



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



**2023**

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

# ABOUT US.

SJM Holdings Limited (“SJMH” or the “Company”) and its subsidiaries (collectively, the “Group” or “We”) is a leading owner, operator and developer of casinos and integrated entertainment resorts in Macau. Our principal subsidiary SJM Resorts, S.A. (in Portuguese), SJM Resorts, Limited (in English) (“SJM”) is one of the six concessionaires in Macau, authorised by the Government of the Macau Special Administrative Region (“Macau SAR Government”) to operate casinos and gaming areas, under a ten-year concession that commenced on 1 January 2023.

SJM owns and operates the Grand Lisboa Palace Resort (“GLP”) and the Grand Lisboa (“GL”) Hotel and Casino. Additionally, SJM owns 51% of the Ponte 16 Resort Macau and operates the Jai Alai Hotel, as well as other casinos situated in prime locations on the Macau Peninsula and Taipa. SJM’s operations cater to a diverse range of patrons, providing casino gaming and a wide array of hospitality and leisure attractions, including hotel accommodation, fine and casual dining, shopping, wellness and spa facilities, meeting and event venues, and cultural exhibitions.

GLP is SJM’s newest integrated resort in Cotai, comprising three hotel towers – the Grand Lisboa Palace Macau, THE KARL LAGERFELD MACAU (“TKL”) and the Palazzo

Versace Macau, offering 1,892 luxury hotel rooms and suites with an extensive range of hospitality services.

As demonstrated in our tender commitment, SJM is committed to diversifying our resources into non-gaming activities rather than focusing on gaming. To facilitate the diverse development of Macau to attract tourists, SJM is dedicated to bringing new non-gaming elements by offering conventions and exhibitions, entertainment shows, sports events, culture and art, themed amusements, and gastronomy. SJM also strives to develop community and maritime tourism to cultivate Macau as an all-round tourist destination that caters to the diverse needs of international tourists. Meanwhile, SJM continues its emphasis on health, well-being and innovations, in recognition of the importance of these elements to Macau’s sustainable prosperity.

As the only gaming concessionaire with deep historical roots in Macau, SJM is dedicated to upholding the principles of environmental protection, social responsibility and corporate governance. Our core values revolve around caring for the well-being of our employees and patrons and ensuring full compliance with applicable regulations.

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# Message From Our Chairman

Dear valued stakeholders,

On behalf of the Board of Directors, I am pleased to share our Environmental, Social and Governance (“ESG”) Report for the year ended 31 December 2023. This is our first such report in the post-pandemic era, covering the first year under the new 10-year gaming concession. The combination of a reviving tourism economy and a new set of operating terms and conditions has made this a busy and memorable year, during which we made progress in advancing our ESG priorities. Notably, SJM’s tender for the new concession brings commitments to greater investment in and operation of non-gaming activities, in which we continue to uphold the best ESG practices.

## Sustainability and Stewardship

Over the past year, we have refined and deepened our approach to sustainability, the cornerstone of our ESG policy. Our new Sustainability Governance Structure came into effect in 2023, with five sustainability working teams that answer to the Sustainability Department. The Board of Directors holds overall responsibility for the Group’s ESG strategy and reporting. Primary goals in sustainability have been adopted, covering structure, strategy, culture and practices. Our sustainability strategy strives to align with the United Nations Sustainable Development Goals, and our commitment to sustainability extends beyond our own operations to the standards we expect from all entities along our supply chain.

During 2023 we equipped ourselves with more tools for setting goals and targets by enlisting third parties to conduct carbon and energy audits, and we also have begun to deal with the evolving best-practice standards of climate responsibility. SJMH and its subsidiaries comply with all relevant laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of waste.

Throughout our business, we are dedicated to a low-carbon future, conscious of the potential adverse effects of climate change on our assets and our community. Spending over MOP 181 million on green procurement in 2023, and setting specific targets covering resource consumption and waste management, we have continually strived for Green Facilities and Green Operations.

## Our community, our customers, our employees

As a major employer with a long history in Macau, we are especially conscious of our responsibilities to the community, to our customers and our employees. Our identified Tier 1 Material ESG Issues include occupational safety and health (“OSH”), customer safety and security, employee wellness and

engagement, and talent management. With the passing of the pandemic, we redirected our focus from pandemic prevention towards ensuring the safety of our operations and facilities for customers and employees. Numerous recruitment and talent development programmes were held throughout the year as well as diverse activities promoting the physical and mental well-being of staff.

SJM has always placed particular emphasis on responsible gaming. In 2023, approximately 10,000 employees completed our responsible gaming training programme, and over 13,000 hours of training were completed in anti-money laundering, counter-terrorist financing and counter-proliferation financing, among other targeted activities.

## Our Management Approach

SJMH’s management approach is based on ensuring ethical practices in all areas of our operations. We strive to uphold rigorous ethical principles and proactively address any potential risks of illegal activities. In governance, our priorities cover seven key areas: responsible gaming, anti-corruption and anti-money laundering, customer satisfaction, customer safety and security, cybersecurity and data privacy, responsible supply chain and crisis management, each of which is discussed in detail in this report.

In submitting this report, I would like to gratefully acknowledge the valuable contributions of our loyal team members in pursuing our shared ESG goals, and to thank our customers, business partners and investors for their continuing support.

**Ho Chiu Fung, Daisy**

Chairman and Executive Director  
Hong Kong, 6 March 2024

# 1

## 2023 MAJOR PERFORMANCE & EVENTS



# 1.1



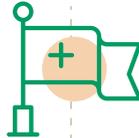
## Sustainability at a Glance



### Community investment

Invested in non-gaming perspectives

11



Organised

300+

community engagement activities

Contributed

88,300+

community service hours



15,900+

participants in providing volunteer services

### Talent development

18,600+

staff members



1:0.9

female to male staff ratio



90%

staff members are local workforce

55%

workforce with 10 years of services

37%



representation of women in management

407,500+

training hours to our staff members



### Responsible sourcing

2,400+

suppliers



76%

are local suppliers

Awarded **~MOP 4 million** to ISO 14001 certified local SMEs

Spent **MOP 181+ million** on green procurement

Governance



Arranged  
**13,600+** hours  
of AML training for staff members



**0** concluded legal cases regarding corrupt practices

**10,000+** staff members educated on responsible gaming

**9** of our casinos were certified as Responsible Gambling Model Units



Environmental Performance & Climate Management



**4** of our properties have been part of the Low Carbon Green Hotel Development Alliance

Grand Lisboa Palace attained

**LEED Silver** certification



The first in Macau to introduce a sustainable spirits series in collaboration with

**ecoSPIRITS**



Diverted  
**810+ tonnes**  
of recyclables from landfills



Participated in  
**20+** sustainability events and initiatives

Started preliminary preparation on  
**IFRS S2**  
Climate-related Disclosures

Pledged to source  
**only cage-free eggs**  
across all operations by 2030

Sustainability Accreditation



Grand Lisboa Palace Resort Macau received

**Silver**

award in Macau Environmental Protection Bureau Macao Green Hotel Award



Sofitel Macau at Ponte 16 received

**Bronze**

award in Macau Environmental Protection Bureau Macao Green Hotel Award

SJM acknowledged as a

**Certified Sustainable Development Corporation**

by the World Institute of Sustainable Development Planners

# 1.2

## Awards and Certifications



In 2023, SJM was honoured with over 90 Awards and Certifications, recognising our remarkable business achievements and unwavering dedication to promoting a sustainable future for all.

### SJM Resorts, S.A.

- SJM was acknowledged as a Certified Sustainable Development Corporation (CSDC) for its commitment to upholding the six principles set forth by the World Institute of Sustainable Development Planners (WISDP) and to take actions in support of six selected United Nations Sustainable Development Goals (UNSDGs).
- China's Wine List of the Year Awards 2023 – China's Best Hotel Group Wine Lists



### Grand Lisboa Palace Resort Macau



- Macau Environmental Protection Bureau Macao Green Hotel Award – Silver
- Metropolitan Hotel Awards 2023 – Best Resort Hotel
- Target Taste Awards 2023 – Resort Hotel of the Year
- Voyage – Best Integrated Resort 2023
- Guangzhou Daily High-Quality Development Annual Summit 2023 – Happy Life Contribution Award
- SGS Hong Kong Limited International food safety management system certification of Hazard Analysis and Critical Control Points (HACCP)

## Grand Lisboa Palace Macau

- Forbes Travel Guide Five-Star Award
- Forbes Travel Guide Five-Star Award for The Spa at Grand Lisboa Palace
- Voyage – Top 50 Must-Stay Hotels in China – Two Diamonds



## Palazzo Versace Macau

- 9th Macau European Chamber of Commerce Award for EuroExcellence in Luxury
- Jiemian Wanderlust Travel Guide 2023 – Top 5 Anticipated Hotels in 2023



## THE KARL LAGERFELD MACAU

- Forbes Travel Guide Five-Star Award
- Forbes Travel Guide Five-Star Award for The Spa at THE KARL LAGERFELD
- Metropolitan Hotel Awards 2023 – Best Destination Hotel
- Target Taste Awards 2023 – City Landmark Hotel of the Year
- Voyage – Top 50 Must-Stay Hotels in China – Two Diamonds
- SpaChina Wellness & Spa Awards 2023 – Grand Jury Awards



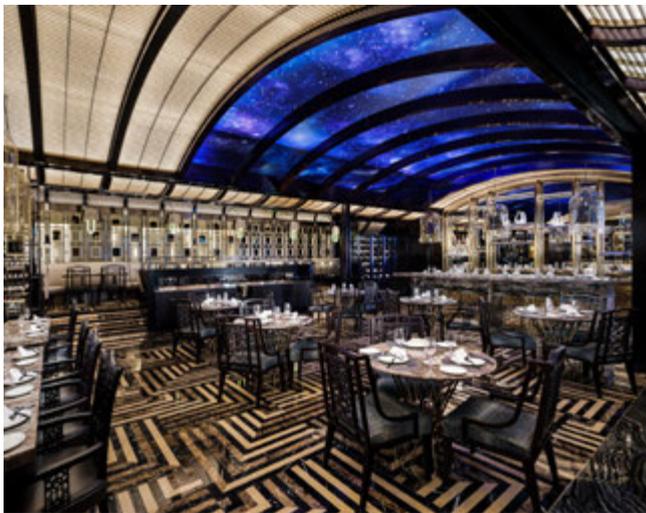
## Palace Garden Grand Lisboa Palace Resort

- Forbes Travel Guide Five-Star Award
- South China Morning Post 100 Top Tables 2023
- Trip.com Gourmet List 2023 – Diamond Restaurant
- Wine Spectator – Best of Award of Excellence
- The World of Fine Wine's 2023 World's Best Wine Lists – Best Organic Wine List
- China's Wine List of the Year Awards 2023 – 3-Glass Award
- Star Wine List – Red Star
- iFood Award – Best Hotel Choice
- Target Taste Awards 2023 – Chinese Restaurant of the Year
- A Big Bite Best 100 China Restaurant 2023



## Mesa by José Avillez Grand Lisboa Palace Resort

- Gan Lan Hua Bao and Spirits & Bartender China's Cocktail and Spirits List Awards – One-star Bar of the Year 2023
- Wine Spectator – Best of Award of Excellence
- The World of Fine Wine's 2023 World's Best Wine Lists – Most Original Wine List and Best Organic Wine List
- China's Wine List of the Year Awards 2023 – 3-Glass Award
- Star Wine List – Red Star
- Target Taste Awards 2023 – Special Restaurant of the Year



## Zuicho Grand Lisboa Palace Resort

- Trip.com Gourmet List 2023 – Platinum Restaurant
- Wine Spectator – Best of Award of Excellence
- The World of Fine Wine's 2023 World's Best Wine Lists – Best Organic Wine List
- China's Wine List of the Year Awards 2023 – 3-Glass Award



## The Grand Buffet Grand Lisboa Palace Resort

- U Magazine Favourite Food Awards 2023 – My Favourite Hotel Restaurant in Macau Award
- Wine Spectator – Best of Award of Excellence
- The World of Fine Wine's 2023 World's Best Wine Lists – Best Organic Wine List
- iFood Award – Favourite Buffet
- Weekend Weekly Best-Ever Dining Award 2023 – Must-Eat Buffet and Memorable Taste Restaurant



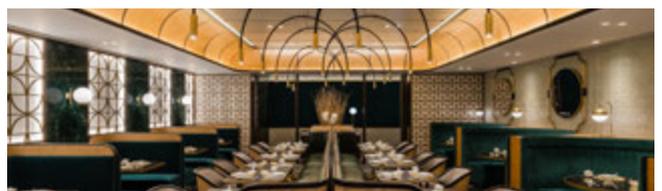
## Don Alfonso 1890 Grand Lisboa Palace Resort

- China's Wine List of the Year Awards 2023 – 3-Glass Award



## Hua Ting Grand Lisboa Palace Resort

- Wine Spectator – Best of Award of Excellence
- The World of Fine Wine's 2023 World's Best Wine Lists – Best Organic Wine List
- China's Wine List of the Year Awards 2023 – 3-Glass Award



## Grand Lisboa Hotel

- Forbes Travel Guide Five-Star Award
- Forbes Travel Guide Five-Star Award for The Spa at Grand Lisboa
- China's Wine List of the Year Awards 2023 – 3-Glass Award
- Metropolitan Hotel Awards 2023 – Best City Landmark Hotel
- Target Taste Awards 2023 – Luxury Hotel of the Year



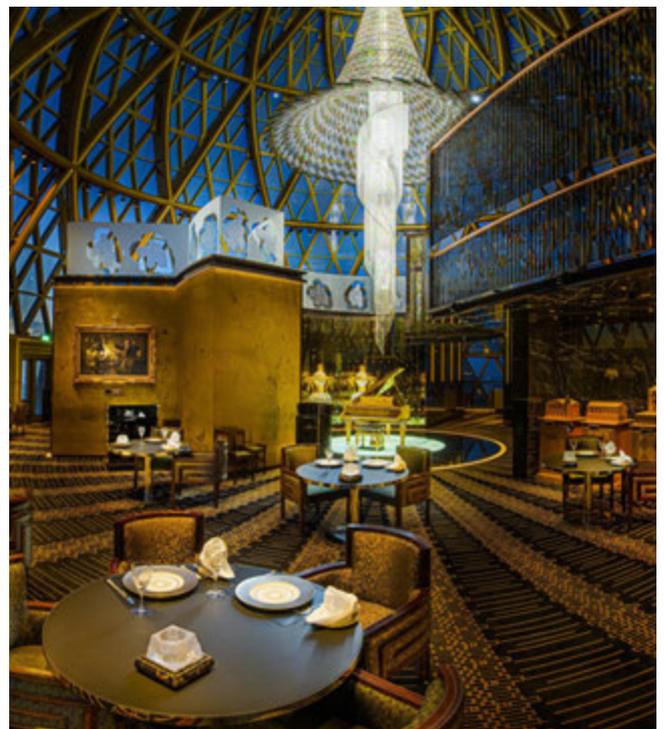
## The Eight, Grand Lisboa

- Forbes Travel Guide Five-Star Award
- MICHELIN Guide Hong Kong & Macau 2023 – Three Michelin Stars
- Dianping Black Pearl Restaurant Guide 2023 – Two Diamonds
- South China Morning Post 100 Top Tables 2023
- China's Wine List of the Year Awards 2023 – 3-Glass Award
- Trip.com Gourmet List 2023 – Platinum Restaurant
- Opinionated About Dining Top 100+ Asia Restaurants 2023 – No. 19
- Travel + Leisure Macau's 25 Best Restaurant



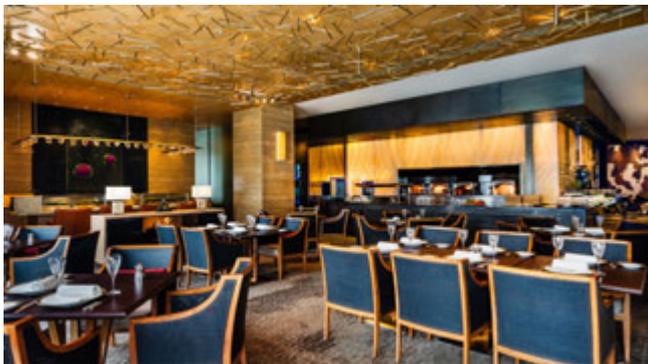
## Robuchon au Dôme Grand Lisboa

- Forbes Travel Guide Five-Star Award
- MICHELIN Guide Hong Kong & Macau 2023 – Three Michelin Stars
- Dianping Black Pearl Restaurant Guide 2023 – Three Diamonds
- South China Morning Post 100 Top Tables 2023
- Star Wine List – Grand Prix Asia Gold Star, Best California Wine List Gold Star, Best Austrian Wine List Silver Star, Best Sparkling Wine List Silver Star, International Grand Prix Silver Star
- Wine Spectator – Grand Award
- China's Wine List of the Year Awards 2023 – 3-Glass Award
- Trip.com Gourmet List 2023 – Black Diamond Restaurant
- Opinionated About Dining Top 100+ Asia Restaurants 2023 – No. 9
- World of Fine Wine – Champions' League Best Dessert and Fortified Wine List 2023
- Travel + Leisure Macau's 25 Best Restaurant
- Target Taste Awards 2023 – French Restaurant of the Year
- Voyage – 2023 Selected Hotel Restaurant



## The Kitchen Grand Lisboa

- MICHELIN Guide Hong Kong & Macau 2023 – One Michelin Star
- Dianping Black Pearl Restaurant Guide 2023 – One Diamond
- South China Morning Post 100 Top Tables 2023
- Wine Spectator – Best of Award of Excellence
- China's Wine List of the Year Awards 2023 – 3-Glass Award
- Trip.com Gourmet List 2023 – Platinum Restaurant



## Casa Don Alfonso Grand Lisboa

- Wine Spectator – Grand Award
- China's Wine List of the Year Awards 2023 – 3-Glass Award
- Opinionated About Dining Top 100+ Asia Restaurants 2023 – No. 75



## Sofitel Macau at Ponte 16

- Macau Environmental Protection Bureau Macao Green Hotel Award – Bronze
- Enjoyable Travel Enjoyable Travel Awards 2023 – Best Family Hotel
- Aomi 2022 Macau Popular Restaurants:  
Mistral: The Most Popular Buffet Restaurant of Macau – Top 1  
Privé: The Most Popular Western Cuisine in Macau – Top 3
- Travel + Leisure 2022 China Travel Awards – Reader-Selected Hotel
- Lifestyle Magazine The 12th Annual China Hotel Awards – Best Resort Hotel, Best Restaurant: Le Chinois Cantonese Restaurant, Best SPA
- Expedia Travelers Choice 2023
- WiTrip and BANG The Best BANG Awards 2024 – The Best Cultural Destination Hotel
- Privé: Travel + Leisure Macau's 25 Best Restaurant



# 1.3

## Major Events in 2023



### January

Participated in the 2023 Chinese New Year Float Parade organised by Macao Government Tourism Office



SJM celebrated the Year of the Rabbit with festive lion dance performances



### March

SJM hosted a sharing session on the spirit of China's Two Sessions for staff members



### February

Co-organised and title-sponsored the "2023 Greater Bay Area Global Talents Summit" at Grand Lisboa Palace

Organised the "Blossoms at Grand Lisboa Palace – A Group Exhibition by Macau's Emerging Artists" at Grand Lisboa Palace

### April

SJM, as the official partner, co-organised the 15th edition of the MICHELIN Guide Ceremony Hong Kong & Macau and gala dinner



### May

Supported the 9th Gala Dinner of the Macau European Chamber of Commerce since inauguration

## 2023 Major Performance & Events

### June

Grand Celebration of THE KARL LAGERFELD MACAU



Title-sponsored and co-hosted the “2023 SJM Macao International Dragon Boat Races”



### July

SJM presented “Virtually Versailles” exhibition in support of “Art Macao: Macao International Art Biennale 2023”



### August

Co-organised the “Greater Bay Area Youth Orchestra” Macau concert

Title-sponsored and co-organised “2023 SJM 11th Asian Junior Wushu Championships”



19th Annual SJM Scholarship Awards



### September

Launched “Together, we grow and progress with the Motherland” forum series

“MOONLIGHT SPLENDOUR – SJM Lantern Festival” in celebration of the National Day and Mid-Autumn Festival



“Revitalisation Plan for San Ma Lo District” press conference

## October

SJM celebrated the 74th anniversary of the founding of the People's Republic of China with staff



Title-sponsored "SJM Macao Open"



Title-sponsored and co-organised the "2023 SJM Asia Top Sommelier Summit 2023"

## November

Main sponsor of the 70th Macau Grand Prix and title sponsor of SJM Theodore PREMA Racing



SJM presented "Blooming Splendor" in support of "Light Up Macao 2023"

SJM presented "Taste of Macau" to promote authentic Macau culinary delights

Co-organised the "Shimmering Glamour – Guangdong-Hong Kong-Macao Greater Bay Area Wedding Gown Design Contest"

Live Broadcast of TVB's "Queen of News" grand finale at Grand Lisboa Palace



Title-sponsored the countdown fireworks show at Macau Tower

## December

Title-sponsor of the "2023 CTA Tour SJM Professional Finals (Macao) and National Tennis Championships" for the third consecutive year



Supported Macao Walk for a Million



SJM presented "Star-studded Ballet Gala" at Macao Cultural Centre



# 2

## SUSTAINABILITY AT SJMH



## Governance

Sustainability Steering Committee with five dedicated Working Teams



## Strategy

Targets instructed by DSPA and the SJM Sustainability Policy



## Targets

SDGs and internal KPIS



## Planet

### Stewardship of Our Planet

We remain steadfast in our commitment to reduce environmental impacts by promoting sustainable business practices and embracing eco friendly innovations.

## People

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

We are dedicated to creating a superior work environment that prioritises the physical and psychological wellbeing of all employees.

## People

### Governance & Ethics

We are devoted to conducting purposeful business operations that align with the expectations of authorities, customers, and other stakeholders throughout the value chain.

## Community

### Cornerstone of Our Community

From society to society, we are dedicated to making a positive difference in the local community through adherence to our guiding principles.

# 2.1

## Sustainability Governance and Management



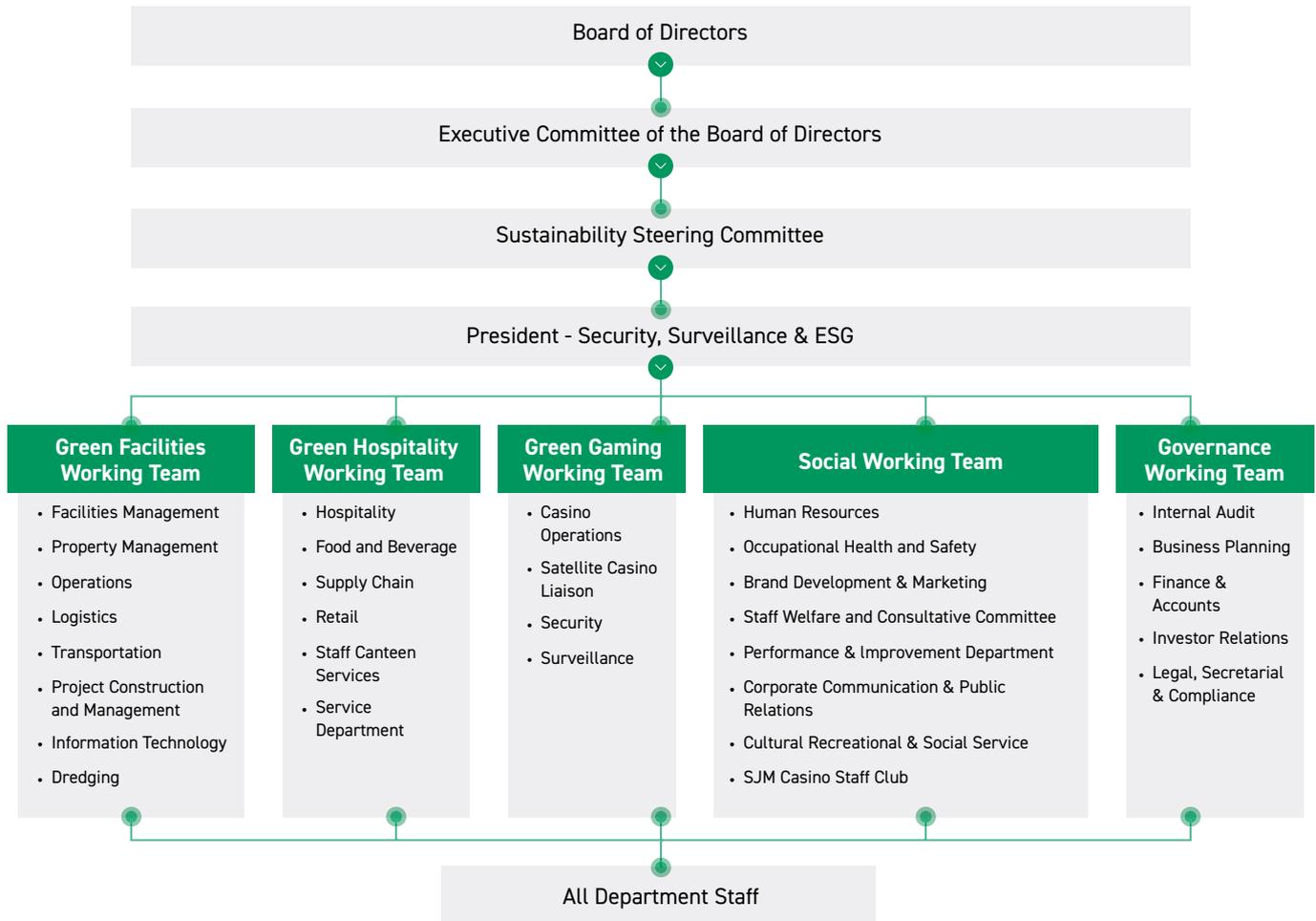
SJMH recognises the utmost significance of a robust governance framework and management approach. To uphold exemplary management standards and effectively monitor the Group's overall performance in achieving our goals and commitments, SJMH has established a clearly-defined top-down governance structure, which allows us to deliver progress on our sustainability commitments across the organisation.



Coming into effect in 2023, our latest Sustainability Governance Structure require our Sustainability Department to co-lead four out of the five sustainability working teams with department heads, including the Green Facilities, Green Hospitality, Green Gaming, and the Social working team, while the Governance working team is led by the Legal Department due to its nature. This structure allows us to meet and exceed our sustainability objectives across multiple properties.

In terms of our climate policies, we are taking action to align with global best practices and to respond to the increasing concerns of stakeholders. During the year, we began preparation work for the adherence to the International Financial Reporting Standards ("IFRS") S2 Climate-related Disclosures issued by the International Sustainability Standards Board ("ISSB"). By enhancing and integrating our climate change risk assessment and management into our business strategy, we are committed to building a sustainable future for generations to come.

# Sustainability Governance Structure



Board of Directors (the "Board")	Executive Committee of the Board	Sustainability Steering Committee (the "Committee")	Sustainability Department	Sustainability Working Teams
The Board assumes full accountability for overseeing the sustainability management of the Group. SJMH's Board members are entrusted with providing a clear vision and strategic guidance in line with the corporate sustainability pillars. They are also tasked with the responsibility of directly overseeing and addressing all ESG-related matters. The Board has delegated such responsibility to the Executive Committee of the Board.	The Executive Committee is responsible for the approval, adoption and revision of the sustainability strategies, related policies, target and statements developed and recommended by the Sustainability Steering Committee.	The Committee consists of top management, and it plays a vital role in assisting and advising the Executive Committee of the Board, and if requested, directly to the Board on fulfilling its oversight duty concerning ESG matters within the Group, from our business ethics to our planet, our people, and our community. The Committee reports regularly to the Executive Committee on the Group's ESG performance and promptly reports any emerging issues.	The Sustainability Department is responsible for identifying, driving and facilitating the successful execution of sustainability projects across the business. Its primary focus is to ensure the seamless integration of the Group's sustainability strategy into our day-to-day operations.	Comprising representatives who are the heads of various departments, the five working teams are entrusted with the development of action plans and sustainability projects, overseen by the Sustainability Department. It is the responsibility of these teams to identify and report any significant or potential sustainability issues to the management on a regular basis.

# 2.2

## Sustainability Strategy



In 2023, SJM recorded remarkable growth and achievements, driving us to further improve our sustainability efforts. One of the key milestones of the year was the comprehensive evaluation of our environmental impact. Through third-party carbon and energy audits, we gained valuable insights into the performance characteristics of our properties and conducted a thorough assessment to minimise our carbon and ecological footprint. During the year, we also organised green tours for universities and community organisations and participated in carbon zero forums to raise awareness.

Our focus on the meetings, incentives, conferences, and exhibitions (“MICE”) industry led us to explore sustainable practices within this realm. We delved into exploring options for green practices in the MICE industry, performing carbon calculations, as well as considering the alignment of our operations with the ISO 20121 standard for sustainable events management. Collaborating with external consultants and engaging with various stakeholder departments, we are working towards the implementation of these practices in 2024.

In line with the national “30–60” dual carbon target and the requirements of the Environmental Protection Bureau (“DSPA”) of the Macau SAR Government, we remain steadfast in our commitment to sustainable operations by continuously measuring our progress on energy savings, carbon footprint reduction,

waste reduction, and sustainable events management, regularly reviewing these target indicators to ensure we remain on track.

Reckoning the agreement of “the beginning of the end of the fossil fuel era” concluded in the United Nations Climate Change Conference (“COP28”), SJM is committed to transitioning to green transportation and operation, by installing electric vehicle (“EV”) charging stations and exploring natural gas as an alternative fuel source for our Grand Lisboa Hotel.

To foster societal well-being and create shared value, our SJM Sustainability Policy is centred around fostering long-term corporate growth through the integration of environmental and social considerations into our business practices.



## SJM Sustainability Policy

To achieve our sustainability goals, we endeavour:

**To set effective strategies for environmental protection** to tackle both global and local environmental issues, with the foundation being the Group's full compliance with government regulations, policies and requirements.

To put more focus on providing a safe and hygienic environment for our customers, staff and vendors, **meeting all local OSH standards**, and to cooperate with local governments to handle unforeseen emergencies in the future.

**To promote a sustainable culture of social responsibility** through different channels of engagement, capacity building and communication as a demonstration of our strong commitment to the sustainable development of our community.

To positively influence our business partners, **we promote the best environmental practices** in our supply chain.

To recognise the value of our stakeholders' input, we **carry out stakeholder engagement regularly** through numerous channels, taking their views into account in the formulation of our sustainability policies.

**To build a solid corporate culture and governance structure** for sustainability to inform the Board of our ESG performance on a regular basis, ensuring effective oversight of all ESG matters, to set effective strategies and to execute and manage our ESG action plans.

# 2.2.1 Our Goals and Targets

In response to the call for collective action towards a just and sustainable future, we have embarked on a transformative journey, aligning our sustainability strategy with the aspirations encapsulated in the Sustainable Development Goals (“SDGs”) of the United Nations. This international framework serves as our compass, guiding us to navigate the intricate web of ESG challenges and opportunities.

We are proud to bear the mantle of a Certified Sustainable Development Corporation (“CSDC”), steadfastly upholding the principles of the UN Global Compact. We continue to promote

and diligently implement actions that resonate with the SDGs while remaining focused on continuous improvement, regular progress assessment and impact measurement that reflect our commitment to promoting a sustainable future.

Embracing the spirit of the SDGs, we have identified six primary goals that form the bedrock of our road map to sustainability while also undertaking a range of initiatives to support the secondary goals. To ensure our sustainability efforts remain on track, target indicators are reviewed yearly and monitored regularly by the Board and the Committee.

## Our Primary Goals and Actions



Good Health and Well-Being

### Value the health and well-being of our employees

- Maintain zero work-related fatalities
- Maintain a low work-related injury rate
- Increase the number of hours of OSH training provided to employees



Quality Education

### Prioritise employee development and lifelong learning

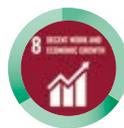
- Provide on-the-job training, scholarships and subsidies
- Ensure staff receive essential on-the-job training
- Aim for a high pass rate in the courses provided by the Performance Improvement Department
- Ensure each employee receives an average of at least three hours of training



Affordable and Clean Energy

### Improve energy efficiency and promote the use of clean and sustainable energy

- Engage a third party to conduct an energy audit to improve operational energy efficiency
- Replace the consumption of liquified petroleum gas (“LPG”) with natural gas
- Promote the purchase of EVs and install EV charging stations on our premises
- Replace diesel-fuelled shuttle buses with natural gas and electric-powered ones



Decent Work and Economic Growth

### Provide a fair, healthy, and productive workplace

- Create a diverse and inclusive working environment, with a zero-tolerance policy towards harassment or discrimination
- Support local recruitment of youth workers, the elderly and people with disabilities



Sustainable Cities and Communities

### Promote inclusive, safe, resilient, and sustainable communities while encouraging responsible and healthy gaming habits

- Ensure members of the Responsible Gaming Working Group are stationed at all our casinos
- Conduct crime prevention training and robbery drills
- Allocate more resources such as the number of volunteering hours to community activities



Responsible Consumption and Production

### Uphold responsible and sustainable hospitality and operational practices to protect the environment

- Ensure that all our suppliers uphold our Sustainable Procurement Policy
- Ensure that all spa-related consumables are sourced from green-driven suppliers
- Introduce water bottles made from 100% rPET recycled and recyclable plastic
- Increase our annual spending on green procurement
- Monitor resource consumption regularly to minimise waste generation

## Our Secondary Goals and Objectives



No Poverty

Support and protect our staff and the broader community by offering fair remuneration, subsidies, and making charitable donations



Zero Hunger

Offering our employees healthy and nutritious food choices in our staff canteen



Gender Equality

Promote equal opportunities for all employees, regardless of gender, in recruitment, promotion, professional development, and in the workplace



Clean Water and Sanitation

Prioritise the provision of clean water to both employees and guests, while at the same time striving to improve water use efficiency



Industry, Innovation and Infrastructure

Harness innovative technologies, solutions, and techniques to develop sustainable and resilient buildings and facilities



Reduced Inequalities

Eliminate discriminatory practices, promote equality and foster social inclusion for people with disabilities



Climate Action

Contribute to actions aimed at combating climate change and addressing its impact



Life Below Water

Support the procurement of sustainable seafood and work to minimise our operational impact on marine life



Life on Land

Protect, maintain and promote the sustainable use of terrestrial ecosystems, while supporting the sustainable use of resources, reducing waste to minimise our environmental footprint, and endeavour to protect biodiversity



Peace, Justice and Strong Institutions

Combat fraud and money laundering in gaming activities, as well as preventing corruption and bribery in our operations



Partnerships for Goals

Foster partnerships to facilitate the development of sustainable communities, leveraging Macau's competitive advantages

# 2.3

## Materiality Analysis and Topics



In light of the growing emphasis on ESG management and the pressing need for sustainable solutions, we recognise the vital importance of engaging with our stakeholders. Understanding that the expectations surrounding sustainability may differ among stakeholders, we conduct comprehensive materiality assessments periodically. These assessments enable our Board and Committee to gain insights into stakeholders' perspectives on the most significant sustainability risks and opportunities SJMH faces.

Our most recent materiality assessment, carried out in 2020 by an esteemed third-party consultant, identified the critical issues that mattered most to SJMH's stakeholders. We proactively reached out to key internal and external stakeholders, including the Group's management and employees, shareholders and investors, business partners, government and community partners, industry associations, media, and customers. By involving all stakeholders, we ensure that we gain a holistic understanding of their unique perspectives and the evolving sustainability landscape.

### Stakeholder Engagement and Materiality Assessment Process

#### IDENTIFICATION

By conducting industry research, using peer benchmarking, and communicating with stakeholders, we have identified a comprehensive list of 17 ESG issues that are pertinent to the Group's business operations and resonate with stakeholders in the value chain.

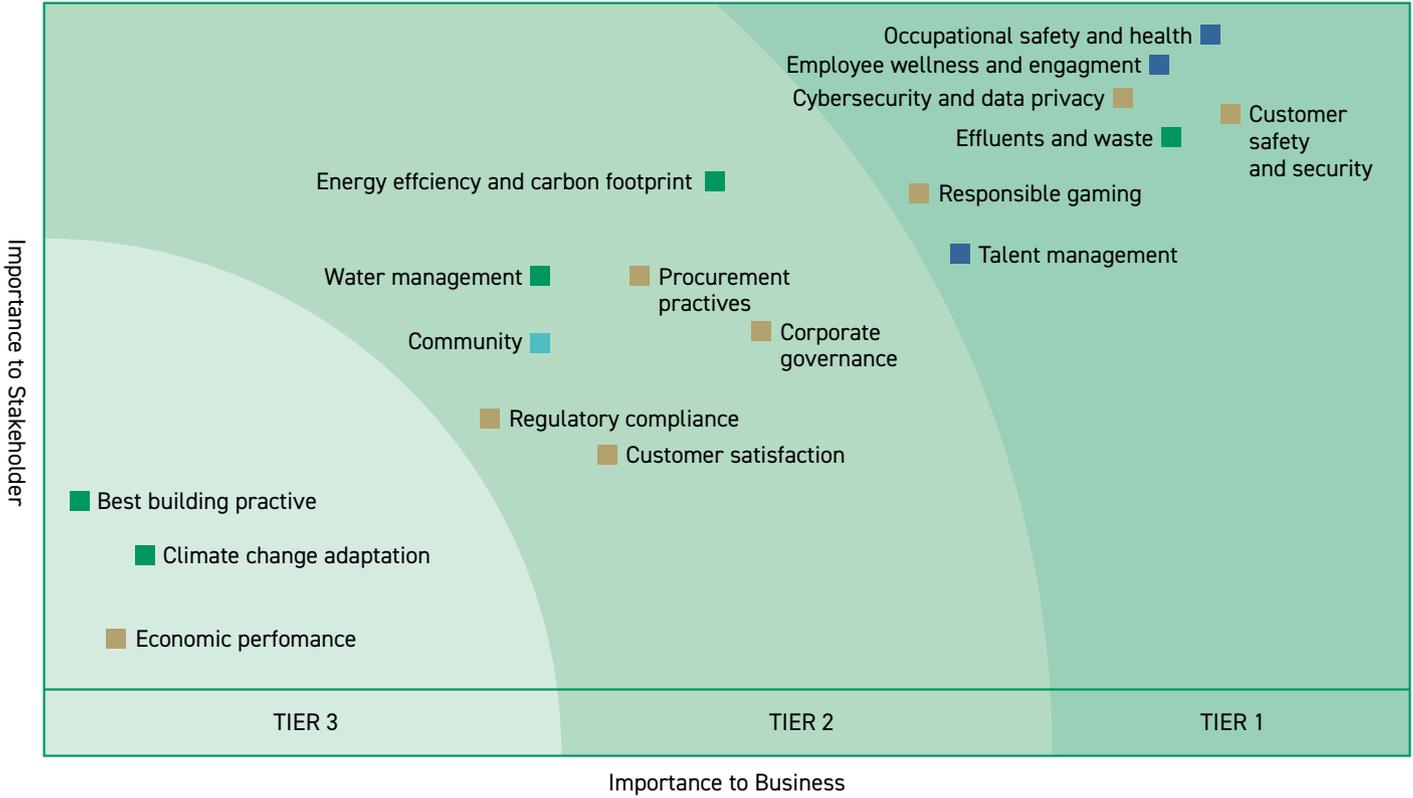
#### PRIORITISATION

We engaged both internal and external stakeholders in a collaborative process to assess the significance of each identified ESG issue to our business. Through their participation and feedback, we collected over 1,300 survey responses, which we then analysed and normalised to identify seven Tier 1 material ESG issues. They are indicated in our materiality matrix below.

#### VALIDATION

The list of resulting material issues underwent validation and received the endorsement of the Board. Given the ongoing residual effects of the pandemic, wellness-related issues including OSH and employee wellness and engagement continue to be of significant concern and remain prioritised.

# Materiality Matrix



- Environment
- People
- Community
- Governance and ethics

## The Seven Material ESG Issues:

We are dedicated to prioritising and allocating more resources to the seven Tier 1 material ESG issues identified, as they are considered the most significant to both our business operations and our stakeholders.

Going forward, given the evolving climate-related disclosure requirements, we will strengthen our stakeholder communication in the coming year and further develop our sustainability strategy to align with evolving expectations and priorities.

- 1 OSH
- 2 Customer safety and security
- 3 Employee wellness and engagement
- 4 Cybersecurity and data privacy
- 5 Effluents and waste
- 6 Responsible gaming
- 7 Talent management

# 3

## GOVERNANCE AND ETHICS



## Our Management Approach

At SJM, we strongly believe ethics is an intrinsic value embedded in our daily operations and in the relationships we cultivate both within and outside of the organisation. Ensuring ethical business practices means conducting ourselves in the right manner. With integrity as our foundation, we uphold the highest ethical standards and proactively address any potential risks of illegal activities across our operations. We have focused our management approach around seven key areas: responsible gaming, anti-corruption and money laundering, customer satisfaction, customer safety and security, cybersecurity and data privacy, responsible supply chain and crisis management. By prioritising these areas, we ensure that our operations are conducted ethically and legally while fostering a positive impact on the community.

## Our Accomplishment



# 3.1

## Responsible gaming



As a leading casino operator in Macau, we recognise our responsibility in advocating for responsible gaming (“RG”) among our employees, their families, local residents, and tourists. In full support of the government’s efforts in promoting RG, we organised a series of promotion activities in 2023 with the theme of Seeking Help for Winning the Future. We also extended our collaboration with local social service organisations and participated in government initiatives to strengthen our commitment, working collectively to promote RG in Macau.

### 3.1.1 RG management

For comprehensive and efficient management of our RG initiatives, the SJM Responsible Gaming Working Group was formed. Comprising representatives from the Compliance, Performance Improvement, Security, Casino Operations, Electronic Gaming, Marketing, and Human Resources Departments, this group coordinates all RG promotions, activities, training, and measures for both staff members and customers of SJM.

As part of our standard operating procedures (“SOPs”), RG ambassadors who have undergone annual RG training organised by the Responsible Gaming Working Group, are stationed at each of SJM’s casinos. In accordance with the instructions from the Gaming Inspection and Coordination Bureau (“DICJ”) of the Macau SAR Government in April 2019, their responsibilities include overseeing and monitoring RG measures on the gaming floor and staff common areas in the casinos, as well as offering RG-related assistance to individuals in need.

We implement RG measures and report to the Working Group monthly. We also conduct regular surveys to assess employee RG awareness, allowing us to optimise our RG promotion initiatives.

To foster RG practices and offer appropriate counselling and assistance, RG kiosks that offer information on how to access the RG helpline have been set up in all SJM casinos, ensuring RG-related information is readily accessible to customers in need.



## 3.1.2 RG education programme

To heighten staff awareness of RG, we conducted targeted training sessions for new recruits, frontline staff, and members of the working team. In 2023, over 10,000 individuals completed the training programme, totalling over 14,000 hours.



In collaboration with the Yat On Responsible Gambling Counselling Centre (“Yat On Centre”), a non-governmental organisation (“NGO”) specialising in gambling disorder counselling services, the Performance Improvement Department conducted monthly RG promotions in 13 selected casinos throughout 2023. We also partnered with various local organisations to co-host RG promotion events including roadshows and competitions during the year. These events aimed to deepen RG knowledge and inform participants about available assistance channels in Macau. As a token of appreciation for their participation, participants are given souvenirs with our RG helpline number. These workshops benefitted over 3,000 participants in 2023.



# 3.1.3

## External accreditation

All RG ambassadors have completed our internal RG training courses and some of them have earned the Macau Responsible Gambling Advisor (“MRGA”) certification through a course organised and delivered by the Macau SAR Government. We have also collaborated with the Hong Kong Institute of Education for Sustainability Development to offer staff members the Proficiency Certificate Course “Sustainable Development in Macau Tourism, Leisure, Entertainment – Responsible Gaming” for several years. In 2023, 113 staff members completed the course and received certificates at the RG Award Competition Certificate Presentation Ceremony.



Our commitment to creating a fair and safe environment for all means we will continue to adhere to government policies and collaborate closely with all industries to promote responsible gaming.



# 3.2

## Anti-corruption and money laundering



Across SJMH and SJM, we have continued our sustained commitment to compliance with all relevant laws and regulations. We believe that ethical business practices not only generate sustainable value but also safeguard our business and enhance our brand image. We diligently comply with relevant laws and regulations in Macau and Hong Kong, including but not limited to the Prevention and Suppression of Bribery in the Private Sector (Macau Law No. 19/2009), the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) and the Prevention and Suppression of the Crimes of Money Laundering and Terrorism (Macau Law No. 3/2017).

### 3.2.1

#### Code of conduct

Our commitment starts with setting and upholding strict business ethics standards, hence we expect all our staff members to uphold our Policy on Bribery and Corruption and the Code of Conduct. These policies provide clear guidelines for eliminating corruption, managing conflicts of interest and mitigating other corruption risks.



## 3.2.2 Anti-corruption and money laundering training

To ensure that every individual within the Group is well-informed about our expectations for professional conduct, mandatory training and tests are provided to all new hires, with refresher tests conducted annually. To further strengthen this awareness and deepen understanding, we offer role-specific training on anti-money laundering (“AML”), counter-terrorist financing (“CTF”), and counter-proliferation financing (“CPF”) to experienced employees across various operational levels, aiming to deepen their knowledge and proficiency in these areas. To ensure compliance, we have formed the Anti-Money Laundering Compliance team, responsible for overseeing all AML-related matters that may arise. Regular compliance reviews are conducted, if any findings arise, they will be reported to the Audit Committee.

In 2023, a total of 13,606 hours of AML, CTF and CPF training were provided to SJM employees regarding the relevant laws and regulations, internal control procedures, indicators of suspicious activities and reporting channels.

An anti-corruption training held by Allen & Overy was also arranged for SJMH directors in Hong Kong to build stronger awareness and sensitivity towards such issues.

## 3.2.3 Whistleblowing procedures

We recognise that whistleblowing plays a critical role in upholding the ethical and universal values of our business, therefore we have implemented a whistleblowing mechanism that allows stakeholders, including employees, to raise concerns about potential improprieties in financial reporting, internal control, or other matters within the Group. All concerns received are treated with strict confidentiality and issues identified are referred to a designated Investigation Officer, in accordance with our Whistleblowing Policy, for necessary investigation. The Audit Committee receives reports on the investigation outcomes and has oversight of the effectiveness of this policy.

We are deeply committed to fostering a fair business environment and are proud to have recorded zero concluded legal cases brought against the Group or its employees concerning corrupt practices during the reporting period. In 2023, the Group complied with all relevant laws and regulations that have a significant impact on the Group, relating to bribery, extortion, fraud and money laundering.

# 3.3

## Customer satisfaction



Providing a superior experience for our customers is at the core of our mission. To achieve this, we maintain open lines of communication with our guests, listen to their feedback, and strive to offer products and services that best meet their needs.

We conduct regular surveys to gauge customer satisfaction and employ a systematic customer experience measurement system at GLP and GL to analyse customer service scores. The results are shared with the management team, who develop and implement action plans to elevate the guest experience. Department-specific key performance indicators are also established to encourage staff performance improvement, and ultimately enhance our service quality.

Furthermore, to ensure uninterrupted service quality and exceptional customer experience during emergencies or adverse weather conditions, we have implemented Emergency Contingency Plans to standardise emergency response actions. We have also signed agreements with local diesel suppliers to ensure the availability of standby diesel services.

During the reporting year, the Group complied with relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters.

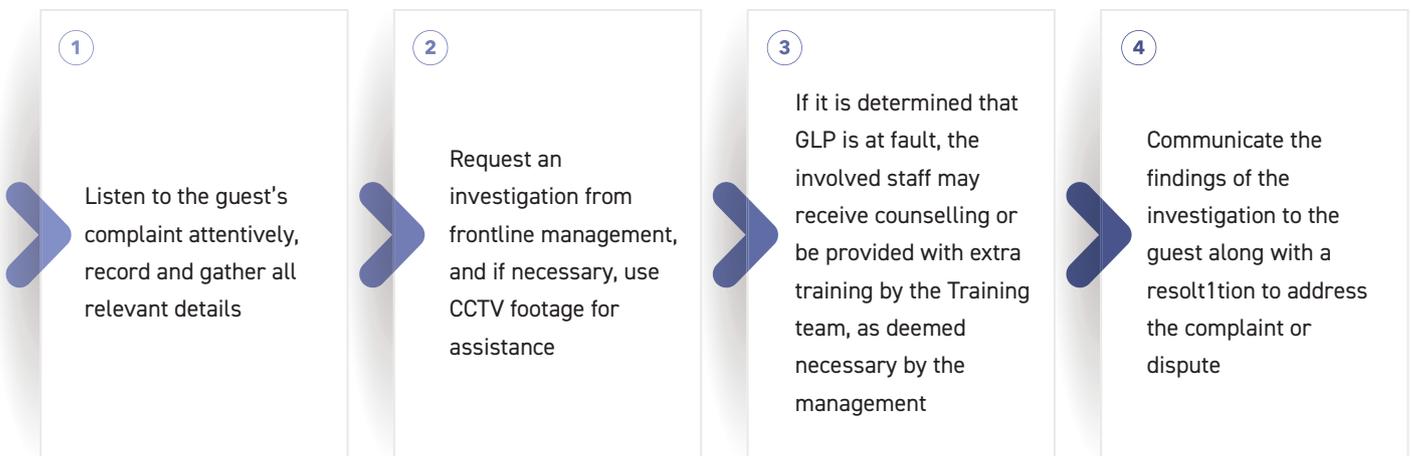


# 3.3.1 Complaint handling

Our customer service aspiration is to provide support to our guests in a friendly, efficient, and effective manner. Therefore, we place significant importance on the feedback and complaints we receive from our guests as a means to drive continuous improvement.

To ensure that all customer complaints are handled effectively, responded to promptly, and reviewed within appropriate timeframes, we have established a comprehensive complaint handling mechanism. For instance, at GLP, any direct customer complaints are thoroughly investigated and a response is provided to the complainant within 48 hours of receipt. Heads of department are responsible for investigating the complaint issues and finding resolutions to prevent similar issues from recurring in the future. They are also tasked with updating detailed information on the guest profiles and ensuring the complainants' satisfaction for future visits.

## Complaint handling



Furthermore, we provide training on complaint handling to our staff to enhance our service standards. At GLP, all staff members have attended our tailored "8P and 5S" training, which equips them with the skills to address guest queries or complaints effectively. Frontline coaching programmes are also available to management-level staff and above.

### Our five service standards - 5S

- ✓ Smile and make eye contact
- ✓ Say a greeting
- ✓ Serve with heart and efficiency
- ✓ Secure satisfaction
- ✓ Show appreciation

### Our eight promises - 8P

- ✓ To take care of our guests and colleagues
- ✓ To personally solve customer problems
- ✓ To know the resort well
- ✓ To take pride in our resort
- ✓ To take pride in our appearance and manner
- ✓ To show attention to detail in our work
- ✓ To always find ways to improve
- ✓ To provide exceptional 5S service

During the year under review, we received a total of 323 complaints, primarily concerning the quality of our facilities, services, cleanliness, and incident handling. Following our systematic handling approach, all complaints were resolved. No significant consequences that could have a substantial impact on the Group's business were identified.

# 3.4



## Customer safety and security

We are deeply committed to fulfilling our role as a responsible corporate citizen and place great importance on safety and health within our operations. We adopt a proactive approach and take the lead in implementing initiatives that aim at creating a secure and favourable environment for all stakeholders, including employees, visitors, guests, contractors, and anyone who engages with our properties and may be influenced by our activities. With the pandemic ending in 2023, we have redirected our focus from preventive measures to slow the spread of the virus within our properties towards ensuring the safety of our daily operations and facilities.

The Occupational Safety and Health Department (“OSHD”) provides support to other departments in conducting safety risk assessments and on-site environment inspections for event promotions and related decoration projects, including design, setup, and dismantling processes. The OSHD conducts thorough reviews of safe working practices, offers vital safety advice, evaluates potential risks, and uses that data to implement preventive measures and minimise risks that may impact customers and stakeholders.

Furthermore, the OSHD collaborates with various departments to review accidents or incidents involving customers. The objective is to identify the root causes of these cases and assess the effectiveness of the corrective actions taken. Through these analyses, improvements can be made to preventive measures, aiming to reduce the recurrence of accidents and similar incidents.





In addition, we have made substantial investments in the comprehensive surveillance and security system that is designed to instil a sense of safety and protection among our guests. To prevent any potential threats, we have employed metal detectors with alarms at our entrances, effectively thwarting the entry of weapons into our casinos. We have also installed CCTV systems, featuring high-definition cameras strategically positioned throughout our premises to closely monitor all areas. On top of these measures, we held quarterly meetings with law enforcement agents in 2023 to foster collaboration and strengthen our efforts in preventing crime.



To ensure prompt and effective handling of any medical emergencies that may arise, our onsite clinics are operational 24/7, allowing for immediate medical attention when needed. Our security officers are also trained and certified to provide first-aid treatment, ensuring that our customers can receive the necessary care in critical situations.

To bolster our preparedness for potential emergencies that may pose risks to the safety of our staff and guests, we conduct regular emergency drills to ensure our employees are adept at executing evacuation procedures. In 2023, GLP conducted a total of nine emergency drills, encompassing scenarios such as fire and robbery. In November 2023, GL organised a Fire Prevention Week, which included informative fire talks, practical fire drills, and comprehensive training on the correct use of fire extinguishers, aiming to heighten awareness and equip individuals with the necessary skills to respond effectively in the event of a fire.



As our casinos and hotels offer food and beverage (“F&B”) services to our customers, we uphold strict adherence to local food safety standards and regulations, ensuring that we consistently maintain a high level of hygiene throughout our operations. At GLP, in addition to our food safety management system built on the Hazard Analysis and Critical Control Point (“HACCP”) system, we also provide comprehensive training to our kitchen staff on food safety and environmental hygiene, and arrange regular inspections to ensure high standards of hygiene during food processing and storage.

During the year under review, there was no incident concerning the safety impact of our products and services which resulted in a fine, penalty or warning.

# 3.5

## Cybersecurity and data privacy



We uphold a strong commitment to ensuring the privacy and security of our customers' data, with protecting our Information Technology ("IT") assets and safeguarding the collected data being fundamental aspects of our operations.

As part of our commitment to cybersecurity, our Cybersecurity Office has prioritised employee awareness programmes to mitigate the risks associated with cyberattacks. These programmes aim to foster a culture of security compliance across SJM. Regular newsletters about phishing emails are sent to all employees, providing latest updates on prevalent phishing email trends and effective techniques to handle them. In addition, starting from the first quarter of 2024, regular phishing email simulation exercises will be offered to all employees. By keeping employees informed and vigilant, we aim to minimise the risk of falling victim to phishing attacks and improve overall cybersecurity awareness.

Our Human Resources ("HR") Department and Cybersecurity Office have partnered to provide cybersecurity awareness training during Orientation Days for all new hires. By enriching the content of this training, new employees learn the fundamental knowledge and best practices right from the beginning of their employment journey.

In compliance with the Macau Cybersecurity Law, the Cybersecurity Office conducted a formal rehearsal of the Cybersecurity Incident Response Plan ("CIRP") in December 2023 to familiarise our staff with the workflow and processes outlined in the CIRP. The rehearsal simulated a scenario in which the critical gaming system of one of our satellite casinos was subjected to an attack and compromised. IT Departments of our satellite casinos participated in the exercise, which

took them through the entire incident response life cycle from preparation, detection and analysis, and containment to eradication and recovery, and post-incident activity.

Our Cybersecurity Office and IT Department are dedicated to handling personal data with utmost care in compliance with the Macau Data Privacy Law. To enhance the security of our IT systems, we have introduced an advanced encryption technology to strictly control access to sensitive data through role segregation. Over the past few years, we have raised the standards for system passwords, which now require longer and more complex passwords.

To further reinforce data protection practices, a seminar on data protection awareness was conducted in September 2023. The seminar was specifically designed for management-level employees and focused on educating participants about data loss prevention. Guidelines were provided regarding secure data handling and transfer to prevent any potential data leakage. By equipping our management team with a deeper understanding of data protection, we aim to establish a strong foundation for safeguarding sensitive information of customers and upholding data security standards.

Under the diligent monitoring and control of the Cybersecurity Office and IT Department, no significant cybersecurity incidents, data breaches, or substantiated complaints have occurred during the year under review.

# 3.6



## Responsible Supply Chain

We recognise we can make a positive impact on our supply chain and across our vast network of products and service providers. As the foundation of our dedication to responsible supply chain management, we follow a stringent Sustainable Procurement Policy throughout the procurement process from sourcing to supplier engagement, aiming to weave together a tapestry of responsible practices that resonate beyond our own organisation.

### 3.6.1 Supplier Engagement

We have cultivated partnerships with our strategic partners and suppliers over the years to forge a collective path towards a sustainable future. Our supplier selection process goes beyond technical and commercial consideration, to include rigorous assessments of their sustainable performance in upholding our suitability standards in competitive scenarios.

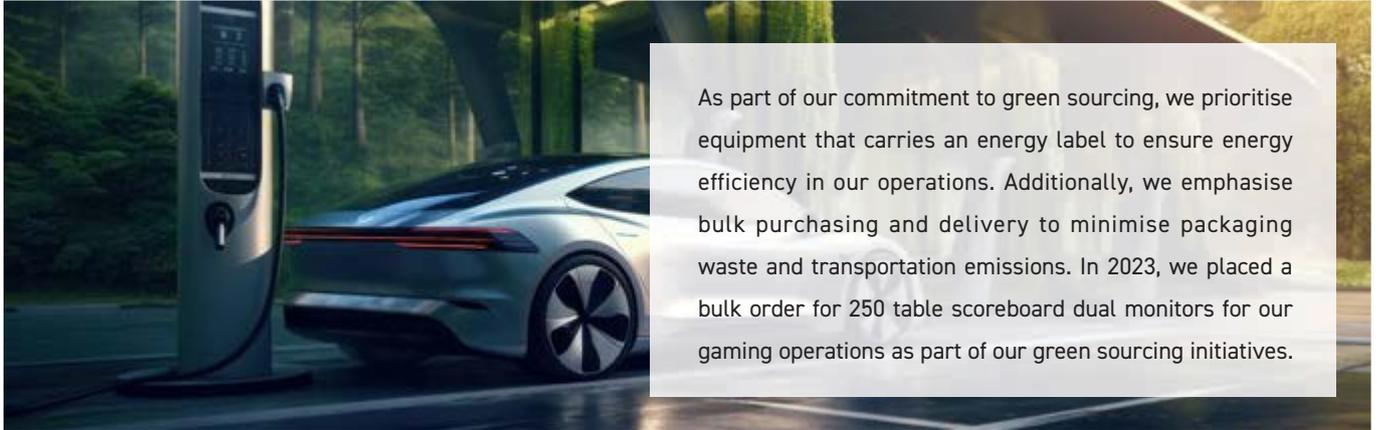
To address potential environmental and social risks within our supply chain, we require suppliers to explicitly confirm their compliance with relevant laws and regulations in Macau when engaging in business with us.

In our ongoing pursuit of effective supplier management, the Sustainability Steering Committee endorsed a Supplier Code of Conduct (CoC), which has been communicated to our suppliers in 2022. Suppliers are expected to uphold our priority ESG principles and also ensure alignment with these principles among their own suppliers. These measures not only illustrate our dedication to sustainable procurement, but also reflect our commitment to working with suppliers who share our commitment to sustainable practices to foster mutually beneficial relationships.



## 3.6.2 Green Sourcing

We embrace the principles of our Sustainable Procurement Policy to source products and services that have minimal environmental impact. We encourage suppliers to propose innovative green alternatives when responding to our request for proposals. If these alternatives are comparable or superior, we will select the greener option. We also encourage our departments to work with suppliers who have been awarded one of the green certifications such as ISO 14001 to ensure the procurement of eco-friendly materials. In 2023, we awarded approximately MOP 4 million to ISO 14001 certified local small and medium-sized enterprises ("SMEs").



In 2023, we continued our exploration of green alternatives to meet our goals and projected needs, covering all areas of our business from F&B to transportation and facility management. As we traverse into 2024, we will continue to work diligently to demonstrate our commitment to green sourcing and green procurement.

### Green Purchasing Training

As part of our commitment to sustainability, our procurement team completed a comprehensive in-house training on green purchasing in 2023. The programme consisted of five sessions covering a wide range of topics, including ESG considerations, responsible supply chain management, e-waste disposal, and international certificates and standards.

Upon completing the five specialised courses, managers and senior team members earned the Proficiency Certificate in Sustainable Development Planning, attesting to their expertise and competence in ensuring that sustainability principles are embedded in our purchasing processes.



# 3.6.3

## Local procurement

We understand the critical role of our supply chain in the well-being of our business and the local community we operate in. As a conglomerate committed to fostering positive relationships with the local community, we spare no effort in providing support to local SMEs through our procurement practices. As a continuous commitment to supporting local suppliers, the number of active local suppliers we engaged with recorded a year-on-year increase of approximately 34%.

To ensure the maximum benefit for local SMEs, we have organised self-promoted events and participated in industry events in the past years, allowing us to engage with a wider range of local SMEs and align them with our network of trusted suppliers. Going forward, we will continue with our dedication to supporting SMEs and cultivating the growth of young local enterprises.

# 3.6.4

## Supplier management

Our sustainability strategies are clearly communicated to the procurement team who assumes the responsibility to coordinate with internal business units and suppliers to implement the measures discussed above.

In 2023, the Group's procurement principles were applied to all our suppliers, with whom we maintain close partnerships and communication. Throughout the reporting year, we did not experience any significant delay or disruption in our supply chain.



# 3.7



## Crisis management and business continuity

To effectively manage unforeseen disruptions, we hold bi-monthly meetings with our Crisis Management Committee. The most serious incidents at GLP are thoroughly reviewed and actions are taken based on a structured approach involving prevention, assessment and handling. These meetings enable Committee members to collectively strategise and ensure the continuity of our operations while safeguarding the interests of our stakeholders. Standardised SOPs are adopted and the lessons learned are shared with our other properties.

### 3.7.1 Prevention

As vigilant guardians of crisis management, the Crisis Management Committee remains dedicated to early detection and prevention of potential crises. In pursuit of this objective, the Committee has proactively discussed and implemented a series of preventive measures, including:



improving the SOPs for “Do Not Disturb” guest room inspections, ensuring the safety of our hotel guests



installing anti-slip materials on car park driveways to minimise the risk of vehicles skidding during descent



installing collision protection brackets in plant rooms to protect employees from injuries in areas with low headroom



revamping the Emergency Contingency Plan to address potential crises such as natural disasters (tropical cyclones, flooding and storm surges), pandemics and property closures

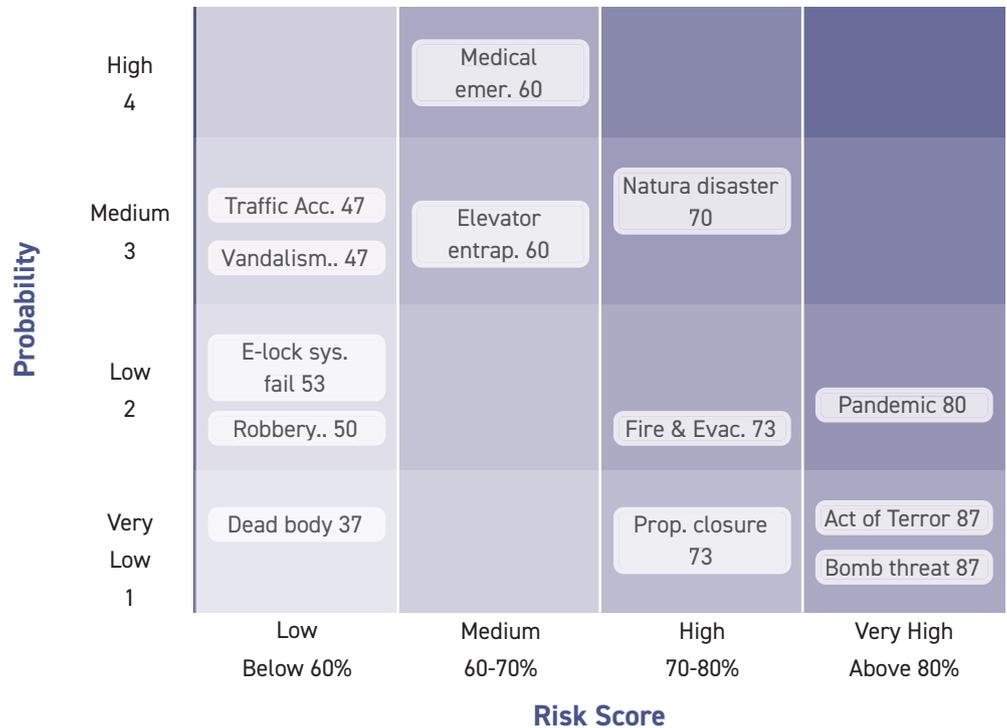


installing permanent power sockets in the ground floor lobby, eliminating the need for temporary extension cables and reducing the risk of guests tripping over

# 3.7.2 Assessment

Since September 2022, the Security team has been conducting risk assessments, which are presented to the Crisis Management Committee for thorough review. A culmination of these assessments, as concluded in May 2023, is provided below.

## Security - Risk Assessment of 2023



Building upon the progress made in the previous year, we have expanded the scope of our risk assessment from six to 13 distinct risk issues in 2023. The comprehensive assessment enables us to evaluate and prioritise risks based on the probability of them occurring and the magnitude of their potential impact. We have identified natural disasters as a significant risk category that demands special attention due to the high level of inherent risks involved.

# 3.7.3 Handling

Given our geographical location and the increasing frequency and severity of extreme weather events resulting from climate change, we remain attentive to the risks associated with natural disasters. Thanks to our proactive implementation of preventive measures, our facilities and operations withstood the impact of five typhoons in 2023, including Talim, Doksuri, Saola, Haikui, and Koinu, without significant damage. Even the T10 Super Typhoon Saola caused no substantial damage to our properties as our pre-emptive measures proved to be effective.

For more information regarding our corporate governance and risk management strategies, kindly refer to the Corporate Governance Report featured in the 2023 Annual Report.

# 4

## STEWARDSHIP OF OUR PLANET



## OUR STRATEGY

SJMH is firmly dedicated to driving an integrated resort towards a low-carbon future. Through continuous innovation and enhancements in environmental management across three key pillars of our operations: Green Facilities, Green Hospitality, and Green Gaming, we endeavour to make substantial contributions towards the creation of a sustainable future by reducing resource used and minimising the adverse effects of climate change on both our assets and the surrounding community.

In line with the environmental regulations introduced by the DSPA, we have integrated sustainability into our business strategy to identify, monitor, and minimise the environmental impact of our operations. Specific policies, actions, and targets within each pillar of our green operations have been established, whereas our sustainability governance and management structure ensure ongoing monitoring and guidance to drive sustainable performance.

We are dedicated to complying with regulatory requirements and embracing international green standards that apply to our business. Specifically, with regards to events and exhibitions hosted on our premises, we prioritise the implementation of

additional measures such as adopting green practices in the organisation of MICE events and implementing ISO 20121 practices for sustainable events management, particularly for selected types of events. By doing so, we not only align with sustainability practices but also enhance our competitiveness by attracting clients who seek environmentally friendly event venues.

In conjunction with the international, national and local low-carbon economy development, we are dedicated to implementing more sustainability initiatives in the upcoming year, aiming to propel our sustainability efforts beyond the requirements set by the DSPA.

Third-party energy and waste audit	Adoption of EVs	Planning for the conversion of LPG to natural gas for one property	Sustainable procurement	Climate risk assessment
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In 2023, the Group complied with all relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas (“GHG”) emissions, discharges into water and land, and generation of hazardous and non-hazardous waste in Hong Kong and Macau such as the Restriction on the Provision of Plastic Bags (Macao Law No. 16/2019). For specific information about the Group’s environmental performance, please refer to the section Appendix – Performance Table.



# 4.1

## Climate resilience and disclosure



In view of the increasing concerns over climate change, there has been an upsurge in the acknowledgement of guidelines and standards governing the disclosure of climate-related information. To stay updated with global developments, we are committed to referencing the IFRS S2 Climate-related Disclosures issued by the ISSB to ensure our climate actions and commitment are transparent and comprehensive. Our climate actions are classified into three pillars: governance, strategy, and risk management.

### 4.1.1 Governance

#### Governance Structure

We have implemented a climate management governance structure that mirrors our overall top-down ESG management approach. Under this structure, the Board is responsible for overseeing SJM's sustainability management and addressing climate-related issues. To accelerate climate actions and progress, the Sustainability Steering Committee, composed of top management, assists the Executive Committee and if requested, the Board by providing climate updates and reporting on the Group's performance through semi-annual meetings.

At the operational level, the Sustainability Department plays a critical role in ensuring climate change considerations are incorporated into our climate-related projects and that these projects are executed successfully. The sustainability working teams, comprising heads from different departments, are responsible for implementing climate measures and practices. These teams also identify climate risks and opportunities associated with the Group's business activities and report them to the management. Given the diverse nature of our business activities, there are five specific working teams, each focusing on a specific aspect of our sustainability governance strategy to achieve an optimal outcome. A more detailed structure can be found in Section 2.1 of this report.



## Governance Approach

To address the uncertainties associated with climate change and its impact, our governance bodies conduct annual reviews of the Group's climate-related risks and opportunities. This allows for prompt updates to approaches and strategies. Climate change considerations are integrated into decision-making and major transactions, and climate-related risks are incorporated into our overall risk management system. For instance, our properties are designed to mitigate the business risk of flooding in response to the observed sea level rise.

Going forward, we will set targets to effectively address significant climate-related risks and opportunities. The governance bodies are responsible for overseeing and approving these targets, while closely monitoring the Group's progress. We also plan to engage third parties to assist in developing documented controls and procedures that standardise the oversight of climate-related risks and opportunities.

## Governance Competency

To effectively navigate climate change and mitigate its impact on the Group's development, we prioritise the acquisition of necessary skills and competencies among our responsible top management through knowledge sharing and discussions. For instance, our top management participate in conferences and forums including the 2023 Macao International Environmental Co-operation Forum & Exhibition (2023 MIECF) to stay informed on climate-related developments and updates. By exchanging views and insights with experts, we gained valuable knowledge to identify and address specific climate-related risks relevant to the Group.

Recognising the complexity of climate change and the need for professional expertise, we only assign individuals with the relevant knowledge and skills to take on the responsibility of identifying and mitigating climate-related risks. To further enhance the capabilities of our governance bodies, we are dedicated to providing professional training programmes, raising awareness, and strengthening our ability to effectively address climate change.

## 4.1.2 Strategy

Climate change poses risks to our business growth if not addressed promptly, but also presents opportunities if managed effectively. To strengthen our climate adaptation and resilience, we closely monitor climate change updates and strive to develop action plans to address significant climate-related risks.

Risk	Potential Impact	Our Response
<b>Physical risk</b>		
<b>Acute physical risk:</b> <ul style="list-style-type: none"> <li>Extreme weather events including typhoons, extreme rainfall, storm surges and strong winds</li> </ul>	<ul style="list-style-type: none"> <li>Operational interruption and reduction in revenue</li> <li>Damage in our buildings and facilities, leading to extra maintenance cost</li> </ul>	<ul style="list-style-type: none"> <li>Construct surface channel to protect underground car parks during flooding</li> <li>Raise the ground floor of GLP by 1.2m above street level</li> <li>Install power and drainage points for sump pumps in lift shaft bases</li> <li>Implement syphon drainage systems for effective rainwater drainage</li> <li>Equip buildings with backup generators for uninterrupted power supply during typhoons</li> <li>Enhance the building structure of GLP to withstand 1-in-200-year wind loads</li> </ul>
<b>Chronic physical risk:</b> <ul style="list-style-type: none"> <li>Rising temperatures</li> </ul>	<ul style="list-style-type: none"> <li>Rise in operational cost from increased utility expenses for cooling and ventilation</li> </ul>	<ul style="list-style-type: none"> <li>Optimise GLP's chiller plant operation system to enable a free cooling approach based on weather condition</li> </ul>
<b>Transition risk</b>		
<b>Legal and policy risk:</b> <ul style="list-style-type: none"> <li>Tightened regulations</li> </ul>	<ul style="list-style-type: none"> <li>Non-compliance may result in fines due to stringent standards</li> <li>Ensuring compliance may necessitate additional investment in equipment</li> </ul>	<ul style="list-style-type: none"> <li>Monitor climate-related regulation updates and assess compliance status</li> <li>Develop internal policies to minimise our environmental impact and mitigate the risk of exceeding limits</li> </ul>
<b>Reputation risk:</b> <ul style="list-style-type: none"> <li>Changing customer preferences</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet customer expectations may result in a loss of market share</li> <li>Practices misaligned with customer vision may negatively impact our brand image</li> </ul>	<ul style="list-style-type: none"> <li>Engage stakeholders to understand their priorities and adjust business strategies accordingly</li> <li>Committed to promoting Green Facilities, Green Hospitality, and Green Gaming</li> </ul>

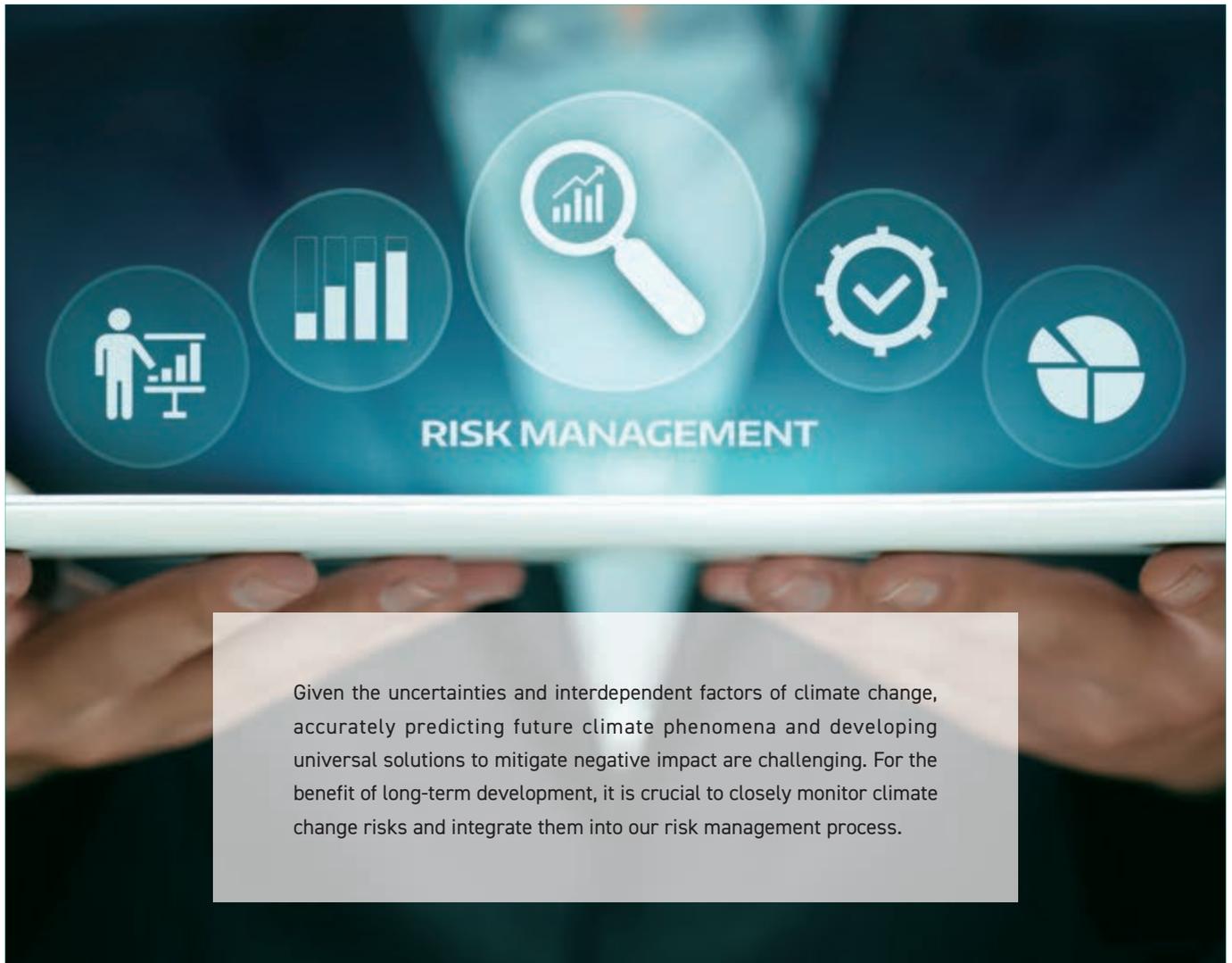
### Opportunity

Besides climate-related risks, we see climate-related opportunities in transitioning to green operations. For instance, we believe that green building designs can enhance energy efficiency and mitigate climate impact, reducing long-term costs in operation and maintenance expenses, while enhancing customer experience at the same time.

### Future plan

We are committed to dedicating resources and efforts to address climate-related issues. To prepare for future climate change, we intend to involve third-party consultants in conducting scenario analyses that will help us understand the specific climate-related risks and opportunities associated with our business, operations, and geographical locations. Additionally, we aim to assess the impact of climate change on our financial performance, enabling us to adjust our business strategy and model in response to climate-related impact.

## 4.1.3 Risk management



Given the uncertainties and interdependent factors of climate change, accurately predicting future climate phenomena and developing universal solutions to mitigate negative impact are challenging. For the benefit of long-term development, it is crucial to closely monitor climate change risks and integrate them into our risk management process.

Committed to adopting a proactive approach, we identify, mitigate, and manage climate-related risks through our enterprise risk management framework. This involves periodic reviews of operations and potential vulnerabilities to identify physical risks and transition risks associated with climate issues. We conduct comprehensive assessments to evaluate and prioritise risks based on their probability of occurrence and impact levels, focusing on material risks and ensuring timely responses.

Our risk assessments combine qualitative and quantitative methodologies. Qualitatively, we consider the nature of risks and historical records, while our quantitative analysis sets thresholds based on financial impact, operational disruption,

and other relevant metrics. To aid decision-making and actions, we plan to implement scenario analyses, key performance indicators, and industry benchmarks to evaluate future risk probability and potential impact.

We employ a systematic risk prioritisation mechanism using a risk matrix that considers the probability and potential impact of identified risks, categorising them as high, medium, or low priority. We rate risks based on criteria aligned with our objectives, such as financial implications, regulatory compliance, operational impact, and reputational considerations. Regular reviews and updates ensure that the prioritised risks remain aligned with current business trends.

# 4.2



## Green Facilities

Environmental sustainability is a fundamental aspect of our business, guiding us in the development and ongoing management of our properties. We prioritise adherence to green building principles, specifically focusing on energy efficiency, air quality, water conservation, and waste management within our facilities.

### 4.2.1 Green Buildings

With our four properties, namely Grand Lisboa Palace, Grand Lisboa Hotel, Jai Alai Hotel, and Sofitel Macau at Ponte 16, we have been part of the Low Carbon Green Hotel Development Alliance since December 2021. Green features were incorporated within our premises to promote environmental consciousness and low-carbon initiatives. Recognising the significance of integrating sustainable practices from the early stages to foster environmental awareness, we prioritised environmental considerations in the design of Grand Lisboa Palace, which resulted in us being awarded the Leadership in Energy and Environmental Design (LEED®) silver certification.

#### Green Features at GLP include:

##### Implementation of building and mechanical systems

- Using a building management system and power management system to regulate and oversee the operation of mechanical and electrical equipment within the building, including ventilation and lighting

##### Guarantee of building enclosure

- Establishing a preventive maintenance programme focused on rectifying any leakage points in the façade
- Ensuring the maintenance of appropriate temperature and humidity in hotel guest rooms

##### Accommodation of sustainable transportation

- Providing 15 sets of EV charging stations
- Expanding the availability of charging stations at our other properties, including 20 sets installed at GL and 4 sets installed at Oceanus

##### Employment of automatic technology

- Using guest room control to intelligently manage the lighting, air conditioning, and window curtains in all hotel guest rooms, allowing efficient control and optimisation of these amenities



# 4.2.2

## Carbon and Energy Management

We are committed to a 2% reduction in GHG emissions (scope 1 and scope 2) per MOP million revenue by 2024, with the baseline year of 2023.

We recognise the significance of accurately measuring the carbon performance of our Group as an essential initial step in our carbon reduction efforts. To ensure accuracy and impartiality, we engaged a third party to conduct carbon audits in our properties and a complete energy audit for our Grand Lisboa resort in 2023, resulting in a number of proposed short-, medium- and long-term energy-saving projects which we will assess and prioritise before beginning implementation in 2024.



Realising that energy usage at our venues is the primary contributor to our carbon footprint, we have scheduled third-party energy audits for the other properties in 2023 to identify opportunities for reduction. Additionally, we are planning the replacement of older appliances and outdated LED light models with more energy-efficient alternatives to further enhance our energy conservation efforts.

Simultaneously we are at the design stage of our transition from LPG to natural gas and electric power at GL, and we have implemented operational optimisations for the natural gas boilers at GLP. In the summer, we have adjusted the hot water supply setpoint to a lower acceptable range to enhance energy efficiency.

To optimise the life cycle of our boilers, we have implemented an auto-changeover programme where an alternative boiler is activated after the first one has been in continuous operation for 24 hours. Also, the three boilers are interconnected as a cascade system, utilising a proportional integral derivative (“PID”) controller to enable the prediction of additional boiler requirements to maintain the heating water in close proximity to the set point, resulting in energy conservation.



## Optimisation of operation schedule



During the reporting year, we improved our operational practices and standards as we recognise the importance of reducing energy consumption and carbon emissions. Specifically, we adjusted the daily operation schedules of elevators, escalators, water fountains, façade lighting, and indoor lighting to reflect actual demand, allowing for more efficient energy usage throughout our facilities.

## De-lighting exercise



Continuing our de-lighting initiative that began in 2021, we proceeded with the reduction and replacement of lighting fixtures at the car park and back of house corridor in GLP during 2022 and 2023.



12,000 sets of existing double fluorescent lights in the car park were replaced with LED tubes. Out of these, 400 sets were replaced with motion sensor-enabled single 18W LED tubes. We have also replaced 580 compact downlights in the back of house corridor with all-in-one LED downlights.

Our upcoming plan involves replacing 1,600 sets of fluorescent tubes with waterproof LED tubes in the refuge area and roof at GLP, with a scheduled completion in 2024.

## Monitoring and modification of chiller plants



In our efforts to conserve energy, we carry out daily optimisation and closely monitor the chiller plant operation to enable the utilisation of a free cooling operation approach. Since implementing optimisation measures in April 2023, the electricity consumption performance of the chiller plant system has improved compared to the same period in the previous year.



To maintain energy efficiency of the chiller plant system, we implemented a preventive maintenance schedule and adhered to it throughout 2023. Additionally, to further reduce electricity consumption, we planned to modify the pumps in our system to align their performance with the actual demand.

In pursuit of energy savings, we have already modified 23 sets of secondary chilled water pumps and their heat exchangers in 2023, resulting in reduced power consumption. Further work is underway to modify 24 additional sets of various water pumps, with completion scheduled for the first quarter of 2024.



## Transitioning to renewable energy

Since 2020, we have been exploring a renewable energy strategy that encompasses various approaches, such as on-site generation and carbon offsets. In 2021, we commenced a feasibility study for a solar energy programme. In 2022, we proposed the use of photovoltaic lighting for tree decorations and external lighting at the roof level. As of 2023, we have installed 10 sets of solar lights for external lighting on the roof floor.



Since 2022, we have introduced a series of our own environmental initiatives. One of these is the Non-essential Lights Off at Lunch programme, which encourages office staff to switch off non-essential lights and electronic devices during lunch hours to reduce power consumption. We have also piloted the Paperless Annual Leave Application Pilot Project in the Facility Management Department of GLP to minimise paper waste resulting from administrative processes and reduce indirect carbon emissions.

To foster environmental awareness among our staff, we have conducted back of house workshops, shared office energy-saving guidelines, and established an Environmental Protection Notice Board at GLP. We have also provided training on the importance of indoor air quality.

## 4.2.3

# Travel and Fleet Management

Our vision to reduce emissions is driven by three key approaches: phasing out older vehicles from our fleet, prioritising the adoption of new energy vehicles for any additions or replacements, and minimising unnecessary driving and engine idling.

In 2023, we disposed of 36 older vehicles, including 12 diesel trucks and buses, resulting in an overall reduction of 23.5% in our vehicle scale. Looking ahead to 2024, we estimate to phase out about 10 more vehicles. This proactive measure not only helps us remove high-emission vehicles from our fleet but also underscores our commitment to responsible vehicle disposal practices.

Since May 2021, following request of the Macau SAR Government, all customer shuttles have been replaced with new energy buses such as electric and natural gas buses as a substitute for diesel buses. We also plan to gradually replace diesel-fuelled staff shuttle buses with electric buses. Starting in 2024, we will no longer use diesel buses that have been in use for 10 years or more.

Of the 62 buses we currently use as customer shuttles, one of them is a natural gas bus and the other 61 are electric buses. For staff shuttles, nine electric buses and one natural gas bus are currently in use. In 2024, we plan to continue increasing the number of electric buses, both for customer shuttles and staff shuttles.

To further embrace cleaner transportation options, we have already placed an order for four EVs for our guest services, which are scheduled to arrive in early 2024. Additionally, we have installed EV charging facilities in our car parks to promote green travel by joining forces with our guests.

These initial investments demonstrate our dedication to reducing our carbon footprint and adopting more sustainable transportation solutions. As the market offers a wider selection of EVs, we will continue to explore opportunities to replace our fleet of heavy-duty vehicles, while continuously optimising vehicle utilisation through operational policies that target vehicle emissions.



# 4.2.4

## Water Stewardship

In 2023, the Group did not face any issues in sourcing water fit for its purpose. Nevertheless, realising the importance of reducing our consumption of potable water, we have implemented various water efficiency programmes across our properties to effectively manage and minimise our overall water footprint.

### Water Consumption monitoring and Wastewater Minimisation at GLP

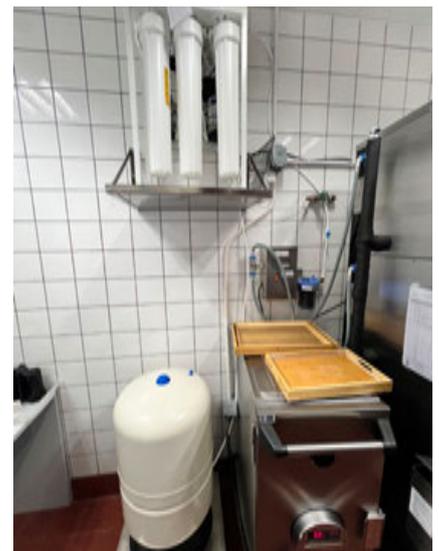
To effectively monitor and manage water consumption within our hospitality operations, we have introduced a comprehensive monitoring system, which generates a dedicated report for water consumption in each individual kitchen. To mitigate any unnecessary water wastage resulting from leaks or malfunctioning taps and pipes, our diligent staff including housekeeping, steward, culinary and landscaping personnel are required to conduct daily checks. They are responsible for promptly reporting any visible leaks identified in guest rooms, washrooms, kitchens, pantries, irrigation systems, and other areas under their purview.

To ensure accurate measurement and benchmarking of water usage in areas with significant water consumption, such as spas, swimming pools, and salons, sub-meters have been installed. These sub-meters facilitate regular recording and monitoring of water usage, enabling us to establish benchmarks and identify opportunities for conservation. Additionally, our recreation staff conduct daily checks and adhere to reporting procedures to promptly identify and address any leaks or water-related issues within these areas.

In our commitment to maintaining water quality and minimising the need for draining and refilling due to water quality concerns, we have adjusted the backwash frequency of water filtration systems in all swimming pools and water features. The adjustment allows us to align the backwash frequency with the actual operational requirements, ensuring optimal water quality while reducing the frequency of water disposal and refill.

In addition to the existing water-saving measures implemented at GLP, such as the use of water-saving hand showers, faucet water limiters, and cooling towers' splash prevention panels, we have worked with the F&B department to optimise our water usage further. To minimise water wastage during the production of reverse osmosis ("RO") water, we have bypassed certain RO water filtration systems and directly supplied potable water to points of use where RO water is not necessarily required, strategically reducing the amount of wastewater being discharged.

We have also isolated some potable water storage tanks, ensuring that they are solely used based on operational requirements, avoiding unnecessary storage and the accumulation of stagnant water. Any unconsumed water undergoes regular changeover and discharge as necessary. Additionally, we have installed potable water dispensers and placed water-saving labels near water tap locations to encourage conscious water consumption practices throughout our facilities. These initiatives collectively contribute to our ongoing commitment to sustainable water management.



## 4.2.5

# Waste Reduction and Recycling Initiatives

In 2023, we maintained a commendable record of not generating any significant amount of hazardous waste. As for our non-hazardous waste, which includes both domestic and commercial waste such as paper, glass, cardboard, metal, waste oil, soap bars, printing cartridges, batteries, and food waste, we have adhered to our internal policies and ensured their appropriate disposal in compliance with local regulations. Recognising the importance of waste prevention, we offer smaller meal options at our staff canteen and promote the use of personal cups among our staff, to minimise dining-related waste generation at its origin.

In 2020, we introduced the Waste Management Recycling Programme as part of our commitment to responsible waste management. In addition to effectively managing general waste, we implemented recycling initiatives for various waste

streams, including cardboard, printing paper, magazines, newspapers, plastic bottles, aluminium cans, glass bottles, and more. To streamline the flow of these different waste streams, we also designated a specially designed waste room for their segregation and recycling.

In 2023, we recycled 3,060 kilograms of electronic waste ("e-waste") in adherence to our e-waste policy, which reflects our commitment to responsible e-waste management and highlights our ongoing efforts to minimise the environmental impact of electronic devices. In addition to adopting rechargeable batteries for wireless duty phones, we also introduced a reverse vending machine in the staff area of GLP. This innovative solution provides a convenient and efficient way for staff members to recycle items, further promoting sustainable practices across SJM.

## Re-using Designs

Bearing in mind the concept of a circular economy, we reused our booth and event designs whenever possible in 2023. For instance, we reused the 2022 decoration items for the 2023 Christmas decorations, and reused the closing night booth of the China and Portuguese-speaking Countries Film Festival as our Christmas SME Market booth.



To ensure the continuous improvement of our waste management practices, we have taken the initiative to engage a third-party organisation to conduct a comprehensive waste audit, which has been completed in 2023. By conducting this evaluation, we aim to assess the effectiveness of our current waste management practices and identify areas where further improvements can be made.

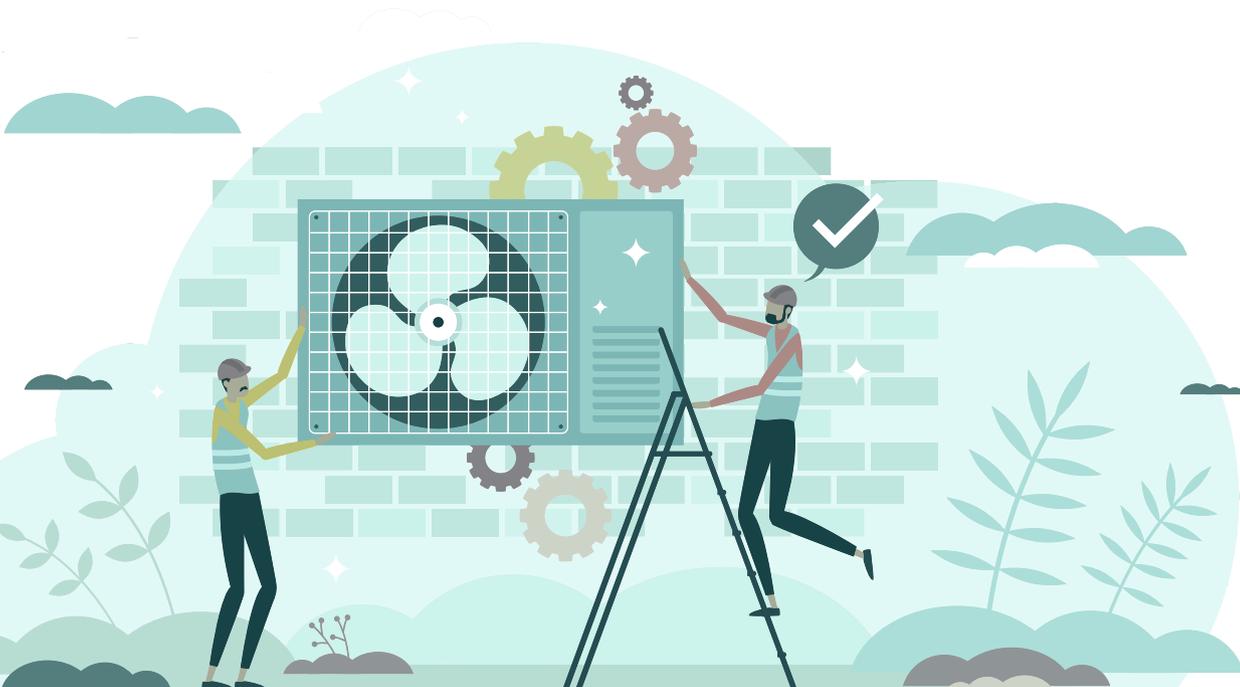
## 4.2.6 Air Quality

As part of our ongoing commitment to improving ambient air quality, we have implemented various initiatives targeting the reduction of fossil fuel combustion and subsequent emissions of air pollutants. One significant step we have taken is the adoption of cleaner fuel, natural gas, within GLP since 2021. We have also installed hydro vents and electrostatic precipitators in our kitchen exhaust systems to effectively minimise air pollutants. A new plan is underway to transition from LPG to natural gas and electric power at GL, with comprehensive budgeting and project timelines already established.

Moreover, we are accelerating the integration of EVs and other green energy vehicles into our fleet, aligning with our green procurement policy that was endorsed in late 2022. As part of this initiative, we are planning to replace several fossil fuel-powered vehicles including those fuelled by diesel with EVs in 2024.

On the other hand, recognising the significance of indoor air quality, we strictly adhere to the Regime of Tobacco Prevention and Control stipulated by the Macau Law, prohibiting smoking in indoor areas. While we have designated non-smoking floors and guest rooms to ensure the comfort and well-being of non-smoking guests, we have also designated smoking floors and guest rooms to accommodate the needs of guests who smoke. In doing this, we hope to preserve optimal indoor air quality for all.

We have taken further measures to improve ventilation and circulation of fresh air in our car parks. In 2022, additional blowers were installed at corner areas to improve air movement and we also conducted annual indoor environmental air quality audits at selected properties to ensure compliance with established standards.



# 4.3

## Green Hospitality



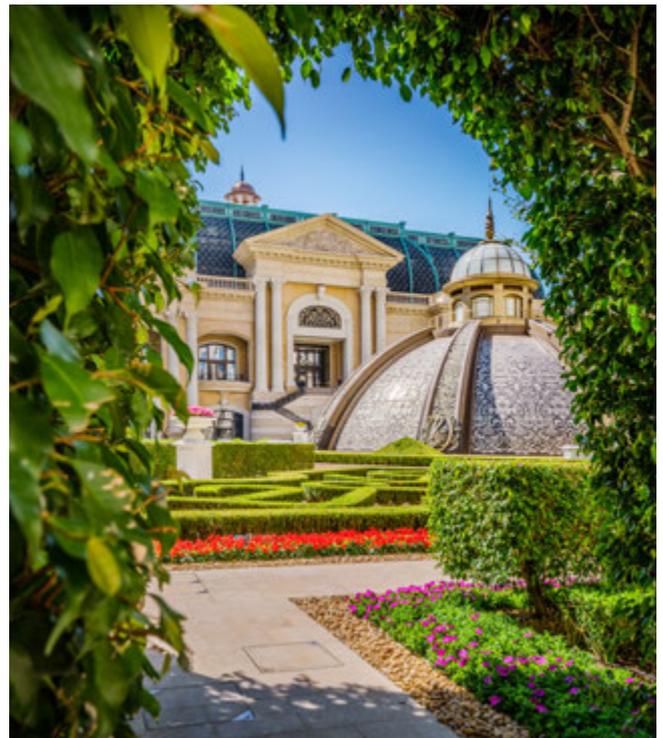
Recognising the growing importance of reducing environmental footprints in tourism, the working team is dedicated to improving the guest experience by implementing green practices across various operational areas such as kitchens, restaurants, hotels, and malls.

### 4.3.1 Green Living

Having earned the DSPA's Macao Green Hotel Award across several of our properties, we remain steadfast in our dedication to promoting environmentally friendly practices within our hospitality services.

In our ongoing efforts to reduce waste, the working team has implemented measures to reduce guest amenity expenses while ensuring the level of service remains in line with the standards expected of a 5-star hotel. In 2023, we also introduced large pump dispenser bottles in all our guest rooms in GLP and TKL as a sustainable alternative to using small plastic bottles. This resulted in a reduction of over 40% in the number of plastic bottles we used and a cost savings of 37%. As for Palazzo Versace Macau, the introduction of large pump dispenser bottles is planned for the second quarter of 2024.

The working team also endeavours to involve our guests in our sustainability efforts. For example, we have placed an information card in each of GLP and TKL guest rooms to inform guests that bed linen, towels, and bathrobes will only be changed upon their request, to reduce water, chemical, and energy consumption associated with the laundry process. The initiatives have effectively reduced our laundry cost by 10% at GLP and TKL. Palazzo Versace Macau has also adopted the same practices since its soft opening in April 2023.



## Sustainable festival packaging design

In 2023, we introduced again the sustainable festival packaging design approach that focuses on re-purpose usage. We aim to promote sustainability and encourage the reuse of packaging materials across different festive occasions. This approach was adopted in several projects including, for example, the packaging design of the SJM 2023 Chinese New Year cake, SJM Dragon Boat Festival rice dumpling and SJM mooncake.



## Spa and recreation

In our spas and health clubs, we deeply value green concepts and incorporate them into our daily practices. In addition to ensuring all our sourced products are cruelty-free, we prioritise the sourcing of products from brands that use vegan, sugar-free and gluten-free botanical ingredients.

To reduce packaging waste, our Procurement Department sources only biodegradable or compostable materials for the product packaging we use at GLP's three spa and recreation facilities. We have also introduced reusable organza bags for flip-flops and recycled paperless shopping bags. These sustainable packaging solutions will continue to be extended to our other consumable amenities in 2024. Additionally, we have replaced traditional batteries with rechargeable ones in all our spa and recreation areas, saving approximately 8,000 batteries in 2023.



To raise awareness among staff and guests, we have established a Green team and a sustainability corner in the back of house area. Information on SJM's sustainability initiatives is shared during team briefings to foster a sense of environmental awareness and responsibility. We also encourage guests to participate by placing information cards in the swimming pool and changing room locker areas to promote the Save Our Planet concept and advocate for the responsible use of towels.

## 4.3.2 Green Dining

In addition to providing green entertainment experiences to our valued guests, we are also deeply committed to promoting the concept of green dining. Our dedication to environmental sustainability extends throughout the entire F&B operations, from food sourcing to consumption and waste management.

We primarily focus on purchasing ingredients locally and give priority in selecting certified sustainable food. We remain steadfast in our commitment to sourcing all fish products from ocean-friendly suppliers, we continue to use organic vegetables and fish sourced from certified farms, as well as seafood certified by the Marine Stewardship Council (“MSC”) and Aquaculture Stewardship Council (“ASC”) at Hua Ting,

a Shanghainese restaurant at GLP. In 2023, our spending on purchasing certified sustainable ingredients and food products rose by over 40%. On top of that, in 2023, we initiated the switch to purchasing only cage-free eggs, marking a significant step towards our green dining goal. We aim to switch entirely to cage-free eggs and related egg products across all our operations.

By the end of 2023, we have achieved the goal of having all of our consumables sourced from either recycled products or biodegradable sources. For instance, all our takeaway boxes are made of corn-based eco-friendly materials as part of our environmental commitment.

We have introduced the ecoSPIRITS technology in our bar in Mesa by José Avillez. The groundbreaking technology enables low-carbon and low-waste spirits distribution using a reusable ecoTOTE to minimise packaging waste and carbon footprint.



Another important focus for us is to reduce the use of chemicals in cleaning and dishwashing. We met our goals in 2023 by reducing chemical consumption per food cover by 13.5%. We will continue our endeavours to reduce chemical usage by 2% per food cover in 2024 with 2023 as the baseline. During the year, our F&B team members were invited to the GLP Sustainability Introduction Programme. We will continue to refresh and reinforce sustainability practices among our staff in 2024.

**In 2023,  
we reduced chemical  
consumption per food  
cover by 13.5%.**



To better control kitchen waste arising from our operations, we purchase materials with less packaging and require kitchen staff to segregate and record food waste and general waste separately to enable more effective monitoring and evaluation of our waste prevention efforts.

As part of our comprehensive waste management approach, our food waste strategy mainly relies on the ORCA Food Digester Machine installed. At GLP, more than 22 tonnes of food waste were handled by ORCA in the reporting year, which significantly increased by more than 53% as compared to the previous year. Our Food Digester programme will continue and be scaled up in 2024. As the pandemic subsided and business recovers, we anticipate extending operation hours and consequently increasing food waste handled by the Food Digester.



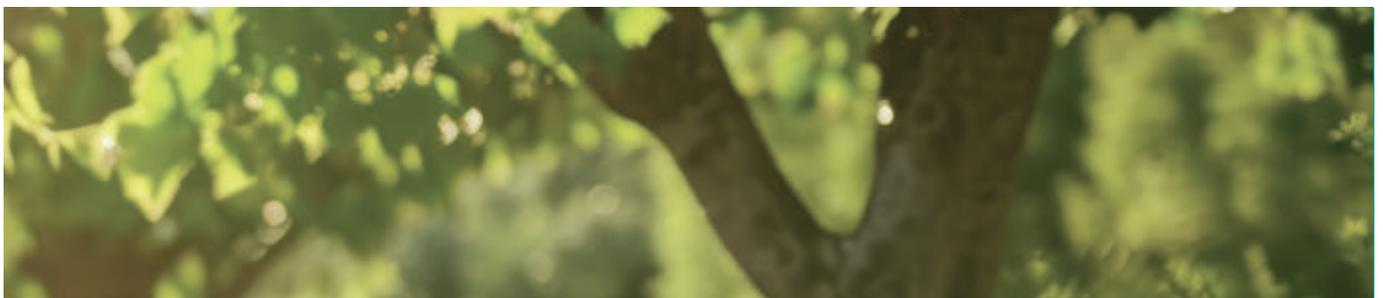
**At GLP,  
more than 22 tonnes of food waste were  
handled by ORCA in 2023, significantly increased  
by more than 53% as compared to 2022.**



With the opening of Palazzo Versace Macau and the development of more outlets, our F&B business is expected to reach full capacity in 2024. These projects will adhere to our sustainability plan and incorporate all the green initiatives discussed above. Our commitment to sustainable practices will remain at the forefront as we continue to grow and expand.

### 4.3.3 Green Retail

Our hotel malls offer a range of popular attractions including dining and shopping experiences to our guests. Taking a management-led approach to prioritise guest satisfaction and environmental conservation, our working team collaborates with mall retailers to ensure they understand and adhere to our sustainability policies. For instance, we conduct induction meetings with new retailers to communicate our policies and green practices such as waste management procedures and recycling protocols. The working team also engages with F&B outlet retailers to promote the use of biodegradable takeaway packaging and cutlery.



# 4.4

## Green Gaming



Committed to promoting sustainability in our gaming operations, we have implemented various initiatives to minimise our environmental impact. Given the business nature of our gaming operation that is to provide leisure and entertainment services to a large number of guests every day, Green Gaming is a crucial part of our environmental stewardship.

The working team is especially focusing its efforts on greening most parts of our gaming operations.

### Reduce the consumption of single-use water bottles

Through a partnership with Bonaqua, we introduced 100% rPET water bottles, which are made from recycled plastic and are fully recyclable. On top of this, drinking fountains have also been installed in gaming areas and meeting rooms, encouraging guests to bring their own reusable containers to further reduce the use of bottled water.



## Reduce the consumption of paper and paper-made materials

To reduce the usage of printing paper, we have introduced marketing kiosks that display gaming promotional information and game rules digitally. We have also installed LED displays as an alternative to traditional posters, collaterals and scoring cards, allowing us to display promotional information and gaming results in a more environmentally friendly manner. E-vouchers are also introduced for casino player redemption.

For many years, we have been the driving force to encourage employees to transition from traditional paper files to electronic files. As part of this effort, we have introduced the use of network photocopying printers, ensuring a unified approach across the organisation. A monthly report of paper usage is now sent to heads of department, enabling more effective monitoring and oversight.

## Reduce the disposal of operating supplies

To enhance our operational sustainability, the frequency of card changes in the gaming area has been reduced from six times to four times to reduce the amount of playing cards being disposed of. Ultraviolet counterfeit money detection lamps have also been replaced completely with LED lamps to lower energy consumption.

For slot machines, we have a preference for those with modular and interchangeable designs, which allow for repeated assembly and disassembly for part swapping and an extended lifespan of the machines. Additionally, functional parts from non-operating machines are retrieved, recycled and reused, eliminating the need for demolition and reducing long-term waste generation. During the year, we refurbished 800 guest chairs to extend their lifespan and reduce the need for new chair purchases.

Another aspect of our sustainability efforts lies in our dedication to reducing light pollution and energy consumption. The working team has significantly adjusted the brightness and operating hours of the large, illuminated signs at the gaming venues to stay in line with environmental regulations. During the year, we also commenced the replacement of halogen lamps with LED lamps and fluorescent light panels with LED light panels to reduce energy consumption. These initiatives reduce our casino's energy consumption by an estimated 771,362 kWh each year.

4.5

## Green Event



To promote Macau as an international tourist destination, we have hosted a wide range of leisure and entertainment events to enrich its offerings. In line with our commitment to environmental protection, we prioritise sustainability in event planning and organisation, aiming to deliver exceptional experiences to participants while minimising environmental impact.

## Light Up Macao 2023

Light Up Macao 2023 was one of the highlights of 2023. We co-organised the event with the Macao Government Tourism Office to offer participants a captivating multi-media night-time light show that featured lights, projection mapping and interactive games.

Adhering to our sustainable value, we have integrated green elements throughout the lifecycle of the event. From design and procurement to logistics, installation and disposal, we have taken environmental factors into consideration.

### Design:

- Use recyclable materials such as acrylic for hanging decorations on double-sided luminous lightboxes and use energy-efficient LED lights

### Procurement:

- Procure recyclable steel frames and obtain wooden boards and paints that meet the E1 environmental standard
- Source electrical materials including wires and cables that meet the China Compulsory Certification ("CCC" or "3C certification") standard

### Logistics:

- Choose nearby factories in proximity to Macau for production and hire local workers to minimise transportation distances and reduce emissions

### Installation:

- Maximise the use of electric machinery such as cranes and forklifts and improve operational efficiency when the use of fuel-based machinery is required
- Offer training to workers to promote environmentally friendly practices

### Disposal:

- Minimise waste by reusing counterweight sandboxes and non-damage hardware equipment such as decorations, neon lights, lightboxes and interactive devices



# 4.6

## Our Performance



### 4.6.1 Emissions and Recycling

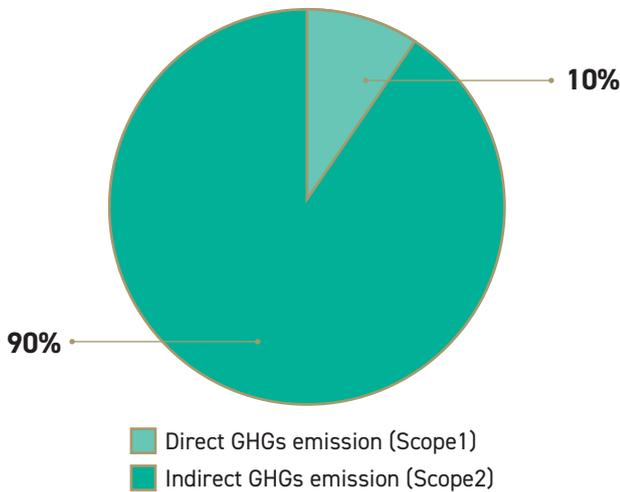
In 2023, we were committed to upholding our sustainability value as the pandemic's ripple effects subsided. We endeavoured to drive continuous improvement by tracking and monitoring our environmental performance, including the absolute amount and the intensity.



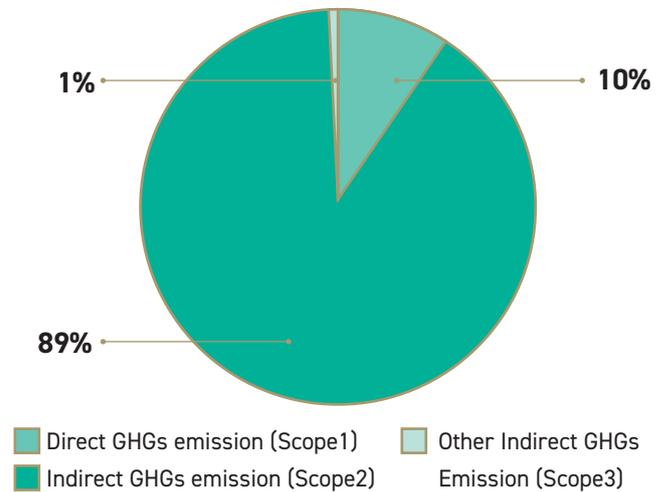
## GHG Emissions

In 2023, we improved our data analysis method by expanding our analysis to include basic scope 3 other indirect emissions, while our GHG emission profile still closely resembled that of 2022, with scope 2 indirect emissions accounting for the majority of the annual GHG emissions. Despite the significant expansion in business operations in the post-pandemic era, we only recorded a slight increase in our total GHG emissions, which is an encouraging result of our dedication to promoting energy efficiency and the adoption of alternative energy sources. Specifically, our scope 1 direct emissions arising from stationary combustion of fuels dropped by approximately 13.07% while scope 2 energy indirect emissions arising from the usage of electricity from our offices dropped by around 3.76% in the year under review.

GHG Emissions Profile in 2022



GHG Emissions Profile in 2023

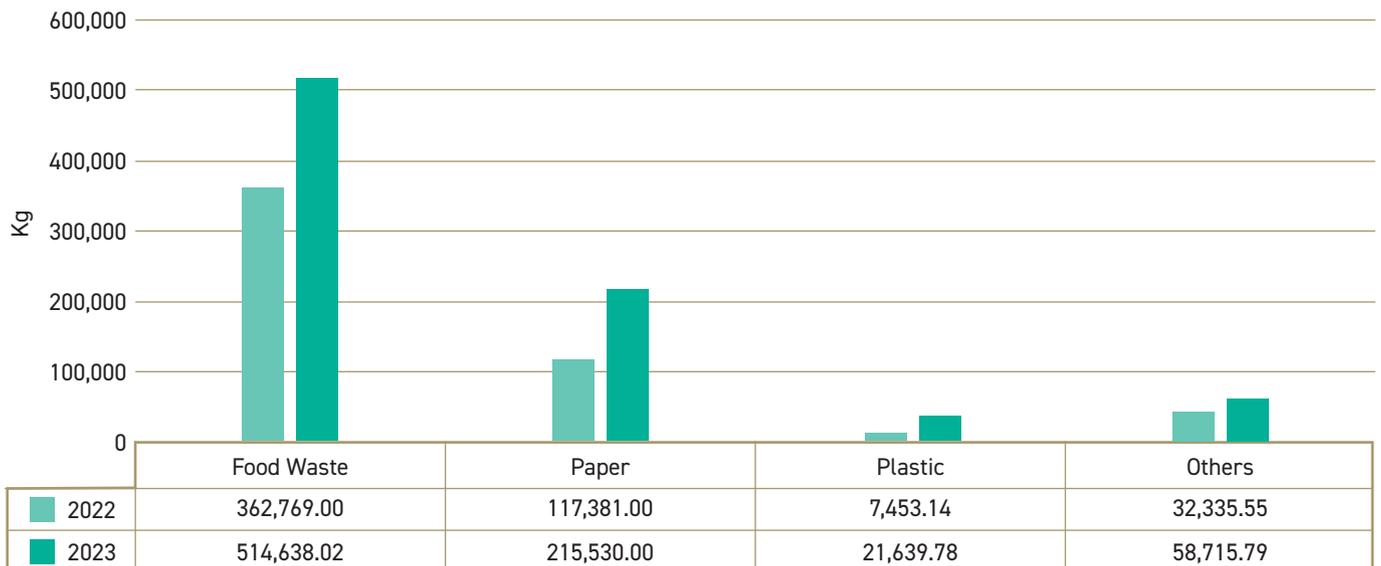


As 2023 was the first year we included scope 3 emissions in our analysis, trend analysis is not currently available. To demonstrate our dedication to understanding the comprehensive picture of our GHG emissions, we are committed to including scope 3 emissions in our future analysis.

## Recycled Waste

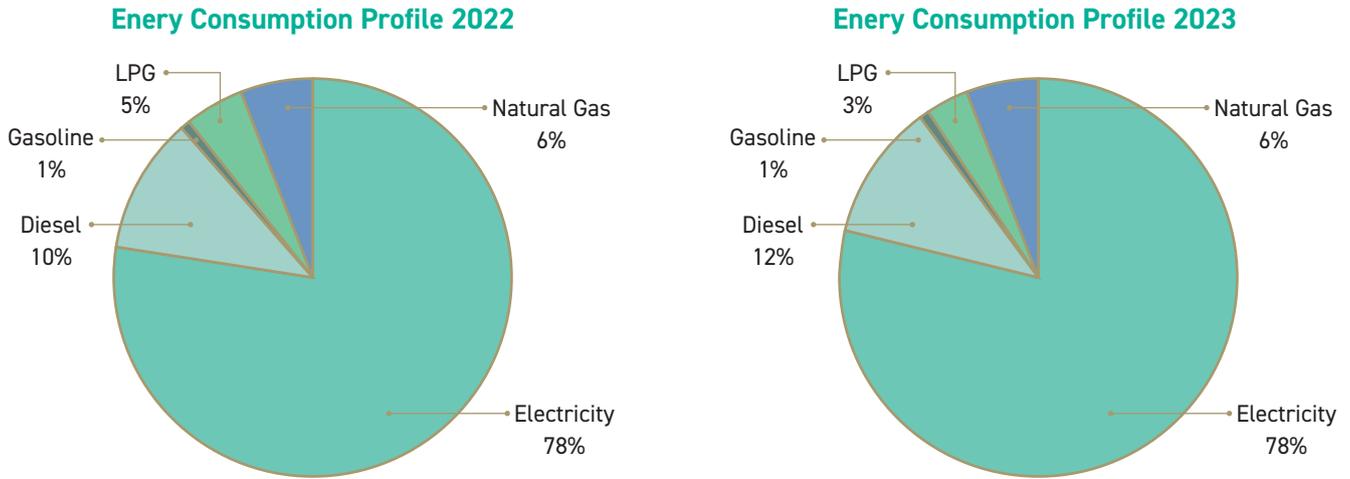
In 2023, we continued our actions in solid waste classification and recycling, striving to further reduce operational waste disposal. Attributed to the group-wise effort, the overall volume of recycled waste was 810.52 tonnes, in which recycled food waste accounted for 514.68 tonnes.

Recycled Waste



# 4.6.2 Consumption of Resources

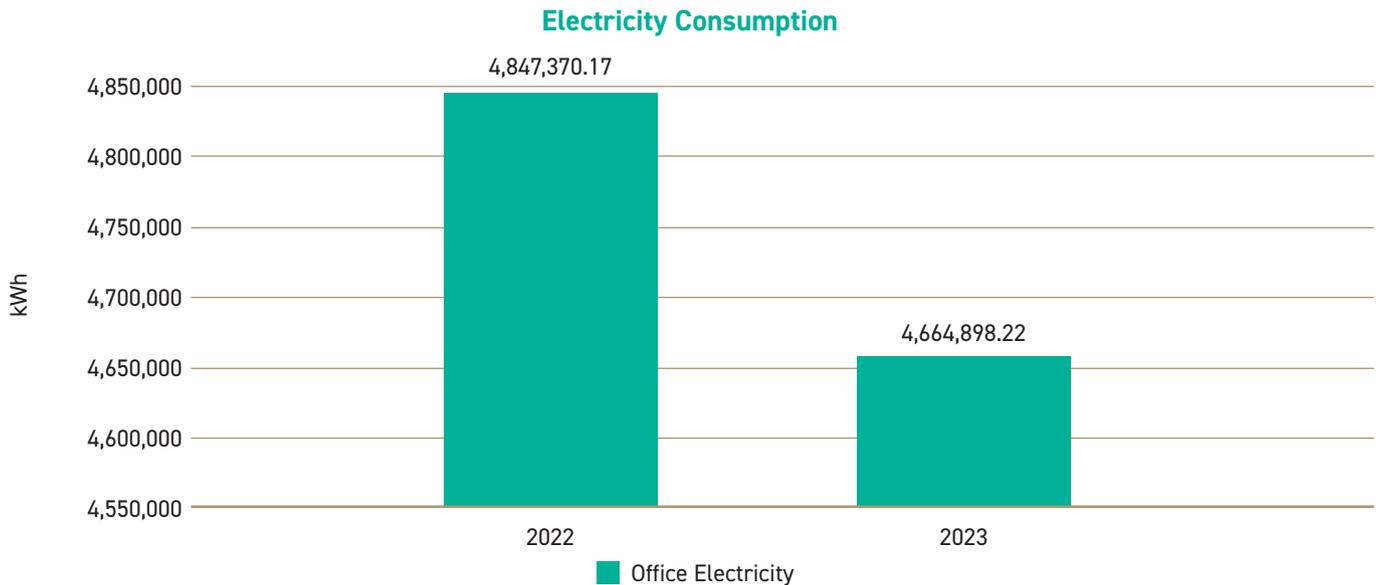
Our energy consumption in 2023 is made up of five energy sources, with electricity being the most significant. Specifically, electricity for offices, hotels and casinos represented 78% of the total energy consumption. As the pandemic ended, our business activities picked up and our overall energy consumption in the year under review rose slightly by 7.11%, with the intensity being 346.66 kWh per m<sup>2</sup>.



## Electricity Consumption

Hotel operations accounted for approximately 74% of the Group's total annual electricity consumption, making it a priority to reduce hotel electricity usage to align with overall electricity management goals. In 2023, 3.76% drop in office operations significantly contributed to the maintenance of the electricity consumption trend despite the rebound of business operations in the post-pandemic period.

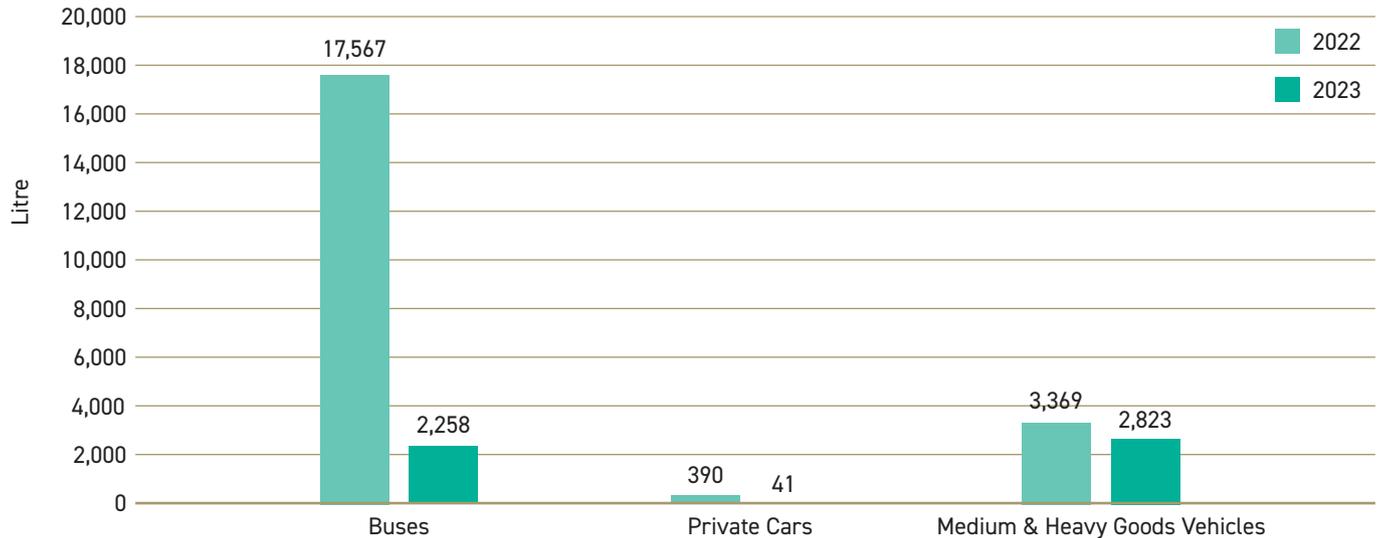
In 2023, we continued to control electricity consumption, striving to reduce electricity dependency and ultimately limit the associated environmental footprint. A remarkable 31% of our properties recorded a cut in electricity consumption, marking the success of our efforts in promoting energy efficiency and implementing new technologies.



## Diesel Consumption for Mobile Combustion

In 2023, our primary use of diesel was for mobile combustion. A noteworthy achievement in our commitment to sustainability is the substantial decrease in the number of diesel-fuelled vehicles in our fleet through the adoption of greener alternatives. Specifically, there was a significant 89.43% reduction in diesel consumption by private cars, an 87.15% drop in that by buses and a 16.21% decrease in diesel consumed by medium and heavy goods vehicles.

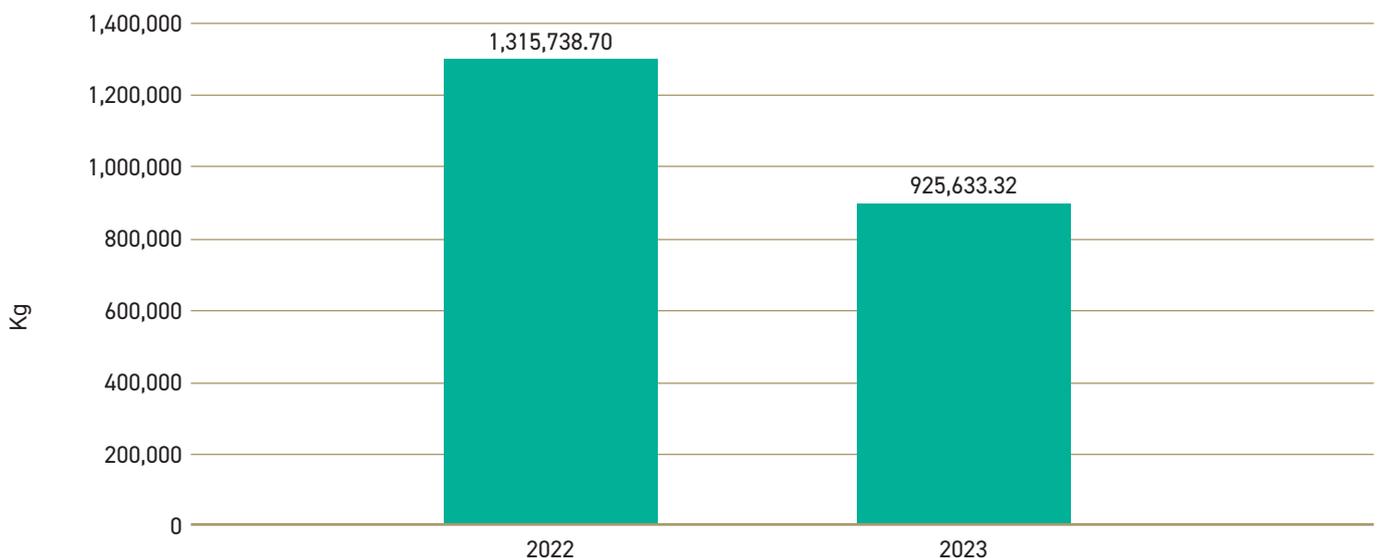
Diesel Consumption for Mobile Combustion



## Stationary Combustion

In 2023, our stationary combustion primarily involved the consumption of LPG, natural gas and diesel. Resumed business activities post-pandemic drove a demand surge for stationary energy in the year under review. Notwithstanding that, due to our unwavering efforts in improving our energy efficiency and adopting alternative energy sources, our natural gas consumption, being the major stationary combustion fuel, only rose slightly by 4.95% compared to the previous year. Meanwhile, the consumption of LPG decreased by 29.65%, mainly attributed to the resource-saving efforts of the Grand Lisboa Hotel and Jai Alai Hotel, recording a 35.86% and 19.71% decrease respectively.

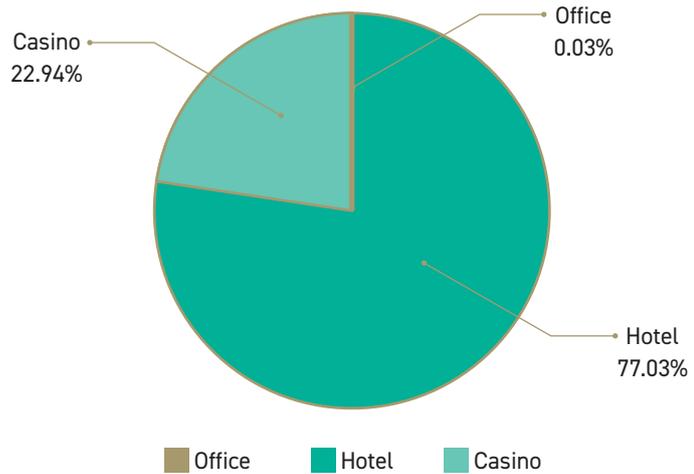
LPG Consumption for Stationary Combustion



## Water Consumption

In 2023, given business operations had recovered from the pandemic, there was a modest increase in total water intensity from 1.89 to 2.76 m<sup>3</sup> per m<sup>2</sup>. Hotel operations accounted for the most water consumption in the year under review, being approximately 77% of the overall water usage. Acknowledging the water consumption profile, we are committed to further strengthening our water conservation efforts in our hotel operations to further cut our overall water usage.

Water Superscript Consumption in 2023



## A summary of our targets

Reducing 2% of our GHG emissions (scope 1 and scope 2) per MOP million revenue by 2024, with the baseline year of 2023

Reducing 2% of electricity consumption per guest visit per year by 2024 with the baseline year of 2023

Reducing 0.5% of office paper consumed per staff per year by 2024 with the baseline year of 2023

Reducing 2% of water consumption per guest visit per year by 2024 with the baseline year of 2023

Reducing 0.5% hot water usage per guest visit per year by 2024 with the baseline year of 2023

Reducing 0.5% of natural gas consumption per guest visit per year by 2024 with the baseline year of 2023

Reducing the amount of food waste disposal by 2% on a quarter-to-quarter basis, with the data of the previous quarter as the baseline

Reducing the amount of chemical consumption by 2% per food cover by 2024 with the baseline year of 2023

Purchasing 100% cage-free eggs and related products across all operations by 2030

# 5

## G.R.E.A.T.NESS OF OUR PEOPLE



## Our Management Approach

We recognise that our workforce is the beating heart of the success of our quest to provide unparalleled services to our guests. We are devoted to cultivating a team of passionate, motivated and skilled individuals who share our commitment to excellence. Thus, we value the holistic well-being of our staff, champion a diverse and inclusive culture and foster an environment where every individual can flourish. Through tailored training programmes and unwavering support, we empower our colleagues and cultivate an engaged workforce that propels us towards new heights. From the very moment they join us, through every step of their journey, we pay attention to their growth, safety and fulfilment, as we believe that their success is the cornerstone of our own.

In 2023, the Group was in full compliance with the applicable labour laws and regulations in Hong Kong and Macau, including but not limited to the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and the Labour Relations Law (Macao Law No. 7/2008).

### HR Management

- Fair recruitment, promotion and dismissal
- Inclusive and diverse, working environment



### OSH

- Safeguarding workplace safety and health
- Enhancing safety awareness



### Talent Development

- Provision of advancement opportunities
- Partnership with training providers



### Employee Well-being

- Ethical workplace
- Staff wellness support



In G.R.E.A.T., G is for Growth, R for Rapport, E for Excellence, A for Agility and T for Trust

## Our Accomplishments

- Maintaining a female-to-male gender ratio of 53:47
- Maintaining a low turnover rate of 14%
- Achieving zero work fatalities for three consecutive years
- Launching five inaugural OSH initiatives during the year
- Providing more than 407,000 hours of training to over 75% of the staff
- Achieving an average of 21.85 training hours per staff member

# 5.1

## Employee Recruitment and Management



### 5.1.1 Recruitment and Promotion

In 2023, we conducted over 120 recruitment activities in collaboration with the Labour Affairs Bureau (“DSAL”) of the Macau SAR Government, local associations, and universities. These events encompassed a variety of recruitment fairs and programmes aimed at promoting career opportunities at SJM to local talents. We attracted over 8,000 participants from the local community during the year.

#### On-site Recruitment Activities

In 2023, we hosted large-scale and exclusive recruitment fairs at GL and GLP, offering candidates a streamlined job application process that included job matching, interviews and on-the-spot contract signing. We also hosted exclusive recruitment events for specific departments, including the Electrical and Mechanical Department, hotel operations, IT and F&B, to effectively attract and engage target applicants.



We also launched the Explore Your Career programme as part of our commitment to hiring local young people, inviting students from six prominent institutions in Macau\*. The programme offers students the opportunity to gain practical insights into integrated resort operations, learn about career paths in the hospitality industry from heads of department, and engage in interactive workshops that cover floral design, cocktail mixing and pastry production to nurture their interests.



\* University of Saint Joseph; Macao Institute for Tourism Studies; Macau University of Science and Technology; City University of Macau; Macao Polytechnic University; and University of Macau



Additionally, we placed special emphasis on local youth talents, including students from the Macau University of Science and Technology ("MUST") majoring in Hospitality Management and Commerce and UMAC Athletic Students from the Office of Sports Affairs.



For students studying abroad, we provide a channel for them to stay informed about the development of Macau and its job market through our established connections with the Macao New Chinese Youth Association ("MNCYA").

## Off-site Recruitment Activities



In 2023, our off-site recruitment activities consisted of collaborative events with local associations including the Federação das Associações dos Operários de Macau ("FAOM"), the União Geral das Associações dos Moradores de Macau ("UGAMM"), the Macau Gaming Industry Labourers Association ("MGILA") and the Macau Gaming Employees Home ("MGEH").



Furthermore, we also took part in large-scale local recruitment events organised by the DSAL and FAOM, the Macao Youth Summit and the Youth Expo by the MNCYA to make ourselves known to more local talents.



We also participated in campus career fairs to directly engage with local university students. We conducted career talks at these events and provided career consultation services for students from the six key institutions in Macau.

## Special Recruitment Programmes

In 2023, we launched two special recruitment programmes to attract specialised talents to fill our recruitment needs.

### SJM Culinary Career Development Programme

To uphold the culinary standards of Macau as a designated UNESCO Creative City of Gastronomy, we partnered with the DSAL to support local residents who wish to pursue a culinary career. Successful candidates will participate in a 12-month development programme featuring professional training, culinary certification and practical skill-building. Completion of the programme may lead to promotion opportunities based on assessment.



### SJM Excellent Security Talent Development Programme

To enhance service standards and attract international tourists to Macau, we partnered with the DSAL to create a programme for locals interested in becoming security officers. Through a "First-hire-then-train" approach, selected candidates will undergo a rigorous three-month training focused on acquiring professional security skills and advancing their career prospects.



## Social Inclusion Recruitment

As a responsible employer, we contribute to promoting social inclusion by providing job opportunities for vulnerable groups. In 2023, we conducted over 55 interviews and selected 22 candidates with disabilities. Reckoning the special needs of these employees, we offer full-time and flexible working hours, as well as internship opportunities, to facilitate their integration into the work environment. We also provide user friendly working environment and inclusive design for employees with disabilities.



To retain top talents, we continuously assess our remuneration policy to ensure alignment with market standards. We also evaluate the work performance, professional qualifications, and industry experience of our staff members periodically to determine appropriate compensation packages and promotion opportunities. This approach allows us to provide encouragement and the right recognition for outstanding performance.

In 2023, to reward outstanding employees, we awarded 12 individuals with the respected G.R.E.A.T. Employees Award and named 156 employees as Monthly Operation Stars. The G.R.E.A.T. Employees Award programme was recognised for its excellence, receiving 2023 HR Distinction Award – Excellence in Rewards & Recognition Bronze Award from HR Online. During the year, we also won the Corporate Culture of the Year 2023 and Talent Development and Organizational Strategy of the Year 2023 Award in 3rd National HR Innovation Competition.



## 5.1.2 Compensation and Dismissal

We uphold the labour rights of all employees by adhering to the Macao Labour Relations Law for contract termination and dismissal. Departing staff members are provided with appropriate compensation as required by relevant laws and regulations. In 2023, our focus on employee care and support resulted in a low turnover rate of 14%. Further details can be found in the Appendix - Performance Table.

## 5.1.3 Working Hours and Rest Periods

We care about the well-being of team members and promote the concept of work-life balance. Our standard working hours are set at 48 hours per week. In addition to statutory holidays, employees are entitled to one regular day off per week and designated break times during their shifts. The supervisors of respective departments monitor and manage working hours, schedules, and rest periods based on operational requirements.

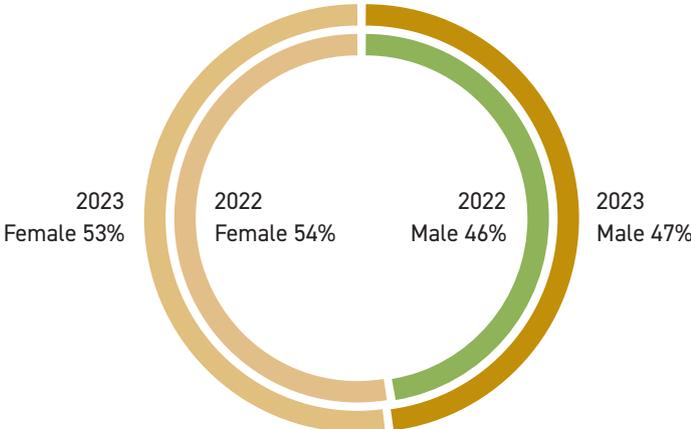
# 5.1.4 Diversity, Equity and Inclusion

Creating a working environment that celebrates equality, diversity, and inclusion is of utmost importance to us. We maintain a workforce with employees from diverse backgrounds and ensure equal access to training and career development opportunities. Our HR-related decisions, including recruitment, promotion, training, and termination of contracts, are strictly based on merit and do not consider factors such as gender, age, nationality, origin, religion, or disability. We have a zero-tolerance policy towards workplace discrimination and harassment, and our employees are encouraged to report any violations of our policies to their supervisors.

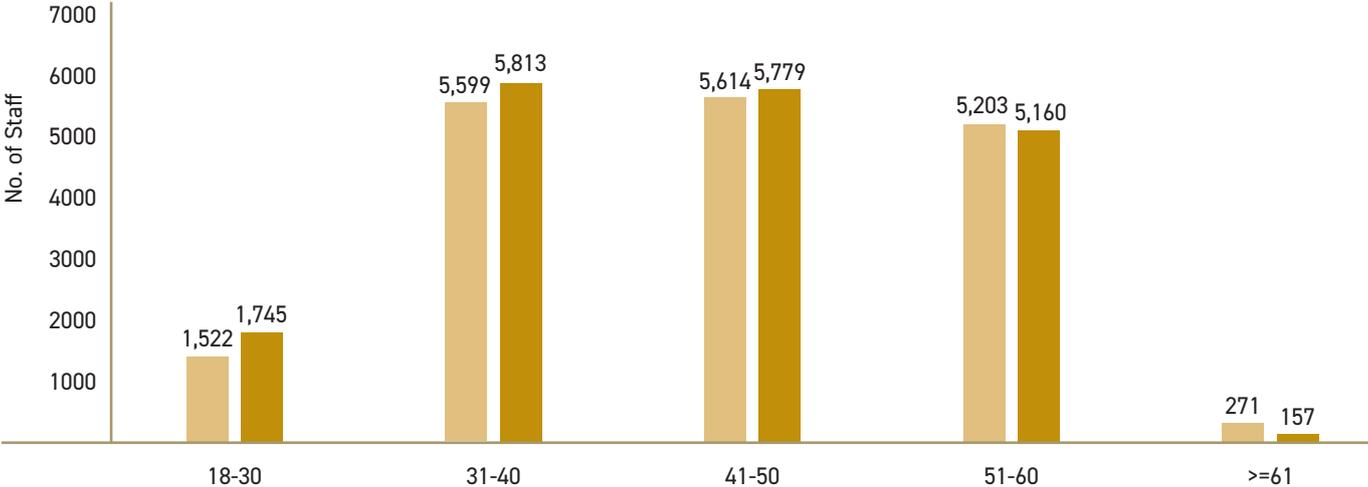


SJM is proud to be honoured as a Recognised Employer by the 2023 Outstanding Disabled Employees and Recognised Employers Award. This esteemed recognition serves as a testament to our commitment to fostering an environment of equality and inclusion by providing job opportunities to people with disabilities. Going forward, we will continue to expand job opportunities for people with disabilities and supporting their integration into the labour market.

## Staff Gender Ratio



## Staff Age Distribution



# 5.2

## Employee Wellness and Engagement

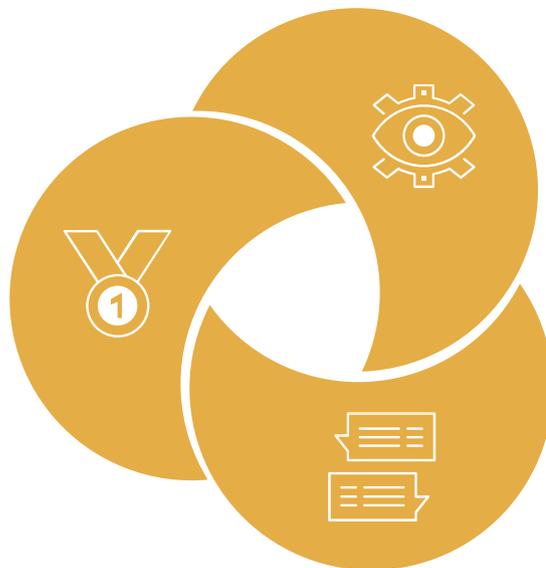


Over the years, we have been striving to ensure a decent and fair working environment for all SJM employees using a triangular approach: govern, communicate, and engage.

The SJM Staff Welfare Consultative Committee (“SWCC”) serves as a communication channel and collects staff feedback on how to promote a better workplace. The Committee also operates the SJM Staff Excellence Centre, which functions as an employee supermarket and oversees SJM Volunteer teams.

### Engage

We provide our staff with a clear understanding of their roles, responsibilities, as well as performance and behavioural expectations, through the distribution of the Employee Handbook and regular engagement via dialogues to foster continuous communication



### Govern

The HR Department takes charge of overseeing workplace practices and ensuring employee satisfaction by monitoring key indicators, conducting reviews, and addressing any concerns raised by employees

### Communicate

The SWCC serves as a channel to monitor the well-being of our staff and facilitate effective employer-employee communication

## 5.2.1 Ethical Workplace

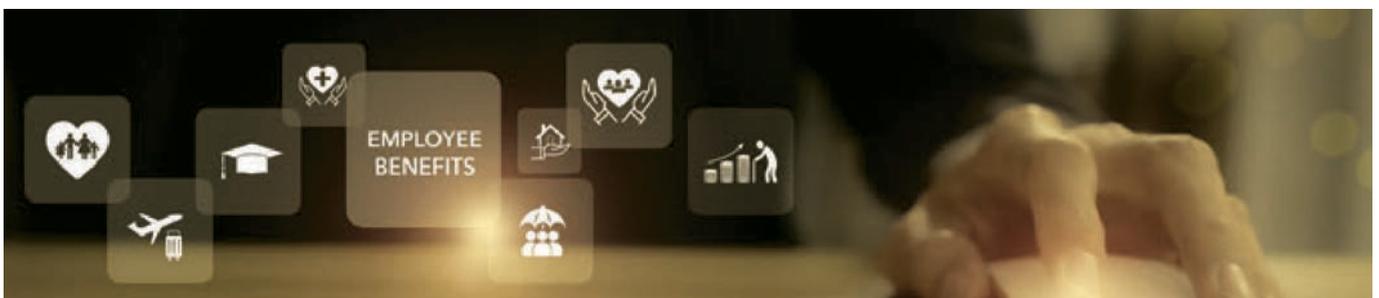
Respecting and promoting labour rights is essential to the Group's sustainability and our relationship with staff members and the local community. To combat illegal child labour or forced labour, we conduct thorough background checks and require candidates to provide legal identity documents for verification before formal employment. The HR Department periodically reviews employee profiles and promptly reports any suspected cases to the management. In the event of any illegal practices, we immediately terminate the concerned employment contract and address the matter following established reporting procedures. Disciplinary actions may be taken against responsible staff depending on the severity of the case. During the year under review, the Group remained fully compliant with relevant laws and regulations governing the prevention of child and forced labour.

# 5.3

## Employee Benefits and Support



We recognise that the well-being of our employees is integral to our success, thus we are committed to cultivating a healthy and conducive work environment that nurtures employee growth. Through various health promotion initiatives, such as regular check-ups, health lectures, and sports programmes, we encourage employee engagement and enhance their awareness of personal health and overall quality of life. We provide comprehensive support, including training and guidance, throughout the employee journey starting from onboarding to create a safe and dependable workplace and facilitate career development opportunities.



# 5.3.1

## Employee Wellness

In supporting the physical and mental well-being of our staff, we curated a diverse range of wellness activities, sports competitions, and entertainment events in 2023. These initiatives were designed to connect employees outside of work hours and foster a healthy work-life balance.

### Hiking

In 2023, we organised a group hike to foster team spirit through communication, learning, and mutual support. The activity provided employees with an opportunity to enjoy the benefits of hiking while encouraging them to engage in regular exercises and connect with nature to benefit both physical and mental well-being.



### Athletics Fun Day

On 13 September, we participated in the 2023 Staff Athletics Fun Day organised by the FAOM Macau and sponsored by the DESPORTO Macau. The event involved a variety of exciting competitive games which encouraged participants to demonstrate their skills and abilities. Both teams from SJM achieved commendable results, securing third place and fifth place in the competitions.



## Infectious Disease Awareness Day

In April 2023, the Macau Health Bureau (“SSM”) organised the Infectious Disease Awareness Day in the back of house areas of GLP, GL and Oceanus. Staff from the SSM offered employees with information on common infectious diseases in Macau and infection prevention practices through interactive mini booth games and promotional leaflets, deepening their knowledge of health and fostering interaction among colleagues.



## Movie Appreciation Day

We organised two SJM Movie Appreciation Day events on 19 and 23 August 2023, featuring captivating movies, delightful snack sets, and exciting quiz games. We aimed to provide enjoyable moments for our employees, allowing them to relax and spend quality time with their families during their leisure hours outside of work.



## Virtually Versailles Tours

During the Virtually Versailles Immersive Exhibition at GLP, we have organised five exclusive sessions for our employees and their families. These sessions provide a special opportunity to experience the grandeur of the Palace of Versailles, its halls, and gardens through state-of-the-art technology.



# 5.3.2

## Employee Support

Awarded as the Outstanding Family-Friendly Employer in 2023, we paid extra attention to the family needs of our employees, especially those who need extra time to care for children and the elderly. We were also recognised by the SSM during the 2023 International Breastfeeding Week for supporting a breastfeeding-friendly workplace and creating a harmonious and supportive environment for our employees.



We also place great emphasis on the retirement security of our staff and encourage them to participate in the Macau SAR Government's Non-Mandatory Central Provident Fund ("CPF") System. In 2023, we hosted information sessions and roadshows on the CPF System to improve their understanding and awareness of the programme.



A total of **10,384 employees** have enrolled in the **Non-Mandatory CPF System**, ranking first amongst the six concessionaires in Macau.

# 5.4



## Workplace Safety and Health

We place paramount importance on individual and collective accountability for OSH across SJM. To foster a secure and healthy work environment, the SJM OSH Policy underwent a comprehensive update in October 2023 and received the official endorsement of Ms Daisy Ho, Chairman of the SJMH. This signifies that our top management plays an active part in driving the development and implementation of OSH initiatives. The OSH Steering Committee, formed under the purview of our top management, assumes responsibility for guiding policy formulation and monitoring OSH performance within the Group, while ensuring that policies are effectively implemented. The OSH Policy mandates that all operational divisions across the Group must adhere to its stipulations, serving as the foundation for fostering effective OSH management practices and mitigating OSH risks inherent in our operations.

### 5.4.1 Safeguarding the Workplace

The OSHD operates in compliance with legal requirements and guidelines set forth by the DSAL and the Labour Department of the Hong Kong SAR Government. It assumes the responsibility of establishing key performance indicators for the Group and relevant departments to enhance their workplace safety standards.

In 2023, the Group was in full compliance with applicable health and safety laws and regulations of Macau and Hong Kong. In the past three years including 2023, the Group recorded zero work-related fatalities. During the year under review, there were 7,249 lost days due to work injuries, which was higher than the previous year. This was due to the growing workforce size and workloads following the relaxation of pandemic restrictions and the subsequent resumption of economic activities, leading to an uptick in work-related accidents. This observed trend aligns with industry and government data, highlighting the importance of addressing it as a growing concern.

To mitigate the escalating incidence of accidents, we have focused our efforts to enhance employee motivation and engagement through a range of activities. The initiatives detailed below were introduced for the first time in 2023.

## First Online Survey

The inaugural Workplace Safety and Health Status Online Survey was conducted to enable employees to offer direct feedback on environmental safety and hazards to the OSHD. Over 7,350 surveys were collected through the OSH joint inspections programme between June and December, representing a completion rate of 75%. The data form our OSH performance statistics and will be considered in future safety initiatives and focus areas.

## First OSH Leaflet Holder

In 2023, we designed and displayed our first leaflet holder across our properties, displaying latest OSH leaflets from the government and the Group itself. A suggestion box is attached to each leaflet holder, as a means of communication for employees to raise any safety concerns or issues they may have encountered.



## First OSH Video Collaboration

SJM is the first integrated tourism and leisure enterprise in Macau to partner with the DSAL to create OSH promotional videos aimed at fostering a positive OSH culture in Macau. There are eight videos in total, featuring SJM team members and departments from Housekeeping to Facilities Management. The videos were filmed at SJM properties under the guidance of DSAL representatives to ensure relevance, and they provide valuable insights into OSH practices in real work situations.



In addition to video collaboration, we also took part in other OSH activities organised by the DSAL, including the Macau OSH Carnival, briefing sessions on new OSH laws, on-site demonstrations of smart safety systems, OSH seminars across Hong Kong, Macau and the Taiwan Straits, and arranging property visits to educate students on safety management.



Through these activities, we gained insights into the latest workplace safety and health management trends while also sharing our own experiences to contribute to industry-wide safety improvements.

# 5.4.2

## Enhancing Safety Awareness

In 2023, we conducted a series of safety training and briefing sessions to continuously enhance employee safety awareness and knowledge, including the Resources Group On-The-Job Safety Retrain programme, the Work Injury Safety Refresher Training and the Fire Safety Training. The total trained participants amounted to over 11,000 during the year.

In collaboration with the SSM, we also hosted our first lecture on Understanding Tuberculosis and facilitated lung check-ups for employees. We have also created health reminders on trending topics such as preventing bed bugs, promoting mental health, office stretching exercises, and preventing heat stroke.



### SJM OSH Week 2023

Following an opening ceremony in December 2023, the SJM OSH Week 2023 was filled with events held across back of house areas, banquet halls, meeting rooms, and other locations at GLP, GL and Oceanus Jai Alai. These events included booth games, occupational health fitness tests, specialised lectures, yoga workshops, and first aid nursing workshops. In total, over 12,000 participants were recorded across all events.



### OSH Online Q&A Competition

Building upon the previous year's success, we continued to organise quiz games with prizes to encourage employee participation. The total number of participants reached 6,374, reflecting a remarkable 145% increase compared to 2022. In 2023, we also introduced the first OSH Checkpoint Game - OSH Dolls.

# 5.5

## Talent Development



At SJM, we recognise the importance of our people as a crucial asset for our business success. We put substantial investments in their development to facilitate both individual and organisational growth, and promote career advancement through internal professional development programmes and external collaborative training initiatives.

### 5.5.1

## Driving Advancements and Opportunities

As Macau began lifting border restrictions in early 2023, we also intensified our efforts in talent development, fostering momentum by introducing a range of initiatives. The Learning and Development Department, in collaboration with internal departments such as Performance Improvement, IT, and Casino Operations, organised more than 1,350 training classes in the reporting year.

In 2023, our training efforts amounted to more than 400,000 recorded hours, incorporating a comprehensive 3- to 30-day induction programme for all new employees. The training covered a wide range of topics, including company brand and product knowledge, customer service, professional skill development, and sustainability. Additionally, we continued our commitment to promoting responsible gaming, national education, parenting education, and occupational quality training through large-scale seminars and workshops. These events covered significant subjects such as the history of the gaming industry and national economic development, among others.



## SJM Career Enhancement Programmes

To encourage our employees to proactively learn and advance in their career paths, we have launched a series of career enhancement programmes designed to better cater to their individual career needs.

### Management Development Programme

In addition to the Front-line Coach Development Programme, we launched the Management Development Programme that spanned nine months in 2023, nurturing more than 120 junior to middle management members. In 2024, our focus will be on introducing training initiatives for upper management to strengthen the talent pipeline within the company and facilitate career advancement opportunities for local professionals.



### Management Trainee Programme

In 2023, we launched the first SJM Management Trainee Programme to provide young local talents with the opportunity to embark on their careers in various professional fields. The programme offers an accelerated path to management within 12 to 24 months upon completion, attracting 12 highly promising local individuals.



### Non-Gaming Training

To encourage our gaming employees to expand their skill sets and gain experience in other non-gaming areas, we introduced the Explore Your Talent programme in 2022. Spanning 18 months since its successful launch, the programme continued to provide valuable learning and development opportunities to its participants and was concluded in 2023.

In 2023, we introduced another Service Enablement Training Programme to the gaming staff within the special workforce group known as the Resource Group. The programme aims to provide first-hand learning and exposure to non-gaming fields. Since its inception, more than 7,500 participants have undergone the training.

During the year, over 1,000 gaming staff were transferred to non-gaming departments including Marketing and HR, after completing the systematic training offered as part of the SJM Cross-Training Development Programme for Gaming Practitioners.



## Vocational Skills Competition

In 2023, in addition to the internal SJM Vocational Skills Competition, we also participated in local and regional occupational skills competitions, including the Macao Occupational Skills Recognition System (“MORS”) - Gold Pin Competition, the Macao Integrated Tourism and Leisure Enterprises Vocational Skills Competition and the Shen He Cup Occupational Skills Competition. We were proud to announce that our team of 28 staff won 11 awards in the Macao Integrated Tourism and Leisure Enterprises Vocational Skills Competition and four of our employees were awarded the Gold Pin in the MORS Gold Pin Competition.



As the digitalisation trend continued in 2023, by the end of the year, our online learning platform has garnered more than 2,350 active users engaging in hospitality-related training. Going forward, we aim to incorporate additional renowned digital learning resources, such as LinkedIn Learning and Rosetta Stone, as well as develop in-house eLearning programmes to cultivate a culture of self-directed learning.

In December 2023, five of our staff received the Outstanding Employee Award and Excellent Employee Award at our Outstanding Employees Recognition Ceremony – Leisure Enterprises, demonstrating our emphasis on the advancement of our staff members.

# 5.5.2

## Training Partnerships

In addition to conducting in-house training, we forged collaborations with external organisations to facilitate training programmes for our employees in 2023.

DSAL

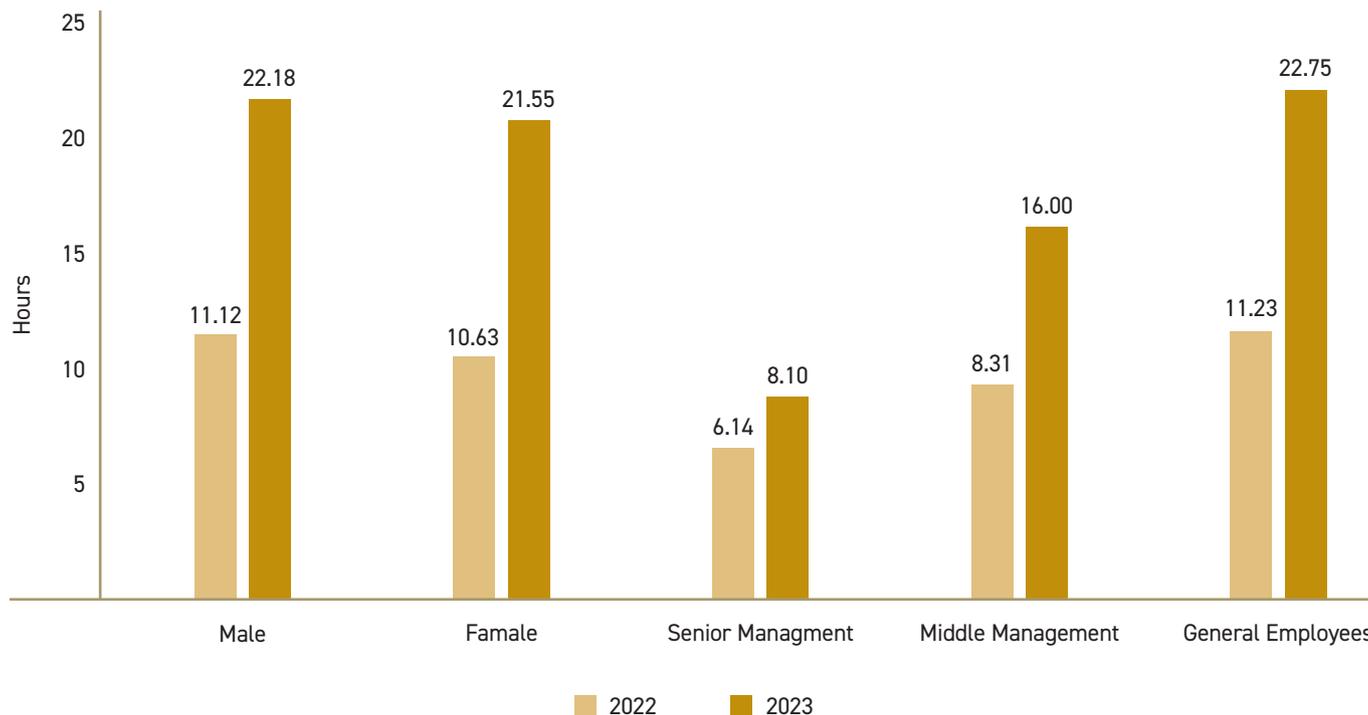
We participated in training programmes offered by the DSAL, including the Occupational Safety Card for hospitality professionals, electricity, and various facility management-related training courses.

Forbes Travel Guide

We have engaged Forbes Travel Guide to conduct monthly assessments, ensuring outstanding service quality. With over 3,000 participants in our training programmes, we demonstrate our dedication to bolstering Macau's reputation as a global hub for tourism and leisure.

In 2023, we provided extensive provisional training, with over 14,000 staff members receiving a total of more than 407,000 training hours. As part of our commitment to fostering the career development of our general staff, we allocated more than 90% of the training time to enhance the skills and capabilities of our non-management employees. For detailed information on the Group's trained employees, categorised by gender and employee category, please refer to the Appendix – Performance Table.

Average Training Hours per Category



# 6

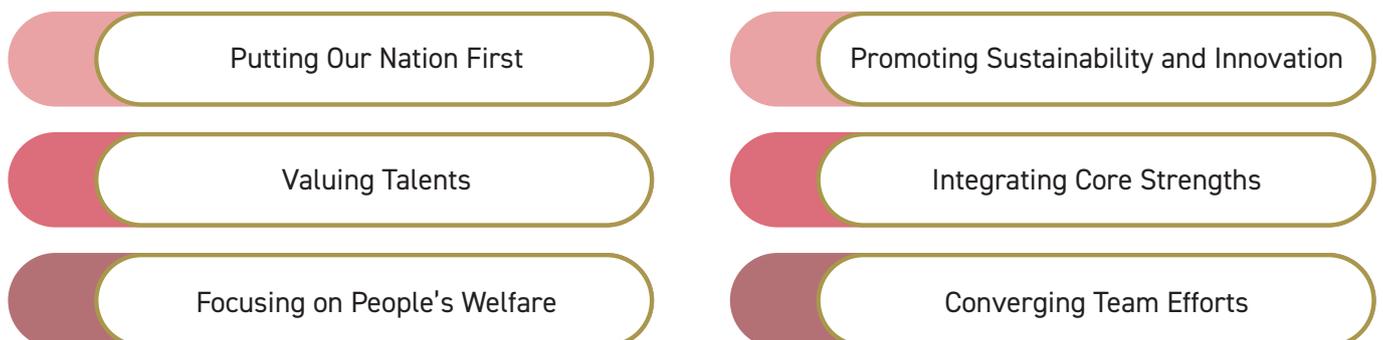
## CORNERSTONE OF OUR COMMUNITY

## Our Management Approach

Upholding the motto of “From Society, to Society”, we are deeply committed to fulfilling our corporate social responsibilities and addressing the needs of the community. Guided by six fundamental principles as shown, we responded to national policies and made significant efforts to enhance the well-being of the local society through various channels during the year. Striving to make a positive impact on society and create a better future for our community, we extended our support to education, arts and culture, sports, and charitable activities, and we also encouraged our staff to participate in these initiatives. In 2023, we arranged more than 15,900 person-times, collectively providing over 88,300 hours of volunteer services to the local community.



### 6 Principles of SJM Corporate Social Responsibilities:



# 6.1

## Charity and Community Activities



Committed to enhancing the well-being of society, we delivered care and support through various means in 2023 including monetary donations, participating in community activities, and arranging visits to those in need, creating a positive atmosphere for all individuals and communities.

### 6.1.1 Philanthropy Through Donation

In 2023, we continued our support for the Food Basket programme of the Macau Holy House of Mercy's Welfare Shop by donating MOP300,000 and coordinating more than 20 members of our SJM Volunteer Team to facilitate the delivery of food hampers and red packets to more than 370 low-income local households.



Carrying on our dedication to promoting the philanthropic spirit, we pledged MOP700,000 in support of Tung Sin Tong's annual community outreach programme during the year.

Additionally, we once again backed the Walk for a Million by sponsoring MOP700,000 and organised a team of over 10,000 members, and their families and friends to participate in both online and offline editions of the activity.



In full support of World Blood Donor Day, we organised blood donation events on multiple occasions with participation of over 200 staff and support from health professionals, and were ranked among the top three donors in the Blood Donation Award Ceremony 2023 organised by Macau Health Bureau (“SSM”).



To aid the relief efforts and the subsequent reconstruction following the devastating earthquake in Gansu and Qinghai, we donated MOP10 million through the Liaison Office of the Central People’s Government in the Macao Special Administrative Region.



In 2023, we kept up our steadfast support for Caritas Macau through various meaningful initiatives. Not only did we sponsor their charity dinner to raise funds for their refugee work and donate Christmas gifts to underprivileged children, we once again sponsored the 54th Caritas Macau Charity Bazaar and sent 81 volunteers to set up charity game booths to raise funds. We also supported their carnival event with the goal to promote healthy family relationships.

During the reporting year, we funded and supported various NGO activities such as fundraising, flag-selling, gala dinners and Christmas parties. Beneficiaries included Fuhong Society of Macau, Bosco Youth Service Network, General Union of Neighbourhood Associations of Macau, Macau Association of the Hearing Impaired, Casa de Portugal and so on. Apart from sponsoring the Orbis Raffle 2023, we also set up charity sales counters at GLP and GL in June 2023, raising funds to support crucial Orbis projects.

## 6.1.2 Strengthening Parent-child Bonds

As a company that believes family relationship nurtures the physical, emotional and social development of children, we are dedicated to strengthening parent-child bonds through various channels, starting from our staff’s family and extending our effort to the public. We also sponsored various family activities organised by the Gaming Employees Home during the year.

Joining forces with local associations such as the Associação de Juventude Voluntária de Macau, we held multiple handcraft workshops and sports competitions at the SJM Staff Club to promote parent-child relationships, aiming to foster creativity and promote Chinese traditional culture while strengthening family bonds.



In addition, we invited families from local associations, such as The Women's General Association of Macau and S.K.H Macau Social Services Coordination Office, to participate in the GLP Art Workshops and enjoy festive events at GLP, encouraging interaction and appreciation among families, especially during Mother's Day and Father's Day. In celebration of International Children's Day, we invited families from Caritas Macau to attend a Children's Day event at GLP. Apart from interactive games, souvenirs made by the Fuhong Society were also presented to them, creating memorable moments and strengthening relationships within the community.

## 6.1.3 Empathy for the Elderly

To honour the Chinese tradition of filial piety, in 2023, we organised leisurely afternoons at GLP for elderly groups from Tung Sin Tong and Centro de Dia Chong Pak Chi Ká of the Macau Federation of Trade Unions, offering gastronomic and cultural experiences. In November 2023, to support a tour organised by Associação de Juventude Voluntária de Macau, nine members of the SJM Volunteer Team accompanied the elderly from the Asilo de Sao Francis Xavier Home for the Aged in a visit to the Macau Tower, creating a meaningful experience for the participating elderly.



## 6.1.4 Caring for Teenagers



During the year, we took actions to promote healthy lifestyle among teenagers while raising awareness to the dangers of drug abuse. We participated in the Anti-Drug Carnival of the Macau Social Services Centre and supported the 2023 International Day Against Drug Abuse and Illicit Trafficking by illuminating the exterior of GL and Oceanus at Jai Alai in green to spread the message. We also extended our care to teenagers struggling with internet addiction, and invited those at the Sheng Hung Hui Student Counselling Services to take part in our GLP Art Workshops to foster their interest in art and promote mental and physical well-being.

## 6.1.5 Promotion of Social Inclusion

To promote social inclusion, we once again sponsored the “Take to the Skies Together” activity series organised by the Macau Special Olympics (“MSO”) in 2023, including paying visits to the Complexo De Serviços Ngai Chun during festivals, hiking with 72 MSO members to help them get close to the nature, and organising a Christmas fun party for about 200 members. Other activities included the Art Experience Tour, Dragon Boat Festival Cookie Baking Workshop and the hand-in-hand charity workshop. In May 2023, we invited MSO to set up charity sales booths at the back of house areas of our properties, to raise funds to support future MSO activities.

To promote the development of social enterprises and create job opportunities for people with disabilities, we donated necessities to the Happy Market Social Enterprise under the Fuhong Society and to the Salvation Army, and provided a dedicated space at the Made in Macau area at GLP for Fuhong Society to sell their handmade artworks.



In 2023, we also sponsored and participated in the activities of The Macau Association for Intellectual Development Services and the Macau Association of the Hearing Impaired, and winning third place in The Third Sign Language Song Contest 2023. In addition, we arranged for staff members to attend training sessions held by the Social Welfare Bureau to deepen their knowledge of disabilities and provide appropriate support for social integration.

## 6.1.6 The SJM Volunteer Team

Established in 2015, the SJM Volunteer Team has around 1,950 members. In 2023, we continued our volunteering support through collaboration with local associations, such as the Macau Social Services Centre, Caritas Macau, Macau Holy House of Mercy, MSO, Tung Sin Tong, Associação de Juventude Voluntária de Macau, Macau Association for Intellectual Development Services, Bosco Youth Service Network and Association of Rehabilitation of Drug Abusers of Macau, and organised a series of activities.

## Cornerstone of Our Community

To bring warmth to the community, especially during festivals, our volunteers carried on with the outreach programme during the year, taking part in home visits to single-parent and low-income households, the elderly who live alone, and families affiliated with MSO, the Macau Association of the Hearing Impaired, the Macau Down Syndrome Association, and the Against Child Abuse (Macau) Association, benefitting more than 4,200 individuals across Chinese New Year, the Dragon Boat Festival and Mid-Autumn Festival. Our volunteers also visited the Ka-Ho St. Jose School during the Dragon Boat Festival, interacting with students through games and presenting them with blessing gifts.



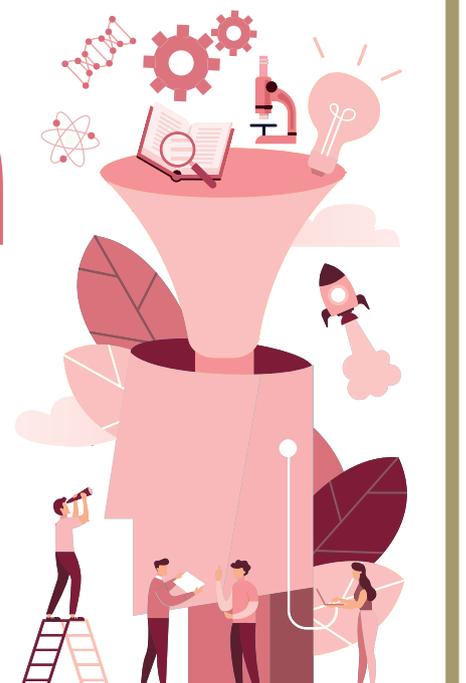
We aim to provide a systematic understanding of emergency response and elderly care to our volunteers, so we arranged for about 100 members of the Volunteer Team to participate in the First Response Seminar hosted by the Social Welfare Bureau and about 40 members to attend the Caregivers Seminar of Caritas Macau.

The SJM Volunteer Team received the Care Service Award and the Rainbow Life Outstanding Volunteer Award at the Passing Love to the City - Volunteer Award Ceremony hosted by the Associação de Juventude Voluntária de Macau in November 2023, in recognition of our selfless contributions to the community we operate in.

# 6.2

## Education and Innovation

We aimed at promoting education and fostering patriotism in the community through launching a series of activities in 2023.



# 6.2.1 Promoting Patriotic Education

Committed to upholding the principle of “One Country, Two Systems”, we organised and participated in numerous patriotic activities, lectures and seminars during the year, aiming to deepen the knowledge of our staff and the public about the motherland’s history, culture and development.

As a significant programme of the SJM Patriotic Education Series, we hosted a sharing session on the spirit of the Two Sessions at GL, participated by over 350 staff. We also hosted a National Day reception to gather about 2,800 staff to express heartfelt wishes to our beloved motherland. Both sharing session and the National Day reception were recorded and broadcasted in the back of house areas, reaching out to more staff members.



We organised a series of national education courses for 930 staff members during the year, to enhance their understanding of modern China. To promote patriotism across generations, we hosted a series of activities for our staff and their families, including organising the film screening of *The Volunteers: To The War*, *Tell China's Stories* series and visits to the National Security Education Exhibition, Soong Ching Ling Exhibition, the Young People's Patriotic Education Base and the Stars Dream Chasing - Thematic Exhibition on Scientist Spirit.



## Cornerstone of Our Community



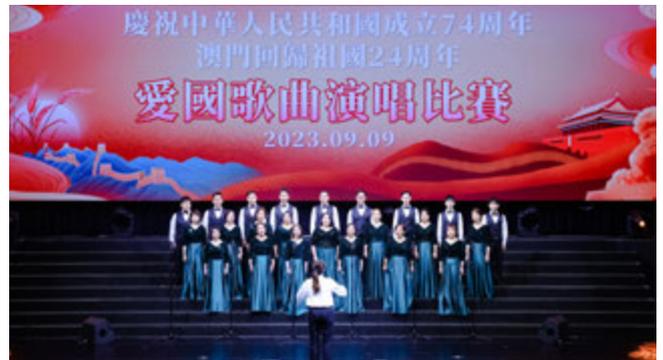
We also organised three study tours to Foshan in the Greater Bay Area (“GBA”) for 130 employees, and resumed the Jiangxi Jinggangshan Patriotic Education Programme for around 100 staff and their teenage children during the year, aiming to cultivate patriotic spirit from generation to generation.



During the year, we also arranged teams to participate in the “2023 National Knowledge Competition” organised by Gaming Employees Home and the “Patriotic Singing Contest in Celebration of the 74th Anniversary of the Founding of the People’s Republic of China and the 24th Anniversary of Macau’s Return to the Motherland” hosted by the Women’s General Association of Macau.



To further promote an in-depth understanding of the national development in the community, we sponsored the China Film Festival, and launched the “Together, We Grow and Progress with the Motherland” forum series for over 160 students and 40 staff members to give them a comprehensive overview of the development of the GBA and the Guangdong-Macao In-Depth Cooperation Zone, encouraging them to seize opportunities presented in the national development plan.



## 6.2.2 Nurturing Talents

The SJM Scholarship Programme awards scholarships to University of Macau (“UM”), Macao Polytechnic University and Macao Institute for Tourism Studies every year to nurture local young talents.

We also awarded ten scholarships to children of our staff who demonstrated outstanding performance in 2023 as well as renewing scholarships of 24 recipients at the 19th SJM Scholarship Awards Ceremony. Being the first mover in Macau, SJM has run this annual scholarship programme for 19 consecutive years, sponsoring the recipients until they graduate. Around 140 children of our staff have graduated since the launch of this programme.





To align with the national development plan and attract young talents to the GBA, we title-sponsored and co-organised the 2023 Greater Bay Area Global Talents Summit in February 2023. We also continued our collaboration with the Macau Education and Youth Development Bureau (“DSEDJ”). In addition to organising workshops following the School and Corporation Collaboration programme signed in 2022, we also signed a letter of intent to support the Macau Youth Development and hosted a series of on-the-job learning activities in 2023.



In 2023, we continued to support the Career Experience Internship Programme of DSAL by offering 20 internship positions across various departments to fresh graduates and job opportunities after completion of the programme.

To allow young talents to gain insights into the daily operations of a large integrated resort and learn about industry development trends through interactions with management personnel, we provided guided tours at GLP for students from secondary schools, universities, institutions, and associations including UM, Macau University of Science and Technology, the Hong Kong Polytechnic University, Guangzhou College of Technology and Business, Millennium Secondary School, and the Sin Meng Charity Association. Catering workshops and art exhibition visits were also arranged during their visits.



To facilitate cultural exchange and diversify training opportunities, we funded the Portuguese language programme of Camões, the Instituto da Cooperação e da Língua, I.P., to train talents for the development of the national “One Belt, One Road” initiative. Additionally, to inspire innovation and entrepreneurship, we sponsored the 3rd Edition of the 929 Challenge Between University Students from China and Portuguese Speaking Countries, to promote the platform role of Macau between China and the Portuguese-speaking countries.

## 6.2.3 Cultivating Cultural and Science Literacy

In 2023, we sponsored the 2023 STEAM x Picture Book x Storytelling programme, supporting the Macao Science Centre (“MSC”) in the education of science, technology, engineering, arts and mathematics (“STEAM”). To promote science popularisation and boost reading culture, we sponsored the establishment of the Science Picture Book Reading Corner at the MSC. In addition, we supported the 4.23 Reading in the City event, and donated books to the Happy Market of Fuhong Society and the Cradle of Hope Association, to promote a reading culture in the local community.



## 6.2.4 Empowering Special Talents



To promote inclusive development, we empowered special talents from the Fuhong Society and MSO by hosting workplace experience activities and vocational skill lectures. For instance, our tea masters offered tea brewing skills training to the members of Fuhong Society’s training tea shop, helping them integrate into society. We also arranged for our chefs to Fuhong Society’s “Cantinho Luso” restaurant to demonstrate cooking skills and share their knowledge on kitchen operation and inventory management.

# 6.3

## Arts and Culture



In 2023, we supported the arts and creative industry through innovative ways by collaborating with local artists and invited artists from home and abroad to participate. To complement with our efforts, we also organised a series of extended corporate social responsibility (“CSR”) events for the benefit of the local community.

### 6.3.1

## Significant Arts and Culture Events



In collaboration with the Macau Youth Art Association, we continued our efforts to nurture local art talents by hosting “Blossoms at Grand Lisboa Palace – A Group Exhibition by Macau’s Emerging Artists” from March to September 2023, exhibiting large-scale art installations featuring blossoming flowers, designed by six local artists. In addition to these exhibitions, we also hosted monthly weekend art workshops, allowing young artists to interact with the public, and invited members of NGOs to visit the exhibition as a part of their gastronomic and cultural journey at GLP.

## Cornerstone of Our Community



During the year, we once again joined forces with the Macau Artist Society and the Macau Youth Art Association to host the "Moonlight Splendor – SJM Lantern Festival", showcasing 11 large-scale lantern art installations by nine Asian and local artists. A variety of CSR events were held during the exhibition, including guided tours and family art workshops. In celebration of Macau Senior Citizens' Day, we invited 50 seniors to visit the exhibition and enjoyed afternoon tea with our staff members. We also arranged a lantern art workshop for members from MSO's "Life and Imagination" inclusive arts programme.

We supported and co-organised the Art Macao: Macao International Art Biennale 2023 through participating in the Invitational Exhibition by Local Artists and hosting Virtually Versailles exhibition at GLP from July to October 2023. Apart from inviting families and students from MSO to visit the exhibition, we organised art workshops for seniors and those receiving rehabilitation services, allowing them to appreciate art remotely. We also organised guided tours for various institutions and associations, including conducting a docent workshop for students from the City University of Macau.



As part of our non-gaming commitment to the development of themed amusement, we introduced the Miffy Creative Show – Travel in Style to Macau, which showcased an extensive collection of 100 artist-designed Miffy models, including the work of local and disabled artists. During the exhibition, we hosted a number of workshops for families with special needs from local associations.



In May 2023, we sponsored the traditional Drunken Dragon Festival organised by the Macao Fish Trade General Association. Our volunteers also helped in distributing the “longevity rice” to the public. To further popularise the festival as an Intangible Cultural Heritage, we showcased video footages on the outdoor LED screens of our properties and at the back of house areas.



To promote Chinese culture, we co-organised and sponsored the 3rd Guangdong-Hong Kong-Macao Chinese Opera Festival. We also jointly hosted a Chinese calligraphy and painting exhibition with the Macau Association of Chinese Culture and Arts, showcasing the artworks of our current and retired staff who attended the calligraphy and painting classes organised by us.

In addition to supporting traditional Chinese culture, we facilitated cultural exchange with the Portuguese-speaking countries by sponsoring the Macau Literary Festival in 2023 and title-sponsoring the “Closing Night Screening of the China and Portuguese-speaking Countries Film Festival”. University students studying Portuguese and Chinese culture were invited to the outdoor Portuguese film appreciation event held at GLP’s Jardim Secreto. We also sponsored various Music Journey events at the Macau Military Club to further foster cultural communication.

## 6.3.2 Nurturing Young Artists

During the year, we sponsored and co-organised music concerts and workshops to provide opportunities for children, young musicians and designers to showcase their talents. For instance, we supported the Macau Design Award 2023, providing a platform for local and international designers to communicate while inviting internationally renowned designers as judges to share their valuable experience in the seminars. As the co-organiser and sponsor of the Greater Bay Area Youth Orchestra’s 2023 concert – Macau stop, we invited local students to enjoy the performances.



# 6.4

## Sports Development



In alignment with our commitment to holistic community engagement, we are dedicated to further promoting the development of sports in Macau. Joining forces with the government, we sponsored, organised, and participated in sports events and related CSR activities over the year, contributing to the elevation of Macau's status as an international sports city.

### 6.4.1 Promoting Inclusion Through Sports



We always believe that engaging in sports activities serves as a powerful avenue for fostering social inclusion. In 2023, we fully supported the competitions and events organised by the MSO, including bowling, football, badminton, pétanque and running, as well as the “Play Unified Play Sports” flag-selling event. Our teams of volunteers participated with Special Olympics athletes and won several awards in the MSO competitions including the Open Category Champion in the 2023 Macau Special Olympics Charity Football Match. During the year, we also title-sponsored the “Take to the Skies Together” community inclusion activities organised by MSO, demonstrating our unwavering dedication to making a positive impact on our community.

## 6.4.2 Synergising Charity with Sports

To further our support to the local community, we have strategically integrated charity initiatives into sports, which not only provide a platform for athletes to showcase their skills but also serve as a catalyst for charitable contributions. We sponsored and organised teams to participate in charity sports competitions hosted by MSO, Caritas Macau and Care Action Macao, covering bowling, football, badminton, 3-on-3 basketball, as well as charity runs and charity hiking. We also sponsored and supported the “2023 International Day of Persons with Disabilities Macau Special Olympics Tennis Open Day”. To further leverage the collective impact of sports, we raised funds for students with financial difficulties and supported the Elderly Services project through participating in sports events.



## 6.4.3 Sponsoring International Sporting Events

We exemplified our strong commitment to promoting sports development in Macau by hosting and sponsoring a range of international sporting events, and organised a series of spin-off CSR activities to inspire the new generation, while promoting social harmony.



In 2023, we supported the 70th Macau Grand Prix and SJM Theodore PREMA Racing as the main sponsor and title sponsor, respectively, aspiring to instil local pride in the community. We invited students from UM and City University of Macau to visit the garage of SJM Theodore PREMA Racing and interact with the drivers.

## Cornerstone of Our Community

In November 2023, we invited the drivers to hold a youth dialogue with over 50 local students at Macao Grand Prix Museum to share the stories behind their victories, to deepen the students' understanding of motorsports and lay the foundation for future sporting excellence.



Students from Macao Polytechnic University, Macao Anglican College, Fong Chong School of Taipa and the MSO were invited to visit the "Sportopia" area at GLP to experience the fun of racing and interact with the drivers of SJM Theodore PREMA Racing, encouraging the new generation to have a deeper understanding of the long-standing Macao Grand Prix culture.



In addition, as the title-sponsor of the highly anticipated CTA Tour SJM Professional Finals (Macao) and National Tennis Championships returned for the third consecutive year, we once again leveraged Macao as a platform to highlight China's athletic power. We carried out a series of extended CSR activities. In specific, we invited the internationally renowned tennis player Li Na and other athletes to share their experience with more than 100 teachers and students from local institutions at the "Dialogues with Outstanding Athletes" event held at Grand Lisboa. We also held a tennis interactive camp for members of MSO to interact with Special Olympics' Global Ambassador Li Na and other participating athletes.



As the title sponsor in a three-year partnership of the SJM Macao Open since 2023, we invited one of the players Hun Pui In to hold a school outreach event at his alma mater Pui Ching Middle School, where he shared his experience with more than 100 juniors. A golf camp was also organised at the Macau Golf and Country Club, joined by professional golfers and local young students.



## 6.4.4 Cultivating Sports Talents

We are committed to popularising sports in the community with a particular focus on cultivating young sports talents. In full support of tennis development, we cooperated with UM to organise two free tennis experience camps for teenagers, with the university's tennis team players as instructors. In August 2023, we also organised a football experience day, during which staff and their children interacted with the young football players.



As part of our support to the holistic development of sports talents, we established the SJM Sports Teams Development Scholarship programme for UM, awarding MOP25,000 each to its tennis team and martial arts team annually. As a supporting entity of the "University of Macau Outstanding Athletes - The Path to be a Winner of World University Games" sharing session, we invited the gold medalist in martial arts Wong Sum In and all members of the UM martial arts team to a congratulatory party at the Grand Buffet of Grand Lisboa Palace.

## 6.4.5 Inheriting Traditional Chinese Sports Culture

Promoting traditional Chinese sports culture is one of our most important CSR missions. In June 2023, we title-sponsored and co-organised the 2023 SJM Macao International Dragon Boat Races with the Macau Sports Bureau and Dragon Boat Association of Macau, China. We formed eight teams to participate in the competition, and won six major trophies. We also participated in the 2023 China-Macau Dragon Boat Association Cup Small Dragon Boat Races and received five awards.



To motivate and empower the younger generation to inherit and promote traditional sports, we title-sponsored the 11th SJM Asian Junior Wushu Championships and co-organised a Wushu experience camp in cooperation with UM.

# 6.4.6 Promoting Mass Sports Activities

As our commitment to promoting a healthy and active lifestyle among our staff, we encouraged our staff to participate in sports activities throughout the year, including the sports carnival for female staff and the 2023 Summer Competitive Festival. Attributed to the incredible teamwork of our representatives, our team clinched the Challenge Team Competition in the 2023 Macau Obstacle Challenge.



Considering we are in the gaming business, we sponsored and organised our staff to participate in the sports competitions organised by Gaming Employees Home in 2023. Our engagement in the competition resulted in six notable achievements, including winning the Darts Contest Team Competition Championship. We also won awards in RG matches including both Overall and Group Champion in the “Live the Moment, No Regret, No Gaming” competition. All these accomplishments reflect our active involvement in sports initiatives and fostering a healthy and competitive spirit among our staff.



To further support the sports initiatives undertaken by the Macau SAR Government, we engaged in numerous government-led sports projects. For instance, in celebration of the 24th anniversary of the establishment of the Macau SAR, we organised a team to participate in the 2023 Basic Law Mountain Running Competition.



To promote sports exchange, we were the title-sponsor of the 15th Shanghai-Hong Kong-Macau-Taipei Tennis Group Invitation Tournament for the Elderly – SJM Cup, with the Macau team winning the championship.

# 6.5

## Responsible Business



Embedding responsible business practices as one of our key focuses, we ensure ethical operations and promote environmental sustainability, contributing to the long-term sustainability of Macau.

## 6.5.1 Prevention of Gaming Crime



Striving for a healthy development of the gaming industry, we demonstrated our commitment to the prevention of gaming crime through co-organising two impactful Gaming Crime Prevention Workshops with the Macao Judiciary Police in 2023, to raise awareness and foster police-civilian cooperation.

## 6.5.2 Promotion of Responsible Gaming

We demonstrated our dedication to responsible gaming in alignment with the Macau SAR Government's initiatives by participating in the Responsible Gaming Promotion 2023 and hosting various activities in 2023, with the SJM Responsible Gaming Promotion 2023 – Responsible Gaming Competition and the Course Certificate Award Ceremony being the notable highlights of the year. Twenty-seven staff members completed the Macau Responsible Gambling Advisor and Macau Responsible Gambling Trainer courses organised by the government in 2023.



We remain dedicated to working closely with the government and community to raise public awareness about RG and contribute to the sustainable growth of the local tourism and leisure sector. Numerous activities, including training seminars, community outreach activities, and gaming competitions, under the RG theme of "Seeking Help for Winning the Future" were organised in 2023, engaging around 20,000 participants. We also sponsored and participated in the competitions, workshops and activities hosted by the Gaming Employees Home and other local associations. These included the "Live the Moment, No Regret, No Gaming" competition, in which we distributed brochures and engaged in interactive games with approximately 300 participants at various tourist spots in Macau, and attained the 1st runner-up at the competition.

In 2023, we continued to collaborate with Yat On Centre to launch various RG promotion activities, including on-site RG counselling, RG Working Group Training Course and related promotion activities for around 14,500 persons. We also offered "Sustainable Development in Macau Tourism, Leisure, Entertainment – Responsible Gaming" RG training by joining forces with the Hong Kong Institute of Education for Sustainable Development for the fifth consecutive year. To raise staff awareness of RG and financial management, we once again co-hosted a seminar with the S.K.H. Macau Social Services Coordination, and organised a flash mob event together with them to promote RG to approximately 600 residents.

In 2023, nine of our casinos, namely Casino Grand Lisboa Palace, Casino Grand Lisboa, Casino Lisboa, Casino Oceanus at Jai Alai, Casino Ponte 16, Casino L'Arc, Casino Legend Palace, Casino Emperor Palace and Casino Grandview, were certified by the government as Responsible Gambling Model Units.

## 6.5.3 Supporting Remarkable Sustainability Events and Initiatives

To foster knowledge sharing and aim for collective efforts towards sustainability, we participated in various sustainability exhibitions and forums in 2023, hoping to promote the green and diversified development of Macau.

We participated in the 2023 Macao International Environmental Co-operation Forum & Exhibition (MIECF) in August to showcase our innovative practices for resource conservation and carbon neutrality, with our booth receiving the Green Booth Award for the recyclable design. At the event, we also entered into an MOU with our suppliers to expand our EV fleet. In addition, to facilitate the green development of Macau under the nation's decarbonisation strategy, we joined various forums to learn more about sustainable events organisation, decarbonisation pathway framework setting and green industry interconnection under the "One Belt, One Road" initiative.



To facilitate knowledge exchange, we organised an in-depth exchange forum on sustainable development with student representatives from the University of Porto in Portugal, with our strategies and achievements in sustainable development and environmental awareness shared during the event.

In 2023, we once again demonstrated our commitment to international eco-friendly campaigns through taking part in the Earth Hour movement in March by switching off exterior lights and non-essential interior lights across our hotels and casinos for one hour, as well as contributing to the 2023 World Environment Day through a series of energy-saving programmes including Lights Off for One Hour.



As one of the most renowned hospitality players in Macau, we support sustainability events and initiatives that are closely linked to our operations. In May 2023, we participated in the Hotel Industry Carbon Emission Calculation and Low-Carbon Development Seminar to enhance our understanding of carbon emission calculations. In addition, to promote green dining, we achieved a significant milestone in September 2023 by being the first in Macau to introduce a sustainable spirits series in collaboration with ecoSPIRITS, which features low-carbon and low-waste distribution systems for spirits. Joining a growing number of companies in the green hospitality industry, we have pledged to source only cage-free eggs across all operations by 2030.

As a Certified Sustainable Development Corporation, we welcomed the visit of the World Institute of Sustainable Development Planners (WISDP) in July 2023, leading a group of young people to learn about our outstanding achievements in promoting the SDGs of the United Nations. Attributed to our comprehensive accomplishments, GLP and Sofitel Macau at Ponte 16 were listed in the 2022 Macao Green Hotel Award.

For more information on our environmental initiatives, please refer to Section 4 of this report.

# 6.6



## Promoting Diversified Economic Development

Promoting economic growth is one of our focuses, as we believe that by fostering a thriving business environment, we contribute to the overall prosperity and well-being of the communities we operate in.

### 6.6.1

## Developing Non-gaming Projects

Macau has established itself as a world centre of tourism and leisure. Under the new 10-year gaming concession, we strive to support Macau's development from 11 perspectives: international tourism, conventions and exhibitions, entertainment shows, sport events, culture and art, health and well-being, themed amusements, gastronomy, community tourism, maritime tourism, and other innovative development. We are investing in a series of non-gaming projects and activities while hosting a wide variety of CSR activities.

We supported MGT0's roadshows in Mainland China, Hong Kong and overseas and also organised our own tourism product seminars in Hong Kong and Jakarta.



## Cornerstone of Our Community

To promote arts and culture in Macau, we spare no effort in sponsoring local and international events, facilitating cultural exchanges and nurturing local artists (see section 6.3). To impress visitors with entertainment shows, we hosted a series of concerts, wedding gown design competitions and expo, as well as TV shows during the year. We also title-sponsored the New Year countdown fireworks show at the Macau Tower.

As one of our continuous commitments, we supported significant sports events in 2023, including the remarkable CTA Tour, Macau Grand Prix and Macao Open, as well as the Macao International Dragon Boat Races and Asian Junior Wushu Championships, jointly promoting sports tourism in Macau. We held a wide variety of extended CSR activities and initiatives as discussed in Section 6.4.



During the year, we sponsored and participated in various conventions and exhibitions including the 2023 GBA Global Talents Summit, the Macao International Trade and Investment Fair, and the Global Tourism Economy Forum, to build international bridges. In addition, to promote health and well-being in Macau, we co-hosted traditional Chinese medicine forums and the SpaChina Global Health Forum to enrich participants' knowledge of these subjects.



We endeavour to boost Macau's image as a Creative City of Gastronomy. As the official partner of the MICHELIN Guide Hong Kong and Macau 2022-2024, we sponsored their announcement press conference, summit and gala dinner in 2023. We were also the title-sponsor of the 2023 SJM Asia Top Sommelier Summit, and the sponsor of the Macau Food Festival and the Crunch and Munch Fair in Macao – Fiesta for Five.

To further promote Macau's charm, we promoted community tourism by supporting the government's initiatives including the Chinese New Year Float Parade, Strolling on San Ma Lo – Pedestrian Zone Pilot Program, Light Up Macao 2023, and the revitalisation of Avenida de Almeida Ribeiro (San Ma Lo), to create a new cultural tourism and leisure attraction. We also organised cruises during the Macao International Fireworks Competition, to promote maritime tourism.



## 6.6.2 Supporting Macau's SMEs

We are a long-term supporter of local SMEs. Over the years, a total of 1,776 local suppliers have registered in the SJM and Macau SME Procurement Partnership Programme since 2016. Adhering to the principle of giving priority to SMEs in Macau, we prioritise sourcing from local SMEs that meet our green procurement policies and increase our purchasing amount yearly. In 2023, the local procurement accounts for 87% of SJM's total procurement and the number of local suppliers covers 76% of the total number of suppliers. The procurement amount from SMEs in 2023 increased by 31.6% compared with that in 2022. Excluding single suppliers and specific suppliers in the Macau market, around 50% of the SME procurement amount was used to support micro-enterprises, "Made in Macau" businesses and young entrepreneurs.

Over the year, we joined forces with several renowned Macau brands to include their food and beverage in our restaurants' menus, providing high-quality and diverse dining experiences to our customers. Our collaborations were also extended to the "M-mark" and "Made in Macau" products.

We continued to support SMEs and technology enterprises by organising business matchings, seminars, and trade exhibitions. During the year, we supported 940 SMEs and 106 technology companies through procurement, organised 150 online and offline business matching activities for 202 SMEs, and assisted 236 SMEs in promoting their products, upgrading equipment, and obtaining certifications.

To nurture young entrepreneurs and encourage innovation in Macau, we backed local small businesses through participation in a wide range of events focused on technology, culture, tourism and sports, including the ProQ Alliance roadshow.

In addition, to raise awareness of traditional local brands and generate sales for SMEs, we provide platforms for SMEs to showcase their offerings, including expanding the "Made in Macau" section at GLP and organising sales booths at our back of house areas.



Two major business matching events were held over the year. On 19 June, SJM organised the "SJM Local Micro, Small, and Medium Enterprises Business Matching Session" at GLP, which successfully facilitated various procurement projects related to food and beverage and spa products. On 28 September, SJM hosted the "2023 SJM Local MSME Procurement Cooperation Forum" and invited over 60 local MSMEs across 13 industries to attend.

To support the government's revitalisation plan of historic districts, we joined hands with FAOM to hold a 10-day Christmas and New Year's Eve market at the Outdoor Plaza of Ponte 16 Resort, attracting various Macau SMEs as well as trade unions and charitable organisations to enrol.



## 6.6.3 Building International Bridges for Macau

In 2023, we engaged in activities that aimed to strengthen international connections between Macau and its global trade partners. We continued to be a Platinum sponsor of the Annual Gala Dinner of the Macau European Chamber of Commerce, emphasising Macau's significance as a hub for business and cultural exchanges between China and Europe.



To strengthen the bond between Macau and other regions, we facilitated cultural exchange through sponsoring and co-hosting cultural events such as the André Sardet 25 Years concert and the closing night screening of the China and Portuguese-speaking Countries Film Festival, which promoted cooperation between China and Portuguese-speaking countries. We also furthered our efforts to promote the exchange between Chinese and French cultures by sponsoring the Art-Tech Future: Virtually Versailles and Beyond seminar of the France Macau Chamber of Commerce, as well as the gala dinner in support of the 30th Anniversary of the French May Arts Festival.

### Our Accomplishments

Offering scholarships totalling MOP935,000 to outstanding students under our SJM Scholarship Programme and expanding our collaborations with schools

Expanding patriotic-themed tours and education programmes for staff members and young generation, accumulating over 15,300 hours

Contributing over 88,300 hours of volunteering work

Visiting over 1,400 local households to spread love in the community

Engaging more than 20,000 participants through our Seeking Help for Winning the Future themed events to promote responsible gaming

Participating in 12 remarkable sustainability forums and exhibitions

Title-sponsoring iconic sports events in Macau such as the SJM Macao International Dragon Boat Races, CTA Tennis Tour and SJM Macao Open

Hosting a series of Virtually Versailles exhibitions, Artistic Lantern Festival and the Macau Design Award 2023 to boost international art and cultural exchange

Investing in 11 non-gaming areas complemented with a series of extended CSR activities, injecting new momentum into the appropriate diversification of Macau's economy

# ABOUT THIS REPORT

SJM Holdings Limited is pleased to present its fourth standalone Environmental, Social and Governance Report in 2023. This comprehensive report highlights the Group's achievements across four key pillars: Governance and ethics, Planet, People, and Community, which collectively contribute to the long-term sustainability of SJMH.

## Reporting Standard

This Report was prepared with reference to the GRI Standards 2021 and in accordance with the ESG Reporting Guide set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange") under the "Comply or Explain" provision. We prepared this Report following the four reporting principles as set out in the ESG Reporting Guide to ensure effective disclosure.

## Materiality

To identify the ESG issues that significantly affect our operations and growth, we enlisted the assistance of an independent consultant in 2020. Through extensive consultation with our key internal and external stakeholders, we mapped out these issues based on their priorities and the priorities of our business. This process allows us to determine the most significant issues that impact the Group, for which we take full responsibility in managing. For further details on our materiality analysis, kindly refer to the "Sustainability at SJMH" chapter in this Report.

## Quantitative

The principle of Quantitative is exemplified in the Report through the transparent disclosure of environmental and social key performance indicators. The calculation methodology, conversion factors, and assumptions employed are clearly outlined in the footnotes accompanying the relevant performance tables.

## Accessibility of the Report

The Group will publish the ESG Report in respect of the financial year ended 31 December 2023 on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and its website (<https://www.sjmholdings.com>) at the same time as its Annual Report is published. The ESG Report will be accessible under the "Investor Relations" section of the Company's website.

This Report is available in both English and Chinese. Should there be inconsistency, the English version shall prevail.

## Balance

In our commitment to providing a holistic view of the Group's sustainability efforts to our stakeholders, we ensure transparent disclosure of our ESG performance. We refrain from intentionally omitting any information that could potentially impact the informed decision-making process of our readers.

## Consistency

In order to facilitate meaningful year-on-year comparisons, we have consistently adhered to the same reporting framework, while continuously enhancing the level of disclosure. Any notable changes in reporting structure or calculation methods will be clearly explained in the relevant sections.

## Reporting Period and Boundary

Adopting the "Operational Control Approach", this ESG Report principally covers the environmental and social performance within the operational boundaries 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, wholly- or majority-owned hotel operations which are not directly run by the Group\*. Unless otherwise stated, all information and data disclosed in this Report cover the Reporting Period of 1 January 2023 to 31 December 2023, with cross-year data provided for comparison where relevant and applicable.

\* It includes Casinos (Casino Grand Lisboa, Casino Lisboa, Casino Oceanus at Jai Alai, Casino Taipa), Hotels (Grand Lisboa Hotel, Grand Lisboa Palace, Jai Alai Hotel, Sofitel Macau at Ponte 16) and Corporate Offices.

# Appendix – Performance Table

**Table 1. The Group's Total Emissions by Category in 2023<sup>7</sup>**

Emission Category	Key Performance Indicator (KPI)	Unit	Amount in 2023	Intensity <sup>1</sup> (Unit/m <sup>2</sup> ) in 2023
Air Emissions <sup>2</sup>	SO	Kg	24	$3.01 \times 10^{-5}$
	NO	Kg	1,540	$1.90 \times 10^{-3}$
	PM	Kg	274	$3.39 \times 10^{-4}$
GHG Emissions	Scope 1 <sup>3</sup> (Direct Emissions)	Tonnes of CO <sub>2</sub> e	19,484	0.02
	Scope 2 <sup>4</sup> (Energy Indirect Emissions)	Tonnes of CO <sub>2</sub> e	170,932	0.21
	Scope 3 <sup>5</sup> (Other Indirect Emissions)	Tonnes of CO <sub>2</sub> e	1,014	$1.25 \times 10^{-3}$
	Total (Scope 1 & 2 & 3)	Tonnes of CO <sub>2</sub> e	191,430	0.24
Non-hazardous Waste	Solid Wastes <sup>6</sup>	Tonnes	7,073	$8.74 \times 10^{-3}$
	Waste Recycled			
	Food Waste	Tonnes	515	$6.36 \times 10^{-4}$
	Paper	Tonnes	216	$2.66 \times 10^{-4}$
	Plastic Bottle and Single-use Plastics	Tonnes	22	$2.67 \times 10^{-5}$
	Others <sup>8</sup>	Tonnes	59	$7.25 \times 10^{-5}$

- Intensity for 2023 was calculated by dividing the amount of air, GHG and other emissions respectively by the Group's gross floor area (GFA) of 809,597.03 m<sup>2</sup> in 2023;
- The Group's air emissions only included the air pollutants from gaseous fuel consumption and liquid fuel consumption of motor vehicles;
- The Group's Scope 1 (Direct Emissions) included only the emissions arose from the consumption of fossil fuels for stationary and mobile combustion, and the refrigerant in hotels and casinos during operations;
- The Group's Scope 2 (Energy Indirect Emissions) included only the emissions arose from the electricity consumption;
- The Group's Scope 3 (Other Indirect Emissions) included only the emissions arose from paper waste disposed at landfills, electricity used for processing fresh water and sewage by government departments;
- The amount of solid waste in 2023 only covered domestic and commercial wastes from the hotels, casinos and offices of the Group where the employees and guests worked and lived in Macau;
- The methodology adopted for reporting on GHG emissions set out above was based on "How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, The GHG Protocol Corporate Accounting and Reporting Standard and the 2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines for National Greenhouse Gas Inventories; and
- Other recycled waste includes metal, glass, battery, electronic waste, used cooking oil, light bulb, soap and aluminium can.

Table 2. Total Resource Consumption in 2023<sup>3</sup>

Use of Resources	Key Performance Indicator (KPI)	Unit	Amount in 2023	Intensity <sup>1</sup> (Unit/m <sup>2</sup> ) in 2023
Energy <sup>2</sup>	Electricity	'000 kWh	280,655	0.35
	Natural Gas	'000 kWh	22,421	0.03
	Gasoline	'000 kWh	2,461	3.04 x 10 <sup>-3</sup>
	Diesel	'000 kWh	40,796	0.05
	LPG	'000 kWh	11,828	0.01
	<b>Total</b>	<b>'000 kWh</b>	<b>358,159</b>	<b>0.44</b>
Water	Water	m <sup>3</sup>	2,238,347	2.76
Paper	Paper	Kg	76,105	0.09

- Intensity for 2023 was calculated by dividing the amount of resources that the Group consumed in 2023 by the Group's gross floor area (GFA) of 809,597.03 m<sup>2</sup> in 2023;
- The energy conversion of resources consumed was based on the energy coefficient set out in "How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental

KPIs" issued by the Stock Exchange and the Energy Statistics Manual of International Energy Agency (IEA); and

- The environmental data disclosed includes the operations of management offices, casinos and hotels of the Group in Macau and Hong Kong.

Table 3. Number of Employees by Age Group, Gender, Employment Type, Position, Geographical Locations of The Group in 2023<sup>1</sup>

Gender		Age Group					Total
Male	Female	18-30	31-40	41-50	51-60	Aged 61 or Above	
8,819	9,835	1,745	5,813	5,779	5,160	157	18,654

Employment Type		Position			Total
Full Time	Part Time	General Employee	Middle Management	Senior Management	
18,638	16	16,395	2,059	200	18,654

Geographical Location	
Locations	Number of Employees
Hong Kong - Office	51
Macau - Office	1,944
Macau - Hotels	3,125
Macau - Casinos	13,534
<b>Total:</b>	<b>18,654</b>

The employment data in headcount was obtained from the Group's Human Resources Department based on the employment contracts entered into between the Group and its employees. The data covered employees engaged in a direct employment relationship with the Group according to relevant

local laws and workers whose work and/ or workplace was controlled by the Group. The methodology adopted for reporting on employment data set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

**Table 4. Employee Turnover Rate by Age Group, Gender and Geographical Locations in 2023<sup>1</sup>**

	Gender		Age Group					Total
	Male	Female	18-30	31-40	41-50	51-60	Aged 61 or Above	
<b>Employee Turnover</b>	1,352	1,324	595	724	342	837	178	2,676
<b>Employee Turnover Rate</b>	15%	13%	34%	12%	6%	16%	113%	14%

Geographical Location		
Locations	Employee Turnover	Employee Turnover Rate
<b>Hong Kong - Office</b>	14	27%
<b>Macau - Office</b>	422	22%
<b>Macau - Hotels</b>	785	25%
<b>Macau - Casinos</b>	1,455	11%

The turnover data in headcount was obtained from the Group's Human Resources Department based on the employment contracts entered into between the Group and its employees. Turnover rate was calculated by dividing the number of employees who resigned

in 2023 by the number of employees in 2023. The methodology adopted for reporting on turnover data set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

**Table 5. Number and Percentage of Employees Trained in the Group by Gender and Position Type in 2023<sup>1</sup>**

	Gender		Position			Total
	Male	Female	General Employee	Middle Management	Senior Management	
<b>Number of Staff Trained</b>	6,686	7,339	12,294	1,630	101	14,025
<b>% of Staff Trained</b>	48%	52%	88%	12%	1%	75%

The training information was obtained from the Group's Human Resources Department. Training refers to the vocational training that the Group's employees attended in 2023. The methodology adopted for reporting on the number and percentage of employees

trained set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

**Table 6. Training Hours Received by the Employees of the Group by Gender and Position Type in 2023<sup>1</sup>**

	Gender		Position			Total
	Male	Female	General Employee	Middle Management	Senior Management	
<b>Number of Hours Trained</b>	195,604	211,965	372,995	32,953	1,621	407,568
<b>Average Training Hours</b>	22.18	21.55	22.75	16.00	8.10	21.85

The training information was obtained from the Group's Human Resources Department. The methodology adopted for reporting training hours set out above was based on "How to Prepare an ESG

Report – Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

# Report Disclosure Index

## ESG Reporting Guide and GRI Content Index

Statement of Use	SJM Holdings Limited has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

Aspects	ESG Indicators	Description	GRI Standards Alignment*	Reference/Remarks	Page
<b>A. Environmental</b>					
<b>A1: Emissions</b>	General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO<sub>x</sub>, SO<sub>x</sub>, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	GRI 2-27, GRI 3-3 (c), GRI 305, GRI 306	Stewardship of Our Planet	44-68
	KPI A1.1	The types of emissions and respective emissions data.	GRI 305-1, 305-2, 305-3, 305-6, 305-7	Appendix – Performance Table	114
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 305-1, 305-2, 305-4	Appendix – Performance Table	114
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306-3 (a)	The Group did not generate significant amounts of hazardous waste during the Reporting Period.	55

A. Environmental					
<b>A1: Emissions</b>	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306-3 (a)	Appendix – Performance Table	114
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	GRI 3-3 (c, d), GRI 305-5	Stewardship of Our Planet	44-68
	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.	GRI 3-3 (c, d), GRI 306-4, 306-5	Stewardship of Our Planet	44-68
<b>A2: Use of Resources</b>	General Disclosure	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	GRI 3-3 (c)	Stewardship of Our Planet	44-68
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	GRI 302-1, 302-3	Appendix – Performance Table	115
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	GRI 303-5	Appendix – Performance Table	115
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	GRI 3-3 (c, d), GRI 302-4, 302-5	Stewardship of Our Planet	44-68
	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.	GRI 3-3 (c, d), GRI 303-1	Stewardship of Our Planet	44-68
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	GRI 301-1	The use of packaging material for finished products is not applicable to the Group's business.	N/A

A. Environmental					
<b>A3: The Environment and Natural Resources</b>	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	GRI 3-3 (c)	Stewardship of Our Planet	44-68
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	GRI 3-3 (c, d), GRI 303-1, GRI 304-2, GRI 306-1, 306-2	Stewardship of Our Planet	44-68
<b>A4: Climate Change</b>	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	GRI 2-12 (a, b-i), GRI 3-3 (c)	Stewardship of Our Planet	45-48
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	GRI 201-2	Stewardship of Our Planet	45-48
B. Social					
Employment and Labour Practices					
<b>B1: Employment</b>	General Disclosure	Information on: (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	GRI 2-27, GRI 3-3 (c)	G.R.E.A.T.ness of Our People	71-80
	KPI B1.1	Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	GRI 2-7 (a, c), GRI 405-1 (b)	Appendix – Performance Table	115
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	GRI 401-1 (b)	Appendix – Performance Table	116
<b>B2: Health and Safety</b>	General Disclosure	Information on: (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to providing a safe working environment and protecting employees from occupational hazards.	GRI 2-27, GRI 3-3 (c), GRI 403-1	G.R.E.A.T.ness of Our People	81-83

B. Social					
<b>B2: Health and Safety</b>	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	GRI 403-9, 403-10	G.R.E.A.T.ness of Our People	81-83
	KPI B2.2	Lost days due to work injury.	N/A	G.R.E.A.T.ness of Our People	81
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	GRI 3-3 (c, d), GRI 403-1, 403-3, 403-5, 403-7	G.R.E.A.T.ness of Our People	81-83
<b>B3: Development and Training</b>	General Disclosure	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	GRI 3-3 (c), GRI 404-2 (a)	G.R.E.A.T.ness of Our People	84-87
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	N/A	Appendix – Performance Table	116
	KPI B3.2	The average training hours completed per employee by gender and employee category.	GRI 404-1	Appendix – Performance Table	116
<b>B4: Labour Standards</b>	General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</p>	GRI 2-27, GRI 3-3 (c)	G.R.E.A.T.ness of Our People	70
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	GRI 3-3 (c), GRI 408-1 (c), GRI 409-1 (b)	G.R.E.A.T.ness of Our People	77
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	GRI 3-3 (c, d), GRI 408-1 (c), GRI 409-1 (b)	G.R.E.A.T.ness of Our People	77

B. Social					
Operating Practices					
<b>B5: Supply Chain Management</b>	General Disclosure	Policies on managing environmental and social risks of the supply chain.	GRI 3-3 (c)	Governance and Ethics	38-40
	KPI B5.1	Number of suppliers by geographical region.	GRI 2-6 (b-ii)	Governance and Ethics	38-40
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	GRI 2-6 (b-ii), GRI 3-3 (c, d), GRI 303-1 (c), GRI 308-1, 308-2, GRI 414-1, 414-2	Governance and Ethics	38-40
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	GRI 2-6 (b-ii), GRI 3-3 (c, d), GRI 303-1 (c), GRI 308-1, 308-2, GRI 414-1, 414-2	Governance and Ethics	38-40
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	GRI 3-3 (c, d)	Governance and Ethics	38-40
<b>B6: Product Responsibility</b>	General Disclosure	Information on: (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	GRI 2-27, GRI 3-3 (c), GRI 417-2, 417-3, GRI 418-1	Governance and Ethics	27-42
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	There were no recalls concerning the provision and use of the Group's products and services that have a significant impact on the Group's operations.	N/A
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	GRI 2-29, GRI 3-3 (c, d), GRI 418-1	Governance and Ethics	33-34

B. Social					
<b>B6: Product Responsibility</b>	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	N/A	Intellectual property rights are not material to the Group's operations.	N/A
	KPI B6.4	Description of quality assurance process and recall procedures.	N/A	Governance and Ethics	27-42
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	GRI 3-3 (c)	Governance and Ethics	35-37
<b>B7: Anti-corruption</b>	General Disclosure	Information on: (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	GRI 2-27, GRI 3-3 (c), GRI 205-3	Governance and Ethics	31-32
	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.	GRI 205-3	Governance and Ethics	31-32
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	GRI 2-26, GRI 3-3 (c), GRI 205	Governance and Ethics	31-32
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	GRI 205-2	Governance and Ethics	31-32
<b>Community</b>					
<b>B8: Community Investment</b>	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	GRI 3-3 (c)	Cornerstone of Our Community	89-112
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	GRI 203-1 (a)	Cornerstone of Our Community	89-112
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	GRI 201-1(a-ii)	Cornerstone of Our Community	89-112

\* The linkage between the GRI standards and disclosures that relate to each aspect in HKEX ESG Reporting Guide refers to the summary table from the 'Linking the GRI Standards and HKEX ESG Reporting Guide' (updated July 2020), with amendments from the GRI Universal Standards 2021.





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