

Environmental, Social and Governance Report

ABOUT THIS REPORT

This report highlights LET Group Holdings Limited (the “**Company**”) and its key operations’ (collectively referred to as “**the Group**”) Environmental, Social, and Governance (“**ESG**”) performance, for the purpose of assisting all stakeholders in understanding the Group’s ESG concepts and practices in achieving sustainable development for the future. The report complies with the disclosure requirements set out in the ESG Reporting Guide as described in Appendix 27 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reporting Boundary

The ESG report covers the Group’s overall performance in two subject areas, namely, environmental and social, of its key business operations as listed below, for the period from 1 January 2022 to 31 December 2022 (the “**Reporting Period**”), unless otherwise stated.

The key business operations that this report covers include ^{Note 1}:

- i. management and operation of malls in the PRC (“**Dongyang Xinguang**”);
- ii. development and operation of an integrated resort in the Philippines;
- iii. investment in an integrated resort in Vietnam (“**HOIANA**”) ^{Note 2};
- iv. operation of an integrated resort Tigre de Cristal in the Russian Federation ^{Note 3}; and
- v. the headquarter in Hong Kong.

Reporting Principles

The preparation of the ESG report has applied the following principles:

Materiality – materiality assessments have been carried out to identify material environmental and social issues that have major impacts on investors and other stakeholders, the significant stakeholders, process, and results of the engagement of which are presented in the section “Stakeholder Communication” in the report.

Quantitative – key performance indicators (“**KPIs**”) have been established and are measurable and applicable to make valid comparisons under appropriate conditions; information on the standards, methodologies, assumptions, and/or calculation tools used, and sources of conversion factors used, have been disclosed when applicable.

Note 1: The businesses of property development in Japan, travel related products and services in Macau and hotel and integrated resort general consultancy service in Vietnam are not included in this report given that no operations were performed/operations were discontinued in the Reporting Period.

Note 2: The Group indirectly owns approximately 34% equity interest in HOIANA through a joint venture of the Group, the revenue of which was not recognised as revenue in the consolidated financial statements of the Group.

Note 3: The Group holds approximately 69.66% equity interest in Summit Ascent Holdings Limited, which holds 77.5% controlling interest of Tigre de Cristal.

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Consistency – consistent statistical methodologies and presentation of KPIs have been used to allow meaningful comparisons of related data over time.

Balance – all available information has been reported impartially with concrete figures and supporting documentation; no selections, omission, or presentation formats that may inappropriately influence a decision or judgement by the report reader have been made throughout the whole reporting process.

ESG COMMITMENT

Being part of the property-related and tourism-related industries implies that the Group's operations could impose effects on a wide variety of people, the environment in adjacent areas, and their habitats. With due consideration, the Group is committed to putting emphasis especially on employees' benefits and their health and safety, the use of natural resources, attention to people living in nearby communities, as well as supply chain management on such aspects.

Such commitment is enacted by closely following and strictly complying with all relevant laws, regulations, and policies across different jurisdictions. It is also expected that a series of more detailed policies and target sets regarding such issues will be developed for better monitoring and measurement of the Group's ESG performance. The board of directors of the Group (the "**Board**") will continue to explore ways to further strengthen the ESG governance of the Group.

Statement from the Board

As a leading conglomerate that operates across various sectors, the Board is fully aware of the sustainability and ESG issues associated with the Group. It is of paramount importance that the Group strikes a balance between protecting the environment and creating social values while achieving commercial returns and maintaining profitability. When such issues are properly addressed, the Group's social responsibility can be demonstrated and bring greater value to its shareholders. The Board is committed to taking overall responsibility for the Group's ESG strategy and reporting. For this purpose, ESG risk has been incorporated in part of the Group's risk management agenda, and relevant internal control systems have been put in place.

Governance Structure

The Board takes an overall lead in managing the Group's ESG policies and initiatives, providing directions and supervising their implementation and performance. Together with the risk management committee of the Company, they oversee any risk exposures that have not been identified and addressed.

The Board has delegated management of the Group to be responsible for coordinating the implementation of the Group's environment, employment and labour practices, operating practices, service quality assurance, and community investment policies.

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Management regularly monitors and reviews communications with internal and external stakeholders to continuously improve its ESG management approach and strategy. Professionals and legal advisors are also consulted for any relevant and challenging issues, to ensure that all topics are covered and understood. When material issues are found, they are evaluated and assessed. The Board would also be informed of such assessments such that they have an overview of what the significant topics are and what progress is made against ESG-related goals and targets. Topics that are considered high-risk take priority when measures are being developed.

A transparent approach is taken when developing policies and undertaking evaluations to ensure that all decisions made are sustainable, effective, and practical. Communication with stakeholders is also maintained to keep constructive advice and stakeholder-oriented measures present.

Key Highlights of our ESG Policies

The Group adheres to the following principles when carrying out its daily operations:

- Strictly follow all applicable laws and regulations under the legal framework of the corresponding jurisdiction
- Firmly withdraw from taking any actions or using any products which may harm the environment
- Actively communicate with employees and care for their basic rights, health and safety, and personal developmental needs
- Demonstrate as a corporate with high moral standards that are kind to the natural environment
- Promote environmental protection awareness throughout all levels of its operations and to its clients
- Cooperate and support measures aimed at community improvement as required by relevant regulatory bodies or authorities

Memberships and Awards

The Group's management and operation of malls segment is a member of certain bodies that function to establish communications within local communities, share safety and hazard-related information, and update industrial knowledge.

It has also received several certifications and awards honouring it for improving the safety of neighbourhoods, as well as of its workplace, and being a sponsor of supporting events for the disadvantaged.

HOIANA has been accredited with LEED (Leadership in Energy and Environmental Design) and GEO (Green Energy Office) for its sustainable building design. In the Reporting Period, its golf course received various awards for recognition of the beautiful landscape and all-round service provided. In the upcoming year, it aims to obtain more certifications as a recognition for its efforts in promoting quality management system, food and beverage management, as well as to push forward and operate to the Global Sustainable Tourism Council in Vietnam.

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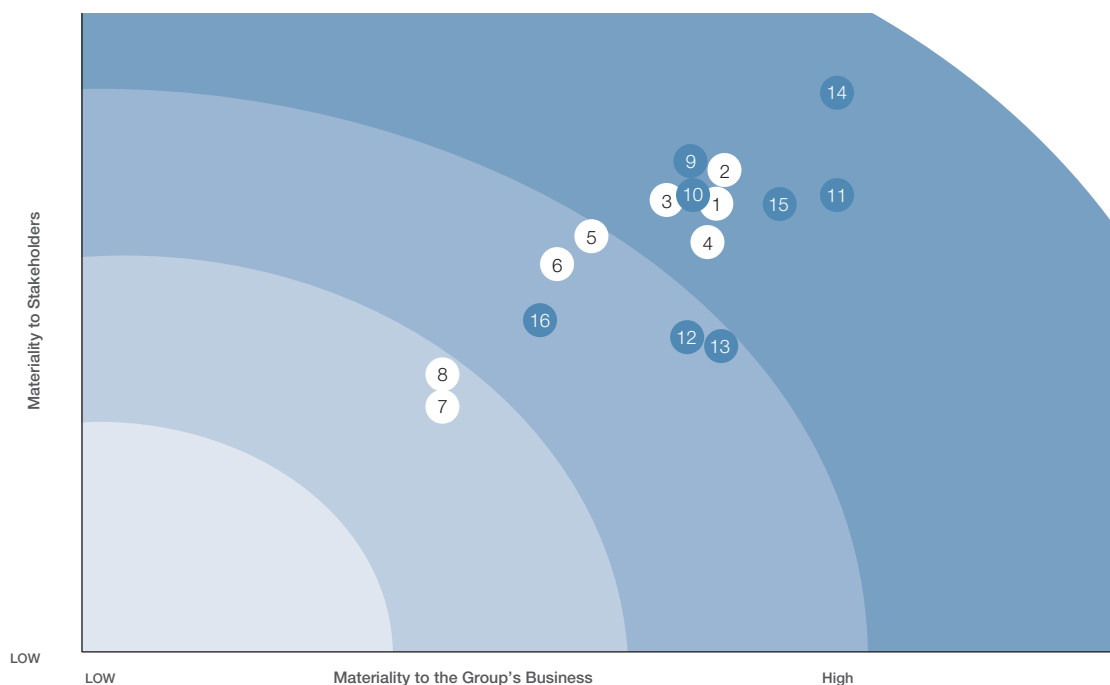
Stakeholder Communication

Considering the wide range of businesses that the Group engages in, the Group closely communicates with its stakeholders through various channels to understand their concerns and expectations and identify significant issues which may pose risks to the business operations. To achieve so, the Company has set out the full spectrum of stakeholders by consulting various departments within the Group and leveraged on the on-going communication channels and day-to-day interactions to engage these stakeholders.

Stakeholders	Areas of ESG concern	Means of engagement
Stock Exchange	<ul style="list-style-type: none"> Compliance with the Listing Rules; and Timely and accurate announcement. 	<ul style="list-style-type: none"> Financial reports and announcements; Meetings; and Training and seminars.
Government and regulatory authorities	<ul style="list-style-type: none"> Operational compliance; Tax payment as legally required; and Disclosure of information and submission of materials. 	<ul style="list-style-type: none"> Announcements; and Company website.
Investors	<ul style="list-style-type: none"> Business strategies and performances; Effective corporate governance; Sustainable profitability; and Investment returns. 	<ul style="list-style-type: none"> General meetings; and Financial reports and announcements.
Media and Public	<ul style="list-style-type: none"> Corporate governance; Environmental protection; and Uphold human rights standards. 	<ul style="list-style-type: none"> Announcements; and Press conference.
Suppliers	<ul style="list-style-type: none"> Payment schedule; Demand stability; Operational compliance; and Quality services and products. 	<ul style="list-style-type: none"> Site visits; Meetings; and Conference calls and interviews.
Customers	<ul style="list-style-type: none"> Quality services and products; Product safety; Commercial credibility; Intellectual property rights and protection; and Operational compliance. 	<ul style="list-style-type: none"> Visits; Meetings; and Customers' enquiries handling mechanism.
Employees	<ul style="list-style-type: none"> Rights and benefits of employees; Training and development; Working environment and occupational safety; and Equal opportunities. 	<ul style="list-style-type: none"> Regular meetings; Employee training; Annual appraisal; and Opinion box.
Community	<ul style="list-style-type: none"> Community development; Employment opportunities; Environmental protection; and Social welfare. 	<ul style="list-style-type: none"> Community service activities; Media enquiry; and Press releases and announcements.

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During the Reporting Period, the Group has specifically engaged with members of the Board, senior management, employees, shareholders, clients, customers, tenants, and external consultants to gain further insights on material aspects and challenges via annual general meeting, company’s website, press release, staff meetings, satisfaction surveys and daily contacts. Upon communication with various stakeholders, the Group has identified, prioritised, and addressed issues that have certain materiality to stakeholders. The identified ESG issues are set out below:



Environmental Matters

Social And Governance Matters

- 1 Air Emissions
- 2 Greenhouse Gas Emissions
- 3 Hazardous Waste
- 4 Non-hazardous Waste
- 5 Energy Use
- 6 Use of Water Resources
- 7 Environment & Natural Resources
- 8 Climate Change

- 9 Employment
- 10 Health and Safety
- 11 Development and Training
- 12 Labour Standards
- 13 Supply Chain Management
- 14 Product Responsibility
- 15 Anti-corruption
- 16 Social Responsibility

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According to the above matrix and our further interpretation on the Group's business, the most material topics to stakeholders are:

1. Product Responsibility
2. Development and Training
3. Anti-corruption
4. Greenhouse Gas Emissions
5. Air Emissions

While the Group has always been attentive to such topics, it is determined that it will place more resources in addressing any flaws in the system to fulfil its stakeholders' expectations.

Stakeholders' Feedback

The Group welcomes stakeholders' feedback on its ESG approach and performance. Any stakeholder is welcome to give suggestions or share views with the Group via email at ir@letgroup Holdings.com.

OUR ENVIRONMENT

The Group attaches great importance to the environment when carrying out its business activities and understands its role in fighting climate change. It complies with all applicable laws and regulations concerning the environment. The Group hopes to see an improving trend in its environmental performance in the future. To facilitate that, employees of all levels and departments are encouraged to keep environmental protection a key consideration when making business decisions. Different programmes and trainings would be put in place such that the overall environmental protection awareness of the Group would increase to realise the targets.

Climate Change

The Group acknowledges that it has a role in limiting climate change, and that climate change may impose an impact in limiting the Group's operations. To better identify and address the risks involved, the Group is committed to looking at climate change issues together with other ESG issues. This means the Board will take lead to investigate on climate-change related matters, which will be supported by management. When material aspects are identified, policies shall be formulated to address them.

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Risk type	Risks	Potential financial impact	Short (current Reporting Period)	Medium (1-3 years)	Long (4-10 years)	Mitigation strategy
Physical Risks	<ul style="list-style-type: none"> Event-driven extreme weather conditions such as flooding due to sea level rise, snowstorms, super hurricane Sustained elevated temperature 	<ul style="list-style-type: none"> Disrupt supply chains and interrupt business activities and result in reduced revenue Damage to the Group's assets, particularly integrated resorts 	✓	✓		<ul style="list-style-type: none"> Establish adverse weather condition policy Adopt energy conservation measures
Transition Risks	<ul style="list-style-type: none"> Changes in environmental-related laws and regulations Shift in customers' preference to company that incorporate sustainability concept 	<ul style="list-style-type: none"> Result in higher operating costs to adopt new practices Decrease in demand of services and revenue 		✓	✓	<ul style="list-style-type: none"> Implement energy conservation measures Take sustainability and environmental issues into consideration for decision making

That being said, the Group remains hopeful knowing that it can bring positive impacts to the environment. Understanding its more significant environmental effects as the emissions of air pollutants and greenhouse gases from the consumption of purchased electricity and fuel, and the generation of certain waste from daily operations, guiding policies have been established to improve the Group's environmental performance.

During the Reporting Period, the Group did not note any cases of material non-compliance relating to air and greenhouse gas emissions, discharge into water and land, and the generation of hazardous and non-hazardous waste.

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Emissions

Air pollutants and greenhouse gas (“GHG”) emissions are significant factors to address in combating climate change. To reduce emissions, only high-quality fuel is used within the Group’s fleet. Where appropriate, the Group uses electric buggies to reduce emissions. The Group also tends to choose suppliers that are closely located to its operations, so that emissions caused by transport between the suppliers and the operation can be minimised. For other reduction measures and policies related to the Group’s energy consumption of purchased electricity and fuel, please refer to the corresponding sections headed “Energy” and “Environment and Natural Resources”.

Air Emissions

During the Reporting Period, the Group generated 65.36 kg of sulphur oxides (SO_x), 18,162.00 kg of nitrogen oxides (NO_x), and 488.28 kg of particulate matter (PM). 231,808.63 tonnes of carbon dioxide equivalent (tCO₂e), which include carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons, was also emitted. The intensity was 0.63 tCO₂e/m² of total area, or 77.30 tCO₂e/employee. The Group will make continuous effort in working towards the target of maintaining or reducing the GHG emission intensity per floor area and employee between 90% to 110% of the level of baseline year ended 31 December 2022 in the next reporting period.

Greenhouse Gas Emissions

Scope of GHG emissions	Unit	GHG emission	Total GHG emission (in %)
Scope 1 – Energy direct emissions ^{Note 1}			
Combustion of fuels in stationary sources	tCO ₂ e	188,831.92	82
– Natural gas		49.70	
– Liquefied Petroleum Gas (“LPG”)		188,263.75	
– Diesel		463.73	
– Gasoline		54.74	
Combustion of fuels in mobile sources	tCO ₂ e		
– Petrol & Diesel		1,347.51	
Release of refrigerants from the operation of equipment and systems	tCO ₂ e	17.25	
Assimilation of CO₂ through tree planting	tCO ₂ e	(1.82)	

Note 1: Emission factors were made reference to Appendix 27 to the Listing Rules and their referred documentation as set out by the Stock Exchange, unless stated otherwise.

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Scope of GHG emissions	Unit	GHG emission	Total GHG Emission (in %)
Scope 2 – Energy indirect emissions ^{Note 1}			
Purchased Electricity	tCO ₂ e	41,613.77	18
Total GHG Emission	tCO ₂ e	231,808.63	100
GHG Emission Intensity ^{Note 2}	tCO ₂ e/m ² of total area	0.63	
GHG Emission Intensity ^{Note 3}	tCO ₂ e/employee	77.30	

Waste

The Group has a range of policies in place to reduce its operations' waste generation. For example, electronic administration and documentation is encouraged and cloud-based working environment are developed to reduce the need for printing; when printing is inevitable, duplex printing and reuse of single-sided printed paper is preferred, the usage of which could be traceable such that sources of heavy printing can be identified and controlled. In washrooms where the operations have control over, hand dryers are provided as an alternative to tissue paper.

To properly handle and treat waste, recycling bins are placed with simple instructions when appropriate for recycling, printer toner cartridges, ink boxes, and batteries are gathered to be sent to qualified collectors, who would treat them without causing harm to the environment. Where appropriate, the Group also wishes that it can compost food waste and organic waste at operating sites, such that it can turn them into useful nutrients for landscaping, lessening stress on the landfills.

At larger operations, such as HOIANA and Tigre de Cristal, the Group has set a long-term goal of halving the amount of waste sent to landfills. The Group is committed to moving towards a more circular model, cooperating with suppliers to reduce waste generation at source, and making use of its waste segregation facilities to extract reusable waste and stream them to recyclers and relevant processors. The local community is being involved in managing and operating the segregation centre, such that waste reduction efforts can become more large-scale while providing job opportunities. Waste awareness programmes for employees and integration of such elements into standard operational procedures are introduced to facilitate such plans.

Note 1: Combined margin emission factor of purchased electricity of 0.5703 tCO₂e/MWh was used for the National Grid of the PRC, 0.9130 tCO₂e/MWh was used for Vietnam and 0.3102 tCO₂e/MWh was used for the Russian Federation.

Note 2: The total floor area during the Reporting Period was 368,746.20 m².

Note 3: The total number of employees of the Group as of 31 December 2022 was 2,999.

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During the Reporting Period, the Group generated 3.83 tonnes of hazardous waste and 3,953.02 tonnes of non-hazardous waste. Stringent precaution has been introduced in the Group's operation to prevent the spread of the pandemic of COVID-19. In light of the current relieving situation of the pandemic, the Group foresees a decreasing amount of hazardous waste with regard to a lower amount of medical waste generated. The Group will make continuous effort in working towards the target of maintaining or reducing the waste generation intensity per floor area and employee between 90% to 110% of the level of baseline year ended 31 December 2022 in the next reporting period.

Waste generated		Amount	Treatment method
Hazardous waste	Printing cartridges & lighting, accumulators etc	3.83 tonnes	Collected and treated by qualified handler
Hazardous waste intensity		0.000010 tonnes/m ²	
Hazardous waste intensity		0.0013 tonnes/employee	
Non-hazardous waste	Domestic waste Organic waste Waste cooking oil Others	3,953.02 tonnes	Either landfilled, or collected and treated by qualified handler (will be used for gardening in the future)
Non-hazardous waste intensity		0.01 tonnes/m ²	
Non-hazardous waste intensity		1.32 tonnes/employee	

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Energy

Energy conservation and reduction of energy waste is always instrumental to members of the Group. To minimise emissions from electricity consumption, the Group has a range of energy conservation measures to ensure efficient energy use. Practices such as arranging regular maintenance for electrical appliances, installing LED lights when a replacement is necessary, switching off idle appliances, and setting timers for heating and cooling systems, have been adopted to maximise electricity efficiency. When applicable, motion sensor elevators are used so that less power is consumed when no one is using the facility; energy saving control systems, where air conditioning or lighting supply are adjusted under different situations, are also in place. To reduce fuel consumption, only environmentally friendly vehicles are purchased, and route plans that cover more destinations are developed to reduce vehicles use. The Group has installed solar panels at HOIANA to make use of renewable solar energy and reduce its reliance on purchased electricity. As of the end of the Reporting Period, the rooftops of various buildings in the resort village contain some 2,000 solar PV modules, supplying a portion of the power necessary for the operation.

The Group will continue to explore possibilities of reducing purchased energy use, including installing and powering solar panels and adopting more efficient heat recovery systems, where possible.

During the Reporting Period, a total of 931,224,832.86 kWh of energy was consumed by the Group. The intensity was 2,525.38 kWh/m² of total area, or 310,511.78 kWh/employee. The Group will make continuous effort in working towards the target of maintaining or reducing the energy consumption intensity per floor area and employee between 90% to 110% of the level of baseline year ended 31 December 2022 in the next reporting period.

Energy used	Unit	Consumption in kWh
LPG	kWh	868,051,495.95
Diesel (mobile & stationery)	kWh	5,663,692.87
Petrol (mobile)	kWh	1,496,312.22
Gasoline (stationery)	kWh	232,032.13
Natural gas	kWh	245,381.69
Electricity	kWh	55,535,918.00
Total energy consumption		931,224,832.86
Total energy consumption intensity	kWh/m ²	2,525.38
Total energy consumption intensity	kWh/employee	310,511.78

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Water

Aside from consuming water for daily use, the Group also consumes water for its swimming pool facilities, kitchen, and amenities, in its integrated resort operations. While water supply was stable and there was no issue in sourcing water that is fit for purpose, the Group acknowledges it as an important and scarce resource of the planet that shall be reserved. Hence, water consumption is strictly monitored. Employees are reminded to efficiently use fresh water. When any unnecessary usage is identified, measures would be implemented for improvement. Most water used by the Group is sent to centralised sewage treatment centres managed either by the government or other third parties, whereas the rest treats its own water before discharging. The integrated resort in Vietnam reuses grey water for flushing and uses water from a dedicated custom-built reservoir for landscape irrigation to reduce fresh water consumption. The grey water plant within the resort has a capacity of treating 434 m³ of grey water per day. There shall not be any environmental pollution caused by the Group's water consumption that cause serious concern.

During the Reporting Period, the shopping malls in the PRC, HOIANA and Tigre de Cristal consumed 345,869.00 m³ of fresh water, with an intensity of 0.94 m³/m² of total area, or 115.33 m³/employee. The rest are excluded either because there was no information on such consumption or there was no consumption during the Reporting Period. The Group will make continuous effort in working towards the target of maintaining or reducing the water consumption intensity per floor area and employee between 90% to 110% of the level of baseline year ended 31 December 2022 in the next reporting period.

Environment and Natural Resources

Efficient management of environmental and natural resources reduces operational costs and benefits society as a whole. Even though the Group's operations do not generate significant impact to the environment, nor involve direct use of natural resources, it acknowledges the indirect environmental impact caused by its businesses.

To minimise its impact on the environment, it prioritises the use of cleaning agents that are biodegradable and phosphate free when possible. It also sources supplies from local areas, and adopts a circular economy if possible, for sustainability. All of these initiatives are addressed through a unified sustainability charter.

The Group continues to review the environmental impact of its operations and makes use of best practices across its business operations. It is also developing monitoring systems over resource consumption, to identify and implement better performance strategies to enhance environmental sustainability through good environmental practices. The Group actively seeks opportunities to contribute to sustainability wherever possible and is determined to achieve realistic targets by adopting the abovementioned practices.

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OUR EMPLOYEES

The Group regards employees as highly intrinsic assets to its development. It strives to provide employees all fundamentals, such as work satisfaction, health, and all-rounded support, for their professional growth and competency enhancement. The Group hopes by focusing on employees' inclusion and engagement, well-being, and skills building, their fullest potential can be unleashed. To achieve so, on top of complying with all relevant ethical and regulatory standards, fair and comprehensive employment policies and practices have been established.

Employment and Labour Practices

The Group stringently follows all relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. All such terms and policies are clearly stated on the Employment Agreement and the Employees' Handbook. During the Reporting Period, there was not any noted case of non-compliance.

Compensation and Benefits Package

Employees of the Group are entitled to a basic salary with a discretionary bonus as per their job positions, responsibility, capability, contribution, performance, experience, and other attributes. The Group reviews employees' salaries annually in accordance with its business growth and market price.

Apart from monetary form of remuneration, the Group also provides non-monetary form of basic benefits, including annual leave, Mandatory Provident Fund Scheme (MPF), medical insurance, sickness allowance, marriage leave, bereavement leave, maternity or paternity leave, and pension.

Equal Opportunity

The Group commits to the principle of equal opportunities during recruitment, selection, training, development, and promotion. No employee shall be discriminated against or deprived of opportunities on the basis of race, colour, nationality, ethnic or national origin, religion or belief, disability, trade union membership or non-membership, sex, sexual orientation, pregnancy and maternity, gender reassignment, marriage/civil partnership, age, or based on being a part-time or fixed term worker. Individuals shall be selected, promoted, and otherwise treated solely on the basis of their relevant aptitudes, skills, and abilities. Management is responsible for protecting employees or job applicants from discrimination of any kind, and any unlawful discriminatory action brought to their attention is to be treated with great care.

Harmonious Working Environment

Not only is diversity embraced within the Group, but also the maintenance of a working environment free from harassment and bullying where every employee feels safe is treated with respect and dignity is also a top priority. The Group takes a zero-tolerance policy against any intimidating, hostile, degrading, humiliating, or offensive actions and behaviours, no matter physical or verbal, with or without the abuse of power or position. Any of such harassment or bullying is strictly prohibited and is treated as misconduct which may result in warranting dismissal. Anyone filing a complaint or assisting in an investigation shall be protected from intimidation, victimisation, or discrimination. Retaliating against an employee for complaining about harassment or bullying is a disciplinary offence.

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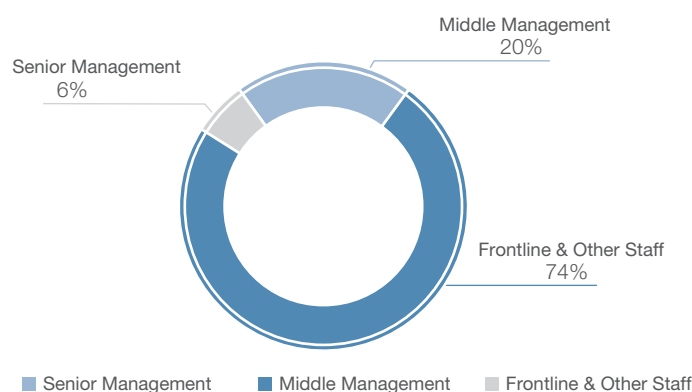
Employee Communication

The Group regards communication and engagement with employees as important elements for them to feel valued, empowered, and motivated. Such efforts are also viewed as essential for the improvement of team cohesion and enhanced work performance. During the Reporting Period, aside from providing channels for employees to voice their views, staff activities were also organised online for employees to bond and exchange opinions outside of work under COVID-19 pandemic limitations while protecting employees' health and safety.

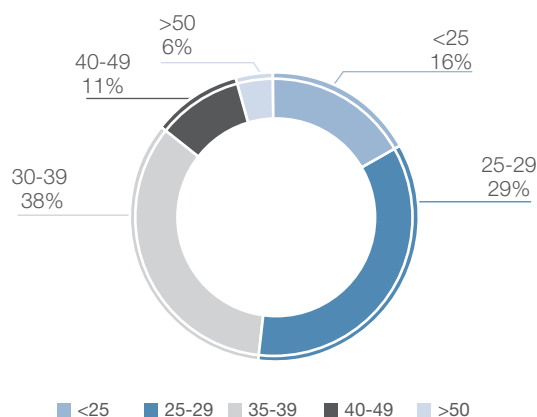
Employment Figures

During the Reporting Period, the Group complied with all applicable laws and regulations in all jurisdictions, and did not note of any material non-compliance relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, discriminations and other benefits and welfare. As of 31 December 2022, the Group employed a total of 2,999 employees, approximately 100% of whom worked full time. Approximately 64% of all employees were engaged in HOIANA, and approximately 33% were engaged in Tigre de Cristal. The gender ratio of females to males was about 0.91:1. The graphs below show the workforce distribution by employment type, age group, nationality, geographical region, gender and employee category:

Total workforce by employee category ^{Note 1}



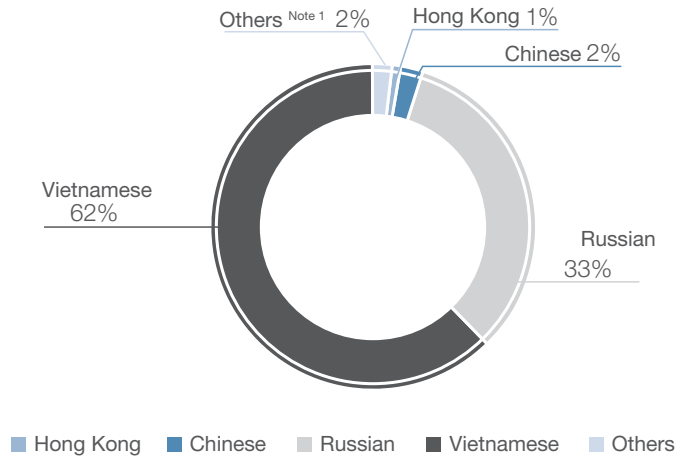
Total workforce by age group



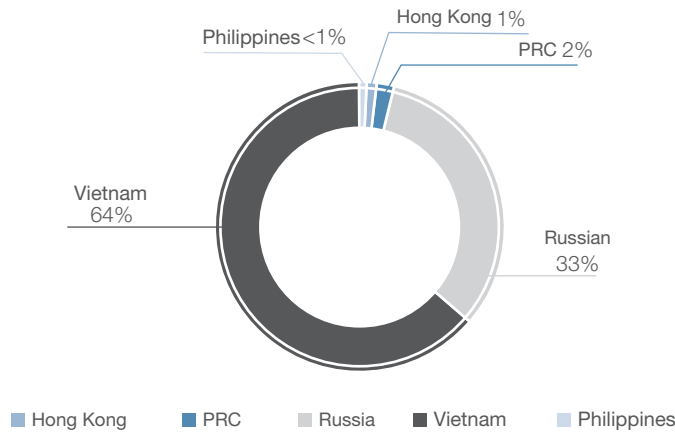
Note 1: Senior Management refers to Directors and CFO, Middle Management refers to manager grade or above employees, and Frontline & Other Staff are all other general staff.

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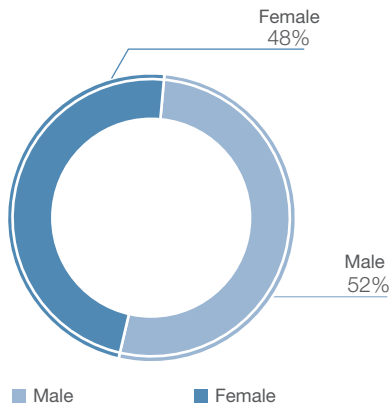
Total workforce by nationality



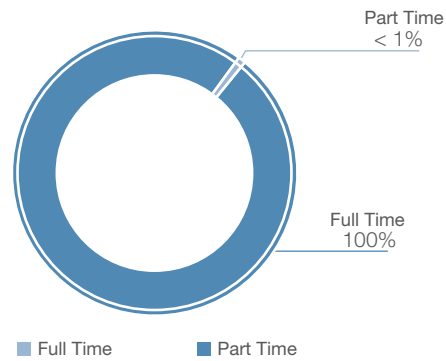
Total workforce by geographical region



Total workforce by gender



Total workforce by employee type



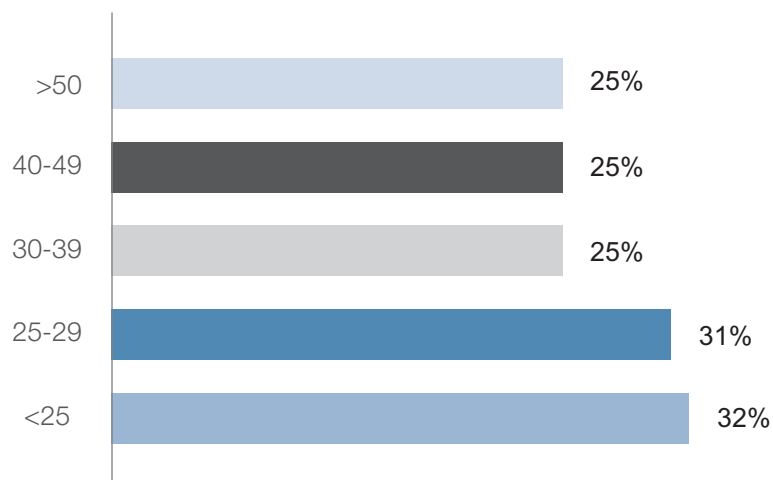
Note 1: "Others" include Philippines, Macau, America, Australia, United Kingdom, Malaysia, Singapore, New Zealand, South Africa, Korea, Portugal, France, Bulgari, Canada and Argentina. They each contribute to less than 2% of the workforce.

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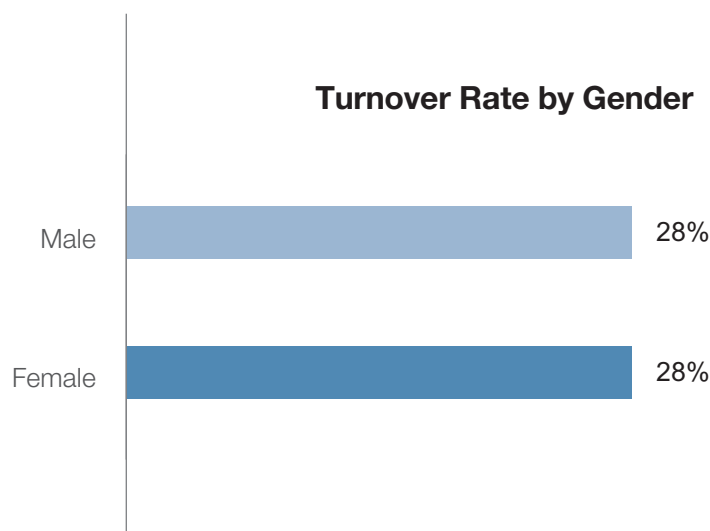
Employee Turnover Rate

The Group strives to maintain the employee turnover rate at an acceptable level to facilitate the accumulation of professional skills and experience. During the Reporting Period, the overall employee turnover rate of the Group was about 28% ^{Note1}.

Turnover Rate by Age Group



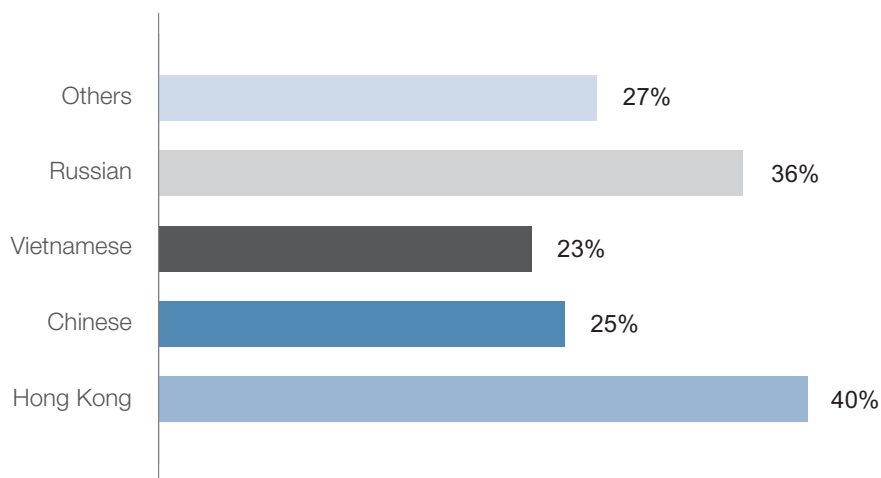
Turnover Rate by Gender



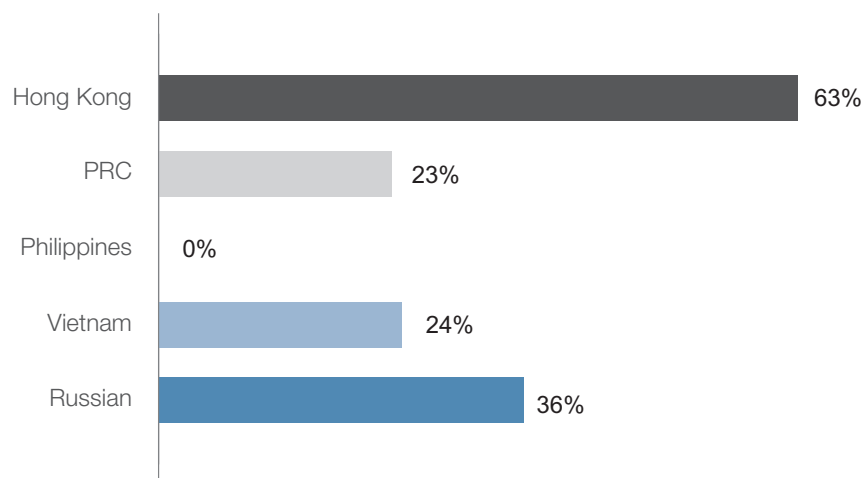
Note 1: Turnover rate = (number of employees who left the operations during the Reporting Period/number of employees working at the operations as of 31 December 2022) x 100%

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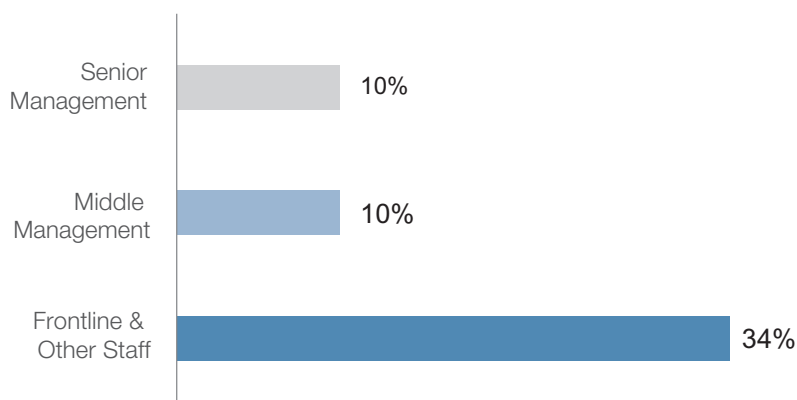
Turnover Rate by Nationality



Turnover Rate by Gerographical Region



Turnover Rate by Employee Category



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Employee Well-Being

The Group follows all relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards. No non-compliance with relevant laws and regulations that has a significant impact on the Group has been noted. On top of providing basic medical benefits, The Group has a series of preventive measures to prevent putting employees' health and safety in jeopardy.

Occupational Health And Safety

The Group strives to provide and maintain a safe and healthy workplace for all employees. To protect the health of all employees, all workplaces, including vehicles, are smoke-free. Safety rules and general procedures are established and placed in notable locations for easy reference. Fire extinguishing tools, escape routes, and relevant procedures are familiarised by employees in case of any emergency events, and the functionality and safety of such tools are regularly inspected by professionals. Ventilation, humidity, and greening are controlled in working environments to make workplaces more pleasant. The Group also encourages employees to raise any potential hazard or working conditions if there is a concern. To reinforce and cultivate the safety awareness of employees, regular safety training is arranged.

If outdoor work or those that require physical labour is required, e.g., work at construction sites, work in facility management, laundry, firefighting prevention, all necessary equipment and protective gear would be provided to protect employees' occupational safety.

During the Reporting Period, 3 cases of injuries occurred and resulted in a total of 66 lost days of work. The cases were well addressed and handled by the Group. No work-related fatalities were recorded during the past 3 years including the Reporting Period.

COVID-19 Reactions

2022 was another difficult year for the Group due to the ongoing global outbreak of COVID-19. The Group strived to strike a balance between ensuring safety while keeping the operations running to secure income for employees.

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The Group kept on high alert and released up-to-date information promptly whenever any cases worthy of concern were identified. Levels of susceptibility would also be informed such that employees did not worry overly while still staying vigilant. The major measures that the Group has taken to protect employees' health and safety during the pandemic include:

- Establishing a taskforce to keep track of COVID-19 developments
- Adopting flexible home-officing plans, if possible
- Strengthening health surveillance and hygienic measures, such as, measuring body temperatures, wearing a surgical mask, disinfecting shared items and areas, etc.
- Requesting employees to disclose situations which may have exposed them to the virus
- Covering COVID-19 testing expenses at private clinics and all relevant eligible outpatient services
- Granting any statutory sick leave in accordance with the Employment Ordinance, if an employee is required or ordered to be put under medical surveillance or quarantine
- Reducing contacts with other parties and logging records of visitors if meeting at The Group's premises is inevitable
- Encouraging social distancing and the purchase of take-away meals

During the course of the COVID-19 pandemic, staff who were infected were placed in quarantine according to local protocols and allowed to resume work upon discharge.

Development and Training

The Group places a strong emphasis on employees' professional development as it is believed that learning is a shared responsibility.

There are various in-house as well as external learning opportunities that the Group offers its employees. In terms of formal training, there are induction programmes for the Group's new recruits to get to know the Group's background, culture, structure and systems, workflows, etc., as well as regular training on updated industry knowledge or revision of best practices, such as occupational and fire safety, code of conduct, professional skills, supervisory skills, customer services, etc.

Other settings where learning opportunities are provided include office seminars and workshops:

- where employees gather to discuss, practice, and exchange experiences to learn from one another; community or civic events
- where employees are encouraged to affiliate with communities and organisations for professional writing and public speaking experiences; and to attend professional organisations and conferences
- for which employees are reimbursed if they join and attend to gain industry insights

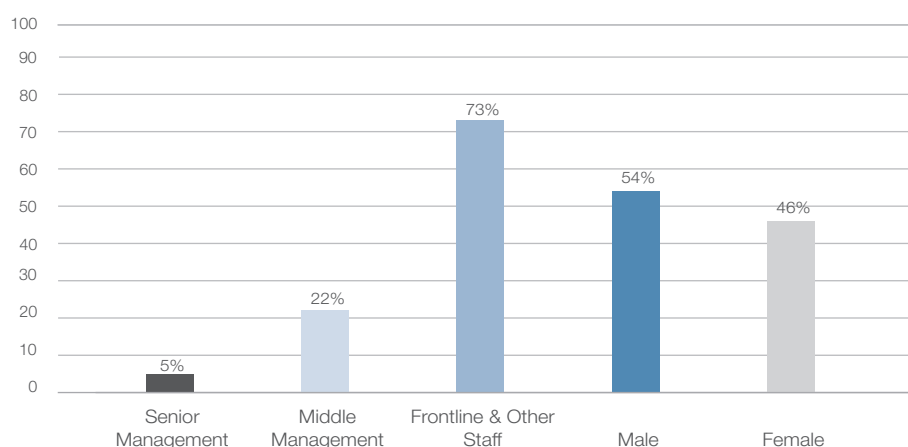
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The Group also encourages employees to identify their own objectives and take an active role in their development according to their own needs and pace for a more effective outcome. Identification of training needs and evaluation of their effectiveness is carried out by regularly reviewing employees' performance and competence and referring to requirements of relevant laws and regulations across all jurisdictions.

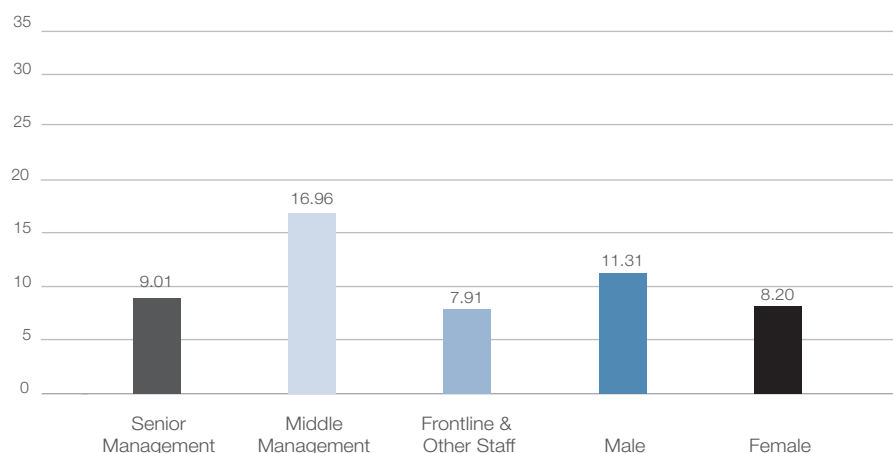
Training Figures

During the Reporting Period, 53% of the employees from the operations in Hong Kong, Philippines, Russia, Vietnam and the PRC were trained. The average hours of training completed by each employee in these operations was 9.83 hours. In light of the current situation that most of the restrictions on COVID-19 are lifted, the Group aims to organise more trainings to employees for further development.

% of Employees Trained by Gender and Employee Category



Average Training Hours Completed by Employees by Gender and Employee Category



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OPERATING PRACTICES

Supply Chain Management

The Group tends to maintain long term relationships with its suppliers to ensure a stable supply of services provision by the Group, and has established a direct communication channel allowing suppliers to submit their offers for our consideration. When selecting suppliers and contractors, the Group's top priority is to minimise the potential risks brought by cooperating suppliers to the Group. (Apart from compliance with relevant legal requirements, supply stability, quality and reputation, the ESG performance of all potential suppliers are also considered to ensure that they can add value to the Group's pursuit of sustainability excellence.)

As the Group's businesses are dispersed across multiple regions, identification of environmental and social risks and the promotion of environmentally preferable products and services vary. Nevertheless, all operations acknowledge the need to address ESG risks along the supply chain. Depending on the jurisdiction the business operates in, some have policies that focuses on the environmental performance of suppliers, some reviews the occupational health and safety protection and policies of contract employees offered by contractors, while others put an emphasis on evaluating and preventing corruption, bribery, extortion, fraud, and money laundering risks.

In general, at least two to three suppliers are involved in the tendering process where possible to ensure a fair and transparent quotation. If the suppliers all meet the sustainability prerequisites, priority is given to local suppliers to promote local economic development and reduce carbon footprint. (The Group evaluates each and every supplier's performance quarterly and requires them to take remedial measures once the Group becomes aware of any non-compliance with the Group's requirements.)

Suppliers

During the Reporting Period, the operations in Hong Kong, the PRC, Vietnam, and Russia engaged a total of 440 major suppliers who provided legal and professional services, equipment, and food & beverage, hotel supplies, technical supplies, casino supplies, office supplies and cleaning services. Most of them were located near the operating locations, with 207 of them located in Vietnam, 190 of them located in Russia, and 43 of them located in other regions including Hong Kong, the PRC and Philippines.

Product Responsibility

The Group pays high attention to the quality of products and services provided. It recognises its responsibility in meeting the expectations of customers, business partners, and all other stakeholders while operating. During the Reporting Period, the Group complied with all relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. There was not any material non-compliance noted.

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Labour Standards

The Group complies with all relevant laws and regulations to safeguard the rights of its employees. Labour exploitation, such as child labour or forced labour, is strictly prohibited and not tolerated. To avoid such practices, background checks are conducted for every new employee to verify their age and legal eligibility of working for the Group. Mutual agreement must also be obtained before the commencement of any employment relationships. If any violation is discovered, the contract would be terminated with immediate effect. This practice is also required for workers hired by the Group sub-contractors, where applicable. During the Reporting Period, no material non-compliance with laws and regulations relating to preventing child and forced labour was noted.

Customer Health and Safety

An immense level of concern is put on assuring that all services provided and products sold fulfil statutory requirements and beyond, especially for the Group's servicing businesses. The Standard Operating Procedures (SOPs) are also available to spell out the processes and actions to be taken under different security related scenarios. This is enacted by conducting strict inspections to maintain a high standard of products used for the performance of the Group's services. During the Reporting Period, the prevalence of COVID-19 posed a huge threat to the Group's servicing businesses and increased their risks of impacting customers' health. When the premises re-opened, measures such as flow control, temperature checks, and provision of basic sanitising products were adopted. The health conditions of all premises are also closely monitored to avoid the spread of the virus by the Group's employees.

At operations where food is served, the Group takes a strict screening and selection procedure to ensure food safety and eliminate any risks.

During the Reporting Period, no attention was raised regarding the health and safety of the products sold. The business nature of the Group does not involve the recall of products.

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Customer Service

Customer feedback and satisfaction is regarded as a key channel for evaluating the performance of the Group's product and service provision. To enable communication and feedback, there are hotlines, feedback forms, and regular consultation and meetings, available for customers to provide their opinions. Any negative opinion deemed constructive would be reviewed and discussed by management in a professional manner. For every complaint case, the complainant was further contacted to obtain more details and opinions for improvement and rectification work. It is the Group's aim to have only customers who are content. During the Reporting Period, a total of 41 complaints related to our products and services were received and all cases were closed.

Intellectual Property

The Group strictly observes the intellectual property rights of all parties, including those of the Group's, its suppliers, competitors, clients, and other organisations. The Group is aware of the procedures of obtaining, perfecting, and protecting its intellectual properties and gives instructions to employees on how they shall be executed.

Data Protection and Privacy

Due to the wide range of data that the Group processes and handles for its operations, data protection is regarded as the most material topic among stakeholders. The Group recognises its responsibility in protecting private information of its customers, business partners, and clients. It also strives to protect any confidential dealings, trade secrets, intellectual properties, or any other knowledge that is not publicly available.

Employees shall respect privacy and keep personal data obtained, held, and processed during the business process confidential in accordance with relevant confidential requirements as set out in internal policies to protect the privacy of customers. At no given time shall such information be disclosed or used beyond the purpose of the collection purpose as instructed by the Group. Any breach of such policies may face termination of employment without prior notice. Non-disclosure agreements are also made with external parties to ensure no sensitive information is leaked before any of them are made public.

During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations related to customer data protection.

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Responsible Gaming

The Group has a Responsible Gaming Commitment for its gaming premises, which strives to provide guests an enjoyable gambling experience while minimising any harmful consequences. The Group is committed to complying with all applicable laws and regulations and collaborating with the government to help guests make responsible gaming decisions. Under the Responsible Gaming Awareness Program, all employees working at the Group's gaming premises are trained and assessed annually on responsible and problem gambling, and signs worth attention for assistance providence. Some of the safeguards within the programme include:

- Casino Self-Exclusion – Interested patrons may apply for self-exclusion from entering casinos
- Casino Entry Checks – Entry made available to patrons above 18 years old
- Responsible Service of Alcohol
- Gambling Product Information – Game Rules made available to patrons to educate them on chances of winnings and house advantage information
- Assistance and Support – Responsible Gambling email group available to patrons and displayed via pamphlets or information displays in the casino

Anti-Corruption

The Group places great importance on the ethicality and integrity of its employees. The Group complies with all relevant laws and regulations relating to anti-competition, bribery, extortion, fraud, and money laundering. To prohibit bribery and corruption, strict and clear internal-control policies and well-structured business processes are designed for employees and suppliers to follow when carrying out business activities. During the Reporting Period, no noted cases of non-compliance nor illegal practices regarding corrupt practices had been identified in any of the Group's operations.

The Group strictly prohibits the receipt and offering of bribes to affect the placing of an agreement with suppliers or the securing of business. Any occurrence of such misconduct or dishonesty may result in the termination of the employment.

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To prevent such behaviours, clearly written terms and code of conduct are stated and agreed upon in the employment contract. Anti-corruption training is also provided upon employees' entrance into the company as well as regularly at the course of employment. Senior management and the Board, who have huge responsibility in governing the Group's anti-corruption performance, are encouraged to attend specifically designed courses organised by authorities, such as the Stock Exchange and Independent Commission Against Corruption (ICAC) to strengthen their understanding.

External professionals are also especially engaged to assess and review the adequacy and effectiveness of the Group's internal controls for anti-money laundering of the Group's casino operations. Assessment of internal controls is regularly reviewed and updated to strengthen the control over such practices.

A whistleblowing policy has been established to govern the receipt, retention, and treatment of complaints regarding malpractice, impropriety or fraud relating to Group's accounting, internal accounting controls, auditing matters and suspected breaches of the Group policies. All complaints will be reviewed in accordance with the policy review procedure. The person assigned to investigate a complaint will conduct an investigation and report the findings or recommendations to the Audit Committee, including recommended disciplinary or corrective action. The violation shall be immediately reported to the proper governmental authority if legally required.

The Group will make every effort to keep all whistleblowing reports and identities of employees who have made reports confidential. In no event will there be any retaliation against someone for reporting an activity that he or she in good faith believes to be a violation of any law, rule or regulation.

OUR COMMUNITY

The Group regards promoting the well-being and prosperity of the region as its responsibility. It proactively makes contributions to various community activities and explores community investment opportunities which can meet the needs of society.

Well-Being

With a view to combating the COVID-19 pandemic, the health and safety of its staff and customers was the Group's top priority during the Reporting Period. The Group has implemented intensified precautionary measures in its Hong Kong office as well as properties overseas to achieve the highest degree of health and safety vigilance, in accordance with advisories and protocols issued by local and international authorities. Some of the measures included: mandatory mask-wearing, body temperature checking, and social distancing; frequent deep cleaning and disinfection of public areas and common touch points; provision of face masks and hand sanitiser to guests upon request; request for health declaration from all contractors and other third parties who visit the Group's properties; regular cleaning of air filters and air conditioning systems; and briefing all staff on enhanced personal hygiene.

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE GUIDE CONTENT INDEX

Aspect	Description	Chapter/section	Remark
A1 Emissions			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Our environment	
KPI A1.1	The types of emissions and respective emissions data.	Emissions, Air emissions	
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions, Greenhouse gas emissions	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste	
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions, Energy, Environment and natural resources	
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.	Waste, Environment and natural resources	

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Aspect	Description	Chapter/section	Remark
A2 Use of Resources			
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Energy, Water	
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).	Energy	
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy, Environment and natural resources	
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.	Water	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A	The business nature of the Group does not involve the use of packaging material.
A3 The Environment and Natural Resources			
General disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Environment and natural resources	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		
A4 Climate Change			
General disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate change	
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.	Climate change	

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Aspect	Description	Chapter/section	Remark
B. Social			
B1 Employment			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our employees	
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment figures	
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employee turnover rate	
B2 Health and Safety			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational health and safety	
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational health and safety	
KPI B2.2	Lost days due to work injury.	Occupational health and safety	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational health and safety	

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Aspect	Description	Chapter/section	Remark
B3 Development and Training			
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and training	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Training figures	
KPI B3.2	The average training hours completed per employee by gender and employee category.	Training figures	
B4 Labour Standards			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour standards	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour standards	
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour standards	

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Aspect	Description	Chapter/section	Remark
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply chain management	
KPI B5.1	Number of suppliers by geographical region.	Supply chain management, Suppliers	
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.	Supply chain management, Suppliers	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply chain management, Suppliers	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply chain management, Suppliers	
B6 Product and Service Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product responsibility	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Customer health and safety	
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer service	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual property	
KPI B6.4	Description of quality assurance process and recall procedures.	Customer health and safety, Responsible gaming	
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Data protection and privacy	

Environmental, Social and Governance Report

Aspect	Description	Chapter/section	Remark
B7 Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti- corruption	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti- corruption	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption	
B8 Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Our community	
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Well-being	
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community participation	