

## **BOARD STATEMENT REGARDING ESG ISSUES**

The following is a statement from the Board of Directors (the “**Board**”) explaining the Board’s oversight of Environmental, Social and Governance (“**ESG**”) issues and how Sands China Ltd. (“**SCL**” or the “**Company**”) approaches the management of ESG issues.

### **Our Management Approach**

*We incorporate ESG issues into the corporate agenda at SCL by designing and implementing a strong governance framework. This framework enables us to evaluate, prioritise and manage ESG issues that are important to our business and operations.*

ESG issues are integrated into SCL’s business strategies and the Board is responsible and accountable for the ESG program and reporting. Governance of the program is integrated into our wider corporate governance framework, from Board-level committees to management level steering committees and business units. The Board-level ESG Committee plays the primary role in overseeing the management of ESG issues with an emphasis on sustainable business practices and the impact of our business on our people, our community and our planet. The ESG Committee sets ESG policies, strategies and initiatives with the help of the ESG Executive Sponsors. The Company’s President and Chief Operating Officer, the Executive Vice President of Operations, and the General Counsel and Company Secretary make up the ESG Executive Sponsors. An ESG Steering Committee comprised of top executives from a broad selection of business units coordinates the implementation of the ESG program and provides feedback to the ESG Executive Sponsors and the ESG Committee. The ESG Steering Committee is supported by SCL’s Sustainability team, which drives the implementation of ESG initiatives across all SCL business units and corporate functions. This includes reporting and reviewing the progress of these initiatives against any set targets, as well as monitoring changes in stakeholder expectations and their implications. The Audit Committee of the Board is responsible for overseeing risk management and internal control systems, including material ESG risks and assurance of ESG data.

### **How We Evaluate and Prioritise Material ESG-Related Issues**

*Through a stakeholder-driven materiality assessment process, we identify, evaluate and prioritise ESG issues that reflect SCL’s impact on our people, communities and planet.*

SCL’s Enterprise Risk Management (“ERM”) framework provides an effective structure for reviewing risks, including ESG-related risks and issues, across all business units and corporate functions as well as prioritising resources to manage any emerging risks on a systematic manner. SCL’s Sustainability team reports ESG issues identified during its stakeholder-driven ESG risk assessment, which is conducted every 1-3 years and is a global initiative supported by the Global Chief Sustainability Officer and global ESG teams within the LVS Group, and adheres to the AA1000 Stakeholder Engagement Standard principles-based framework. The ESG Committee evaluates and prioritizes the issues identified and sets ESG policies, strategies and initiatives. Additionally, the ESG Steering Committee, the Executive Sponsors, and the board-level ESG Committee regularly discuss and review ESG issues to determine whether new issues have arisen. The Company’s ERM Committee and the Audit Committee also regularly review the SCL risk profile and brainstorm key emerging risks, including ESG risks, to ensure that key risks and those cutting across different areas of the business are captured and properly addressed.

## **How We Assess Progress**

*We establish ESG targets for our business units and review our achievements against them annually in order to assess progress.*

The Board establishes ESG targets at the recommendation of the Board-level ESG Committee after assessing the Company's ESG issues. These targets are set based on 5-year cycles with a focus on our commitment to sustainable business practices and the impact of our business on our people, our Macao community, and the planet. As an operator of large-scale integrated resorts, these include targets to reduce emissions, food waste, potable water usage, plastics and packaging, as well as developing programs for improving workforce development, diversity, responsible gaming, human rights, and ethical conduct. Achievements against the ESG targets are reviewed annually in order to assess progress.