

SANDS CHINA LTD.

2018

STOCK CODE: 1928

# SUSTAINABILITY SUMMARY REPORT

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GOVERNANCE



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# WELCOME TO OUR 2018 SUSTAINABILITY SUMMARY REPORT

## MESSAGE FROM OUR PRESIDENT AND CHIEF OPERATING OFFICER



Dear Stakeholders,

I am pleased to present Sands China's 2018 Sustainability Summary Report, our account on the progress and achievements made over the past 12 months.

At Sands China Ltd. ("Sands China" or the "Company"), we integrate sustainability into all that we do, from renovations and procurement, to housekeeping and special events. Our award-winning Sands ECO360 Global Sustainability Strategy was established in 2010 and pushes us to reach our vision of leading the way in sustainable resort operations. In the first three years of the most recent five-year reporting cycle, I am proud to see all the achievements we have made.

On behalf of the Board and Management, we invite you to read more about our commitment to sustainability and our progress during the 2018 reporting year.

### **DR. WILFRED WONG**

President and Chief Operating Officer and  
Executive Director of Sands China Ltd.



# ENVIRONMENT

## OUR TARGETS



Canton, The Venetian Macao



Sands Macao



### ENERGY

Our resorts make up tens of millions of square feet of building space that require energy to cool down and light up.

#### 2020 TARGETS<sup>1</sup> (SBT<sup>2</sup>)

**6%**  
Reduction for resort operations emissions

**6%**  
Reduction for ferry operations emissions

#### PROGRESS TO DATE

**1.4%**  
Reduction for resort operations

**10.1%**  
Increase for ferry operations

### WATER

Water is an integral part of the experience we create for our guests. Exquisite pools and spas, lush landscapes, and elegant fountains create a refined ambiance at our resorts.

#### 2020 TARGETS<sup>1</sup>

**3%**  
Reduction per square foot<sup>3</sup>

#### PROGRESS TO DATE

**5.3%**  
Reduction per square foot

### WASTE

We host thousands of guests and visitors in our resorts each day. We proactively manage our waste footprint by targeting key areas where we can reduce, reuse, and recycle.

#### 2020 TARGETS<sup>1</sup>

**5%**  
Increase in the diversion rate

#### PROGRESS TO DATE

**0.4%**  
Decrease in the diversion rate

#### Notes

1. Targets use a 2015 baseline
2. Science Based Target
3. Reduction per gross square footage includes both conditioned and non-conditioned space to account for outdoor landscaped areas

#### SANDS ECO360 ACTIONS

168,072  
actions achieved in 2018

496,298  
actions completed since 2015

500,000  
targets

# SANDS ECO360 STRATEGY

We are constantly evolving our strategy to adapt to emerging trends, support new business opportunities, and advance environmental stewardship. Our recently adjusted approach narrows in on six key themes: energy, transportation, water, waste, food, and procurement.

We mindfully address each theme within the four pillars of the Sands ECO360 program to ensure our initiatives span the full scale of the Company's operations.



## ENERGY

### ENERGY EFFICIENCY

Designing high-performing buildings, conserving electricity, and deploying new technologies to reduce energy consumption.

### RENEWABLE ENERGY

Seeking out renewable energy solutions, including on-site solar thermal and solar photovoltaic systems.



## TRANSPORTATION

### FERRY

Exploring advanced technologies and increasing fuel economy standards for our ferry fleet.

### BUSES

Optimizing routes and utilizing alternative fuel sources to reduce emissions.



## WATER

### WATER EFFICIENCY

Upgrading fixtures and systems, enacting water conservation policies, and encouraging sensible water usage.

### WATER REUSE

Sourcing non-potable water and harvesting rain and condensate water for landscaping, restrooms, cooling towers and other uses.



GREEN BUILDINGS



GREEN MEETINGS AND EVENTS



*Sands*  
ECO360  
GLOBAL SUSTAINABILITY



# Key Theme Assessment

Identifying the right approach to incorporating relevant topics into a sustainability strategy is unique to each company. For us, considering criteria such as environmental impact, stakeholder relevance, risk, innovation, transparency, awareness building, and alignment with the existing strategy helped us prioritize the initiatives that matter the most.



## WASTE



### CONSTRUCTION WASTE

Responsibly handling construction waste from new developments, remodels, and renovations.

### FOOD WASTE

Tackling one of our largest waste streams through reduction, donation and diversion.

### ZERO WASTE EVENTS

Hosting and supporting green events that actively target high recycling rates.

## FOOD



### SUSTAINABLE FOOD

Incorporating efficiency into kitchen design, sourcing eco-friendly ingredients, and providing sustainable cuisine on restaurant menus.

## PROCUREMENT



### SUSTAINABLE PRODUCTS

Addressing diverse product categories to procure sustainable items that are better for the environment and human health.

### PLASTIC REDUCTION

Eliminating plastic products where possible or replacing with eco-friendly alternatives.



# GREEN BUILDINGS

Our newest property, The Parisian Macao, was designed and constructed to be our most sustainable resort yet.

In 2018, our team finalized all documentation needed for the Leadership in Energy and Environmental Design ("LEED") certification. Encompassing key elements of our Green Buildings pillar of Sands ECO360, we are proud to announce that in early 2019, The Parisian Macao was certified LEED<sup>1</sup> Silver® for Building Design and Construction.



## Note

<sup>1</sup> The U.S. Green Building Council's LEED® green building program is the pre-eminent program for the design, construction, maintenance, and operation of high-performance green buildings. Learn more at [usgbc.org/LEED](https://www.usgbc.org/LEED).



# ENVIRONMENTALLY RESPONSIBLE OPERATIONS

Pushing to be an industry leader in environmentally responsible operations, we aim to minimize the environmental impacts from our energy and water use, find alternatives to sending our rubbish to landfills, streamline the transportation services we offer, and present our guests with sustainable menu choices.

## HIGHLIGHTS

### ENERGY

In 2018, we accomplished 14 energy efficiency projects, resulting in a 26.3 million kilowatt hour reduction.



### TRANSPORTATION

We set a two-year vehicle replacement plan. Our target is for all our own guest shuttle buses to run on compressed natural gas or electric motor by 2021.



### WATER

Our Vice President of Housekeeping for The Venetian Macao, The Parisian Macao and Sands Cotai Central together with our towel supplier produced a new line of bath linen with a plush inner fabric with a thin decorative border. With the reduced overall weight, we can save on water use, energy and cleaning detergent at each wash.



### FOOD

Between 2017 and 2018, we saw a 400% increase in the amount of organic produce purchased.



### WASTE

Property-wide, we have set a goal to increase waste diversion by 5% by 2020, compared to 2015.

In 2018, 4,613 tons of waste was diverted through various recycling programs.



### FOOD WASTE

Since 2015, we have recorded a 58% reduction in food waste during our bi-annual Clean Plate Challenge.

In 2018, we launched a new pilot program with Dehydra technology. This system can process post-consumer food, and has the ability to reduce 100 kilograms of food waste to 20-30 kilograms, a savings of up to 70%.



### CONSTRUCTION WASTE

Globally, we closely monitor waste generated from construction sites, making conscious efforts to divert waste from landfill.



### PROCUREMENT

In 2018, 22% of our operating supplies spend was on sustainable products, including paper, linen, office and cleaning supplies.



# GREEN MEETINGS AND EVENTS

As one of Asia's most exciting entertainment destinations, we offer some of the best convention and exhibition venues in the region. Our green meeting and events program extends to celebrations of all shapes and sizes. Our vision is to create long lasting impressions by providing caring, genuine service that will transform the entertainment and MICE industry.

## KEY THEME FOOD

- Opting for ingredients sourced within a 300-mile radius while maintaining high standards of food safety and quality, including proteins, base ingredients and natural seasonings.
- Reducing food waste where possible by planning dishes that can be donated to team member dining areas or processed by our onsite digesters.

- Eliminating all forms of single-use plastics by finding alternatives like replacing plastic utensils with silverware.
- Concealing cords and audiovisual equipment with reusable cable trays.
- Replacing printed materials, from program booklets to banners and signage with LED signs and other digital mediums.

## KEY THEME WASTE

## KEY THEME ENERGY

- Ensuring that backdrop signage is lit with LED lighting, minimizing waste and maximizing energy use.
- Setting thermostats at optimal temperatures for comfort and energy efficiency.
- Programming lighting and audiovisual equipment on automatic timers planned by the Conference and Exhibition Team, and Controls Team.

- Supporting the Procurement Department in sourcing more sustainable solutions across different areas, from sustainable seafood to products that have less packaging.

## KEY THEME PROCUREMENT



# STAKEHOLDER ENGAGEMENT

Partnerships help to create initiatives that matter to the community and our business. Over the years, we have developed strong relationships with our suppliers, team members, communities, guests, and other organizations. These collaborations allow us to address our common environmental needs and make our program stronger.



## SOURCING WATER AND ENERGY SMART TOWELS

Together with our long-term terrycloth and linen supplier, Standard Textile, we introduced a new line of luxury eco-conscious towels that save thousands of gallons of water and use significantly less energy and fewer chemicals to launder.

STAKEHOLDER: **SUPPLIERS**



## SERVING COMMUNITIES IN NEED

In an ongoing partnership with Clean the World, our team members packaged 35,000 hygiene kits to provide those in need with shampoos, soaps, and toothbrushes. The kits divert unused hotel room amenities away from landfill, and support sanitation and disaster relief efforts around the world.

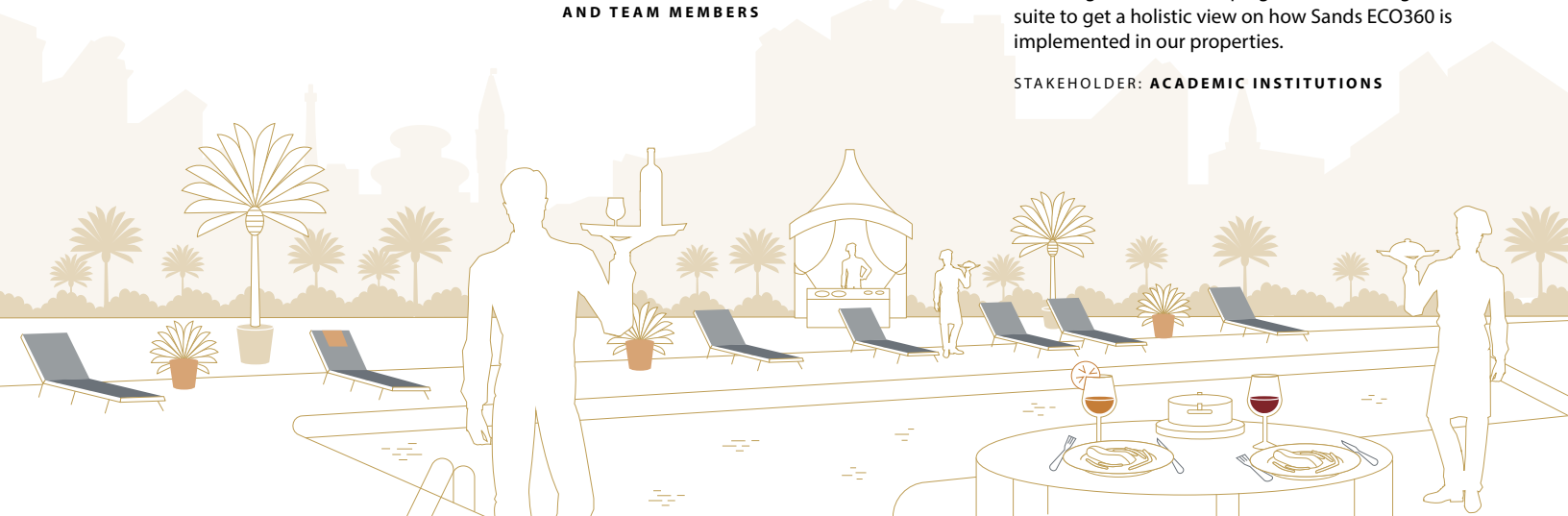
STAKEHOLDERS: **COMMUNITIES AND TEAM MEMBERS**



## RAISING ECO-AWARENESS OF MACAO'S STUDENTS

We invite students from University of Macau, Institute for Tourism Studies, University of Saint Joseph, Macau University of Science and Technology, and Macao Polytechnic Institute to visit our properties as part of Green Future Macao, a local sustainability association. Students were given a tour of chiller plants, recycling dock, food waste digester, housekeeping corridor and a guest suite to get a holistic view on how Sands ECO360 is implemented in our properties.

STAKEHOLDER: **ACADEMIC INSTITUTIONS**



## REDUCING FOOD WASTE IN OUR KITCHENS

Thoughtful meal planning, diligent team member training, creative low and zero waste recipes, and useful equipment such as blast chillers are enabling us to minimize food waste in our kitchens. Testing of new tracking and measurement technologies uncovers further waste reduction opportunities.

STAKEHOLDER: **CHEFS**



## PROVIDING GUESTS WITH NON-PLASTIC ALTERNATIVES

Our guests understand how single-use plastics can slip through the recycling process and make their way into our ecosystems. At Sands China, we eliminated 2.2 million plastic straws and are expanding our efforts to reduce water bottles on the casino floor and find plastic-free alternatives for our hotel rooms.

STAKEHOLDER: **GUESTS**



## BUILDING RELATIONSHIPS WITH WATER ORGANIZATIONS

We met with water authorities to deepen our understanding of local water-related challenges and opportunities. This newfound knowledge will improve our conservation, resiliency, and water stewardship programs.

STAKEHOLDERS: **GOVERNMENT AND UTILITIES**



## GREEN MONDAY AND GREEN CUISINE

Collaboration with local social enterprise, Green Monday, we have launched a program to promote meat-free options to our team members in canteens. Each Monday, a full menu of healthy vegetable-based options are provided to more than 26,000 team members. In addition, we now offer vegetarian friendly options at 14 restaurants across our properties.

STAKEHOLDERS: **CLIENTS, GUESTS AND TEAM MEMBERS**

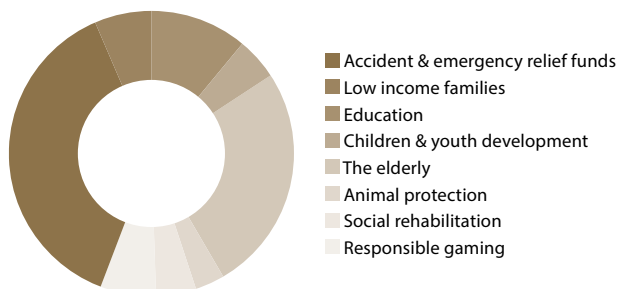
# COMMUNITY

A firm believer in the importance of corporate social responsibility, we engage with the local Macao community as a part of Sands Cares – the corporate giving program of Las Vegas Sands ("LVS"). Founded in 2014, Sands Cares integrates the Company's philanthropic work worldwide, including financial giving, team member volunteerism and in-kind support. The program seeks to make an impact on its team members, those working in the hospitality industry, the communities in which we operate and the planet.



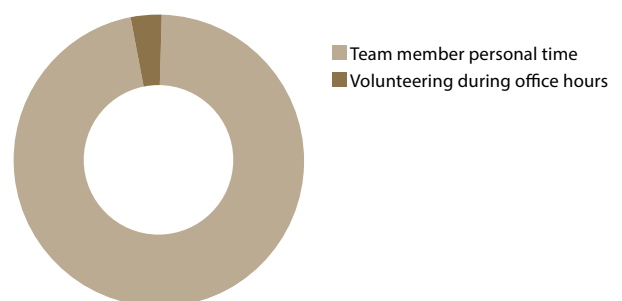
In 2018, we recorded over MOP 6.7 million in total cash donations to charitable organizations focused in eight areas:

## 2018 CHARITABLE DONATIONS



In 2018, the number of Sands Cares Ambassadors nearly doubled, providing 11,608 hours of volunteering hours.

## 2018 VOLUNTEERING HOURS





# GOVERNANCE

Corporate responsibility is deeply rooted in our culture and values. It represents our commitment to the planet, local communities and the people that visit, support or work at our resorts. Overall sustainability governance ultimately lies with the LVS Executive team. Day to day implementation is managed at the local level in order to reflect the challenges and opportunities that are relevant to each operation.

## TRANSPARENCY AND ANTI-CORRUPTION

Ethical behavior is at the forefront of our business, underpinned by a set of policies and procedures set at the global level, safeguarding against all forms of corruption including bribery, extortion, fraud and money laundering.

## CYBER-ATTACKS, DATA FRAUD AND THEFT

During 2018, we received no complaint concerning breaches of customer privacy and have not identified any digital attack incidents resulting in leaks, thefts, or losses of customer data.

## RESPONSIBLE GAMING

At Sands China, our guests and visitors can enjoy a wide range of entertainment. Committed to their well-being as well as the well-being of the greater Macao community, we remain firm in our support of responsible gaming. For more than 15 years, we have been setting an example by establishing self-exclusion and other comprehensive responsible gaming programs, as well as remain in full support of the Gaming Inspection and Coordination Bureau ("DICJ").

## GUEST HEALTH AND SAFETY

The safety of both our guests and team members is paramount for Sands China. In order to ensure that our visitors can enjoy a pleasant experience, the highest standards are placed on health and safety.

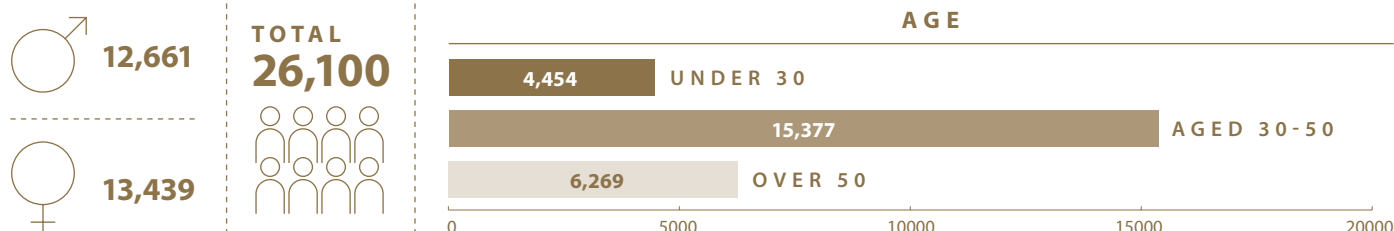
## SUPPLY CHAIN MANAGEMENT

Since 2013, all our suppliers must comply with a series of terms, including human and labor rights, health and safety, environment, ethics and compliance, and monitoring and evaluation, as set by our Supplier Code of Conduct. Each year, we engage a third-party consultant to review a representative number of our suppliers' approach to managing employees working conditions, from wages and benefits to harassment and other terms.

## RESPONSIBLE EMPLOYER

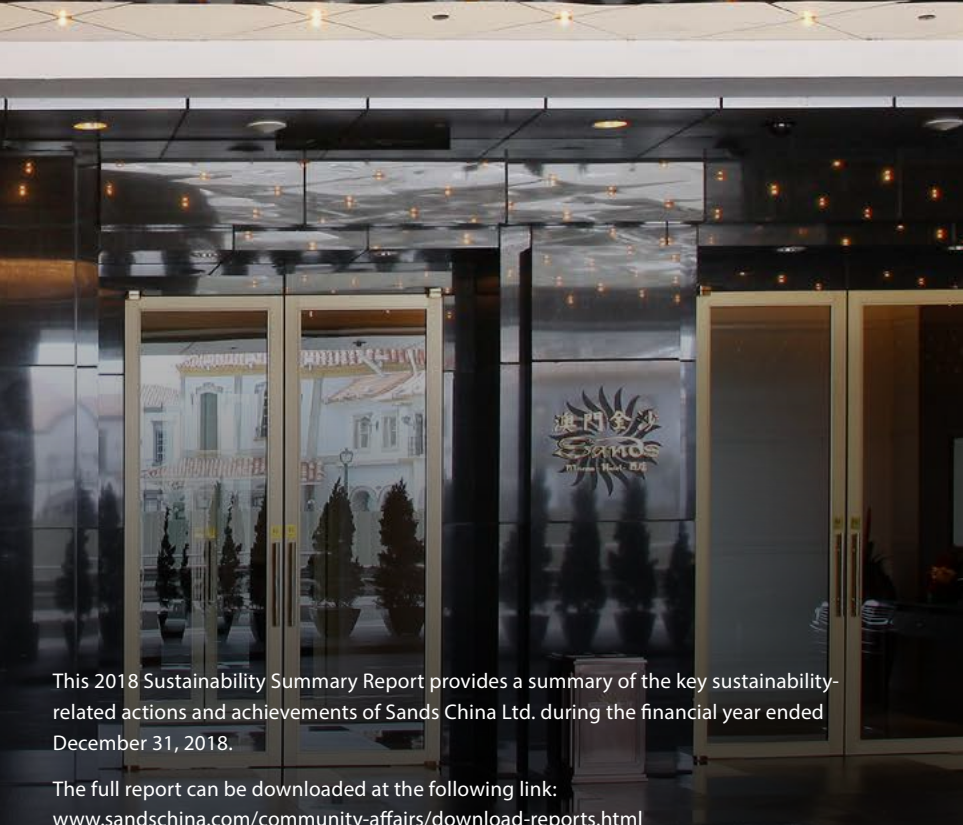
It is important that each and every one of our team members feels safe while at work. This is why in 2018, we launched an Anti-Harassment and Discrimination Policy, the first of its kind across Macao's integrated resorts.

## TEAM MEMBERS AT OUR PROPERTIES



(EXCLUDING HOTEL PARTNERS, OUTSOURCED AND SUB-CONTRACTED TEAM MEMBERS)





This 2018 Sustainability Summary Report provides a summary of the key sustainability-related actions and achievements of Sands China Ltd. during the financial year ended December 31, 2018.

The full report can be downloaded at the following link:  
[www.sandschina.com/community-affairs/download-reports.html](http://www.sandschina.com/community-affairs/download-reports.html)

Sands Macao

# Sands

ECO360  
GLOBAL SUSTAINABILITY

## Sustainability at Sands China

Our responsibility to the planet is as important to us as our commitment to the comfort and well-being of our guests and team members.

The Sands ECO360 global sustainability strategy is designed to help minimize our environmental impact. It reflects our vision to lead the way in sustainable building development and resort operations. Driven by an aspirational idea, made possible through the dedication and hard work of our team members, we continue our journey to a more sustainable future.

Please take a moment to tell us what you think by contacting us at

[SCL.Sustainability@sands.com.mo](mailto:SCL.Sustainability@sands.com.mo)

