



RISE
to go

MELCO

MELCO INTERNATIONAL
DEVELOPMENT LIMITED

2021 ENVIRONMENTAL,
SOCIAL AND GOVERNANCE
REPORT

ABOVE &
BEYOND

Contents

QUICK ACCESS TO SECTIONS

ABOUT THIS REPORT.....	001
ABOUT US.....	002
AWARDS, RECOGNITION AND CERTIFICATIONS.....	003

Our Strategy

RISE TO GO ABOVE & BEYOND: OUR SUSTAINABILITY STRATEGY.....	006
SUSTAINABILITY AT MELCO INTERNATIONAL.....	008
UNDERSTANDING WHAT MATTERS MOST.....	008
ASSESSING MATERIALITY.....	011

Restoring our World

STRATEGY AND MANAGEMENT APPROACH.....	014
ENERGY & CLIMATE RESILIENCE.....	016
MATERIAL USE & WASTE.....	022

Inspiring our Communities

STRATEGY AND MANAGEMENT APPROACH.....	030
ENGAGING OUR PEOPLE.....	032
SAFETY, HEALTH & WELLBEING.....	036
RESPONSIBLE GAMING.....	040
COMMUNITY ENGAGEMENT & INVESTMENT.....	042

Sustaining our Supply Chain

STRATEGY AND MANAGEMENT APPROACH.....	046
ETHICAL & SUSTAINABLE SUPPLY CHAIN.....	048

Empowering our Business

STRATEGY AND MANAGEMENT APPROACH.....	056
CORPORATE GOVERNANCE STRUCTURE.....	058
SUSTAINABILITY RISK MANAGEMENT.....	058
ETHICS & INTEGRITY.....	060
PRIVACY & CYBERSECURITY.....	064

Appendices

PERFORMANCE METRICS.....	066
HKEX ESG REPORTING GUIDE INDEX.....	076
GRI CONTENT INDEX.....	084

About this Report

Introduction

Melco International Development Limited (“Melco International” or the “Company”, together with its subsidiaries collectively referred to as the “Group”) is pleased to present our 2021 Environmental, Social and Governance (“ESG”) Report (this “Report”) for the calendar year ended 31 December 2021.

The Report provides an overview of the Group’s performance against its sustainability goals set for all businesses listed under the Group and, where possible, information and updates on the development of our ongoing plans. It has been prepared in accordance with the disclosure requirements of the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. As such the principles¹ highlighted by the ESG Reporting Guide are closely followed. In addition, we again report against the Global Reporting Initiative (“GRI”)’s standards for sustainability reporting. This Report has been prepared in accordance with the GRI Standards: Core option.

This Report primarily covers the corporate offices of the Group, our integrated resort arm, Melco Resorts & Entertainment Limited (“Melco Resorts”), with particular focus on all properties in Macau², Manila³ and Cyprus⁴. Financial information, unless otherwise stated, is presented in Hong Kong dollars. Additional ESG performance information is provided in [Melco Resorts & Entertainment Limited 2021 Sustainability Report](#) (“Melco Resorts’ Report”). This and our previous ESG Reports are available online. Any questions pertaining to this Report can be sent by email to info@melco-group.com.

-
1. These include the principles for defining the report content in that disclosures are based on materiality, and are quantitative, balanced and consistent with previous disclosures.
 2. In 2021, data attributable to Melco Resorts’ integrated resort, hotel and club operations in Macau, include City of Dreams Macau, Studio City, Altira Macau and Mocha Clubs.
 3. In 2021, data attributable to Melco Resorts’ Manila operations include the integrated resort of City of Dreams Manila and the Hyatt Regency Hotel.
 4. Our Jumbo Floating Restaurant and Tai Pak Floating Restaurant in Hong Kong, as reported on last year, have ceased operating and are thus not covered in this Report.

About Us

Melco International was founded in 1910 and listed on the Hong Kong Stock Exchange in 1927. Under the leadership of Chairman and Chief Executive Officer Mr. Ho, Lawrence Yau Lung, Melco International has found new energy and direction as a dynamic company that leads the field in the leisure and entertainment sector. Our Group companies are responding to changing global dynamics with vibrant, imaginative products and services that fulfil the demands and dreams of an increasingly affluent and ambitious young

generation. In 2017, Melco International became the sole majority shareholder of its subsidiary Melco Resorts, a developer, owner and operator of integrated resort facilities in Asia and Europe.

For further information on our business outlook, operations and financial performance, please refer to our [2021 Annual Report](#).

Awards, Recognition and Certifications

The Group continually assesses and aligns sustainability performance in the context of global sustainable development goals and recognised sectoral, regional and global benchmarks. Our performance against these is indicated by the below awards, recognition and certifications.

AWARDS

- 'Sustainable Resort of the Year' 2021 – International Gaming Awards (IGA)
- WeCare™ HR Asia Most Caring Companies Award 2021 – HR Asia magazine
- "Best Companies to Work for in Asia" – HR Asia magazine (2019-2021)
- Excellence in Practice Award: Customer Service Training (Morpheus Hotel) – Association of Talent Development 2022
- Silver for Best Graduate Recruitment Programme – HR Asia Recruitment Awards 2021
- Melco International was awarded the "15 Years Plus Caring Company Logo" in 2021
- 97 Forbes Travel Guide Awards, including 17 five-star and three four-star awards, and seven Michelin Stars across our restaurants in 2021
- Studio City Phase 2 recognised with the 'Regional Award, Asia' at the BREEAM Awards 2021
- Gold Awards 2021 of the 'Climate Change Initiative' category - sustainability strategy 'Above & Beyond' – Pacific Asia Travel Association (PATA)
- Green Key International Environment Award 2021 for our Studio City Hotel, Altira Macau, and Morpheus, The Countdown, and NÜWA at City of Dreams, with City of Dreams Manila in progress, meeting the stringent standards set by the Foundation for Environmental Education (FEE)
- ASEAN Tourism Standards Awards 2021 – ASEAN Green Hotel for all City Of Dreams Manila hotels - Nobu Hotel, NÜWA Hotel and Hyatt Regency
- Hong Kong Sustainability Award 2021 – Certificate of Excellence

CERTIFICATIONS⁵

- "RG Check" accreditation by international third-party Responsible Gambling Council, across our global portfolio in 2021
- Our integrated resorts in Macau and the Philippines were among the first in the world to achieve the Sharecare Health Security VERIFIED® with Forbes Travel Guide certification
- BREEAM "Excellent" rating for the design stage for both Studio City Phase 2 and City of Dreams Mediterranean, with each aiming for the same rating upon completion

RECOGNITION

- Attained high scores in the Dow Jones Sustainability Index (DJSI), putting us in the 80th percentile for the environment category and in the 77th percentile of our industry group overall
- In 2019, Melco Resorts was named the Best First Time Performer by the globally-renowned Carbon Disclosure Project (CDP) and, in 2021, received an A- score for our climate-related supplier engagement strategy and an overall score of B
- Outstanding Corporate for Volunteerism (2019-2021) from the Association of Volunteers Social Service Macao

5. Other certifications related to environmental and health and safety management are referenced in relevant report sections.



OUR
STRAIGHT

Inspiring
our guests by
showing them a
sustainable
future is a
better future

QUICK ACCESS TO CONTENT

RISE to go Above & Beyond: Our Sustainability Strategy.....	006
Sustainability at Melco International	008
Understanding What Matters Most	008
Assessing Materiality	011

RISE

Our Above & Beyond sustainability strategy guides us to RISE in achieving our commitment to restore, inspire, sustain and empower our planet, people and communities.

We are driven to be an adaptable and forward-thinking business,
contributing to a climate-fit and equitable future.



ABOVE & BEYOND SUSTAINABILITY STRATEGY

Restoring our World

- Achieving carbon-neutral resorts by 2030
- Achieving zero waste across our resorts by 2030
- Contributing to circular economy leadership in Asia
- Sourcing sustainable goods and services
- Reducing our water footprint

Inspiring our Communities

- Being the company people choose to work for and stay with
- Being best-in-class in safety for our guests, colleagues and community
- Promoting responsible gaming and an attitude of staying in control
- Supporting our communities and strengthening their economic prosperity

Sustaining our Supply Chain

- Procuring locally and creating demand for materials that have sustainability attributes in the supply chain
- Building capacity and awareness of the social, ecological and biodiversity impacts in sourcing
- Enhancing workers' lives and working towards eliminating human trafficking and modern slavery in our industry and supply chains

Empowering our Business

- Being the world's most responsible, ethical and transparent integrated resort
- Minimising any risk of disruption from data privacy or cybersecurity concerns

Understanding What Matters Most

Maintaining an open dialogue with our key stakeholders empowers us to understand and act upon evolving expectations and concerns. Insights borne from continuous stakeholder engagement provide focus on the issues that materially impact our capacity to create shared value for our stakeholders and our business. Our stakeholder groups⁶, their influence over the Group, methods of engagement, as well as priorities and key concerns raised during our 2020 materiality assessment process, were reviewed in 2021 and are outlined in the table below.

Board Members

Provide strategic direction for our long-term success.

ONGOING ENGAGEMENT

- Surveys
- One-on-one interviews
- Board meetings

PRIORITIES / KEY CONCERNS

- Ensuring sound procedures and policies to tackle key risks and opportunities such as money laundering and online gaming, and climate-related performance
- Aligning business strategies with governmental initiatives
- Assuring license renewal in operating environments
- Implementing a concise reporting mechanism
- Maintaining stringent health and safety procedures against COVID-19
- Improving and promoting engagement with local small and medium enterprises (“SMEs”) and communities through workshops and training
- Promoting staff interest in sustainability and encouraging participation as part of corporate culture
- Investing in technology to achieve successful climate change mitigation
- Enriching guest experiences

6. Our identification of key stakeholder groups is guided by the AA1000 Stakeholder Engagement Standard (2015).

Guests

Patronise our integrated resorts, providing the driver for business success.

ONGOING ENGAGEMENT

- Surveys
- One-on-one interviews
- Online
- Social media
- Mystery guests
- Focus groups

PRIORITIES / KEY CONCERNS

- Maintaining strict health and safety measures against COVID-19
- Raising awareness on responsible gaming and environmental protection
- Ensuring customer data protection
- Increasing leisure and entertainment facilities specifically for families
- Ensuring service excellence from staff
- Supplying and offering healthier and organic food options

Governments

Provide access to operating licenses and administer regulatory measures.

ONGOING ENGAGEMENT

- Surveys
- One-on-one interviews
- Industry forums

PRIORITIES / KEY CONCERNS

- Maintaining stable and sustainable economic contributions
- Promoting opportunities for job creation and socioeconomic development
- Managing diversification of the Group's businesses in the long run
- Ongoing, transparent and transformative engagement with government to align goals and build sustainable economies
- Protecting customers' interests on service quality and privacy
- Supporting local and rural communities through persistent efforts in community investment and SME engagement
- Managing environmental impacts such as greenhouse gas ("GHG") emissions and climate change
- Addressing culture and heritage preservation

Investors

Provide financial capital for long-term business success.

ONGOING ENGAGEMENT

- Surveys
- One-on-one interviews
- Briefings and meetings
- Annual General Meeting
- Property tours
- Investor presentations
- Roadshows
- Conferences

PRIORITIES / KEY CONCERNS

- Ensuring sustained financial growth
- Improving transparency of sustainability performance (i.e. license renewal, succession planning, human capital development, corruption and money laundering)
- Sound corporate governance practices
- Embedding more quantitative metrics in reporting
- Providing industry and peer data for easy comparisons
- Advocating for regulations against modern slavery and human trafficking
- Providing direct access to the board of directors of Melco International (the "Board") for understanding Board dynamics and engagement over ESG performance

SUSTAINABILITY AT MELCO INTERNATIONAL
UNDERSTANDING WHAT MATTERS MOST

Colleagues (Employees & Management)

Contribute skills and productivity to develop and execute our strategy.

ONGOING ENGAGEMENT

- Colleague surveys and virtual interviews
- Workshops
- Training
- Various online platforms
- Hotline
- Events: townhall, family days, volunteering and wellness activities

PRIORITIES / KEY CONCERNS

- Maintaining a culture of excellence where colleagues are supported to provide exceptional guest services
- Providing internal career opportunities
- Ensuring the leadership team makes it a priority to protect and support people across operations (i.e. monitoring of safety and hygiene)
- Maintaining a robust and resilient governance structure to further sustainability goals
- Fostering a diverse and inclusive working environment
- Championing SME outreach and supporting local communities through volunteering and capacity-building

Suppliers

Enable us to effectively provide our products and services.

ONGOING ENGAGEMENT

- Surveys and training
- One-on-one interviews
- Supplier events and forums
- Meetings
- Assessment against our Code of Business Conduct and Ethics

PRIORITIES / KEY CONCERNS

- Following a clear and effective sustainability strategy in delivering positive environmental, social and economic impact
- Ensuring ethical sourcing and expanding the incorporation of sustainable items into our operations to minimise waste and reduce unnecessary material usage (e.g. biodegradable products)
- Implementing strict health and safety measures against COVID-19
- Contributing to local communities and publicising information on international events in relation to culture and heritage
- Protecting consumer data and ensuring a high level of security and integrity for data management to avoid money laundering

NGOs

Provide socioeconomic support in the communities where we operate.

ONGOING ENGAGEMENT

- Surveys
- One-on-one interviews
- Non-governmental organisation (“NGO”) participation in industry meetings
- Collaboration on community projects
- Staff volunteering

PRIORITIES / KEY CONCERNS

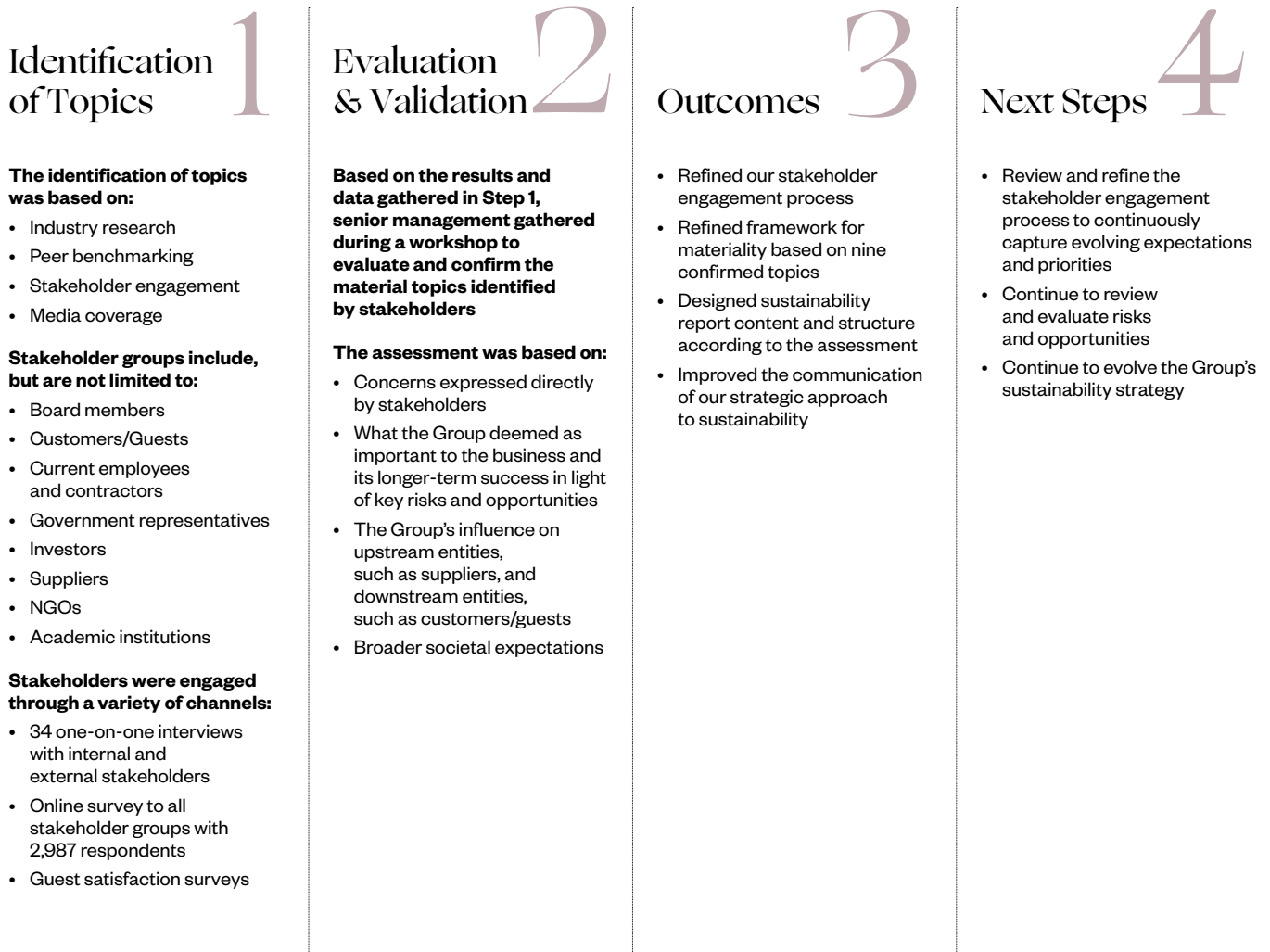
- Increasing the frequency of local community outreach and initiatives
- Enhancing communication channels and planning regular engagement opportunities between community and Board members
- Raising sustainability awareness through increased communication about the Group’s sustainability initiatives
- Increasing transparency on sustainability performance

SUSTAINABILITY AT MELCO INTERNATIONAL

Assessing Materiality

Through a combined data-driven and human-led approach to ongoing stakeholder engagement, and based on the results of the materiality assessment process conducted in 2020⁷ that is outlined in the table below, we identify nine material topics that guide our business and evolving approach to sustainability.

STAKEHOLDER ENGAGEMENT AND MATERIALITY PROCESS



MATERIAL TOPICS

Restoring Our World

- Energy & Climate Resilience
- Material Use & Waste

Inspiring our Communities

- Engaging our People
- Safety, Health & Wellbeing
- Responsible Gaming
- Community Engagement & Investment

Sustaining our Supply Chain

- Ethical & Sustainable Supply Chain

Empowering our Business

- Ethics & Integrity
- Privacy & Cybersecurity

7. For more details of the stakeholder engagement and materiality assessment process conducted in 2020, please refer to Melco Resort's Sustainability Report 2020 and Melco International's ESG Report 2020.

Restoring our World

**CONSERVING RESOURCES, ENHANCING
CLIMATE RESILIENCE AND RESTORING OUR ECOSYSTEMS**



QUICK ACCESS TO MATERIAL TOPICS

Energy & Climate Resilience.....	016
Material Use & Waste.....	022

CASE STUDY

Integrating Sustainability into F&B Operations

From chefs in our Michelin-star restaurants and Heart-of-House to our procurement colleagues, our food and beverage (“F&B”) teams are united in avoiding food waste, reducing plate waste and furthering the consumption of healthy and sustainably sourced items. This is fundamental for reducing our environmental impact, by taking action on climate change, biodiversity conservation and ecosystem restoration, and for enhancing wellbeing.

In addition to increasing local sourcing, key initiatives and progress in 2021 included:

- Progressively enhancing our procurement system to include the sustainability attributes of each product using easily recognisable icons
- Adding icons on our menus to highlight vegetarian and sustainable seafood, alongside 16 of our restaurants, representing 38% of our owned and operated restaurants in Macau, incorporating plant-based alternatives on guest menus, with more to come
- Increasing sustainable seafood options with 57 varieties available in Macau, comprising 16% of total seafood procured by weight, compared to 26 varieties and 8% in 2020
 - Bringing 20 different sustainable products every other month to the Chef’s Table for experiments by chefs and 54 suppliers
 - Continuing our Green Monday initiative to promote vegetarian and vegan dishes to our colleagues and guests
- Cutting plate waste by up to 35% during a five-month, trial monitoring period
- Diverting over 192 tonnes of food waste from disposal through composting and vermiculture, an increase of 430% over the previous year

We are buoyed by the success and support of our F&B teams, colleagues and guests on our journey towards sustainable consumption. By 2025, we aim to procure 20% of our seafood from sustainable, local and/or globally-recognised certification schemes.

RESTORING OUR WORLD

Strategy and Management Approach

STRATEGY AND MANAGEMENT APPROACH

Our Above and Beyond sustainability strategy is built upon a deep sense of responsibility to protect the natural capital upon which we depend. With our bold commitments to achieve carbon neutrality and zero-waste resorts by 2030, and new ambitious Group targets, we consistently seek innovative ways to reduce our environmental impact. Our comprehensive roadmap outlines initiatives for climate resilience, clean energy, waste elimination, water management and biodiversity conservation. To effect meaningful change, we are dedicated to collaborating with our stakeholders to bring our colleagues, suppliers, tenants and guests along on our journey.

Oversight of our actions falls under the purview of three Working Groups, the Carbon Neutral Working Group, Zero Waste Working Group and Sustainable Sourcing Working Group, which work closely with the Group's ESG Taskforce. The Working Groups meet on a monthly basis to map and measure our progress while evaluating our policies and systems with a view towards continual improvement. This year in support of our Group-level goals and targets⁸, we have set aligned, quantified targets at the resort-level.

KEY GOALS

- Achieving carbon-neutral resorts⁹ by 2030¹⁰
- Achieving zero waste¹¹ across our resorts by 2030

- Contributing to circular economy leadership in Asia
- Sourcing sustainable goods and services
- Reducing our water footprint

KEY TARGETS

In 2021, we established intensity reduction targets for Scope 1 and 2 GHG emissions, electricity consumption and both food and non-hazardous waste; both conservative, base targets, reflecting what can be achieved based on known and available measures, as well as ambitious targets, linked to an accelerated replacement cycle of equipment, grid decarbonisation and access to offsite renewable energy options, have been set at the Group-level with aligned targets for our properties.⁸

- 5% tCO₂e/m² intensity reduction in Scope 1 and 2 GHG emissions¹² by 2030, with ambitions for 22% reduction
- 3% kWh/m² intensity reduction in fuel and electricity consumption by 2030, with ambitions to achieve between 22% to 28% reduction at the property-level
- 19% m³/m² intensity reduction in water consumption by 2030
- 5% tonnes/m² intensity reduction in non-hazardous waste generation by 2030, with ambitions for 24% reduction

MATERIAL TOPICS

Energy & Climate Resilience	016
Material Use & Waste	022

CHALLENGES

As the COVID-19 pandemic continues, we must balance health and hygiene concerns with the drive to achieve our 2030 environmental goals. Despite the resulting increase in the use of disposables and cleaning chemicals, we redoubled our reduction, reuse and recycling efforts, as well as our engagement with suppliers to reduce waste in product sourcing and the use of packaging. We also continue to seek partnerships with suppliers and recyclers who can help further our circular economy goals. We recognise that there is more work to be done in adopting new technologies, in particular, bringing colleagues and partners up to speed on our efforts to achieve carbon-neutral resorts as this goal is less tangible in terms of everyday actions.

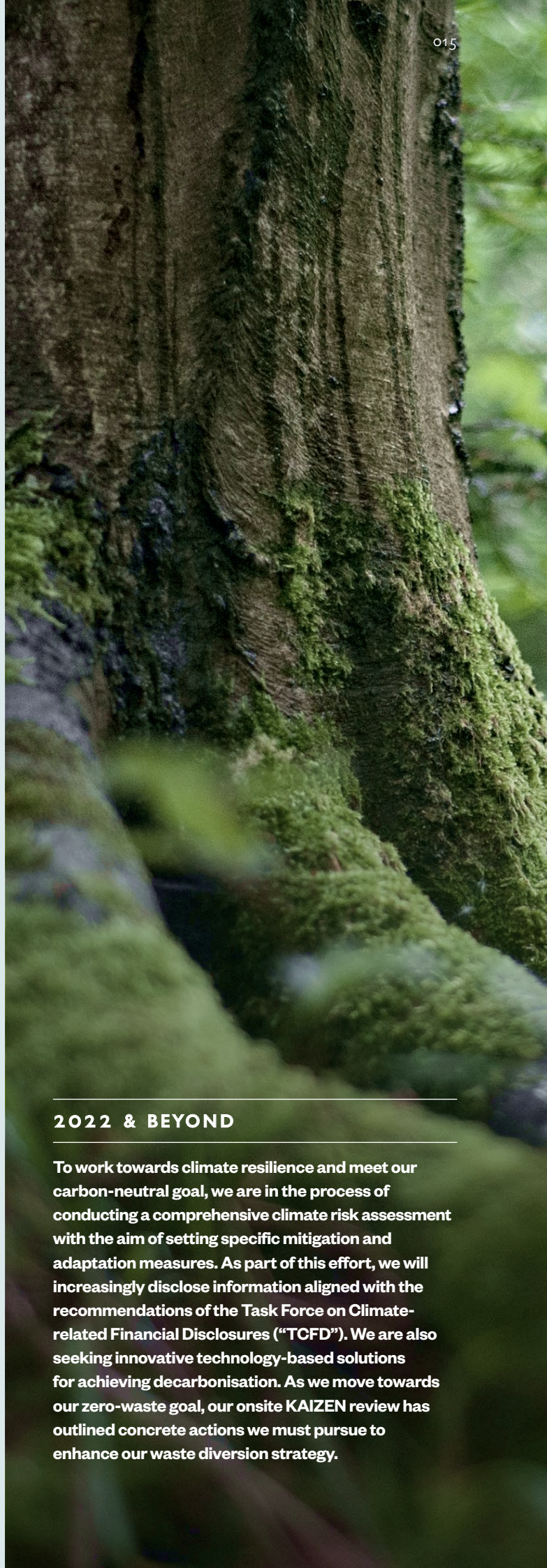
-
8. Our data for compiling our intensity targets and the baseline year of 2019, have been externally verified.

 9. As defined by The Carbon Neutral Protocol: The global standard for carbon neutral programs. January 2018, Natural Capital Partners. https://assets.naturalcapitalpartners.com/downloads/The_CarbonNeutral_Protocol_Jan_2018.pdf.

 10. To achieve our goal of carbon neutrality, we are focused on first increasing energy consumed from renewable sources, which may be generated onsite or obtained through power purchasing agreements, and then purchasing Energy Attribute Certificates or other market instruments, in quantities equivalent to the amount of energy that is consumed through non-renewable sources.

 11. Achieving zero waste means avoiding the disposal of all waste materials to landfill or other treatment or disposal methods that do not involve the recovery, reuse, recycling or repurposing of the material or the generation of energy.

 12. Biogenic emissions are not included in the target boundary.



2022 & BEYOND

To work towards climate resilience and meet our carbon-neutral goal, we are in the process of conducting a comprehensive climate risk assessment with the aim of setting specific mitigation and adaptation measures. As part of this effort, we will increasingly disclose information aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). We are also seeking innovative technology-based solutions for achieving decarbonisation. As we move towards our zero-waste goal, our onsite KAIZEN review has outlined concrete actions we must pursue to enhance our waste diversion strategy.

RESTORING OUR WORLD

Energy & Climate Resilience

OUR COMMITMENT

With climate action failure, extreme weather and biodiversity loss identified as the top three most severe global risks¹³, we are compelled to lead our industry in building resilience in every aspect of our operations. We are committed to investing in energy-efficient processes and equipment, renewable power options, sustainable materials and design features to reduce our footprint. As we seek to improve our performance, we are dedicated to working together with our guests, colleagues, partners and communities to ensure a sustainable future for all.

OUR TARGETS

- Improving the operational performance of our resorts year-on-year
 - 5% tCO₂e/m² intensity reduction in Scope 1 and 2 GHG emissions¹⁴ by 2030, with ambitions for 22% reduction
 - 3% kWh/m² intensity reduction in fuel and electricity consumption by 2030
- Achieving carbon-neutral resorts by 2030
 - Minimising the impact of our business on ecology and biodiversity

HOW WE ARE MANAGING IT

Despite the difficulties posed by the COVID-19 pandemic, we have not wavered in progressing towards our target of carbon-neutral resorts by 2030. Our Carbon Neutral Working Group is responsible for managing the sustainability and financial impacts of our carbon-neutral goal, ensuring that the appropriate measurement processes are in place to verify progress.

We have established a Roadmap and Action Plan that includes specific actions to be taken within defined time periods towards 2030 to reduce and decarbonise our energy consumption and address GHG emissions along our value chain. In addition to reducing our impact, a key concern continues to be building up our climate resilience. The Board has general oversight of the Group's approach to climate change and receives semi-annual reports on climate-related risks and opportunities. Our Chairman and Chief Executive Officer, who sits on the Board, oversees our climate risk strategy and management of climate-related risks and opportunities.

We are focused on conducting a comprehensive climate risk assessment, including scenario planning with the aim of setting specific actions for enhancing our mitigation measures, and we are planning to disclose information aligned with the TCFD's recommendations. As part of an

ongoing assessment, we are working with our finance, risk, compliance, investor relations, supply chain, operations and property presidents and other internal stakeholders to prioritise our risks and opportunities and incorporate our climate change response actions into our core business activities across all business units.

We continue to engage our suppliers and offer capacity-building programmes to enhance their abilities to both reduce energy consumption and GHG emissions, and respond to potential climate impacts. Details can be found in the [Sustaining our Supply Chain section on page 044 of this Report](#).

13. World Economic Forum, The Global Risks Report 2022.
https://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2022.pdf

14. Biogenic emissions are not included in the target boundary.

ENERGY & CLIMATE RESILIENCE HOW WE ARE MANAGING IT

Climate-risk Assessment: Summary of Findings

We have begun to assess climate-related risks and opportunities across our portfolio and are committed to implementing the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). A summary of our initial assessment is detailed below.

Extreme weather events

- Although likely to manifest at a slower rate than transition risks, the increase in frequency and intensity of extreme weather events (such as typhoons) could pose considerable impact to the Group.
- At the resort-level we have properties located in island regions that are in close proximity to coastal waters. The resorts in Macau and Manila are both subject to typhoons, which leaves them exposed to potential impacts including: damage to property and loss of revenues as a result of service disruption.
- We obtain insurance coverage for such events, however, as an enhanced warming climate change scenario could lead to increased severity and frequency of these, this could leave the Group vulnerable to increased insurance costs or inability to obtain sufficient cover.

Carbon hotspots - resource procurement and carbon pricing

- Our resort business is energy intensive and therefore Scope 2 emissions make up a significant portion of our footprint.
- Scope 3 categories 1 & 2 (Purchased Goods and Services and Capital Goods, respectively) are also material contributions to emissions as a result of the embodied carbon associated with energy intensive goods and construction materials and activities.

- The Group therefore has high exposure to potential net-zero transition-related commodity and energy inflationary pressures and carbon prices. For example, the Emissions Trading Schemes in mainland China and the European Union (“EU”) could result in an increased cost to our business that could also impact our suppliers.

Energy-efficiency improvement requirements

- Net-zero transition plans will likely result in the introduction of further building efficiency standards and emissions regulations.
- Capital expenditure to replace or retrofit older equipment to ensure that our operations are compliant with the latest regulations may be required.

Renewable energy and onsite energy generation opportunities

- Sourcing renewable energy and also expanding onsite solar generation presents an opportunity for the Group to decarbonise its operations as well as mitigate the risks relating to rising fossil-fuel based energy prices and disrupted energy supply from severe weather events.

Capital flow opportunities

- There are increasing opportunities for the Group to reduce the cost of capital through instruments such as green bonds, which would be linked to the implementation of carbon reduction/green energy initiatives.

Moving forward, we will be conducting a scenario analysis, using the TCFD recommendations as a guide, and expanding our efforts to address climate mitigation and adaptation measures.

DECARBONISING OUR PORTFOLIO

The Group is focused on managing our impact by integrating sustainability measures into our properties, reducing electricity consumption, improving energy efficiency and transitioning to renewable energy.

Sustainable Design

We are committed to ensuring our buildings are resource-efficient and climate-ready to be able to withstand changes to come. As such, we work with architects, engineers, suppliers and other partners to prioritise resource-conserving, resilient design features and materials throughout all stages of the building and operational phases.

Many of our structures are built with environmental features that enhance adaptability and resilience to climate change and prioritise ecological factors. Our City of Dreams Mediterranean property in Cyprus has already achieved a BREEAM “Excellent” rating for the design stage and is aiming to achieve the same upon completion. Studio City Phase 2 is Macau’s first BREEAM-certified hotel entertainment development, and the winner of the ‘Regional Award, Asia’ at the BREEAM Awards 2021. For details on these properties and how resource conservation and circular economy principles are incorporated in their design, please see [page 027 of Melco Resorts’ Report](#).

Energy-efficiency Measures

The Group is the first integrated resort operator in Macau and Hong Kong to achieve ISO 14001:2015 Environmental Management System and ISO 50001:2018 Energy Management System certifications in 2018, as well as ISO 41001:2018 for Facilities Management Systems in 2019. Our robust systems cover our portfolio of properties in Macau and Hong Kong, including City of Dreams Macau, Studio City, Altira Macau and Mocha Clubs, as well as our Macau and Hong Kong corporate headquarter offices. We are exploring similar management systems for our other properties.

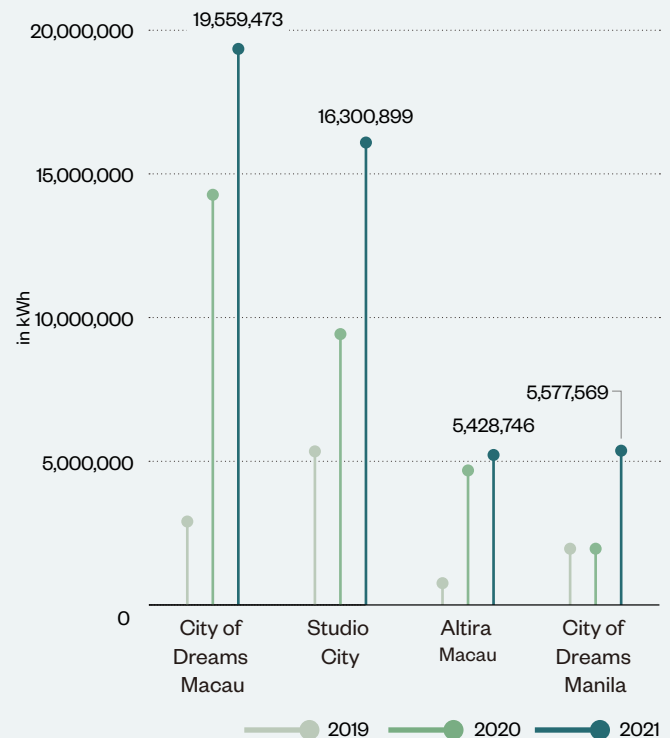
We continue to implement efficiency measures with the aim of reducing energy consumption across our operations and encouraging suppliers to do the same. In the spirit of continual improvement, each of our project teams provide monthly updates on measures in place with a view towards what more can be done to improve efficiency and adopt renewable energy options.

There was a slight overall increase of less than 1% in energy consumption in 2021, compared to the previous year, due to the resumption of business activities at our resort properties that comprise 95% of our electricity consumption. Despite this, the year saw an overall 26% energy intensity reduction compared to 2019.

Electricity consumption and intensity also increased slightly by 2% and 1%, respectively, compared to the previous year. Nonetheless, both these results were 20% less than in 2019 as a result of our continual adoption of efficiency measures, including delamping, adjusting ventilation flow rates, retrofitting plant and equipment, and replacing sensors for car park extractions. New measures in 2021 included installing more variable speed drives in podium areas and hotels to balance air supply and save energy, and variable frequency drives in kitchens for condensing water pump speed controls, as well as ongoing motor and lighting efficiency improvements. Fuel consumption from non-renewable sources reduced by 8% as a result of our prioritising electric vehicles (“EVs”) over diesel-powered shuttle buses.

Calculated kWh Savings based on Annualised Energy-efficiency Measures (“EEMs”)
(in kWh)

>46.8 million kWh total accumulated annualised savings of energy



EEMs progressively adopted at our properties in Macau and Manila since 2018 have resulted in annualised savings of over 46.8 million kWh. See [pages 028-029 of Melco Resorts’ Report](#) for details on property-level EEMs.

ENERGY & CLIMATE RESILIENCE

DECARBONISING OUR PORTFOLIO

Energy Consumption by Source and Intensity (in MWh)

	2021	2020	2019
Fuel consumption from non-renewable sources	47,770	51,911	101,673
Electricity consumption from non-renewable sources	334,380	326,937	416,995
Electricity consumption from renewable sources ¹⁵	1,478	1,555	0
Total energy consumption ¹⁶	383,628	380,403	518,668
Energy intensity (in MWh/m ²)	0.27	0.27	0.36 ¹⁷

Renewables

An important aspect of our energy management effort is the transition to cleaner alternatives. In 2021, we expanded our EV programme, increasing the number of vehicles and the number of charging bays. We continued to reduce our dependence on diesel in Macau by prioritising the use of an EV shuttle fleet over diesel-powered vehicles. In addition to our six EV passenger vehicles, in 2021, we had a total of 50 shuttle buses on the road, of which 30 were EVs, representing 66% of our active fleet, with the remaining 20 being diesel-powered. Through our built-in-load-sharing programme, we added 10 more EV chargers to the 70 we had in 2020, bringing our total number of charging points to 80 across all three of our properties in Macau. We operated four EV golf carts for internal transportation in housekeeping areas and plan to install six EV charging ports at our property in Cyprus. City of Dreams Mediterranean has provisions for at least 60 EV charging stations as well as extensions on its existing bicycle network.

Another aspect of our renewable energy strategy is the utilisation of onsite solar photovoltaic ("PV") technology. Our 30,000 square meter, 18,000 PV panel project on the roof of the City of Dreams Macau and Studio City, generates over 7,000 MWh at full capacity. As the largest solar project in

Macau, this has the capacity to reduce 5,100 tCO₂e annually, equivalent to taking 12.6 million passenger cars off the road for a year. City of Dreams Manila, also has a 3,120 PV solar panel project capable of generating 1.2 MWh at full capacity. On an annual basis, the panels can generate over 1,600 MWh, which is equivalent to charging over 139 million smartphones in a year¹⁸. City of Dreams Mediterranean has over 4,000 PV solar panels capable of generating 1.2 MW at full capacity.

We also support clean energy by stimulating renewable energy markets in the region. This is done through collaboration with local networks and pursuing creative options for purchasing renewable energy through Power Purchasing Agreements ("PPAs") and other instruments. Our electricity consumption in Macau, Manila, Hong Kong and Taiwan is offset by purchasing Energy Attribute Certificates ("EACs") issued according to the i-REC Standard¹⁹ requirements. Similarly in Cyprus, we purchase EACs with Guarantees of Origin in Europe to cover all our GHG emissions arising from electricity consumption. In Japan, we match our electricity consumption from our operations with local EACs generated through a scheme called PowerPlus™. The scheme follows a verified and validated J-Credit Standard and offers third-party assurance of electricity generation and emission reductions achieved.

Greenhouse Gas Emissions

Our energy efficiency measures and renewable energy utilisation through our solar projects and EV programme help to reduce GHG emissions. In addition, we continue to explore new solutions to achieve our 2030 carbon neutrality target. We understand the importance of transparency and accountability and thus continue to put resources towards thorough verification of our data. Accordingly, this year we have been focused on enhancing the rigour of our data collection process to meet the ISO 14064 standard and expanding our disclosure of emissions.

This year, we also disclose Scope 3 emissions from two categories, downstream leased assets and fuel- and energy-related activities ("FERA"), adopting 2019 as the baseline year to align with our Scope 1 and 2 GHG emission disclosures. We are continuing our assessment to identify and quantify significant indirect emissions and will be disclosing Scope 3 emissions from additional sources going forward. For example, meat and produce have been identified as significant contributors to our Scope 3 emissions based on spend and the quantity we purchase each year. We are working with our culinary teams to adopt options that are less carbon intensive, alongside a substantive effort to

incorporate plant-based alternatives on the guest menus of 16 of our restaurants, representing 38% of our owned and operated restaurants in Macau, with more to come.

In 2021, Scope 1 and 2 GHG emissions²⁰ increased by 2% in 2021 over 2020, attributable to an increase in visitation across our properties.²¹ For details on property-level performance data, please see [Melco Resorts' Report page 030](#).

Absolute GHG Emissions by Scope and Intensity

(in metric tonnes of CO₂e)

	2021	2020	2019 ²²
Scope 1 emissions	14,842	16,331	30,327
Emissions from stationary fuel combustion	5,237	5,282	8,766
Emissions from mobile fuel combustion	5,095	5,955	12,883
Fugitive emissions from refrigerants	4,510	5,095	8,677
Biogenic emissions	264	150	310
Scope 2 emissions (location-based)	212,111	207,018	264,983
Scope 2 emissions (market-based) ²³	280	665 ²⁴	2,034
Total Scope 1 and 2 emissions (market-based)	15,123	16,996	32,360
Total Scope 1 and 2 emissions (location-based)	227,217	223,499	295,620
Total Scope 1 and 2 emissions (market-based) intensity by floor area (in metric tonnes of CO ₂ e/m ²) ²⁵	0.01	0.01	0.02

Scope 3 Emissions

(in metric tonnes of CO₂e)

	2021	2020	2019
Downstream leased assets (tenants)	32,697	30,579	33,405
Fuel and energy-related activity ²⁶	56,882	35,588	49,516

15. Solar PV systems were installed across Macau and Manila properties in 2019. Data for 2020 onwards is disclosed in this report. Electricity generated from the PV panels installed at City of Dreams Manila was consumed onsite.
16. 2020 total energy consumption adjusted to include energy from renewable sources.
17. 2019 energy intensity data adjusted based on further review of previously disclosed data.
18. <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>
19. International Renewable Energy Certificate Standard.
20. Scope 1 emissions include stationary fuel combustion (LPG, natural gas, diesel, fuel gel, coal, wood, charcoal, kerosene and cassette gas), mobile fuel combustion (from diesel, petrol and other fuels consumed for light and heavy vehicles, buses and other forms of transport) and fugitive emissions (refrigerants). Biogenic emissions are excluded and reported separately as per the Greenhouse Gas Protocol Corporate Accounting Standard ("GHG Protocol") published by the World Business Council for Sustainable Development ("WBCSD") and the World Resources Institute ("WRI"). Scope 2 emissions arise indirectly from purchased electricity consumption.
21. Property-level data includes our six properties: City of Dreams Macau, Studio City, Altira Macau, City of Dreams Manila, Mocha Clubs and Cyprus Satellite casinos.
22. 2019 emission data adjusted based on further review of previously disclosed data.
23. Melco Resorts' Scope 2, market-based emissions are offset through purchasing renewable energy through PPAs and other instruments. Refer to the [Renewables section on page 020](#) for details.
24. Due to a typographical error in last year's report, 2020 data has been corrected.
25. 2019 and 2020 Scope 1 and 2 GHG emission intensity adjusted to reflect revised gross floor area at facilities in Cyprus.
26. Fuel and energy-related activities arising from Scope 1 stationary and mobile combustion and Scope 2 purchased electricity.

RESTORING OUR WORLD

Material Use & Waste

OUR COMMITMENT

The consumption of resources and materials along with the production of waste are inevitable when running a global business in our industry. How we approach our consumption and waste management, however, defines our position as a responsible, forward-thinking organisation. We are determined to do our part in shaping a sustainable future for all. This means bold action is required to ensure our natural capital is safeguarded for generations to come. Whether it be management of construction, selection of products and packaging, or conservation of food and water, sustainability is at the centre of our decision making. Our focus on lifecycle management and circularity is imperative if we are to achieve zero waste by 2030.

OUR TARGETS

- Achieving zero waste across our resorts by 2030
- 19% m³/m² intensity reduction in water consumption by 2030
- Increasing our capacity for greywater recycling across all our properties
- 5% tonnes/m² intensity reduction in non-hazardous waste generation by 2030, with ambitions for 24% reduction, against our baseline year of 2019²⁷

HOW WE ARE MANAGING IT

As we continue to take steps to achieve our zero-waste goal by 2030, a robust system to oversee materials and waste is required. Whether it be sourcing or consumption practices, we are constantly looking at better ways to manage our footprint through the creation of circular models. Our Zero Waste Working Group manages all aspects of our efforts, evaluating initiatives and measuring progress. The Group is also dedicated to engaging colleagues and partners in our quest to conserve, reuse and recycle. This is accomplished through a variety of training programmes and briefing sessions designed to build awareness and inspire action.

Materials

Sustainable Buildings

Our integrated resorts utilise materials that have sustainability attributes and support environmentally sound operations. Whether designing brand new structures or planning retrofits to existing ones, meeting high environmental standards is top of mind for our team. For example, we ensure all chemicals used including paints, coatings, sealants and adhesives contain little or no Volatile Organic Compound (VOC) content wherever possible, and that all timber is legally-harvested, traded and sourced in accordance with Forest Stewardship Council® (FSC®), or equivalent, certification standards.

To encourage the use of materials that meet our sustainability specifications, we have drawn up comprehensive sourcing guidelines that cover options for various products. Our contractors are urged to utilise these guidelines for all building projects across our markets.

Eliminating Plastic

The Group remains a signatory to the Global Tourism Plastics Initiative (GTPI)²⁸ led by the United Nations Environment Programme and the World Tourism Organization, in collaboration with the Ellen MacArthur Foundation. As such, we are committed to a roadmap to address the causes of plastic pollution by 2025 and report on our achievements on a yearly basis.²⁹ To meet our targets, we continue our work to reduce plastic in our operations and across our value chain.

A key part of our efforts in 2021 involved building both colleague and tenant awareness about the issue. We took steps such as collaborating with A Plastic Ocean Foundation to screen the NGO's award-winning documentary about plastic pollution for 17,000 colleagues, updating all tenant contracts to stipulate the removal of single-use plastic ("SUP") for F&B, organising workshops to brief 100% of our F&B tenants on legislative changes and improving our standardised bin system to increase tenant awareness and action on recycling.

We made substantive progress across all our properties in our efforts to eliminate and reduce SUP amenities and packaging through a variety of measures ranging from switching to large-sized, refillable dispensers and providing less-frequently used amenities only upon request in our hotel rooms, to adopting alternative disposables with sustainability attributes in our F&B operations. In 2021, our capture of plastic for recycling increased from over 4 tonnes in 2020 to 102 tonnes, an increase of 2,429% over the previous year.

In January 2021, we installed the NORDAQ 2000 water filtration system to replace SUP bottles with refillable glass bottles. When the system is fully operational at all of our properties in Macau, we will eliminate approximately 14.8 million plastic bottles annually. The rollout was not able to happen as quickly as planned with COVID-19 restrictions delaying the ability of technical experts to complete the installations. Water refilling dispensers installed at our properties in Macau, Manila and Cyprus³⁰ in 2021 enable us to avoid an additional 2.8 million plastic bottles annually. We are also utilising recycled polyethylene terephthalate (rPET) bottles, containing recycled plastic, for instances when disposable bottles are unavoidable such as in limousines and at pool-side areas.

For details about our work within our operations and with suppliers to eliminate packaging that is not reusable, recyclable or compostable please see [page 033 of Melco Resorts' Report](#).

Waste

Reducing waste generation is a priority for the Group as we move towards our 2030 goal. For the waste we cannot avoid, we have enhanced our systems to reuse, recycle, compost or properly treat it for safe disposal. We work with all our stakeholders from government to suppliers and industry partners to seek innovative options in this field. Comprehensive waste audits enable us to understand waste types and pinpoint areas that need the most attention. Building awareness among colleagues also remains a key focus for our Sustainability Champions, who work to enhance sustainability campaigns.

Food Waste

Food wastage and the management of food waste have profound effects on the climate, ecosystems and global food security. With food waste comprising 40% of the waste we generate, this a major challenge for our Michelin-star restaurants, colleague dining rooms, and more than 115 restaurants, cafés and bars, to address.³¹ To adequately tackle this challenge, we require accurate demand forecasting, data collection, colleague engagement and composting solutions.

27. Data for compiling our intensity targets and the baseline year of 2019, have been externally verified.

28. Formerly known as the New Plastics Economy Global Commitment, which the Group became a signatory to in 2019.

29. <https://www.unwto.org/sustainable-development/global-tourism-plastics-initiative>

30. Dispensers have been installed at Studio City Celebrity Tower since January 2020, at NÚWA Macau, Studio City Star Tower, NÚWA and Nobu in Manila in 2021 and at Altira Macau as of January 2022. Work is under way to roll out the system at the new Studio City Phase 2, City of Dreams Mediterranean, City of Dreams' Morpheus and Hyatt Regency.

31. The volume of food waste and its portion of our total waste stream was determined based on an audit conducted in 2019 that included an assessment of waste arising from our colleague dining areas and associated kitchens, restaurants operated by Melco Resorts and our tenants, guest rooms and onsite facilities.

MATERIAL USE & WASTE

HOW WE ARE MANAGING IT

Plate Waste

Our collaboration with Winnow and the London School of Economics and Political Science utilised cutting edge Artificial Intelligence (AI) technology and behavioural science to reduce food waste in colleague dining rooms. These interventions tested over a five-month period reduced food waste by as much as 35%, and qualitative feedback from colleagues showed a shift in behaviour both at work and at home. As a result, the level of awareness among colleagues with regard to excess waste has been heightened considerably, putting us on a path to achieving our goals across our properties. In addition, we have continued to run internal awareness efforts, including our ongoing Clean Plate Challenge campaign where colleagues are encouraged to only take what they can consume. For details on this initiative, please see [page 035 of Melco Resorts' Report](#).

Construction Waste and Optimised Building Infrastructure

Our principal contractor is required to implement a plan for the reuse, recycling and recovery of materials throughout the construction process. Procedures are in place to minimise waste, including wastage of raw materials by implementing proper ordering, handling and storage of materials, with a commitment to reuse and/or recycle where appropriate.

Our buildings are equipped with the infrastructure to ensure waste reduction is maximised. Capacity for the collection, sorting, recovery and storage of recyclable materials is prioritised at new properties, and we continue to seek ways to enhance waste systems across existing properties. Details about our properties that are designed to accommodate waste management measures can be found on [page 036 of Melco Resorts' Report](#).

Material Diversion and Waste Generation with Intensity (in metric tonnes)

	2021	2020	2019
Composting	192	36	88
Recycling	720	313	624
Total materials diverted	912	349	713
Incineration	7,624	6,786	15,415
Landfill	1,163	1,140	2,267
Total waste generated	8,787	7,926	17,682
Total materials diverted and waste generated	9,699	8,275	18,395
Materials diverted and waste generation intensity (in metric tonnes/m ²)	0.01	0.01	0.01

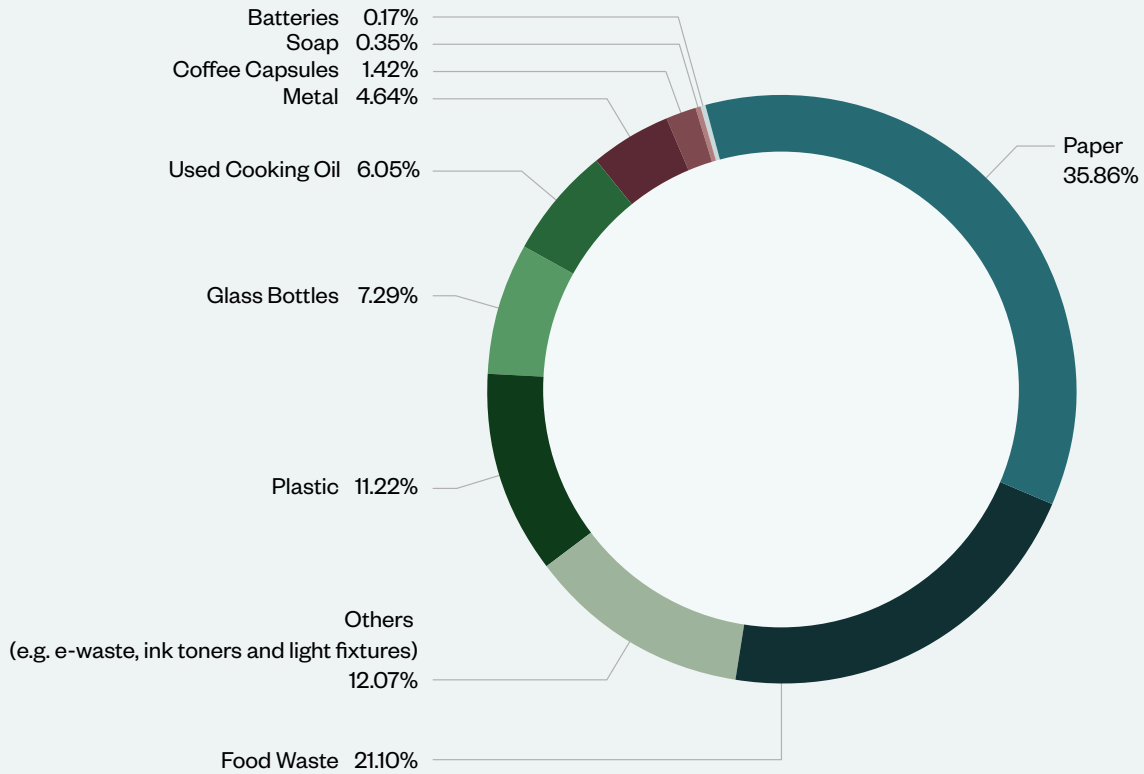
Waste Diversion

We are focused on reducing the amount of waste sent to landfill or incineration, through innovative methods of recycling and composting.

Composting

Our Zero Waste Working Group has been focused on increasing food composting at various sites. Our properties at City of Dreams Macau, Studio City and City of Dreams Manila are now able to compost both raw and plate waste onsite.

MATERIAL DIVERSION BY TYPE IN 2021



Another key initiative at City of Dreams Manila is producing 100% organic fertiliser from biodegradable kitchen waste with the aid of earthworms, through a process called vermicomposting. In 2021, 4,731 kg of vermicast and 2,684 litres of vermitea was harvested that was used for the property’s onsite herb garden and surrounding plants.

We have set a waste diversion target as a stepping stone to meeting our 2030 zero-waste goal. In 2021, over 9% of our waste stream was diverted from disposal through composting and recycling, an increase of 5% over the previous year. In 2021, valuable materials diverted from disposal comprised 192 tonnes through onsite composting and 720 tonnes to recycling, an increase of over 430% and 130%, respectively, over the previous year. For each type of material diverted, substantive increases were achieved. We hope to continue to enhance and expand our diversion efforts, particularly as restrictions to access available recycling facilities imposed during the COVID-19 pandemic are eased.

In addition, diversion initiatives in 2021 included recycling of playing cards, linens and tableware and construction and renovation materials. In early 2021, we implemented a KAIZEN review of waste handling processes at our City of Dreams, Studio City and Altira Macau resorts. The objective of the

exercise was to review our processes to improve the separation of waste for proper diversion and recycling. The exercise was also designed to identify any gaps in data capture and recording. Procedures reviewed included the handling of prepared and processed food waste, along with waste from hotel guest rooms, as well as receiving, warehouse, retail and gaming areas. As part of this review, a survey was conducted to assess awareness of the recycling process and system, which was completed by approximately 6,000 respondents. Some initiatives implemented as a result of this exercise included developing standardised recycling signage and eliminating inner plastic packaging for amenities and providing these in simple, dotted-line paper boxes instead.

Yet another diversion campaign in 2021 involved encouraging colleagues from all departments to segregate recyclables, including paper, plastics and metals, and bring them to our designated collection days. City of Dreams Manila held these twice a week from July to November, offering colleagues cash back for recyclables and recognising the top 10 performers as “eco warriors” with Sodexo meal plan points as rewards.

MATERIAL USE & WASTE

HOW WE ARE MANAGING IT

Water

Management of water is a vital area for the Group. The way we conserve, source and consume water not only impacts our footprint and resource efficiency, but how we dispose of wastewater also has a direct impact on the aquatic ecosystems surrounding our properties. At the property-level, we have a number of efficiency measures to reduce consumption, including automatic sensors on faucets, and water-saving toilets and showers. We utilise extensive planting to minimise water loss through wind evaporation from pools and water features, and rainwater recovery systems for onsite irrigation. Examples of property-specific initiatives include:

- A sophisticated filtration system for treating and reusing pool water indefinitely at The House of Dancing Water show at City of Dreams Macau
- Reusing treated wastewater in City of Dreams Manila's cooling tower, saving 14,000 m³ of water as at the end of 2021
- For City of Dreams Mediterranean, a high-tech 'harvesting system' is being installed to collect greywater to be treated and re-purposed for use in toilets and gardens
- At Studio City Phase 2, a leak detection system exposes water leaks within the building and between the building and utilities' water meters, enabling us to prevent water wastage
- At City of Dreams Mediterranean, adjustments to sanitaryware items, such as water closet tanks as well as hand wash basin and pantry sink mixers, have been made to achieve optimal water-efficient consumption levels set by BREEAM without compromising guest experience
- A utility pulsed water meter connected to the building management system has been installed on the main water supply at City of Dreams Mediterranean to enable water monitoring and water leak detection
- Encouraging our colleagues to be vigilant in their water usage while cleaning guest rooms and public areas
- Ongoing replacement of fixtures with more water-efficient options across our properties, including faucets, nozzles and shower heads

While our total water consumption and water intensity across our properties both increased by 3%, compared with 2020, as a result of increased occupancy and the opening of a water park at Studio City, this represented a 36% reduction for both compared to 2019.

The amount of water recycled increased by 134% in 2021 over the previous year and water efficiency measures progressively adopted at our properties in Macau and Manila since 2019 resulted in annualised savings of over 432,000 m³ in 2021.

In 2021, we set a water intensity reduction target of 19% to be achieved by 2030.

Our properties account for 98% of the Group's total water consumption; other sites consist mostly of offices where water is typically under the operational control of third-party property managers.

In 2021, we launched a new initiative to work towards setting a Group-level target, engaging our property services teams on a monthly basis to track water efficiency measures across properties more closely and conducting a comprehensive review of requirements and best practices. With the identification of high-level reduction potentials for all our properties and based on the results of our target modelling analysis, we set a water intensity reduction target of 19% to be achieved by 2030 against our 2019 baseline year.

Water Consumption by Source and Intensity (in m³)

	2021	2020	2019
Municipal water	2,119,732	2,129,685	3,480,473
Recycled water	147,549	63,120	50,718
Total water consumption	2,267,281	2,192,805	3,531,191
Water intensity by floor area (in m ³ /m ²)	1.60	1.56	2.47 ³²

³² Water consumption intensity adjusted to reflect revised gross floor area at facilities in Cyprus.

Inspiring our Communities

**MAKING A MEANINGFUL DIFFERENCE
FOR OUR PEOPLE, GUESTS AND COMMUNITIES**



QUICK ACCESS TO MATERIAL TOPICS

Engaging our People	032
Safety, Health & Wellbeing	036
Responsible Gaming	040
Community Engagement & Investment	042

CASE STUDY

“Get the Jab” Programme for Full Vaccination

A priority for us during the pandemic has been to support our colleagues in getting vaccinated against COVID-19, both for their personal benefit and to work towards continuity of business operations for the reassurance of our guests. We allocated over HK\$16 million into our “Get the Jab” immunity incentive programme for colleagues in Macau and Hong Kong. In the Philippines, where access to vaccines was initially challenging, we went ahead and purchased these for our colleagues. In Cyprus, we introduced incentives to get vaccinated. Overall, the programmes have been immensely successful, with more than 95% of colleagues vaccinated. The programme in Macau incorporated a series of measures to motivate our colleagues, including:

- Inviting Macau’s department of health to host information sessions to communicate their expertise and allay any fears colleagues may have
 - Providing shuttle buses to and from government vaccination sites
 - Hosting an eight-day onsite vaccination drive that successfully administered 4,300 doses to colleagues and their family members
- Granting an additional two days of annual leave to get vaccinations, plus an additional three-days of special leave for colleagues to support their children under 18 years of age and elderly parents who need to be accompanied to get vaccinated
- Distributing cash incentive of HK\$1,000 to each fully vaccinated colleague, as well as cash lucky draws totalling HK\$5.8 million for six winners when we reached vaccination milestone rates of 50% and 75%

Strategy and Management Approach

STRATEGY AND MANAGEMENT APPROACH

Despite the headwinds of these COVID-19 years, we have maintained our competitive compensation and incentive programmes and a high standard of training and development for our colleagues. We continue to ensure a diverse and inclusive environment, and to support the health and safety of all. Our strong people focus is also reflected in our world-class guest experience and dedication to community investment. Responsible gaming remains an important aspect of this along with efforts to leverage our scale and influence to amplify the important work of governments and community organisations. We are committed to respecting the local laws and customs of all the jurisdictions in which we operate, as we strive to effect positive change for the environmental, social and economic benefit of our communities. In ensuring our community investment initiatives deliver benefits alongside our business strategy, we are guided by our Corporate Social Responsibility (“CSR”) pillars:

CSR PILLARS

1 2 3 4 5 6 7 8

VOLUNTEERISM / PHILANTHROPY

1. Youth 2. Education 3. Women

4. Environment 5. Culture & Heritage 6. Responsible Gaming

7. Whole Person Development 8. Small & Medium Enterprises

KEY GOALS

- Being the company people choose to work for and stay with
- Being best-in-class in safety for our guests, colleagues and community
- Promoting responsible gaming and an attitude of staying in control
- Supporting our communities and strengthening their economic prosperity

MATERIAL TOPICS

Engaging our People.....032

Safety, Health & Wellbeing.....036

Responsible Gaming.....040

Community Engagement & Investment.....042

CHALLENGES

The continuation of the COVID-19 pandemic has severely impacted the integrated resort industry globally. Border closures and government-imposed restrictions have created ongoing challenges, along with the continuing need to safeguard the health and wellbeing of our people. We have remained steadfast in developing procedures to ensure that our colleagues and guests are our priority and that communities are supported throughout our value chain. In addition, we have worked hard to create meaningful engagement for our colleagues through career development and training that keeps them ready for eventual business recovery. This has strengthened stakeholder trust in our corporate responsibility and citizenship.



2022 & BEYOND

In 2022, we will leverage the strategies honed during the pandemic, including the continued development of online training courses, to enhance our support of our workforce. A key focus will be to continue to foster a diverse and inclusive workforce that is representative of all our communities.

Engaging our People

OUR COMMITMENT

We take pride in attracting the best and brightest people — benefitting from their skills to further build upon the success of our business. Central to supporting our close to 18,000 people to thrive, is our responsibility to protect the human and labour rights of our colleagues, and to meet or exceed the requirements of labour laws in all markets where we operate. We are committed to being an equal opportunity employer. It is essential to us that we provide an inclusive work environment completely free of bias, and this is rooted in our policy of zero tolerance for any form of prejudice or discrimination based on race, religion, age, gender, sexual orientation, varying ability, parental/marital status or any other non-meritocratic factors.

OUR TARGETS

- Maintaining the number of colleagues receiving training/education/professional development at 95% level or greater annually
- Hiring 95% of managers from the local community by 2030
- Filling 50% of management roles with women by 2030

HOW WE ARE MANAGING IT

We sustain a breadth of professional development opportunities to equip our people with the right skills to undertake their roles and reach their full potential. In addition, we work hard to keep our colleagues motivated and content by investing in their overall wellbeing, and regularly benchmark compensation and benefits against the wider market and our industry peers. The Group has zero tolerance for child or forced labour across our value chain. Our terms of employment and human resource policies are regularly reviewed and updated, ensuring that we meet or exceed statutory requirements, such as working hours and minimum wage, across our operations.

To keep our colleagues engaged, we focus on the following areas:

Culture of Excellence

Through our culture of excellence approach, colleagues are supported to provide exceptional service to our guests and to be the optimal versions of themselves. This approach encompasses leadership vision and commitment, an environment that fosters success, diligent processes and structures for delivery of our brand promise, continuous measurement of service delivery and behavioural standards, an attractive reward structure and a culture that celebrates achievements.

To align to premium brand standards, our bespoke training programmes include orientation and induction through initiatives such as the “My first 90 days” integration programme, technical skills training, as well as consumer and brand service training through programmes like the Forbes Five-Star standards training and a mystery shopper programme.

We encourage guest feedback, which is valuable to enhancing our colleague training programmes. When COVID-19 restrictions allow, we aim to resume our varied methods for measuring guest satisfaction, including face-to-face surveys and periodic focus groups at specific touchpoints at our properties.

Career Development Opportunities

The Group encourages colleagues to think outside their traditional roles, to adopt new skills and achieve well-rounded growth. This holistic approach is known as Whole Person Development and encompasses numerous components, such as our Foundation Acceleration Programme (“FAP”) that enables colleagues to benefit from exposure to different functions and departments. In 2021, we offered 92,000 FAP experiences, of which 99% were taken by locals, with 96% involving exposure to non-gaming areas for our gaming colleagues. In this period, a total of 680,000 participants also completed training programmes through the Group’s Learning Academy, which provides a customised curriculum with around 7,800 courses. Compared to the pre-pandemic 2019 average of 31 training hours per colleague, in 2021, our colleagues focused on developing their knowledge with overall average training hours per colleague increasing substantively to 111 hours.

Other ongoing learning opportunities included our Back to School programme offered in partnership with the Education and Youth Affairs Bureau of Macau, Melco YOU-niversity in partnership with Edinburgh Napier University, our Graduate Trainee Programme, organised by the Labour Affairs Bureau (“DSAL”) as well as various scholarship opportunities. Our programme was awarded the Silver Award for “Best Graduate Recruitment Programme” at the 2021 HR Asia Recruitment Awards. In addition, we have long championed internal career

advancement, with 31,000 colleagues having been promoted or retained through internal transfer to date. In 2021, 71% of vacancies were filled by internal colleagues.

This year we launched our “Melco Mentoring and Networking Group” with the objective of cultivating long-term relationships within the Group. The virtual launch event, coinciding with International Women’s Day, was attended by 800 colleagues from Macau, Hong Kong, Manila and Cyprus. In addition, we ran a “Follow Your Dreams” seminar to provide colleagues with practical knowledge of the Greater Bay Area’s business and entrepreneurship opportunities.

Regular performance and development reviews are provided for all colleagues. All our permanent employees, excluding newly hired employees that had yet to complete their probationary period, received an annual performance review in 2021.

Average Training Hours Completed per Employee by Employee Category and Gender

	2021	2020	2019
Management			
Female	24.50	15.74	24.43
Male	20.14	24.65	24.54
Non-management			
Female	131.50	104.29	27.31
Male	105.01	95.26	24.10

ENGAGING OUR PEOPLE HOW WE ARE MANAGING IT

Workforce Inclusion & Diversity

Our people strategy consistently supports inclusion and diversity. Our global workforce currently represents 56 nationalities, and we are committed to providing equal opportunities for all. We did not experience any reported incidents of discrimination in 2021.

Our strategy of inclusivity is supported by programmes, including the DSAL's Special Internship scheme for local students with special needs. Until the pandemic put a temporary hold on participation, we are proud that 63% of student interns recruited through work experience initiatives went on to become full-time team members, with almost half staying on for three years or more. Currently 73% of our senior management globally is hired from within the local community.

We have a particular focus on increasing gender equality and opportunities for women throughout the business, this is evident in the diversity within our senior management team.

Our dedication to being an inclusive business means supporting colleagues to care for their families, without adversely affecting their career development. We are the first integrated resort operator to provide a fully-equipped lactation room for nursing mothers within all of our properties globally.

WOMEN IN LEADERSHIP:

24%

of directors
across
our boards

19%

of our
Corporate
Executive
Committee

36%

of our senior
management

40%

of our general
management



Work Environment

We encourage our people to communicate and provide feedback, enabling us to listen to and understand their needs. Engagement takes place in many ways, including surveys and “Meet Management” sessions that provide an opportunity for colleagues to directly interact with resort leaders, as well as through focus groups across various business functions, a mobile app that enables colleagues to “Talk to Management”, newsletters, social media, annual performance appraisals and leadership forums.

Supporting our Colleagues

We take pride in providing our colleagues with facilities and amenities to support them in all aspects of their lives. At the property-level, our Heart-of-House contains:

- Learning Academy training centres with premium, onsite-learning facilities
- Dining rooms with an extensive menu selection, including healthy and sustainable options
- Social areas with a selection of refreshments and computers for online entertainment
- Relaxation rooms fitted with massage chairs, hammocks and TVs
- Concierge desk to support colleagues

We also continue to offer a range of work-life balance initiatives to provide flexibility for colleagues. These include:

- Strawberry Life Flex Compress: a compressed workweek arrangement where colleagues can concentrate work hours on certain days of the week

- Strawberry Life’s part-time scheme: allowing colleagues to remain eligible for full-time benefits on a pro-rated basis
- Lifestyle Programmes: workshops providing lifestyle and personal growth knowledge through the Learning Academy
- Hybrid work from home opportunities as positions and responsibilities allow

To further support people during the ongoing pandemic, we co-organised a series of “Feel Better” In-house Mental Wellness Seminars with The Women’s General Association of Macau. In 2021, we hosted 23 seminars in collaboration with psychotherapists, with over 600 colleagues attending. Of the participants surveyed, 88% found it easier to seek professional help after the seminars, 99% felt empowered to better manage their own mental health and 97% felt more aware of their own mental wellness.

For more details on our approach and initiatives to support our people, please see [pages 045-047 of Melco Resorts’ Report](#).

Safety, Health & Wellbeing

OUR COMMITMENT

The health and wellbeing of our colleagues and guests is our absolute priority as we remain committed to providing exceptional experiences and lifelong positive memories at all our resorts worldwide. We are dedicated to maintaining a culture where all our people, throughout our value chain, can thrive and feel supported. We believe in holistic wellbeing, considering physical security, clean air, and sustainable food sources.

OUR TARGET

- Reduce the Group's annual employee Injury Frequency Rate ("IFR") by 20% in 2022, from base year 2019

HOW WE ARE MANAGING IT

Our Response to COVID-19

Since the outbreak of the COVID-19 pandemic, we have maintained high standards of hygiene to ensure a safe environment across all our properties. In addition to remaining in absolute compliance with government regulations, we continue strict internal procedures and a high level of transparency in communicating with our stakeholders to coordinate pandemic management efforts across our offices, properties and communities. In 2021, we allocated over HK\$16 million into our "Get the Jab" immunity incentive programme for colleagues and family members in Macau and Hong Kong. Details about this successful programme can be found in the [case study on page 029](#).

Occupational Safety and Health ("OSH")

We continually enhance our health and safety standards and OSH performance across operations. Our OSH Policy details the Group's compliance with legislation relating to illness and injury prevention in all our markets. Our protocols strictly adhere to requirements under our ISO 45001-certified, OSH management system for all our properties and our Hong Kong corporate office. We are proud to have been the first organisation in the hotel and entertainment industry to have achieved ISO 45001 certification in Macau. Each of our resorts has its own dedicated OSH Committee that meets monthly and has responsibility for:

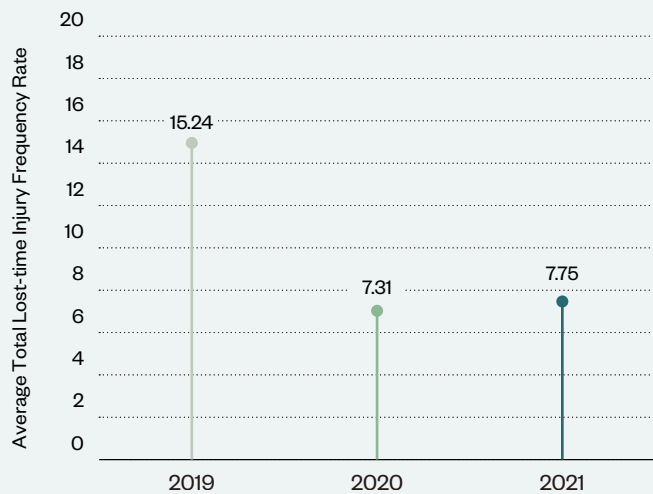
- Reporting to management on OSH issues raised by colleagues and contractors and corresponding corrective and preventative actions
- Monitoring OSH performance trends and following up on OSH incidents, ensuring thorough investigation and effective rectification
- Managing auditing and inspection activities
- Developing targeted training and awareness-raising activities
- Identifying areas for improvement and the need for resource allocation

In addition to mandatory OSH training for new starters as part of their initial induction, existing colleagues attend compulsory refresher training sessions each year. A series of OSH events and promotions were held throughout 2021, details can be found on [page 051 of Melco Resorts' Report](#). Our contractors must also attend an OSH orientation programme to understand the requirements for compliance with our standards. In continuing to promote excellence in achieving international safety standards at the resort-level, comprehensive assessments of all our key public areas, including guest rooms, entertainment areas, elevators, entrances and exits to our properties, are conducted quarterly by independent risk engineers.

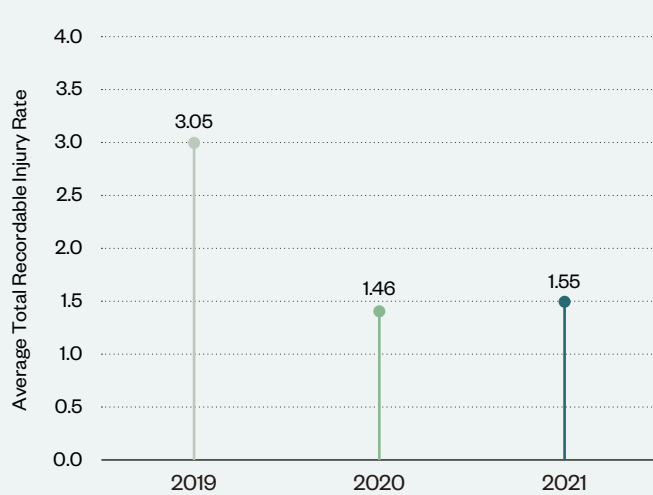
All incidents are reviewed by the Chief Risk Officer (CRO) and corrective or preventative measures are then implemented by the relevant business units as appropriate. Our Emergency Response Teams liaise with local emergency response teams to devise and implement plans specific to each site.

This year, the average work-related IFR across our operations in Macau, Manila, Cyprus and our office in Hong Kong, saw an increase of 6% compared to the previous year, in which we experienced significant periods of resort closure due to the pandemic. This contributed to our IFR being slightly higher than our 5% reduction target for the year, against our 2019 baseline. In comparison to 2020, our properties in Manila and Cyprus were able to open for many more days in 2021, although operating with restrictions in place. Our business in Cyprus has also seen a substantive increase in headcount as a result of the opening of two new premises last year. Going forward, we will continue to enhance and expand our safety training, monitoring of performance and implementation of preventive and corrective actions. We have set a new target for 2022 to achieve an IFR reduction of 20% over our base year of 2019. There were a total of 306 work-related injury cases reported in 2020 and 294 in 2021, a close to 4% reduction year-on-year. 1,339 lost days due to work injury were recorded this year, and there were no work-related fatalities in 2021.

The Group's Total Lost-time Injury Frequency Rate³³



The Group's Total Recordable Injury Rate³⁴



Hotel and Catering Safety Card Training Programme

A major focus of OSH activity across our business is our Hotel and Catering Safety Card Training Programme. In 2018, we became the first integrated resort operator in Macau to launch this training for our team members. Related topics include emergency response, workplace accident prevention, fire and heat prevention and manual handling. This training programme is actively supported by DSAL and the Group. In 2021, 10,405 employees were trained, with the remaining colleagues due to complete the programme by mid-2022.

33. Average total lost-time injury frequency rate (based on number of cases multiplied by 1,000,000 hours per 40- and 48-hour work weeks).

34. Average total recordable injury rate (based on the number of cases multiplied by 200,000 hours per 40- and 48-hour work weeks).

SAFETY, HEALTH & WELLBEING

HOW WE ARE MANAGING IT

Air and Food Quality

Guaranteeing a high standard of air quality is essential in all our integrated resorts. We have sensors throughout our guest areas and Heart-of-House to provide real-time air quality data, and security officers patrol public areas to ensure that smoking only takes place in designated areas.

We take both food quality and hygiene standards very seriously. Our immaculate F&B service is founded upon stringent food safety standards and regular inspections are carried out by our highly-qualified food safety team across our Michelin-star restaurants and other food outlets. Hazard Analysis Critical Control Point (“HACCP”) certification was achieved by City of Dreams Macau, Studio City and Altira Macau in 2020 and 2021, and by City of Dreams Manila in 2021. To ensure that we not only comply with the standards of the Food Safety Centre of Macau, and other international regulations, but remain committed to continuously improving food quality and safety, we engage an external auditor to conduct annual HACCP assessments at our properties. In 2021, we did not have any incidences of non-compliance arising from the audit or that resulted in any fines, penalties or warnings in this reporting year.

Training on food safety and hygiene is provided to our F&B colleagues and meet-and-greet seminars are organised for F&B suppliers to connect and communicate with our chefs. We aim to inspire and support our guests to eat healthily and

sustainably and have made significant progress in increasing sustainably-sourced seafood options on our menus. Shark fin is not offered globally in any of our menus. We continue our Green Monday initiative and offer healthy options, as well as vegetarian and vegan dishes to enable our colleagues and guests to be mindful of their own healthy and sustainable choices. Details can be found in the [Sustaining our Supply Chain](#) section on page 044.

Securing our Properties

Our security and safety personnel utilise advanced technological security measures, such as facial recognition and access control systems, to effectively address emergency situations and respond to any illegal or inappropriate behaviour within our properties. We also continue our close collaboration with local authorities in all locations to run joint drills for disaster and crisis management planning. In addition, we undergo rigorous testing of our crisis management plans with drills on evacuation procedures and colleague training as appropriate.



INSPIRING OUR COMMUNITIES

Responsible Gaming

OUR COMMITMENT

A key element of safeguarding our guests' wellbeing is our commitment to promoting responsible gaming ("RG"). Liaising closely with governments and gaming regulators, we surpass mandated regulatory requirements in all the jurisdictions we operate in, and strive for continuous improvement to provide a fair and safe experience. We consider our RG culture to be one of the substantive features that differentiates the Group within our industry. An important element of this is providing guests, colleagues and the community with the necessary tools to make informed decisions when gaming.

OUR TARGET

- Achieving third-party accreditation for all new integrated resort RG programs within three years of opening

HOW WE ARE MANAGING IT

We are proactive in our methods to help our guests manage their gaming and systematically provide safeguards and offer support to those who need it. In 2021, we became the first integrated resort operator in Macau, the Philippines and Cyprus to achieve the esteemed international third-party RG accreditation, RG Check. The achievement further establishes the Group as the first and only integrated resort operator globally to be recognised by RG Check in all its jurisdictions of operation. Developed by the Responsible Gambling Council, RG Check is the most comprehensive and rigorous RG accreditation programme in the world, reviewed by a prestigious and independent panel of RG specialists.

Our Chairman and Chief Executive Officer, Mr. Ho, Lawrence Yau Lung, is accountable for our RG strategy; leading from the top is a clear signal of RG's vital importance to the Group. Both our gaming and non-gaming departments, and leaders of all our properties, are represented on the cross-functional RG Steering Committee. Meeting quarterly, the Committee provides strategic direction for all our RG initiatives. In addition, separate working committees meet more regularly to propose and implement strategies. We strive to ensure that everyone within the Group understands their role in supporting our core values and culture of RG.



RG Check — The most comprehensive RG Accreditation program in the world.

Technology and Process

Industry-leading technology is central to our award-winning RG programme. Our Group was the first integrated resort operator in Asia to deploy real-time facial recognition security systems. Today, real-time facial recognition security systems are a key element of our gaming infrastructure in Macau, Manila and Cyprus, and also an integral tool to support self-exclusion.

Educating our Colleagues on RG

Investing in training is essential to maintain our high standards; since our first property opened, our RG programmes have trained 173,000 participants on essential principles. Training has included identifying and addressing potential gaming issues and raising awareness among guests, colleagues and the broader community. In January 2020, we launched an e-learning version of our advanced RG course, which is based upon the “Macao Responsible Gaming Advisor Certificate Programme” curriculum designed by the Gaming Inspection and Coordination Bureau and the University of Macau. More than 14,700 colleagues from across our worldwide operations have completed this course to date.

Above and beyond the government-required biennial refresher training for gaming colleagues, we strengthen all colleagues’ understanding with annual RG refresher sessions. An easily accessible RG educational space dedicated to hosting experiential RG awareness-raising exercises is also present at the Heart-of-House; over 137,000 participants have taken part since it was established in 2007. An example of an RG awareness activity in 2021 was an internal video competition for colleagues based in Cyprus. Twenty entrants created videos about the topic “What RG means to me,” which were voted on by colleagues, with the winning film then shared to the public via our various social media channels.

We have also launched the “RG, Everyone’s Job” mobile quiz to enable colleagues to regularly reinforce and test RG knowledge while social distancing or working remotely. In addition, we have utilised our MelcoToday colleague mobile app to post “RG Monthly Focus” bulletins, each with a monthly RG theme, message and training fact highlighted.

RG Ambassadors are selected frontline managers with high levels of RG training knowledge and experience. Globally, we have more than 800 qualified RG Ambassadors who are available onsite 24/7, and who serve as contact points for all RG-related issues. Our RG Ambassadors enable us to support patrons at all of our properties in a professional, empathetic and informative manner, including through counselling services and referrals. RG Ambassadors also assist patrons in making self-exclusion applications.

Supporting the Community

We take great care to raise awareness of RG, surpassing regulatory requirements for operators to display RG information for our guests, and actively engaging people in our communities on the subject. This year, volunteers worked with an NGO to take to the streets and promote RG amongst tourists and locals in Macau. We also participated in and sponsored the “4th Safer Gambling Week” organised by the National Betting Authority in Cyprus. In 2022, we will continue our community RG workshops targeted at women. To encourage participation, the RG curriculum is interwoven with lifestyle activities such as cooking, floral arrangements, reflexology and more. Additionally, we invest in gaming research by supporting the Macao Polytechnic Institute and the University of Macau’s Institute for the Study of Commercial Gaming (ISCG).

Community Engagement & Investment

OUR COMMITMENT

The Group recognises that the mutual prosperity of both our business and the communities in which we operate is dependent on the health of society as a whole. We are committed to supporting our communities through tailored investment and engagement activities which inspire our youth and foster a sense of pride among colleagues. The Group acts as a leading corporate citizen by supporting local needs through donations and volunteering, proactively boosting economic prosperity for local SMEs, and promoting the conservation of heritage and local culture. Our unique and differentiated programmes, developed in collaboration with our local partners, help enhance the strength of our communities.

OUR TARGETS

- 80% of global colleagues to volunteer at least four hours per year
- Each jurisdiction to run cultural and heritage programmes that help develop people into knowledgeable and engaged ambassadors of their country
- Advance the economic prosperity of local SMEs

HOW WE ARE MANAGING IT

Our CSR Steering Committee led by the Group's Chairman and Chief Executive Officer, Mr. Ho, Lawrence Yau Lung, oversees vital investment and community engagement issues. The Committee consists of local colleagues who focus on building relationships with community organisations and NGOs. Every month, the Committee meets to discuss our CSR programmes and review the initiatives of various working committees to identify opportunities to enhance the value we bring to the community. We strive to make a positive impact in all aspects of our business through our CSR pillars. Key community initiatives are outlined below.

Economic Prosperity for Local SMEs

We empower local businesses and prioritise local procurement. Our work with local SMEs entails a range of capacity-building initiatives as outlined below.

- Melco SME Academy provides access to the latest training, industry trends and technical knowledge. In 2021, 16 workshops were conducted with 113 attendees, including 93 SMEs.
- "Knowing You, Knowing Us" Campaign provides information on procurement categories and procedures. Campaign events in 2021 included our "To the Table" sessions, facilitating dialogue between 54 local SMEs, and our culinary and F&B teams.
- Heart-of-House Roadshows provide a channel for SMEs to generate revenue by selling directly to our colleagues. In total, 110 roadshows generated over HK\$7.4 million worth of business for local SMEs in 2021. For more details about this initiative, please see [pages 057-058 of Melco Resorts' Report](#).

→ Adopt a Micro-Enterprise provides six months of mentorship and skill training from our management team to benefit young entrepreneurs. In 2021, we hosted over 90 participants from 20 business units and provided in excess of 200 hours of mentoring.

For more details on SME engagement, please refer to the [Sustaining our Supply Chain section on page 044](#).

Volunteerism

Our Group is proud of our colleagues' efforts to enhance quality of life in our communities through volunteering. Around 220,000 participants have joined our global community engagement activities since 2007. Following the incredible success of "Simple Acts of Kindness" in 2020 to help the community during the height of the pandemic, we also continued the programme in 2021. We supported over 1,300 NGOs, associations, schools and nurseries, government departments and SMEs, with the help of over 16,000 volunteer participants. For more details about this initiative, and other volunteer activities that uplift our communities, please see [page 058 of Melco Resorts' Report](#).

Culture and Heritage

We are privileged to be in a unique position to help protect and promote local heritage, provide cultural opportunities and empower people through culture-based education and activities. For example, in Cyprus we continue to work with the local government to safeguard and promote the island's most treasured heritage sites through our project "Heritage Signs". In 2021, we expanded our Splendours of China initiative in Macau, a series of courses curated by us to encourage national pride. The campaign encourages our team members to complete a "passport" by gaining a stamp for every course completed and entering a lucky draw to "see the sights" in person by winning trips to visit China's monuments, once travel restrictions ease. In 2021, 89% of our colleagues in Macau had completed their passport.

Youth Engagement

Developing local young talent is an integral part of ensuring the sustainable future of our communities. This year, approximately 900 youth performers entered 142 acts into our "Melco Star Youth Talent Competition", aimed at strengthening the understanding of Chinese cultural heritage among Macau's youth. In addition, in 2021 we provided tuition subsidies for three students with the goal of building a talent pipeline for

digital skills and to support long-term employment with the Group. We also worked with the University of Macau (UM) to launch the "2021 Guangdong Hong Kong Macau Greater Bay Area Integrated Resort Sustainability Business Case Study Competition – 'Start Young' Hospitality Management Professional Challenge" to promote awareness of environmental initiatives among students. In another initiative, we supported a two-day staycation at Macau's Studio City for 30 students from the Macao Institute for Tourism Studies (IFTM) to allow them to gain first-hand experience of the Forbes Five-Star services and facilities.

Disaster Relief

We are dedicated to providing aid to our communities during times of need. In 2021, we donated HK\$9.7 million to support flood control, emergency relief and reconstruction work in Zhengzhou, China to support affected communities. In Cyprus, we also acted swiftly to respond to the wildfires that struck rural areas of Larnaca and Limassol in July 2021, making a donation for the restoration of 'Iamatiki' District School in Eptagonia. Additionally, we supplied five, low-weight fire emergency response vehicles to the local community, thereby helping them to become more resilient to fire threats.

Philanthropy

We strive to create a more sustainable future for our world by investing in meaningful initiatives. We are pleased that in 2021 the Group supported various charitable initiatives addressing health and wellbeing, education, art and cultural heritage. This was accomplished through donations and sponsorships amounting to HK\$170.4 million to our communities and colleagues.

Charitable Contributions³⁵ (HK\$)

2008-2020 (cumulative)	HK\$753.8 million
2019	HK\$133.4 million
2020	HK\$264 million
2021	HK\$170.4 million

35. Comprising cash contributions, in-kind donations and donations from our Philippines Foundation.

Sustaining our Supply Chain

TRANSPARENCY, TRACEABILITY AND TRANSFORMATION TO FURTHER SUSTAINABLE SUPPLY CHAINS



QUICK ACCESS TO MATERIAL TOPICS

CASE STUDY

Learning Academy Sustainability Module

We are committed to building the capacity of our colleagues and suppliers, so they are able to contribute to our joint sustainability efforts. In 2021, a series of workshops were held for SMEs. These included:

16 workshops

113 attendees, including 93 SMEs

One of our key sessions introduced suppliers to our overall sustainability strategy with a focus on plastic awareness. As part of this workshop held by the Learning Academy, suppliers were invited to join us in person to learn about trends in climate change as well as waste management and regulations in Macau. The session also informed suppliers about our sustainability goals with a focus on how we plan to approach the plastic problem through reducing, reusing and recycling.

Suppliers were briefed on what to expect as we seek to identify opportunities in the supply chain to promote circular economy practices. This included requirements that suppliers will need to fulfil to meet green procurement specifications and the information they will be required to provide to complete our annual plastic inventory reporting, such as the type and weight of plastic used in each component.

Details on specific capacity-building programmes for SMEs can be found in the [Community Engagement & Investment section of this Report on page 042](#).

Strategy and Management Approach

STRATEGY AND MANAGEMENT APPROACH

As the Group operates world-class integrated resorts that source from over 4,000 global suppliers³⁶, it is our responsibility to ensure our suppliers are well placed to mitigate the impacts of their products and services. To this end, we run a number of initiatives to build supplier capacity in areas such as human rights, ethics and environmental responsibility. Our Sustainable Sourcing Working Group utilises a stringent Supplier Code to maintain accountability and transparency as we consistently strive to improve our sustainability performance. Securing a steady supply of high-quality goods and services in these times of unprecedented economic disruption remains a priority. At the property-level we are proud to decrease our carbon footprint and nurture relationships with local suppliers by purchasing 94% of goods and services from local companies in Macau in 2021, out of which 50% was from SMEs. In Manila and Cyprus, 86% and 80% of our procurement supported local businesses, respectively.

KEY GOALS

- Procuring locally and creating demand for materials that have sustainability attributes in the supply chain
- Building capacity and awareness of the social, ecological and biodiversity impacts in sourcing
- Enhancing workers' lives and working to eliminate human trafficking and modern slavery in our industry and supply chains

MATERIAL TOPIC

Ethical & Sustainable Supply Chain 048

CHALLENGES

Despite having to face a significant rise in transport costs and incessant disruptions, the supply chain team has managed to ensure a consistent flow of goods to our markets in Macau, Manila and Cyprus. As the COVID-19 pandemic continues, rising costs will continue to impact all aspects of our business and will prove to be our biggest challenge in sourcing. We hope to continue to manage this obstacle by optimising efficiencies within our operations, including through the use of systems like our online purchase-to-pay (“P2P”) procurement system that gives us clear oversight of our spending. We will continue to use the downtime afforded by the pandemic to enhance our productivity and work towards expanding sustainability practices.

36. Suppliers by country in 2021: Macau (26%), Philippines (26%), Hong Kong (17%), Cyprus (16%), USA (3%), China (2%), Japan (2%), Singapore (2%), UK (2%), and other locations (4%).

2022 & BEYOND

We will continue to build the capacity of our suppliers in the key areas of ethics, OSH, food safety and environmental best practices. In 2022, an important initiative will involve training sessions on modern slavery for suppliers in collaboration with our partner, The Mekong Club.

While restrictions due to the pandemic thwarted our plans to further explore sourcing guidelines for a wider variety of products with sustainability attributes, in the coming year we hope to expand these guidelines to cover coffee, chocolate and other products. In 2022, we also plan to look at tracing one particular item, such as coffee or paper, from end-to-end to understand the environmental and social issues associated with sourcing the product and to create a comprehensive case study for our industry to learn from.

In addition to our P2P procurement system, we piloted a new scheduling system through which suppliers can plan their deliveries to our properties and thereby reduce waiting times. This has improved efficiencies while reducing air and traffic congestion in the surrounding areas. We also tested an online scheduling system for these deliveries, to further improve productivity and manage our environmental impact. With the benefits arising from these trials, we plan to roll out these initiatives across all our properties.

Ethical & Sustainable Supply Chain

OUR COMMITMENT

The Group understands that a sustainable future depends on collective action by our business and all our stakeholders. Given the influence we have over a wide range of product and service providers across the globe, we are in a unique position to motivate, inspire and accelerate progress. We are focused on prioritising local procurement, building knowledge about the impacts of sourcing, improving the lives of workers and eradicating modern slavery in our supply chain to achieve our goals. This is accomplished through robust supplier engagement programmes, stringent procurement guidelines and responsible sourcing procedures. While seeking both superior quality and sustainability practices, we are committed to delivering positive impact across our value chain.

OUR TARGETS

- Sourcing 80% of our procurement choices with sustainability attributes by 2025
- Purchasing 100% of our bed linen and towels from OEKO-TEX[®]-certified suppliers and 100% of our pure cotton linen and towels from sustainable sources by 2030
- Procuring 20% of our seafood from sustainable, local and/or globally-recognised certification schemes by 2025
- Sourcing 50% of our chemicals rated as Green or Amber by 2025

HOW WE ARE MANAGING IT

The Sustainable Sourcing Working Group oversees the progress of our sourcing strategy along with the related financial impacts. This Working Group meets on a quarterly basis and reports to the Executive Sustainability Committee at Melco Resorts. With the mandate to enhance the sustainability features of goods and services used in our integrated resorts, the Working Group works to establish sustainability programmes, develop purchasing guidelines and raise awareness about the importance of sustainable procurement among stakeholders.

The Group's sustainable sourcing strategy is implemented through our Code of Conduct for Suppliers ("Supplier Code"). The Supplier Code goes beyond legal requirements to cover the wide range of stringent standards we uphold. Updated in 2020, the Supplier Code emphasises ethics, including expectations for fair business, advertising and contract completion practices along with zero tolerance of improper advantage. Another key feature of the enhanced Supplier Code is a focus on human rights, including freedom of association, the right to collective bargaining and no forced or child labour. Standards for safety and health, environmental protection, anti-corruption and data privacy are also covered in the Supplier Code. All new suppliers must acknowledge acceptance of the Supplier Code in writing when they are first engaged. We are also in the process of establishing this as mandatory practice for existing suppliers. Any grievances can be raised through our reporting channels described in the [Ethics & Integrity section of this Report on page 060](#). In the spirit of continuously improving together, we provide suppliers with training and regular engagement to assess their compliance and progress. We will not hesitate to terminate a supplier that violates expectations and fails to implement an appropriate corrective action plan; in 2021, there were no such occurrences related to compliance with our Supplier Code.

Supplier Engagement

We proactively collaborate with suppliers to continually improve their social and environmental performance and were delighted to retain our A- score with CDP for our approach to supply chain management.

Building supplier capacity on responsible practices remains a key priority. This has taken the form of workshops on topics such as responsible sourcing, the importance of eliminating wastage, increasing recycled and biodegradable content, and eliminating the use of SUP packaging. Details about our efforts can be found in the [case study on page 045](#). We also pursued a number of other initiatives in 2021. Our online P2P procurement system implemented simplified invoicing, reducing the amount of paper we used by 80% across our Macau and Manila operations. This will subsequently be expanded to Cyprus. We also continued to fulfil our commitment to a 14-day turn around on payment of supplier invoices if delivery and invoicing were completed on time. This was well received, particularly by SMEs who continue to be impacted by the pandemic.

In addition to enhancing administrative efficiencies, we are working to improve supplier packaging and delivery processes through our KAIZEN exercise to enhance waste diversion. This has involved setting up appropriate recycling bins and signage, so suppliers carry out responsible waste segregation when delivering goods onsite. We will also implement waste segregation training for suppliers in 2022. In addition, we have been encouraging suppliers to incorporate specifications into tenders and purchase orders to increase demand for lower-impact products, packaging and services. Details on these initiatives can be found in our [Material Use & Waste section of this Report on page 022](#).

ETHICAL & SUSTAINABLE SUPPLY CHAIN HOW WE ARE MANAGING IT

To keep abreast of innovative product alternatives in the market, we invited around 40 suppliers in Macau to our “Supplier Showcase”. By exhibiting items with sustainability attributes, we were able to build awareness about alternatives among colleagues from various departments and inform suppliers about the Group’s requirements and aspirations. This initiative was well received and will be extended to run over a few days in 2022. Our “To the Table” event similarly showcased diverse alternative options for our menus, regularly bringing different products to our Chef’s Table for chefs to taste and cook with. In 2021, 54 suppliers attended these events, 30 of whom were SMEs. We also tried some of these products in our Employee Dining Rooms at properties, with great success.

Another initiative we implemented this year was to further optimise our digitalised supply chain to allow our chefs and purchasing teams to make educated decisions on items to purchase and enable suppliers to efficiently offer products with sustainability attributes. We worked together with our system provider to define the purpose and criteria for this enhancement, which industry peers have since also adopted. Accordingly, we are able to track and report against these purchases, and work towards increasing our spend on more sustainable products.

Sourcing Guidelines

Our sourcing strategy is designed to mitigate the ecological impacts of the products we use. Since 2018, we have provided stringent guidelines to aid in the sustainable sourcing of key items including cotton, cleaning products and seafood. We are pleased to report that the Group has already exceeded our existing targets for all three products. Going forward,

the guidelines utilised in Macau and Manila will also be implemented at City of Dreams Mediterranean in Cyprus. In addition, we are further exploring sustainable sourcing categories to include items such as cage-free eggs, responsibly sourced coffee, tea and cocoa and organic rice.

Cotton

We aim to procure cotton from sources that mitigate the environmental impacts of water consumption, the use of agrochemicals and the conversion of habitats for agricultural use that result from growing, harvesting and manufacturing cotton. By opting for sustainable sources, we ensure the linen and towels used at our resorts are free from harmful chemicals and safe for human use. In 2021, our operations in Macau and Manila achieved our goal for 100% of our bed and bath linen to be sourced from OEKO-TEX®-certified and other sustainable sources by 2030, nine years ahead of schedule. We aim to extend this to other textiles and garments such as uniforms for colleagues and guest slippers in the near future.

Given the difficulties with procuring blended products from sustainable sources, we continue to move towards switching some materials, such as table linen, from blended fabrics to 100% cotton, achieving our goal in 2021 for our operations in Macau and Manila, which also brought a cost benefit. We are seeking further opportunities to source more sustainable blended cotton fabrics. In addition, our supply chain team continues to seek linen with longer durability and replenishment cycles to reduce our consumption. As part of our sustainability initiatives, in 2021, we repurposed, donated or recycled close to 29,000 linen items to a number of organisations in need in Macau, and over 4,100 kg of linen to a women’s correctional facility in the Philippines.



Sustainably Sourced Cotton
(in kg)

	2021	2020	2019
Macau and Manila	12,574	102,430 ³⁷	64,645

Chemicals

We continue to prioritise sourcing more sustainable alternatives while ensuring that we meet strict sanitisation and safety standards. Our risk assessment criteria for chemicals include their impact on human health, toxicity, ecosystem degradation and bioaccumulation. Our choice of chemicals is based on the severity of resulting health impacts, availability of eco-responsible alternatives and product performance requirements, while managing spend.

Since 2018, we have established sourcing guidelines using a “Green, Amber or Red” rating system that prioritises internationally-recognised eco-labels such as Green Key and Green Seal. As part of our tender renewal process, we have successfully moved away from most Red chemicals, replacing them with Amber or Green alternatives. Any Red chemicals still in use are due to extremely high sanitisation standards warranted by the COVID-19 pandemic. New products requested that are either Amber or Red require approval and can only be sourced under exceptional conditions.

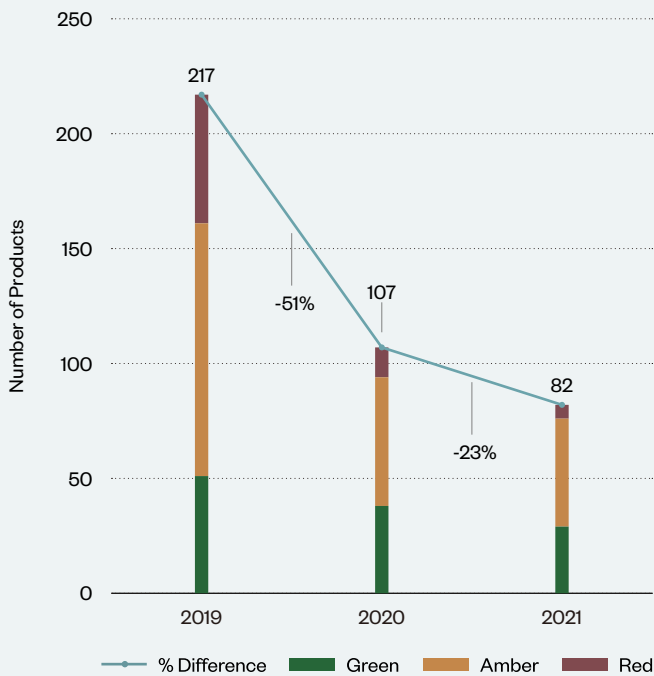
The consolidation of chemicals across our properties, has ensured that the same product will be used for similar tasks across markets. With this process, Green and Amber chemicals now comprise 92% of all chemicals used, enabling us to exceed our conservative target of sourcing 50% of our chemicals rated as Green or Amber by 2025. With a standardised list of products in place, we are able to more effectively manage our impact and provide safer options for all.

37. Sustainably sourced cotton increased in 2020 due, in part, to renovations at NÜWA and other linen being replenished according to schedule.

**ETHICAL & SUSTAINABLE SUPPLY CHAIN
HOW WE ARE MANAGING IT**

Chemical Consolidation for Macau and Manila

23% reduction in number of products used in 2021



Seafood

The Group is dedicated to conserving marine biodiversity and the livelihoods of communities that depend on the surrounding ecosystems through the responsible management of fish stocks and ocean restoration. We also seek to support suppliers that focus on fishery improvement projects (FIPs)

or aquaculture improvement projects (AIPs). Our Sustainable Seafood Sourcing Guidelines prioritise seafood certified by international bodies such as the Marine Stewardship Council (“MSC”), Aquaculture Stewardship Council (ASC), Global Aquaculture Alliance – Best Aquaculture Practices (BAP), the GLOBAL G.A.P Aquaculture Certification and other standards. Our procurement strategy is based on science-based recommendations from the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the International Union for Conservation of Nature (IUCN), as well as the World Wide Fund for Nature (WWF)’s Local Seafood Guide. According to this strategy, we rank each species as either Green, Amber or Red.

This past year, despite erratic supply and increased costs, we continued to increase our sustainable seafood options with 57 varieties available on our menus in Macau, up from 26 in 2020. Sustainable seafood items increased 73% by weight over the previous year, representing 16% of our total seafood procured in 2021. We expect our performance to further improve as all new suppliers provide data on sustainability attributes and our chefs and purchasers utilise our new procurement system, which enables them to easily opt for sustainable choices. Looking forward, we are working to source sustainable options for the top 15 seafood items procured by weight, to feature sustainable alternatives on our procurement lists in place of regular options, and to further increase the visibility of sustainable alternatives on our menus.

In Manila, we are working with a local NGO and the government to help suppliers responsibly procure seafood from local sources and receive MSC certification. While shark fin has been off the menus at our self-operated restaurants since 2019, we continue to work with our F&B tenants across all our resorts to remove shark fin from their menus as well.

Human Trafficking and Modern Slavery

The Group understands that the hospitality industry is vulnerable to modern slavery. As such, we have strict protocols in place to protect human and labour rights in our operations and supply chain. All our employment contracts ensure compliance with local labour laws, including statutory working hours and minimum wage requirements. We continue to conduct training for our Security Department on identifying underage persons and suspected sexual exploitation, while our Investigations Department conducts independent screening of colleagues and suppliers to detect suspicious activity. We partner with local authorities, industry leaders and NGOs, such as The Mekong Club, to raise awareness, and identify potential risks. We are committed to eliminating modern slavery, whether it be in the form of forced labour within our supply chains, including third-party service contracts and construction, or forced prostitution. We provide training and tools to colleagues and suppliers so we can address vulnerabilities and develop standardised responses across our value chain. In 2021, a total of 83 colleagues attended an in-depth training on modern slavery. Online training courses are being rolled out in 2022 to offer this training to more colleagues. We will further expand capacity-building support to suppliers through ongoing workshops as well as by developing due diligence questionnaires and updating our RFP process through our engagement with The Mekong Club.

Resilient Approach to Sourcing

Disruptions to the global logistics industry caused by the pandemic have warranted out-of-the-box planning as we continue to ensure we can source high-quality products for our resorts. With the possibility of sourcing sustainable seafood from Japan at risk in 2021, our supply chain team proactively established contingency plans to source from the Philippines so that we would be prepared. As another example, the team planned our Cyprus pre-opening meticulously to optimise our sustainability efforts. This was accomplished by consolidating shipments; opting for local sources to reduce our GHG footprint; enforcing compliance with EU green business regulations and optimising packaging solutions to avoid plastic.

We will continue to look for opportunities to expand our procurement of locally sourced items that have sustainability attributes, while meeting our stringent quality standards. The long-term relationships we continue to forge, combined with our efforts to build capacity and enhance our suppliers' businesses and performance, is testament to our commitment to further action towards a sustainable future.

Empowering our Business

OUR LICENSE TO OPERATE IS BOTH
A PRIVILEGE AND A RESPONSIBILITY



QUICK ACCESS TO MATERIAL TOPICS

Ethics & Integrity	060
Privacy & Cybersecurity	064

CASE STUDY

Personal Information Protection Law (“PIPL”)

It comes as no surprise that our guests favour companies that manage their personal data as sensitively as they do themselves, and we believe we can take a leadership role by taking conscious, positive measures in this domain. This includes meeting and exceeding the requirements of all the jurisdictions in which we operate and continually ensuring our data privacy protocols also address emerging laws and regulations globally.

One such example in 2021 is our updating of systems and policies to address the new Personal Information Protection Law (“PIPL”) — the first legislation in mainland China dedicated to the protection of personal information online. The PIPL is not only applicable to organisations and individuals who process personally identifiable information (“PII”) in China, but also those who process data of Chinese citizens’ PII outside of China. The legislation has stringent requirements related to data transfer, security controls and data localisation with penalties and fines for any violations.

To address this, a review of consent forms, privacy policies, and operational procedures was conducted to make sure materials related to personal data are in line with the most current requirements and are user-friendly. We also ensured our policies and processes are up to date with the exercisable data subject rights of our customers, employees and other stakeholders.

The Group has adopted, and will continue to adopt, a consistent approach to data privacy legislation compliance in all jurisdictions where we operate.

Strategy and Management Approach

STRATEGY AND MANAGEMENT APPROACH

The Group's ambitious goal to be the world's most responsible and transparent company in our industry is central to our Above and Beyond sustainability strategy. Our world-class sustainability standards are underpinned by our absolute commitment to robust governance, ensuring ethical conduct throughout our value chain and data security for our stakeholders. The Group's governance structure is core to our integrity and the foundation for the most stringent standards throughout our operations.

KEY GOALS

- Being the world's most responsible, ethical and transparent integrated resort
- Minimising any risk of disruption from data privacy or cybersecurity concerns

MATERIAL TOPICS

Ethics & Integrity	060
Privacy & Cybersecurity	064

CHALLENGES

As the COVID-19 pandemic has continued, border closures and government-imposed shut-downs, outbreaks amongst colleagues and workers on our construction sites, the inability of executives to travel to our operating jurisdictions, and supply chain disruptions all posed strategic challenges. Nevertheless, the crisis and risk mitigation measures introduced and continuously reviewed since the pandemic, have strengthened our adaptiveness to such rapidly changing situations, and we continue to execute our sustainability strategy to make progress against our goals, as well as attain cost savings and operational efficiencies across the business.

OUR POLICIES AND STATEMENTS

Our Above & Beyond sustainability strategy is underpinned by the following policies of our Group that help us to manage specific ESG risks:



Board Diversity Policy



Corporate Governance Code



Code of Business Conduct and Ethics



Procedures for Handling Complaints and Whistle-blowing



ESG Governance Policy



Environmental Sustainability Policy



Inclusion & Diversity Statement



Occupational Safety and Health Policy



Supplier Code of Conduct



Privacy-Personal Data Protection Policy

2022 & BEYOND

As the impact of the COVID-19 pandemic continues to be felt, we will forge ahead to plan for the longer-term and remain resilient to adapt to the challenging global climate.

Construction of two exciting new properties, Studio City Phase 2 in Macau and City of Dreams Mediterranean in Cyprus is progressing. Both developments have sustainability at their core, having been awarded BREEAM “Excellent” environmental ratings at the design stage, illustrating our commitment to achieving globally-recognised certification for our high standards and strong governance. We look forward to operating these, as well as the opportunity to develop in the Greater Bay Area, through the site secured in Zhongshan, Guangdong province, as part of our strategy to invest in non-gaming assets. In 2022, we will continue our current programme of training to foster a diverse workforce that is culturally aware, reflecting the dynamic nature of the markets in which we operate. In addition, cybersecurity and data privacy remain a priority as we set short-, medium- and long-term goals in accordance with the National Institute of Standards and Technology (“NIST”) Framework.

EMPOWERING OUR BUSINESS STRATEGY AND MANAGEMENT APPROACH

Corporate Governance Structure

Our corporate governance structure ensures that we go above and beyond to set new industry standards throughout our operations. The Board oversees the strategy, management and reporting of the Group's ESG issues. The Board reviews and approves our ESG Policy, risk management and internal control systems, ensuring the appropriateness and effectiveness of our ESG management systems. An ESG framework assures consistency in management so that the Group remains compliant with regulatory requirements and continues to operate on a sustainable basis for the long-term. Management of ESG is under the ambit of the Corporate Governance Committee and is overseen directly by our Chairman and Chief Executive Officer. In addition, functional groups from all levels of the organisation have the responsibility to identify and mitigate ESG-related risks while ensuring the Group's performance is transparently disclosed to stakeholders.

The ESG Taskforce assists the Board in monitoring the performance of the Group through close interactions with the ESG and CSR Committees of major subsidiaries. Regular communication allows the Company to ensure appropriate resources are provided to meet ESG responsibilities and progress against goals. The Board reviews the Group's annual ESG reports and regularly evaluates ongoing initiatives to assess priorities and areas for enhancement. In 2021, the Committees provided the Board with semi-annual updates on

ESG-related topics. Presentations covered global ESG trends and regulatory requirements in the markets where we operate. They also included the status of the Group's goals for achieving carbon-neutral resorts and zero waste by 2030 and targets for responsible procurement. Progress on areas including climate risk management, enhancing verification of GHG emissions throughout the value chain, as well as CSR initiatives to help address the pandemic and the achievement of RG Check accreditation that cements our leadership in responsible gaming, were all discussed. As per our regular practice, an external consultant was brought in to provide training on regulatory trends and developments to the Board.

Sustainability Risk Management

Risks are becoming increasingly interconnected and widespread across our business and the societies in which we operate. Despite the headwinds of 2021, we took the opportunity to further collaborate with governments, institutions and partners, deepening our actions to build a more resilient business and supply chain for the benefit of our stakeholders, the community and the planet. More details about our sustainability risk management approach in relation to the Group's major operations can be found on [page 014 of Melco Resorts' Report](#).

CORPORATE GOVERNANCE STRUCTURE

Board of Directors

- Oversees the Group's ESG issues, management approach, strategy and reporting
- Reviews and approves the ESG Policy and the ESG Framework on an ongoing basis
- Ensures the appropriateness and effectiveness of the Group's ESG management systems
- Ensures that review of the Group's ESG management systems are conducted regularly

Chairman and Chief Executive Officer

- Oversees the Group's ESG issues, management approach and strategy, the implementation of the ESG Policy and the ESG Framework

Corporate Governance Committee

- Considers major investigation findings on ESG issues
- Discusses the ESG Framework with the ESG Taskforce and senior management to ensure the establishment and maintenance of effective and appropriate ESG management systems

ESG Taskforce

- Assists the Board and the Corporate Governance Committee in overseeing the ESG management systems
- Establishes regular communication channels with ESG/CSR committees of major subsidiaries to ensure they commit enough resources in carrying out ESG responsibilities at Group-level
- Reviews the ESG reports as submitted by the ESG/Sustainability/CSR committees of major subsidiaries for submission to the Board and/or Corporate Governance Committee semi-annually
- Prepares an annual ESG Report on the Group's activities, including qualitative and quantitative performance
 - Carries out the role of an independent assessor, performs analyses and independent appraisals to assess the effectiveness and appropriateness of the Group's ESG Framework and reports on the results of the independent assessment

ESG/Sustainability/ CSR Committees of Subsidiaries

- Develop ESG strategies, lead on reporting of ESG activities and assessment of ESG management systems of the relevant subsidiaries
- Support implementation of the Group's ESG Framework and ESG Policy
- Identify ESG issues associated with business activities within own business lines, and their impact and likelihood
 - Identify, manage and evaluate the effectiveness and appropriateness of systems that are in place to mitigate such ESG issues
 - Lead on environmental sustainability initiatives at the subsidiary level
 - Oversee social responsibility initiatives at the subsidiary level
 - Be accountable for our responsible gaming strategy
- Report on ESG performance and initiatives to the Board and/or the Chairman and Chief Executive Officer and/or the Corporate Governance Committee

EMPOWERING OUR BUSINESS

Ethics & Integrity

OUR COMMITMENT

Essential for sustaining our success and license to operate is a focus on the highest standards of ethical conduct and integrity — helping us reduce risk throughout our value chain and maintain the trust of our stakeholders. Our comprehensive policies ensure that we meet or exceed the requirements of all relevant regulations and laws at local, national and international levels in all of our markets. In addition, we continue to update our guidelines in line with changing regulations globally and emphasise transparency and accountability in all aspects of our business.

OUR TARGETS

- Ensuring 100% of colleagues receive training on ethical conduct
- Maintaining zero cases of ethical violations along our value chain
- Remediating 100% of any ethical violations along our value chain

HOW WE ARE MANAGING IT

Code of Business Conduct and Ethics

We expect our colleagues to abide by our Code of Business Conduct and Ethics (the “Code”), which is central to our business operations. We require that our directors, officers and employees declare their acceptance of and compliance with the Code when they join and each time a new version is circulated. New joiners complete a corporate governance orientation programme within their first 30 days of employment. To ensure that our colleagues have full understanding and remain up to date with its contents, they are sent the Code annually and informed of any changes or updates. Each colleague then signs a Certificate of Compliance to certify compliance with, and commitment to follow, the Code’s provisions. Our Code includes guidelines relating to:

- Employment practices to maintain fair, inclusive and respectful workplaces
- Policy against retaliation
- Fair competition
- Conflicts of interest
- Bribery and corruption

- Giving and receiving gifts and entertainment
- Confidential and proprietary information
- Money laundering and terrorist financing

In 2021, there were no material incidents of corruption, anti-competitive behaviour or monopolistic practices reported within the Group.

Ethical Business Practices Programme

Giving or receiving bribes or advantages, whatever their size or significance, is never acceptable and we take a zero-tolerance approach to bribery, fraud and corruption. As a responsible business, our reputation would be damaged even by allegations of corrupt practices. Our Ethical Business Practices Programme (the "Programme") provides details and training on the requirements of relevant local laws and regulations and is designed to protect our people and our business.

Anti-corruption Training

Mandatory anti-corruption training ensures our colleagues are aware of the requirements of the Code and the Programme to maintain the Group's strong culture of integrity. Management and colleagues in key business functions undertake "Do The Right Thing" training, followed by a short quiz to remain updated with bribery and corruption risks, ways to identify red flags, as well as legal and policy requirements. Colleagues

are required to complete the quiz with a full score, and face-to-face training by the Ethical Business Advisor is arranged when required. Ethics training extends to stakeholders outside our internal operations, including suppliers. Please see the [Ethical & Sustainable Supply Chain section of this Report on page 048](#) for details on the anti-corruption initiatives implemented in our supply chain.

Ethical Business Advisor and Liaison Officers

Responsibility for overseeing business ethics, including compliance, risk and implementation of preventative measures concerning bribery, fraud and corruption, is held by the Ethical Business Advisor. The Advisor works with a team of Ethical Business Liaison Officers with responsibility at the local level for applying local laws and regulations and supporting colleagues to interpret the Code and implement the Programme. Liaison Officers also communicate with colleagues personally either via email or mail to provide guidance and answer any queries, and they are responsible for managing potential issues of misconduct in confidence.

ETHICS & INTEGRITY

HOW WE ARE MANAGING IT

Whistleblowing

Whistleblowing plays an important role in our commitment to doing business within the law and to upholding our Code and values — ensuring we maintain trust through an open and honest culture. We provide an email channel for colleagues to raise concerns about any potential violations or wrongdoing. These emails are directed automatically to the Group’s Audit Committee Chairman, the Group General Counsel and the Head of Internal Audit concurrently.

At the subsidiary level, Melco Resorts has numerous channels allowing our colleagues, customers, and partners to raise any concerns they may have anonymously, including a dedicated toll-free phone number operated by an independent, third party. Methods for raising concerns are available on our intranet and within colleague areas of our properties. Internally, the duty falls on the management team, Internal Audit, the Ethical Business Advisor and the Human Resources department to handle concerns or queries. Suppliers are also able to raise concerns via email and phone. Concerns raised are taken seriously and managed confidentially. The Audit and Risk Committee of Melco Resorts is updated quarterly on current matters or concerns. All matters are investigated, and actions taken as appropriate. Additional controls are implemented, or policies and procedures revised, where applicable for continuous improvement. Around seven reports are typically received through our hotline pertaining to policy breaches each quarter. In 2021, reporting to the hotline resulted in disciplinary action for certain colleagues, including for violation of health and safety protocols, and in the establishment of new/amended policies to strengthen controls. The Group does not allow retaliation of any kind against colleagues who report actual or suspected violations in good faith. Those who knowingly provide false information may be subject to established disciplinary procedures.

2021 Initiatives

Continued Ethics Training for Suppliers

Best practice training covers the rationale for adopting high standards in business conduct and ethics, focusing on conflict of interest, confidentiality and anti-bribery.

Policy Updates

2021 policy updates addressed regulatory changes in response to issuance of an updated anti-money laundering direction in Cyprus, which has since been incorporated into our global policies, and new cybersecurity legislation. Details on cybersecurity are available in the [Privacy & Cybersecurity section of this Report on page 064](#).

Compliance and Cybersecurity Reporting

Since the end of 2020, quarterly reporting presented to the Audit and Risk Committee of our subsidiary, Melco Resorts has been enhanced with compliance and cybersecurity topics now as standing agenda items. The Compliance Report includes coverage of staff misconduct cases, whistleblower reports, anti-money laundering, data privacy and anti-bribery and corruption updates. Issues covered in the 2021 reports include incidents of staff misappropriation of food and beverage items and other company assets. The Cybersecurity Report covers topical industry issues and the roadmap, including key performance indicators.



巨星服務

專業與真誠的經營
凡屬我們的員工(電子)皆能
從顧客的角度,在最短時間內
以最優方式,最準確地
想客戶所想,聽取客戶、熱誠對待、
難忘時光、竭誠至善
一向以顧客快心滿意為準則

每個人都是銷售員

- 善用時間與溝通的管道
- 具備專業知識少而精的員工
- 具備服務精神與誠信
- 不向困難低頭,勇敢面對挑戰
- 能以誠實與熱誠去處理任何問題

Privacy & Cybersecurity

OUR COMMITMENT

An essential element of our governance strategy is our adoption of stringent data and information management standards. Every day, our customers, colleagues, suppliers and partners entrust us with their personal and organisational data and, every day, we remain dedicated to maintaining that trust by continuing to strengthen both our global and local information security. As remote and flexible working has increased since the start of the COVID-19 pandemic, data security is more important than ever.

OUR TARGETS

- Maintaining zero incidents of leaks, theft or loss of data
- Ensuring 100% of colleagues are trained on information security and data protection

HOW WE ARE MANAGING IT

While the number of cybersecurity risks and data breaches globally is increasing annually, we did not experience any breaches of data security in 2021. To protect against this worldwide challenge and ensure that we are at the cutting edge of addressing this persistent threat, the Group implements robust protocols, systems and initiatives as follows:

- Certifying our Information Security Management System (ISMS) for our Macau operations under ISO 27001 since 2009 and requiring all information technology (“IT”) service providers to also be similarly certified.
- Conducting regular risk assessments and audits of our processes and protocols under our Cybersecurity and Information Security Policies.
- Performing regular reviews of all policies, procedures and training concerning cybersecurity and data privacy to ensure compliance readiness with applicable laws and regulations.
- Ensuring data privacy protocols meet or exceed the requirements of all the jurisdictions in which we operate, including Macau’s Personal Data Protection Act (“PDPA”), the Philippines’ Data Privacy Act and the European Union’s General Data Protection Regulation (“GDPR”). During 2021, we have continued to update our systems and policies to meet the requirements of emerging laws and regulations globally, such as the recently enacted PIPL, the first comprehensive legislation in mainland China dedicated to the protection of personal information of individuals located within China; refer to this chapter’s [case study on page 055](#) for details.

- Providing comprehensive training to colleagues across all levels of seniority on information security and guidelines on data protection, including regular updates to align with new regulations. Campaigns on the prevention and detection of phishing and whaling attacks are conducted annually to raise awareness, and additional training is implemented when required.
- Sharing the latest developments in cybersecurity threats with our suppliers and business partners to help manage risk and maintain integrity of operations across our value chain. Through our processes and ongoing reviews, we impose our high standards on vendors and communicate any shortcomings in their ISO 27001-certified systems for rectification. Additionally, we have invested in digitalising our supply chain, reducing inefficiencies and enabling heightened transparency.
- Ensuring awareness about the potential security risk posed by malware and spyware through regular phishing campaigns across all jurisdictions. In 2021, a total of 6,962 emails were sent out to users in all regions, including Hong Kong, Macau, Manila and Cyprus. These phishing campaigns have been run regularly since 2019, and results show a positive trend of increased awareness among colleagues in identifying cybersecurity threats.
- Engaging an independent third-party expert in 2021 to assess our processes and preparedness against the NIST Framework. The assessment identified areas of strength and improvement, including how to best use resources across people, technology and process for the most effective security controls to protect our data, business operations and regulatory obligations. Based on the findings of the assessment, short-, medium- and long-term goals were set and presented to the Audit and Risk Committee of our subsidiary, Melco Resorts.
- Partnering with an external and highly regarded firm as a result of a recommendation from the NIST Framework assessment, to further enhance our information security posture against security breaches and to mitigate cybersecurity threats. This partnership enables the in-house information security teams to significantly increase capability without a substantive increase in resources and cost, while utilising the cybersecurity industry's most advanced detection and response solutions. A key outcome of the partnership is implementing an enhanced state-of-the-art, automated, threat-lead, identification detection and response platform. The Cyber Security Operation Centre ("CSOC") provides first-level support and escalation in the event of a cybersecurity incident. The partnership to run the CSOC has put the Group in a stronger position to face the ever-evolving threat landscape, by continuing to strengthen controls that reduce the risk of cyberattacks and information security breaches, which could lead to customer data theft, business disruption, financial loss and regulatory breach.

APPENDICES

Performance Metrics

PEOPLE

The progress of our People strategy is revealed through several indicators. These encompass: inclusion and diversity, including closing the gender gap and empowering local community colleagues; attraction and retention rates; building capacity through training; and safety and health performance. All these areas work toward our goals, of which a strategic update can be reviewed in the [Inspiring our Communities section on page 028](#).

Our Workforce

TOTAL WORKFORCE³⁸ BY GENDER

	2021	2020	2019
Female	8,643	9,600	11,147
Male	9,254	10,169	12,114
Total	17,897	19,769	23,078

38. Figures reflect permanent employees. We do not have temporary employees. Globally, we have around 4,600 non-employee workers to augment existing functions, including construction, F&B, IT, security and administrative functions.

OUR WORKFORCE BY GENDER AND GEOGRAPHIC LOCATION³⁹

	2021	2020	2019
Corporate and Centralised Services (Including Hong Kong, Macau and Japan)			
Female	281	310	364
Male	366	413	494
Total	647	723	858
% of Employees in Corporate and Centralised Services (Including Hong Kong, Macau and Japan)	4%	3%	4%
Macau Properties (Including City of Dreams, Studio City, Altira Macau and Mocha Clubs)			
Female	6,499	6,969	7,684
Male	6,261	6,815	7,886
Total	12,760	13,784	15,570
% of Employees in Macau Properties (Including City of Dreams, Studio City, Altira Macau and Mocha Clubs)	71%	70%	67%
Manila Property			
Female	1,559	2,032	2,706
Male	2,171	2,519	3,162
Total	3,730	4,551	5,868
% of Employees in Manila Property	21%	23%	25%
Cyprus Property			
Female	304	289	393
Male	456	422	572
Total	760	711	965
% of Employees in Cyprus Property	4%	4%	4%

39. Figures reflect permanent employees. We do not have temporary employees. Part-time employees represent less than 1% of the total workforce.

OUR WORKFORCE BY AGE GROUP

	2021	2020	2019
Management			
Under 30 years of age	1%	1%	2%
Between the age of 30 and 50	81%	82%	81%
Over 50 years of age	19%	17%	17%
Non-Management			
Under 30 years of age	18%	23%	29%
Between the age of 30 and 50	64%	60%	57%
Over 50 years of age	18%	17%	14%

Senior Management⁴⁰ Representation from Local Communities (In %)

	2021	2020	2019
Local			
Hong Kong	73%	69%	66%
Macau	77%	82%	73%
Manila	67%	43%	44%
Cyprus	57%	40%	40%
Total	73%	71%	66%
Non-local			
Hong Kong	27%	31%	34%
Macau	23%	18%	27%
Manila	33%	57%	56%
Cyprus	43%	60%	60%
Total	27%	29%	34%

40. Senior management defined as vice presidents and above. Our usage of "local" is in accordance with local government definitions. Significant locations represent where we have integrated resort operations and local, corporate headquarters.

New Employee Hires and Turnover by Gender, Age and Location⁴¹

	2021		2020		2019	
	Number	Rate	Number	Rate	Number	Rate
New Hires by Gender						
Female	286	3.31%	296	3.08%	1,889	17.12%
Male	500	5.41%	317	3.12%	1,830	15.24%
New Hires by Age						
Under 30 years of age	369	12.30%	253	6.08%	1,996	31.53%
Between the age of 30 and 50	358	3.08%	280	2.29%	1,576	11.70%
Over 50 years of age	59	1.82%	80	2.37%	147	4.54%
New Hires by Location						
Hong Kong	28	13.53%	45	15.85%	94	23.80%
Macau	505	3.84%	386	2.72%	2,425	15.17%
Manila	50	1.34%	124	2.72%	963	16.41%
Other locations	203	25.47%	58	7.72%	237	29.92%
Employee Turnover by Gender						
Female	1,291	14.95%	1,832	19.08%	1,358	12.30%
Male	1,522	16.47%	2,227	21.90%	1,550	12.92%
Employee Turnover by Age						
Under 30 years of age	763	25.43%	1,462	35.14%	1,262	19.93%
Between the age of 30 and 50	1,537	13.21%	2,258	18.47%	1,423	10.57%
Over 50 years of age	513	15.84%	339	10.03%	223 ⁴²	6.88%
Employee Turnover by Location						
Hong Kong	73	35.27%	218	76.76%	88	22.28%
Macau	1,691	12.87%	2,300	16.22%	1,951	12.21%
Manila	898	24.08%	1,445	31.75%	725	12.36%
Other Locations	151	18.90%	96	12.78%	144	18.18%

41. Detailed figures provided this year for accuracy.

42. Due to a typographical error in last year's report, 2019 data has been corrected.

Average Training Hours Completed per Employee by Employee Category and Gender

	2021	2020	2019
Management			
Female	24.50	15.74	24.43
Male	20.14	24.65	24.54
Non Management			
Female	131.50	104.29	27.31
Male	105.01	95.26	24.10

Total Recordable Injury and Total Lost-time Injury Frequency Rates of the Group

	Change 2021/2020		2021	2020	2019
	Rate	%			
Total Recordable Injury Rate					
40-hour work week/total cases ⁴³	0.10	6.29%	1.69	1.59	3.32
48-hour work week/total cases ⁴⁴	0.08	6.02%	1.41	1.33	2.77
Average	0.09	6.16%	1.55	1.46	3.05
Total Lost-time Injury Frequency Rate					
40-hour work week/total cases ⁴⁵	0.48	6.02%	8.45	7.97	16.62
48-hour work week/total cases ⁴⁶	0.40	6.02%	7.04	6.64	13.85
Average	0.45	6.09%	7.75	7.31	15.24

43. Total case x 200,000 / 40 hours.

44. Total case x 200,000 / 48 hours.

45. Total case x 1,000,000 / 40 hours.

46. Total case x 1,000,000 / 48 hours.

Total Lost Days due to Work Injury

	2021	2020	2019
Lost days due to work injury	1,339	1,414	3,477

DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

The Group reports on the percentage of individuals within the organisation's governance bodies and across its global workforce by gender.

Governance Bodies, Corporate Executive Committees and Employees Profile

	2021	2020	2019
Board Members by Gender			
Female	24%	25%	24%
Male	76%	75%	76%
Board Members by Age			
Under 30 years of age	0%	0%	0%
Between the age of 30 and 50	30%	35%	37%
Over 50 years of age	70%	65%	63%
Corporate Executive Committees by Gender			
Female	19%	18%	28%
Male	81%	82%	72%
Corporate Executive Committees by Age			
Under 30 years of age	0%	0%	0%
Between the age of 30 and 50	44%	47%	39%
Over 50 years of age	56%	53%	61%
Management by Gender			
Female	40%	41%	39%
Male	60%	59%	61%
Management by Age			
Under 30 years of age	1%	1%	2%
Between the age of 30 and 50	81%	82%	81%
Over 50 years of age	19%	17%	17%
Non-management by Gender			
Female	49%	49%	49%
Male	51%	51%	51%
Non-management by Age			
Under 30 years of age	18%	23%	29%
Between the age of 30 and 50	64%	60%	57%
Over 50 years of age	18%	17%	14%

ENVIRONMENT

Our environmental impact and performance is managed and reported against a number of indicators. These include our GHG emissions, energy consumption, waste management, including recycling and composting, and water consumption and reuse. All data cover the Group's sustainability performance for the year ended 31 December 2021, unless otherwise stated, with historical data provided for comparison purposes. For a strategic review of our environmental progress, as well as detail regarding the scope of data and any restatements, review our [Restoring our World](#) section on page 012.

Greenhouse Gas (“GHG”) Emissions

ABSOLUTE GHG EMISSIONS BY SCOPE AND INTENSITY (IN METRIC TONNES OF CO₂e)

	2021	2020	2019 ⁴⁷
Scope 1 emissions	14,842	16,331	30,327
Emissions from stationary fuel combustion	5,237	5,282	8,766
Emissions from mobile fuel combustion	5,095	5,955	12,883
Fugitive emissions from refrigerants	4,510	5,095	8,677
Biogenic emissions	264	150	310
Scope 2 emissions (location-based)	212,111	207,018	264,983
Scope 2 emissions (market-based)⁴⁸	280	665 ⁴⁹	2,034
Total Scope 1 and 2 emissions (market-based)	15,123	16,996	32,360
Total Scope 1 and 2 emissions (location-based)	227,217	223,499	295,620
Total Scope 1 and 2 emissions (market-based) intensity by floor area (in metric tonnes of CO₂e/m²)⁵⁰	0.01	0.01	0.02
Scope 3 emissions			
Downstream leased assets (tenants)	32,697	30,579	33,405
Fuel and energy-related activity ⁵¹	56,882	35,588	49,516

47. 2019 emission data adjusted based on further review of previously disclosed data.

48. Melco Resorts' Scope 2, market-based emissions are offset through purchasing renewable energy through PPAs and other instruments. Refer to the [Renewables](#) section on page 020 for details.

49. Due to a typographical error in last year's report, 2020 data has been corrected.

50. 2019 and 2020 Scope 1 and 2 GHG emission intensity adjusted to reflect revised gross floor area at facilities in Cyprus.

51. Fuel and energy-related activities arising from Scope 1 stationary and mobile combustion and Scope 2 purchased electricity.

Energy

CALCULATED KWH SAVINGS BASED ON ANNUALISED ENERGY-EFFICIENCY MEASURES (“EEMs”) (IN kWh)

	2021	2020	2019
City of Dreams Macau	19,559,473	14,482,900	3,112,560
Studio City	16,300,899	9,634,885	5,553,690
Altira Macau	5,428,746	4,890,185	967,325
City of Dreams Manila	5,577,569	2,166,354	2,166,350
Total	46,866,687	31,174,324	11,799,925

ENERGY CONSUMPTION BY SOURCE AND INTENSITY (IN MWh)

	2021	2020	2019
Fuel consumption from non-renewable sources	47,770	51,911	101,673
Electricity consumption from non-renewable sources	334,380	326,937	416,995
Electricity consumption from renewable sources ⁵²	1,478	1,555	0
Total energy consumption⁵³	383,628	380,403	518,668
Energy intensity (in MWh/m²)	0.27	0.27	0.36 ⁵⁴

52. Solar PV systems were installed across Macau and Manila properties in 2019. Data for 2020 onwards is disclosed in this Report. Electricity generated from the PV panels installed at City of Dreams Manila was consumed onsite.

53. 2020 total energy consumption adjusted to include energy from renewable sources.

54. 2019 energy intensity data adjusted based on further review of previously disclosed data.

Waste

MATERIAL DIVERSION AND WASTE GENERATION WITH INTENSITY (IN METRIC TONNES)

	2021	2020	2019
Composting	192	36	88
Recycling	720	313	624
Total materials diverted	912	349	713
Incineration	7,624	6,786	15,415
Landfill	1,163	1,140	2,267
Total waste generated	8,787	7,926	17,682
Total materials diverted and waste generated	9,699	8,275	18,395
Materials diverted and waste generation intensity (in metric tonnes/m ²)	0.01	0.01	0.01

MATERIAL DIVERSION BY TYPE (IN METRIC TONNES)

	2021
Composting	
Food waste	191.93
Recycling	
Paper	326.30
Metal	42.26
Used Cooking Oil	55.01
Glass Bottles	66.33
Batteries	1.58
Coffee Capsules	12.96
Plastic	102.08
Soap	3.21
Others (e.g. e-waste, ink toners and light fixtures)	109.91

Water

WATER CONSUMPTION BY SOURCE AND INTENSITY (IN M³)

	2021	2020	2019
Municipal water	2,119,732	2,129,685	3,480,473
Recycled water	147,549	63,120	50,718
Total water consumption	2,267,281	2,192,805	3,531,191
Water intensity by floor area (in m ³ /m ²)	1.60	1.56	2.47 ⁵⁵

55. Water consumption intensity adjusted to reflect revised gross floor area at facilities in Cyprus.

APPENDICES

HKEX ESG

Reporting

Guide Index

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS
ENVIRONMENTAL			
Aspect A1 : Emissions			
<p>General disclosure information on:</p> <p>Policies and Compliance relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	Full	<p>Energy & Climate Resilience</p> <p>Material Use & Waste</p> <p>Empowering our Business / Our Policies and Statements</p>	<p>The Group's approach to environmental management is discussed throughout the ESG Report. The Group's environmental policies are also reflected in its ISO management systems for environmental management (14001:2015), facilities management (ISO 41001:2018) and energy management (ISO 50001:2018). In 2021, the Group was in compliance with all applicable environmental laws and regulations.</p>
<p>KPI A1.1: The types of emissions and respective emissions data.</p>	Full	<p>Energy & Climate Resilience / Greenhouse Gas Emissions</p>	<p>Air emissions other than GHG emissions are not material.</p>
<p>KPI A1.2: Greenhouse gas emissions in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	Full	<p>Energy & Climate Resilience / Greenhouse Gas Emissions</p>	
<p>KPI A1.3: Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	Full	<p>Material Use & Waste / Waste</p>	<p>In 2021, the Group produced 110 tonnes of hazardous materials, comprising batteries, e-waste, ink toners and light bulbs, which was sent for recycling. Intensity metrics for total materials diverted and disposed are disclosed in this Report.</p>

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS
<p>KPI A1.4: Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	<p>Full</p>	<p>Material Use & Waste / Waste</p>	<p>In 2021, the Group produced 9,589 tonnes of non-hazardous waste. Intensity metrics for total materials diverted and disposed are disclosed in this Report.</p>
<p>KPI A.15 Description of emission target(s) set and steps taken to achieve them.</p>	<p>Full</p>	<p>Energy & Climate Resilience</p>	
<p>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.</p>	<p>Full</p>	<p>Material Use & Waste / Waste</p>	<p>The Group has set the goal of zero waste by 2030 and an intensity reduction target for non-hazardous waste.</p>
<p>Aspect A2 : Use of Resources</p>			
<p>General disclosure information on: Policies on the efficient use of resources, including energy, water and other raw materials.</p>	<p>Full</p>	<p>Restoring our World Empowering our Business / Our Policies and Statements</p>	<p>The Group's approach to environmental management is discussed throughout the ESG Report. The Group's environmental policies are also reflected in its ISO management systems for environmental management (14001:2015), facilities management (ISO 41001:2018) and energy management (ISO 50001:2018).</p>
<p>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).</p>	<p>Full</p>	<p>Energy & Climate Resilience / Energy-efficiency Measures</p>	
<p>KPI A2.2: Water consumption in total and intensity (e.g. per unit of production volume, per facility).</p>	<p>Full</p>	<p>Material Use & Waste / Water</p>	
<p>KPI A2.3: Description of energy use efficiency target(s) set and steps taken to achieve them.</p>	<p>Full</p>	<p>Energy & Climate Resilience</p>	
<p>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.</p>	<p>Full</p>	<p>Material Use & Waste / Water</p>	<p>In 2021, the Group had no issues sourcing water that is fit for purpose.</p>
<p>KPI A2.5: Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced.</p>	<p>Not Material</p>	<p>Material Use & Waste / Eliminating Plastic</p>	<p>While the Group does not produce products, refer to page 022-023 of this Report for details about our work within our operations and with suppliers to eliminate packaging that is not reusable, recyclable or compostable.</p>

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS
Aspect A3: The Environment and Natural Resources			
<p>General disclosure information on: Policies on minimising the issuer's significant impact on the environment and natural resources.</p>	Full	Restoring our World Empowering our Business / Our Policies and Statements Ethical & Sustainable Supply Chain	The Group's approach to environmental management is discussed throughout the ESG Report. The Group's environmental policies are also reflected in its ISO management systems for environmental management (14001:2015), facilities management (ISO 41001:2018) and energy management (ISO 50001:2018).
<p>KPI A3.1: Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>	Full	Energy & Climate Resilience Material Use & Waste Ethical & Sustainable Supply Chain	
Aspect A4: Climate Change			
<p>General disclosure information on: Policies on identification and mitigation of significant climate-related issues which have impacted the issuer.</p>	Full	Restoring our World Empowering our Business / Our Policies and Statements	The Group's approach to environmental management is discussed throughout the ESG Report. The Group's environmental policies are also reflected in its ISO management systems for environmental management (14001:2015), facilities management (ISO 41001:2018) and energy management (ISO 50001:2018).
<p>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.</p>	Full	Energy & Climate Resilience Material Use & Waste	

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS	
SOCIAL				
Aspect B1: Employment				
<p>General disclosure information on: Policies and Compliance relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Full	<p>Inspiring our Communities Empowering our Business / Our Policies and Statements</p>		
KPI B1.1:	Total workforce by gender, employment type, age group and geographical region.	Full	Engaging our People	
KPI B1.2:	Employee turnover rate by gender, age group and geographical region.	Full	Engaging our People	
Aspect B2: Health and Safety				
<p>General disclosure information on: Policies and Compliance relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Full	Safety, Health & Wellbeing		
KPI B2.1:	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Full	Safety, Health & Wellbeing / How We are Managing It	There were no work-related fatalities in 2019, 2020 or 2021.
KPI B2.2:	Lost days due to work injury.	Full	Safety, Health & Wellbeing / How We are Managing It	1,339 lost days due to work injury recorded in 2021.
KPI B2.3:	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Full	Safety, Health & Wellbeing / How We are Managing It	

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS
Aspect B3: Development and Training			
<p>General disclosure information on: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p>	Full	Engaging our People/ Career Development Opportunities	
<p>KPI B3.1: The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p>	Partial	Engaging our People/ Career Development Opportunities	Percentage indicated as 95% but data not provided by gender and employee category.
<p>KPI B3.2: The average training hours completed per employee by gender and employee category.</p>	Full	Engaging our People/ Career Development Opportunities	
Aspect B4: Labour Practices			
<p>General disclosure information on: Policies and Compliance with relevant laws and regulations relating to preventing child and forced labour.</p>	Full	Engaging our People/ How We are Managing It Ethical & Sustainable Supply Chain/ Human Trafficking and Modern Slavery	Outlined in the Supplier Code.
<p>KPI B4.1: Description of measures to review employment practices to avoid child and forced labour.</p>	Full	Engaging our People/ How We are Managing It Ethical & Sustainable Supply Chain/ Human Trafficking and Modern Slavery	The Group reviews its recruitment and workplace operations, and engagements with its suppliers, to monitor compliance with the Code of Business Conduct and Ethics, as well as the Supplier Code.
<p>KPI B4.2: Description of steps taken to eliminate such practices when discovered.</p>	Full	Ethics & Integrity Ethical & Sustainable Supply Chain/ Human Trafficking and Modern Slavery	The Group did not identify any cases of child or forced labour in 2021.

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS
Aspect B5: Supply Chain Management			
<p>General disclosure information on: Policies on managing environmental and social risks of the supply chain.</p>	Full	<p>Engaging our People/ How We are Managing It</p> <p>Ethical & Sustainable Supply Chain</p>	<p>Outlined in the Supplier Code.</p>
<p>KPI B5.1: Number of suppliers by geographical region.</p>	Full		<p>In 2021, the Group procured goods and services from over 4,000 suppliers in Macau (26%), Philippines (26%), Hong Kong (17%), Cyprus (16%), USA (3%), China (2%), Japan (2%), Singapore (2%), UK (2%), and other locations (4%).</p>
<p>KPI B5.2: Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.</p>	Full	<p>Ethical & Sustainable Supply Chain/ Supplier Engagement</p>	<p>The Group engages with all of its suppliers in local markets to monitor compliance with its Supplier Code and to build capacity for meeting its sustainable sourcing goals.</p>
<p>KPI B5.3: Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.</p>	Full	<p>Ethical & Sustainable Supply Chain</p>	<p>The Group identifies environmental and social risks along the supply chain and engages with all of its suppliers in local markets to monitor compliance with its Supplier Code and to build capacity for meeting its sustainable sourcing goals.</p>
<p>KPI B5.4: Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.</p>	Full	<p>Ethical & Sustainable Supply Chain</p>	

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS
Aspect B6: Product Responsibility			
<p>General disclosure information on: Policies and Compliance relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Full	Safety, Health & Wellbeing Ethics & Integrity Privacy & Cybersecurity Empowering our Business/ Our Policies and Statements	The Group does not produce products. Suppliers of branded merchandise produced for the Group must adhere to product responsibility requirements in the Supplier Code.
KPI B6.1: Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Full		No recalls related to branded merchandise produced for the Group occurred in 2021.
KPI B6.2: Number of products and service related complaints received and how they are dealt with.	Full		No complaints related to branded merchandise produced for the Group, or substantiated complaints related to services provided, occurred in 2021.
KPI B6.3: Description of practices relating to observing and protecting intellectual property rights.	Full	Privacy & Cybersecurity	The Group takes appropriate legal measures, including registering trademarks and domain names in relevant jurisdictions, and implements robust data and information management protocols, systems and initiatives, to protect its intellectual property.
KPI B6.4: Description of quality assurance process and recall procedures.	Full	Safety, Health & Wellbeing/ Air and Food Quality	
KPI B6.5: Description of consumer data protection and privacy policies, how they are implemented and monitored.	Full	Privacy & Cybersecurity	In 2021, the Group did not experience any significant data breaches or receive any substantiated complaints.

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS	STATUS OF COMPLIANCE	LOCATION	REMARKS
Aspect B7: Anti-corruption			
<p>General disclosure information on: Policies and Compliance relating to bribery, extortion, fraud and money laundering.</p>	Full	<p>Ethics & Integrity Empowering our Business / Our Policies and Statements</p>	
<p>KPI B7.1:</p>	<p>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.</p>	Full	<p>In 2021, there were not any material incidents of corruption, anti-competitive behaviour or of anti-trust or monopolistic practices within the Group.</p>
<p>KPI B7.2:</p>	<p>Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.</p>	Full	<p>Ethics & Integrity / Whistleblowing</p>
<p>KPI B7.3:</p>	<p>Description of anti-corruption training provided to directors and staff.</p>	Full	<p>Ethics & Integrity / Anti-corruption Training</p>
Aspect B6: Community Investment			
<p>General disclosure information on: 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.</p>	Full	<p>Community Engagement & Investment</p>	
<p>KPI B8.1:</p>	<p>Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p>	Full	<p>Inspiring our Communities / Strategy and Management Approach Community Engagement & Investment / How We are Managing It</p>
<p>KPI B8.2:</p>	<p>Resources contributed (e.g. money or time) to the focus area.</p>	Full	<p>Inspiring our Communities / Strategy and Management Approach Community Engagement & Investment / How We are Managing It</p>

APPENDICES

GRI Content Index

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
GRI 101: Foundation 2016			
GRI 102: General Disclosures 2016			
1. Organizational Profile			
102-1	Name of the organization	About this Report About Us	
102-2	Activities, brands, products, and services	About Us	
102-3	Location of headquarters	About Us 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong	
102-4	Location of operations	About this Report About Us	
102-5	Ownership and legal form	Melco International's Annual Report 2021 – Corporate Structure, P.17	
102-6	Markets served	Melco International's subsidiary, Melco Resorts & Entertainment Limited, is a global, premium-focused integrated resort operator primarily targeting the Asian premium mass as well as the mass gaming segments, by leveraging its differentiated, award-winning non-gaming entertainment attractions. Melco Resorts' business is focused in Macau, Manila and Cyprus.	
102-7	Scale of the organization	About this Report Melco International's Annual Report 2021 – Corporate Structure, P.17	
102-8	Information on employees and other workers	Engaging our People	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
GRI 102: General Disclosures 2016			
1. Organizational Profile			
102-9	Supply chain	<p>Our Strategy</p> <p>Sustaining our Supply Chain – Strategy and Management Approach</p> <p>Operating within global gaming and hospitality industries, the Group's supply chain is unsurprisingly vast; embracing over 4,000 vendors who support the delivery of services and products necessary to deliver a premium guest experience within our resorts. Our goods and services are too numerous to list but include fresh food and beverages, furniture and in-room technology systems, responsible gaming and security systems, furniture, fixtures and equipment, communications, gaming, sport and spa equipment, as well as operational, logistics and professional services, to name but a few. We continuously endeavour to engage and support our local supply base; collaborating to find new ways to differentiate our guest experience and in turn create inclusive business opportunities.</p> <p>In 2021, the Group procured goods and services from suppliers in Macau (26%), Philippines (26%), Hong Kong (17%), Cyprus (16%), USA (3%), China (2%), Japan (2%), Singapore (2%), UK (2%), and other locations (4%).</p>	
102-10	Significant changes to the organization and its supply chain	About this Report	
102-11	Precautionary Principle or approach	<p>Restoring our World</p> <p>The precautionary principle informs the Group's risk assessment, property design, construction and operations and planning processes.</p>	
102-12	External initiatives	Global Tourism Plastics Initiative, led by the UN Environment Programme and the World Tourism Organization in collaboration with Ellen MacArthur Foundation.	
102-13	Membership of associations	<p>European Casino Association</p> <p>The Mekong Club, a not-for-profit organisation that inspires and engages the private sector to collaborate and lead in the fight against modern slavery. The Group joined the membership-based business association in 2021.</p>	
2. Strategy			
102-14	Statement from senior decision-maker of the organization	<p>Melco Resorts' Report – Chairman & CEO's Statement, P. 004-005</p> <p>Melco International's Annual Report 2021 – Chairman & CEO's Statement, P.18</p>	
102-15	Key impacts, risks, and opportunities	<p>Melco Resorts' Report – Sustainability Risk Management and Evolving Risks and Opportunities, P. 014-017</p> <p>Our Strategy</p> <p>Restoring our World</p> <p>Inspiring our Communities</p> <p>Sustaining our Supply Chain</p> <p>Empowering our Business</p>	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
GRI 102: General Disclosures 2016			
3. Ethics and Integrity			
102-16	Values, principles, standards, and norms of behaviour	Empowering our Business – Strategy and Management Approach Ethics & Integrity	
102-17	Mechanisms for advice and concerns about ethics	Ethics & Integrity	
4. Governance			
102-18	Governance structure	Corporate Governance Structure	
102-19	Delegating authority	Corporate Governance Structure	
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate Governance Structure	
102-21	Consulting stakeholders on economic, environmental, and social topics	Understanding What Matters Most	
102-22	Composition of the highest governance body and its committees	Corporate Governance Structure Melco International's Annual Report 2021 – Corporate Governance Report, P. 41-54	
102-23	Chair of the highest governance body	Melco International's Annual Report 2021 – Board of Directors and Senior Management, P. 37-40 In view of the current composition of the Board, the in-depth knowledge of Mr. Ho, Lawrence Yau Lung of the operations of the Group and of the gaming and entertainment sector, his extensive business network and connections in that sector, and the scope of operations of the Group, the Company believes it is in its best interests for Mr. Ho, Lawrence Yau Lung to assume the roles of Chairman and Chief Executive Officer until such time as the Company considers that such roles should be assumed by different persons.	
102-24	Nominating and selecting the highest governance body	Melco International's Annual Report 2021 – Corporate Governance Report, P. 41-54	
102-25	Conflicts of interest	Melco International's Annual Report 2021 – Report of the Directors, P.55-92	
102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate Governance Structure Melco International's Annual Report 2021 – Board of Directors and Senior Management, P. 37-40	
102-27	Collective knowledge of highest governance body	Melco International's Annual Report 2021 – Board of Directors and Senior Management, P. 37-40	
102-28	Evaluating the highest governance body's performance	Melco International's Annual Report 2021 – Corporate Governance Report, P. 41-54	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
GRI 102: General Disclosures 2016			
4. Governance			
102-29	Identifying and managing economic, environmental, and social impacts	Corporate Governance Structure Understanding What Matters Most Assessing Materiality Melco International's Annual Report 2021 – Report of the Directors, P.55-92 Melco Resorts' Report – Sustainability Risk Management and Evolving Risks and Opportunities, P.014-017	
102-30	Effectiveness of risk management processes	Corporate Governance Structure Melco International's Annual Report 2021 – Corporate Governance Report, P. 41-54 Melco Resorts' Report – Sustainability Risk Management and Evolving Risks and Opportunities, P.014-017	
102-31	Review of economic, environmental, and social topics	Corporate Governance Structure	
102-32	Highest governance body's role in sustainability reporting	Corporate Governance Structure The Board of the Company approved its 2021 ESG Report on 26 May 2022.	
102-33	Communicating critical concerns	Ethics & Integrity – Ethical Business Advisor and Liaison Officers, Whistleblowing	
102-34	Nature and total number of critical concerns	The Group did not have any critical concerns raised in 2021.	
102-35	Remuneration policies	Melco International's Annual Report 2021 – Corporate Governance Report, P. 41-54	
102-36	Process for determining remuneration	Melco International's Annual Report 2021 – Corporate Governance Report, P. 41-54	
5. Stakeholder Engagement			
102-40	List of stakeholder groups	Understanding What Matters Most As part of identifying its stakeholders, the Group applied the GRI Reporting Principle of stakeholder inclusiveness.	
102-41	Collective bargaining agreements	Other than the rank-and-file employees of the table games division of City of Dreams Manila, representing 5% of the Group's workforce, none of our employees are members of any labor union and we are not party to any collective bargaining or similar agreement with our employees.	
102-42	Identifying and selecting stakeholders	Understanding What Matters Most As part of identifying its stakeholders, the Group applied the GRI Reporting Principle of stakeholder inclusiveness.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
GRI 102: General Disclosures 2016			
5. Stakeholder Engagement			
102-43	Approach to stakeholder engagement	Understanding What Matters Most	
102-44	Key topics and concerns raised	Understanding What Matters Most Restoring our World Inspiring our Communities Sustaining our Supply Chain Empowering our Business	
6. Reporting Practice			
102-45	Entities included in the consolidated financial statements	About this Report About Us	
102-46	Defining report content and topic Boundaries	About this Report As part of defining its report content, the Group applied the GRI Reporting Principles of stakeholder inclusiveness, sustainability context, materiality, completeness, accuracy, balance, clarity, comparability, reliability and timeliness to enhance report quality.	
102-47	List of material topics	Understanding What Matters Most Assessing Materiality	
102-48	Restatements of information	Restoring our World 2019 and 2020 GHG emission data adjusted based on further review of previously disclosed data. Scope 1 and 2 GHG emission intensity adjusted to reflect revised gross floor area at facilities in Cyprus. Water consumption intensity adjusted to reflect revised gross floor area at facilities in Cyprus. 2019 energy intensity data adjusted based on further review of previously disclosed data. In 2020, the Group generated 54 tonnes of hazardous materials, correcting a typographical error in the previous Report.	
102-49	Changes in reporting	About this Report There have been no significant changes from previous reporting periods in the list of material topics and topic boundaries.	
102-50	Reporting period	About this Report	
102-51	Date of most recent report	About this Report	
102-52	Reporting cycle	About this Report	
102-53	Contact point for questions regarding the report	About this Report	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
GRI 102: General Disclosures 2016			
6. Reporting Practice			
102-54	Claims of reporting in accordance with the GRI Standards	About this Report	
102-55	GRI content index	GRI Content Index	
102-56	External assurance	ISO 14064-1:2006 A third-party assurance provider verified the Company's GHG emission inventory for the years 2019, 2020 and 2021 against the ISO 14064-1:2006 Greenhouse Gas Standard.	
Report Section: Restoring our World			
Material Topic: Energy & Climate Resilience			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Restoring our World – Strategy and Management Approach Energy & Climate Resilience	
103-2	The management approach and its components	Restoring our World – Strategy and Management Approach Energy & Climate Resilience Our Policies and Statements	
103-3	Evaluation of the management approach	Restoring our World – Strategy and Management Approach Energy & Climate Resilience	
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Energy & Climate Resilience Performance Metrics	
302-3	Energy intensity	Energy & Climate Resilience Performance Metrics	
302-4	Reduction of energy consumption	Energy & Climate Resilience Performance Metrics	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Restoring our World			
Material Topic: Energy & Climate Resilience			
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	<p>Energy & Climate Resilience</p> <p>Performance Metrics</p> <p>Scope 1 emissions arise from stationary fuel combustion (LPG, natural gas, diesel, fuel gel, kerosene and cassette gas as well as biogenic sources from wood and charcoal), mobile fuel combustion (from diesel, petrol and other fuels consumed for light and heavy vehicles, buses and other forms of transport) and refrigerants (R134a, R404a, R407c, R410a, R22, R123, R23, R141b, R417a and R1234ZE).</p> <p>2019 is the base year for target setting as that was the first year that third-party verification was undertaken of the Group's Scope 1 inventory. GHG inventory is calculated using an operational control approach. The inventory aligns with the GHG Protocol published by WBCSD and WRI, and refers to the Global Warming Potentials ("GPWs") of the Fifth Assessment Report ("5AR")* of the Intergovernmental Panel On Climate Change ("IPCC").</p>	
305-2	Energy indirect (Scope 2) GHG emissions	<p>Energy & Climate Resilience</p> <p>Performance Metrics</p> <p>Scope 2 emissions arise indirectly from purchased electricity consumption. Scope 2 emissions are reported with both the location-based and market-based methods, in alignment with reporting requirements from the GRI Standards and the GHG Protocol.</p> <p>2019 is the base year for target setting as that was the first year that third-party verification was undertaken of Melco's Scope 2 inventory. Our Scope 2 market-based emissions are neutral since 2018 from the purchase of Energy Attributes Certificates for 100% of our global electricity consumption. The Group's GHG inventory is calculated using an operational control approach. The inventory aligns with the GHG Protocol published by WBCSD and WRI, and refers to the GPWs of the 5AR* of IPCC.</p>	
305-3	Other indirect (Scope 3) GHG emissions	<p>Energy & Climate Resilience</p> <p>Performance Metrics</p> <p>Scope 3 emissions disclosed arise from downstream leased assets (tenants) and fuel and energy-related activity. 2019 is the base year for reporting Scope 3 emissions to align with our Scope 1 and 2 GHG emission disclosures.</p> <p>The inventory aligns with the GHG Protocol published by WBCSD and WRI, and refers to the GPWs of the 5AR of IPCC.</p>	<p>Information unavailable.</p> <p>Data for downstream leased assets (tenants) and fuel and energy-related activity are available; we aim to expand our Scope 3 disclosures going forward.</p>
305-4	GHG emissions intensity	<p>Energy & Climate Resilience</p> <p>Performance Metrics</p>	
305-5	Reduction of GHG emissions	<p>Energy & Climate Resilience</p> <p>Performance Metrics</p>	

* This index correctly states that the 5AR is also referenced for the GHG inventory calculations in 2020.

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Restoring our World			
Material Topics: Energy & Climate Resilience / Material Use & Waste			
GRI 304: Biodiversity 2016			
304-2	Significant impacts of activities, products, and services on biodiversity	Energy & Climate Resilience Material Use & Waste Ethical & Sustainable Supply Chain	
Material Topic: Material Use & Waste			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Restoring our World – Strategy and Management Approach Material Use & Waste	
103-2	The management approach and its components	Material Use & Waste Our Policies and Statements	
103-3	Evaluation of the management approach	Restoring our World – Strategy and Management Approach Material Use & Waste	
GRI 301: Materials 2016			
301-2	Recycled input materials used	Material Use & Waste – Construction Waste and Optimised Building Infrastructure	Information unavailable. It is not feasible to quantify the percentage of recycled input materials used.
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Material Use & Waste	
303-2	Management of water discharge-related impacts	Material Use & Waste All wastewater discharges to municipal treatment systems are in compliance with applicable legal requirements. Data are not available on quantities discharged.	
303-3	Water withdrawal	Material Use & Waste	
303-4	Water discharge	Material Use & Waste	Not applicable. All wastewater discharges to municipal treatment systems are in compliance with applicable legal requirements. Data are not available on quantities discharged.
303-5	Water consumption	Material Use & Waste Performance Metrics	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Restoring our World			
Material Topic: Material Use & Waste			
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Material Use & Waste	
306-2	Management of significant waste-related impacts	Material Use & Waste	
306-3	Waste generated	Material Use & Waste Performance Metrics	
306-4	Waste diverted from disposal	Material Use & Waste Performance Metrics In 2021, the Group diverted 110 tonnes of hazardous materials, comprising batteries, e-waste, ink toners and light bulbs, for recycling. Non-hazardous materials diverted from disposal are disclosed in this Report.	
306-5	Waste directed to disposal	Material Use & Waste Performance Metrics	
Report Section: Inspiring our Communities			
Material Topic: Engaging our People			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Inspiring our Communities – Strategy and Management Approach Engaging our People	
103-2	The management approach and its components	Inspiring our Communities – Strategy and Management Approach Engaging our People Our Policies and Statements	
103-3	Evaluation of the management approach	Inspiring our Communities – Strategy and Management Approach Engaging our People	
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Engaging our People Performance Metrics	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Inspiring our Communities			
Material Topic: Engaging our People			
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	Engaging our People Performance Metrics	
404-2	Programs for upgrading employee skills and transition assistance programs	Engaging our People	Information unavailable. Programmes to facilitate continued employability of employees who leave the company, either through retirement or termination, are not currently provided.
404-3	Percentage of employees receiving regular performance and career development reviews	Engaging our People All permanent employees, excluding newly-hired employees that did not complete their probationary period, received annual performance reviews.	
GRI 202: Market Presence 2016			
202-2	Proportion of senior management hired from the local community	Engaging our People Performance Metrics	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Engaging our People Performance Metrics	
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Engaging our People Zero allegations of discrimination have been submitted to the government or to human resources in this reporting period.	
Material Topic: Safety, Health & Wellbeing			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Inspiring our Communities – Strategy and Management Approach Safety, Health & Wellbeing	
103-2	The management approach and its components	Inspiring our Communities – Strategy and Management Approach Safety, Health & Wellbeing Our Policies and Statements	
103-3	Evaluation of the management approach	Inspiring our Communities – Strategy and Management Approach Safety, Health & Wellbeing	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Inspiring our Communities			
Material Topic: Safety, Health and Wellbeing			
GRI 403: Occupational Health & Safety 2018			
403-1	Occupational health and safety management system	<p>Safety, Health & Wellbeing</p> <p>The Group's safety and health management system covers all of our operations. In addition, our operations in Macau and Hong Kong are certified to the ISO 45001 management system standard for occupational health and safety.</p>	
403-2	Hazard identification, risk assessment, and incident investigation	<p>Safety, Health & Wellbeing</p> <p>As part of implementing the Group's OSH management system, identified hazards and assessed risks are mitigated and managed, the competency of colleagues and workers responsible for related work scopes is assured and overall implementation is monitored and reviewed to identify areas for improvement. Colleagues and workers are trained to remove themselves from potentially hazardous situations without reprisal and thorough incident investigations are undertaken to identify hazards and assess risks with the implementation of any necessary corrective action, changes to the hierarchy of controls or other improvements to its management system.</p>	
403-3	Occupational health services	<p>Safety, Health & Wellbeing</p> <p>As part of implementing the Group's OSH management system, identified hazards and assessed risks are mitigated and managed, the competency of colleagues and workers responsible for related work scopes is assured and overall implementation is monitored and reviewed to identify areas for improvement.</p>	
403-4	Worker participation, consultation, and communication on occupational health and safety	<p>Safety, Health & Wellbeing</p> <p>Colleagues and contractors participate in regular OSH briefings and training, including being provided with opportunities to evaluate and continuously improve our OSH systems and processes. Communication occurs through various platforms, including but not limited to, induction and refresher courses, monthly meetings of our OSH Committees, team talks, internal communication on our e-Learning platform, surveys, feedback forms, and audits.</p>	
403-5	Worker training on occupational health and safety	<p>Safety, Health & Wellbeing</p>	
403-6	Promotion of worker health	<p>Safety, Health & Wellbeing</p> <p>Ethical & Sustainable Supply Chain</p> <p>As part of implementing our OSH system, the Group provides information and conducts training with colleagues and onsite workers to promote health and wellbeing. Onsite clinics also provide occupational health services to support employees.</p>	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>Safety, Health & Wellbeing</p>	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Inspiring our Communities			
Material Topic: Safety, Health & Wellbeing			
GRI 403: Occupational Health & Safety 2018			
403-8	Workers covered by an occupational health and safety management system	<p>Safety, Health & Wellbeing</p> <p>The Group's operations across Macau and Hong Kong are certified to the ISO 45001 management system standard for occupational health and safety. OSH systems are implemented to comply with all relevant legal requirements, and cover the workplaces of all colleagues across the Group and onsite workers.</p>	
403-9	Work-related injuries	<p>Safety, Health & Wellbeing</p> <p>Performance Metrics</p> <p>There were no cases of high-consequence work-related injuries or of colleague or worker fatalities at the Group's properties in 2021. The main types of injuries included slips, trips and falls, cuts and abrasions, striking against objects or manual handling. The Group's OSH system identifies work-related hazards that pose a risk of high-consequence injury and implements controls to mitigate risk.</p>	<p>Information unavailable.</p> <p>Data on workers outside the organisation have yet to be collected.</p>
GRI 416: Customer Health & Safety 2016			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<p>Ethics & Integrity</p> <p>No significant incidents of non-compliance with regulations concerning health and safety impacts occurred during the reporting period.</p>	
Material Topic: Responsible Gaming			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Inspiring our Communities – Strategy and Management Approach Responsible Gaming	
103-2	The management approach and its components	Inspiring our Communities – Strategy and Management Approach Responsible Gaming Our Policies and Statements	
103-3	Evaluation of the management approach	Inspiring our Communities – Strategy and Management Approach Responsible Gaming	
GRI 417: Marketing & Labeling 2016			
417-1	Requirements for product and service information and labeling	<p>Responsible Gaming</p> <p>The Group has not had any incidents of non-compliance with its procedures related to responsible gaming and health and safety communication materials.</p>	
417-3	Incidents of non-compliance concerning marketing communications	<p>Responsible Gaming</p> <p>Community Engagement & Investment</p> <p>The Group has not had any incidents of non-compliance with requirements or codes concerning marketing communications.</p>	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Inspiring our Communities			
Material Topic: Community Engagement & Investment			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Inspiring our Communities – Strategy and Management Approach Community Engagement & Investment	
103-2	The management approach and its components	Inspiring our Communities – Strategy and Management Approach Community Engagement & Investment Our Policies and Statements	
103-3	Evaluation of the management approach	Inspiring our Communities – Strategy and Management Approach Community Engagement & Investment	
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement & Investment	
Material Topics: Engaging our People/Ethical & Sustainable Supply Chain			
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Ethical & Sustainable Supply Chain	
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ethical & Sustainable Supply Chain	
GRI 412: Human Rights Assessment 2016			
412-2	Employee training on human rights policies or procedures	Ethical & Sustainable Supply Chain 100% of colleagues trained on our Code of Conduct, including our requirements to uphold human rights.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Sustaining our Supply Chain			
Material Topic: Ethical & Sustainable Supply Chain			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Sustaining our Supply Chain – Strategy and Management Approach Ethical & Sustainable Supply Chain	
103-2	The management approach and its components	Sustaining our Supply Chain – Strategy and Management Approach Ethical & Sustainable Supply Chain Our Policies and Statements	
103-3	Evaluation of the management approach	Sustaining our Supply Chain – Strategy and Management Approach Ethical & Sustainable Supply Chain	
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Ethical & Sustainable Supply Chain Disclosure item 102-9 of this Content Index. Our usage of “local” is in accordance with local government definitions.	
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Ethical & Sustainable Supply Chain 100% of new suppliers must acknowledge acceptance of our Supplier Code of Conduct, including its environmental requirements. Suppliers’ environmental performance is assessed and compliance with the Supplier Code of Conduct is required.	
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Ethical & Sustainable Supply Chain 100% of new suppliers must acknowledge acceptance of our Supplier Code of Conduct, including its social requirements. Suppliers’ social performance is assessed and compliance with the Supplier Code of Conduct is required.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Empowering our Business			
Material Topic: Ethics & Integrity			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Empowering our Business – Strategy and Management Approach Ethics & Integrity	
103-2	The management approach and its components	Empowering our Business – Strategy and Management Approach Ethics & Integrity Our Policies and Statements	
103-3	Evaluation of the management approach	Empowering our Business – Strategy and Management Approach	
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Ethics & Integrity All of the Group's operations are regularly assessed for corruption risk.	
205-2	Communication and training about anti-corruption policies and procedures	Ethics & Integrity All members of the Group's governing bodies, including the Board, its committees and the Company's Executive Committee as well as property-level boards and their committees and Executive Committees have received training on our anti-corruption policies. All colleagues receive training on the Group's anti-corruption policies and procedures. Our requirements for suppliers and business partners are acknowledged through acceptance of the Group's Supplier Code and related training is provided.	
205-3	Confirmed incidents of corruption and actions taken	Ethics & Integrity No confirmed incidents of corruption in the reporting year.	
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics & Integrity No legal actions for anti-competitive behaviour, anti-trust or monopoly practices were identified in the reporting year.	
GRI 419: Socioeconomic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	The Group was in compliance with all applicable social and economic related laws and regulations during the reporting period.	
GRI 307: Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	In 2021, the Group was in compliance with all applicable environmental laws and regulations.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	OMISSION
Report Section: Empowering our Business			
Material Topic: Privacy & Cybersecurity			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Empowering our Business – Strategy and Management Approach Privacy & Cybersecurity	
103-2	The management approach and its components	Empowering our Business – Strategy and Management Approach Privacy & Cybersecurity Our Policies and Statements	
103-3	Evaluation of the management approach	Empowering our Business – Strategy and Management Approach Privacy & Cybersecurity	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy & Cybersecurity The Group did not have any substantiated complaints concerning breaches of customer privacy or losses of customer data during the reporting period.	
Other Disclosure Items			
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Melco Resorts' Report – Performance Metrics, P. 084	
201-2	Financial implications and other risks and opportunities due to climate change	Energy & Climate Resilience – Climate-risk Assessment: Summary of Findings	Information unavailable. Financial implications from climate change scenarios based on risk classifications have yet to be assessed.
GRI 410: Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	Ethical & Sustainable Supply Chain As part of the intensive training provided to all security teams, approaches to enforcing procedures that respect human rights are followed. 100% of security personnel receive this training, which is provided by the Group, local authorities and third-party security experts.	

Contact Details

Hong Kong

38/F, The Centrium, 60 Wyndham Street,
Central, Hong Kong

TEL: +852 3151 3777

Macau

8/F C, 762-840 Avenida da Praia Grande,
China Plaza, Macau

TEL: +853 8296 1777

www.melco-group.com