



# 海天地悅旅集團有限公司 S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1832

## Environmental, Social and Governance Report 2019



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## ABOUT THIS REPORT

S.A.I. Leisure Group Company Limited (hereafter the “**Company**” or “**S.A.I.**”) and its subsidiaries (collectively the “**Group**”, “**we**” or “**our**”) are pleased to publish the Company’s second environmental, social and governance (“**ESG**”) report (the “**Report**”).

### Reporting Scope

The scope of this Report covers the Group’s office in Hong Kong and leisure tourism operations in Saipan, Guam and Hawaii, territories of the United States (“**U.S.**”), under the three business segments of hotels and resorts, luxury travel retail and destination services as below for the year from January 1, 2019 to December 31, 2019 (the “**Reporting Period**” or “**2019**”).

Business Segment	Entity
Office	S.A.I. Leisure Group Company Limited
Hotels & resorts	Asia Pacific Hotels, Inc. — Century Hotel — Fiesta Resort Saipan — Kanoa Resort Asia Pacific Hotels, Inc. (Guam) — Fiesta Resort Guam
Luxury travel retail	Gemkell (Saipan) Corporation Gemkell Corporation Gemkell U.S.A. LLC
Destination services	Saipan Adventures, Inc. Century Tours, Inc. Let’s Go Tours Company J&K Marine Sports, Inc.

### Reporting Standard

This Report has been prepared in accordance with the “Comply or Explain” provisions of the Environmental, Social and Governance Reporting Guide set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”). The board of directors has acknowledged its responsibility to oversee the Company’s sustainable development and ensure that appropriate and effective ESG risk management and internal control systems are in place.

The Report is available in English and Chinese. If there is any discrepancy between the English and Chinese versions, the English version shall prevail.

### Contact & Feedback

The Group values your feedback and opinion on the Report. Please feel free to contact us by the contact information below:

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57 Hung To Road, Kwun Tong  
Kowloon, Hong Kong

Email: [info@saileisuregroup.com](mailto:info@saileisuregroup.com)  
Company website: [www.saileisuregroup.com](http://www.saileisuregroup.com)

## ABOUT THE GROUP

S.A.I. is all about “**Sea, Air and Island**”. As one of the leading leisure tourism groups on the tropical islands of Saipan and Guam, the Group has been devoted to offer leisure travelers memorable and unique holiday experiences since its establishment in 1972.

The Group manages and self-operates four hotels and resorts in Saipan and Guam under our hotels and resorts segment — **Fiesta Resort Saipan, Kanoa Resort, Century Hotel** and **Fiesta Resort Guam**. Each of our hotels and resorts is targeted at a different tourist portfolio and has positioned itself to distinct pricing and recreational needs for our hotel guests. In addition, we also provide food and beverage (“**F&B**”), meetings, banquets and other hospitality services in our four hotels and resorts that cater for the needs of both locals and travelers.

In 2019, we entered into a hotel management agreement for Fiesta Resort Guam with a subsidiary of InterContinental Hotels Group PLC, one of the global leading international hospitality chains. Since October 15, 2019, Fiesta Resort Guam has been managed by the InterContinental Hotels Group (“**IHG**”) and has access to the worldwide reservation system and loyalty programs administered by IHG. This strategic move enables the Group to reach out to a wider and more premium customer base, upgrades our hotel’s service standard and facilities, and is a great step to optimizing the revenue generating potential of our hotels and resorts business.



Under our luxury travel retail segment, we are dedicated to offering genuinely high-end shopping experience and enjoyment to our guests by curating nine world-renowned brands of luxurious and leisure clothing, leather goods and fashion accessories. Among these brands, five of them are exclusively operated by us in Saipan, Guam and Hawaii. We operate a total of 17 boutiques and each boutique houses a single brand as a stand-alone concept store.

As a Saipan-based land operator, we have the expertise in providing remarkable Sea, Air, Island experience to our customers. The Group offers three distinct excursion tours under our destination services segment in Saipan — **SeaTouch** (a stingray interaction experience), **Let’s Go** (a 4-wheel drive jungle and mountain adventure) and **Jetovator** (a hydro-powered jetski that propels participants through the air), which are considered as key attractions of the island. The Group also operates three souvenir and amenities stores, two local tour agency offices that offer booking services for third-party operated activities and tours as well as destination-based concierge and travel management services to the travelers in Saipan. The full-range and one-stop offering of tourism products and services enhance the overall holiday experience of all walks of travelers, and demonstrate the synergies of our correlated business segments.

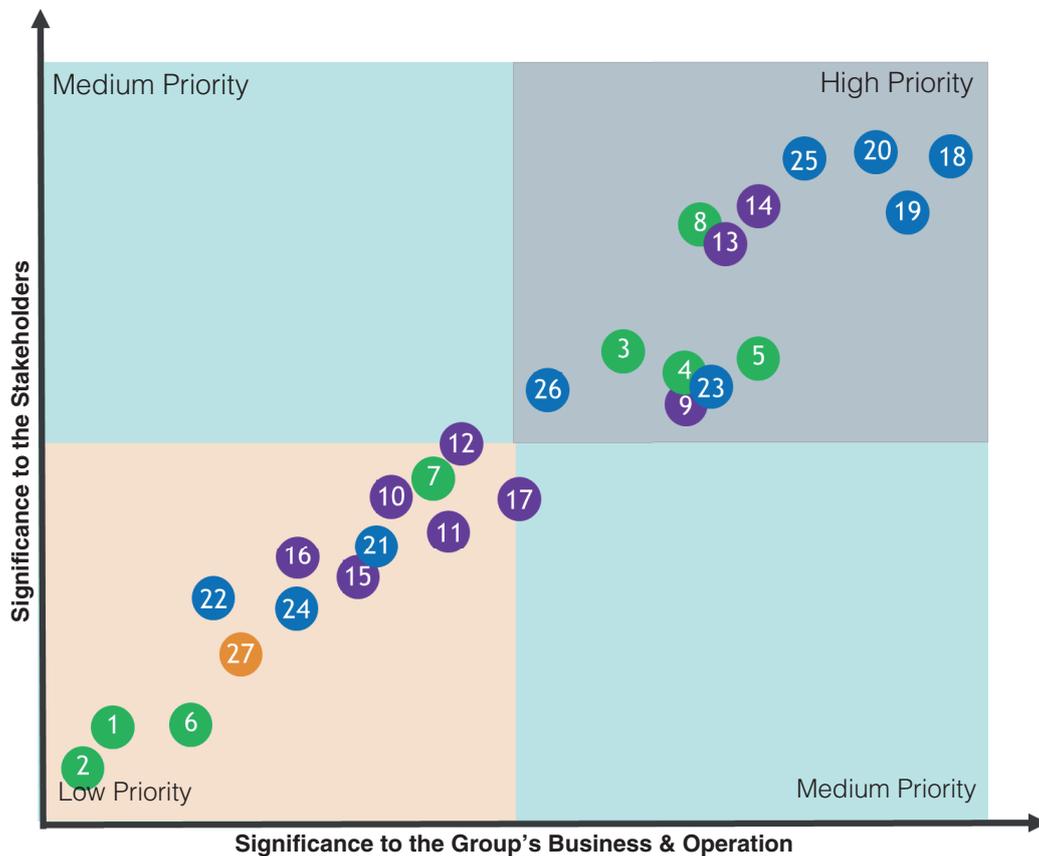
To maintain our leading position in the leisure tourism industry, the Group is devoted to conducting business with the highest standard of integrity and accountability, delivering personalized and sincere hospitality services in enhancing the guest experience, respecting and caring for our employees as well as protecting our environment. We believe that, by taking ESG issues seriously, the Group will be much better equipped to cope with unprecedented disruptions. Being a strong ESG performer with stakeholder-focused and adaptive governance structures, the Group is likely to remain resilient amid rapidly changing dynamics.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Recognizing the significance of embedding sustainability principles into our day-to-day operation of leisure tourism, the Group strives to create positive impacts and benefits to our stakeholders. To better understand the concerns and expectations of our stakeholders in relevance to our business operation, the Group engaged and maintained regular communications with our key stakeholders through various communication channels:

Stakeholder groups	Communication channels
Investors and shareholders	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Company's announcements</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Customer direct communication</li> <li>• Customer feedback and complaints</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Training and orientation</li> <li>• Emails and opinion box</li> <li>• Regular meetings</li> <li>• Employee performance evaluation</li> <li>• Employee activities</li> </ul>
Suppliers and business partners	<ul style="list-style-type: none"> <li>• Procurement process</li> <li>• Regular communication with business partners (e.g. emails, meetings, on-site visit etc.)</li> </ul>
Government authorities and regulators	<ul style="list-style-type: none"> <li>• Documented information submission</li> <li>• Compliance inspections and checks</li> <li>• Regular meetings/luncheons with local government representatives</li> <li>• Forums, conferences and workshops</li> </ul>
Non-governmental organizations ("NGOs")	<ul style="list-style-type: none"> <li>• Emails</li> <li>• Phones</li> <li>• Charity donations and voluntary services</li> </ul>
Communities	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Community activities</li> </ul>
Media	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Company's announcements</li> <li>• Social networking platforms</li> </ul>

To identify material ESG issues that are important to the Group and stakeholders, we have conducted a materiality assessment by means of an online questionnaire, consisting of twenty seven rating questions, covering areas on environmental protection, community investment, operational practices and employment. Based on the materiality of each of the ESG issues expressed by our stakeholders, the ESG issues are prioritized and shown in the materiality matrix below:



Environment		Employment		Operation	
1	Air emission	9	Labor rights	18	Customer satisfaction
2	Greenhouse gas emission	10	Labor-management relations	19	Customer service quality and complaints handling
3	Climate change	11	Employee retention	20	Customer health and safety
4	Energy efficiency	12	Diversity and equal opportunity	21	Marketing and product and service labelling compliance
5	Water and effluents	13	Non-discrimination	22	Intellectual property
6	Use of materials	14	Occupational health and safety	23	Customer privacy and data protection
7	Waste management	15	Employee training	24	Responsible supply chain management
8	Environmental compliance	16	Employee development	25	Business ethics
		17	Prevention of child labor and forced labor	26	Socio-economic compliance
				<b>Community</b>	
				27	Community support

We prioritized those ESG topics into three categories: high, medium and low, for better strategic planning and resource allocation. The issues which fell in the upper right corner of the matrix were defined as the topics that matter most on the Group's business operation and are most concerned by our stakeholders. Acknowledging expectations of our stakeholders, we are committed to improving our ESG performance, governance and policies.

## CORPORATE GOVERNANCE

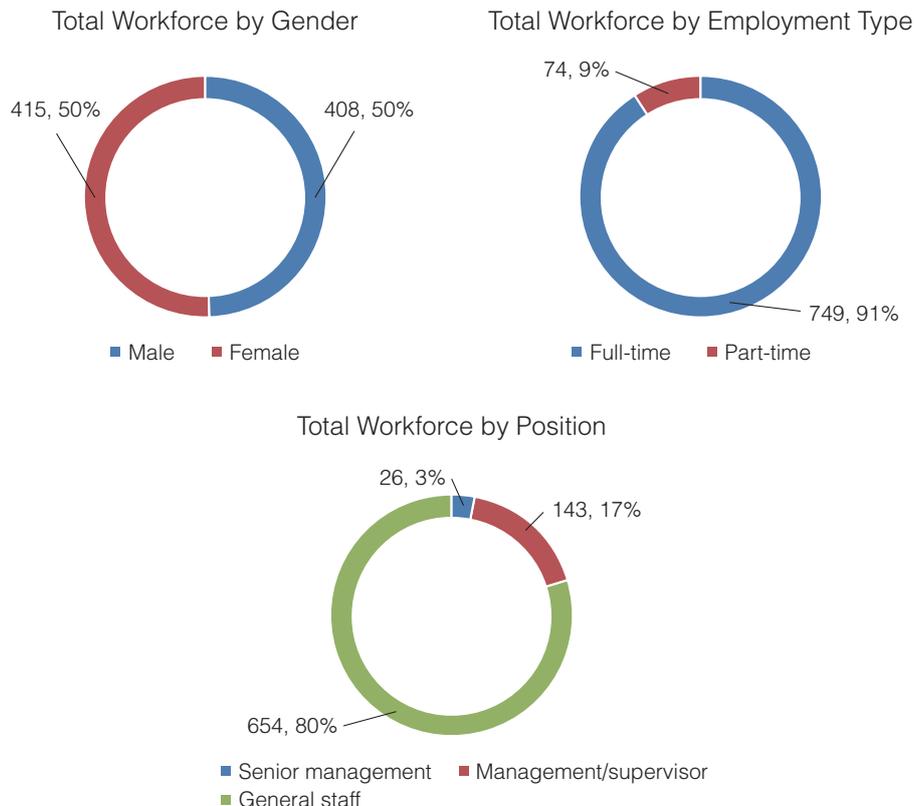
The Company was incorporated in the Cayman Islands with limited liability and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**HKEX**”) on May 16, 2019. We are governed by the Corporate Governance Code set out in Appendix 14 to the Listing Rules. For more information on our directors and governance structures, please refer to our Corporate Governance Report on pages 42 to 56 of our 2019 Annual Report.

## CARE FOR OUR EMPLOYEES

The Group values our employees as our most important asset and strives to provide an equal and fair working environment. A majority of the employees of our Group are based in Saipan, Guam and Hawaii. We strictly comply with relevant laws and regulations such as the Federal Fair Labor Standards Act, the Guam Minimum Wage and Hour Act, the Family and Medical Leave Act, the Guam Child School-Related Leave Act, Worker’s Compensation Law of Guam, the Commonwealth Workers’ Compensation Law, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act, the Equal Pay Act of 1963 and the Pregnancy Discrimination Act of 1978.

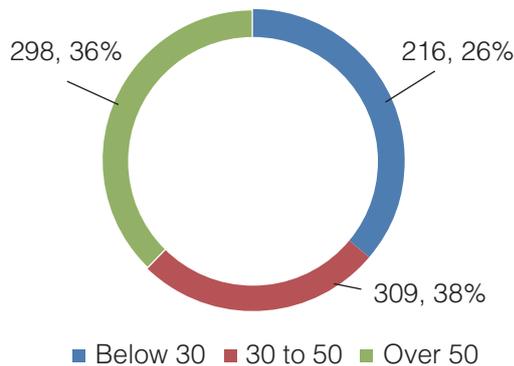


As at the end of the Reporting Period, the total number of employees of the Group was 823<sup>1</sup>. Full-time and part-time employees accounted for 91% and 9% of the total workforce respectively. Employees aged between 30 and 50 accounted for 38% of our total workforce while employees aged below 30 and above 50 represented 26% and 36% respectively. Male and female employees accounted for 50% and 50% of the total workforce respectively. The information of our total workforce and turnover rate by different categories is illustrated below:

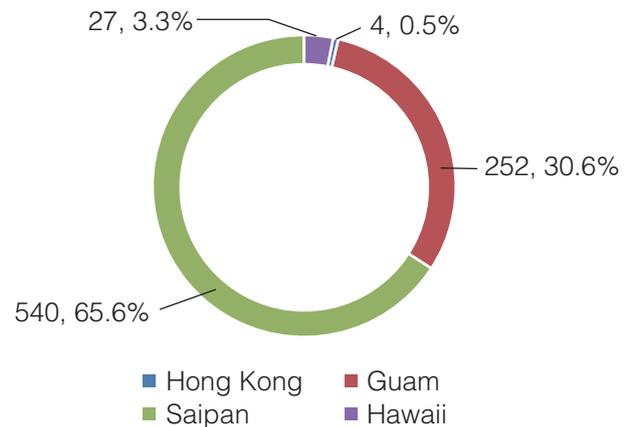


<sup>1</sup> The total number of employees includes full-time and part-time employees in Hong Kong, Saipan, Guam and Hawaii as at December 31, 2019.

Total Workforce by Age Group



Total Workforce by Geographical Region



### Employee Turnover Rate<sup>2</sup>

%

<b>Total</b>		38.27
By gender	Male	31.86
	Female	33.01
By age group	Below 30	54.17
	30 to 50	33.01
	Over 50	15.77
By geographical region	Hong Kong	0.00
	Saipan	32.78
	Guam	32.94
	Hawaii	25.93

<sup>2</sup> The turnover rate is calculated by dividing the employees in the specified category leaving employment by the number of employees in the specified category.

### Employment Practices

To safeguard the welfare of our employees, each subsidiary of the Group has formulated a set of human resources policies to govern the entire processes in human resources management, which cover recruitment and selection, working hours, rest period, attendance, performance appraisal and promotion, termination, workplace discipline and other employee benefits and welfare.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, or other benefits and welfare in Hong Kong, Saipan, Guam and Hawaii.

### Hotels and Resorts

For employees in our hotels and resorts segment, the Group offers overtime pay pursuant to applicable laws, illness or injury compensation insurance, health insurance, life insurance plan and retirement plan. Our employees are eligible to one free duty meal per day in the staff canteen during scheduled meal breaks and are entitled to paid vacation leave, sick leave, bereavement leave, jury or witness duty leave, voting leave, family and medical leave, military leave and major disaster volunteer leave.

### **Luxury Travel Retail & Destination Services**

In our luxury travel retail segment and destination services segment, our employees are entitled to paid vacation leave, sick leave, and maternity/paternity leave. The Group also offers medical insurance, workers' compensation insurance, retirement plan, life insurance and overtime pay pursuant to applicable laws to our employees.

### **Safe and Healthy Workplace**

As an all-round leisure tourism operator, the Group recognizes that the safety and health of our employees are important for us to create a long-term sustainable business. The Group strives to provide a safe and healthy working environment for all staff and has established a series of safety and health policies to protect our staff from occupational hazards. The Group has complied with all relevant laws and regulations, including but not limited to the Occupational Safety and Health Administration ("OSHA") Health Act of 1970 and the OSHA Hazard Communication Standard in US.

During the Reporting Period, there were no work-related fatalities but 87 lost days due to work injury. The Group was not aware of any material non-compliance with laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards in Hong Kong, Saipan, Guam and Hawaii.

### **Hotels and Resorts**

For our hotels and resorts segment, the Group is dedicated to providing a safe and healthy environment for employees and guests. We also make all reasonable efforts to comply with all government regulations pertaining to safety and health issues. The Safety and Health Program and Employee Safety Handbook are formulated to maintain safety and health of all employees and control possible hazards and risks.

### **The Safety and Health Committee**

An advisory body, the Safety and Health Committee, is formed by managers and will meet every month to discuss safety and health matters. The committee is responsible for:

- Reviewing and analyzing records and reports of safety matters to determine the effectiveness of overall accident and loss prevention efforts, and to develop recommendations for improvement
- Reviewing job safety analyses and employees' suggestions
- Developing practical safety and property inspection procedures, and assisting in making inspections
- Keeping all employees informed of the progress of the Safety and Health Program
- Identifying unsafe work practices and conditions and suggest appropriate remedies
- Ensuring that employees and others (visitors, contractors, etc.) are informed about safety policies, training programs, injury risks and causation, and other health and safety-related matters
- Maintaining an open channel of communication between employees and management concerning occupational and environmental safety and health matters

Under the Safety Education and Training Program, all employees are properly instructed on safety and health work practices by providing training with regard to general and acceptable safety procedures, and to any hazards or safety procedures that are specific to that employee's work situation. Topics covered in the training program include incident reporting, first aid, hazard communication, hazardous material spill response, bloodborne pathogens, personal protective equipment requirements, emergency procedures and job-specific hazards.



Active Shooter Training And Presentation  
(Safe + Sound Week)



Training On Hotel Safety And Security

### Safe + Sound Week

The staff in Fiesta Resort Guam participated in Safe + Sound Week in August 2019 to identify and manage workplace hazards. Safe + Sound Week is a national event to recognize the success of implementing safety and health programs in the workplace.



OSHA inspection is regularly carried out to ensure compliance with all OSHA standards. Besides, to ensure the safety and health of our customers, every employee who handles food is required to obtain health and food handler certificates every twelve months.

### Luxury Travel Retail

In our luxury travel retail segment, the Group mainly follows the emergency procedures stated in the Tenant Handbooks provided by the landlords in our luxury travel retail business and advise our staff how to act in case of such emergencies.

### Destination Services

The Coastal Resources Management (“**CRM**”) marine operator handbook and water sports safety operating procedures have been followed by all related staff in our destination services segment to ensure the safety and health of all tour guides and customers. Emergency Action Plans are formulated to provide guidance to our staff when encountering emergencies such as car accidents, food poisoning, drowning, typhoons, earthquakes, tsunamis, robberies, hazardous material spills and first aid. Training on Emergency Action Plans will take place during new employee orientation.



## Equal Employment Opportunity, Diversity and Anti-Discrimination

The Group is committed to providing an equal employment environment, which is free from discrimination and any kind of harassment. All employees and job applicants are treated equally, regardless of race, sex, marital status, pregnancy, disability status or other forms of difference that is unrelated to the job requirements. All decisions on recruitment, promotion, performance evaluation and salary adjustment are made solely based on qualifications, experiences and capabilities. All employees have a responsibility to keep the work environment free from harassment and discrimination by promptly reporting suspected cases to us. We will commence the investigation process and take remedial actions if necessary. Employees violating the policy against discrimination or harassment, including sexual harassment, will be subject to immediate and appropriate disciplinary actions.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to equal opportunity, diversity and anti-discrimination in Hong Kong, Saipan, Guam and Hawaii.

## A Harmonious Workplace

Employees are a crucial part of our continuous success and thus we strive to establish a two-way communication to understand their needs and opinions. Employees are welcome to discuss any problems with their supervisors or to express any complaints or suggestions through the employee suggestion box.

We value the relationship with our employees by promoting work-life balance and building a sense of belonging towards the Group. To let our people relax from work and provide opportunities to establish a close bond among fellow colleagues, we have arranged various recreational and team-building activities during the Reporting Period:



Annual Employee Appreciation Party



Front Office and Guest Relations Team Building



Employee Fiesta/Recognition



Easter Egg Hunt Activity



14th Annual Halloween Costume Contest



Housekeeping Week (September 8 to 14, 2019)

### Labor Standards

The Group does not tolerate any child and forced labor and strictly complies with the relevant laws and regulations such as the Fair Labor Standards Act and the Guam Minimum Wage and Hour Act. We review our employment practices from time to time and ensure all of our staff work consensually and are free from any form of forced labor. During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to child and forced labor in Hong Kong, Saipan, Guam and Hawaii.

## Training and Development

The Group believes that our employees are our valuable asset. We treasure the nurture of talents and are devoted to educating and building the capacity of our staff through various career development programs and training. During the Reporting Period, we have organized a total of 6,030.75 hours of training and the average training hour per employee is 7.33 hours.

2019

Total number of hours of training received by employees	6,030.75
Average hours of training per employee and percentage (%) of employees who received training	7.33 (86.76%)

### By gender

Female	8.51 (88.19%)
Male	6.13 (85.29%)

### By employee category

Senior management	5.76 (76.92%)
Management/supervisor	10.06 (95.10%)
General staff	6.79 (85.32%)



Training On Emotional Intelligence



Front Office Training



Housekeeping Training



True Hospitality Training



Training On Customer Service Excellence



Kitchen Training



Training on Japanese Cultural Language and Etiquette



Training on Safe and Sustainable Tourism on Guam's Coral Reefs

### Hotels and Resorts

Our hotels and resorts segment has established training and development procedures for the professional development and success of our employees. All new employees are required to go through a training period during their first ninety days of employment to learn more about the Group and their job duties. Under our Quality Service Academy Program, employees will receive both universal and focused training:

#### Universal Training

- Orientation training to new employees
- Equal employment opportunity
- Customer service
- Effective communication
- Leadership
- Team building
- Time management

#### Focused Training

- American Hotel and Lodging Association Front Desk Representative Certification
- Housekeeping skills
- International Housekeepers Week
- Front desk skills
- Food and beverage service
- Kitchen skills

Through regular performance appraisals, employees' performance is evaluated in an objective and fair manner to guide every employee's career path and enable them to perform to their utmost potentials. It is also an opportunity for employees to communicate with supervisors to achieve an effective two-way communication.

### **Luxury Travel Retail**

Our luxury travel retail segment provides the orientation training for new staff to introduce how they are to perform their job in excellence. In addition to day-to-day supervision, a written performance evaluation will be completed for each employee at the end of the training period. The purpose of the review is to increase communication and to provide our employees with an opportunity to discuss strengths, weaknesses, areas for improvement and training and guidance with their supervisors.

### **Destination Services**

Tour guides working in the Group's destination services segment must attend tour guide training course and obtain tour guide certification. The tour guides have to pass the certification exam and the certification should be renewed every three years. The employees who operate jetovators are required to be strong swimmers and they must have swimming skills shown in their past working experience. The Group will subsidize them to take first aid course and get the certification as qualified life guards.

## **SERVICE AND PRODUCT RESPONSIBILITY**

As a full-range leisure tourism operator, the Group strives to maintain our competitive position in the tourism industry in Saipan, Guam and Hawaii and sustain the long-term business growth. To achieve this objective, the Group is dedicated to delighting our travelers with gracious hospitality, sales services and distinct excursion tours, in gaining their trust and confidence as well as being recognized as their preferred choice.



During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to safety and health, advertising, labelling and privacy matters relating to products and services provided in Hong Kong, Saipan, Guam and Hawaii.

### **Service Excellence for Our Guests**

#### **Hotels and Resorts**

The Group spares no efforts to offer memorable and unique guest experience through customer-focused, warm and sincere hospitality services. In our hotels and resorts segment, we strive to provide flawless services to our guests by paying attention to details, anticipating their need and surpassing their expectations. The Group has formulated internal customer service guidelines, including but not limited to greetings, telephone etiquettes and attitude in customer care, anticipating the needs and expectations of guests and handling guest requests, for our staff to demonstrate our excellent standard of service, as well as working collaboratively to enhance customer satisfaction and loyalty.

A guest satisfaction survey is conducted, as a performance indicator, to understand the performance of our existing services and the evolving expectations from our guests. The Group also continuously improves our services by reviewing the constructive comments and feedback collected from our guests. Regular on-the-job training and refresher training are organized to ensure that we uphold the consistency with our committed service standards in pursuing flawless services.



In addition, food safety is our fundamental concern and thus our F&B department has adopted the best practices on food handling in accordance with the applicable local laws and regulations (e.g. the Guam Food Code and Food Handlers Rules and Regulations in Saipan). All of the employees who handle food and beverage must attend related training courses and obtain Health Certificate and/or Food Handler's Certificate under the statutory requirements of the local authorities. Our managerial staff of F&B department is also well-trained and qualified with the leading industry programs such as Servsafe. Constant supervisions of food preparation processes and food hygiene conditions are conducted by our F&B managerial staff in order to ascertain vigorous control on food preparation and handling. Furthermore, the Group sources ingredients and beverage from reputable wholesalers within the Western Pacific Region and carries out regular sample checks on the purchased goods against our wholesalers to guarantee the foods supplied are from safe and reliable sources. The Group also arranges regular internal training courses for F&B team (e.g. food safety control, food and beverage serving training), enabling our staff to acquire the latest skills and knowledge on F&B industry and to capably cater for the needs of customers.

To maintain an environment with better indoor air quality to all guests, smoking is prohibited in all enclosed areas of our hotels and resorts, including but not limited to guest rooms (except the rooms are designated as smoking rooms), restaurants (including attached bars), restrooms, lobbies and hallways. All guests are only allowed to smoke in designated smoking areas. The Group has taken measures, such as displaying "No Smoking" signs in our hotels and resorts, removing ashtrays and requesting the guests to refrain from smoking within the prohibited area, in order to provide a comfortable and smoke-free environment for our guests.

### ***Luxury Travel Retail***

In our luxury travel retail segment, to enhance the high-end shopping experience to our guests, the Group endeavors to create a pleasant and comfortable shopping environment and provide professional customer services to our guests with our expression of respect, gratitude and humility.

The Group has set up internal customer services standards and etiquettes, which are in line with the branding strategies, customer service requirements and fashion styles of different internationally recognized brands, for our sales associates to follow in the sales cycle. The Group offers orientation training to new hires and on-the-job training to our sales associates in order to uphold the excellent standard of customer services.

### ***Destination Services***

The safety of guests is always our top priority. The Group has established the CRM Marine Operator Handbook and Water Sports Safe Operating Procedures, which outline the safety standards of the tours together with emergency plans to minimize potential safety risks.

All our tour guides in our destination services segment are qualified with valid tour guide certification issued by the local authority in Saipan. They are experienced in leading land and marine tours with competency of emergency situations handling. All of the equipment and crafts, including the safety equipment, are with proper maintenance and inspections are conducted regularly to ensure the equipment is functioning in optimal condition. The Group continues to offer regular training to our tour guides, with the aim to deliver safe, stunning and enjoyable tour experience to our guests.



Prior to the excursion tours, the Group offers a mandatory safety briefing session to all participants to ensure they understand and strictly follow the safety rules during the tours. All participants must sign a waiver to accept the potential risks, legal liabilities and insurance indemnity arising from the recreational activities before the commencement of the tours. Our tour guides also ensure that the participants can fulfil the minimum requirements (e.g. age, height and weight) for each activity. For customers who join tours from our partnered tour operators, the Group makes sure that safety briefings are conducted by the third-party service providers before commencement. Our tour guides will further demonstrate the operation of the equipment and elaborate the important issues that participants should be cautious of during the activities to ensure that they can enjoy our unique excursion tours in the safest manner.

For water recreational sports, our instructors review the weather forecast and tide reports and evaluate the suitability of daily activities operation through their professional judgement and experience. This can ascertain that no activities are being operated under adverse weather conditions and safeguard our participants in due course.

## **Customer Satisfaction**

### ***Hotels and Resorts & Destination Services***

The Group values the comments or concerns raised by our guests regarding to our services as this is a way for us to find out how our guests feel about our services. Through addressing customers' enquiries and/or complaints, we understand the needs and expectations of our customers on the provided products and services, as well as driving us to make continuous improvement on the quality of our hospitality services, land and marine tours.

For our hotels and resorts segment and destination services segment, the Group has a structured customer complaint handling procedure in place for respective business segments and devised the standards to cope with customer complaints. In the event that complaints are received, our staff will first verify the situation, take corresponding remedial actions to resolve the issue(s) in complaint in a timely manner, and follow-up with the customers on their satisfaction after the problem is rectified.

### ***Luxury Travel Retail***

For our luxury travel retail segment, we maintain a refund and return policy on defective merchandises. As leisure travelers usually visit Saipan, Guam and Hawaii for a short vacation, returns and exchanges are not common in our luxury travel retail segment; therefore, there are no specific guidelines for handling customer complaints in luxury travel retail segment.

## **Customer Privacy Protection**

### ***Hotels and Resorts***

Apart from delivering excellent standard of services to our guests, the Group takes the issue of safeguarding customer privacy very seriously as we collect and receive certain volume of guest personal information in our day-to-day operation and online booking in our hotels and resorts segment. The Group has taken sound measures, which comply with the statutory requirements of the local data privacy laws and regulations in the Commonwealth of the Northern Mariana Islands (“CNMI”) and Guam, to ensure the rigorous control of customer information protection.

The Group pledges to only collect essential customer personal information and certain guest preferences (e.g. holiday preferences, amenities requested, facilities or any other services used) in a lawful and fair means, for delivering tailor-made services to our guests. We have formulated the Customer Privacy Policy, which is available on the website of our hotels and resorts, to appropriately inform our guests of the types of personal data that we collect, the disclosure of personal data and the steps taken for the security of personal information.

We have also deployed appropriate information technology (“IT”) security systems such as firewall and anti-virus software to prevent the attacks of IT system, the theft of confidential information and the unnecessary information leakage and misuse. Procedures and guidelines for handling of customer data collection and treatment are in place for our staff to abide by and to make sure all personal data is securely kept, accessed and only processed for the purpose of our operation. For example, Fiesta Resort Guam is certified to be in compliance with the Payment Card Industry Data Security Standards, aiming to reduce credit card theft and fraud. By achieving this certification, we demonstrate our ability in maintaining rigorous data security standards to ensure our customer’s credit card information remains safe and secure.

### ***Luxury Travel Retail & Destination Services***

Similar to our hotels and resorts segment, the Group’s luxury travel retail segment and destination services segment strictly follow the established internal procedures in collecting and handling participants’/shoppers’ personal information for the purpose of service provision and marketing communication only. The Group expects our employees to uphold a high ethical standard and fulfil their obligations to confidentiality as stated in our Employee Handbook, and safeguard any unauthorized transfer, use and leakage of confidential information to ensure that participants’/shoppers’ personal information is well-protected.

### **Marketing Advertisement and Labelling**

#### ***Hotels and Resorts & Destination Services***

In our hotels and resorts segment and destination services segment, the Group offers various travel products, accommodation services as well as excursion tours and related leisure tourist services. These are advertised through billboards, lightboxes, television programs and magazines within our hotels and resorts premises. With the global increasing trend for travelers to book their accommodation and tours online, the Group continues to strengthen our market visibility and penetration by cooperating with online travel agents and search engines on market advertising and promotional campaigns.

To better protect the interests of the customers and enable them to make an informed selection, we comply with the applicable federal and local laws, regulations and trade practices and make sure all of the information (e.g. the hotel information including but not limited to the room types, amenities, restaurants and other featured services in each of our hotels and resorts etc.) published in the advertisements and promotion brochures or materials are correct and unbiased.

### **Luxury Travel Retail**

In our luxury travel retail segment, we also promote the luxury brands through advertisements on billboards, lightboxes, television programs and magazines within our hotels and resorts premises. Being the franchisee of different renowned luxury brands in Saipan, Guam and Hawaii, the Group strictly follows the marketing communication and advertising practices of the brands stipulated in the agreed franchise and distribution agreements. For instance, the Group operates our boutiques against specific design, operational and design requirements for branding promotion. The Group requires the concerned departments to submit local advertising plans in accordance with the standard specifications, and seek prior written approval by the brand owners before the execution of promotional and merchandising events. In addition, all of the advertising materials and promotional activities are made and carried out in consistency with the fashion style of the brands.

### **Business Ethics**

The Group is committed to the highest possible standards of openness, probity, and accountability. We have established a zero-tolerance policy against all forms of activities relating to bribery, extortion, fraud and money laundering. The policy has been indicated clearly in our Employee Handbook and circulated to all existing and new employees of the Group. The Group does not allow employees to accept gifts or other favors from anyone doing business or seeking to do business with us. The policy on acceptance of gifts or advantages has been written in the Employee Handbook to require strict compliance from all employees.

The Group has also set up a Whistleblowing Policy for employees and related third parties, such as customers and suppliers, to raise concerns about possible misconduct, malpractice or improprieties through a confidential reporting channel. We will handle the reports with care and treat the whistleblowers' concerns fairly and properly. Protection for whistleblowers is also provided to assure protection against unfair dismissal, victimization or unwanted disciplinary action, even if the concerns raised turned out to be unsubstantiated. In addition, persons who victimize or retaliate against those who have raised concerns will be subject to disciplinary actions. We will also make every effort to keep the whistleblower's identity confidential.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to bribery, extortion, fraud and money laundering in Hong Kong, Saipan, Guam and Hawaii. There was no legal case regarding corrupt practices brought against the Group or our employees.

## Collaborating with Our Suppliers

Geographical Regions	Number of Suppliers
Saipan	553
Guam	244
US	80
Hong Kong	9
France	5
Japan	5
Switzerland	5
South Korea	4
Australia	3
Hawaii	3
Italy	2
Mainland China	2
Singapore	2
Belgium	1
Canada	1
Georgia	1
Germany	1
Malaysia	1
Netherlands	1
Sweden	1
UK	1
<b>Total</b>	<b>925</b>

The Group highly values the collaborations with our vendors and business partners. Hence, we strive to build a close and mutually beneficial relationship with them so as to enhance our value chain and maintain our competitive advantages altogether in the industry. The Group's major suppliers are utilities and F&B ingredient suppliers in our hotels and resorts segment, as well as brand owners in our luxury travel retail segment. During the Reporting Period, the Group worked with a total of 925 suppliers.

The Group upholds the principles of fairness, openness and integrity in our supplier and contractor engagement. The Group has formulated procurement policy and procedures for different business segments to evaluate the suitability and competency of new suppliers. The Group will review their background information, financial stability, past compliance records on product and service provision with relevant documented information such as business license, Taxpayer Identification Number and Certification. Suppliers who fulfil requirements of the applicable laws, regulations and industry standards, as well as our pre-determined requirements, will be qualified as our approved on-list suppliers.

The Group also carries out annual performance evaluation on our approved suppliers, with the criteria of product and service quality, operational compliance, delivery-time and price, and monitor their on-going performance to make sure their products and services meet with our quality standard and comply with relevant laws and regulations. We will discontinue our business relationship with the suppliers who repeatedly fail to meet our requirements and standards.

To maintain fair supplier participation and competition under our procurement cycle, we require all departments to obtain adequate quotations from our approved suppliers for cost consideration and performance comparison, except for those specific goods and services which can only be provided by a sole supplier due to geographical constraints.

On the other hand, the Group strictly prohibits our suppliers and employees to offer and/or receive any benefits (e.g. money, gifts and entertainment) for personal advantages and performs regular monitoring to prevent any kind of bribery and corruption. For employees who have close relationship or interest with the suppliers, they should declare their interest and report to relevant department immediately, as well as avoiding participation in the relevant business activities.

For our luxury travel retail segment, the Group is the franchisee of different eminent luxury brands and operates the boutique stores in accordance with the requirements of the franchise and distribution agreements. The Group only places the merchandise orders directly from the brands and/or from the list of authorized suppliers licensed by the franchisors. On the other hand, the Group has formulated internal policies to evaluate the merchandise offering, background and competitive landscape to ensure our compliance with all existing franchise and distribution agreements. Prior to entering into a new franchise and distribution agreement, we will first evaluate any potential conflict or competition between the new brand and our existing brands collection. We will consult our legal advisers to examine our franchise and distribution agreements, confer with our existing brand owners and seek their necessary consents in case of possible conflict or competition.

## ENVIRONMENTAL SUSTAINABILITY

With the development of leisure tourism based in Saipan and Guam, which are tropical islands with valued coral reefs habitats and high potentials of ecotourism development, the Group believes that our long-term business growth and success is closely linked to our efforts in maintaining environment sustainability and resources protection. The Group is committed to minimizing the adverse impacts on the environment when operating our businesses, through utilizing resources in a more efficient manner, reducing and mitigating emissions as well as increasing environmental awareness of our employees and guests.



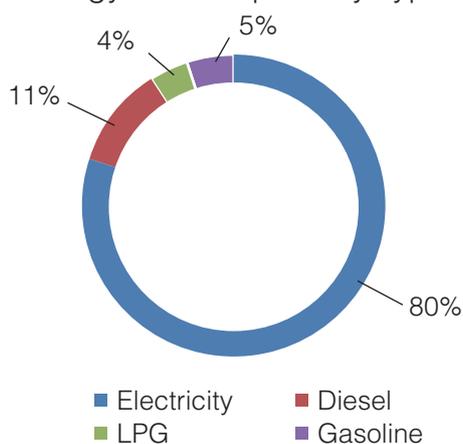
During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to air and greenhouse gas (“GHG”) emissions, discharges into water and land, generation of waste and use of resources in Hong Kong, Saipan, Guam and Hawaii.

## Energy Efficiency and GHG Emissions

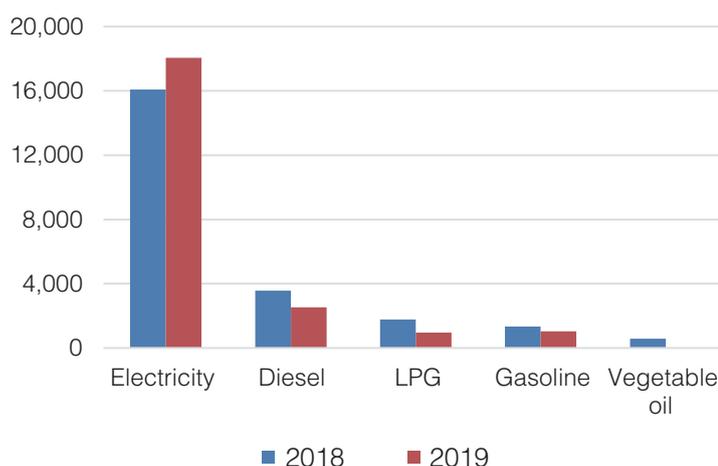
In our business operations, the major types of energy used are electricity, diesel, liquefied petroleum gas (“LPG”) and gasoline for stationary and mobile uses. During the Reporting Period, a total of 22,582.47 MWh of energy was consumed, with an intensity of 0.23 MWh per USD’000 sales.

Types of Energy	Units	2018	2019
Total energy consumption	MWh	23,329.36	22,582.47
Total energy intensity	MWh per USD’000 sales	0.23	0.23
Direct energy consumption	MWh	7,252.43	4,535.39
— Diesel	MWh	3,565.21	2,537.35
— LPG	MWh	1,768.49	960.29
— Gasoline	MWh	1,343.82	1,037.75
— Vegetable oil	MWh	574.91	–
Indirect energy consumption	MWh	16,076.93	18,047.08
— Purchased electricity	MWh	16,076.93	18,047.08

Energy Consumption by Type



Energy Consumption (MWh)



To optimize energy use and further reduce the associated carbon footprint without scarifying our quality of service provided to our guests in the three business segments, the Group has implemented different initiatives and measures to reduce the energy consumption and GHG emissions.

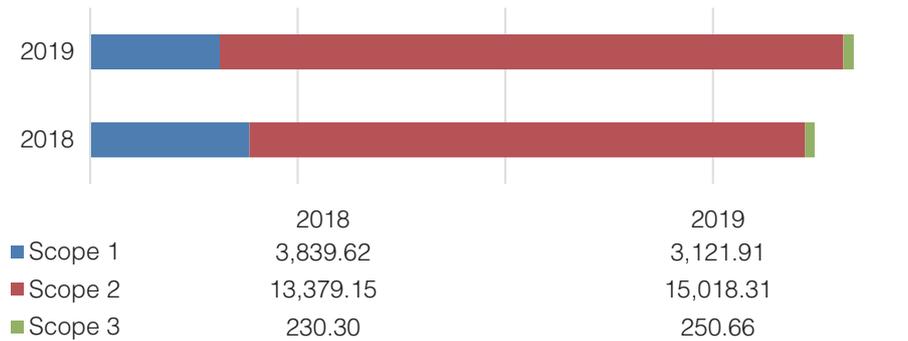
### Energy-saving initiatives

- Replace traditional light bulbs with LED light bulbs to enhance energy efficiency
- Replace the aged water chillers with energy efficient “smart” models in our hotels and resorts
- Opt for green and energy-efficient products when purchasing new office appliances and equipment
- Conduct regular maintenances on company vehicles and water sports equipment to ensure optimal engine performance and efficient fuel use
- Switch off engine whenever the vehicle or water sports equipment is stationed
- Make use of video conference as much as possible to reduce business-related air travels

In view of global warming and climate change, the Group continues to review the effectiveness of the existing energy-saving initiatives and take every opportunity to cut our energy use and carbon footprint in our operation. During the Reporting Period, the Group has emitted a total of 18,390.88 tCO<sub>2</sub>e of GHG, with an intensity of 0.19 tCO<sub>2</sub>e per USD'000 sales.

GHG Emissions	Units	2018	2019
Scope 1 <sup>3</sup>	tCO <sub>2</sub> e	3,839.62	3,121.91
Scope 2 <sup>4</sup>	tCO <sub>2</sub> e	13,379.15	15,018.31
Scope 3 <sup>5</sup>	tCO <sub>2</sub> e	230.30	250.66
<b>Total GHG emission</b>	tCO <sub>2</sub> e	17,449.07	18,390.88
Intensity	tCO <sub>2</sub> e per USD'000 sales	0.17	0.19

GHG Emissions (tCO<sub>2</sub>e)



- <sup>3</sup> Scope 1 represents direct GHG emissions generated by the use of refrigerant and fuels for stationary and mobile sources.
- <sup>4</sup> Scope 2 represents energy indirect GHG emissions generated by the use of purchased electricity from local power companies.
- <sup>5</sup> Scope 3 represents other indirect emissions generated by business air travel of employees.

## Waste Management

The types of non-hazardous waste generated are mainly waste cooking oil, food waste, domestic waste, construction waste, waste plastic and waste paper. By implementing 4R principles (Reduce, Reuse, Replace and Recycle), the Group strives to reduce our waste generation and meanwhile minimize the use of natural resources. The Group has implemented multiple measures to reduce the waste at source. For example, in our hotels and resorts, we use reusable plates and glasses instead of disposable plastic containers for serving food or beverage in restaurants, cafés, bars, barbeque shows and dining shows. The F&B team also forecasts the food stock based on a three-day cycle and adopts the principle of “First In, First Out” to avoid over-ordering of food and minimize food waste due to food deterioration. We also create signage for display in all our guest rooms to encourage our guests to reduce waste generation and reuse the amenities as far as possible.



*Created Reuse & Reduce signage for placement in all guest rooms.*

## “No Straw” Campaign

With the global attention to plastic waste with associated negative impacts on marine ecosystems, the Group has implemented the “No Straw” campaign in Fiesta Resort Guam. Straws are only provided upon guests’ request at our restaurants, cafés, dining shows and banquets to minimize the amount of unnecessary plastic waste.



In our luxury travel retail and destination services segment, the major type of waste produced in the daily operation is general trash, which is properly consigned to the waste company appointed by the landlords or directly dumped to the designated waste collection points or transfer stations.

Due to the Group's business nature, only a minimal amount of hazardous waste, such as toner cartridge and fluorescent tubes, is generated. The Group has established a hazardous waste disposal policy to guide our hotels and resorts staff on proper waste segregation, storage and treatment. All hazardous waste should be properly labeled before storing or while waiting for the scheduled disposal. Licensed waste collectors are then appointed for further handling and disposal.

During the Reporting Period, the Group generated a total of 0.04 tonne of hazardous waste and 173.03 tonnes of non-hazardous waste:

Types of Waste	Units	2018	2019
Hazardous waste <sup>6</sup>	tonne	0.37	0.04
Intensity	tonne per USD'000 sales	0.00001	0.000001
Non-hazardous waste <sup>7</sup>	tonne	168.89	173.03
Intensity	tonne per USD'000 sales	0.003	0.003

### Water Use

The Group is committed to conserving our water resources by using water responsibly and efficiently. To preserve the precious water resources, the Group has adopted various water-saving measures to reduce our water consumption:

- Utilize efficient low-flow showerheads and install faucet aerators on water faucets in all guestrooms
- Provide tent cards and encourage our guests to reuse towels and linens
- Maintain regular checks on water facilities in our premises to ensure that there is no water leakage
- Adopt the technique of pressure washing for the daily preventive maintenance of vehicles and water sports equipment at the end of excursion tours

Regarding wastewater discharge, daily operational activities of kitchens in our hotels and resorts, such as defrosting, cooking and washing dining utensils, generate wastewater. All of the generated wastewater is treated by the grease trap before being discharged to the municipal drainage to prevent pipe blockage and odor problem due to oil and grease accumulation. Grease traps are cleaned monthly and grease waste is regularly collected by the licensed waste collectors for further treatment.

During the Reporting Period, there was no issue in sourcing water that is fit for purpose. The Group consumed 1,037,163.01 m<sup>3</sup> of freshwater and discharged 591,315.48 m<sup>3</sup> of wastewater.

Water	Units	2018	2019
Freshwater consumption <sup>8</sup>	m <sup>3</sup>	1,256,725.47	1,037,163.01
Intensity	m <sup>3</sup> per USD'000 sales	12.54	10.51
Wastewater discharge <sup>9</sup>	m <sup>3</sup>	340,005.55	591,315.48
Intensity	m <sup>3</sup> per USD'000 sales	3.39	5.99

<sup>6</sup> 2018's hazardous waste figures only cover Asia Pacific Hotels, Inc. (Guam) while that of 2019 only cover Gemkell Corporation and Gemkell U.S.A. LLC.

<sup>7</sup> 2018's non-hazardous waste figures only cover Asia Pacific Hotels, Inc. (Guam) while that of 2019 only cover Asia Pacific Hotels, Inc. (Guam) and Let's Go Tours Company.

<sup>8</sup> Freshwater consumption figures only cover Asia Pacific Hotels, Inc., Asia Pacific Hotels, Inc. (Guam), Gemkell (Saipan) Corporation, Century Tours, Inc. and Let's Go Tours Company.

<sup>9</sup> Wastewater discharge figures only cover Asia Pacific Hotels, Inc. (Saipan), Asia Pacific Hotels, Inc. (Guam), Gemkell (Saipan) Corporation and Century Tours, Inc.

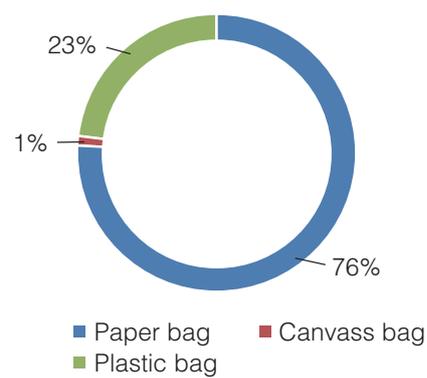
## Air Emission

The major air emission sources of our business segments are mainly gaseous fuel consumption and vehicles. To mitigate the air emission, the Group strives to opt for superior fuels for all fuel-driven stationary plants, vehicles and equipment. Besides, pollution control equipment, such as grease filter and hydrovent, is installed in the kitchens of our hotels and resorts to minimize cooking fumes emission.

## Packaging Materials

The major types of packaging materials consumed by the Group were paper bag, canvass bag and plastic bag by the business segments of luxury travel retail and destination services. As the packaging materials function as a part of the branding promotion under different well-known brands, the Group mainly follows the sales practice and guidelines of different brands and no policy is formulated to regulate the use of packaging materials.

Packaging Materials Consumption by Type



Types of Packaging Materials <sup>10</sup>	Units	2018	2019
Paper bag	Pieces ("pcs")	152,510.00	288,175.00
Canvass bag	pcs	11,000.00	5,100.00
Plastic bag	pcs	–	84,694.00
Itinerary envelope	pcs	18,720.00	–
Ribbon	pcs	2,500.00	–
Sticker	pcs	6,540.00	–
Tissue paper	pcs	5,000.00	–
<b>Total</b>	pcs	196,270.00	377,969.00
Intensity	pcs per USD'000 sales	5.84	11.12

## Marine Protection

The lagoons and the coral reef systems are integral to maintain the tourism industry and support the economic development of Saipan and Guam. Thus, the Group emphasizes the balance between tourism development and environmental conservation, especially marine resources.

<sup>10</sup> The use of packaging materials is only applicable to the business segments of luxury travel retail and destination services. Information on weight is not available.

The Group is devoted to promoting the values of coral reefs and reef-safe behavior to our guests and locals. In Fiesta Resort Guam, we added the new reef-friendly video issued by Guam Visitors Bureau to the information kiosk in the lobby to raise the awareness of our guests in reef protection.

To prevent the destruction of the coral reefs habitats and reduce the negative impacts on marine resources due to the operation of water sports such as jet ski, water ski and wakeboard, the Group strictly complies with the coral reef monitoring plan submitted to CRM, the regulations and the best management practices per the conditions preset under the Group's CRM permit. For instance, the boats and jet skis are only launched at approved launching facilities and operated at designated authorized areas, the activities maintain a distance of ten feet from any live coral, and there is no dropping of anchor in the water body during our operation to prevent the disruption of coral communities, choke the coral and damage the coral reefs heads. On the other hand, the Group is dedicated to educating our guests about how to protect the precious coral reefs and marine lives. For example, there should be no littering, no touching of the coral reefs and they should take nothing from the sea and/or the beaches.

The Group has also implemented the practices of sustainable seafood consumption in Fiesta Resort Guam in order to strengthen our commitment in marine diversity protection. The F&B team of Fiesta Resort Guam only purchases and serves sustainable seafood species such as Mahi, mussels, shrimp and oysters and other alternatives instead of reef fish.



*Added the new Guam Visitors Bureau Reef Friendly Video to our Lobby information KIOSK.*

## COMMUNITY PARTICIPATION

S.A.I. was once a local family business, but we have now grown to be a diversified and multinational business. Nevertheless, we have always believed in the principle of “taking from the society, contributing to the society”. Since we first started our family businesses in 1972, we have had an inseparable connection with the communities of Saipan and Guam, which laid a solid foundation for the robust growth of the Group’s business. The Group recognizes the corporate social responsibility in giving back, with the aim to build a better place to live in and create positive impacts to the community by leveraging on our extensive knowledge of the local markets and business networks.

During the Reporting Period, the Group organized or participated in more than 90 community activities with focus on environmental protection and community wellness, as well as supporting fund-raising activities to care for the people in need through voluntary services and donations. In addition, a total of US\$43,221.13 in donation was made by the Group in 2019. Looking ahead, the Group will continue to look for opportunities where we can contribute more.

### Community Wellness

The Group was involved in multiple charitable fundraising activities and demonstrated our spirit of love and care to our community. The Group also made sponsorships and donations to several NGOs, non-profit organizations and schools during the Reporting Period.

#### *Marianas March Against Cancer*

To support the mission of the Commonwealth Cancer Association to fight against the cancer disease, around 65 volunteers from Fiesta Resort Saipan, Kanoa Resort and Century Hotel have participated in Marianas March Against Cancer 2019 on May 3, 2019. All volunteers supported this event by raising funds and providing volunteer services. The Group served dinner and snack after the parade and during the relay for the participants in this annual event.



### Relay for Life

Our employees from Fiesta Resort Guam and their families supported and attended the annual fundraising event of Relay for Life hosted by the American Cancer Society in May 2019, aiming to celebrate cancer survivors, to remember the people who have lost their lives due to the disease and to show care and support to the cancer victims. All of the money raised by the Group went towards the American Cancer Society for cancer research, critical patient care services, and cancer education and prevention initiatives.



### Care for Our Environment

To enhance the environmental awareness of our employees, we join our hands together to protect the shoreline and the surrounding environment. Saving the oceans and maintaining the health of the marine ecosystem, especially the coral reefs, are essential to human survival. As one of the promoters of sustainable leisure tours, the Group endeavors to participate in the activities which encourage our people to act for marine environment conservation.

### **International Coastal Clean-up Day**

On September 11 and 21, 2019, a total of 71 employees from Fiesta Resort Saipan supported the International Coastal Clean-up Day hosted by the Bureau of Environmental & Coastal Quality.



### **Keep Guam Clean Trash Clean-up Day**

Our employees from Fiesta Resort Guam proactively joined the “Keep Guam Clean Trash Pick Up Program” and formed collaborative efforts to keep the surrounding environment clean in Guam in June 2019.



## HKEX ESG REPORTING GUIDE INDEX

HKEX ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
<b>Aspect A Environmental</b>		
<b>A1 Emission</b>	Information on: — the policies; and — compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.	Environmental Sustainability — Energy Efficiency and GHG Emissions, Waste Management, Water Use, Air Emission
<b>KPI A1.1</b>	The types of emissions and respective emissions data.	Environmental Sustainability — Air Emission  Air emission figures from gaseous fuel consumption and vehicles were not available. The amount of air emissions is not significant and material to the Group.
<b>KPI A1.2</b>	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Sustainability — Energy Efficiency and GHG Emissions
<b>KPI A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Sustainability — Waste Management
<b>KPI A1.4</b>	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Sustainability — Waste Management
<b>KPI A1.5</b>	Description of measures to mitigate emissions and results achieved.	Environmental Sustainability — Air Emission
<b>KPI A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Environmental Sustainability — Waste Management

HKEX ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
<b>A2 Use of Resource</b>	Policies on efficient use of resources including energy, water and other raw materials.	Environmental Sustainability — Energy Efficiency and GHG Emissions, Water Use, Packaging Materials
<b>KPI A2.1</b>	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).	Environmental Sustainability — Energy Efficiency and GHG Emissions
<b>KPI A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Sustainability — Water Use
<b>KPI A2.3</b>	Description of energy use efficiency initiatives and results achieved.	Environmental Sustainability — Energy Efficiency and GHG Emissions
<b>KPI A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Environmental Sustainability — Water Use
<b>KPI A2.5</b>	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	Environmental Sustainability — Packaging Materials
<b>A3 The Environment and Natural Resources</b>	Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Sustainability — Marine Protection
<b>KPI A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Sustainability — Marine Protection

**Aspect B Social**

**B1 Employment**

Information on:  
 — the policies; and  
 — compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Care for Our Employees — Employment Practices, Equal Employment Opportunity, Diversity and Anti-Discrimination

**KPI B1.1**

Total workforce by gender, employment type, age group and geographical region.

Care for Our Employees

**KPI B1.2**

Employee turnover rate by gender, age group and geographical region.

Care for Our Employees

**B2 Health and Safety**

Information on:  
 — the policies; and  
 — compliance with relevant laws and regulations that have a significant impacts on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.

Care for Our Employees — Safe and Healthy Workplace

**KPI B2.1**

Number and rate of work-related fatalities.

Care for Our Employees — Safe and Healthy Workplace

**KPI B2.2**

Lost days due to work injury.

Care for Our Employees — Safe and Healthy Workplace

**KPI B2.3**

Description of occupational health and safety measures adopted, how they are implemented and monitored.

Care for Our Employees — Safe and Healthy Workplace

**B3 Development and Training**

Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.

Care for Our Employees — Training and Development

**KPI B3.1**

The percentage of employees trained by gender and employee category (e.g. senior management, middle management).

Care for Our Employees — Training and Development

**KPI B3.2**

The average training hours completed per employee by gender and employee category.

Care for Our Employees — Training and Development

HKEX ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
<b>B4 Labour Standard</b>	Information on: <ul style="list-style-type: none"> <li>— the policies; and</li> <li>— compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</li> </ul>	Care for Our Employees — Labor Standards
<b>KPI B4.1</b>	Description of measures to review employment practices to avoid child and forced labour.	Care for Our Employees — Labor Standards
<b>KPI B4.2</b>	Description of steps taken to eliminate such practices when discovered.	Not applicable
<b>B5 Supply Chain Management</b>	Policies on managing environmental and social risks of supply chain.	Service and Product Responsibility — Collaborating with Our Suppliers
<b>KPI B5.1</b>	Number of suppliers by geographical region.	Service and Product Responsibility — Collaborating with Our Suppliers
<b>KPI B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Service and Product Responsibility — Collaborating with Our Suppliers
<b>B6 Product Responsibility</b>	Information on: <ul style="list-style-type: none"> <li>— the policies; and</li> <li>— compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</li> </ul>	Service and Product Responsibility — Service Excellence for Our Guests, Customer Satisfaction, Customer Privacy Protection, Marketing Advertisement and Labelling
<b>KPI B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
<b>KPI B6.2</b>	Number of products and service related complaints received and how they are dealt with.	Not applicable
<b>KPI B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	Not applicable
<b>KPI B6.4</b>	Description of quality assurance process and recall procedures.	Not applicable

HKEX ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
<b>KPI B6.5</b>	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Service and Product Responsibility — Customer Privacy Protection
<b>B7 Anti-corruption</b>	Information on: <ul style="list-style-type: none"> <li>— the policies; and</li> <li>— compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</li> </ul>	Service and Product Responsibility — Business Ethics
<b>KPI B7.1</b>	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.	Service and Product Responsibility — Business Ethics
<b>KPI B7.2</b>	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Service and Product Responsibility — Business Ethics
<b>B8 Community Investment</b>	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.	Community Participation
<b>KPI B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Participation
<b>KPI B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	Community Participation