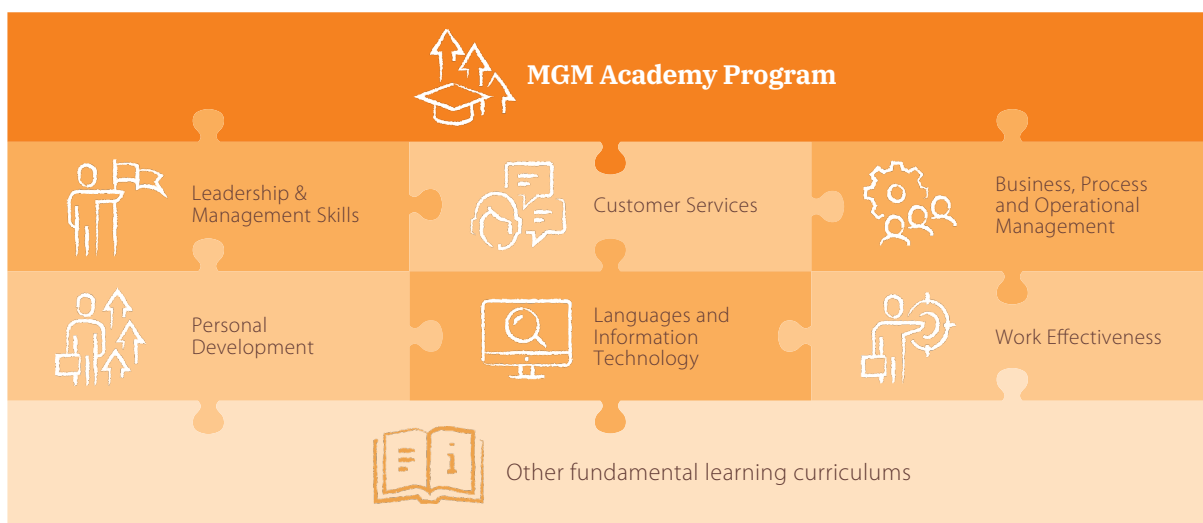
#### MGM eAcademy

Complementing MGM Academy, a self-directed comprehensive online learning management system launched in 2016, our team members can access learning materials and track their progress from anywhere and at any time.

We continue to deliver various learning courses (including new hire orientation, customer service and soft skills training) through eLearning modules or webinars to advocate the social distancing measures imposed by the Macau Government.

Leveraging new learning technologies, the eLearning platform manages a catalog of **14,000+** courses and is actively utilized by **98%** of MGM team members monthly.

## Key subjects of the Learning Curriculum



MGM China values training and development for its team members and is committed to optimizing their professional skills. Every year, we participated in different professional skills competitions to showcase our team members' professional abilities and compete and learn from the best in the industries.

### Macao Occupational Skills Recognition System ("MORS")

In 2021, the MGM Golden Lion Team won a total of five gold pins at the MORS Gold Pin Competition among 267 contestants representing 29 organizations in Macau. This is one of the most prestigious hospitality competitions in Macau which offers contestants from a variety of disciplines the chance to showcase their skills and talents to industry professionals.



### Macau Integrated Tourism and Leisure Industry Occupational Skills Competition

This competition was co-organized by the Macao Federation of Trade Unions ("FAOM") with the support from the Labour Affairs Bureau. During the reporting period, we attained 7 distinguished honors in the competition, which include Special Gold Award and the Best Theme Design Award for Room Makeup and Design, Gold Awards for Facilities Maintenance, Western Cuisine, and Food & Beverage Services. Under the Gaming Entertainment sector, the team also received second runner-up individual honors in the categories of Chip Calculation and a Special Gold Award for Game Rules & Customer Service.



**HONORS**

### Embracing External Collaboration

We create pipelines of diverse talent by providing educational and vocational training to our team members in collaboration with government departments and local organizations, including the Labour Affairs Bureau, the Macao Government Tourism Office ("MGTO"), FAOM, local universities and other educational institutions.

## Key highlights in 2021:

### The Labour Affairs Bureau (“DSAL”)

We partnered with DSAL to launch a “Professional Workforce Development Series” to provide tailored training for 7,000 MGM China team members from different areas of disciplines. This program is comprised of 3 categories: “Occupational Quality Training,” “Professional Certification,” and “Career Development Program.” These training programs help our team members better prepare for the obstacles they encounter in their careers and improve the overall quality of local talents to drive the City’s development into a tourism education and training center for the GBA.



### Macau Society of Emergency and Critical Care Medicine (“MSECCM”)

MGM China has joined forces with the MSECCM to offer a series of first-aid training programs to employees, community groups, and educational institutions. The initiative was a collaborative effort to provide more people in society with life-saving skills needed to help injured or unwell persons in an emergency.

## Employee Engagement and Wellbeing

### Taking Good Care of Our Employees’ Wellbeing

Fostering the health and wellbeing of our employees is crucial to unlocking the greatness of our talent pool. Our commitment to providing broad programs and welfare facilities is at the heart of our endeavor to ensure the wellbeing of our team members. We thoughtfully arranged a variety of leisure staff and family events to help team members maintain a healthy work-life balance while increasing our team’s cohesiveness, morale and more importantly their sense of belonging.

### MGM Employee Culinary Contest — Macanese Cuisine

Macanese cuisine, which has been designated as National Intangible Cultural Heritage, has reflected the unique cultural and economic exchange between the East and the West for over 400 years. This year marked the 4<sup>th</sup> year that Macau has been designated as a UNESCO Creative City of Gastronomy. Therefore, MGM China has revived the “MGM Employee Culinary Contest” with the theme of “Macanese Cuisine”, with the goal of promoting and passing down the city’s particular flavors and delicacies. The preliminary competition was held in September 2021 with over 100 contestants from various departments participating. The judges offered their professional insights to the contestants, elevating the professional level of the contest and at the same time discovering culinary talents among the Golden Lion Team.







## Case Study

### First “Employee Talent Competition”

In 2021, MGM China held its first “Employee Talent Competition” by providing a platform for our team members to shine and showcase their talents. The event attracted over 300 team members to cheer for 15 finalists as they performed their best dance moves, amazing singing voices, intriguing magic tricks, and more on the grand stage of MGM Theater.

Aiming to build a platform for team members to showcase their talents, MGM rolled out this competition online to promote work-life balance and enliven team spirit in a fun and casual way. As a family-friendly employer, MGM has specially set up the “Family and Friends Talents” category to encourage team members to perform with their family and friends.



*“This competition hosted both online, and offline, enabled me to share my passion for dancing, as well as playing the piano on such a grand and professional stage. Though preparing the competition was quite a challenge for me, it was indeed an unforgettable one and I am so proud of myself for all the outcomes. I thank MGM for hosting this fun competition, so that we could showcase our talent outside of work and get tons of kind recognitions.”*

Sabrina Chang – Cage



We established Golden Lion Sports Teams to unite team members who are passionate about sports and promote a healthy lifestyle, with an aim to improve team spirit and vitality among team members. To demonstrate our spirit of dedication and perseverance, we arrange and participate in various sporting events. Members of the sports teams not only achieve exceptional performance in various events, but also develop strong bonds and long-lasting relationships with one another. During the reporting period, we have participated in 13 competitions and attained nine remarkable awards.



Badminton

Basketball

Bowling

Dragon Boat

Fencing



## 9 Sports Team



Running

Soccer

Snooker

Table Tennis

### Shines at Macau International Dragon Boat Races

MGM's Dragon Boat Team participated in Macao International Dragon Boat Races for 13 consecutive years. In 2021, a total of 52 team members formed the Dragon Boat Team to compete across four categories. With its exceptional capability and perseverance, the MGM Team has once again achieved greatness — taking home 2 first runners-up in the Macao Standard Dragon Boat Race — Women Category (500m) and Macau Small Dragon Boat Race — Women Category (200m). The accomplishments showcased the exceptional capability and Golden Lion Spirit of our team members.



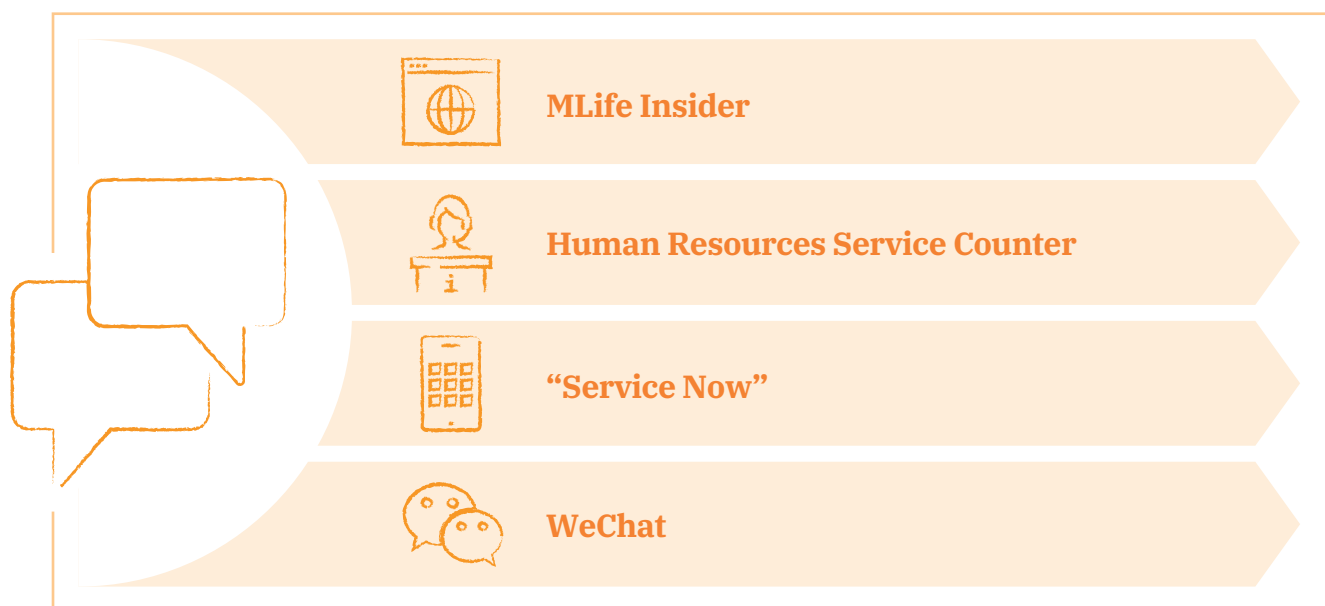


Volunteerism is another goal of ours to create a better community and enrich lives by lending a helping hand. Since 2010, our Golden Lion Volunteer Team has been committed to supporting community events. We actively engage our team members, as well as their families and friends, in many types of service to the needy.



### Encouraging Employee Communication

Effective communication with our team members is essential to maintaining synergistic collaboration and support. We have an Open-Door Policy, which encourages team members to discuss concerns with immediate supervisors or arrange a meeting with Human Resources Partner Team representatives via the 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 feedback and actively facilitate two-way communication between our team members and management. Examples of diverse employee communication channels are as follows:



In this day and age, while it may be convenient to solve any problems by looking up the internet, there is still something reassuring to get the tested and tried audio advice from someone you know personally. With the support from a team of amazingly talented and diverse team members, we created the 'INSIDER on demand', a recurring segment featuring our in-house experts sharing advice on a variety of topics based on team members' feedback. There were over 50 video clippings accumulated since 2018.

#### INSIDER on Demand #35 – How to Relax

Published 17, September 2020



#### INSIDER on Demand #43: Tai Chi for Beginner

Published 10, May 2021



#### INSIDER on Demand #44: Meet the GREEN locals Episode 1

Published 20, May 2021





'P for PRIDE' is a storytelling series dedicated to celebrating the journeys our team members undertook to achieve greatness. Whether it is big or small, personal or professional, the journeys will inspire others and foster a culture of care and excellence.



### Pursuing the Dream of Flying

"FPV stands for first-person view. To fly a first-person view drone, you need a drone and an onboard camera with a transmitter that beams the video back to FPV goggles. It is one of the closest things to be a bird. You're airborne without ever leaving the ground." says Scofiel Wai — International Marketing.

This once futuristic hobby has become a burgeoning sport favored by many young players in China. Scofiel Wai is one of the founders of the Macau FPV Drone Association, with 50 enthusiasts gathering regularly and helping grow the community in Macau. He was recently invited to be one of the navigator pilots for the inaugural FPV International Drone Racing Competition taking place in Hengqin and Macau. The event was sponsored by Nam Kwong Culture and Creativity Industry Co. Limited and supported by the MGTO.



In our role as a supportive employer, we strive to provide our team members with the best assistance when they need it most. Our goal is to help our employees overcome personal challenges and maintain a good work-life balance.

### Employee Health Center

We also focus on supporting physical health of our team members. In-house doctors and nurses provide basic medical requirements and first aid to our employees at our Employee Health Center. To provide exceptional care for team members, we continue to diversify medical services at the Center, including consultations with western doctors and traditional Chinese medicine practitioners, physiotherapy, and nutritionist consultations.

### Counselling Services — Employee Assistance Program

Our Employee Assistance Program ("EAP") partners with a third-party organization to provide professional on-site and telephone counseling services to our employees, where they can seek confidential and free assistance. In addition, team members can communicate their problems to EAP counselors via note-writing and online chat.

Personal wellbeing is inextricably linked to family relationships, and we provide multilingual support to our team members and immediate family members through "Let's Meet" interactive face-to-face counseling sessions to help them handle personal matters.



### Refreshment Zones at Workplace

In addition, we have set up various Refreshment Zones where our employees can relax and socialize with their colleagues during their break time, they are:

#### Quiet Zone

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

#### Mothers Zone

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

#### Internet Café

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





## Mini Case

### Let's beat the stress!

Recognizing the importance of maintaining the wellbeing of our team members, MGM China held two “Beat the Stress” roadshows at MGM MACAU and MGM COTAI’s back of house to help members tackle their stresses with positivity. The roadshow has attracted lots of team members, and many of them discovered their own ways to reduce stress and even transform them into motivators by participating in fun activities and instant counseling sessions.



### Cultivating Culture Appreciation and Competence

We pivot our brand around artistry. To foster the appreciation and competence of our team members in arts and culture, we regularly hold seminars and workshops covering relevant topics, including the unique spirit of craftsmanship in China.

#### “Embracing Chinese Cultural Heritage in Macau” Seminar

MGM China organized the “MGM National Education Series Seminar — Embracing Chinese Cultural Heritage in Macau” for over 200 team members, university students, and cultural and tourism representatives, with support from the Department of Economic Affairs of the Central People’s Government Liaison Office in Macao Special Administrative Region. The lecture aimed to cultivate team members’ passion for the Nation and Macau, as well as to encourage them to embrace Chinese culture.



#### Incorporate Craftsmanship into Talent Development Strategy

Riding on the achievement in 2020, MGM China, Guangdong Federation of Trade Unions (GFTU) and FAOM, launched a new vocational training program on the “Best of Lingnan Culinary Series”. This program comprises a variety of events centered on the culture of Lingnan cuisine, such as sharing sessions and family-friendly Young Craftsman Workshop led by professional chefs. The series allowed members of the Food and Beverage Department and other related departments, as well as Macau residents, to experience the Lingnan craftsmanship spirit and to use gastronomy to express the culture’s remarkable history.

## Learning About National Security

MGM China is dedicated to encouraging National Education among team members through a variety of events, such as “National Security Education Exhibition” and “Sharing Session on National People’s Congress and National Political Consultative Conference”. These activities are channels for team members to completely comprehend our Country’s developmental trends and accomplishments in order to instill a sense of national pride.

In addition, MGM China led 300 local team members to the newly opened “Loving the Country, Loving Macau Education Base for Young People” to visit the permanent “Roots in China” exhibition. By organizing future tours to the Base for team members of various levels and departments, the tours enable team members, especially the younger generation, to obtain a better grasp of China and Macau’s advancements and cultivate a stronger sense of cultural identity.



## Occupational Health and Safety (“OHS”)

Maintaining a safe and healthy workplace is of paramount importance to us. To protect our team members and contractors, we aim to achieve zero incidents by adhering to the local government recommended OHS standards as well as applicable laws and regulations. The Occupational Health and Safety Manual and the Health and Safety Policy were established to govern our workplace health and safety practices. All members of the team are informed of the policies and practices and are expected to adhere to them. We align our OHS practices with ISO 45001 standards, associated requirements, and all relevant local laws and regulations. The Safety department oversees the detection of workplace dangers as well as the investigation of workplace safety incidents. Meanwhile, the Risk and Safety Operations Committee, composed of senior and middle management representatives, meets quarterly to review and discuss investigation results of injury incidents and appropriate 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 provides team members with a variety of health and safety guidelines and instructions, such as reminders to wear suitable protective gear and inspect equipment before use, as well as reminders of potential risks and how to avoid on-the-job accidents.



### Incidents Reporting

We recognize the importance of accident prevention and regard it as a shared responsibility among all employees. Team members are strongly encouraged to report to their department heads anything which is hazardous or potentially hazardous at work.



### Contingency Plans for Emergencies

Our contingency plan sets out specific guidelines for the event of a fire emergency evacuation. The Security Division was created to give immediate support to employees in the event of an emergency. We also formulated a Pandemic Preparedness Plan ("Plan") with departmental guidelines for flu and pandemic measures. Together with the Macau Health Bureau ("SSM") guidelines, our resorts have been conducting body temperature screening and health code checking program along with environmental cleaning and disinfection practice. In 2021, no COVID-19 outbreak has been reported within our property operations, reflecting the effectiveness of the Plan and associated measures.



### Workplace Health and Safety Training

For team members in various roles and positions, we offer them both physical training and eLearning sessions on workplace safety and hygiene. Safety card training and examinations are included in the training, which covers issues such as food safety and hygiene. Apart from general trainings, team members in various operation areas received role-specific occupational safety training to raise their awareness of specific hazards and related prevention measures.



*Along with formal guidelines and operating procedures, we will periodically organize employee activities to reinforce the importance of OHS and foster a culture of safety within the Company.*

*During the reporting period, **91,000 hours** of training related to workplace health and safety were provided to team members.*

### 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 of basic safety knowledge and common hazards in the hospitality industry and shares corresponding preventive measures. We will continue to communicate with all parties to work toward the goal of having zero work injury.

**0** Work-related fatalities



Recordable Work-related Injury Rate

**1.56 cases**

(Per 200,000 hours worked)

## Work Safety and Well-Being Campaign 2021

In 2021, it is our first time to collaborate with DSAL, the Women's General Association of Macau, and the Fuhong Society of Macau, to arrange MGM's annual "Work Safety and Well-Being Campaign 2021", which drew approximately 4,000 team members participation. The program, which comprised a variety of fun outdoor and indoor happenings such as seminars, family hiking, competitions, and roadshows, aims to remind team members of workplace safety and personal wellbeing, mirroring the theme "Healthy Workplace, Happy Life."



### 2021 Work Safety and Well-Being Activities

#### Work Safety and Well-Being Roadshow

Simple fitness tests were offered to examine physical condition with on-site physiotherapist teaching our team members how to maintain good muscle strength and flexibility to reduce the chance of injury.

#### Less is More Pop-Up Booths

Professional dietitian was invited to analyze our team members' eating habits and share useful tips to prevent chronic diseases.



#### Go Stretching Go Healthy Pop-Up Booths

Few stretching exercises and correct postures were introduced by the on-site professional physiotherapists to our team members on how to relax their bodies and mind.



#### Health Series Flash Talk

Professional Traditional Chinese Medical (TCM) practitioners shared health tips about how to eat well and get better sleep.



#### Work Happily, Work Safely Competition

The competition was a series of fun challenges, where we tested our team members' limits, fostered team spirit, and raised their awareness of workplace safety and health to better protect themselves.



#### Lion Hiker (Family Event)

Hiking improves our health, lowers stress levels, and reduces the risk of high blood pressure and stroke. Our family hiking event let our team members spend quality family time enjoying the fresh air and beautiful landscape.







FOR A BETTER

# Community



“Developing the City and Building Our Community” is a momentum rooted in our culture. At MGM China, we are passionate about finding new and innovative ways to improve the lives of those around us, not only value our team members, but we are also passionate about improving the wellness of the community. With community investment, youth empowerment, and arts and culture programs, we support the community to grow together for a better shared future.





# Community

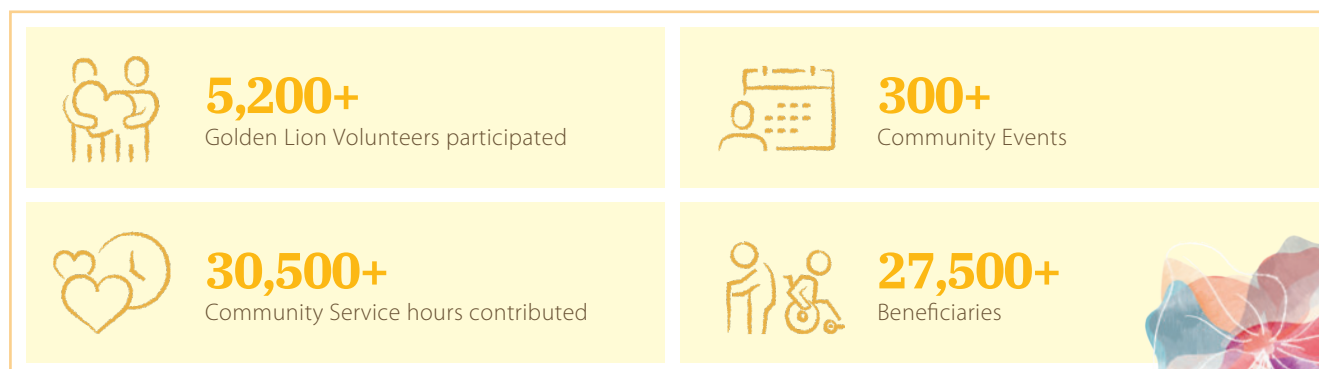
## Making the Community a Better Place

As a socially responsible company, MGM China is committed to driving positive and sustainable changes for our community. We uphold a corporate culture to contribute to and serve the community and different social groups, particularly the senior citizens, the youth, the disabled, and the underprivileged families. As a member of the Macau community, we contribute to creating an inclusive and harmonious environment, resulting in a better city for everyone in Macau. Our efforts to make the community a better place are manifested through three important aspects.



## Community Investment

Team members are enthusiastically encouraged to engage in the local community through volunteer work. We are glad to have a strong team of volunteers, the Golden Lion Volunteer Team, that has developed a long-standing relationship with the communities throughout the years. Besides contributing cash and in-kind donations, we also organized a series of signature events to bring about positive impacts within the community in 2021.



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



Donated **MOP 10 million**  
to Aid Zhengzhou Flood Relief Efforts



Donated **MOP 600,000**  
to Tung Sin Tong Charitable Society for the  
**14<sup>th</sup>** consecutive year



Donated **MOP 300,000**  
to the Macau Holy House of Mercy's  
Welfare Shop project for the  
**9<sup>th</sup>** consecutive year, supporting the  
provision of local welfare services by  
distribution of food hampers to nearly  
**400** local underprivileged households



### Walk for a Million

MGM China has long been a supporter of charitable causes and we continued to do so by participating in this year's Walk for a Million. We hosted the "MGM Walk Together" in MGM COTAI to kick off this memorable event. Over 300 team members and management came together to demonstrate their love and support by walking together as a team.



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



## Protecting our Community during the COVID-19 Pandemic

In response to the government's call for vaccination to achieve herd immunity guarding against the pandemic, MGM China adopted a holistic approach to encourage team members to take the jabs. The initiatives include a string of Outreach Vaccination Programs, explanatory seminars on the vaccines, and promotional campaigns held internally and externally.



All were widely supported by team members and with their collective efforts, MGM China has reached a distinctively high vaccination rate of **over 95%**.



During the reporting period, our Golden Lion Volunteer Team has supported the three Macau Government's city-wide COVID-19 nucleic acid test ("NAT") schemes. The Team has prepared patio umbrellas for the NAT Station at Macao Federation of Trade Unions Workers Stadium for residents queuing for the test. They also assisted in providing guidance and reminded residents to prepare health codes at the NAT station and helped divert people with needs to the priority zone.

Apart from setting up the NAT station, we have also donated 50,000 children masks to local charity organizations and schools, including FAOM, General Union of Neighborhood Associations of Macau ("UGAMM"), Women's General Association of Macau, Caritas Macau, Sisters of the Good Shepherd, Escola de S. José de Ká-Hó, and Concordia School for Special Education, in order to protect the children from the virus and prepare them for the next academic year.



In May 2021, we held a "Post-pandemic Era: The Road to COVID-19 Vaccine" seminar at the Grand Ballroom of MGM COTAI attended by about 200 team members. The seminar allowed our team members to understand the efficacy of different vaccines and helped them to choose a vaccine that best suits their needs.



## Caring for Local Senior Citizens

Among the breadth of our community engagement, local seniors are one of the major target service groups. The “Health Day for Senior Buddies” is one of our traditional philanthropic programs dedicated to local seniors. This year, we organized a “Haircut and Health Day for Senior Buddies” in MGM COTAL’s Ballroom, where over 300 senior citizens received free health consultations and haircuts. Special music and dance performance were delivered by the MGM volunteers and the students from Caritas de Macau School to live out the message of social inclusion. We also engaged medical practitioners from the Macau Chinese Medicine Association to educate seniors on basic Chinese massage skills and provide three varieties of nutritious soup based on their physical condition. The Macao Association of Sports Stretching trainers also taught the seniors some simple stretching exercises to strengthen their bodies.

More than 2,100 senior citizens have benefited from the charity events over the past 11 years. Established in 2015, the MGM Golden Lion Hairdressing Team has served over 3,200 senior citizens to date. We are always looking to create memorable and great moments for our senior citizens.

In May 2021, we arranged an integrated resort hotel tour in our properties for senior citizens on Mother’s Day to acquaint them with diversified entertainment and leisure offerings in town while also sending them heartfelt festive greetings. Since the devastation caused by Typhoon Hato in 2017, MGM China has been offering safety checks before typhoon season from time to time to nourish our senior citizens’ wellbeing. Last year, we added a COVID-19 preventive component to the curriculum and staged the “Together, We Fight the Pandemic and Storms” event to help seniors prepare for the typhoon season and the pandemic.



*“Aside from the provision of innovative social services to the community, such as our sponsorship to the General Union of Neighborhood Associations of Macau in setting up the Macau Assistive Technology Resources Center, MGM also continues to innovate our regular volunteering services for the senior citizens with the aim of bringing them more joy and care. We will continue to make our community events more comprehensive and meaningful.”*

**Kenneth Feng — President, Strategic and Chief Financial Officer**

## MGM China Continues its Philanthropic Chinese New Year Tradition for the Elderly

2021 also marked the 10<sup>th</sup> year for MGM China to organize its Chinese New Year philanthropic tradition — the spring-cleaning event. We partnered with a small-to-medium-sized cleaning company to carry on this decades-old tradition at several elderly centers, cleaning and sanitizing the communal areas to give the senior citizens peace of mind. In addition, we led our volunteers to spread the festive cheer by performing lion dance and singing, as well as introducing fun games to the elderly. MGM China also presented them with gift bags prepared by the Fuhong Society of Macau. MGM volunteers also gave haircuts to more than 100 senior citizens in the festive month. The series of caring events benefited a total of 470 senior citizens as part of MGM China's attempt to send care and holiday wishes to the community.



**10<sup>th</sup>**

Spring Cleaning Event

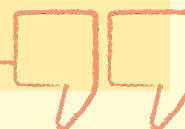


Served **470**  
Senior Citizens



*"This is the third time I take part in the annual spring cleaning. I find it immensely rewarding every time, as I can feel the senior citizens are truly happy with our long-standing practice of visiting them same time every year."*

**Ada Zheng – Volunteer from Finance Department**





## Empowering Future Generation

As we believe that future leaders and innovators come from the younger generations, we are passionate about inspiring youth and helping them realize their full potential through various opportunities and development programs. We specifically emphasize cultivating talents for the local tourism and hospitality business, allowing them to develop professional skill sets that could be applied in their future endeavors. MGM China has been collaborating with the Macau Government and local educational organizations to establish career and development programs for local youngsters for over a decade.

Nurturing young local talents has been at the core of MGM China's mission at both the Company and community levels. We continued to partner with universities to attract bright young minds and unleash their potential in various internship programs. The 6-month internship program started in 2007. It provides dedicated resources to help hospitality students explore career paths, develop and refine skills, and empower their mentorship and guidance across different professional fields. MGM China especially supported the "Local Graduate Career Experience Program", an initiative of the DSAL to provide internship programs for fresh university graduates. In 2021, 15 out of 23 DSAL trainees joined the Golden Lion Team as full-time permanent employees upon completing the program.

Apart from internship programs, we hosted the 6<sup>th</sup> annual Tourism Education Student Summit with the Macao Institute for Tourism Studies ("IFTM"), as well as co-organized Chinese Consumer Behavior Seminar with University of Macau ("UM"); Management Certificate Course to Cope with GBA Development with Macau Polytechnic University; Talent Development Partnership for Tourism+ with Macau University of Science and Technology ("M.U.S.T."); and the "MGM-CityU Youth Development Education Series" Program with City University of Macau.



### Culinary Demonstration Workshop

Since 2018, MGM China and the Faculty of Hospitality and Tourism Management of M.U.S.T. join hands to invite renowned chefs to offer seminars for their students every academic year. Going into the fourth edition, both parties organized a culinary demonstration workshop hosted by one of the MGM COTAI's experienced pastry chefs, who demonstrated different chocolate-making techniques and shared his insightful experience with nearly 30 students. Both parties seek to help students get a deeper understanding of professional culinary methods while grasping the industry's future trends in order to better prepare them for their future careers.



## Talent Development Partnership for Tourism+ Launch Ceremony & Seminar on Mastering Hospitality

In line with The Culture and Tourism Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area's on nurturing tourism talent in the area, as well as Macau's Tourism+ strategy, we launched the "Talent Development Partnership for Tourism+ Launch Ceremony & Seminar on Mastering Hospitality" in December 2021 with the Faculty of Hospitality and Tourism Management of M.U.S.T to enlighten students and participants to think about ways to contribute to Macau's diversified development through high-quality hospitality services. Over 100 MGM Management, M.U.S.T. teachers and students attended the event.

## The MGM Experience

The MGM Experience is an annual summer program that allows teenagers to discover their future career paths while getting to care more about their own community. Entering the 10<sup>th</sup> year of the annual summer program, 100 local teenagers from 3 organizations and families of MGM team members participated and experienced working at various departments across the hotel. During the sharing sessions, the students shared their learning achievements with us, and we awarded them with certificates and souvenirs.



## Visit to Learn about Corporate Social Responsibilities

In April 2021, 30 instructors and students from Macau Polytechnic University's Social Work Program paid a visit to MGM COTAI to learn about MGM China's significant efforts in corporate social responsibilities and went on an art tour. The visit was arranged to align with one of their academic courses, "Gambling, Entertainment and Social Work", where learning about corporate social responsibilities is a major objective of the course.



## Working Towards a Diverse and Inclusive Macau

Our sustainability mission goes beyond our ongoing community engagement and volunteering efforts to create a holistic social cycle that is self-driven and self-sufficient. Therefore, we have been utilizing the Public-Private-Community Partnership (PPCP) approach to interact with a variety of stakeholders in order to optimize our social impact and contribute to the development of a more diverse and inclusive local community.

## Disabled's Wellbeing Concerns

In line with the Macau Government's 10-year Plan for Rehabilitation Services to improve the quality of life for individuals with disabilities, MGM China sponsored the Macau Assistive Technology Resources Center, which is administered by the UGAMM.

## Macau Assistive Technology Resources Center

Sponsored by MGM, the Macau Assistive Technology Resources Center entered its 2<sup>nd</sup> anniversary with an open-house event in 2021. The center serves the local community with a diverse range of auxiliary tools services, including assessment services and auxiliary tools rental services, as well as educational programs to promote the use of auxiliary tools. Throughout the past two years, the center has improved itself by introducing new and creative services — a recent example being the post-hospital care support program. The center wishes to give support to more elderly, disabled, and hospitalized patients by offering them suitable auxiliary tools that will enable them to maintain their bodily functions and increase their self-care abilities.

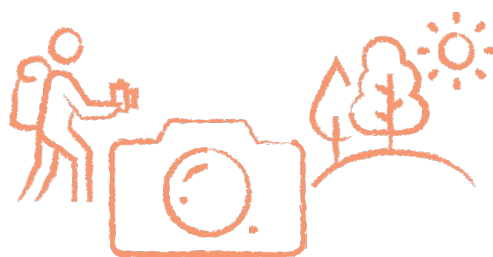


## Collaboration with Fuhong Society of Macau

This year, MGM China also collaborated with the Fuhong Society of Macau during the Chinese New Year to celebrate the artistic talent of their gifted autistic artists. They are Leong Ieng Wai and Ip Chi Kin, who incorporated their work into the design of MGM's festive campaign and gifts, including Chinese New Year pudding gift box packaging, red packets, red banners, and more. This collaboration aimed to bring the public's attention to the remarkable talent of artists with impairments, as well as to spread a message of social inclusion on top of the great celebration.

## Golden Lion Tour for Elderly with Dementia

This year, MGM Dementia Care Program was launched to enhance public awareness of dementia prevention and public acceptance of the illness. This program introduced a series of events to raise dementia awareness in the community, including the "Golden Lion Tour for Elderly with Dementia" organized by MGM China in collaboration with Caritas Macau's Accessible Travel Agency. Patients were led on a tour of MGM China's resorts and Macau's major attractions by MGM Golden Lion Volunteer Team members who have been trained to care for senior citizens diagnosed with dementia. The trip took place from May to November 2021, where we helped more than 500 people enhance the lives of dementia patients and their caregivers.







## Case Study

### Embracing Rehabilitation with Upcycled Artwork

Since 2018, MGM China has been joining hands with Fuhong Society of Macau to host a variety of community activities to raise awareness of mental health in the community. This year, over 200 people participated in the "MGM x Fuhong: World Mental Health Day Series — Embracing Rehabilitation with Upcycled Denim Artwork" to create a giant fabric art installation with positive designs using recycled denim fabric from jeans, with participants from 21 companies, schools, and a group of mental health rehabilitators. Leo and Leona were there to provide on-the-spot help, while MGM China employees participate in the creative activities with children, and the Golden Lion Volunteer Team delivered help for the participants — as concerted efforts to promote social inclusion.



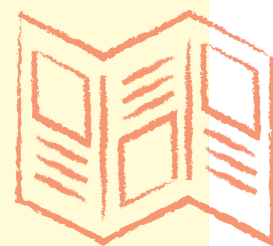
**200+**  
Participants



**21**  
Supporting Organizations



Also, MGM China has sponsored the publication of the third edition of "Chinese Almanac for Mental Health", a leaflet that introduces mental health issues to raise mental health awareness. We intend to adapt mental health knowledge into portable suggestions in a more casual way to assist people in establishing correct concepts.





## Innovative Ways to Serve Our Community

To better accommodate the changing needs of different social groups in the community, we have incorporated new technology and an online platform into our community service and formed partnerships with the government and non-governmental organizations.

### Mobile Speech Therapy Service

Ü CARE Moving Care and Service Shuttle is the first-ever Mobile Therapy Vehicle in the GBA to promote Speech Development in Children. It is a project that we collaborated with Sheng Kung Hui Macau Social Services Coordination Office. The vehicle has been in service for over a year, traveling around different parts of the local community to provide speech therapy services, including consulting, case referrals and language development for children with special education needs and their parents. It achieved a total of over 40 outreach activities, benefitting nearly 8,000 people. This initiative aimed to draw parents and children closer with a series of lively happenings and further promote language development for children. The vehicle brought the “Stand By Ü Family Fun Carnival” to nearly 600 families in December 2021 and will continue to tour around Macau and bring more diverse services to the community.



### Community Outreach eLearning Programs

Riding on achievements since 2019, MGM China once again joined hands with MGTO and Macau Deaf Association to launch the “Power in Our Hands — The Greater Bay Area Sign Language Community Outreach eLearning Program” for the travel industry personnel in 2021. This program was developed in collaboration with Guangdong Deaf Association to enrich the previous sign language program by including basic knowledge of Macau Sign Language and Chinese National Sign Language. The Program seeks to enhance the communication skills of the travel industry personnel with hearing-impaired individuals and steer the GBA toward greater accessibility as a travel destination for all. To date, over 42,000 community learners have participated and benefited from these eLearning programs.



## 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 by establishing joint arts and culture projects to support the Tourism+ development initiative proposed by the Macau Government.

Since arts and culture are so prevalent in our daily lives, we believe that translating them into soft power has the potential to unite communities and regions. 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. To foster art dialogues between the East and the West and blending traditional and innovative elements, we created one-of-a-kind MGM-style aesthetics that enchants the world. Many public art projects, exhibitions, symposiums, and mega-scale cultural and artistic events, such as the Art Macao and MGM Art Symposium, have been organized and funded by us over the years. We will continue to lead the industry by bringing art pieces to public spaces that capture the essence of humanity.

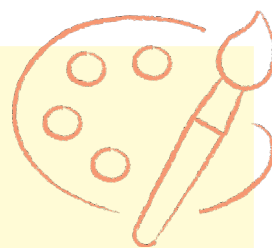


### Art is for Everyone

We want to bring art and culture into everyday life and share it with others. A contemporary creative space within MGM COTAI, 'M Art' is designed to unleash creativity by making art accessible to anyone. In addition to enjoyable activities for parents and kids, 'M Art' offers themed art workshops to stimulate cross-cultural interaction on occasion, making it an impactful platform for cultural and life enthusiasts of all ages to develop and help expand the cultural and creative industries. The space also acts as a platform for local artists to interact with the public — we partnered with local designers YCC and Vanda Chan to introduce the 'MGM Memory Card' program, as well as other themed workshops. Additionally, we engaged with children through our "Kids Imagination" art activity series, which was created especially for young children to explore the endless possibilities of art.



By participating in the 'M Art, "1,2,3 Rock Paper Scissors" workshop, children — using coffee grounds as pigment — can create their own poetic landscape paintings through a string of fun activities including the storytelling of the 24 traditional Chinese solar terms and the game Rock Paper Scissors. The workshop is a sequel to the earlier "Brewtiful Creativity" series, where participants create their own postcards, handcrafted soap bars and tie-dye totes using upcycled coffee grounds.



In both eastern and western cultures, the lion is regarded as a sign of bravery and faith. It has been adored as a Chinese mascot that brings great fortune to people since it was first introduced to China through the Silk Road. 'M Art' specially brought the Lion Mask Painting Workshop, showcasing the culture of Lingnan through contemporary art. The instructor explored the eastern and western lions' cultural connotations, as well as several fascinating legends. Participants used their painting skills and boundless creativity to make their one-of-a-kind Lion Mask.



## New Arts Experience

In 2013, we opened the MGM Art Space in MGM MACAU to demonstrate our commitment in enhancing synergy and expanding the “Tourism+” initiative. It is the first gallery space in a Macau resort specifically dedicated to art and cultural exhibitions. This 6,000-square-foot gallery held world-class exhibitions ranging from the ancient Renaissance to cutting-edge contemporary art, providing visitors of all ages with magical, immersive, and interactive experiences.

Over 300 A-list art pieces are harmoniously integrated into MGM’s public spaces. The Chairman’s Collection at MGM COTAI is the centerpiece, a Macau story gathered by MGM and several artists with the goal of revolutionizing public art. The collection, which includes paintings, sculptures, and installations by some of the most well-known names in Asian contemporary art, reflects the East-meets-West influence on the region’s art scene and the modern characteristics of the twentieth century.



*If you are fancy knowing more about the permanent art collections we displayed at our properties, you are welcome to visit our **MGM & Art** page.*



### Signature Art Piece — Valkyrie Octopus

The Valkyrie Octopus has become a famous photo spot in Macau. Joana Vasconcelos, a renowned Portuguese artist, created the artwork, which was commissioned specifically for MGM MACAU in 2015 and had been displayed shows in the Belt and Road countries or regions. We launched the “Sino-Portuguese Cultural Tour” to commemorate the return of this great work of art. 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.

MGM China is committed to promoting the Tourism+ concept, which integrates tourism and culture to actively establish a new cultural tourism brand for the city in partnership with the Macau Government. We have curated the Special Exhibition “Awakening” and organized the “Greater Bay Area Art Symposium — Contemporary Dialogues of Chinese Culture Awakening” at the MGM Theater with 300 audiences to promote the triumphant return of the large-scale international cultural and artistic event “Art Macao: Macao International Art Biennale 2021.”

Conveying the spirit of the lion, the MGM Special Exhibition “Awakening” is a unique and forward-looking exhibition, where Chinese artists from all over the world come together to present their creative ideas in Macau. Many artists have taken the imagery of MGM and the lion motif as the theme, while combining the cultural significance of the “waking lion” from Cantonese Lingnan tradition in their artworks.

The exhibition also features numerous art pieces from the Chairman’s Collection, in response to modern China’s vision for the future, which is having its first public exhibition this year. The exhibition, titled “Awakening”, echoes MGM’s commitment to cultural awareness and establishes exciting new artistic milestones. The lion is an iconic symbol for Chinese culture and MGM China, representing prestige, courage, faith, and perseverance.

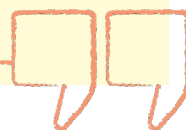






"This year marks the beginning of the 14<sup>th</sup> FYP, and also the significant historic junction between China's 'Two Centenaries' goals. At this meaningful time, the MGM Special Exhibition 'Awakening' takes lion as its motif. The lion symbol of MGM stands for prestige, courage, confidence and tenacity. We push this spirit to new heights as we strive to shape unique cultural tourism experience of Chinese culture. In line with the theme of this year's Art Macao – "To Create for Wellbeing", MGM China will continue to strengthen its cultural confidence with the spirit of originality and innovation, leading us to create a new chapter in art."

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



## Preserve the Past, Nurture the Future

We are committed to passing down Lingnan's rich culture and sharing the Chinese people's wonderful stories with the world. From incorporating craftsmanship spirits into our team members' talent development programs to hosting sharing sessions and training courses for future generations, we advocate for the larger community to embrace the craftsmanship spirit.

Since 2020, MGM joined hands with the Guangdong Federation of Trade Union and FAOM to start a brand-new vocational training program, the "Fostering & Nurturing of Great Craftsmanship in Greater Bay Area (Macao)", which was set to distill the craftsmanship spirit into the training of local residents and its team members. In 2021, the three organizers extended the training to the "Best of Lingnan Culinary Series", which featured an array of events that focus on the culture of Lingnan cuisine, including sharing sessions and Nurturing Little Craftsman Series — Lingnan Culinary Workshop for FAOM family hosted by experienced chefs. The series enabled team members of the Food and Beverage department and other relevant departments and Macau citizens to appreciate the craftsmanship spirit that is intrinsic to Lingnan culture and leverage gastronomy to tell the great story of the culture.



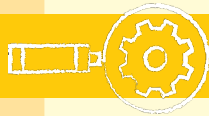
Lion Dance, an intangible cultural treasure and an important component of Lingnan culture, is another magnificent tradition that we strive to preserve. In addition to hosting the "MGM Lion Dance Championship" and "Junior Lion Dance Program" since 2010 and 2015, respectively, we extended our dedication of promoting the traditional sport to the Macau Special Olympics ("MSO") in forming the first lion dance troupe for people with intellectual disabilities.

We continued to partner with MSO to organize a series of school performances for the MSO Lion Dance Team. In 2021, both took a step forward to roll out a Chinese New Year-themed program to celebrate the festive season. The MSO Lion Dance Team was invited to perform at several local schools to help spread the message of social inclusion, particularly at Escola de Santa Teresa's school, where the team was invited to perform on the school's "Chinese Cultural Day" to exhibit traditional Lingnan culture through their energetic dance techniques. The Team has performed in front of nearly 1,300 teachers and students from six different local schools so far.

With these efforts, we hope to instill a passion for craftsmanship in our future generations and promote the nation's advocacy of the craftsmanship spirit and foster the preservation of traditional and rich culture in the GBA.





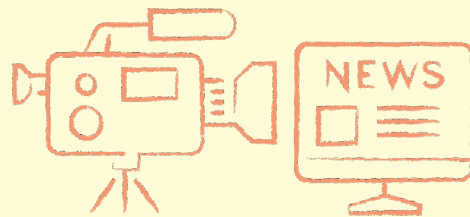


## Case Study

### Student Reporters for Olympic and Paralympic Winter Games — Macau Station

For the participants of the “Selection of Student Reporters for Olympic and Paralympic Winter Games — Macau Station,” MGM China held the Winter Olympics-themed “MGM Interview Training Session”, which was supervised by MGM China’s Public Relations team, providing the competition’s finalists with hands-on interviewing and reporting experience as a reporter, as well as an opportunity to showcase their work on the stage of MGM Theater.

The “Selection of Student Reporters for Olympic and Paralympic Winter Games — Macau Station,” is sponsored by the Education and Youth Development Bureau, and organized by Macau’s Centro Cultural de Criança Dente de Leo. More than 150 student reporters from the elementary and secondary schools were taken on a site tour as part of the event. The students visited and experienced the arts, cultural, and entertainment activities with the help of members of the Public Relations team and art docents. Students got a taste of how an integrated resort hotel incorporates components such as sports, art, and culture into its services, which taught them about the latest trends in the local tourism business.



**150+**  
student reporters



*“It was my honor to be part of this training. We visited the Spectacle, MGM Theater and other places, and were assigned to compose a social post with promotional video afterward. I discovered that being a reporter could be challenging as they are always given a very limited timeline to create informative content that is attractive and relatable to the audiences. That being said, I was able to obtain the skill of completing a task efficiently from this exercise. I genuinely hope to take part in more activities like this one to expand my horizons.”*

**Chu Nga Ki — Student from Pui Ching Middle School**







## FOR A BETTER *Planet*

To create a better and more sustainable future for all, MGM China is committed to operating in an environmentally responsible manner across all its business units. We support the SDGs as well as the Country's target of peaking national carbon emissions before 2030 and reaching carbon neutrality by 2060. Striving to enhance our environmental performance on our ongoing sustainability journey, we have stepped up our efforts in decarbonization, climate-resilient strategies, zero-waste operations, and resource-efficient initiatives.





# Planet

## Operating in a Sustainable Manner

As a responsible operator, MGM China strictly abides by all applicable environmental laws and regulations mandated by the Environmental Protection Bureau ("DSPA") of the Macau Government and in the areas where the Company operates. Beyond compliance, MGM China has been closely working with government organizations such as DSPA, the MGTO and the industry leaders to take actions on energy saving, carbon reduction, and waste recycling through the collective effort and contribution to the Joint Environmental Protection Action Task Force ("JATF"). Our Sustainability Policy Framework is designed and structured with an aim to reduce emissions and carbon footprints, optimize resources consumption, and develop a more sustainable business model. Besides, our environmental framework is formulated and maintained according to the global standards. Since 2019, MGM COTAI has been certified with the ISO 14001:2015 environmental management system in recognition of our continual improvement in managing environmental matters.

Below are the key focuses of our strategy in environmental sustainability:



Having received the Macao Green Hotel Awards Gold Award, we are pleased that our excellent performance in green technology, resource efficiency, food waste management, as well as the community outreach programs in promoting green practices have been recognized by the DSPA and the MGTO.

In addition, MGM China has attained the Service Sector Bronze Award and the Eco Challenger Award under the BOCHK Corporate Environmental Leadership Award 2020 organized by the Federation of Hong Kong Industries ("FHKI"). With over 800 participating enterprises from Hong Kong and the Pan-Pearl River Delta Area, which shared the same pursuit of reducing environmental footprints and making positive environmental impacts for a sustainable future. Being one of the first-time applicants, this recognition fully affirms the Company's contributions to sustainability advocacy and innovative environmental projects, as part of our dedication in driving sustainable development and forging ahead toward a zero-carbon future.



## Energy and Carbon Management

Climate change is a formidable challenge to the world. Since the Glasgow Climate Pact came into effect in November 2021 during COP26, countries have been committed to accelerating decarbonization to limit the increase in the global average temperature to 1.5 °C. To support this crucial global commitment, MGM China is devoted to advocating the Net Zero Pledge to support the national commitment by advancing its technological innovations and exploring the cost-saving opportunities. Considering the dynamic nature of the hospitality industry, purchased electricity accounts for a significant portion of our carbon emissions. As part of our commitment to achieve carbon neutrality and reduce GHG emissions, we consider energy and carbon management one of our core environmental responsibilities to combat climate change.

As 98% of our carbon emissions come from energy consumption, we endeavor to manage our buildings in the most optimal way by adopting more efficient ways of energy use and regularly reviewing for continual improvement. Both MGM MACAU and MGM COTAI have attained the ISO 50001:2018 certification for effective energy management systems (EnMS), demonstrating our commitment to energy efficiency best practices.

### Major Decarbonization Actions

As one of the hospitality leaders in Macau, MGM China seizes every opportunity to boost decarbonization by advancing our equipment and technology, facilitating low-carbon operation adaptation, and establishing partnerships to foster prompt transition to a low-carbon future. In order to better understand our energy consumption and carbon footprint patterns, we have engaged a professional consultant to conduct an annual carbon audit review for our properties. The report presents a comprehensive overview of carbon emissions among our operations and areas for improvement aligning with our low-carbon development strategy.

In addition to regular monitoring and inspections, facilities and equipment maintenance are vital for resource management. We also work closely with the independent energy consultant to constantly review and evaluate our facilities to ensure that the facilities are in the best operating condition and to identify any efficiency and decarbonization opportunities. Since 2011, the general carbon emission reduction is equivalent to about 32,600 tons of CO<sub>2</sub> contributed by those projects at MGM MACAU and MGM COTAI.

During the year, we have carried out a number of initiatives in both MGM MACAU and MGM COTAI to enhance energy efficiency and utilize renewable resources to alleviate environmental impacts.

### Highlights of Key Decarbonization Projects in 2021



#### Fixtures Enhancement and Electrification

In 2021, we have completed Neon Light LED Replacement at the hotel entrance, salon and foyer areas of MGM MACAU, and switched from traditional boilers to electrical heat pumps to further enhance our energy savings in our operations.



#### Retro-Commissioning ("RCx")

RCx is a process to improve the existing building's equipment and systems efficiency. It can resolve problems that occurred during design or construction, or address problems that have developed throughout the building's life as equipment has aged, or as building usage has changed. Both properties have conducted RCx this year to identify opportunities to fine-tune the major heating, ventilation and air conditioning (HVAC) and lighting systems and resolve problems with the original design of the systems that hinder energy savings. This process allows us to further enhance energy efficiency and foster our progress in decarbonization.



#### Air Change Rate ("ACH") Optimization

Both properties have optimized their ACH to achieve energy savings and comply with SSM 2 ACH requirements. Besides, this optimization also helps reduce the transmission risk of COVID-19 in casino areas, providing better health protection to our customers and employees.



Together with the continuation of the Pressure Independent Characterized Control Valves (PICCVs) and Kitchen Exhaust Fans ("KEF") Demand Control Ventilation Rectification phasing projects, around **1,388,000 kWh** of electricity was conserved, which is equivalent to **1,100 tons of CO<sub>2</sub>e** through these projects.

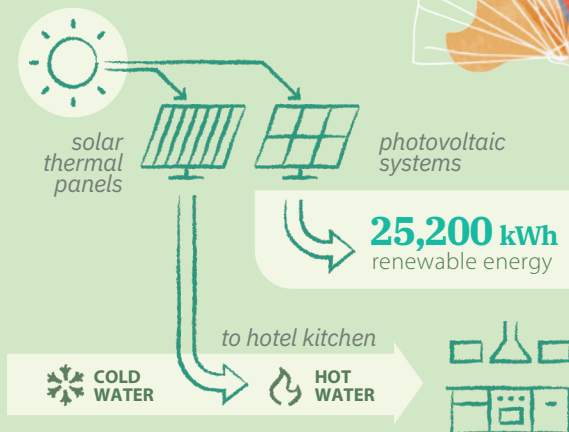


## Renewable Energy Supply — Solar Heating System

MGM China takes another step forward to support clean energy. We have installed solar thermal panels and photovoltaic systems on the roofs of MGM MACAU to harness solar energy for building operation. The system supports the water heating in the hotel kitchen with a total capacity of 33.8kW.

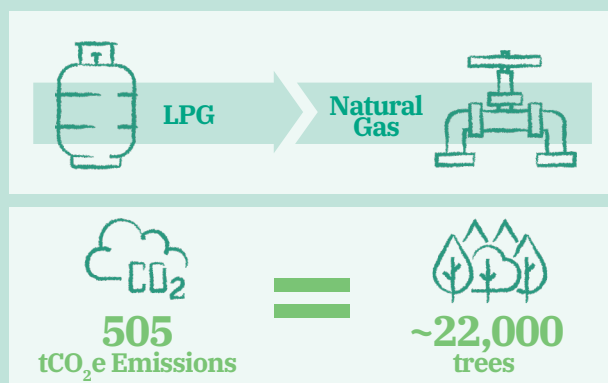
This initiative not only diversifies our energy mix to embrace more renewable sources, but also demonstrates MGM's support for the national climate strategy and targets. The latest 14<sup>th</sup> Five-Year Plan ("FYP") outlines China's carbon reduction plan in the next five years, which includes a target to increase the share of non-fossil sources in energy consumption to around 20% by 2025 from 15.8% in 2020.

During the year, 25,200 kWh of renewable energy was generated from our solar heating system to support the hot water usage of the podium kitchen, while the installation of another set of solar panels at MGM COTAI is under planning. Looking forward, we will continue to study the feasibility of making renewable energy a more viable option for our operations.



## Think Forward • Think Green

While cutting GHG emissions is a business imperative, MGM China has been developing the roadmap to meet our stretching environmental targets to better align with both the local low-carbon initiatives and the national decarbonization goals. Provided that the Macau Government has called for a wider adoption of natural gas, we have taken steps forward to achieve a lower carbon-emitting operation by implementing a natural gas changeover project in 2021. As natural gas is a relatively clean and efficient energy source, we strive to fully switch to natural gas by 2022. Based on 2021 utility consumption, the changes are expected to reduce 505 tCO<sub>2</sub>-e emissions, which is equivalent to cultivating around 22,000 trees. This initiative is



not only a large-scale changeover technical project, but also an encouraging testimony of MGM China's accelerating decarbonization.

By then, MGM MACAU will be the first integrated resort on Macau Peninsula to switch to natural gas. Together with MGM COTAI which has been utilizing natural gas since its opening, MGM China will become Macau's first integrated resort fully converted to clean and low-carbon natural gas. It demonstrates that we are reaching another milestone in sustainable development by fueling our operations with greener energy.

## Green Transportation

Green Transportation is essential to our decarbonization journey, and we fully support its development in Macau. As part of our strategy, we are in the process of phasing out the traditional fossil fuel-based vehicles and replacing them with electric ones. Electric vehicle charging stations are available at our hotels, accessible to both guests and team members to promote wider adoption.

Since 2018, we have added 10 electric buses and 2 extended range electric buses to our guest shuttle fleet. During the reporting period, the number of tourists visiting Macau remained at a low level due to the COVID-19 pandemic. Therefore, only those environmentally friendly buses were in operation at our resorts, while the traditional fossil fuel-based buses were kept as a standby for guests.

18 charging stations are available in total. Looking ahead, we aim to achieve a 100% electric shuttle bus fleet by 2023.

During the reporting period, MGM COTAI has installed the **first-ever NIO's** destination charging station in Macau which provides four charging posts with greater convenience while facilitating the low-carbon development of Macau.



**10** electric buses and  
**2** extended range electric buses



**18**  
charging stations



Aiming to achieve a **100%** electric  
shuttle bus fleet by **2023**



## Continuous Monitoring and Optimization

As a hospitality operator, we pay huge attention to the changes of different parameters ranging from occupancy of guest rooms to temperature changes in public areas, since they have a strong association with low-emission operations and energy-saving manner. Enhancing the guest experience is always our priority. Thus, we capitalize on smart monitoring platforms and intelligent building applications to strike a balance between energy efficiency and occupant comfort. We installed sensors to monitor key parameters such as air quality to ensure space comfort.

### Pioneer and Innovator in Building Operations and Facilities Management

Capitalizing on cloud computing and Internet of Things ("IoT") technology, we could detect any hidden operational issues that might have been overlooked as well as to improve overall building performance and guest experience. The aid of proprietary building intelligence software has brought a breakthrough to conventional project-based commissioning works. Below are some of the key features of our Data Analytics Platform.

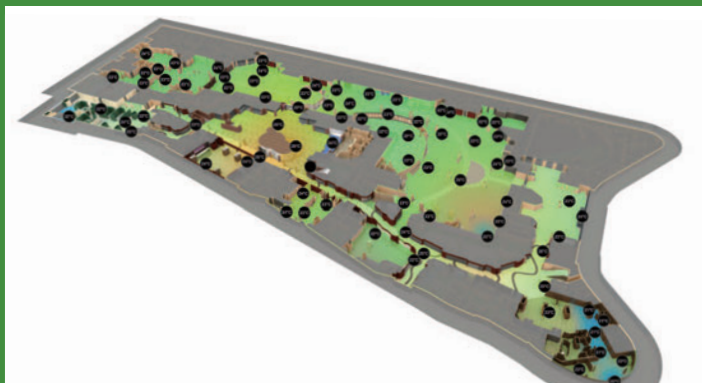
#### Coverage



**Full facility**  
coverage of all  
building systems

#### Equipment/System Diagnostic

Summarized key performance metrics and identified any hidden issues that are often overlooked.



#### IoT Data Points Collected & Analyzed



**11,210,000+**  
**40+** new IoT sensors installed

#### Thermal Comfort Dashboard

A Solar irradiance predicted mean vote (PMV) modeling, conventional temperature and humidity monitoring, 3-D thermal imaging for visualization.



#### Reporting Dashboard

Customized reporting modules with KPIs, sustainability accomplishments, and consumption tracking features

#### Technology Awards



More than **5**  
international  
awards



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

Energy  
Targets



↓4%

2021 Normalized energy reduction  
target for MGM MACAU and MGM  
COTAI from our 2019 baseline

↓13%

2025 Long-term energy consumption  
reduction target for MGM MACAU and  
MGM COTAI from our 2019 baseline

Progress  
in 2021



Normalized saving achievement towards our long-term target:

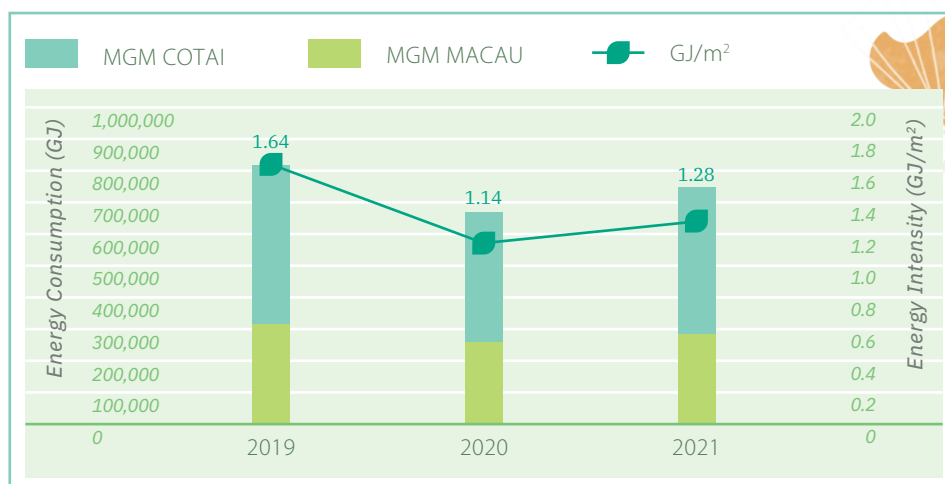
↓5.9%

for MGM MACAU

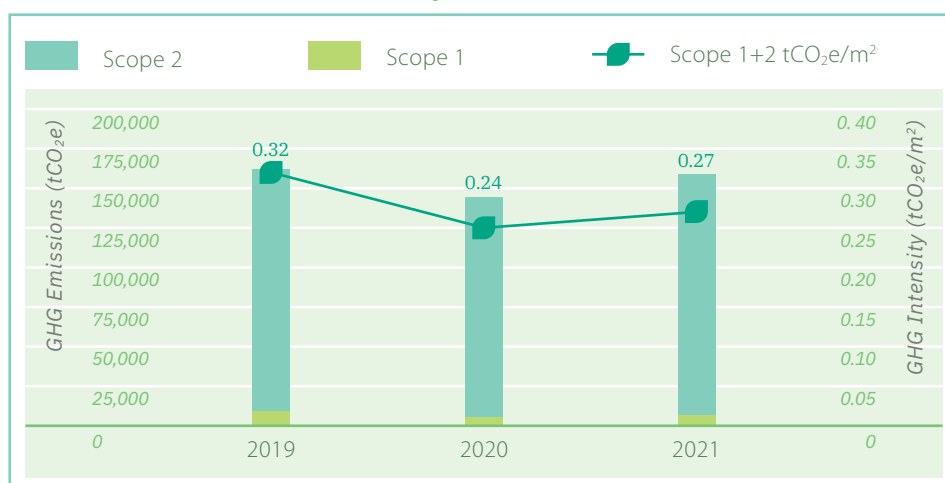
↓6.8%

for MGM COTAI

### Energy Performance Summary



### GHG 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 since 2020.

## Climate Resilience Journey

The threats brought by climate change are imminent. With more frequent occurrences of extreme weather events, such as severe typhoons, storm surges and flooding, our operation as well as the safety of our guests and employees are exposed to greater risks. Recognizing the risks brought by climate change, MGM China endeavors to seek measures to mitigate climate risks that may affect the continuity and sustainability of our businesses. In this regard, we have further enhanced our climate resilience with reference to 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 brought to the attention of the Board and incorporated into the overall risk management framework, ensuring that adequate and effective sustainability risk management and internal control mechanisms are in place. Senior management provides confirmation to the Board on the effectiveness of these systems.

Our Committee is responsible for formulating policies, procedures and initiatives to ensure our sustainability strategy is implemented in our daily operations to mitigate climate risks that are material to MGM China.

The Committee meets regularly to discuss the Company's progress toward its sustainability goals. Our climate and decarbonization-related strategies, works done, and progress toward targets will be reported to the Board and senior management on a regular basis.

In addition, we are also in a process of formulating our first Climate Change Policy to enhance our approach to manage climate risks, mitigate the impact of climate change on our operations and increase our business resilience.



### Strategy

With no doubts, climate change has been materially affecting societies around the world and therefore it also impacts our business. As part of a multi-pronged climate strategy, the Company has developed multiple ways to mitigate, adapt, and educate about climate risks and matters.

Green concepts are incorporated into our properties from the building design phase to operational phases, to support and align with our national decarbonization commitments and standards. Besides, climate-resilient elements have been incorporated into various Design Guidelines and commissioning requirements. This also aids us in the development of our operating manuals and relevant documents, such as load reduction strategies and operational procedures, to manage climate risks. We are also dedicated to exploring different purchasing alternatives for offsite renewable energy for our portfolio, when possible.

Capacity building is another key focus of our climate strategy. We organize workshops that allow our team members to raise their consciousness and capabilities to manage future climate risks. For details on our initiatives, performance and achievements, please refer to the "Green Building", "Energy and Carbon Management" and "Environmental Stewardship" sections of this Report.



## Risk Management

A four-step risk assessment approach was adopted to proactively identify, evaluate, and prioritize sustainability risks (including climate risks) in our value chain. Whenever risks are identified, we deploy corresponding mitigation measures and continuous monitoring to strengthen our climate resilience.

We have identified various climate risk scenarios that are material to our operations and established a focus group to perform appropriate Building Resilience and Emergency Operation Actions. Meanwhile, engineering studies for peak demand management, and water and electricity supply shortage plans are also carried out to formulate respective mitigation strategies. Such mitigation strategies are developed and incorporated into our Contingency Operation Manuals to cope with emergencies caused by climate risks. An Emergency Group was formed to formulate and guide us through our business contingency plans. It helps MGM China to maintain core operations and safeguard the health and safety of our guests and employees in emergency situations, such as super typhoon and flooding.

The climate risks that we identify can be categorized into transition risks and physical risks:

**Transition risks** are mainly associated with climate-related policies and regulations that drive a low-carbon environment in the community. We acknowledged that our business operations would be impacted by the climate-related regulations imposed by the government or regulators. Although we are not aware of any specific regulatory requirements related to carbon emission that present an immediate or significant transition risk to our business, we have adopted relevant perspicacious measures, such as incorporating green concepts into our properties, to address and mitigate the potential impact.

For **physical risks**, we observe more frequent occurrences of extreme weather events, such as super typhoons and flooding, due to climate change. Therefore, our Design Guidelines and commissioning requirements have incorporated the concept of climate resilience (e.g., load reduction strategies), allowing us to develop our operation manuals to minimize the exposure to climate risks relevant to us, including acute risk (e.g. floods, storms, pandemics) and chronic risk (e.g. rising temperature). We will keep abreast of the climate change issue and continue to refine our operation manuals.

Furthermore, our daily operational risks related to climate change, carbon and energy management are managed through ISO 14001 Environmental Management System and ISO 50001 Energy Management System.



## Targets and Metrics

In preparation for the transition to a low-carbon economy, we have established targets and initiatives for carbon reduction under our 2030 targets. A target of achieving energy saving of 13% for MGM MACAU and MGM COTAI individually by 2025 compared to the 2019 baseline. With our immense efforts in decarbonization, MGM COTAI has confirmed to take steps forward to achieve a carbon-neutral operation through a natural gas changeover project in 2022.

Going forward, we will continue to seek technological innovations and facilitate the transition to a lower-carbon environment by adopting more advanced renewable energy systems and collaborating with third-party professionals to explore the feasibility of adopting SBTi and developing long-term carbon emission reduction targets.





## Green Building

Buildings are major consumers of energy. To foster the development of a greener city, we continue to improve our building greenness and wellness, providing greater comfort to our guests and employees. Constructing high-performance, sustainable and green infrastructure, we strive to incorporate environmental concepts into the whole lifecycle of our properties from building planning, design to operation.

### Benchmark of Green Buildings

With its outstanding standard of green building, MGM COTAI, 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 control for noise, light and air quality to the world's largest indoor art garden with over 100,000 plants. Below are the highlights of the key features:

### Sustainability Design Features



By calculating the total greenery of skyscraper and vertical which is equivalent to over **70%** rooftop greening (with more than 100,000 plants)



Temperature sensors and pyranometers installed which aim to maintain indoor temperature at the atrium at an optimal level (23°C)



Use hygiene and cleaning equipment with water-saving mode



The world's largest area of permanent indoor LED screens



Largest free-span grid shell glazed roof composed of 2,845 glass pieces which allow excellent utilization of natural lighting



Nature's Art, the vertical green walls act as an indoor air purifier and air-cooler to optimize the indoor nature experience.

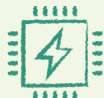
Another exciting highlight during the reporting period, **Emerald Villa** of MGM COTAI was named the Winner for the SBID International Design Awards 2021 in the Hotel Bedroom & Suites Design category and the Platinum Winner at the 2021 MUSE Design Awards in the Interior Design (Hotels & Resorts) category. Adopting eco-friendly practices during the design and development process, the Emerald Villa features renewable engineered wood veneers as a wall finish and smart lighting system was also installed to save energy.



## Sustainability Operating Features



Installed 1,000+ smart electricity meters



Real-time data analytics on electricity consumption



Building management system (BMS) monitors and controls electrical and mechanical services



100% LED lighting in guest room



Utilization of residual heat to provide steam and hot water for the building



Utilize the unconventional water collected from Reverse Osmosis ("RO") System, Water Softener, Condensation Pipe Water, Swimming Pool and Fire Service Tank drain off



Adopt a reliable high voltage energy system that could avoid wasting space and energy for the installation of individual transformer substations to support a mega resort's operation



MGM 美高梅



## Case Study



MGM COTAI is the only mega complex and hotel in Macau that attained three-star certification in both Green Building Design and Operation Label, as well as the first hotel in the GBA and second in Greater China to receive the certifications. MGM COTAI has met the specific criteria in land reservation, energy reservation, water reservation, building materials reservation and environmental protection.

### MGM Leads Dialogue on Green Building Technology and Application in Macau

In alignment with the National and Macau Government's green and low-carbon development plan, MGM successfully organized the "Seminar on Technology Application and Development of Green Buildings in China and Macau" to cultivate green building development in Macau. We invited distinguished speakers to share their professional insights into the development and technologies of green buildings in China and cited MGM COTAI as a role model in utilizing the eco-friendly structures when constructing buildings. A total of 180 local professionals from architecture, electrical and mechanical engineering, property management and environmental protection sectors participated in the seminar. The seminar was concluded with a tour to showcase the green facilities and technologies of the hotel.

Looking forward, MGM China strives to share the experience of implementing green building practices with the wider community and groom emerging professionals in this field, fostering the sustainable development of Macau and the Country.





## Leveraging Industry Efforts to co-build a Low Carbon Future

Creating a greener, healthier and sustainable future relies on collective efforts from various stakeholders. Driven by a mission to reach carbon peak and carbon neutrality in line with the Nation's climate goals, LCGHDA was jointly founded by Macau's hotel and tourism industries, industry partners and professional alliances of the mainland China and Macau. The inauguration ceremony was held in December 2021 at MGM COTAI. During the event, the alliance signed the first strategic co-operation framework agreement with the Institute of Energy, Environment and Economy of Tsinghua University, laying the first milestone after its establishment. In the sharing section, Mr. Wang Youwei, Director of the China Green Building Council and Mr. Zhou Jian, Deputy Director of the Institute for Low Carbon Economy Studies of Tsinghua University, delivered important messages to the audience regarding the topic of "dual carbon" national goals.



With collective effort contributed by over 30 leading enterprises, professional organizations, and academic institutions from mainland China and Macau, the LCGHDA is helmed by a team of the mainland China's green experts as well as environmental leaders and prominent figures in the GBA. The alliance aspires to collaborate and work with the respective edges of hotel, tourism and construction industries, and the government to further deepen regional exchanges and raise awareness of the importance of low-carbon development.

Our Co-Chairperson and Executive Director, Ms. Pansy Ho, is the founding chairperson of the LCGHDA, while our Chief Strategic & Financial Officer Kenneth Feng, is the president of the Alliance. Under their leadership, MGM China is dedicated to co-building a greener Macau and achieving carbon neutrality by 2060 as stated in the Nation's 14<sup>th</sup> FYP with all stakeholders.



*Please click here for  
more information  
about the LCGHDA*



"LCGHDA intends to map out various innovative, feasible measures to reach carbon peak and carbon neutrality in line with the national climate goals by gathering the strength of the hotel industry. As a starting point, our goal is to promote the transition to a green and low-carbon economy, and to open up the ecological chain of green tourism, green community and green economy. Over the years, companies in the Greater Bay Area have been responding to the call of the Nation and vigorously promoting the concept of green development. The establishment of the alliance represents a larger platform, a broader vision and more opportunities. In the future, LCGHDA will expand its cooperation with top institutions in tourism, academic, economic and other industries. With a complex development structure, it will fully align with the carbon reduction goals set by the national and the Macau Government."

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

## Water Management

Water is an essential but scarce resource. Although our business does not impose significant water stress on the community, we share the responsibility of conserving water and preventing water scarcity. MGM China has implemented robust water management practices to encourage water usage in an efficient manner. In line with our three-pronged approach to water management, we will leverage technologies to monitor and optimize our water use, while empowering our stakeholders to become more knowledgeable about water scarcity and take steps to address it.

### Optimization and Monitoring

A range of water management measures has been adopted to optimize our water performance, such as replacing showerheads heads and faucets with low flow alternatives and adjusting the flow rates. As a way to monitor performance, we held monthly meetings to review consumption and conducted regular leakage tests on water pipes and tanks to avoid malfunctions. We have also leveraged technologies to proactively identify water-saving opportunities, for example, a three-level sensor system is in place to measure and monitor 100% of water usage in our properties, which allows us to trace abnormal water consumption patterns and take remedial actions. In addition, the water softener regeneration limit has been optimized to reduce backwashing water consumption.



### Recycling and Conservation

As part of our water recycling efforts, we have started harvesting rainwater as a source of makeup water for our cooling towers, and collecting condensate water from air conditioning systems for flushing toilets. Furthermore, the RO system was implemented to recycle bleed-off water from the cooling tower, achieving greater water saving. A variety of water recycling programs have been adopted to reduce our water consumption, including recycling swimming pool water and fire service tank water drain off. With these initiatives in place, MGM COTAI has successfully achieved a 12% utilization ratio of recycling unconventional water. During the reporting period, the consumption of reclaimed water is about 53,000 m<sup>3</sup>.

## Implementation of Water Recycling

### Input (Grey Water)

Condensation pipe water

Reverse osmosis system

Water softener



### Output

Cooling towers make up

Irrigation

Toilet flushing

Utilization ratio of recycling unconventional water **12%**



We extend our influence on water-saving practices with our key stakeholders by encouraging guests to opt-in our towel and linen reuse program to reduce water usage and raise team members' awareness through multiple communication channels. Looking ahead, we will continue to reduce our water consumption and advocate the importance of water conservation.



## Enhancement of Technical Knowledge — Water Recycling Facilities Tour

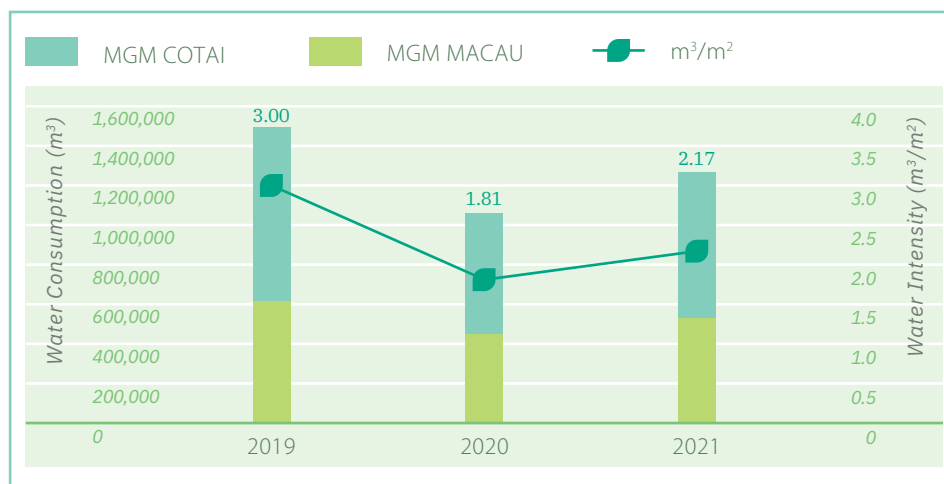
Responding to the “Grey Water Recycling” initiative raised by the Macau Government, MGM China has implemented a large-scale reclaimed water treatment facility at MGM COTAI. The recycling system has effectively utilized the unconventional water collected from the RO System, Water Softener, Condensation Pipe Water, Swimming Pool and Fire Service Tank drain off. As a result, water conservation is achieved while reducing the amount of water that is sent into the sewage system for treatment.

We co-organized a tour with the Macau Environmental Protection and Management Association, which is also a member of the LCGHDA, to introduce the operation of treatment process of the reclaimed water reuse system in December 2021. Through this on-site visit and the knowledge exchange session, participants have gained insights into the professional treatment process of the reclaimed water reuse system. Being a forerunner in the industry to adopt high-end environmental technology, MGM China will continue to co-build a more sustainable industry and a low-carbon future through knowledge exchange and information sharing.



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

### Water Performance Summary



<sup>8</sup> Gross Floor Area of MGM COTAI has been updated for the calculation of water intensity since 2020.

<sup>9</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.

## Waste Management and Reduction

Responsible and sustainable consumption behaviors are the foundations of waste management practices. 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.

Our waste generation contains both hazardous and non-hazardous wastes produced along our value chain, involving guests, contractors, tenants, customers and employees. We encourage stakeholders to segregate different types of waste at the source so as to explore meaningful ways to utilize resources before disposal. Moreover, relevant waste management approach and handling guide were established, covering sustainable sourcing of materials on the upstream while recycling and disposal practices on the downstream.

Hazardous wastes such as oil-based paint, solvent adhesives, fluorescent tubes, batteries, toner cartridges, and other electronic waste were generated from our operation from time to time, and there is a comprehensive protocol to safely handle such waste. All hazardous wastes are handled by licensed contractors for proper disposal in full compliance with relevant government regulations and guidelines. To tackle waste generation at our properties, we initiated various measures with particular focuses on food waste management, plastic waste elimination and waste audit.



### Waste sorting bins at hotel guest room



### Soap Recycling Program



### Recycling Bins at hotel public area



### Furniture donation (lamps, coffee tables and computer devices)



In 2021, we extended our support to community partners through making in-kind donations of our furniture products such as lamps, coffee tables and computer devices. Adhering to our philosophy of giving back to the community and maximizing the value of resources, we have contributed to improving the wellbeing of less-resourced families while supporting the mission and actions of the Happy Market, a local social enterprise of Fuhong Society of Macau helping the needy.

As an environmentally responsible company, MGM China has echoed DSPA's Advocacy on Waste Management with tangible actions toward a "zero-waste" future. Below are some of the key initiatives we adopted in MGM China:



Participated in the Government-led food waste recycling program



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



Managing food waste with advanced technologies



Reusing unused playing cards to optimize the use of resources



Replacing plastic made straws and cutlery with biodegradable alternatives

## Summary of the total recyclables collected in 2021





## Food Waste Management

Food waste, accounting for up to 40 percent of daily waste disposal in Macau, is one of the most significant sub-categories of municipal solid waste by weight. With enormous meals served at our hotels and restaurants every day, food waste is one of the major contributors to our waste composition. We have been actively taking various steps to avoid wastage at source, from reducing overproduction through better planning and storage, to organizing a food waste challenge campaign at staff restaurants to encourage plate waste reduction.

With the advancement of technology, we have adopted multi-pronged food waste management strategy that deploys the following 3 types of technologies to tackle unavoidable food waste.



### Food Digester



- 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 the production kitchen at MGM MACAU
- Diverting about 400 tons of food waste into eco-friendly liquid every year



### Food Composter



- Utilizing 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 process leftovers
- Plate waste is dehydrated to reduce its liquid and volume, thereby minimizing the burden on transportation and incineration

In addition to implementing innovative technologies to manage our food waste, we continued to join the DSPA's commercial food waste sampling and data analysis program contributing to the future local central food waste treatment facility. In 2021, we also participated in the Government-led food waste recycling program (食肆廚餘回收先導計劃) to further support DSPA's food waste management program. These efforts help us and the community explore new ways to turn food waste into resources while reducing its environmental impacts.

As part of the food waste monitoring system, the Food and Beverage team regularly conducts inspections and reviews across our restaurants to identify effective ways of handling and controlling food waste. Besides, we also appointed external professional parties to conduct waste management review and audit to better understand our waste compositions and identify improvement areas more comprehensively since 2020. In the future, we will continue to scale up our waste management effort to seize more opportunities in working toward "zero-waste" operations.

## Food Waste Management at a Glance

Food Waste  
Diversion  
Rate Targets



**30%** by 2022

**70%** by 2027



**100%** by 2030

Progress  
in 2021



**13.6%**

MGM CHINA achievement on food waste diversion rate in 2021

## Plastic Avoidance Operation

Plastic waste is another major focus under our waste management strategy. We have launched the “No Plastic Program” since 2019 to replace all single-use plastics at our food and beverage outlets with environmentally friendly alternatives. The Program has saved approximately 4.5 million pieces of single-use plastic per year from being disposed into the environment and makes us the first integrated resort operator in Macau to advocate the elimination of single-use plastics. Besides, we have improved our takeaway packaging materials with innovative design to avoid unnecessary plastic use.



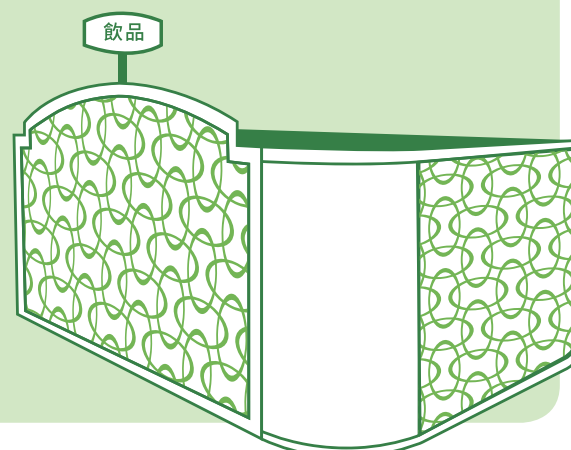
To further transition away from single-use plastics, we have been reducing plastic bottled water distribution in our casinos by installing beverage stations. 8 beverage stations have been installed on the gaming floors at MGM MACAU and MGM COTAI since 2020, which offer our guests instant access to drinking water in glasses instead of plastic bottles. The implementation has seen more than 9.1 million plastic bottles being averted. With the built-in filtration system, which consists of a set of purifying filters and germicidal ultraviolet-c (UVC) lamp, the water quality meets high safety standards while saving an enormous amount of plastic water bottles.



**8** Beverage Stations



Over **9.1 million**  
plastic bottles being averted



## Waste Management at a Glance<sup>10,11,12</sup>

Plastic Free  
Targets



**90%**

consumption of bottled water by 2030 compared to 2018

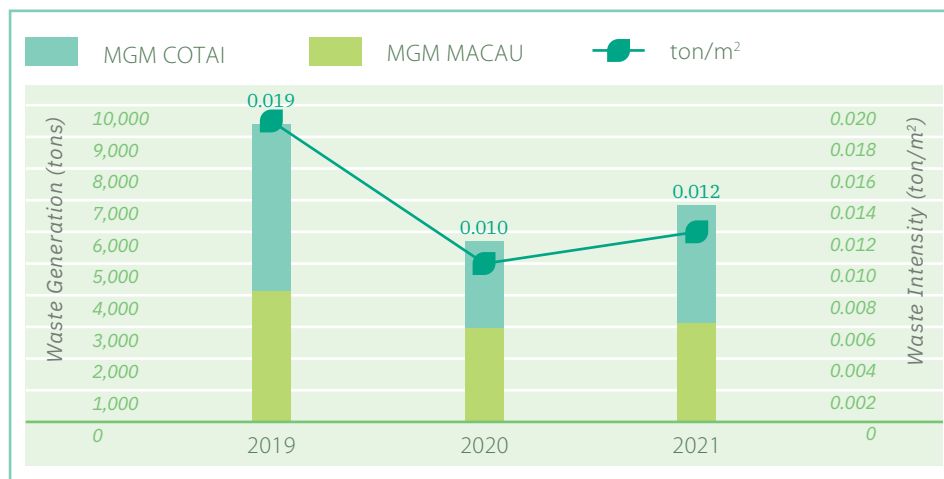
Progress  
in 2021



**53%**

consumption of bottled water compared to 2018

## Waste Performance Summary



<sup>10</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>11</sup> Gross Floor Area of MGM COTAI has also been updated for the calculation of waste intensity since 2020.

<sup>12</sup> Calculation since 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.



## Environmental Stewardship

MGM China is dedicated to championing the environmental stewardship at large. It is essential to raise environmental awareness among our team members and influence our stakeholders to bring about behavioral changes. In light of this, we actively organize and participate in a series of green initiatives such as seminars, workshops and campaigns to enlighten people about the environment.

## Employee Engagement

Team members are the key to achieving our environmental visions and goals, and we have been instilling our sustainability culture in each one of them. The Green Team was established in 2015, comprising team members from across our operations. Their mission is to provide innovative approaches to engage and inspire other team members to adopt green practices. Also, we enthusiastically support numerous external environmental campaigns and encourage company-wide participation such as the World Environment Day Activities initiated by DSPA and Earth Hour. Aside from those activities, we also launched the employee-oriented "Go Green Week" to promote sustainability concepts and practices through a variety of educational and interactive events.



Participated in the "Conservation of Trees" activity organized by Macau's Municipal Affairs Bureau during Macao Green Week 2021

Earth Hour 2021



Handmade Upcycling Materials for Christmas Decorations



Green Menu at "Home Base"



Visiting the Electronic & Electrical Equipment Recycling Facility



"Our Planet: Our Business" Screening Event



## Go Green Week 2021

In 2021, we continued to host the annual green campaign Go Green Week 2021 with the featured theme of “**Low Carbon, Healthy Life**” to learn about a low-carbon and healthy lifestyle from local to global perspectives.



To thoroughly promote the low-carbon concept associated with climate change, an educational notice board filled with materials regarding the latest development about the COP26, vegan label and green life expert was prepared to keep us abreast of global trends. At “Home Base”, we promoted several new vegan dishes and encouraged our team members to not only reduce food waste, but also to eat wisely by selecting low-carbon dishes.

In addition, we have invited Green Monday, a social venture advocating for vegan and plant-based lifestyle, to give a talk on “A Better Plant-based Future” to promote the benefits of having low-carbon diets. During the sharing section, employees were offered food tastings and mini games to have a better understanding of plant-based food.



Go Green Marketplace was also set up allowing our employees to purchase eco-friendly beauty and lifestyle products.

Our Master Chef at “Home Base”, had another session with Green Monday to explore and discuss some new plant-based products in terms of their appearance, taste as well as nutritional value to see how we could integrate them into our menu to offer more vegan options.





## Community Education and Outreach

In addition to fostering green practices within the Company, we also proactively share information such as our environmental features, events, achievements, and eco-friendly lifestyle tips through our quarterly *MGM Go Green newsletter*, which is available on our corporate website.

By leveraging our resources and scale, we promote sustainability concepts to all our stakeholders, offering environmental programs to our guests as well as the community. Over the years, we have organized many sustainability-oriented community outreach programs, including Ocean Conservation workshops and Green Building Tours. Also, we demonstrate strong support for the environmental initiatives organized by both the Macao Government and green groups that aim to raise public awareness of the importance of environmental conservation such as tree planting events, tree maintenance programs, and beach cleaning activities.



### Sustainability Tour at MGM

To showcase to the wider community our sustainability efforts, we often collaborate with schools, universities and professional associations to organize tours at our properties and enable them to learn about our sustainability practices.

In 2021, a group of university students from IFTM and Macao Polytechnic Institute went to MGM COTAI for a tour of the property. The tours started with a brief introduction of the sustainability features of MGM COTAI and proceeded with a guided walk-through of the art pieces and facilities inside the hotel. We also offered some students an exclusive peek inside the MGM Theater, Asia's first dynamic theater. It was a great opportunity for us to share our best practices with the students.





## MGM Launches Cool Summer Action to Commemorate World Environment Day

MGM China is an active member of various Government-led initiatives, through which we work to create shared value and meaningful activities for our employees and the community. In June 2021, we participated in the “Lights Off an Hour” event, supporting the commencement of the World Environmental Day of the GBA. We also continued the tradition of donating proceeds from plastic bag levies to local relevant organizations. This year, we made donations to Green Future, an environmental non-profit in Macau that promotes the development of a sustainable society through harmony between human and nature.



“Lights Off an Hour”



Donation to the Green Future

Visit to the CEM electricity facilities



Energy conservation is at the heart of our campaign. To gain a better understanding of how and where our energy comes from, we organized a visit to the CEM (Companhia de Electricidade de Macau) electricity generator for team members. A smart LED light bulb was prepared as green souvenirs for each participating team member to help them save up energy at home.



Causal Wear Summer Campaign

To encourage team members to stay cool during the summer without going heavy on the air conditioner, we started the “Causal Wear Summer” campaign in the office and encouraged team members to dress light and set the air conditioning to optimal temperature, along with a few easy tips to cool down in the most eco-friendly way.

## Low Carbon Summer Challenge

To echo DSPA's World Environment Day activities and the Nation's target of reaching a carbon emission peak by 2030 and carbon neutrality by 2060, we challenged our Team Members with a Carbon Knowledge Quiz and their suggestions on leading a "Low Carbon Summer". This engagement activity has gained positive feedback from our team members with over 700 green tips contributed by our eco-warriors covering the necessities of life in terms of clothing, eating, living, and commuting.



Received **700** Green Tips

## Here are some useful tips on low-carbon behaviors:



### Eating

- More veggies, less meat
- No food waste
- Support local or organic food



### Clothing

- Dress light in the Summer, keep 24-26°C
- Think before buying
- Donate unwanted clothes



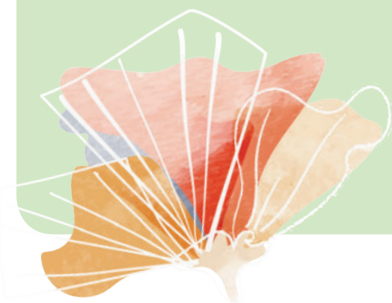
### Commuting

- Share carpool
- Walk more, cycle more, climb stairs
- Use public transports
- Support electric vehicles (EV)



### Living

- Use fans instead of air-cons
- Clean recycling
- Switch off unnecessary lightings/appliances
- Purchase energy efficient products
- BYOB & BYOC
- More showers, less baths
- Avoid over packing
- Avoid single use plastics







# FOR BETTER *Guest and Partner Relationships*



Developing effective engagements and long-term relationships with our guests and business partners to deliver superb experience and services with value creation is an integral part of the long-term sustainability of our business and our leading position in the industry. We will also seek to bring more cross-sector and diversified Tourism+ entertainment experiences, as well as produce more MGM-branded events. We are honored to be able to contribute to the development of Macau into a World Center of Tourism and Leisure while capitalizing on the GBA's growth opportunities.



# Value Chain (Guest & Partner)

At MGM China, we collaborate with our stakeholders to create shared value, produce high-quality products and services, and maintain corporate ethics. Through proactive value chain management, we share our basic concepts of corporate integrity, customer focus, and the promotion of shared responsibility with our partners. Additionally, we endeavor to create innovative, value-added services beyond the fundamental pursuit of safety and quality for our guests.

## Shaking Up Guest Experiences and Engagement

Extraordinary customer experience through active engagement from multiple channels is in our DNA to continuously enhance our service quality. **M Life**, our flagship membership program, continues to act as a digital platform to show appreciation and care to our customers by offering them a convenient and mobile customer experience. Our efforts to create a value-added experience for our customers are well recognized by the industry awards we received. MGM MACAU has been designated a **Forbes Travel Guide Five-Star Hotel** for the 6<sup>th</sup> consecutive year, while our Tria at both MGM MACAU and MGM COTAI continued to receive a Five-Star recognition. MGM COTAI was again named the **"Best Meeting & Conventions Hotel in Macau" award at TTG China Travel Awards** — winning this honor for two consecutive years demonstrates our excellence and strength in delivering innovative meeting and convention solutions to our clients, especially in such a challenging environment during the COVID-19 pandemic.

In 2021, MGM COTAI launched the Emerald Villa, a tangible exemplar that captures MGM China's spirit of "Originality + Innovation". The Emerald Villa of MGM COTAI was honored to clinch double accolades for its interior design, namely the Winner for the SBID International Design Awards 2021 in the Hotel Bedroom & Suites Design category as well as the Platinum Winner at the 2021 MUSE Design Awards in the Interior Design (Hotels & Resorts) category. MGM China is by far Macau's first to receive these two esteemed recognitions that honor exceptional interior designs worldwide.



## Extend Entertainment with Innovation

In view of the rapidly transforming customer expectations and regional tourism focal points, we continue to elevate multifaceted interactions with our guests with cutting-edge innovations and technologies in MICE (Meeting Incentive Convention & Exhibition), Sports, Gastronomy, Festive, e-Commerce, and in particular, Arts and Culture. By utilizing the latest technology, we strive to deliver an incredible entertainment experience to our guests, helping Macau to become a global tourism destination.

The MGM Theater, Asia's first dynamic and high-tech theater equipped with the largest indoor 4KLED screen, providing 2,000 seats with 10 different configurations, draws global artists and audiences together to create multisensory experiences. In 2021, a variety of entertainment experiences were successfully held here, including the MGM's exclusive music show "JAM IS HERE", the visual art exhibition "Imagery and Space: Ren Dongsheng Scenography Exhibition" and the techno-cultural dance drama "MGM Awakening Lion".

With its lion persona as the core, MGM utilizes Macau's own unique characteristics and cultural context, as well as the cultural root shared by the cities of the GBA, to initiate a new Tourism+ development trend with Lingnan culture as its root — the Lion IP series.



The award-winning Chinese Ethnic Dance Drama "**MGM Awakening Lion**" debuted at the MGM Theater is a techno-cultural dance drama presented by MGM China and Guangzhou Song and Dance Theatre. The drama demonstrates a strong traditional culture bond and an innovative approach in delivering the value of Chinese culture in the new era as the "MGM Awakening Lion" also marked the first project of MGM Lion Intellectual Property ("IP"), a spectrum of tourism products in multiple categories.

With the establishment of Tourism+ model built on Lingnan culture, we can enrich guest experience and inspire creativity to offer a seamless blend of entertainment and unique local culture

to the multi-cultural tourist composition in Macau. Together with the existing cultural events, the new Tourism+ initiative aims to integrate and strengthen the exchanges of cultural tourism in the GBA. Standing firm on its lion spirit, MGM China has launched a range of diverse and cross-sectorial entertainment offerings as well as unique cultural tourism products for its properties as the must-see attractions in Macau.



### A Taste of Macanese Cuisine at “Macao Week Shanghai”

MGM China is honored to take part in the “**Macao Week**” Mega Roadshow in Nanjing and Shanghai to act as a Key Opinion Leader (KOL) to promote the tourism industry of Macau. We collaborated with the MGTO and our sister company, Diaoyutai MGM Hospitality to launch a two-week “Taste of Macau Promotion” to present a selection of classic Macanese dishes, delivering the unique taste of Macau as a UNESCO Creative City of Gastronomy to the citizens and tourists in Shanghai.



### “Dialogue on Aesthetics – ‘Beauty in Life’

“Dialogue on Aesthetics — ‘Beauty in Life’ was one of the highlights of the Cultural Promotion Month which took place at the Spectacle of MGM COTAI. By combining classical music from the live performance of Macau Orchestra and the innovative dining menu from our hotel, we enhanced the overall customer experience and welfare by incorporating cultural elements into gastronomy.





## Customer Satisfaction

Customer satisfaction has always been our dedication and the core of our service ethos. Our internal guidelines on service standards encompass comprehensive guidance for our team members in respect to their behavior and attitude in engaging with customers. On-the-job training programs are provided for frontline staff to ensure that they are familiar and skilled enough to deliver services up to the Company's service standards. 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 address their concerns.

We have established an open communication channel to obtain feedback from our customers, the Hotel Post Stay Survey tracks customer satisfaction and allows us to monitor our service quality and make improvements. The Survey incorporates three major indicators to measure customer satisfaction, namely:

- **Service Standards Satisfaction Score**
- **Net Promoter Score**
- **Overall Customer Satisfaction Score**






During the reporting period, we have reviewed our service satisfaction standards and established the following five new key drivers to be effective from 2022 onwards.



Complementary qualitative questions in customer satisfaction survey are designed to understand customers' preferences and specific areas for improvement. Our progresses in customer satisfaction are summarized below.

## Key figures of Guest Satisfaction

	2020	2021
 Average number of surveys conducted	12,800+	19,900+
 Average overall net promoter score	+53%	+54%
 Average overall customer satisfaction score	4.4/5	4.4/5

Feedback from our customers on online travel agencies ("OTA") is equally important to obtain a holistic view of our service. Despite a challenging year for businesses and tourism, we are proud to maintain our leading position on TripAdvisor, the world's largest travel site. Similarly, we have added more OTAs to our observation, for example, Ctrip, DianPing, Fliggy, and Meituan, and we are exploring opportunities for even greater inclusion.



MGM MACAU ranked **1<sup>st</sup>** on TripAdvisor with **FULL** ratings consecutively in both 2020 and 2021



MGM COTAI ranked **3<sup>rd</sup>** under the Traveler's Rank category with **FULL** rating in 2021

## Key Figures of Online Travel Agencies

	2020	2021
Average Number of Reviews	1,550+	2,710+
Average Overall Customer Satisfaction Score	4.7/5	4.7/5

MGM China has a standardized procedure in place to manage all consumer complaints in a consistent and timely way. We are committed to acknowledging concerns and giving a formal response as soon as feasible. Complaints are carefully handled under well-established protocols and reported to management in frequent meetings to prevent recurrence of similar incidents.

### MGM Service Excellence Journey

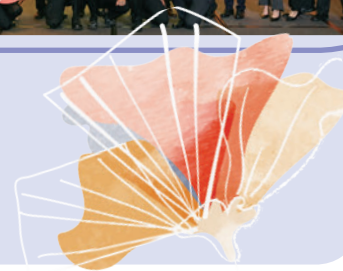
Our goal at MGM China is to make great moments for others, and we will deliver with style. We set high standards for the quality of our customer services. Our commitment to quality and customer-centric culture allows team members to provide exceptional and innovative services to our guests and achieve new milestones for our Company.

In 2021, we have launched MGM Service Excellence journey and the "Great Moments Awards" to recognize outstanding team members who excel in delivering service experiences and great moments for our customers consistently. A series of events were organized earlier this year to celebrate the success of our team members and make great moments together.



### MGM Service Excellence Leadership Sessions:

Engaged **2,000+** team members through **130+** sessions



## Customer Health and Safety

It is our paramount goal to ensure our customers' health and safety. With comprehensive internal guidelines and standards, as well as a dedicated team, we continually make great efforts to safeguard the health and safety of our customers.

### Building and Facility Safety

With a dedicated crisis management team, we have conducted scenario analysis and planning to mitigate potential risks which may threaten customer health and safety. Given our operational model of holding large-scale events from time to time, we have established a comprehensive crowd management system to identify risks and indicate actions when crowd volume surpasses certain thresholds in certain areas of our buildings or facilities. To manage potential risks from extreme weather events or emergency situations, such as typhoon, fire, floods, electricity or water interruptions or spill of hazardous chemicals, our build and facility management team regularly inspect our infrastructures and our operational staff and all frontline staff are trained with first aid skills and emergency management skills.

### Food Safety

Aside from physical risks, hygiene and food safety are also top priorities for us. In accordance with relevant Macau laws and with reference to international food safety standards, for example, HACCP and ISO 22000, a Food Safety Management Manual is established to maintain a high standard of food quality and hygiene. To guarantee adherence to high hygiene and food safety standards, hygiene personnel are designated to undertake daily inspections, while independent third parties are appointed to conduct food laboratory tests monthly. We conduct routine inspections and evaluations of our food and beverage vendors' performance throughout our supply chain to ensure compliance with our food safety and hygiene standards. In addition, we have launched the Food Safety Series eLearning and all team members whose job scope include food handling (2,265 person) have completed the program in 2021.



In June 2021, we joined hands with Macao Chamber of Commerce to organize the third edition of "MGM SME Seminar — Food Safety", the seminar was fully supported by

the Municipal Affairs Bureau, Economic and Technological Development Bureau, Macao Trade and Investment Promotion Institute and Macau Productivity and Technology Transfer Center, and Macau Union Suppliers Association. More than 140 participants from SMEs in the fields of catering and food supply attended the seminar. Through this event, we hope to help SMEs and industry peers to raise their awareness of food safety and bring about infinite possibilities under the canopy of "Tourism+ Gastronomy".





## Customer Data Privacy and Product Responsibility

As part of the digital transformation of our services, we realized that maintaining customer privacy and data security has become ever more important. On top of our established [Privacy Policy and Information Security Policy and Standards](#) ("Privacy Policy"), we further articulate this year our approach in managing and using clients' data and personal information. 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 violate the policy are subject to disciplinary action, including termination of employment. MGM China respects IP right including registered logo and trademark usage, and require our employees to comply with applicable requirements. Furthermore, we acknowledge and protect trademarks, copyrights and royalties through the contracts we enter into with partners, vendors and agencies. For non-contractual IP issues, our legal team monitors the compliance with IP rights protection.

By engaging our customers with a profound sense of product responsibility, we ensure that the information we provide to them is fair and accurate according to our policies and practices. We proactively solicit customer feedback and communicate important information to senior management for consideration when reviewing and refining our internal policies. During the reporting period, we did not receive any complaints concerning breach of customer privacy from regulatory bodies nor customers.

## Promoting Responsible Gaming

In view of the pervasive and inherent compliance risks in our industry, MGM China has made our longstanding commitment to promoting responsible gaming among our team members, guests and wider community. As a responsible business operator, we fully recognize the importance of upholding ethical gaming practices and we strictly adhere 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.

### Lines of Defense

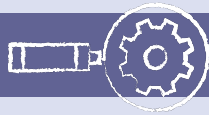
Dedicated committees and personnel act as our lines of defense against gaming malpractices to ensure our compliance with relevant laws and regulations. Our Responsible Gaming Committee, consisting of senior management members, plays a central role in promoting the Company's adherence to legal requirements and fosters effective communication on the issue. Besides, 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 pre-defined protocols. All of our team members and the on-site representatives have attained the Macau Responsible Gaming Advisor certificate, which ensures timely and quality support delivered to players experiencing gambling problems. Moreover, comprehensive support is offered to the individuals suffering from the adverse impacts of gambling problem. For example, the representatives will provide assistance during the application process of the Voluntary Self-Exclusion and Third-Party Exclusion program, specifically for the people or family members who were severely affected. The concept of responsible gaming is further promoted through information kiosks and other means throughout our operations.

## Cultivate a Responsible Gaming Culture

Building a healthy and responsible gaming culture is one of our core philosophies in MGM China. Therefore, we have required our team members to follow the Company's Employee Gaming Policy which prohibits any participation in any gaming activities on the premises of MGM China. Team members are not allowed to obtain any account with any gaming promoter that operates on our premises. Further to the internal policy, we abide by the relevant local legislations namely prohibiting employees who work inside the gaming area from entering the gaming floor of local casinos while off-duty. Additionally, we have put a strong emphasis on responsible gaming education through providing Responsible Gaming ("RG") Awareness Training programs to all MGM team members on the first day of work. The RG Awareness Training is mandatory across MGM China and all staff are required to undertake refresher training periodically. With these combined, we have further enhanced the positive force in driving responsible betting and gaming initiatives for the industry.

## Awareness-raising Engagement

By leveraging our leading industry position, we spread the notion of responsible gaming to customers and the wider community. We enthusiastically supported the “Macau Responsible Gaming Campaign,” which was co-organized by the Social Welfare Bureau, the Gaming Inspection and Coordination Bureau (“DICJ”), and the UM to increase public awareness of responsible gaming.



### Case Study



### 2021 RG Promotions

This year, MGM China rolled out an RG initiative themed “Lost Control, Lose Family” to demonstrate our shared commitment in aligning with the policies of the Macau Government. With a holistic approach comprising various activities, the initiative enables our team members, Macau residents and tourists to gain a better understanding of RG by identifying potential risks of gambling disorders. Besides, MGM China has increased the coverage of different novel and effective means to promote RG such as the community-based roadshows, in a bid to develop a more harmonious and healthier community.

As part of our stakeholder engagement, MGM China has collaborated with external associations including the Sheng Kung Hui Macau Social Services Coordination Office (“SKH”), Associação de Juventude Voluntária de Macau (“AJVM”) and Macao Gaming Industry Employees Home (“GEH”) to launch series of RG roadshows such as “MGM x AJVM — Responsible Gaming Roadshow”, “MGM x GEH — ‘Lost Control, Lose Family’ Responsible Gaming Roadshow”. Through knowledge sharing, we enhance social engagement and inculcate RG concepts into the community. We know that collaboration and partnerships are key in delivering our collective RG initiatives, so we have also co-hosted a series of interactive RG events, such as seminars, multimedia promotions and family-friendly activities, to help audiences better grasp the potential risks of gaming activities.



To further deepen the RG knowledge of its team members, MGM China has collaborated with SKH to co-organize the first “RG Talk in Homebase”. In addition, the “Surprise Visit by RG Ambassador” has also been carried out for the first time to give surprise tests on RG topics at various departments.



**12** RG activities  
were held which served  
**9,800+** team members



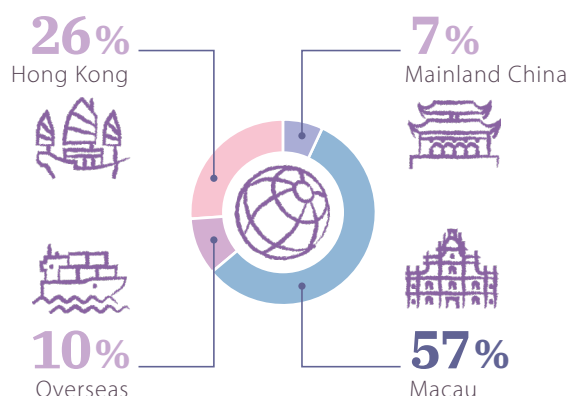
Accumulative training  
hours on responsible  
gaming reach  
**3,500** hrs

## Responsible Supply Chain Management

As a responsible corporate citizen, we believe that our social responsibility extends beyond our team members and guests. Our sustainability culture is embedded in our supply chain practices and partnerships with suppliers, contractors and business partners. Guided by our Sustainable Procurement Policy, we are dedicated to mitigating our social and environmental impacts without compromising our service quality.

During the reporting period, we sourced products and services from over 1,800 suppliers based in Macau, mainland China, Hong Kong and other overseas countries, of which 57% are local suppliers from Macau.

## Supplier Profile by Location



## Supplier Code of Conduct

We seek to engage suppliers who are committed to working hand in hand with MGM China and sharing the same corporate social responsibility and integrity values. As part of our vendor registration process, all vendors must accept and abide by the principles of our Supplier Code of Conduct ("SCOC"). The SCOC specifies the Company's expectations of suppliers and contractors in terms of compliance with applicable laws, regulations, and standards relating to human rights, diversity, workplace health and safety, climate change and carbon emissions, noise control, waste management, and water conservation, as well as corporate governance, business conduct, and ethics. For instance, work instructions are also provided for contractors responsible for cleaning and handling chemicals to keep the exposure to hazardous substance to a minimum. Upholding high standards of sustainability across our supply chain, we consider suppliers' and contractors' environmental, health, and safety performance during the procurement evaluation process wherever possible.

## Procurement Procedures

Our procurement procedures are designed to enhance sustainability along the supply chain. The Supply Chain Service Team drives our efforts in following our Sustainable Procurement Policy in daily practices. In addition, the Purchasing Standard Operating Procedure was formulated with reference to the ISO 14001 Environmental Management System to manage all potential environmental and social risks involved in the purchasing process. The procedure assures that robust internal controls are in place and that we can get high-quality goods and services at the best prices from reputable vendors.

Beyond managing potential environmental and social risks within our supply chain, we also value supplier proposals with innovative and impactful sustainable components that will be given additional credits during tendering evaluation process. To ensure our suppliers align with our values to maintain best practices, we actively engage with them through meetings, briefings and site visits to communicate and exchange views.

By adopting sustainable and responsible selection criteria, we strive to purchase sustainable alternatives whenever feasible. We collaborate with vendors and partners to source organic, fair trade, and locally produced items for a variety of commodities, including food and beverage, operating supplies, construction and renovation, transportation, and logistics. For instance, we support sustainable seafood with MSC label as certified by the Marine Stewardship Council ("MSC") to recognize wild seafood caught with methods of the least impact on ecosystems or fishing processes that are appropriately managed. Not only organic products and dishes are incorporated into the menu for hotel in-room guests, but MGM China has also demonstrated the green hotel concept through introducing two signature vegetarian menus for banquet.

Sourced more than



**20 types of sustainable products**

*such as organic wine and other beverages, meat and vegetable for severing our guests and team members.*



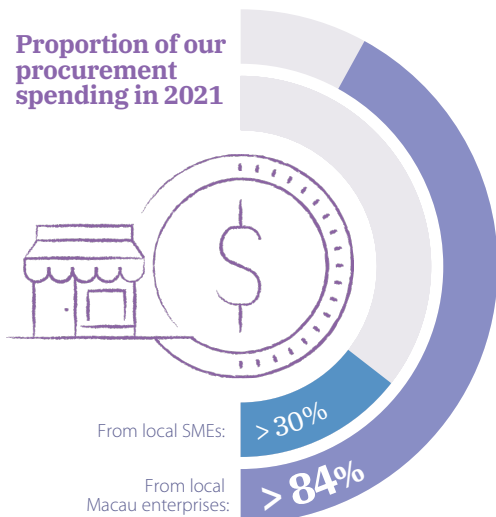


To further promote the healthy diet among our staff and support a sustainable lifestyle, our Director of Culinary participated in the event BEYOND EXPO Macao 2021. This meaningful event has presented a cooking demo and tasting of latest product by tailor-making a series of plant-based dishes with a mixed style of Western and Eastern dishes. We are delighted to incorporate some of these elements into our "Home Base" Go Green Monday menu. As part of our future procurement efforts, we will continue to strive to maximize the types of sustainably sourced products we purchase.



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

We leverage our enthusiasm for innovation in supporting our SMEs to foster the diversification of Macau's economy. The MGM SME Committee was founded in 2015 with the objective of finding and creating new opportunities to help local SMEs expand their business by regularly organizing a broad range of events and promoting sustainable procurement by diversifying our supply-side. We strive to explore new opportunities to motivate them to grow in a sustainable manner, with a primary focus on "SMEs", "Made in Macau", "Young Entrepreneurs" and "GBA Opportunities". The win-win partnerships that we have fostered are testaments to our commitment toward the diversification of Macau's economy. We continue to work actively on bringing SMEs to mainland China and the global market and paving the way for local creative industries to collaborate with us. During the reporting period, our procurement from local SMEs and enterprises continues to account for a substantial portion of our purchases.



We continue to innovate and create new opportunities to nurture the growth of local SMEs. Our supporting initiatives pivot around four primary foci: "SMEs", "Made in Macau", "Young Entrepreneurs" and "GBA Opportunities". By integrating SMEs into the innovative business hub, we seek to expand the development and growth of local SMEs and help them gain a foothold in the GBA. We will continue to maximize the probability of creating mutually beneficial partnerships fostering Macau's economic diversity in a long run.

## Partnerships with Tech SMEs to Promote Smart City Development

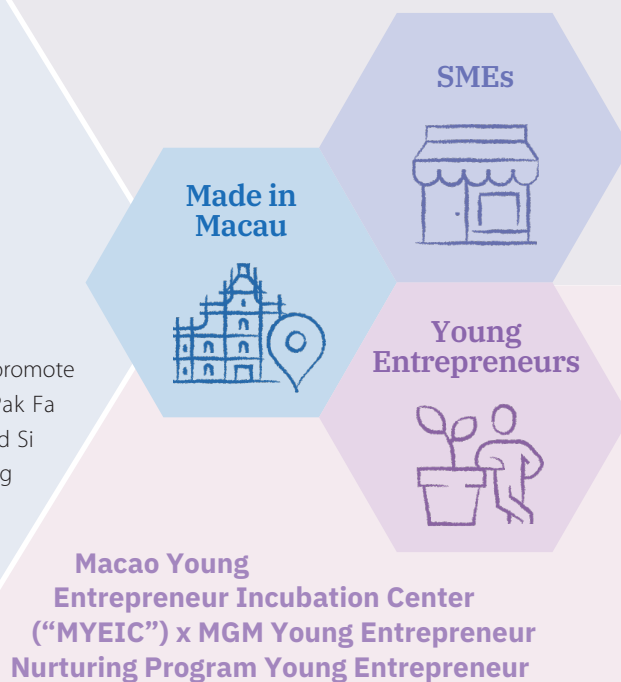
In active response to the Macau Government's strategy of developing a smart city of tourism, MGM China forms partnerships with two local high-tech businesses to conduct innovative renovations at MGM sites.

The first partnership with Pachira Enterprises Limited will foresee a set of technological upgrades at MGM China, including automated room reservation service utilizing AI-powered voice agents, smart dial-in & dial-out system and smart marketing, etc. The other partnership with DigitalBay, an emerging digital marketing SME founded by a young entrepreneur in Macau tapping innovative approaches explores the new potential in digital marketing regime of MGM China to bring in more prospective customers. Under the collaboration, the "MGM Room Service Mini Program" will be integrated with Digital Bay's latest WeChat community marketing software as a service ("SaaS") product "Interactive Marketing Cloud".



## Made in Macau

MGM China launched the "Let's Support SME" short video series to promote authentic flavors of Macau including the centennial Tong Iec Pak Fa Fui Cheong Un, over 80-year-old Pan Fong Cake Shop, 60-year-old Si Heung Nuts & Confectionery, Long Tin Group and Long Cheong Hong. The videos were uploaded onto various online platforms, including MGM's social media platform "MGMSHare" and multiple e-commerce channels like Fliggy, to help increase the exposure of local SMEs in the mainland China market.



Since 2020, MGM has 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. A total of 600 participants from 85 emerging SMEs have participated in the eight sessions over the past two years, with 10 of them achieving a partnership with MGM to generate over MOP 2 million in revenue. In the second edition 2022-2023, more youth associations will be included, and a new outreach program will offer professional guidance to young entrepreneurs directly in their workplaces.

## Greater Bay Area Opportunities

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

Year 2021 marks the 3<sup>rd</sup> year for the “Work Hand-in-hand to Explore Greater Bay Area Opportunities” event series, co-organized by MGM China and Industry and Commerce Association of Macau (“ICAMO”), which assisted SMEs in entering and growing in the GBA, as well as contributing to Macau’s economic diversification. One key project of the year is to co-launch the “Enjoy & Rewards from Macau” Vending Machine Program with ICAMO, starting with five vending machines set up in Huangpu District, Guangzhou. In the scheme, local SMEs can gain access to the GBA market at a low-cost, low-risk, flexible price. The selected 17 SMEs were given priority to feature 150 Macau specialty products for sale in the vending machine, promoting Macau brands among GBA patrons. As part of the signing ceremony, both parties hosted two sharing sessions in which experts talked about novel opportunities for the GBA.



### Co-organized “Talent Development in Greater Bay Area” Symposium with Macau Hotel Association

MGM China joined hands with Macau Hotel Association (MHA) to host the “Talent Development of Hotel Industry in Greater Bay Area” symposium at the 9<sup>th</sup> Macao International Travel Expo (MITE). Scholars and industry leaders from Macau and the GBA were invited to share their insights on the talent development situations and trends of the hotel industry in the region with over 120 participants, including Donald Li, Executive President of Guangdong Human Resources Management Association; Professor Amy So, Assistant Dean of Faculty of Business Administration of UM; Gloria Wong, Functional Head of Greater Bay Area and International Special Projects of IFTM; Professor Xi Li, Executive Associate Dean of the Faculty of International Tourism and Management of City University of Macau; Jacinta Ho, President of Macau Greater Bay Area Human Resources Association and Francis Tan, Vice President of Learning & Talent Management of MGM.



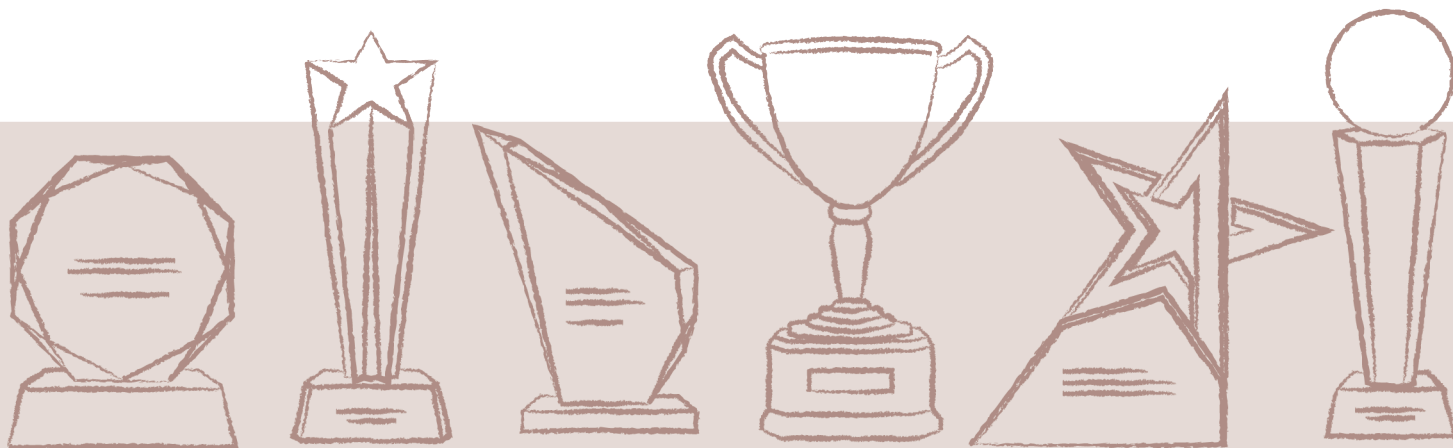


# Major Recognitions, Awards & Memberships

*During the year, we have made remarkable efforts in pursuing excellence in corporate governance, social responsibility, environmental protection, and service quality. The table below summarizes our major achievements in our sustainability journey. Looking ahead, MGM China will continue to support and collaborate with various parties to bring positive impacts for our community.*

## Awards and Recognitions

Awards/Recognitions	Organizers/Competitions
MGM Macau — Five Star rating MGM Macau & MGM Cotai — Tria Spa — Five-star rating	Forbes Travel Guide
Winner for the SBID International Design Awards 2021 (Hotel Bedroom & Suites Design category)	The SBID International Design Awards
Platinum Winner at the 2021 MUSE Design Awards in the Interior Design (Hotels & Resorts) category	International Awards Associate (IAA)
14 <sup>th</sup> TTG China Travel Awards — Best Meeting & Conventions Hotel in Macau (2 <sup>nd</sup> Year)	TTG China
Three-star Green Building Operation Label	China Green Building and Energy Saving (Macau) Association
Green Pioneer Enterprise — 2021 Beautiful Greater Bay Area Happy Livelihood Award	Southern Metropolis Daily
The 9 <sup>th</sup> Outstanding Corporate Social Responsibility Award	HK Mirror Post
Gold Award — Youth Empowerment & Engagement Category	PATA
Achievement in Compensation Design and Administration — GOLD STEVIE® WINNER	Stevie Awards for Great Employers — Stevie Awards Organization
Achievement in Workplace Health & Wellbeing — GOLD STEVIE® WINNER	
Best Learning & Development Strategy — GOLD STEVIE® WINNER	
Recruiting or Talent Acquisition Team of the Year — SILVER STEVIE® WINNER	
Chief Learning Officer of the Year — Mr. Francis Tan — SILVER STEVIE® WINNER	
Best CSR Strategy — BRONZE Award	
Five Gold Pin Awards at the Macao Occupational Skills Recognition System (MORS) Gold Pin Competition	Macao Occupational Skills Recognition System (MORS) Gold Pin Competition
Best Learning Agility and Innovation Best Digital Learning Practice	China Talent Development Awards 2020–2021
Golden HR Award Outstanding Talent Management Practices — MGM Digital Learning Series in Fighting COVID 19 Promotional Ambassador for the Integrated Development of the Greater Bay Area (Exclusive To MGM) Annual Outstanding Human Resources Management Innovation for Value Creation	1 <sup>st</sup> National HR Management (Service) Innovation Competition
Flag Awards Best HR Team of the Year Flag Awards Best HR Leader of the Year — Ms. Wendy Yu	HRFlag
Best Career Development Program — Gold Best Employer Branding — Gold Best Management Training Program — Bronze Best Learning & Development Program — Bronze	Employee Experience Awards 2021



Awards/Recognitions	Organizers/Competitions
Best Digital HR Team	HRTech China Annual Awards
Best Digital HR Practice — MGM eAcademy Community Outreach eLearning Program	
Best Leader — Outstanding Achievement	2021 Hroot Greater China HR Management
Best Team — Best HR Team	Excellence Awards
Asia Best Workplace	Asia Best Workplace 2021
Best Employer of Tourism & Hospitality Industry	VeryEast
Best Practice	DigitalHRTech® Awards 2021
Top 10 in Greater China Hotel Business Sustainability Index	Chinese University of Hong Kong
Top 20 in Greater Bay Area Business Sustainability Index	
Corporate Environmental Leadership Awards — Eco Challenger	Bank of China (Hong Kong)
Corporate Environmental Leadership Awards — Service Sector — Bronze Award	
The “Best Chinese Restaurant Award of the Year” — Imperial Court	The TARGET TASTE Award 2021
The “Best Steak House Award of the Year” — Grill 58	
MGM’s four restaurants, Aux Beaux Arts, Grill 58, Imperial Court and Chún, won a total of 12 wine awards from three global entities	Wine Spectator (US) Wine List of the Year Awards (China) The World of Fine Wine (UK)
The Best Sichuan Cuisine Restaurant — Five Foot Road	2021 Olive China/Ganlanhuabao
2021 iFood Best Hotel Restaurant Award — Hao Guo	Macau Catering Industry Association

## Memberships

Partner	Nature of Membership
The American Chamber of Commerce in Macau	Corporate Member
The British Chamber of Commerce in Macao	Corporate Member
The Mekong Club	Member
Câmara de Comércio e Indústria Luso-Chinesa	Member
The Macau International Golden Keys Association	Local Member
PATA Macau Chapter	Member
The 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>, 2021, unless otherwise stated, and historical data is presented for comparison purpose.

## Economic Performance<sup>13</sup>

	Unit	2021	2020	2019
Revenue	HK\$'000	9,410,814	5,095,983	22,765,036
Operating costs (exclude tax expenses)		8,900,706	7,943,933	10,314,500
Tax expenses <sup>14</sup>		4,260,860	2,414,837	10,625,736
Total gross floor area	m <sup>2</sup>	585,683	585,683	498,545

## Environmental Performance<sup>15</sup>

	Unit	2021	2020	2019
Energy Consumption <sup>16</sup>				
Total energy consumption	GJ	747,547	669,022	817,989
Energy consumption intensity <sup>17</sup>	GJ/m²	1.28	1.14	1.64
Indirect energy consumption				
Electricity consumption	GJ	665,517	609,027	694,494
Direct energy consumption				
Liquefied petroleum gas ("LPG")	GJ	45,267	36,725	43,547
Natural gas		28,332	16,813	38,344
Diesel		3,745	4,059	35,692
Gasoline		4,686	2,398	5,912
GHG emissions <sup>18</sup>				
Direct GHG emissions (Scope 1) <sup>19</sup>	tCO <sub>2</sub> e	6,397	5,803	9,268
Indirect GHG emissions (Scope 2) <sup>20</sup>		151,589	133,817	152,596
Total GHG emissions (Scope 1 & 2)		157,986	139,620	161,864
GHG emissions intensity <sup>17</sup>	tCO <sub>2</sub> e/m²	0.27	0.24	0.32

13 Economic data covers operations of the whole Company. For more financial data, please visit our Annual Report 2021.

14 Tax expenses include gaming taxes and income tax expense, deducting income tax benefit.

15 Environmental data covers operations at MGM MACAU and MGM COTAL.

16 The energy consumption figures have been restated to align the calculation approach and allow meaningful year-over-year comparison.

17 Gross Floor Area of MGM COTAL has been updated in the calculation of intensity since 2020.

18 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. The GHG Emissions figures has been restated following the adoption of a third-party carbon report.

19 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 stationary combustion, mobile combustion, and refrigerant are calculated with reference to the Appendix 2: Reporting Guidance on Environmental KPIs under "How to Prepare an ESG Report" released by the Stock Exchange, Greenhouse Gas Inventories issued by U.S. Environmental Protection Agency (EPA) and CDP Technical Note respectively.

20 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 0.820 kg CO<sub>2</sub>e/kWh.



	Unit	2021	2020	2019
Water Consumption				
Total municipal water consumption	m³	1,268,067	1,060,232	1,494,352
Water consumption intensity <sup>17</sup>	m³/m²	2.17	1.81	3.00
Waste Management				
Waste generated — Hazardous <sup>21</sup>	tons	14.75	9.02	—
Waste disposed <sup>22</sup> — Non-hazardous (landfill & incinerated)		6,246.38	5,283.59	—
Waste diverted <sup>23</sup> — Non-hazardous				
Food waste and cooking oil	tons	258.74	141.37	—
Paper		230.29	178.04	—
Plastic		4.72	6.47	—
Metals <sup>24</sup>		44.21	41.18	—
Glass		7.38	10.17	—
Soap		6.39	5.49	—
Coffee Capsules		0.15	0.28	—
Miscellaneous Items <sup>25</sup>		17.05	23.94	—
Hazardous waste intensity <sup>17</sup>	tons/m²	0.000025	0.000015	—
Non-hazardous waste intensity <sup>17</sup>		0.012	0.010	—
Material consumption				
Renewable material consumption				
Paper	tons	23.04	17.78	—
Non-renewable materials consumption				
Plastic <sup>26</sup>	tons	93.96	43.05	—

21 Includes oil paint and 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.

22 Includes construction and demolition waste disposed to landfill and general waste for incineration.

23 Includes composted, digested, and dehydrated food waste and recycled waste.

24 Data in 2021 includes Aluminium.

25 Includes ad-hoc items such as trolleys, metal float trays, carpet, box sleeve, wooden bench, slot machines, and used workshop materials.

26 Data in 2020 has been restated due to an update of our calculation approach to better reflect the non-renewable plastic consumption figures.

## Social Performance<sup>27</sup>

### Workforce

Total Workforce	Unit	2021	2020
Employee	number	10,117	10,364
<b>Employee by employment type</b>			
Full-time (Permanent)	number	10,109	10,354
Part-time (Permanent)		8	10

### Workforce profile<sup>28</sup>

	Unit	2021		2020	
		Management	General Employee	Management	General Employee
Employee by gender and employment category					
Female	number	298	4,558	265	4,711
Male		437	4,824	430	4,958
Employee by age group and employment category					
Age under 31	number	34	2,055	41	2,489
Age between 31-50		612	5,802	561	5,754
Age 51 or above		89	1,525	93	1,426
Employee by geographical region (work location) and employment category					
Macau	number	722	9,239	680	9,533
Hong Kong		5	6	7	7
Mainland China		8	137	8	129

### Employee New Hires

	Unit	2021	2020
Total new hires			
Total new hires	number	821	217
New hires rate <sup>29</sup>	%	8.12	2.09
Employee by gender			
Female	number	386	103
Male		435	114
Employee by age group			
Age under 31	number	418	122
Age between 31-50		378	89
Age 51 or above		25	6
Employee by geographical region (work location)			
Macau	number	782	208
Hong Kong		2	2
Mainland China		37	7

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

<sup>28</sup> The employee categories have been changed to reflect the employee categorization in our Company's human resource system.

<sup>29</sup> New hire rate is calculated using the total number of full time and part time employees as of 31 December 2021.

## Employee Turnover

	Unit	2021	2020
Total turnover and turnover rate			
Turnover	number	1,068	922
Turnover rate <sup>30</sup>	%	10.56	8.90
Employee by gender			
Female	number (%)	506 (10.42)	397 (7.98)
Male		562 (10.68)	525 (9.74)
Employee by age group			
Age under 31	number (%)	454 (21.73)	404 (15.97)
Age between 31–50		504 (7.86)	445 (7.05)
Age 51 or above		110 (6.82)	73 (4.81)
Employee by geographical region (work location)			
Macau	number (%)	1,032 (10.36)	905 (8.86)
Hong Kong		4 (36.36)	4 (28.57)
Overseas		32 (22.07)	13 (9.49)

## Board composition

	Unit	2021	2020
By gender			
Male	number	9	9
Female		3	3
By age groups			
Age under 31	number	0	0
Age between 31–50		1	2
Age 51 or above		11	10

## Parental leave

	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)	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>By gender</b>								
Male	5,261	5,388	138	176	137	173	167	198
Female	4,856	4,976	138	169	120	155	151	138

30 Turnover rate is calculated using the total number of full time and part time employees as of 31 December 2021.



Ratio of basic salary and remuneration of female employees to male employees <sup>29,31</sup>

	Unit	2021	2020
Ratio of basic salary of female employees to male employees by employment category			
Management	number	1:1.18	1:1.14
General Employee		1:1.03	1:1.03
Ratio of remuneration of female employees to male employees by employment category			
Management	number	1:1.16	1:1.17
General Employee		1:1.05	1:1.06

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

	Unit	2021	2020	2019
<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	152	90	–
	per 200,000 hours worked	1.56	1.05	–
High-consequence work-related injuries <sup>34</sup>	number	3	3	–
	per 200,000 hours worked	0.03	0.04	–
Lost days due to work injuries	days	2,780	1,956	–
	per 200,000 hours worked	28.54	22.85	–

31 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.

32 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: 19,476,411.

33 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.

34 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<sup>35</sup>

	Total training hours (hours)		Average training hours per person (hours)		Percentage of workforce trained (%)		Percentage of employees received regular performance review (%)	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>By gender</b>								
Male	264,933	240,097	50.36	44.56	99	100	100	100
Female	229,780	209,949	47.32	42.19	100	99	100	100
<b>By employee category</b>								
Management	15,269	14,384	20.77	20.70	99	100	100	100
General Employee	479,444	435,661	51.10	45.06	100	99	100	100

	Unit	2021	2020
Percentage of workforce trained on MGM China's human rights policies and procedures	%	100	100
Percentage of employees' anti-corruption policies have been communicated to		100	100
Anti-corruption and anti-money laundering trainings provided to the board of directors and employees	hours	2,815	4,862

<sup>35</sup> The training hours is calculated based on the training hours received by the total number of active employees by category (i.e. gender and employee category) as at year end.

## Supply chain management<sup>36</sup>

	Unit	2021	2020
<b>Number of suppliers</b>			
Total number of suppliers	number	1,892	2,807
<b>Number of suppliers by geographical region</b>			
Mainland China	number	124	175
Macau		1,077	1,486
Hong Kong		495	781
Others (e.g., overseas)		196	365

## Community investment

	Unit	2021	2020
<b>Resources contributed</b>			
Total cash donations	HK\$'000	20,675	29,310
Total in-kind donations		3,395	1,520
Total volunteer hours	hours	30,500	20,606

<sup>36</sup> In 2021, we have updated our calculation approach to better reflect the active supplier figures.



# GRI Standards and HKEx ESG Content Index

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
<b>General Disclosures</b>				
<b>102: General Disclosures 2016</b>				
Organizational profile				
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, Edificio 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.96–102
102-9	KPI B5.1 KPI B5.2 KPI B5.3	Supply chain	For Better Guest and Partner Relationship	P.81–93
			Performance Data Summary	P.96–102
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	P.11–22
			Annual Report 2021 — Corporate Governance Report (P.112-131)	
102-12	–	External initiatives	Our Approach to Sustainability	P.11–22
			Major Recognitions, Awards and Memberships	P.94–95
102-13	–	Membership of associations	Major Recognitions, Awards and Memberships	P.94–95
Strategy				
102-14	–	Statement from senior decision-maker	Chairpersons' Message	P.2–5
Ethics and integrity				
102-16	–	Values, principles, standards, and norms of behavior	About MGM China	P.7–9
			Our Approach to Sustainability	P.11–22
102-17	KPI B7.2	Mechanisms for advice and concerns about ethics	Our Approach to Sustainability	P.11–22
Governance				
102-18	–	Governance structure	Our Approach to Sustainability Annual Report 2021 — Corporate Governance Report (P.112-131)	P.11–22
Stakeholder engagement				
102-40	–	List of stakeholder groups	Our Approach to Sustainability	P.11–22
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.11–22
102-43	–	Approach to stakeholder engagement		
102-44	KPI B6.2	Key topics and concerns raised		

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
Reporting practice				
102-45	–	Entities included in the consolidated financial statements	Annual Report 2021 — Consolidated Financial Statements (P.173-296)	–
102-46	–	Defining report content and topic boundaries	About this Report Our Approach to Sustainability	P.6 P.11–22
102-47	–	List of material topics	Our Approach to Sustainability	P.11–22
102-48	–	Restatements of information	Performance Data Summary  The employee categories have been regrouped to reflect the employee categorization in our Company's human resource system.	P.96–102
102-49	–	Changes in reporting	There are no significant changes in material topics and reporting boundaries as there were no significant changes to our business.	–
102-50	–	Reporting period	About this Report	P.6
102-51	–	Date of most recent report	MGM China Holdings Ltd, 2020 Sustainability Report, published in November 2021.	–
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.103–108
102-56	–	External assurance	About this Report  Some of our ESG performance data have been reviewed by MGM Internal Audit team of MGM Resorts International.	P.6
Topic-specific Disclosures				
GRI 200 Series: Economic				
201: Economic Performance 2016				
103-1 103-2 103-3	–	Management approach	Our Approach to Sustainability  For Better Guest and Partner Relationship  Annual Report 2021 Management Discussion and Analysis (P.23-57)	P.11–22 P.81–93
201-1	–	Direct economic value generated and distributed	Performance Data Summary  Annual Report 2021 — Management Discussion and Analysis (P.23-57)  Consolidated Statement of Profit or Loss and Other Comprehensive Income (P.181)  Consolidated Statement of Financial Position (P.182-183)  Financial Summary (P.296)	P.96–102
203: Indirect Economic Impacts 2016				
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.11–22 P.39–54 P.81–93
203-1	–	Infrastructure investments and services supported	For a Better Community  For Better Guest and Partner Relationship  Performance Data Summary  Annual Report 2021 — Management Discussion and Analysis (P.23-57)	P.39–54 P.81–93 P.96–102
–	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.39–54 P.96–102
–	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
204: Procurement Practices 2016				
103-1 103-2 103-3	GD B5 KPI B5.2	Management approach	Our Approach to Sustainability  For Better Guest and Partner Relationship	P.11–22  P.81–93
204-1	–	Proportion of spending on local suppliers		
205: Anti-corruption 2016				
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.11–22  P.81–93
205-2	KPI B7.3	Communication and training about anti-corruption policies and procedures	Our Approach to Sustainability  Performance Data Summary  Annual Report 2021 — Sustainability (P.81–111)	P.11–22  P.96–102
205-3	GD B7 KPI B7.1	Confirmed incidents of corruption and actions taken	Our Approach to Sustainability  During the reporting period, there was no incident of non-compliance concerning the corrupt practices.	P.11–22
–	KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored	Our Approach to Sustainability	P.11–22
GRI 300 Series: Environmental				
302: Energy 2016				
103-1 103-2 103-3	GD A2, A3	Management approach	Our Approach to Sustainability  For a Better Planet	P.11–22  P.55–80
302-1	KPI A2.1	Energy consumption within the organization	Performance Data Summary	P.96–102
302-3	KPI A2.1	Energy intensity		
302-4	KPI A2.3	Reduction of energy consumption	For a Better Planet	P.55–80
303: Water and Effluents 2018				
103-1 103-2 103-3	GD A2, A3	Management approach	Our Approach to Sustainability  For a Better Planet	P.11–22  P.55–80
303-1	KPI A2.4 KPI A3.1	Interactions with water as a shared resource	For a Better Planet  Our water consumed is supplied through municipal water supply systems that are in compliance with the applicable local laws and regulations. There is no significant impact associated with water resources caused by the Company's operation.	P.55–80
303-2	–	Management of water discharge-related impacts	For a Better Planet  There is no significant impact associated with water discharge.	P.55–80
303-5	KPI A2.2	Water consumption	For a Better Planet  Performance Data Summary	P.55–80 P.96–102



GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
<b>305: Emissions 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD A1, A3, KPI A1.5	Management approach	Our Approach to Sustainability  For a Better Planet	P.11–22  P.55–80
<b>305-1</b> <b>305-2</b> <b>305-4</b> <b>305-5</b>	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.55–80  P.96–102
<b>305-7</b>	KPI A1.1	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Due to the nature of our business operations, emissions of NO <sub>x</sub> , SO <sub>x</sub> and other pollutants are considered insignificant in our operations.	–
<b>306: Waste 2020</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD A1, A3 KPI A1.6 KPI A3.1 KPI B5.4	Management approach	For a Better Planet	P.55–80
<b>306-1</b>	KPI A3.1	Waste generation and significant waste related impacts		
<b>306-2</b>	KPI A3.1	Management of significant waste related impacts		
<b>306-3</b>	KPI A1.3 KPI A1.4	Waste generated	Performance Data Summary	P.96–102
–	KPI A2.5	Total packaging material used for finished products (in tons) 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>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B5 KPI B5.4	Management approach	For Better Guest and Partner Relationship	P.81–93
<b>308-1</b>	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 2021.	–
<b>Climate Change</b>				
–	GD A4  KPI A4.1	Identification and mitigation of significant climate-related issues  Description of the significant climate related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	For a Better Planet	P.55–80
<b>GRI 400 Series: Social</b>				
<b>401: Employment 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B1	Management approach	For a Better Team	P.23–38
<b>401-1</b>	KPI B1.2	New employee hires and employee turnover	For a Better Team  Performance Data Summary	P.23–38  P.96–102
<b>401-3</b>	–	Parental leave	Performance Data Summary	P.96–102

GRI Standard Disclosure	ESG Reporting Guide	Description	Cross-references/Remarks	Page Number
<b>403: Occupational Health and Safety 2018</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B2 KPI B2.3	Management approach	Our Approach to Sustainability	P.11–22
<b>403-1</b>	GD B2 KPI B2.3	Occupational health and safety management system	For a Better Team	P.23–38
<b>403-2</b>	KPI B2.1 KPI B2.2 KPI B2.3	Hazard identification, risk assessment, and incident investigation		
<b>403-3</b>	KPI B2.3	Occupational health services		
<b>403-4</b>	–	Worker participation, consultation, and communication on occupational health and safety		
<b>403-5</b>	KPI B2.3	Worker training on occupational health and safety	Performance Data Summary	P.96–102
<b>403-6</b>	–	Promotion of worker health	For a Better Team	P.23–38
<b>403-7</b>	KPI B2.3	Prevention and mitigation of occupational health and safety impacts directly linked to business relationship	For Better Guest and Partner Relationship	P.81–93
<b>403-9</b>	KPI B2.1	Work-related injuries	Performance Data Summary	P.96–102
–	KPI B2.2	Lost days due to work injury		
<b>404: Training and Education 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B3	Management approach	For a Better Team	P.23–38
<b>404-1</b>	KPI B3.2	Average hours of training per year per employee	Performance Data Summary	P.96–102
–	KPI B3.1	The percentage of employees trained by gender and employee category (e.g., management and general employees)		
<b>404-3</b>	–	Percentage of employees receiving regular performance and career development reviews		
<b>405: Diversity and Equal Opportunity 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	–	Management approach	For a Better Team	P.23–38
<b>405-1</b>	KPI B1.1	Diversity of governance bodies and employees	Performance Data Summary	P.96–102
<b>405-2</b>	–	Ratio of basic salary and remuneration of women to men		
<b>408: Child Labor 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B4	Management approach	For a Better Team	P.23–38
<b>408-1</b>	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.	–
<b>409: Forced or Compulsory Labor 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B4	Management approach	For a Better Team	P.23–38
<b>409-1</b>	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>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B8	Management approach	For a Better Community	P.39–54
<b>413-1</b>	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.39–54
<b>414: Supplier Social Assessment 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B5	Management approach	For a Better Guest and Partner Relationship	P.81–93
<b>414-1</b>	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 2021.	–
<b>416: Customer Health and Safety 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B6	Management approach	For a Better Guest and Partner Relationship	P.81–93
<b>416-2</b>	–	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 2021.	–
–	KPI B6.4	Description of quality assurance process and recall procedures.	For Better Guest and Partner Relationship	P.81–93
<b>418: Customer Privacy 2016</b>				
<b>103-1</b> <b>103-2</b> <b>103-3</b>	GD B6 KPI B6.5	Management approach	For a Better Guest and Partner Relationship	P.81–93
<b>418-1</b>	GD B6 KPI B6.2	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2021, 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.81–93
–	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	For a Better Guest and Partner Relationship	P.81–93



