



澳門博彩控股有限公司
SJM HOLDINGS LIMITED

於香港註冊成立的有限責任公司 股份代號：880
incorporated in Hong Kong with limited liability Stock Code : 880

環境、社會及管治報告
**Environmental, Social &
Governance Report**
2020



About Us

SJM Holdings Limited ("SJMH" or the "Company") is a leading owner, operator and developer of casinos and integrated entertainment resorts in Macau. Our subsidiary Sociedade de Jogos de Macau, S.A. ("SJM") is one of the three original concessionaires in Macau, authorised by the Government of the Macau Special Administrative Region to operate casinos and gaming areas.

"From society to society" is a core value of the SJM Group. We are committed to supporting education, arts and culture, sports and other charitable activities to benefit the residents of Macau and encourage our employees to do likewise.

SJM owns and operates the Grand Lisboa hotel and casino, as well as 18 other casinos located in prime locations on the Macau Peninsula and Taipa. The Company's operations cater to a wide spectrum of patrons, with mass market and VIP gaming tables, slot machines and hospitality services including fine and casual dining and luxury accommodation.

SJM has recently completed construction of the Grand Lisboa Palace, our integrated resort on Cotai, which is undergoing final inspections. The Grand Lisboa Palace will feature a total of approximately 1,900 hotel rooms and suites in three hotel towers – Grand Lisboa Palace Macau, Palazzo Versace Macau and THE KARL LAGERFELD – as well as facilities for meetings and conferences, shopping, dining, gaming and entertainment.

Contents

Our Founder Dr. Stanley Ho	2
Message from Our Chairman	9
2020 Major Events & Performance	10
Major Events	10
Key Performance	12
Awards and Certifications	13
Sustainability at SJMH	17
Sustainability Governance and Management	17
Sustainability Strategy	18
Materiality Analysis and Topics	19
Governance and Ethics	20
Anti-Corruption and Money Laundering	20
Responsible Gaming	21
Customer Satisfaction	22
Customer Safety and Security	23
Cybersecurity and Data Privacy	23
Responsible Supply Chain and Satellite Casinos	24
Crisis Management and Business Continuity	25
Stewardship of Our Planet	26
Our Strategy	26
Green Facilities	27
Green Hospitality	31
Green Gaming	33
Environmental Performance	34
G.R.E.A.T.ness of Our People	35
Employee Recruitment and Management	35
Employee Wellness and Engagement	37
Workplace Safety and Health	39
Talent Development	41
Cornerstone of Our Community	43
Pandemic Response and Community Support	43
Education	48
Arts and Culture	49
Sports	51
Boosting the Economy	52
Supporting Macau's SMEs	52
Other Community Activities	53
About This Report	56
Reporting Standard	56
Reporting Period and Boundary	56
Accessibility of the Report	56
Contact for Feedback	56
HKEx Content Index	57

Our Founder Dr. Stanley Ho



Throughout his long career, Dr. Stanley Ho considered the future impact of his activities on society. As he stated in 1962:

“The view that our enterprise is merely one of a gambling character is a misconception. Our purpose is to bring a new prosperity to Macau and improve the welfare and living standard of its citizens.”

Long before the concept of sustainability became a part of the corporate vocabulary, Dr. Ho was making extensive contributions to Macau’s prosperity and stability for both present and future generations.

As a visionary and innovator who was conscious of the long-term effects of any project, Dr. Ho made meaningful and groundbreaking contributions to the sustainable development of Macau and Hong Kong for the benefit of both cities and the Motherland.

THE VISION

“When I look at the changes taking place in Macau, I get satisfaction from knowing that we have helped initiate the prosperity that the people of Macau now enjoy.”

Dr. Ho’s long-term view of the future has enabled Macau to become an important tourist destination in Asia, approaching its destiny of becoming a “world centre of tourism and leisure”. With a vision for what Macau could become, Dr. Ho generously supported the modernisation and expansion of Macau’s infrastructure. Dr. Ho also realised that the development of cultural facilities, as well as the presence of tourist amenities, was important for the success of Macau.

1960s

- Supported government development of the **Outer Harbour area (ZAPE)** and resettlement of over 1,000 families to Toi Shan



- **Daily dredging of Macau’s navigation channels** (carried on by SJM today) to avoid silting from the Pearl River

1980s



- Supported government development of **Nam Van Lakes area (NAPE)**, increasing the total landmass by 20% upon completion

1990s

- Supported government development of
 - **Coloane Container Port**, opened in 1991
 - **Macao Outer Harbour Ferry Terminal**, opened in 1993
 - **Friendship Bridge**, opened in 1994
 - **Macau International Airport and Air Macau**, inaugurated in 1995



- **Lotus Square**, opened in 1999

Dr. Ho also introduced **high speed ferry service** and **helicopter service** through Shun Tak Holdings Limited and Sociedade de Turismo e Diversões de Macau, S.A. (“STDM”), respectively, creating a seamless connection between Macau and Hong Kong.

THE PASSION

Dr. Ho's dedication to the development of Macau reflected his views of what would be necessary for sustainable development and his passion for Economic Diversification, Education, Philanthropy, Arts and Culture, and Patriotic Development.

Economic Diversification

"Many people said, 'Oh, Stanley, you are dreaming.' But history proves that we have fulfilled our promises and Macau, as you can see today, is a modern city full of business opportunities. It's not bad to be a dreamer, but at the same time you have to be a dream-maker."

Opening Macau's first integrated resort in 1970, and one of the first in Asia, Dr. Ho was a pioneer in the promotion of a diversified tourism industry that offered numerous non-gaming attractions, laying a strong foundation for Macau to emerge as a "world centre of tourism and leisure".



- **Hotel Lisboa**, opened in 1970, remains one of the most recognised icons of Macau.
- Assuming ownership of the Yaohan Department Store in 1997, since renamed **New Yaohan**, which saved over 300 local jobs.
- **Macau Tower Convention and Entertainment Centre**, opened in 2001, reflected Dr. Ho's confidence in the future of Macau upon its return to the Motherland in 1999.
- Introduced the world-renowned Michelin-star awards to Macau since 2009, with **Grand Lisboa** remaining the only hotel in Macau boasting seven Michelin stars, supporting the city's development into a **UNESCO Creative City of Gastronomy**.
- **Long-time supporter of Macau's major tourist events**, such as Macau Grand Prix, Macao International Dragon Boat Races, and Macau Food Festival.
- **Organiser of signature events** such as the Chinese New Year dragon and lion dance performance, a tradition which has continued for over 50 years.



Education – developing the talent of the next generation

“For charity I always give priority to education because I always teach young people that knowledge is your lifelong companion. The benefits of knowledge last for life, not only for oneself, but for the entire community.”

A vigorous promoter of lifelong learning, Dr. Ho believed in the power of education, and consistently supported education on all levels. His companies reflect this outlook, with their groundbreaking programmes in training and professional development for staff.

- **University of Macau (“UM”)**
 - **Ho Yin Convention Centre, Stanley Ho Building, STDM Auditorium,** and **Cultural Centre** at former Taipa campus, 1980s - 1990s
 - **Stanley Ho East Asia College** at Hengqin campus, 2014
- **SJM Scholarship programmes** for students of UM, Macao Polytechnic Institute, Macao Institute for Tourism Studies, as well as children of staff of STDM and SJM
- **Kiang Wu Nursing and Midwifery School** (now Kiang Wu Nursing College of Macau), 1995
- Renovation for **Premier School Affiliated to Hou Kong Middle School** in 2011, with a block named after Dr. Ho
- **Millennium Secondary School**, through which Dr. Ho encouraged **recurrent education**
- Supported the founding of **Macau Millennium College (“MMC”)** in 2001, Macau’s first institute to offer degree programmes in hospitality management, with its innovative scheduling programme for shift-workers
- Offering **training courses for employees** since the monopoly period, which were later expanded into certificate and other recognised programmes
- Launched **self-enhancement training courses** with UM and MMC for over 5,000 frontline staff in 2001 to equip them for the liberalisation of the gaming industry
- **Sponsoring the full school fees of staff to further their studies at MMC** since 2002
- **Promoting responsible gaming** amongst staff members and the public
- **In Hong Kong, major beneficiaries** included The University of Hong Kong (including The Stanley Ho Alumni Challenge launched in 2005 with a pledge of HK\$500 million, creating a tradition of alumni giving), The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The Open University of Hong Kong, Queen’s College Old Boys’ Association Secondary School, and Hong Kong Workers’ Children School (now Scientia Secondary School).



Philanthropy – cultivating a giving culture

“From society to society – this has been my long-term vision and what I have been doing over the years. Though I am not a gambler, I would wager that this is one of the best bets that one can make.”

Always believing in giving back to the community, Dr. Ho summarised his philosophy as “from society to society”. As a leading philanthropist in Macau and Hong Kong for decades, the charitable institutions he supported and the projects he sponsored continue to benefit thousands. His companies also carry forward this philosophy by encouraging their staff members to engage in volunteer activities.

Supporting charities and community services:

- Associação de Beneficência Quatro Pagodes de Coloane
- Associação de Ópera Chinesa dos Moradores Marítimos e Terrestres da Barra de Macau
- Caritas Macau
- Diocese de Macau Paço Episcopal
- Dr. Stanley Ho Medical Development Foundation
- General Union of Neighbourhood Associations of Macau
- Kiang Wu Hospital Charitable Association
- Macao Federation of Trade Unions
- Macao Youth Symphony Orchestra Association
- Macau Association of the Hearing Impaired
- Macau Chinese National Traditional Sports Association
- Macau Holy House of Mercy
- Macau Ho's Clan Association
- Macau Jockey Club Charity Day
- Macau Religious and Cultural Exchange Association
- Macau Social Services Centre
- Macau Special Olympics
- Obra das Mães
- The Readers of Macao Daily News (Walk for a Million)
- The Women's General Association of Macau
- Tung Sin Tong Charitable Society
- **In Hong Kong, major beneficiaries** included The Community Chest of Hong Kong, Po Leung Kuk, Tung Wah Group of Hospitals, Hong Kong Federation of Women, The Hong Kong Girl Guides Association, Caritas - Hong Kong, Lifeline Express, and Hospital Authority Charitable Foundation.



Arts and Culture – historic preservation and new development

“It is not important whether art imitates life or life imitates art. What’s more important is whether you live a rich cultural life and master the art of contributing to society.”

Dr. Ho was committed to promoting Macau’s pivotal role in East-West cultural exchange, creating a climate of harmony, tolerance and appreciation. He was a leader in historical and cultural preservation in Macau, and it is fair to say that without his efforts Macau’s appearance would be much different today. In 2005 the Historic Centre of Macau was inscribed on the UNESCO World Heritage List, making it the 31st designated World Heritage site in China.



Supported the maintenance works of Dom Pedro V Theatre, Clube Militar de Macau and the historic Pier 16



Supported the construction of Macao Maritime Museum (1987), Macao Museum (1998), and Macao Cultural Centre (1999)



Turned Casino Kam Pek into the Kam Pek Community Centre in Macau’s Inner Harbour neighbourhood



Through co-operation with government cultural bureaus and other entities such as Macau Chinese Culture and Arts Association, Society of the Academy for Performing Arts in Hong Kong, Hong Kong Ballet, and Guangdong Chinese Culture Promotion Society, Dr. Ho invited and sponsored renowned arts and cultural groups from Mainland China and overseas to perform or exhibit in Macau and Hong Kong.

Patriotic Development

“Macau is a success story and will continue to be with the strong support of our Country. I firmly believe the best is yet to come.”

As a Standing Committee member of the 9th to 11th National Committee of the Chinese People’s Political Consultative Conference, member of the Hong Kong SAR Basic Law Consultative Committee, Vice President of the Macau SAR Basic Law Drafting Committee and of the Preparatory Committee for the Macau SAR, Dr. Ho played a crucial role in the return of Hong Kong and Macau to the Motherland, and in promoting the sustainable prosperity and stability of the two SARs under “One Country, Two Systems”, passing on his spirit of patriotism to succeeding generations.

Responded earnestly to state policies

- Invested in the Zhongshan Hot Spring Resort in 1979, the first project in response to the state’s reform and opening-up policy.

Science and education

- Set up the Stanley Ho Astronautics Training Foundation in 1990 with the Stanley Ho Astronautics Training Centre opened in Langfang, Hebei in 1995; sponsoring students from Hong Kong, Macau and Taiwan to attend the Astronautics Summer Camp in Beijing since 1992.
- Education development at Xinjiang Uygur Autonomous Region, 2004/2006
- Stanley Ho Experiment Building, Zhongkai University of Agriculture and Engineering in Guangzhou, 2008

Historic preservation and cultural exchange

- In 1987, donated 147 artifacts to the Country
- Contributed to the Macau Hall at the Great Hall of the People in Beijing, 1994/1999
- Amongst the first to support the building of the China Millennium Monument in Beijing, opened in 2001
- In 2003, donated the Yuanmingyuan Bronze Pig Head to China

- In 2007, donated five art pieces to the National Museum of China on the 10th anniversary of Hong Kong’s return to the Motherland
- Funded the establishment of the Sino-French Centre at Tongji University in Shanghai in 2004 and the Portuguese Language Centre at Communication University of China in Beijing in 2005
- In 2019, donated the Yuanmingyuan Bronze Horse Head to China as a tribute to the Double Celebration Year

Sports development

- Zhuhai Sports Center, opened in 1998
- Beijing 2008 Olympic Games: National Aquatics Center in Beijing; Equestrian Competition in Hong Kong

Helping the needy

- Generous donations to provide disaster relief and to help the poor in various parts of Mainland China over the years

Bridge between China and Portuguese-speaking countries

- Dr. Ho’s philanthropic interests expanded to Portugal, including the building of Macau Scientific and Cultural Centre, fortifying Macau’s platform role between China and Portuguese-speaking countries.





Message from Our Chairman

Heightened by the outbreak of COVID-19, global awareness of good corporate governance, social responsibility and environmental protection have never been more profound. To this end, I am pleased to present SJM Holdings' Environmental, Social and Governance ("ESG") Report, in an expanded format and published separately from our Annual Report. This Report provides a review of our performance in important aspects of ESG during 2020, a year of unprecedented challenges.

To ensure a safe and hygienic environment for our customers and our staff, we have worked closely with the Macau Government to promptly formulate anti-pandemic policies, and take every possible measure to avoid spreading of the virus in our premises.

Apart from the pandemic, we are fully aware of the environmental challenges the world is facing, and are committed to playing a part in tackling both global and local environmental issues, especially in support of the policies and recommendations of the Macau Environmental Protection Bureau.

To advance to higher levels of environmental sustainability, we introduced a new environmental strategy in 2020, with three major pillars identified to reinforce the implementation of environment-friendly practices across key areas of our business, namely Green Facilities, Green Hospitality, and Green Gaming. The three pillars are supported by relevant programmes and initiatives, and we have established continuous monitoring and reporting mechanisms to ensure their effectiveness. As a major operator of gaming and tourism facilities in Macau, we also strive to exercise positive influence on our business partners by promoting best environmental practices.

As a responsible corporate citizen, we have long promoted the culture of sustainable development of the company and community through different channels. In 2020, amidst the pandemic, SJM continued to provide sustainability training to front-line staff members, and was recognised as a Certified Sustainable Development Corporation by the World Institute of Sustainable Development Planners.

In 2020, we also introduced a sustainability governance structure, including the establishment of a Sustainability Steering Committee, a sub-committee of our Executive Committee, to ensure effective oversight of all ESG matters, and to ensure the Board is informed of our ESG performance on a regular basis. We have appointed five ESG working teams under the Sustainability Steering Committee to support day-to-day execution and management of ESG action plans. This enhancement in ESG governance marks another milestone in the Group's sustainability journey and reiterates our continued commitment to promoting the sustainable development of our society.

Ultimately, sustainability is about preserving and enhancing the well-being of society for future generations. This was a guiding principle of our Founder Dr. Stanley Ho, and I believe that our commitment to sustainability in operations is one of the best ways for us to honour his legacy.

As the views of stakeholders can play an important role in our sustainability policies, we value their feedback. We are pleased to share with you our progress thus far, and we welcome your suggestions in helping us shape a more prosperous, harmonious, healthy and sustainable society.

Ho Chiu Fung, Daisy
Chairman and Executive Director
Hong Kong, 4 May 2021

2020 Major Events & Performance

Major Events



- | | |
|----------------|--|
| January | 1. SJM Dragon and Lion Dance to welcome the Year of the Rat |
| March | 2. Donation of 3,000 <i>Jiayou</i> bags of daily necessities to the needy in Macau amidst the pandemic |
| April | 3. SJM observes 3-minute silence on the National Mourning Day to honour victims of COVID-19 |
| May | 4. The passing of our founder Dr. Stanley Ho |
| June | 5. Memorial area at Hotel Lisboa for members of the public to pay respects to Dr. Stanley Ho |
| | 6. Annual General Meeting of SJM Holdings Limited |
| | 7. SJM crowns champion in Macao International Dragon Boat Races |



10



12



13



14

July 8. 2020 SJM Macau Derby

9. SJM participates at the second edition of Macao Integrated Tourism and Leisure Enterprises Vocational Skills Competition

August 10. 16th Annual SJM Scholarship Awards

September 11. SJM participates in "Beijing Macao Week" Roadshow

October 12. SJM celebrates the 71st anniversary of the founding of the People's Republic of China with staff

13. Sponsored by SJM - "Calling Macau Students to Fight Virus with Art" award presentation cum exhibition

November 14. SJM participates in International Environmental Crisis Management Forum and Exhibition 2020

December 15. SJM participates in Global Tourism Economy Forum · Macao 2020

16. SJM staff participate online in Macau's Walk for a Million 2020

2020 Major Events & Performance

Recognised as **Certified Sustainable Development Corporation** by World Institute of Sustainable Development Planners

Provided **over 9,000 hours** of anti-corruption and money laundering training

Published the **first standalone ESG Report** to present sustainability performance



Protected customers and employees' **safety and health** amid COVID-19



Donated **3,000 Jiayou bags** of daily necessities worth **MOP1.5 million** in total



Grand Lisboa Palace was awarded with the **LEED® Silver certification**



Organised **45 recruitment events** for the Grand Lisboa Palace integrated resort



Established **Sustainability Steering Committee** with five supporting **ESG working teams**



9,489 staff participated online in the 37th **"Walk for a Million"**



New environmental strategy, with **three major pillars**: Green Facilities, Green Hospitality, and Green Gaming



Promoted **responsible gaming** with annual focus on family relationships



Donated **MOP20 million** to aid coronavirus control and relief efforts in Hubei province

Awards and Certifications

In 2020, the Group received the following accolades in recognition of our business success and sustainability efforts:

Sociedade de Jogos de Macau, S. A.

- SJM was recognised as a Certified Sustainable Development Corporation. The certificate was awarded by World Institute of Sustainable Development Planners and supported by UNESCO Hong Kong Association and Hong Kong Institute of Education for Sustainable Development.



- SJM received an appreciation certification at the Family-Friendly Employers Awards Scheme 2018-2020, organised by The Women's General Associations of Macau.
- SJM received recognition and appreciation in the 2020 Elderly Employment Award Programme, organised by the Social Welfare Bureau and Labour Affairs Bureau of the Macau SAR Government and co-organised by Social Security Fund of the Macau SAR Government. SJM's employee Lai Kam Tong was also selected as one of the ten best performing elderly employees.



Grand Lisboa Palace Resort Macau



- Leadership in Energy and Environmental Design ("LEED®") Silver certification in the New Construction category



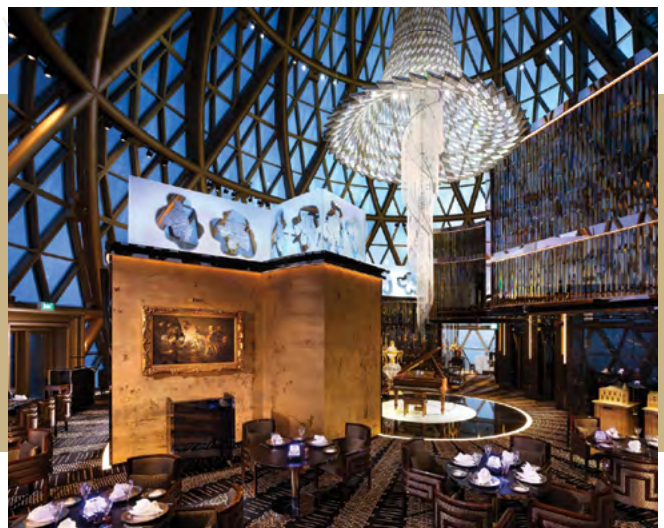
Grand Lisboa Hotel



- Silver Award – Macao Green Hotel Award 2019-2021
- Five-Star Rating – Forbes Travel Guide 2020
- Top Luxury Hotel Award of the Year – Target Taste Award 2020
- Outstanding – Best Hotel Group Wine List – China's Wine list of the Year Awards 2020
- Best Luxury Fine Wine Cellar List – China's Wine list of the Year Awards 2020
- Best Listing of German Wines – China's Wine list of the Year Awards 2020
- Most Valuable Brand – Hotel/Food & Beverage in Greater China – Phoenix Skyscape Economic and Cultural & Creative Association
- Most Valuable Wine Cellar in Greater China – Phoenix Skyscape Economic and Cultural & Creative Association
- Agoda 2020 Customer Review Award
- The Spa at Grand Lisboa Hotel received Five Star Rating by Forbes Travel Guide 2020
- The Spa at Grand Lisboa Hotel received the "Most Creative Body Treatment of the Year" award by SpaChina Wellness and Spa Awards 2020
- Director of Food & Beverage of Grand Lisboa Hotel Paul Lo was elected into the Hall of Fame of China's Wine List of the Year Awards 2020

Robuchon au Dôme, Grand Lisboa

- Three Michelin Stars – Michelin Guide Hong Kong Macau 2021
- *Wine Spectator* Grand Award 2020
- Five-Star Rating – Forbes Travel Guide 2020
- 3-Glass Rating (Excellent) – China's Wine List of the Year Awards 2020
- Hall of Fame – China's Wine List of the Year Awards 2020
- *Hong Kong Tatler* Best Restaurants 2020
- *South China Morning Post* 100 Top Tables 2020
- Two-Star Restaurant – Ctrip Gourmet List 2020
- 3-Diamond – 2020 Black Pearl Restaurant Guide
- Ranked 3rd in Top 100+ Asian Restaurants by 2020 Opinionated About Dining
- The Best of the Best MASTERCHEF Recommendation Restaurant 2020
- Grand Prix – Star Wine List Award 2020
- Winner of Austrian Wine List – Star Wine List Award 2020
- Champions' League Best Dessert & Fortified Wine List 2020 – *The World of Fine Wine*



The Eight, Grand Lisboa



- Three Michelin Stars – Michelin Guide Hong Kong Macau 2021
- Five-Star Rating – Forbes Travel Guide 2020
- 3-Glass Rating (Excellent) – China's Wine List of the Year Awards 2020
- *Hong Kong Tatler* Best Restaurants 2020
- *South China Morning Post* 100 Top Tables 2020
- Two-star Restaurant – Ctrip Gourmet List 2020
- One Diamond – 2020 Black Pearl Restaurant Guide
- Ranked 11th in Top 100+ Asian Restaurants by 2020 Opinionated About Dining
- The Best of the Best MASTERCHEF Recommendation Restaurant 2020

The Kitchen, Grand Lisboa

- One Michelin Star – Michelin Guide Hong Kong Macau 2021
- *Wine Spectator* Best of Award of Excellence 2020
- 3-Glass Rating (Excellent) – China's Wine List of the Year Awards 2020
- *South China Morning Post* 100 Top Tables 2020
- One-star Restaurant – Ctrip Gourmet List 2020
- One Diamond – 2020 Black Pearl Restaurant Guide



2020 Major Events & Performance

Casa Don Alfonso, Grand Lisboa

- *Wine Spectator* Grand Award 2020
- 3-Glass Rating (Excellent) – China's Wine List of the Year Awards 2020
- *Hong Kong Tatler* Best Restaurants 2020
- Best Hotel Restaurant – iFood Award 2020
- Ranked 67th in Top 100+ Asian Restaurants by 2020 Opinionated About Dining



Sofitel Macau at Ponte 16

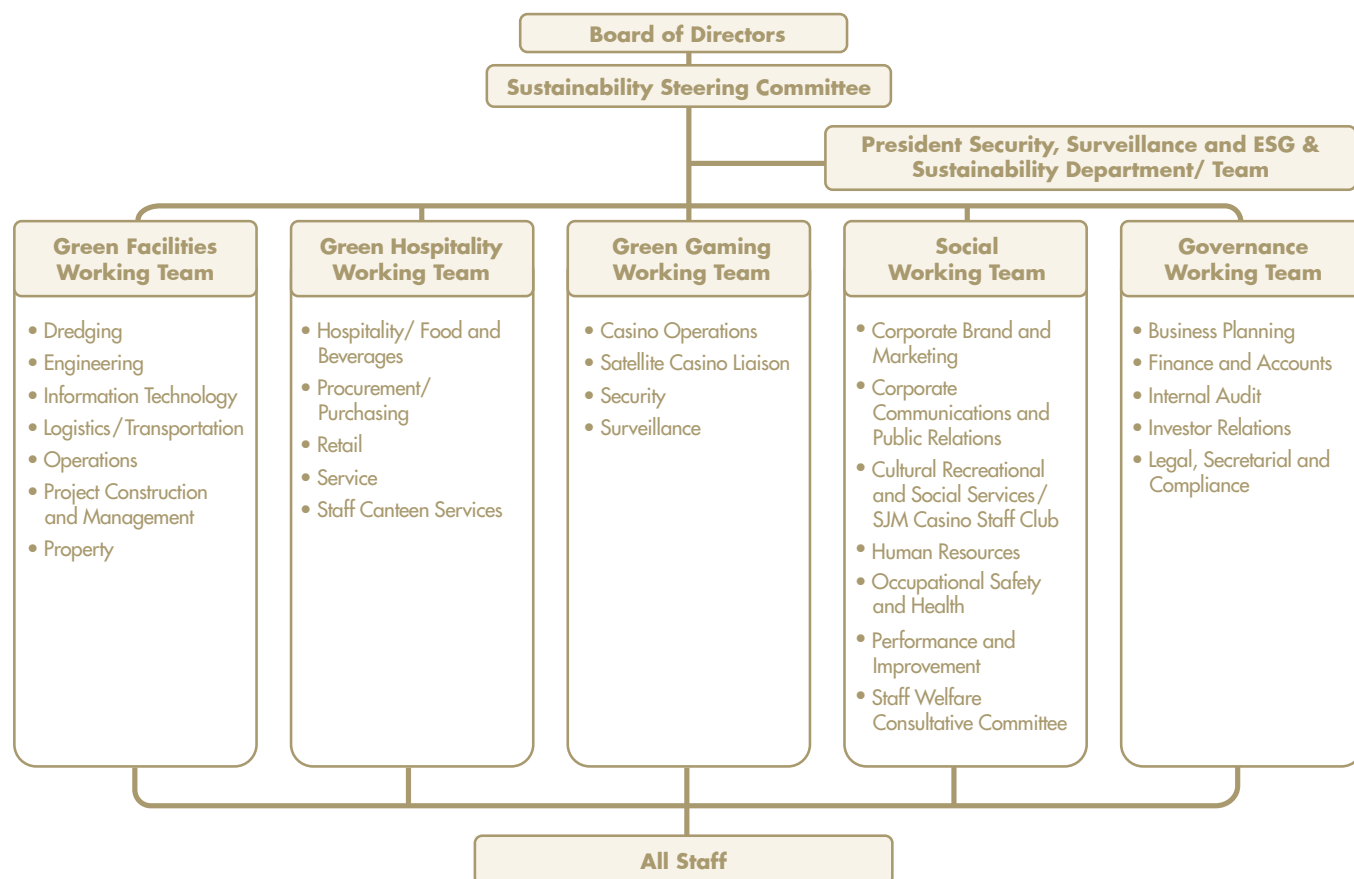


- Bronze Award – Macao Green Hotel Award 2020-2022
- Excellence Award – “Macao Energy Saving Activity 2020” Hotel Group B
- Luxury Heritage Hotel – World Luxury Awards 2020
- Asia's Top Spa Hotel & Resort – 2019-2020 Now Travel Asia Awards
- Golden Business Hotel – *National Geographic Traveler* China Golden Awards 2020
- Best Tourist Destination Hotel of China – 20th Golden Horse Awards of China
- 2020 Customer Review Award – Agoda
- 2020 Travellers' Choice Winner – Tripadvisor
- Loved by Guests Award Winner – Hotels.com
- Le Chinois was awarded My Favourite Hotel Restaurant in Macau by U Magazine Favourite Food Awards 2020
- Le Chinois received Customer Review Award 2019 from Dazhong Dianping
- Mistral received Customer Review Award 2019 from Dazhong Dianping
- So SPA was awarded Luxury Hotel Spa by World Luxury Spa Awards 2020
- So SPA was awarded Asia's top Wellness Spa by 2019-2020 Now Travel Asia Awards

Sustainability at SJMH

Sustainability Governance and Management

Whilst maintaining its position as a leading hotel and gaming operator, the Company remains committed to the promotion of environmental protection, social responsibility and effective corporate governance, in short, “ESG”. Solidifying the foundation for ESG-driven decision making, the Company has established a sustainability governance structure this year to ensure effective management, communication and continuous enhancement on all environmental, social and governance related matters.



Sitting at the top of the structure, the Board of Directors (the “Board”) holds ultimate oversight of the Group’s ESG management approach and strategy, and sets the tone for a strong sustainability culture within and across our business operations. As part of its oversight, the Board endorses sustainability strategies and policies, and reviews progress made against ESG-related goals and targets.

With the Board’s delegation, the Sustainability Steering Committee (the “Committee”) — a sub-committee of the Executive Committee — supports the Board in ensuring the Group’s business strategy takes sustainability into consideration and advises the Board in fulfilling its oversight responsibility in relation to ESG matters of the Group, such as energy and water management, labour practices, responsible supply chain, etc.

Making inroads into good sustainability governance and day-to-day management, representatives of key business units are appointed under five ESG working teams to coordinate and execute sustainability works covering all relevant aspects. Working teams identify ESG risks and topics relevant and important to the Group, and execute action plans approved by the Board and the Committee.

Sustainability Strategy

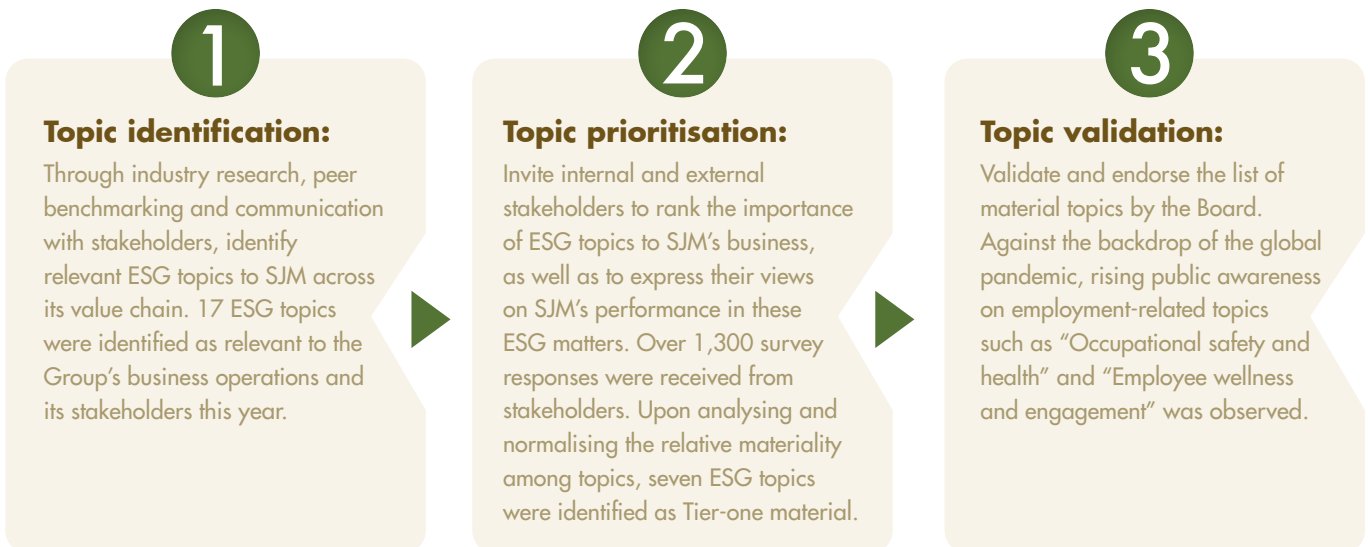
The Group joins the clarion call by the United Nations by aligning its sustainability initiative and performances with the global roadmap, supporting the United Nations Sustainable Development Goals ("SDGs"). In recognition of the all-round contributions to global sustainability and prosperity, SJM has been honoured as a Certified Sustainable Development Corporation by the World Institute of Sustainable Development Planners in 2020. We will strive to continue aligning our long-term sustainability objectives with the SDGs.

UNSDGs		Corresponding Sustainability Objectives of SJM
	No Poverty	Provide social protection to our people and the community through reasonable remuneration, subsidies and donations
	Zero Hunger	Provide employees with healthy and nutritious diet
	Good Health and Well-being	Protect health and well-being of employees
	Quality Education	Provide on-the-job training for employees, offer scholarships, subsidies and learning opportunities to promote employees and their children's lifelong learning
	Gender Equality	Ensure equal opportunities in recruitment, promotion, development and at workplace, regardless of gender
	Clean Water and Sanitation	Ensure provision of clean water to employees and guests, and increase water use efficiency
	Affordable and Clean Energy	Improve energy efficiency, and promote the use of clean and sustainable energy
	Decent Work and Economic Growth	Create a fair, healthy and productive workplace
	Industry, Innovation and Infrastructure	Utilise innovative technologies, solutions and techniques to develop sustainable and resilient buildings and facilities
	Reduced Inequalities	Eliminate discriminatory practices, and promote equality and social inclusion of people with disabilities
	Sustainable Cities and Communities	Promote inclusive, safe, resilient and sustainable communities, and promote responsible and healthy gaming habits
	Responsible Consumption and Production	Conserve resources through responsible and sustainable hospitality and operational practices
	Climate Action	Contribute in actions to combat climate change and its impacts
	Life Below Water	Support procurement of sustainable seafood and reduce our operations' impact on marine lives
	Life on Land	Protect, maintain and promote the sustainable use of terrestrial ecosystems, support sustainable use of resources and reduce waste to minimise environmental footprint and protect biodiversity
	Peace, Justice and Strong Institution	Combat fraud and money-laundering in gaming activities, and corruption and bribery in operations
	Partnership for the Goals	Foster partnerships for effective development of sustainable communities, exert Macau's competitive advantages

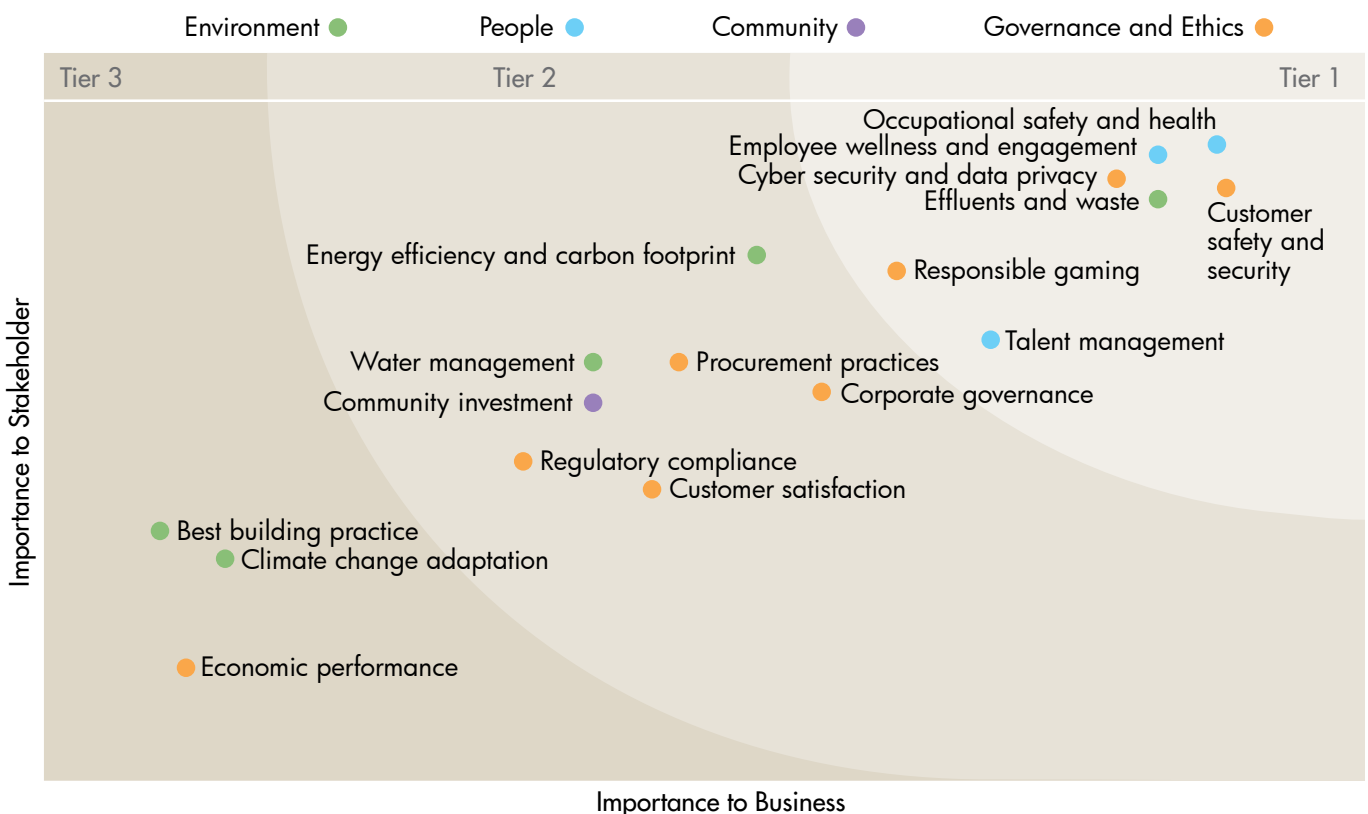
Materiality Analysis and Topics

Stakeholders' views and expectations are pivotal to our development and continuous enhancement of sustainability strategy, performance and disclosure. In 2020, we have commissioned an independent consultant to engage our internal and external stakeholders, including the management and employees of the Group, shareholders and investors, business partners, government and community partners, industry association, media and customers.

A three-step process was adopted to identify ESG priorities, which are material to the Group's long-term value creation and are of shared concerns among our stakeholders:



Materiality Matrix



This materiality analysis exercise has provided us with granular insights into the importance of each ESG topic and how we should better manage areas that matter most to our business and stakeholders.

Governance and Ethics

Anti-Corruption and Money Laundering

As a reputable gaming concessionaire, the Group strictly adheres to laws and regulations of locations where it operates on anti-bribery and prevention of fraud and money laundering. Policies and measures are in place to reinforce our control over corrupt or money laundering practices. As outlined in our Policy on Bribery and Corruption and the Code of Conduct, we uphold high standards on our employees' ethical conduct, and provide them with guidance on addressing situations of bribery and corruption, acceptance of gifts, and conflict of interests.

Different units at the Group level are in place to ensure our compliance with internal policies, laws and regulations. A dedicated Anti-Money Laundering Compliance Team is also set up to deal with anti-money laundering matters. Our Internal Audit Department, with support from the Gaming Inspection and Coordination Bureau of the Macau SAR Government ("DICJ"), regularly conducts compliance audits on anti-corruption and anti-money laundering, and reports to the Audit Committee on a periodical basis.

A whistle-blowing mechanism is adopted for employees to report any unfair treatment, misconduct or improprieties without fear of reprisal. The Anti-Money Laundering Compliance Team and Internal Audit Department are responsible for investigating the reported cases according to their nature, and reporting on any cases of significant or alleged misconduct, malpractice or impropriety to the Audit Committee. When necessary, both teams would seek professional assistance from the Group's Legal Departments. Any confirmed violations of the above policies, laws and regulations might result in criminal prosecution or civil penalties in addition to internal disciplinary action.

To raise internal awareness on this subject, we organise continuous training for employees at all operations levels. In parallel, employees are randomly selected annually to be tested on their understanding of the policies.



A total of **40** and over **9,000 hours**
of anti-corruption and money laundering training
were provided to directors and employees respectively

These anti-corruption and money laundering policies and measures have laid a solid foundation for the Group's compliance with relevant laws and regulations. No legal nor material cases of non-compliance relating to corruption and money laundering was brought against the Group or its employees during the Reporting Period.

Responsible Gaming

Being one of the largest casino operators in Macau, it is our responsibility to promote responsible gaming ("RG") in society. We joined forces with the Government to develop and implement the SJM Responsible Gaming Promotion Plan 2020. Under the Plan, we organised the "SJM Responsible Gaming Competition" and provided certificate courses titled "RG – Proficiency Certificate in Sustainable Development Planning" and "Sustainable Development in Macau Tourism, Leisure, Entertainment – RG" for our management and employees. About 1,500 employees attended our seminars to deepen their understanding of RG-related laws and regulations.

In 2020, special focus was placed on gaming's impact on family. We therefore organised the "Your Family Duty" and "On Track towards an Ideal Way of Living with Your Family" at the RG funfair themed "Lost Control, Lose Family", to educate on the effect of gaming addiction to family.

Besides, as part of our regular measures, we have RG team members stationed at each casino to assess the effectiveness of RG measures and report to the RG working group on a monthly basis. Any RG cases observed will be handled in accordance with our predefined handling procedures.

To build capability in handling such matters, the RG training manual is in place to train up new hires, RG ambassadors and frontline staff. Our Performance Improvement Department has cooperated with Yat On Responsible Gambling Counselling Centre to organise responsible gaming training for 375 new hires, as well as the “RG Ambassadors training programme” and “SJM RG Internship programme”. Activities including “Healthy Family Tangram”, “We All Know RG” and “Let’s Understand Off-Duty Casino Entry Ban” were also organised for our employees. In 2020, some RG activities were also moved online due to social distancing, including the “SJM Responsible Gaming Online Prize Quiz - Off Duty Casino Entry”.

Summarising its efforts in promoting RG, SJM held its RG Prize Award Ceremony in November 2020 and distributed the SJM Responsible Gaming Survey to gauge feedback regarding its RG promotion. We are dedicated to continuing spreading the important message of responsible gaming to the public through education and promotional activities.



Customer Satisfaction

Delivering quality products and services to customers has always been at the core of our business and customer retention. Grand Lisboa Hotel has a set of service standards and standard operating procedures in place to govern service quality to customers. We review and reply to the guests' comments collected from comment cards in hotel rooms and those posted on online hotel reservation platforms to understand customers' evolving needs, and maintain positive communication with them.

In the midst of COVID-19, we retain customer confidence by initiating a host of precautionary measures. We have standard operating procedures that are in line with the Macau Government guidelines in preventing the spread of the virus. Before entering our premises, we measure the body temperature of all visitors and provide them with hand sanitisers. All visitors and guests are advised to wear masks and practise social distancing within our premises. Additional reinforcement of our housekeeping standards is given to cleaning staff to maintain room cleanliness for our guests.

Case Study

In addition to the precautionary measures, we have launched a number of initiatives to boost local customer satisfaction on our food and delivery services. For the first time, SJM cooperated with a local food delivery platform to offer "Special Delivery Service", which provided catering services to local customers during the pandemic. At Grand Lisboa Hotel, we have launched a series of discounts on room reservations, dining and spa treatments, and our coffee shop remains open 24 hours a day, to ensure uninterrupted services for our guests, as well as supporting industry and economic recovery. During the Reporting Period, the local customer source of our restaurants has increased by 50% over the same period last year.



Besides, we have a comprehensive complaint-handling mechanism at our operations. Upon receiving customers' complaints, the corresponding units will follow up and address such for further improvement in accordance with our complaint record guideline. Our staff are trained to ensure customers' complaints are handled in a timely and effective manner. All customer complaints were handled, responded and undertaken reviews within an appropriate time frame.

Customer Safety and Security

To safeguard the lives and property of guests and employees at our premises, we deploy a comprehensive surveillance and security system. For instance, metal detectors with audible alarm are installed to prevent weapons being brought into the casinos. CCTV system with high definition cameras is deployed to monitor the entire premises. Electronic lock systems are adopted to provide access control of various places in the premises. A fire system is in place to detect fires and prevent damage to our properties. Fire drills and prevention seminar are arranged annually to raise internal awareness of fire prevention. Security personnel and staff are trained to respond to such emergency circumstances.

We also understand the importance of ensuring health and safety of all. For this reason, our properties have 24/7 onsite clinics. Also, over 30% of security officers have undertaken first-aid training and are certified first aiders. Such enable us to perform medical treatment in case of any emergencies occurred.

As food and beverages are served in our casinos and hotels, we pay extra attention to food quality and safety. The food safety management system of Grand Lisboa Palace Resort Macau ("GLP") is designed based on the Hazard Analysis and Critical Control Point (HACCP) system. In addition, employees are required to adhere to our policy on food safety management. Kitchen staff are trained on food safety and environmental hygiene. Regular inspections of kitchens are carried out to ensure high standards of hygiene and cleanliness during food processing and storage.

Upon soft opening, GLP's food safety system will **undergo HACCP certification pre-audit by phase**



During the Reporting Period, there was no incident concerning safety impacts of products and services which resulted in a fine, penalty or warning.

Cybersecurity and Data Privacy

We fully acknowledge our responsibility to properly handle, store and dispose of personal information collected in the course of business.

A corporate Cyber Security Policy has been enacted to ensure that the relevant critical IT systems will follow the measures as required by the Macau Cyber Security Law and also that such systems will be protected by the appropriate security controls within our IT environment. No significant cyber security incident occurred during the Reporting Period.

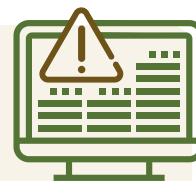
Only necessary and non-excessive personal information will be collected, and whenever it is collected from the customers, personal information collection statements are provided to clearly convey the purpose and use of such information.

The access and retention period of CCTV footage is also strictly controlled.



Workshops were held to raise employee awareness on data privacy and protection

No significant incident of data breaches nor related substantiated complaints occurred during the Reporting Period



Responsible Supply Chain and Satellite Casinos

Given the extensiveness of our business activities, we rely on our business partners and suppliers to create a socially responsible value chain. All business partners are required to fulfil regulatory compliance and refrain from any unlawful practices. We also raise our sights beyond basic compliance to business ethics and conduct, quality management, and environment, health and safety.

A Sustainable Procurement Policy was introduced in January 2021 as a guideline to observe throughout the procurement process. Satellite (third party-promoted) casinos are also required to report the extent of their compliance to regulatory requirements like the Regime of Tobacco Prevention and Control.

To promote a thriving and green local economy, priorities are given to local suppliers, as well as suppliers with environmental criteria met in our procurement process. As of 31 December 2020, the geographical distribution of SJM's suppliers is as follows, nearly 80% of which are Macau local suppliers:

Geographical region	Number of suppliers
Macau	1,511
Hong Kong	341
Mainland China	44
Other country/region	77
Total	1,973

For our future purchase, we consider



Suppliers with certificates and proofs on their products that are under the **green categories**

Service providers certified against **ISO 14001**



As a standard practice, GLP always requests for alternative green offers when soliciting quotes from vendors. Our other properties and satellite casinos are also encouraged to adopt products with green specifications, as well as practices that could reduce the operation's footprint on the environment.

Crisis Management and Business Continuity

As exemplified by the global crisis associated with the pandemic, risk management and resilience are critical to the continued success of our business in the long run.

During the Reporting Period, our business continued with strengthened preventive measures and stringent checking of health identification codes, despite on a reduced scale commensurate with overall visitation to Macau.

Nonetheless, SJM has been in full support and compliance with the Macau Government's pandemic preventive measures and has assisted the government in disseminating precautionary messages via its AV screens, both external and inside the premises. Special COVID-19 Crisis Management Action Groups were formed and joined by relevant departments, to act responsively to the latest development of the pandemic, from purchasing masks and anti-epidemic supplies, to rolling out preventive measures that protect employees and guests.

As COVID-19 swept across the globe, sounding the alarm about international environmental governance, the International Environmental Crisis Management Forum and Exhibition 2020 was organised with SJM being one of the supporting entities, where we shared our experience in supporting the community during the pandemic and previous disastrous events like the Typhoon Hato. The sharing inspired reflections on the prominence of environmental crisis in this era and fostered new solutions and opportunities to crisis management and collaboration, opening a new mindset on resilience and business continuity.

To ensure all relevant ESG risks are well-considered and managed in our operations, the Group's Risk Management Committee has established a framework for assessing and monitoring risks under the assistance of a third-party consultant, and maintained a risk register for the Group. The Committee will continue to keep the Board informed of significant emerging ESG risks, and guide the Group in making decisions that would help foster a sustainable city that is healthy, harmonious and prosperous.

Details of SJM's corporate governance and risk management approaches are provided in the Corporate Governance Report within the 2020 Annual Report.



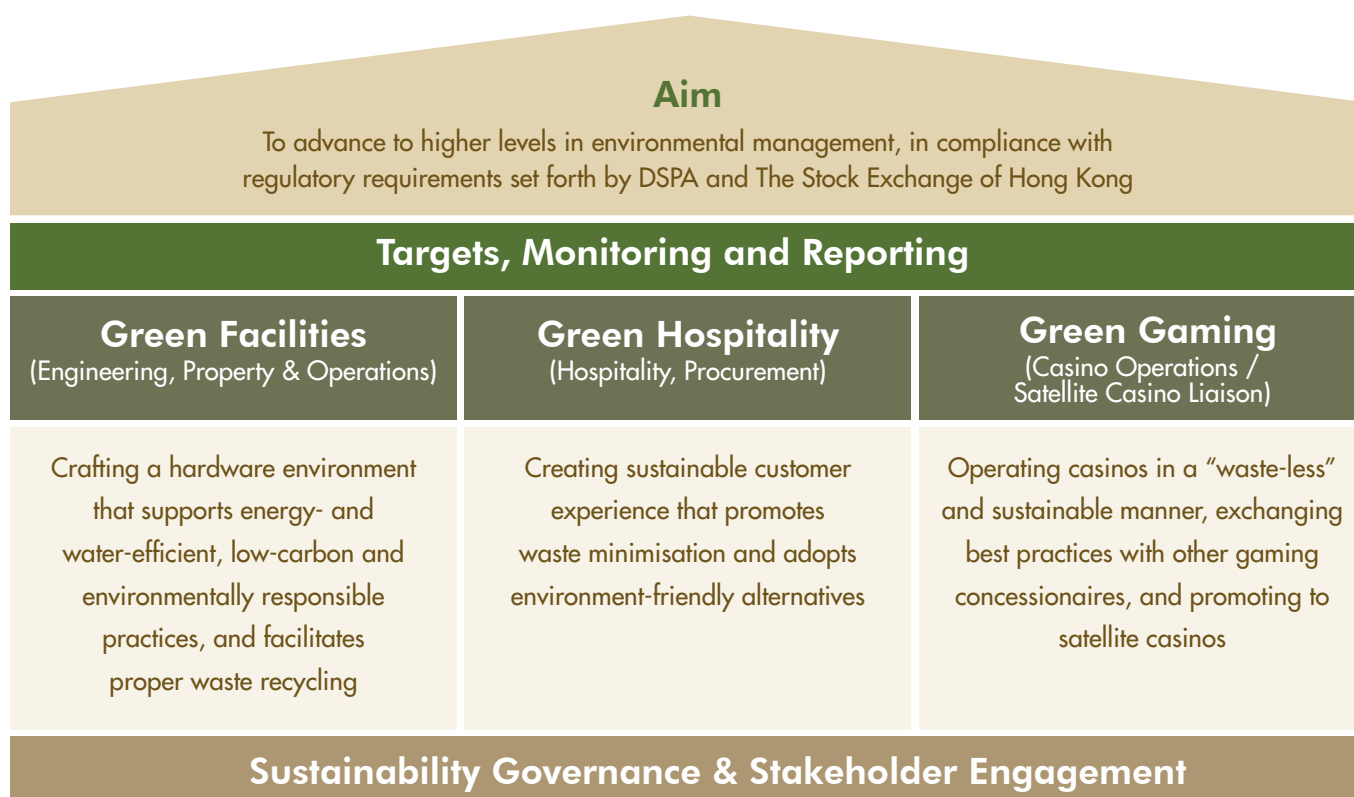
SJM
2020 Annual Report

Stewardship of Our Planet

Our Strategy

As the world makes ambitious commitments to combat climate change and other environmental challenges, SJM acknowledges its corporate responsibility to advocate for the environment. Going beyond compliance requirements set forth primarily by the Environmental Protection Bureau of the Macau SAR Government (“DSPA”), we have taken on-going efforts to advance our environmental management under an overarching strategy.

The strategy identified three pillars as our major focus, namely Green Facilities, Green Hospitality and Green Gaming. Subsequent environmental policies, initiatives and programmes are adopted to infuse environmentally responsible considerations in our operations, and are supplemented by continuous objective setting, performance monitoring and reporting by the sustainability governance and management structure.



Through stakeholder engagement and partnerships, we strive to maximise our value created for the community's sustainable development. We have been closely working with the Macau Government cum Macau Gaming Concessionaires Environment Task Force established by DSPA to facilitate joint efforts in the four specific areas:



Reduce waste
at source



Recycling
categorisation



Audit carbon emission
and waste



More use of
renewable energy

The Group has always promised to fulfil legal expectations. During the Reporting Period, the Group did not experience any cases of non-compliance relating to environmental laws and regulations in Macau and Hong Kong.

Green Facilities

In demonstration of our commitment to environmental sustainability, we develop our properties in line with green building principles, and enhance existing facilities and hardware from aspects of energy efficiency, air quality, water conservation and waste management. In view of the potential impacts on our operations brought about by climate change, we have also introduced climate resilience strategies to adapt to the risks.

Green Buildings



Stewardship of Our Planet

Grand Lisboa Palace Resort Macau, as the newest member to our Lisboa brand, was built to be one of our most sustainable and green integrated resorts. At the project's onset, we have set measurable green objectives to guide its planning and construction. A host of eco-friendly features and measures has been integrated into the project to address our major environmental impacts:



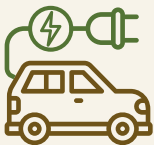
Building and mechanical systems

- Adopting **Central Plant System** and **Building Management System** to optimise operations of water side equipment and air side equipment
- Deploying **variable speed drives** for controlling air handling units, and chilled and hot water pumps



Lighting system

- Using **energy efficient lights** such as LED lights in most parts of the podium areas



Electric vehicle charging facility

- Providing up to **nine electric vehicle charging stations** for shuttle buses and other vehicles



Use of automatic technology

- Using **smart controls** for lighting, room air conditioning and window curtains in all hotel guest rooms

With these measures in place, GLP has complied with stringent building standards in areas of sustainable sites, energy and water efficiency, indoor air quality, innovation in design and regional priority. The project was awarded the Leadership in Energy and Environmental Design (LEED®) Silver certification.

Climate Resilience

Noticing the physical impacts that super typhoons “Hato” and “Mangkhut” have caused to our properties and business operations in recent years, SJM strongly recognises extreme weather adaptation and climate change mitigation as a rising environmental agenda.

To minimise the potential impacts of flooding and strong wind on our resort, climate-resilient features were also incorporated in the development of GLP. Based on assessments of such environmental risks, the building structure was designed to withstand 1-in-200 years of wind load and the ground floor was raised by 1.2 mPD higher than the street level.

In addition, the Group has hired an insurance specialist to assess and advise the adequacy of insurance coverage for GLP as well as other properties of the Group, in order to mitigate any financial losses caused by physical damage to our properties. Meanwhile, we look out to regulatory changes and calls for climate actions across the region and the globe, and strive to reduce our carbon footprint in contribution towards the combat against climate change.

Energy and Carbon Footprint

Energy use is the major source of our carbon footprint. Since 2013, we have made our first-mover contributions and efforts in supporting the Carbon Footprint Repository initiated by the Environmental Protection Department of the Hong Kong SAR Government ("EPD"), to disclose our carbon footprints on the [EPD's website](#).



EPD's website

To reduce carbon footprint, Grand Lisboa hotel and casino have been adopting a series of energy saving initiatives:



Building and mechanical systems

- Adopting **intelligent building management system** to ensure optimal temperature control for air conditioning units in back-of-house areas
- Installing **heat pumps, heat recovery chiller and air-conditioning control programme** to ensure optimal configuration and stable heat recovery
- Setting air-conditioning at back-of-house areas to **at least 25 degree Celsius**



Lighting system

- Replacing fluorescent and incandescent lights of exterior and interior lighting with **LED lights**
- Adopting **motion detection devices** at car park area
- Turning off office lights during **lunch hours**

During the Reporting Period, we have also participated in Earth Hour 2020 organised by WWF, and CEM's Macau Energy Saving Activity 2020.



Going forward

Our commitment to reducing carbon footprint extends to our latest property – GLP. Through the adoption of smart metering and cleaner energy, GLP aims to **reduce 2% of its electricity consumption per guest** as soon as a complete year of full-scale operation is achieved.

Water

The Group is also aware of its water footprint in cleaning, flushing, laundry, food and beverages, landscaping and other uses. Understanding the sources of our water consumption, we have established a water management platform and reduction plan to enhance the water efficiency in our day to day operation, which includes the following measures:

- Adopting a sophisticated **filtration system** to effectively disinfect and reuse water in swimming pools
- Installing **water-saving devices**, including automatic sensors in faucets, water saving shower heads and dual flush water closets

Stewardship of Our Planet

- Ensuring water taps are **properly closed when unused** and **without leakage**
- Avoiding **defrosting of food under running water**

To facilitate effective management of water resources and oversight of any risks of water stress to the operations in Macau, our CEO, the Chairman of SJM's Sustainability Steering Committee, conducts necessary review of the issue with assistance from the Green Working Teams and reports to the Executive Committee of the Board in case of significant risks or underperformance observed.

Going forward

Stepping up our efforts in water conservation, GLP will deploy a series of water saving measures in order to **reduce 2% of its water consumption per guest** as soon as a complete year of full-scale operation is achieved.



Waste

Minimising and managing waste is one of our top priorities. We recognise the different types of waste that are created in the course of our business, mainly paper, glass, cardboard, metal, waste oil, soap bars, printing cartridges, batteries and food waste.

To reduce waste generation at source, we have been actively practising "Reduce, reuse, recycle" measures, and supporting recycling programmes and initiatives advocated by DSPA to manage our waste, such as:



Placing **self-serve water dispensing stations** in lounges and pantries to reduce the distribution of bottled water



Installing **decomposing machines** to recycle food waste



Placing **collection facilities** at different spots to encourage recycling of various materials

Going forward



We will explore to **appoint a qualified third party to conduct waste audit** for our properties, so as to review and enhance the effectiveness of our waste recycling and management practices.

Air Quality

In addition to the conservation of the external environment, we strive to improve the air quality of the indoor environment, as a means to safeguard the health and well-being of the buildings' occupants. To this end, we prohibit smoking in indoor areas except for smoking rooms, in compliance with the Regime of Tobacco Prevention and Control requirements in Macau law since its enforcement. In our hotels, we offer non-smoking floors and guest rooms to ensure the comfort of non-smoking guests.

In addition, we have been implementing the following initiatives and installations to improve indoor air quality:

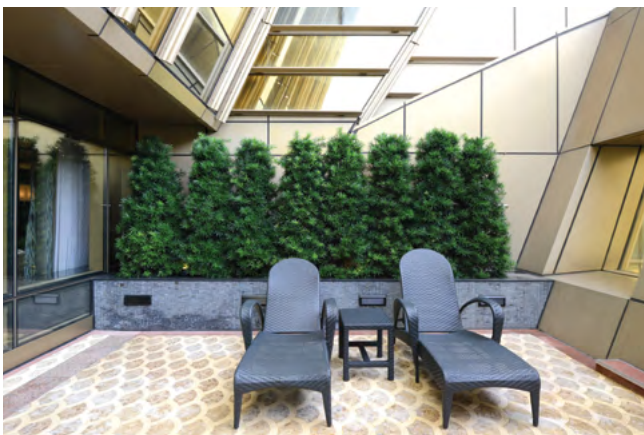
- Deploying **electrostatic and ultra-violet/mobile air purifiers** and **duct type ionisers** to eliminate indoor air contaminants
- Installing **hydro vent and electrostatic precipitators** to remove the grease content in the kitchen exhaust
- Conducting **indoor environmental quality audits** annually for selected properties

Green Hospitality

Upon our sustainably built and managed environment, we hope to create exceptional and sustainable customer experiences with the adoption of eco-alternatives and the promotion of environment friendly behaviours in our hospitality services. For many years, various hotels under the Group have been recognised by the Macao Green Hotel Award organised by the DSPA.

Supporting the notion of sustainable consumption, our guests are provided with different green options, such as:

- **Reducing the frequency of changing** bed linen, towels and bathrobes
- Using **environment-friendly detergents** for cleaning and laundry
- Gradually **replacing plastic cutleries, straws and stirrers** with wood-based or bio-degradable ones
- **Reducing the use of plastic containers or packaging** for guest room amenities and consumable operating supplies
- **Redesigning hamper baskets** for festive gifts to reduce the usage of plastic wrapper and unnecessary plastic bags



Stewardship of Our Planet

Combining good causes for the environment with charity, SJM has advocated the habit of bringing own shopping bags in line with the Macau Government's "Plastic bag charge" measure, and donated the plastic bag proceeds to Caritas Macau for the benefit of the society during the Reporting Period. A certificate of appreciation was presented by DSPA in recognition of our support for the scheme.



Besides, our ambition for green hospitality was conveyed to our employees, customers and the public through a range of awareness-building activities and education on green services. Various workshops have been held to encourage idea exchange and forge alignment among employees.

At the back offices, paper and stationery made of recycled or sustainably sourced materials are given priority, and paperless meetings and approval processes are advocated, to foster a green internal culture.

Going forward

We are going to explore effective and thoughtful **waste management and procurement practices** to further promote green hospitality at GLP.



Green Gaming

As one of the major gaming operators in Macau, we are committed to offering sustainable gaming experiences for our guests and promoting green practices to our satellite casinos and sharing with other gaming concessionaires.

In terms of waste management, we:

- **Follow our procedures in handling used playing cards** to ensure all SJM cards being destroyed, shredded and compressed for disposal by proper recycling companies
- Install **self-serve water dispensing stations** at our casinos to reduce the use of single-use plastic water bottles
- Post **awareness-raising notices** around staff canteens to encourage the reduction of food waste

Our satellite casinos have also outlined their hazardous waste management procedures to ensure resources are fully utilised before recycling or safe disposal.

Besides, we place special focus on external lighting used for signboards and decorative lighting, to conserve related energy consumption and reduce nuisance to nearby residents.

Casino Lisboa shortened operating hours of external lighting from 10 hours to **7 hours**, equivalent to a **30% reduction in usage time**



Our satellite casinos applied **stricter control over the operating hours** of their exterior lights and **switched to energy-efficient lights**

As early as the development stage of GLP, we have already planned for measures to conserve resources at our casinos, aiming to promote green gaming to the next level and reduce the future environmental footprint of our gaming services.

Environmental Performance

Indicator	Unit	2020
Energy & Emissions		
<i>Greenhouse Gas (GHG) emissions¹</i>		
Direct GHG emissions (Scope 1)	tCO ₂ -e	3,490.45
Indirect GHG emissions (Scope 2)	tCO ₂ -e	106,462.85
Total GHG emissions (Scope 1 and 2)	tCO₂-e	109,953.29
Emission intensity per unit of GFA²	kgCO₂-e/m²	380.64
<i>Electricity consumption by operation</i>		
Casinos	MWh	72,016.71
Hotels	MWh	56,635.44
Offices	MWh	5,935.58
Total electricity consumption	MWh	134,587.73
Electricity intensity per unit of GFA²	kWh/m²	465.92
<i>Fuel consumption by type</i>		
Diesel	litre	74,651.63
Gasoline	litre	131,649.15
LPG	litre	1,457,445.58
Total fuel consumption³	GJ	44,840.31
Total energy consumption⁴	GJ	529,356.12
<i>Air emissions by type</i>		
SO ₂	tonne	0.004
NO _x	tonne	5.96
Water		
<i>Water consumption by operation</i>		
Casinos	m ³	397,721.22
Hotels	m ³	436,644.78
Offices	m ³	2,524.50
Total water consumption	m³	836,890.50
Water intensity per unit of GFA	m³/m²	2.90
Waste		
<i>Waste recycled by major types</i>		
Food waste	kg	46,505.92
Paper	kg	30,845.00
Plastic bottles and single-use plastics	kg	2,483.78

¹ Greenhouse gas emissions were calculated in accordance with ISO 14064 International Standard for GHG Emissions Inventories and Verification and adopted carbon emission factors applicable to the Group's major operating regions, namely Hong Kong and Macau.

² Intensities are subject to fluctuations as one of the offices in Hong Kong was no longer occupied in the second half of Reporting Period, yet its GFA was included in the calculation.

³ Conversion factor for fuel: 38.6 MJ/L (Diesel), 34.2 MJ/L (Gasoline), 25.7 MJ/L (LPG).

⁴ Energy consumption refers to the sum of electricity and fuel consumptions.

G.R.E.A.T.ness of Our People

Employee Recruitment and Management

Our employees are the greatest asset to SJM's continued success. We are committed to allocating resources to attract, develop and create a safe and inclusive workplace for our employees. Rigorous work processes with thorough review and approval mechanisms, as well as adequate communication with employees are maintained to ensure adherence to ethical labour practices and relevant regulatory requirements. The Group formulated Employee handbooks with sets of policies in Hong Kong and Macau, governing our employees' affairs in areas including payroll, attendance, termination, transfer and promotion and rules of conduct. During the Reporting Period, we fully complied with the applicable labour laws and regulations of Hong Kong and Macau.

The Group endeavours to attract and retain professionals. We offer competitive remuneration packages and organise various well-being activities to foster team spirit and engage our employees. Our Talent Acquisition Team reaches out to potential candidates via multiple recruitment channels. During the Reporting Period, we worked closely with various organisations including the Labour Affairs Bureau of the Macau SAR Government ("DSAL"), Macao Federation of Trade Unions, Macao New Chinese Youth Association, universities and educational institutions to hold 45 recruitment events for the Grand Lisboa Palace integrated resort, offering vast employment opportunities for Macau residents and university graduates.

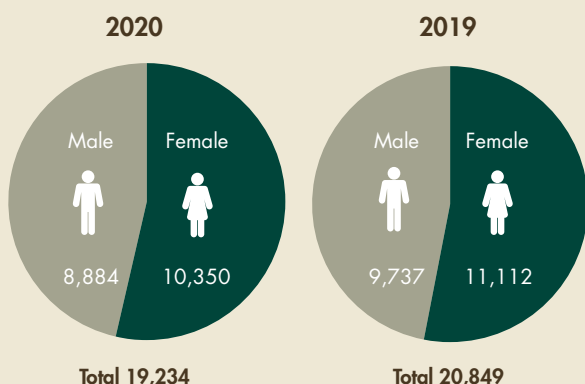
The Group's remuneration policy and staff performance are regularly reviewed and evaluated by our management according to market standards. We also recognise our employees' efforts and determine their promotion and remuneration based on individual working performance, professional qualification and industry experience. There is a performance-based component to pay for specific positions and sales positions. We presented G.R.E.A.T. Employees Awards to our employees in hotels and casinos in recognition of their outstanding performances.

During the Reporting Period, the Group has maintained a diverse workforce and has kept turnover rate at a low level of 8%. It is our target to further enhance the mix of our workforce by promoting career opportunities among the young generation, bringing new dynamics to the team.

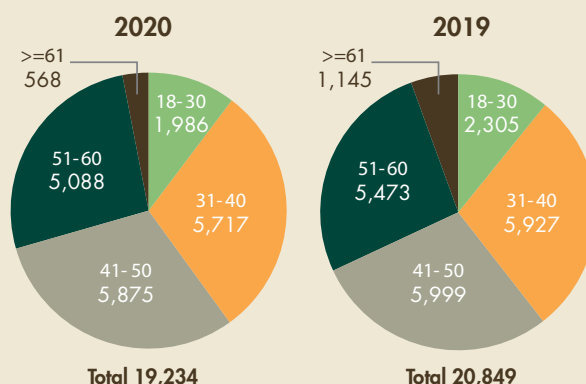


The total workforce as at 31 December 2020 and 2019 are summarised as follows⁵:

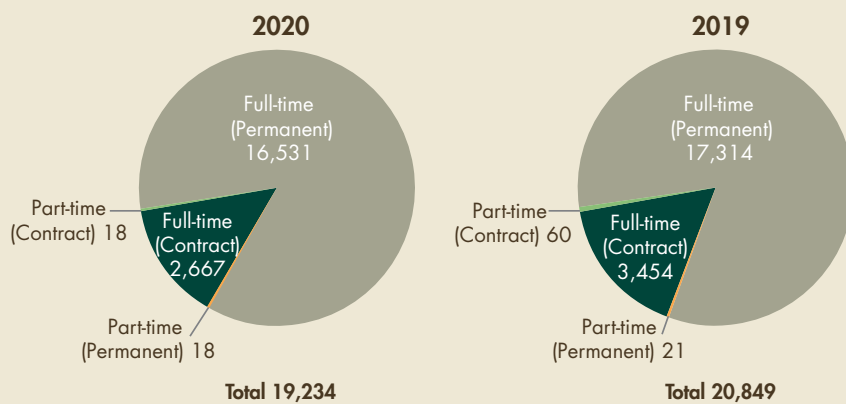
Number of Employees by Gender



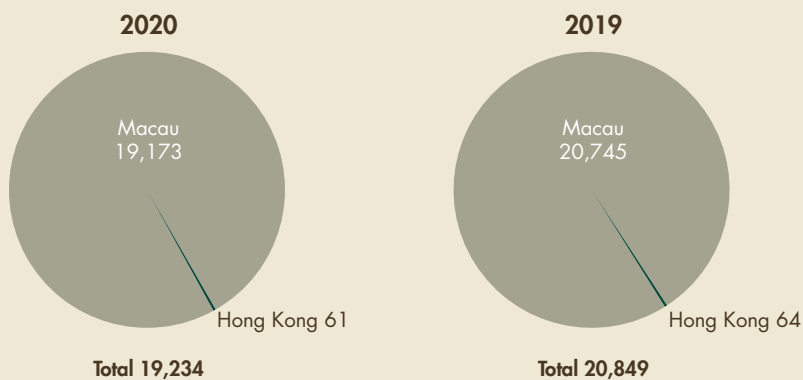
Number of Employees by Age Group



Number of Employees by Employment Type



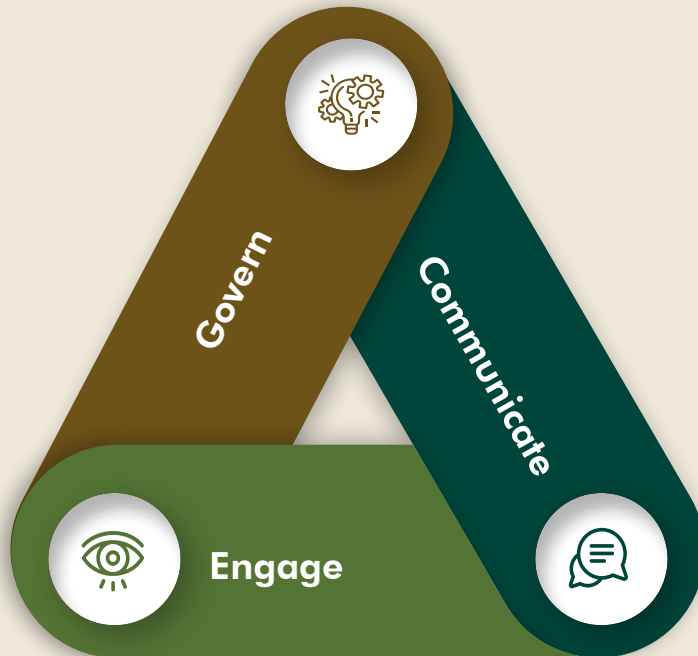
Number of Employees by Geographical Region (by work location)



⁵ For details related to Board diversity, please refer to Corporate Governance Report of SJM Holdings Limited's Annual Report 2020

Employee Wellness and Engagement

To ensure a decent and fair working environment for all SJM employees, we have implemented a triangle system approach over the past years, namely Govern, Communicate and Engage.



Govern

HR department oversees workplace practices and employee satisfaction through monitoring, review of key indicators, and resolution of grievance cases raised by employees

Communicate

With the establishment of the SWCC, monitors wellness of employees and serves as a communication channel with our employees

Engage

Through Employee handbooks and continued dialogues, ensure employees have clear understanding of their roles, responsibilities, and our expectations on their performance and behaviours

The Staff Welfare Consultative Committee ("SWCC") serves as a communication channel and listens to employees' suggestions on how to promote a better workplace, thereby fostering better relationships with our employees. SWCC also operates the SJM Excellence Staff Center (employee supermarket), and oversees SJM Volunteer Team.

Employee Benefits and Support

Employee benefits include but are not limited to medical plan, duty meal or allowance, extra compassionate leaves beyond legal requirements, as well as birthday and festive presents to hotel and casino staff. SJM has received Family-Friendly Employers Awards for 2018 - 2020 in recognition of our efforts in introducing family-friendly employment practices.

In response to the Macau Government's policy to strengthen employees' retirement protection, we took the lead among six gaming enterprises in introducing the Non-Mandatory Central Provident Fund System to employees. A Share Option Scheme was adopted in May 2009 for granting share options to eligible employees and participants for incentivising them to thrive with the Company. This scheme lapsed in May 2019 and no further share options can be granted thereafter.



Over **11,000 Macau employees** participated in the Non-Mandatory Central Provident Fund System, accounting for around **65%** of our local employees

G.R.E.A.T.ness of Our People

During the pandemic outbreak, we continued to provide physical and mental support to our employees, such as offering Living Subsidies as usual, producing encouraging videos and sending anti-pandemic gifts to our staff. Under appropriate circumstances, we also maintained participation in different wellness activities and sports competitions to promote employees' well-being.

In September and October 2020, SWCC co-organised with Associação de Juventude Voluntária de Macau and Macao Gaming Industry Employees Home to run two workshops on mooncakes making and LEGO building for over 60 staff and their children, strengthening family bonding and mutual support while unleashing children's creativity.



We also strive to promote workplace diversity and avoid discrimination by providing equal opportunities to employees, regardless of age, gender and nationality. We continued to support elderly employment and were recognised at the 2020 Elderly Employment Award Presentation Ceremony. Furthermore, we respect human rights and strictly prohibit the use of child and forced labour across operations. Complying with Macau law, we conduct background checks on candidates during recruitment processes to ensure they meet the legal age for working in casinos, and address any exceptions found according to formalised reporting procedure. Regular reviews and inspections are also performed to detect the existence of any child or forced labour in our operations.



Workplace Safety and Health

At the SJM Group, safeguarding occupational safety and health (“OSH”) is of utmost importance. To build a safe and accident-free workplace, we adopt best practices of OSH management standards to monitor workplace safety. We formulated the Group’s OSH policy, guidelines and measures to ensure the health, safety and well-being of our employees, contractors, tenants, visitors and any person whose work or workplace is controlled by the Group, in accordance with the legal requirements and guidelines issued by DSAL and the Labour Department of the Hong Kong SAR Government. The OSH Department run by dedicated professionals has also been established by SJM to enhance and implement safety control and improvement measures, as well as incident investigations and preventions. We also work closely with DSAL to obtain latest good practices, and updates on legal requirements and standards.

OSH procedures, code of practices and guidance notes such as safe use of chemical substance and safe working guideline under inclement weather condition are regularly reviewed and disseminated to employees. Through regular inspections, we evaluate the implementation and effectiveness of the safety guidelines, and review any significant OSH risks. Actions will be taken accordingly to eliminate any potential hazards found. Stringent accident investigation, reporting procedures and supervisory accountability are also in place to reduce risks at workplaces.

Over the past years, we have conducted over 40 site inspections with DSAL and rectification projects were implemented to enhance the safety of the work environment.

During the Reporting Period, the Group did not violate any applicable health and safety laws and regulations of Macau and Hong Kong. Zero work-related fatalities and 7,236 lost days due to work injuries (equivalent to 37.62 days lost per 200,000 hours worked⁶) were recorded.

To enhance safety awareness at workplace, we launch regular safety promotion programme where OSH Tips and OSH Newsletter are circulated. In addition, we have established an OSH communication platform that enables employees to report hazards at workplace and provide suggestions related to health and safety via a mobile app, and the OSH Team will verify and follow up on the relevant issue. The app also serves as a channel to distribute relevant OSH messages.

Besides providing training to our employees to obtain OSH knowledge, we have been expediting DSAL’s Hotel & Catering Occupational Safety Card Training Programme to all SJM staff.



⁶ Lost days rate is based on 100 employees working 40 hours per week for 50 weeks.

G.R.E.A.T.ness of Our People

During the Reporting Period, 7,915 employees completed the training programme via video, face-to-face and online means, among which 96.6% of them (7,650) obtained the Hotel & Catering Occupational Safety Card (OSH Card) issued by DSAL. The annual SJM OSH training target completion rate reached 95.7% in 2020, and the completion rate of the whole OSH training programme in SJM is about 60% since the programme kicked-off in 2019. We target to reach at least 80% of total workforce, including GLP, to be trained and obtain the OSH card in 2021.

The OSH Department also cooperates with other training teams of the Group and partnership properties to conduct training in their properties individually for more effective safety knowledge dissemination. OSH messages are also incorporated in orientation programme for new recruits to ensure they understand our commitment to a safe work culture.



Case Study

In response to the outbreak of COVID-19, SJM has a series of anti-pandemic strategies to protect employees' safety and health. We maintain effective communication with department heads and employees to ensure that everyone receives the latest preventive knowledge and information via multiple channels including messages, emails, posters, videos and our employee app. We have been promptly formulating and updating our anti-pandemic policies to cooperate with the government's preventive measures.

To further prevent the spread of the virus, we have strengthened sanitation and cleaning across operations and ensured effective social distancing among our staff. We also have air purification and treatment system using bipolar ionisation and disinfection spray treatment in place to remove virus, fungi and bacteria to protect employees' health.



Talent Development

SJM is committed to nurturing our talents through the offering of a wide range of training and development opportunities.

We offer a large variety of in-house training programmes in areas such as governance, lifestyle and life skills, interpersonal and communication skills, supervisory and managerial skills, service enhancement, as well as different technical training courses relating to their respective job duties. In particular, we organised Customer Service Enhancement Training Programme 2020 with the purposes to strengthen the service culture and improve individual, department and corporate competitive advantages.



715 service enhancement training sessions organised, contributing to **160,000 training hours**

On-boarding training is also provided to familiarise new joiners with the company background, corporate governance, responsible gaming, and industry knowledge. We also encourage continuous self-development by providing sponsorships for external development courses or degree-bearing programmes offered by educational institutions.



In 2020, SJM also collaborated with the Hong Kong Institute of Education for Sustainable Development to offer the “Sustainable Development in Macau Tourism, Leisure, Entertainment – Responsible Gaming” Proficiency Certificate Course for our staff members. This course was held for the second consecutive year, and 105 staff members graduated from the course this year with enhanced awareness on sustainable development and responsible gaming.

G.R.E.A.T.ness of Our People



To nurture future talent for Macau's development into a world centre of tourism and leisure, SJM also participated in DSAL's Career Experience Internship Scheme during the Reporting Period. The scheme offered three-month internship opportunities to 30 local graduates at various departments, enabling them to gain career experiences while strengthening their employability and competitiveness in the market. Their performances during the internship were appreciated and 22 of them successfully joined the Group upon completion of the scheme.



To raise the awareness and equip our employees with skills in supporting the recovery work of local community in times of extreme weather events such as typhoon, over 200 employees attended the Community Emergency Volunteer Scheme Training organised by the Social Welfare Bureau of the Macau SAR Government during the Reporting Period.

Employee Training by Gender and Employment Category

	Average Training Hours	
	2020	2019
Male	11.20	10.69
Female	15.28	6.20
Senior management	3.19	—
Middle management	7.42	5.22
General employees	14.27	5.43

Cornerstone of Our Community

Adhering to the core value of “From society to society”, SJM is dedicated to contributing back to our society and responding to the needs of our community. Despite the pandemic outbreak in 2020, we continued to offer our support in areas including education, arts and culture, sports, support for Macau’s SMEs, and devoted in supporting the community and boosting the economy under COVID-19. With the objectives to organise voluntary services and motivate employees to jointly participate, we have also established the SJM Volunteer Team since 2015.

During the Reporting Period, 962 staff members volunteered to help the needy in society in collaboration with multiple organisations, and contributed 424.5 volunteering hours amid COVID-19.

Pandemic Response and Community Support

Since the beginning of the COVID-19 outbreak, SJM has swiftly responded to the needs of the community in Macau and Mainland China through multiple ways. We took the lead in assisting the Macau SAR Government in combating the virus by disseminating the government’s virus-control messages, creating and posting several messages of encouragement on outdoor LED screens at Casino Grand Lisboa, Casino Lisboa, Casino Oceanus at Jai Alai and Ponte 16 Resort, as well as on our related websites and social media platforms. Hotels such as the Jai Alai Hotel also provided venues for medical observation.



STAY SAFE
STAY HEALTHY
加油！加油！



健康為本
齊心抗疫

Cornerstone of Our Community

In February 2020, SJM made a donation of MOP20 million to aid coronavirus control and relief efforts in Hubei province, including purchasing the much-needed medical supplies and protective equipment. Our donations and support to Mainland China were recognised by the Liaison Office of the Central People's Government in the Macau SAR with a Certificate of Appreciation.



We also demonstrated our support to the local community during these difficult times. In March 2020, we donated 3,000 Macau *Jiayou* bags worth MOP1.5 million through six local community organisations, namely the Macao Federation of Trade Unions, General Union of Neighbourhood Associations of Macau, The Women's General Association of Macau, Caritas Macau, Macau Special Olympics, and Macau Association of the Hearing Impaired, to support Macau's neediest families, including the solitary and vulnerable elderly, single-parent families, the chronically ill, and persons with disabilities.

The bags contained different daily necessities, such as food, masks and hand sanitisers which were purchased from local small and medium enterprises ("SMEs") as a sign to support Macau's economy during this critical time as well. Our staff actively showed their support by assisting the bag packing and delivering door-to-door to the elderly and other needy recipients.

Moreover, SJM donated MOP300,000 to the Macau Holy House of Mercy's Welfare Shop project in support of its food hamper distribution to over 360 low income families in March 2020. In September 2020, SJM donated Intelligent Body Temperature Screening Systems to Stanley Ho East Asia College and Henry Fok Pearl Jubilee College at the University of Macau in preparation for the start of the new academic year.



In response to the government's initiative to encourage students' continuous learning amid class suspension, SJM sponsored the SEN Learning Programme launched by Macau Special Olympics to offer learning support to students with special education needs ("SEN") from April to June 2020. Two professional support plans were provided to students. In the Remote Learning Plan, customised e-learning programmes and devices were designed to facilitate online study at home. Under the Individual Education Plan, "1-to-1" tuition was delivered to the students by SEN teaching staff under strict health and safety control, so that students could be well-prepared for class resumption.

SEN教育支援計劃

資助：澳門博彩股份有限公司
SOCIÉDAD DE JOGOS DE MACAU, S.A.

響應教育暨青年局在疫情期間「停學不停課」的安排，本計劃旨在為有特殊教育需要的學生（SEN）提供額外的學習支援，讓他們能於復課後立即投入學習當中。

1 遙距教育
提供個別教育及訓練方案，讓家長在疫情期間與其子女進行居家學習。
日期：2020年5月-6月
時間：逢周一至周五辦公時段
對象：4歲或以上有特殊教育需要學生
報名方式：致電66516414報名查詢

2 個別教育及訓練
為協助家長解決居家教育上的困難，安排專業人士為學生進行「一對一」的教育及訓練。
日期：2020年5月-6月
時間：逢周一及周三/周二及周四以下時段
(10:30-11:10、11:30-12:10、14:00-14:40、15:00-15:40、16:00-16:40、17:00-17:40)
對象：4歲或以上有特殊教育需要學生
報名地點：黑沙環第六街合時工業大廈A2
報名方式：致電66516414報名查詢

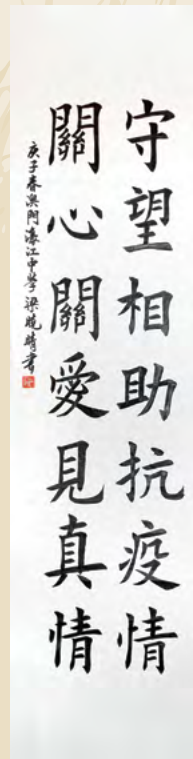
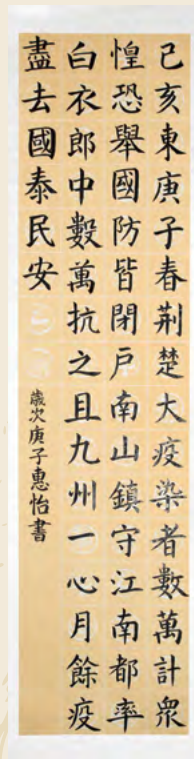


Cornerstone of Our Community

To motivate students in the combat against pandemic, SJM was the sole sponsor of the activity “Calling Macau Students to Fight Virus with Art” organised by Macau Chinese Culture and Arts Association, with “Love in the Time of Coronavirus” as the theme. The activity enabled students to convey their blessings to the community by means of calligraphy and painting, and received a total of 1,489 entries from 52 primary and secondary schools.

Participants and the public were invited to an exhibition at the Kam Pek Community Centre, as an effort to unite the young people and showcase their talent amid the pandemic.





Education

SJM strives to nurture talents by providing different means of support to students. SJM Scholarship Programmes are established to annually award MOP10,000 scholarships each for ten outstanding students at the University of Macau and ten outstanding students at the Macao Institute for Tourism Studies.

Since 2005, the Programme has also awarded ten scholarships annually to children of staff, who each receives MOP20,000 per year until they finish their university studies (up to five years). In addition, two best performing students in the past academic year were given an additional encouragement of MOP5,000. The Programme since its establishment has witnessed the graduation of 110 students, some of whom have furthered their master's studies.



The Alumni Association of Scholarship for SJM Employees' Children was also set up in 2012, with the objective to encourage past scholarship recipients to actively participate in social services for the benefit of the community.



We also strive to foster lifelong learning and promote Chinese culture among staff and in the society. SJM sponsored the full school fees of 37 staff in the Reporting Period to further their studies at Macau Millennium College and motivated employees to return to school to complete secondary school education at the Millennium Secondary School. Moreover, our staff were the first batch of corporate employees to participate in the training course on Chinese history and culture, which was jointly offered by Macau Millennium College and a research institute of the Chinese Academy of Social Sciences since October 2018. In April 2020, we held an online quiz contest to enhance the knowledge of our employees on national security, in support of Macau SAR Government's efforts in promoting national security. Moreover, in strict adherence to the government's preventive measures, SJM scaled down the reception of the 71st anniversary of the founding of the People's Republic of China, with its highlights recorded and broadcasted at staff rest areas and canteens, celebrating the National Day with all employees.

Over the year, SWCC has organised staff participation in patriotic education programme and exhibitions. In October and November 2020, the Committee gathered 110 staff members to join the visits to cities in the Greater Bay Area, organised by the Department of Publicity and Culture of Liaison Office of the Central People's Government in the Macau SAR, with the aim of promoting patriotic spirit, and enhancing the knowledge of the young people on the Greater Bay Area development. Furthermore, we organised employee visit to "Macao Satellite, Space Dream, The Chinese Dream" – Space Science Exhibition, allowing employees to understand the exchanges and cooperation between Macau and Mainland China in the aerospace field.



Arts and Culture

SJM is committed to strengthening Macau's role as a base for exchange and cooperation where Chinese culture is the mainstream and diverse cultures coexist. We participated and sponsored a wide range of arts and cultural events in Macau, such as art exhibitions and Chinese opera at the Kam Pek Community Centre in Macau's Inner Harbour neighbourhood, and music performances at the Clube Militar de Macau.

In addition, we sponsored various events in Macau to promote arts and culture. In September 2020, SJM sponsored the ARTFEM 2020 Women Artists 2nd International Biennial of Macau with over 100 art pieces exhibited at four different locations in Macau. In October 2020, SJM continued to be the Platinum Sponsor of the Macau Literary Festival for the ninth consecutive year, providing a platform for cultural exchanges among artists from China and Portuguese-speaking countries.

Cornerstone of Our Community



SJM continued to sponsor the China Film Festival for the sixth year in October 2020, aiming to promote patriotism in Macau through mass media like movies. Over 300 film tickets were distributed to our staff, enhancing their knowledge of China's development and accomplishments. Besides, SJM became a major sponsor of the First Guangdong-Hong Kong-Macao Greater Bay Area Chinese Opera Cultural Festival, bringing a series of traditional Chinese opera performances to the public and enhancing cultural exchanges among cities in the Greater Bay Area.



Sports

SJM endeavours to promote sporting and healthy lifestyle in Macau. SJM was an ardent sponsor of the Macao International Dragon Boat Races organised in June 2020 and participated with five dragon boat teams comprising about 80 staff. “SJM Golden Jubilee” was crowned champion in the 500m Open Category Race for the third straight victory. SJM was also the title sponsor of the SJM Macau Derby for the seventeenth year which held in July 2020. In December 2020, SJM sponsored Macau Special Olympics’ charity football carnival and organised a football team comprising staff members to compete in the charity football match, promoting disability inclusion. SJM also sponsored the MICSIA Greater Bay Area Tennis Match organised by the Macau International Cultural and Sports Industries Association in December 2020.



Boosting the Economy

With the economy greatly affected by the pandemic, SJM strives to revitalise the local business through different ways. In May and June 2020, SJM was a co-organiser of the first-ever Online Shopping Festival organised by the Macao Convention and Exhibition Association, which aimed to stimulate domestic consumption.

In support of the Macau SAR Government's plan to expand the source of visitors, stimulate the economy and secure jobs, SJM launched a series of promotional offers for its guests, spanning hotel accommodation, food and beverage, and retail, to stimulate tourism and consumption. In September 2020, SJM participated in the mega "Beijing Macao Week" in partnership with the Macau SAR Government at Beijing's famous Wangfujing Street, introducing Macau's diverse tourism offerings to Beijing's residents and visitors.



In addition, the Company was a major sponsor of the 2020 Global Tourism Economy Forum held in Macau on 9 December and our Chairman Ms. Daisy Ho was invited as a guest speaker at the "Greater Bay Area Leadership Special Interview Series". Also, she was invited to speak at the "New Concept, New Mindset, New Development" sharing session of the "Dong Mingzhu Macau Livestream Event". In these events, she shared her views on the importance of solidarity and innovation amidst the pandemic, as well as the outlook of the development of the Greater Bay Area. SJM was also a co-organiser of the Dong Mingzhu Macau event.

Supporting Macau's SMEs

Rooted in Macau, SJM fully supports local entrepreneurs. In October 2020, we joined the "MYEIC ProQ Alliance" roadshow and business matching sessions co-organised by Parafuturo de Macau Investment and Development Limited and the Macao Young Entrepreneur Incubation Centre, leveraging the platform to match with local young entrepreneurs and SMEs for potential procurement collaborations, leading to mutual benefits.



Furthermore, SJM continues to promote the “SJM and Macau SME Procurement Partnership Programme” jointly launched with the Macao Chamber of Commerce in August 2016, enabling local SMEs to get listed in the Programme. As of 31 December 2020, 1,356 local suppliers have enrolled and SJM’s total procurement from local SMEs in 2020 exceeded MOP1 billion, of which 44% are the three types of corporates supported by the Macau government, namely Micro Enterprise, Made in Macau and Young Entrepreneur.

Other Community Activities

SJM has been supporting underprivileged groups and people in need through donations, sponsorships and volunteering services over the years. Although the 37th “Walk for a Million” was moved online due to the pandemic, SJM continued to show its support with 9,489 staff enrolled to join, being the largest team among all participating corporations and associations. The total number of steps accumulated by SJM staff was 60,463,373, equivalent to an average of each participating staff finishing a 4 km-journey online. With an extra donation of MOP10 for each participating staff, we made a total donation of MOP694,890 to show love and care for the society.



Cornerstone of Our Community

Besides, in January 2020, our SJM Volunteer Team joined the Lunar New Year Family Visit programme held by the Macau Social Services Centre to deliver New Year blessings and gifts to 15 needy households. We also sponsored the Escola Caritas de Macau to organise its annual Lunar New Year activity, which brought children and their parents to New Year's Eve meal and Lunar New Year Market, enhancing family bonding and promoting social inclusion.



In addition, SJM donated to the flag selling activity of the General Union of Neighbourhood Associations of Macau; sponsored summer and winter uniforms for staff working at five Occasional Child Care Service Centres of Tung Sin Tong Charitable Society; and Grand Lisboa donated hotel accommodation and dining vouchers as prizes for Orbis' charity raffle tickets sale during the Reporting Period.

In November 2020, SJM also made a donation to Caritas Macau in support of its annual Charity Bazaar, and SJM Volunteer Team set up charity game booths at the Charity Bazaar to raise funds for the needy. In December 2020, we also sponsored the Christmas charity event jointly organised by the Municipal Affairs Bureau of the Macau SAR Government and Caritas Macau, to show love and warmth with Macau's needy children and their families in the festive season.



Besides, SJM is committed to crafting an inclusive society. To promote the use of sign language, our SJM Volunteer Team performed at the “We love our Motherland - Sign Language Singing Performance” organised by Macau Association of the Hearing Impaired in January 2020. In December 2020, SWCC and SJM Excellence Staff Center jointly organised a two-day carnival with game booths, voluntary haircut services and charity sales at the Macau Special Olympics for its members and family, aiming to promote social integration and share love with the community. Over 1,000 members and parents attended the carnival to have fun together.



About This Report

SJM Holdings Limited (“SJM” or the “Company”) is pleased to present its first standalone Environmental, Social and Governance Report in 2020. This Report outlines the performances of the Company and its subsidiary Sociedade de Jogos de Macau, S.A. (“SJM”) under four major pillars, namely Governance and Ethics, Planet, People and Community, which collectively contribute to the sustainability of SJM.

Reporting Standard

This Report was prepared in accordance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. All “comply or explain” provisions, and appropriate key performance indicators under “recommended disclosures” are selected for disclosure. We also adhered to the four reporting principles set out in the ESG Reporting Guide to ensure effective disclosure of SJM’s performance, namely materiality, quantitative, balance and consistency.

In addition, this Report has also disclosed SJM’s recognised effort in alignment with the United Nations Sustainable Development Goals (“SDGs”). For more details, please refer to Sustainability at SJMH of this Report.

Reporting Period and Boundary

This Report covers business operations of SJMH and SJM in Hong Kong and Macau. For environmental performance data, it primarily covers the Group’s corporate offices, casino and hotel operations in which the Group has direct operational control, as well as wholly- or majority-owned hotel operations which are not operated by the Group.⁷ Where applicable, initiatives of satellite casinos are also included to demonstrate our positive influence on business partners.

The Reporting Period of this Report remains consistent with the previous ESG Report as included in the Annual Report. Unless otherwise stated, all information and data disclosed in this Report cover the Reporting Period of 1 January 2020 to 31 December 2020, with cross-year data provided for comparison where relevant and applicable.

Accessibility of the Report

For the convenience of our investors and other stakeholders, this Report is available on the website of the Company and the HKEx in both English and Chinese.

Contact for Feedback

We value your feedback and suggestion. Comments and questions pertaining to this Report can be sent to ESG@sjmholdings.com.

⁷ It includes corporate offices, Grand Lisboa Hotel, Jai Alai Hotel, Sofitel Macau at Ponte 16, Casino Grand Lisboa, Casino Oceanus at Jai Alai, Casino Lisboa and Casino Taipa.

HKEx Content Index

General Disclosures and KPIs	Description	Reference / Remarks
Environmental		
Aspect A1: Emissions		
General disclosure		Stewardship of Our Planet (P.26-34)
KPI A1.1	The types of emissions and respective emissions data	Stewardship of Our Planet (P.26-34)
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity	Stewardship of Our Planet (P.26-34)
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	The Group did not generate significant amounts of hazardous waste during the Reporting Period.
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	Stewardship of Our Planet (P.26-34)
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	Stewardship of Our Planet (P.26-34)
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Stewardship of Our Planet (P.26-34)
Aspect A2: Use of Resources		
General disclosure		Stewardship of Our Planet (P.26-34)
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity	Stewardship of Our Planet (P.26-34)
KPI A2.2	Water consumption in total and intensity	Stewardship of Our Planet (P.26-34)
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Stewardship of Our Planet (P.26-34)
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Stewardship of Our Planet (P.26-34)
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	The use of packaging material for finished products is not applicable to our business.
Aspect A3: The Environment and Natural Resources		
General disclosure		Stewardship of Our Planet (P.26-34)
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Stewardship of Our Planet (P.26-34)
Aspect A4: Climate Change		
General disclosure		Stewardship of Our Planet (P.26-34)
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Stewardship of Our Planet (P.26-34)

General Disclosures and KPIs	Description	Reference / Remarks
Social		
Employment and Labour Practices		
Aspect B1: Employment		
General disclosure		G.R.E.A.T.ness of Our People (P.35-42)
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	G.R.E.A.T.ness of Our People (P.35-42)
KPI B1.2	Employee turnover rate by gender, age group and geographical region	G.R.E.A.T.ness of Our People (P.35-42)
Aspect B2: Health and Safety		
General disclosure		G.R.E.A.T.ness of Our People (P.35-42)
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	G.R.E.A.T.ness of Our People (P.35-42)
KPI B2.2	Lost days due to work injury	G.R.E.A.T.ness of Our People (P.35-42)
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	G.R.E.A.T.ness of Our People (P.35-42)
Aspect B3: Development and Training		
General disclosure		G.R.E.A.T.ness of Our People (P.35-42)
KPI B3.1	The percentage of employees trained by gender and employee category	G.R.E.A.T.ness of Our People (P.35-42)
KPI B3.2	The average training hours completed per employee by gender and employee category	G.R.E.A.T.ness of Our People (P.35-42)
Aspect B4: Labour Standards		
General disclosure		G.R.E.A.T.ness of Our People (P.35-42) The right to collective bargaining is not applicable to Macau and Hong Kong, where the Company and its subsidiary operate.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	G.R.E.A.T.ness of Our People (P.35-42)
KPI B4.2	Description of steps taken to eliminate such practices when discovered	G.R.E.A.T.ness of Our People (P.35-42)
Operating Practices		
Aspect B5: Supply Chain Management		
General disclosure		Governance and Ethics (P.20-25)
KPI B5.1	Number of suppliers by geographical region	Governance and Ethics (P.20-25)
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Governance and Ethics (P.20-25)

General Disclosures and KPIs	Description	Reference / Remarks
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Governance and Ethics (P.20-25)
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Governance and Ethics (P.20-25)
Aspect B6: Product Responsibility		
General disclosure		Governance and Ethics (P.20-25)
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	There were no recalls concerning the provision and use of the Group's products and services that have a significant impact on our operations.
KPI B6.2	Number of products and service-related complaints received and how they are dealt with	Governance and Ethics (P.20-25) There were no substantiated complaints received during the Reporting Period.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Intellectual property rights are not material to our operations.
KPI B6.4	Description of quality assurance process and recall procedures	Governance and Ethics (P.20-25)
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Governance and Ethics (P.20-25)
Aspect B7: Anti-corruption		
General disclosure		Governance and Ethics (P.20-25)
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Governance and Ethics (P.20-25)
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Governance and Ethics (P.20-25)
KPI B7.3	Description of anti-corruption training provided to directors and staff	Governance and Ethics (P.20-25)
Community		
Aspect B8: Community Investment		
General disclosure		Cornerstone of Our Community (P.43-55)
KPI B8.1	Focus areas of contribution	Cornerstone of Our Community (P.43-55)
KPI B8.2	Resources contributed to the focus area	Cornerstone of Our Community (P.43-55)

