RISE to go

MELCO

SUSTAINABILITY REPORT 2024

ABOVE & BEYOND

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ABOUT THIS REPORT

Introduction
Our seventh annual Sustainability Report presents an overview of Melco Resorts & Entertainment Limited's (MRE, Melco, the Company or the Group) sustainability performance for the calendar year ending December 31st, 2024. This and our previous Sustainability Reports are available online.

Reporting Scope and Boundary
The scope of this report comprises our properties in Macau, Manila and Cyprus, encompassing all entities included in our financial statements[1], providing detailed information and data about our performance and advancements in implementing our sustainability strategy across the Group. It also offers information and updates on the evolution of our ongoing plans (refer to 'Forward-looking Statements section' on the right for details) where possible. Financial information is presented in United States Dollars (US$) unless otherwise stated.

Reporting Frameworks
Melco Resorts & Entertainment Limited has reported in accordance with the GRI Standards for the period from January 1st to December 31st, 2024. Melco continues to adopt the most widely adopted global standards for sustainability reporting, which were developed by the Global Reporting Initiative (GRI), an independent, internationally recognized organization.

Since the International Sustainability Standards Board released its International Financial Reporting Standards (IFRS), known as IFRS S1 – *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 – *Climate-related Disclosures*[2] in 2023, we have continued to respond to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We are also preparing to align our disclosures with the IFRS standards, which require consideration of the Sustainability Accounting Standards Board (SASB) standards. As a first step, we evolved our assessment process in 2023 to address both the GRI and IFRS approaches to determine our material topics through a double materiality lens. These lenses consider (1) the impact of our operations on sustainability issues related to the environment, economy and people, including human rights, along the value chain, as well as (2) how these issues, and our response to address them, could be expected to impact Melco's financial performance. Refer to the Assessing Materiality section of this report for details.

The information and data detailed in this report have been compiled through industry research, peer benchmarking, internal data collection systems and engagement with internal and external stakeholders. The results of these essential steps contribute to identifying the material environmental, social and governance (ESG) topics central to our business, and inform the evolution of our RISE sustainability strategy. Recognizing the importance of global cooperation in addressing ESG challenges and opportunities, our strategy aligns with the United Nations' (UN) Sustainable Development Goals (SDGs).

UN SDGs

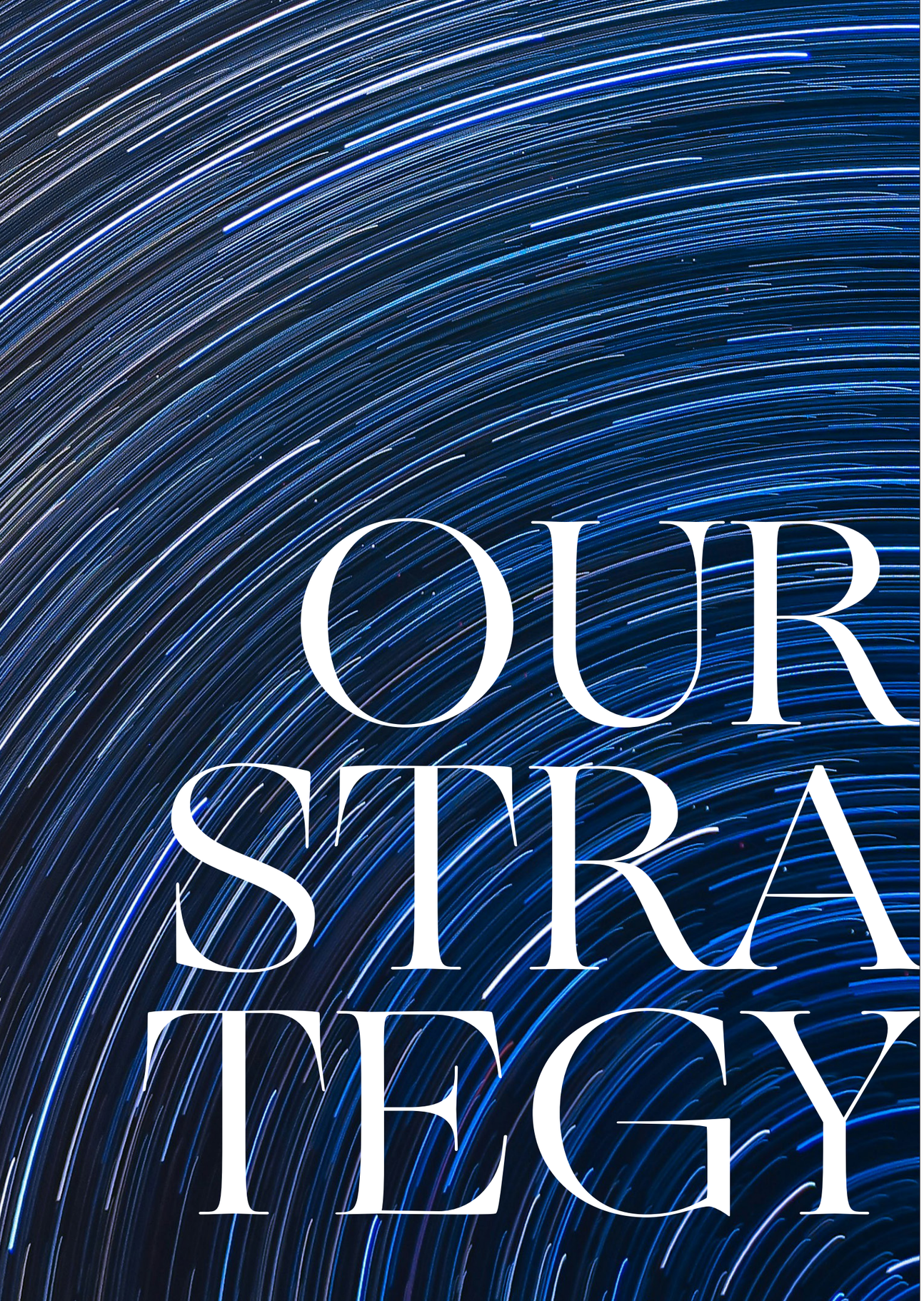
Assurance
Melco's Scope 1 and 2 GHG emission data have been verified by a third-party assurance provider, since the 2019 reporting year[3], and Scope 3 GHG emission data, which comprises energy, water and waste data, since 2022. Assurance statements and details of the process are available for downloading online.

Your feedback on this report, our strategy and goals are most welcome and appreciated. Please email: sustainability@melco-resorts.com with your comments.

Forward-looking Statements
This report contains certain forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995). These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995 and include statements regarding our financial condition, results of operations, businesses, plans, expectations, continuation or future execution of initiatives, programs, activities, policies or disclosures, strategies, goals, targets, intentions, commitments and other statements that are not historical in nature. Forward-looking statements are statements of future expectations based on management's current beliefs, expectations and assumptions. They involve inherent known and unknown risks, uncertainties and other factors beyond our control that could cause actual results, performance, or events to differ materially from those expressed or implied in these statements. These factors include, but are not limited to, Melco Resorts and Entertainment's ability to successfully implement ESG initiatives under expected time frames and the Company's ability to achieve its announced ESG goals, targets and commitments. In some cases, forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "anticipate", "target", "aim", "estimate", "intend", "plan", "believe", "potential", "continue", "is/are likely to" or other similar expressions.

Moreover, because we operate in a heavily regulated and evolving industry and operate across various geographies, including Macau, the Philippines, and Cyprus, new risk factors may emerge from time to time. It is not possible for our management to predict all risk factors, nor can we assess the impact of these factors on our business or the extent to which any factor, or combination of factors, may cause actual results, performance or events to differ materially from those expressed or implied in any forward-looking statement. Additional factors are described in the Company's most recent Annual Report on Form 20-F under Item 3, "Key Information – D. Risk Factors", Item 4 "Information on the Company" and Item 5 "Operating and Financial Review and Prospects" and subsequent filings with the U.S. Securities and Exchange Commission. All information provided in this report is as of the date of this report, and we undertake no duty to update such information, except as required under applicable law.

1. In April 2024, Melco announced its partnership with John Keells Holdings PLC, which involves rebranding the "Cinnamon Life Integrated Resort" as "City of Dreams Sri Lanka" with Melco operating the top five floors of its hotel under Melco's NÜWA brand and commencing casino operations at the integrated resort in the third quarter of 2025. As such, this property is not included in the scope of our reporting for 2024.
2. IFRS S2 subsumed the TCFD recommendations.
3. Third-party review was conducted on 2018 GHG emission data. Limited assurance was provided against the ISO 14064-1:2006 Greenhouse Gas Standard for the years 2019, 2020 and 2021. Reasonable assurance was provided against ISO 14064-3:2019 for the years 2022 and 2023.



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

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Sustainability and Strength

CHAIRMAN & CEO'S STATEMENT

LAWRENCE HO
CHAIRMAN & CEO

Hospitality is more than service—it's about the experiences we create, the people we support and the impact we leave behind. Each year, we challenge ourselves to push this further, believing that luxury and responsibility are not opposing forces but partners in progress—reflected in how we uphold strong governance, manage our environmental impact, support our people and communities and lead in responsible gaming (RG).

This commitment to progress shaped our approach in 2024. It was a year of recalibration, as we continued strengthening operations, reigniting momentum and ensuring our integrated resorts remain at the forefront of excellence. With each decision, we asked: Can we do more? Can we do better?

The answer? Always yes. And it starts with people.

Investing in talent has always been core to who we are, and in 2024, we delivered over 870,000 learning hours through the Melco Learning Academy, equipping our teams to lead the industry forward. Our *REACH!* Program also expanded, offering new mental and physical wellbeing initiatives, ensuring that sustainability includes our people's health and resilience.

And because investing in our workforce goes hand in hand with strengthening communities, we deepened our partnerships with small and medium enterprises (SMEs) and non-governmental organizations (NGOs)—demonstrating that when communities thrive, we all thrive. Through 21 Heart of House (HoH) and community events, generating over US$1 million for local businesses in Macau, we provided 603 SMEs and NGOs with platforms to connect, expand and grow. We also integrated capacity-building programs, job opportunities for people with disabilities, and NGO-supported products into guest experiences like turndown services. These initiatives generate revenue for causes aligned with our values and strengthen our commitment to social inclusion.

Just as we invest in people and communities, we continue to advance our environmental efforts with the same determination. At our integrated resorts, more than 25,000 photovoltaic (PV) panels line our rooftops, quietly generating close to 10,000 MWh of renewable energy each year—a 72% increase in cleaner electricity consumption compared to 2023. Despite a 39% rise in visitation and a 19% increase in hotel occupancy, the intensity of our energy and water consumption, as well as greenhouse gas (GHG) emissions, remained significantly below our 2019 baseline, even with the addition of a new property and an integrated resort. We have also substantively increased the amount of valuable materials diverted through recycling and composting across our global operations—by 58% over last year.

Waste reduction efforts continued to scale, with our NORDAQ water filtration system avoiding 13.2 million single-use plastic (SUP) bottles. At the same time, our focus on circularity led to the recycling of over 763 tonnes of playing cards, a 50% increase over the previous year. Across our dining venues, we also tackled food waste, with our Clean Plate Challenge contributing to a 9% reduction in plate waste across Macau and Manila's colleague dining areas.

All this takes a shift in mindset, proving that small actions, when scaled, can make a significant impact.

This same commitment extends across our supply chain. While the numbers may not always show exponential jumps, our focus on responsible sourcing remains unwavering—18% of all seafood purchased by weight is from sustainable sources; 100% of our food and beverage (F&B) outlets in Macau and Manila serve cage-free eggs, with Cyprus at 74%; 86% of chemicals sourced are rated in the Green and Amber lower-impact categories of our procurement guidelines; and all bed and bath towels have been sourced from OEKO-TEX®-certified suppliers since 2021. These efforts reflect a deeper ambition to embed sustainability into procurement. That's why we are taking a closer look at how we source, who we work with and where we can do better—pushing for greater transparency, strengthening commitments across key categories and deepening engagement with suppliers.

Meanwhile, our commitment to responsible gaming was reinforced with RG Check accreditations maintained for our properties in Cyprus and Manila, alongside ten facilities in Macau earning 'Responsible Gambling Model Unit' status, with nine receiving perfect scores of 100% against the Gaming Inspection and Coordination Bureau's (DICJ) Responsible Gambling Indicators.

We also strengthened governance with targeted board training on sustainability oversight, led by independent experts, equipping our Directors with insights on global ESG trends, industry best practices and accountability in decision making.

> Hospitality is more than service—it's about the experiences we create, the people we support and the impact we leave behind.

And this dedication has not gone unnoticed—Melco was recently named an 'Industry Mover' in the S&P Global Sustainability Yearbook 2025, ranking among the top 15% of the Casinos & Gaming industry based on the S&P Global 2024 Corporate Sustainability Assessment. But the real achievement is not just the recognition—it's the momentum we're building, together.

As we explore new opportunities and deepen our commitment to existing properties, we recognize that the way we grow matters just as much as where we grow. A hotel is never just a hotel. It's a cultural touchpoint, an economic catalyst, a statement of intent. Our entry into Sri Lanka is all three. As we prepare for its full opening in 2025, City of Dreams Sri Lanka—the first integrated resort of its kind in South Asia—embodies our belief that new markets should be approached not just as business opportunities but as platforms for shared progress.

As we look ahead, one truth remains: there is no finish line in sustainability. The real question isn't how far we've come, but how much further we're willing to go.

Ho, Lawrence Yau Lung
Chairman & CEO
Melco Resorts & Entertainment Limited

RISE

Our RISE sustainability strategy guides us to go “Above & Beyond” in achieving our commitments to restore our environment, inspire our people and communities, sustain our supply chain and empower our business to effect change. As we evolve our strategy and its pillar goals and targets, we engage our stakeholders to join us on our journey to realize a **climate-fit and equitable future**.

RISE TO GO ABOVE & BEYOND: OUR SUSTAINABILITY STRATEGY

Restoring our World

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

Inspiring our Communities

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

Sustaining our Supply Chain

- Procuring locally and creating demand for products that have sustainability attributes
- Building capacity and awareness of the social, ecological and biodiversity impacts in sourcing
- Striving to eliminate human trafficking and modern slavery in our industry and supply chains

Empowering our Business

- Operating our business to the highest responsibility, ethical and transparency standards
- Minimizing any risk of occurrence or disruption from data privacy or cybersecurity events

Performance Highlights

Restoring our World

	Goals (disclosed in 2020)	Progress in 2024	Status
ENERGY & CLIMATE RESILIENCE	**Achieving carbon-neutral resorts by 2030**	• In 2024, despite a 39% increase in visitation and 19% increase in hotel room occupancy, along with the addition of one property and a new integrated resort to our portfolio, energy intensity increased by 10% over 2023, yet was 19% lower than our baseline year of 2019	··· IN PROGRESS
		• Energy-efficiency measures (EEMs) since 2018 have resulted in annualized savings of over 62.5 million kWh, an increase of 9% over 2023	★ ACHIEVED
		• Scope 1 and 2 GHG emissions increased by 33% in intensity over 2023, yet were 27% lower than our baseline year of 2019; Scope 3 emissions increased by 21% in intensity over 2023	··· IN PROGRESS
		• More than 25,000 PV panels at all properties in Macau, Manila and Cyprus onsite, generating close to 10,000 MWh annually. Electricity consumption from renewable sources increased by 72% over 2023	★ ACHIEVED
		• Electric and hybrid coaches and vehicles represent 55% of our combined fleet with charging stations up 25% compared to 2023	★ ACHIEVED
		• 35% of our total GHG emissions, comprising Scope 2 emissions from purchased electricity, was offset through purchases of renewable energy instruments that are RE100[4] compliant	★ ACHIEVED
MATERIAL USE & WASTE	**Achieving zero waste across our resorts by 2030**	• Avoided 13.2 million SUP bottles with the NORDAQ water filtration system serving nearly all hotel rooms of our integrated resorts	✓ ON TRACK
		• Majority of guest areas and spas no longer use SUP bottles and have amenities with sustainability attributes	✓ ON TRACK
	Contributing to circular economy leadership in Asia	• Participation rates in our Clean Plate Challenges range between 86% and 97%, helping reduce post-consumer food waste by 9% in grams per individual meal cover in 2024 compared to 2023.	✓ ON TRACK
		• Recycling or repurposing over 763 tonnes of playing cards across our global locations, a 50% increase over 2023	✓ ON TRACK
		• Diversion of 13% of valuable materials from our waste stream through composting and recycling, a 58% increase in amount over 2023, with close to 4.7 tonnes of City of Dreams Manila's compost repurposed by local farms	✓ ON TRACK
	Sourcing sustainable goods and services	• Continued use of sustainable, biodegradable packaging and materials in our F&B operations with all SUP takeaway containers, utensils, drink stirrers and gloves substituted with biodegradable alternatives	★ ACHIEVED
	Reducing our water footprint	• Despite visitation and hotel room occupancy increasing by 39% and 19%, respectively, in 2024 and the addition of one property and a new integrated resort to our portfolio, total water consumption and water intensity increased by only 6% and 2% compared with 2023, respectively, and were 6% and 30% lower, respectively, than our baseline year of 2019	··· IN PROGRESS
		• Achieved annualized savings of over 510,820 m³ through water-efficiency measures, an increase of 10% over 2023	★ ACHIEVED

4. https://www.there100.org/

Inspiring our Communities

	Goals (disclosed in 2020)	Progress in 2024	Status
ENGAGING OUR PEOPLE	**Being the company people choose to work for and stay with**	• Women comprise 23% of our boards and 32% of senior management	··· IN PROGRESS
		• 63% of positions at the "Vice President" level and above have been filled from within our local communities, increasing to 70% in Macau	··· IN PROGRESS
		• Invested an average of US$582 per full-time-equivalent (FTE) employee on learning and development activities, equating to an average of 38 training hours per FTE, with 100%[5] of our colleagues attending training	★ ACHIEVED
		• Over 785,000 participants attended more than 1,400 courses offered by the Melco Learning Academy, equating to over 870,000 learning hours delivered	★ ACHIEVED
		• 3.5% of Macau colleagues participated in over 4,100 Foundation Acceleration Program (FAP) experiences, of which 12% were related to non-gaming activities; 86% of Culinary FAP participants were retained within the Company with a 17% promotion rate upon completion	★ ACHIEVED
		• Over 1,700 colleagues joined our *REACH!* Program to build physical and mental resilience, alongside close to 3,600 engaged in *REACH!* community activities	★ ACHIEVED
SAFETY, HEALTH & WELLBEING	**Being best-in-class in safety for our guests, colleagues and community**	• Average recordable injury and lost-time incident frequency rates both decreased over 2023 by 4.42%	✓ ON TRACK
		• 88% of our colleagues completed the Hotel and Catering Safety Card Training Program in 2024	★ ACHIEVED
		• 3,910 colleagues, including around 2,800 new hires, completed the Hotel Safety Card Training Program	★ ACHIEVED
RESPONSIBLE GAMING	**Promoting responsible gaming and an attitude of staying in control**	• Third-party RG accreditation to the internationally recognized RG Check maintained by City of Dreams Mediterranean and City of Dreams Manila	★ ACHIEVED
		• Ten facilities externally assessed as 'Responsible Gambling Model Units' against DICJ's Responsible Gambling Indicators with nine earning perfect scores of 100%	★ ACHIEVED
		• Over 66,400 training hours spent by close to 114,790 participants joining RG training, with completion rates for the Annual RG Refresher Training of 98% in Macau, 100% in Manila and 98% in Cyprus	··· IN PROGRESS
COMMUNITY ENGAGEMENT & INVESTMENT	**Supporting our communities and strengthening their economic prosperity**	• Close to 3,600 participants volunteered their time and efforts across over 359 volunteering initiatives	★ ACHIEVED
		• Over US$17.42 million donated to worthy causes in our communities	★ ACHIEVED
		• Generated over US$1.02 million for local businesses and NGOs in Macau through 21 SME events[6] with 603 participating SMEs and NGOs	★ ACHIEVED

5. The number of colleagues trained may exceed the total number of colleagues at the year's end, as the figure includes individuals who received training but subsequently left the Company prior to the close of the reporting period.

6. This includes HoH and external roadshows, as well as the Christmas Bazaar, generating direct revenue for SMEs.

SUSTAINABILITY AT MELCO
PERFORMANCE HIGHLIGHTS

Sustaining our Supply Chain

	Goals (disclosed in 2020)	Progress in 2024	Status
ETHICAL & SUSTAINABLE SUPPLY CHAIN	**Procuring locally and creating demand for products that have sustainability attributes**	• 86% of our purchasing was from local companies in Macau, 59% of which was from local SMEs. In Manila and Cyprus, 76% and 40% of our procurement supports local businesses, respectively	★ ACHIEVED
		• 100% of tea served at City of Dreams Manila is from certified organic sources and 100% of coffee purchased in Manila is home-roasted and procured from local suppliers through the Philippines Coffee Board (PCB)-Le Café Filipina	★ ACHIEVED
		• 100% cage-free eggs sourced for our F&B operations in Manila and Macau with 74% at City of Dreams Mediterranean	··· IN PROGRESS
		• 100% of our bed linen and bath towels is OEKO-TEX®-certified, ahead of our 2030 target; in 2024 this was also achieved for bathrobes, mats and napkins	★ ACHIEVED
		• 86% of chemicals sourced in 2024 are in the Green and Amber categories, keeping us ahead of our 2025 target	★ ACHIEVED
		• 18% of all seafood purchased by weight across our properties globally was from sustainable sources	··· IN PROGRESS
		• Over 40% of our venues in Macau, Manila and Cyprus now serve alternatives to meat and 93% of our outlets offer vegetarian options on their menus. Furthermore, 95% of our outlets serve sustainable seafood[7], and lower carbon beef is served at 15 of our outlets in Manila and Macau	··· IN PROGRESS
	Building capacity and awareness of the social, ecological and biodiversity impacts in sourcing	• 17 capacity-building workshops held with 698 attendees, including 434 SMEs, a 47% increase over 2023	··· IN PROGRESS
		• Workshops held for colleagues and 19 SME partners, in collaboration with A Plastic Ocean Foundation, the Mekong Club and Zero Foodprint Asia in Macau on plastic and waste reduction, modern slavery in hospitality supply chains and food system sustainability	★ ACHIEVED
		• Training courses on human rights and modern slavery, developed with the Mekong Club and attended by our colleagues from our security and supply chain teams, were also available to suppliers through our Absorb Learning Academy	★ ACHIEVED

7. As outlined in our Sustainable Seafood Sourcing Guidelines, we define "sustainable seafood" as fish or seafood items from sources that have been certified by international bodies or other standards, or identified as such by recognized, science-based recommendations. Refer to page 097 of the Sustaining our Supply Chain section for details.

Empowering our Business

	Goals (disclosed in 2020)	Progress in 2024	Status
ETHICS & INTEGRITY	**Operating our business to the highest responsibility, ethical and transparency standards**	• 99.13% completion rate of our Corporate Governance induction training on Melco's Code of Conduct in 2024	✓ ON TRACK
		• No material incidents of corruption, anti-competitive behavior or monopolistic practices reported	★ ACHIEVED
		• Continued ethics training and capacity building programs for our suppliers that include business conduct, conflict of interest management, confidentiality and anti-bribery offered	··· IN PROGRESS
PRIVACY & CYBERSECURITY	**Minimizing any risk of occurrence or disruption from data privacy or cybersecurity events**	• Implemented onsite, real-world cyberattack simulation drills for relevant colleagues and teams across the Group to test awareness, readiness to respond and system effectiveness	★ ACHIEVED
		• Launched updated and new data privacy modules for relevant new hires and colleagues on applicable legislation, data processing, data collection and retention requirements	★ ACHIEVED
		• No substantiated complaints concerning breaches of customer privacy or losses of customer data during the reporting period	★ ACHIEVED

SUSTAINABILITY AT MELCO

Understanding What Matters Most

Each year, we engage our stakeholders to understand their evolving priorities, concerns and challenges—enhancing our interactions and identifying new opportunities for collaboration. For this reporting year, we supplemented ongoing feedback channels with internal stakeholder interviews from across our business, as well as interviews with two suppliers who shared their insights for enhancing our management of supply chain risks and opportunities. Our cyclical engagement process will again reprise of a broader sampling of stakeholders through surveys and interviews for our next reporting year.

The table below presents our ongoing channels for engaging our stakeholder groups[8] and their priorities and key concerns, with highlights on how we addressed them in 2024.

	Board Members	Guests	Governments	Investors	Colleagues	Suppliers	NGOs
Ongoing Engagement	• Surveys • One-on-one interviews • Board meetings	• Surveys • One-on-one interviews • Various online platforms • Social media • Mystery guests • Focus groups	• Surveys • One-on-one interviews • Industry forums	• Surveys • One-on-one interviews • Briefings and meetings • Annual General Meeting • Property tours • Investor presentations • Roadshows • Conferences	• Colleague surveys and virtual interviews • Workshops and training • Various online platforms • Hotline • Events: townhall, family days, volunteering and wellness activities	• Surveys and training • One-on-one interviews • Supplier events and forums • Meetings • Assessment of performance against our Supplier Code of Conduct (Supplier Code)	• Surveys • One-on-one interviews • NGO participation in industry meetings • Collaboration on community projects • Colleagues volunteering
Priorities/ Key Concerns	• Ensuring sound policies and procedures • Attracting/retaining the right talent • Enhancing energy, water and waste management • Robust data collection and reporting • Board ESG topic training • Climate change and biodiversity tech investment • Maintaining health and safety standards • Enriching guest experiences	• Maintaining safety and health standards • Responsible gaming • Environmental protection • Customer data protection • Increasing leisure facilities for families • Ensuring service excellence • Healthier and organic food options	• Stable and sustainable economic contributions • Job creation and socioeconomic development • Managing business diversification • Transparent engagement with government • Protecting customer interests • Supporting local communities • Managing environmental impacts • Addressing culture and heritage preservation	• Sustaining financial health • Enhancing sustainability performance and increasing transparency in disclosures • Attracting/retaining the right talent • Expanding disclosures on human rights and diversity, equity and inclusion (DEI) • Anti-modern slavery regulations • Expanding community investment and engagement • Providing clarity on Board dynamics and oversight over ESG performance • Heightened outreach from senior leaders on ESG performance	• Addressing sustainability risks and opportunities, particularly for climate-related risk, water, material and waste management, ethical and sustainable sourcing, DEI, human rights, AI and cybersecurity • Changing mindsets and embedding sustainability into daily operations • Linking employee welfare to broader ESG goals • Investing in sustainability training internally and with suppliers • Expanding SME and community engagement and support, including for tourism opportunities	• Enhancing communication and educational opportunities on sustainability • Ethical sourcing addressing biodiversity impacts • Incorporating sustainability attributes to minimize waste and reduce impact • Maintaining strict safety and health standards • Protecting data and addressing cyber risks • Contributing to local economic development and communities	• Frequency and effectiveness of community outreach • Enhanced communication with community • Raising sustainability awareness • Increasing transparency on sustainability performance
Highlights of our Response in 2024	• Conducted onsite cybersecurity drills to test Group-wide systems and preparedness • Updated corporate policies to meet evolving regulatory requirements, including the Corporate Anti-Money Laundering (AML), Counter-Terrorist Financing (CTF) and Counter-Proliferation Financing (CPF) Policy	• Attained high scores for RG Implementation Index criteria at ten facilities in Macau and RG Check accreditation maintained across operations in Manila and Cyprus • Enhanced Macau's entertainment landscape with the first Dolby Cinema in Hong Kong and Macau	• Continuing to contribute to the diversification of Macau's economy by investing at least US$1.47 billion in total, mainly in non-gaming sectors, to establish it as an international tourism and leisure destination • Trained Cultural Ambassadors through localized training programs across all jurisdictions to promote local culture and heritage	• Provided supplier and colleague training on sustainability practices, including modern slavery • Delivered annual anti-bribery and corruption refresher training to Board members and relevant colleagues • Built local talent pipelines to drive succession planning • Responded to ESG raters	• Built local talent pipelines to drive socioeconomic development • Curated tailored training opportunities for our colleagues • Provided substantive programs to support mental and physical wellbeing	• Implemented effective systems for vendor access to purchase orders, streamlined planning and faster invoice processing • Provided training on topics ranging from sustainable sourcing to preventing modern slavery as well as capacity-building and promotional opportunities for local and SME suppliers across our markets	• Close to 3,600 participants volunteered their time and efforts across 359 volunteering initiatives • Through partnerships, contributed to societal wellbeing by supporting elderly homes, educational initiatives and health-related activities, as well as environmental clean-ups

8. Our identification of key stakeholder groups is guided by the *AA1000 Stakeholder Engagement Standard* (2015). We include all the stakeholder groups highlighted in this section as well as representatives of the local community. In particular, our community outreach, investment and engagement initiatives consider and beneficially target vulnerable groups in our local communities.

SUSTAINABILITY AT MELCO

Assessing Materiality

Determining what is material to our business is an ongoing process that informs our RISE sustainability strategy and reporting, ensuring our operations remain future-fit and resilient. A key part of this approach is assessing both the potential positive and negative impacts of our business along the value chain, staying responsive to stakeholder priorities, and adapting to evolving trends, regulatory requirements and best practices.

In 2023, we undertook an in-depth double materiality assessment of our sustainability issues, considering impact materiality as defined by the GRI Standards and the financial impact criteria of IFRS S1 and the SASB Standards[9]. The assessment involved input from identified stakeholder groups[10], with further details outlined on page 014 of our Sustainability Report 2023. To gain broader insights, we periodically supplement stakeholder interviews with online surveys of close to 3,000 stakeholders, alongside guest satisfaction surveys.

This year, we reviewed our sustainability issues to ensure our approach remains relevant and effective. We interviewed six internal stakeholders leading key functions across the Group and two external stakeholders representing suppliers. Both senior management and our Board of Directors reviewed and confirmed the relevance of our material topics and the integrity of our assessment process.

9. SASB Standards for the Casinos & Gaming and Hotels & Lodging sectors.

10. In 2023, one-on-one interviews with 16 internal and external stakeholders were conducted by our independent consultant, Sedgwick Richardson (SR); previous years also included online surveying of close to 3,000 stakeholders along with guest satisfaction surveys.

MATERIALITY AND STAKEHOLDER ENGAGEMENT PROCESS

Outlined below are the key steps of our double materiality assessment and stakeholder engagement process. Since 2019, we have conducted a systematic materiality process with stakeholder engagement, implemented by an independent consultant. That same year also serves as the baseline for consolidating Group-wide actions under our sustainability strategy.

1 Identification and Review of Sustainability Issues

Annually, sustainability issues are identified and reviewed based on industry research, peer benchmarking, consideration of all stakeholder views across the Group's operations, stakeholder engagement with key groups[11], media coverage, international sustainability initiatives and sustainability reporting frameworks and requirements.

2 Stakeholder Engagement

Our two-phased stakeholder engagement process is outlined below.

1. **Periodic assessment:** internal and external stakeholders rank the potential significance of each sustainability issue through online surveys and one-on-one interviews based on:
   (a) Melco's impact on the economy, the environment and people, including their human rights.
   (b) The issue's impact on Melco's financial performance.
   Stakeholders engaged include Board members, senior management, suppliers/contractors, investors, government representatives, NGOs, customers/guests, media and academic institutions.
2. **Annual review:** representative stakeholders participate in interviews to reassess the ranking of sustainability issues and the significance of the potential impacts, risks and opportunities they present. The output of the materiality assessment is adjusted as needed, with insights incorporated in the RISE sustainability strategy.

3 Evaluation of Impacts

Each year, the outputs of the stakeholder engagement exercise, along with proposed topic groupings for sustainability issues, are evaluated by senior management to confirm the assessment results and determine the threshold for prioritizing material topics. This evaluation considers:

- Criteria of the GRI Standards, IFRS S1 and SASB for assessing materiality
- Sustainability trends, risks and opportunities related to Melco's business
- Concerns expressed directly by stakeholders
- Melco's sustainability impact along the value chain and financial impact over time, based on the criteria of the GRI Standards, IFRS S1 and SASB, prepared by our independent consultant
- What Melco deems as important to the business and our longer-term success considering key risks and opportunities
- Melco's influence on upstream entities, such as suppliers, and downstream entities and stakeholders, such as customers/guests
- Broader societal expectations

4 Outcomes

The outcomes of the double materiality assessment prioritize the sustainability issues based on the potential significance of Melco's sustainability impact and impact on Melco's financial performance. Senior management evaluates the findings, consolidating key sustainability issues into material topics, which are then reviewed by the Chairman & CEO, and the Board. The results inform updates to our RISE sustainability strategy as well as the structure and content of our sustainability reporting.

5 Next Steps

Melco will continually review and refine its stakeholder engagement and materiality process to stay ahead of evolving expectations, priorities and requirements. This includes enhancing alignment with IFRS S1 and S2, while ensuring effective management of impacts, risks and opportunities as our RISE sustainability strategy evolves.

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

SUSTAINABILITY AT MELCO
ASSESSING MATERIALITY

Our Impact along the Value Chain

In 2024, we reviewed the results of our 2023 double materiality assessment to ensure their continued relevance and accuracy. The table below maps our sustainability issues across the RISE sustainability strategy pillars and their nine material topics, identifying where impacts occur along the value chain and identifying the significance of their sustainability and financial impacts in the short and long terms.

This report outlines our approach to managing these impacts for each sustainability issue under their related material topic.

Relative Impact at Value Chain Location ✧ Low ✦ Moderate ✦ High

PILLAR & MATERIAL TOPICS	SUSTAINABILITY ISSUES AND THEIR SIGNIFICANT POSITIVE (+) AND NEGATIVE (–) IMPACT		LOCATION OF IMPACT ALONG THE VALUE CHAIN			OVERALL SIGNIFICANCE OF IMPACT	
			Upstream	Operations	Downstream	Short term (3-5 years) significance by impact ····· overall significance	Long term (5-10 years)
Restoring our World Read more about how we address these impacts: **Energy & Climate Resilience** **Material Use & Waste**	**Climate-related physical risk**						
	+ Investment in property and supply chain resilience, including onsite energy storage systems and ensuring all integrated resorts are designed to withstand the impact of extreme temperature and weather events, will reduce costs, damage and waste and safeguard property and people.	– Property damage, loss of revenues from service and supply chain disruption and increased costs to manage more frequent and severe temperature and weather events, and higher insurance costs or inability to obtain sufficient coverage.	✦	✦	✦	Sustainability Impact / Financial Impact: Critically Significant	Critically Significant
	Climate-related transition risk						
	+ Sustainable building design, energy-efficiency initiatives and moving from fossil-fuel-based energy sources to cleaner energy sources reduce exposure to carbon pricing regulatory mechanisms.	– Net-zero transition policies and carbon prices could result in energy-related inflationary pressures. Fuel usage could be exposed to potential carbon pricing regulatory mechanisms. Impact on operational costs and capital expenditure.	✦	✦	✦	Sustainability Impact / Financial Impact: Critically Significant	Critically Significant
	Energy management						
	+ Cleaner/clean fuels support the energy transition and reduce climate-related risks and costs of mitigation and adaptation. Safeguard health of the environment and society.	– Impact to air quality and climate change. Destruction of life support systems and damage to ecosystems, economies and people. Cost of mitigation and adaptation.	✦	✦	✦	Sustainability Impact / Financial Impact: Critically Significant	Critically Significant
	Nature and biodiversity						
	+ Protection of ecosystems to sustain life support systems, natural resources and quality of life.	– Degradation of life support systems, resources and quality of life. Increased cost of natural resources, including food, will impact operational costs.	✦	✦	✧	Sustainability Impact / Financial Impact: Significant	Highly Significant

SUSTAINABILITY AT MELCO
ASSESSING MATERIALITY

Relative Impact at Value Chain Location Low Moderate High

PILLAR & MATERIAL TOPICS	SUSTAINABILITY ISSUES AND THEIR SIGNIFICANT POSITIVE (+) AND NEGATIVE (–) IMPACT	LOCATION OF IMPACT ALONG THE VALUE CHAIN			OVERALL SIGNIFICANCE OF IMPACT	
		Upstream	Operations	Downstream	Short term (3-5 years) significance by impact / overall significance	Long term (5-10 years)
	Water management + Safeguard the environment by conserving water and reduce costs through efficient use of resources. – Impacts from resource depletion and water scarcity, environmental damage and increased operational costs.	✦	✦	✧	Sustainability Impact / Financial Impact → Significant	Highly Significant
	Material use and waste management + Safeguard the environment by conserving resources and through circularity, and by reducing costs through efficient use of resources. – Resource depletion, environmental damage and increased operational costs.	✦	✦	✦	Sustainability Impact / Financial Impact → Highly Significant	Critically Significant
Inspiring our Communities Read more about how we address these impacts: **Engaging our People** **Safety, Health & Wellbeing** **Responsible Gaming** **Community Investment & Engagement**	**Employee attraction and retention** + Employment and retention of talented, skilled, happy and healthy people, providing job security and professional and personal fulfilment for employees. Contributes to improved financial performance. – Disgruntled and impaired performance impacts professional and personal development, and performance of employees, which, along with unhealthy turnover, impacts operational costs.	✧	✦	✦	Sustainability Impact / Financial Impact → Critically Significant	Critically Significant
	Human rights, DEI, labor practices + Respecting rights and ensuring fair and just treatment of people enhances professional and personal experiences. Diversity of talent, experience and viewpoints supports people and the business to thrive, enhance guest experiences and financial performance. – Unjust treatment of people is immoral, inhumane, and denigrates people, creating a sense of exclusion that impairs their professional and personal development. Lack of diverse talent and thought impairs personal performance and financial performance of the Company.	✦	✦	✦	Sustainability Impact / Financial Impact → Highly Significant	Critically Significant
	Safety and health + Safeguard employees and guests. Enhanced work and guest experience and maintenance of trust, reinforcing brand reputation. – Injuries and fatalities impact people's lives and impair work and guest experiences and trust. Increased operational costs to remediate incidents that do occur.	✦	✦	✦	Sustainability Impact / Financial Impact → Highly Significant	Highly Significant
	Food safety + Adherence to stringent hygiene and food safety standards safeguards health and the guest and employee experience, as well as brand and supplier reputation. – Unsafe food negatively impacts the health of guests and employees, with incidents affecting brand and supplier reputation, and leading to loss of revenue. Increased operational costs arise from potential fines, regulatory noncompliance and measures taken to respond to incidents.	✧	✦	✦	Sustainability Impact / Financial Impact → Highly Significant	Highly Significant

SUSTAINABILITY AT MELCO
ASSESSING MATERIALITY

Relative Impact at Value Chain Location Low Moderate High

PILLAR & MATERIAL TOPICS	SUSTAINABILITY ISSUES AND THEIR SIGNIFICANT POSITIVE (+) AND NEGATIVE (–) IMPACT		LOCATION OF IMPACT ALONG THE VALUE CHAIN			OVERALL SIGNIFICANCE OF IMPACT	
			Upstream	Operations	Downstream	Short term (3-5 years) significance by impact – overall significance	Long term (5-10 years)
	Responsible gaming						
	+ Safeguard patrons to enable them to game responsibly, supporting social harmony and the Company's license to operate.	– Patrons impacted by the negative consequences of problem gaming, impacting social harmony, investor confidence and the Company's license to operate.	✦	✦	✦	Sustainability Impact; Financial Impact — Critically Significant	Critically Significant
	Community investment and engagement						
	+ Enhance the wellbeing of communities and reduce inequality. Enhancing the Company's brand reputation in the communities in which we operate.	– Impaired wellbeing of communities and increased inequality. Negative impact on the Company's brand reputation in the communities in which we operate.	✦	✦	✦	Sustainability Impact; Financial Impact — Highly Significant	Highly Significant
	Culture and heritage						
	+ Celebrating and supporting the development of culture and heritage enhances the wellbeing of people and communities, as well as the Company's brand reputation.	– Lost opportunity to benefit from recognition of culture and heritage to build relationships and foster goodwill among employees, guests and communities.	✦	✦	✦	Sustainability Impact; Financial Impact — Significant	Significant
Sustaining our Supply Chain Read more about how we address these impacts: **Ethical & Sustainable Supply Chain**	**Ethical and sustainable supply chain**						
	+ Responsible business practices avoid risk and environmental and social impacts along the supply chain. Support sustainable business development.	– Lack of responsible supply chain management impairs performance, impacts people, businesses and the environment and leads to loss of business.	✦	✦	✦	Sustainability Impact; Financial Impact — Critically Significant	Critically Significant
	SME management						
	+ Building capacity for SMEs to provide goods and services that meet Melco's ESG goals supports SME development and local economies.	– Failure to build capacity of SMEs reduces Melco's ability to enhance supplier relationships to achieve ESG goals and support local businesses and economies.	✦	✦	✦	Sustainability Impact; Financial Impact — Significant	Significant
Empowering our Business Read more about how we address these impacts: **Ethics & Integrity** **Privacy & Cybersecurity**	**Ethics and integrity**						
	+ Responsible business practices create positive economic development. Trust of and business continuity with business partners. Avoid fines and negative business impact.	– Impaired business performance/ development, impaired reputation, loss of trust and credibility and cost of fines.	✦	✦	✦	Sustainability Impact; Financial Impact — Critically Significant	Critically Significant
	Privacy and cybersecurity						
	+ Safeguard data and information and avoid breaches and remediation costs.	– Impact to people of loss/sharing of data and information. Cost of breaches, fines, legal action and legal/expert services and loss of business.	✦	✦	✦	Sustainability Impact; Financial Impact — Critically Significant	Critically Significant

Sustainability Risk Management

2024 marked a full year of operations after moving on from earlier COVID-19-related disruptions, but stability remained elusive. Geopolitical tensions, trade instability, supply chain disruptions and extreme weather events—fueled by accelerating impacts of climate change—continued to challenge businesses worldwide.

Navigating uncertainty is no longer an exception; it's the norm. Ensuring business continuity requires a robust, interconnected approach to risk—one that strengthens our business operations, supply chain and long-term resilience. At the core of our RISE sustainability strategy is a commitment to creating shared value for all our stakeholders. Working with governments, institutions and partners, we mitigate key risks while driving efficiency and advancing sustainability together.

Our overarching Enterprise Risk Management (ERM) framework, based on industry-standard ISO 31000:2018, provides a consistent process for responding to business and systemic risks. While the Chief Risk Officer (CRO) is operationally responsible for the ERM process, dedicated operational roles and business unit heads own and manage existing, new and emerging risks. The Board's Audit and Risk Committee provides oversight, reinforcing a strong, accountable risk culture.

Existing and emerging risks—along with their potential impacts and mitigation measures—are regularly reviewed, assessed and discussed with the Executive Management team. Each quarter, the results of those discussions are presented to the Audit and Risk Committee, alongside the risk register, which is informed by the 4Ts: Treat, Tolerate, Transfer or Terminate.

Periodic risk management meetings determine necessary mitigation measures for each property, proactively responding to shifting risks. Any new or revised policies and procedures are communicated through email, the intranet and management meetings to maintain alignment across the organization.

The 4Ts of Risk Management

Treat
Tolerate
Transfer
Terminate

Evolving Risks and Opportunities

Each year, we assess rapidly evolving risks that are most relevant to our business—along with the inherent opportunities they present. The following section outlines key risks, opportunities and the measures we take to stay ahead.

Economic Diversification

Melco understands that the long-term financial sustainability of the gaming industry depends on economic diversification, and we continue to develop and implement strategies to achieve this objective. In Macau, our key operating jurisdiction, we fully support the Macau SAR Government's vision to establish the region as a World Center of Tourism and Leisure, attracting international visitors while advancing our own economic diversification. As part of this commitment, Melco has committed to invest at least US$1.47 billion in Macau over the next decade, with US$1.2 billion of the total investment dedicated to non-gaming initiatives. Beyond Macau, we continue to expand our international footprint, reinforcing our position as a leader in integrated resorts.

MITIGATING MEASURES

- Establishing MICE[12] representative offices and roadshows in countries outside of Macau to help promote Macau as an international travel and leisure hub
- Elevating Macau's entertainment scene with top-tier performances, concerts and shows featuring Asian superstars at our properties
- Revamping House of Dancing Water and reopening in May 2025
- Opening a new Cineplex at Studio City in 2024, featuring nine houses, including a Dolby Cinema, one MX4D sensory house and five VIP houses
- Opening Studio City Sk8te Park in March 2025, further promoting Macau as a sport-friendly destination
- Strengthening our international diversification efforts—following the 2023 launch of City of Dreams Mediterranean, we expect to commence operations of both the casino and the Nüwa-branded hotel at City of Dreams Sri Lanka in the third quarter of 2025

OPPORTUNITY

We actively collaborate with governments in our operating jurisdictions to champion economic diversification in the gaming industry. In 2024, we participated in the Macao Government Tourism Office roadshows in places such as Singapore and Thailand, and hosted the Cyprus roadshow at City of Dreams Mediterranean.

12. Meetings, incentives, conferences and exhibitions (MICE).

SUSTAINABILITY AT MELCO
EVOLVING RISKS AND OPPORTUNITIES

Data Privacy

With global data privacy laws tightening, compliance costs climbing and privacy breaches threatening customer trust, staying ahead of evolving regulations is more critical than ever. Newly enacted laws affecting the Company, such as the European Union (EU)'s General Data Protection Regulation and China's Personal Information Protection Law (PIPL), add complexity, particularly where legal interpretation remains uncertain. While we do not process any personal data in mainland China, the PIPL could be deemed applicable to companies operating in Macau, including Melco.

MITIGATING MEASURES

- Appointing a Group Coordinating Data Protection Officer to coordinate Melco's data privacy initiatives with Data Protection Officers in each jurisdiction where we operate
- Protecting the data subject rights of our customers, employees and other stakeholders by keeping the consent forms, privacy notices, data protection policies and operational procedures up to date with the legislative requirements
- Maintaining an Information Security Incident Management Policy, covering detailed procedures to manage a security incident and to minimize any resulting impact

OPPORTUNITY

The enactment of laws in certain jurisdictions has seen Melco heighten our approach to data privacy across all jurisdictions.

Cybersecurity

Cyber threats remain a global reality, with many high-profile attacks on large corporations—including those in our sector—serving as stark reminders of the need for robust cybersecurity systems. The consequences of ineffective cyber risk management extend beyond financial loss and regulatory fines, posing serious reputational risks.

MITIGATING MEASURES

- Protecting Melco's information technology (IT) infrastructure and systems with a comprehensive Information Security Management System certified to ISO 27001 for our Macau operations
- Implementing threat intelligence capabilities to proactively identify potential threats and strengthen defenses
- Establishing agreements and retainers with specialized IT forensic experts, cybersecurity incident response teams, legal counsel and a public relations agency—ensuring immediate access to professional support in the event of a cybersecurity incident
- Mandatory cybersecurity training for all relevant colleagues, alongside regular industry updates for key personnel
- Conducting cyber drills across properties to improve incident response readiness and ensure procedures remain up to date

OPPORTUNITY

By investing in emerging cybersecurity solutions and positioning ourselves as thought leaders in the industry, we reinforce stakeholder confidence in our commitment to minimizing cyber risks.

Climate Action Failure

Extreme weather events, rising global temperatures and their cascading effects on people, biodiversity, and the built and natural environments, continue to intensify. Despite Melco's systematic, united approach to climate resilience, achieving our goal of attaining carbon neutrality by 2030 also requires infrastructure development and governmental action. In certain jurisdictions where Melco operates, limited access to renewable energy slows the transition to alternative energy sources in the short and medium term. Meanwhile, uncertainty in carbon offset markets, including potential shifts in availability and cost, presents additional challenges to our decarbonization roadmap.

MITIGATING MEASURES[13]

- Oversight by Carbon Neutral Working Group, ensuring continuous evolution of our GHG emission reduction, risk assessment and climate adaptation strategies
- Conducting GHG accounting and verification in compliance with the ISO 14064-1:2019 standard, including the expansion of our Scope 3 GHG emission inventory
- Incorporating environmental features into building design and facilities, and adopting energy-efficiency practices
- Offsetting our emissions by purchasing Energy Attribute Certificates (EACs) issued according to i-REC 10[14] Standard requirements

OPPORTUNITY

Our commitment to carbon neutrality by 2030 drives us to uncover innovative technologies and operational efficiencies to reduce and offset our GHG emissions. Our proactiveness in addressing climate resilience across our value chain can provide a genuine first-mover advantage.

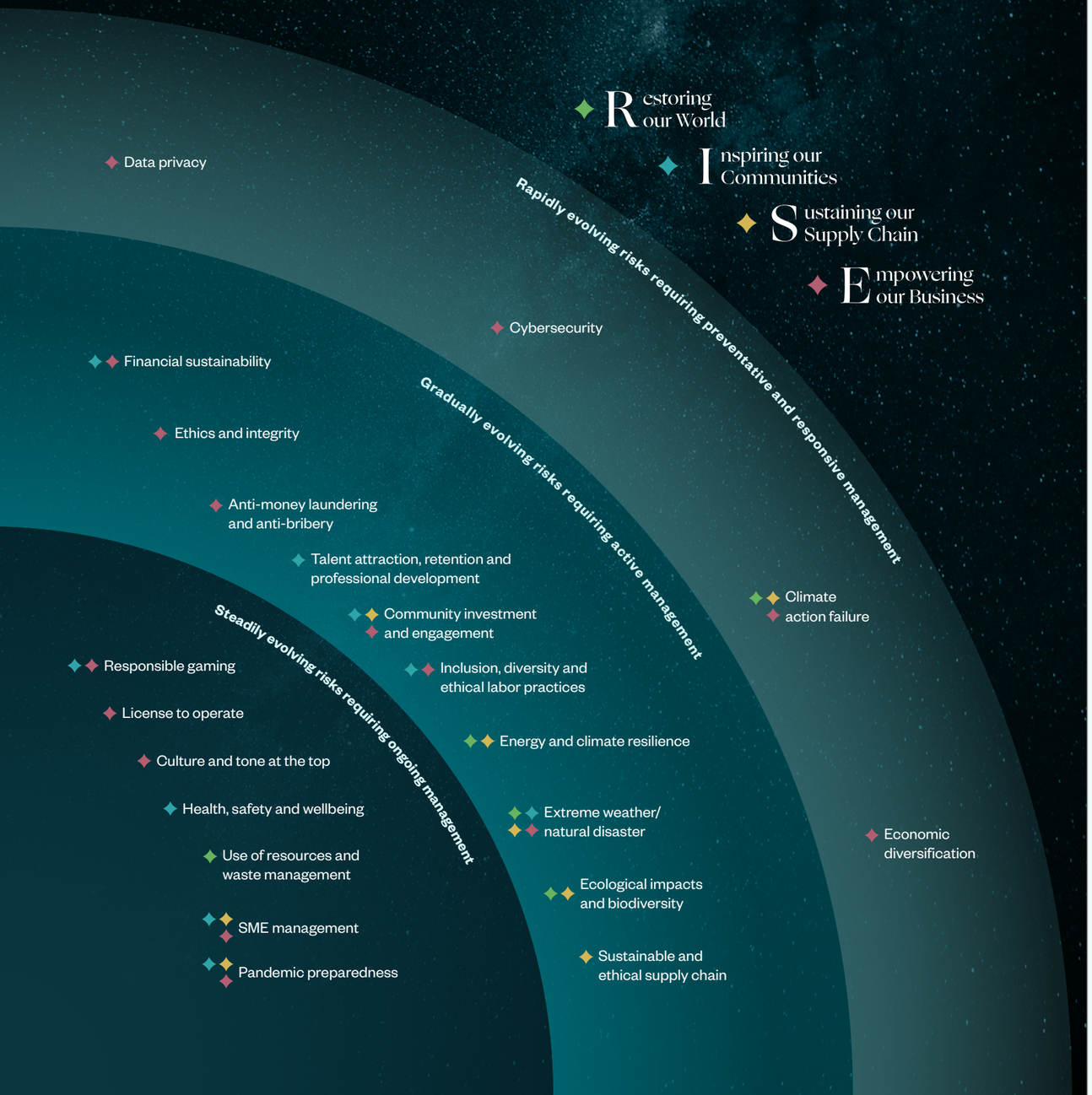
13. For detail on our mitigating measures, refer to our TCFD Content Index section on page 144.

14. International Renewable Energy Certificate Standard.

SUSTAINABILITY AT MELCO

Our Risk Universe

Melco operates in a dynamic environment in which the risks affecting our business are constantly changing. We continually assess our risk universe to determine how quickly each risk is evolving and adjust our approach accordingly. Risks that are rapidly changing require a proactive, preventative strategy, while those with a more gradual rate of change remain under active, ongoing management to ensure resilience. Post-pandemic, we have lowered financial stability back to be a gradually evolving risk.



SUSTAINABILITY AT MELCO

Awards, Certifications and Recognition

Global sustainable development goals and benchmarks shape our approach to advancing Melco's sustainability performance. In 2024, our commitment was reflected in the awards, certifications and recognition we received, outlined below.

AWARDS

- **Asia Gaming Awards** – Best Responsible Gaming Program, 2024
- **IAG Academy IR Awards** – Best Overall CSR Program: Simple Acts of Kindness, 2024
- **Association for Talent Development (ATD)** – BEST Award, 2024
- **Associação de Juventude Voluntária de Macau** – Spread Love Through the City Service Award, 2024
- **Forbes Travel Guide** – Leading with the greatest number of stars among integrated resorts in Asia, with 16 five-star and three four-star awards, 2024
- **MICHELIN Stars** – Eight stars across five of our restaurants at City of Dreams, Studio City and Altira Macau, 2024, maintaining our leadership position in Macau
- **Green Hotel Awards** – Gold Award for Studio City (2022), NÜWA and Morpheus (2021), and Silver Award for The Countdown (2021)
- **Green Key Award** – Studio City, NÜWA, Morpheus and The Countdown, 2024
- **Asian Excellence Awards by Corporate Governance Asia** – Best Environmental Responsibility, 2024 and Sustainable Asia Award, 2024
- **Macau's Labor Affairs Bureau (DSAL)'s Catering Industry Occupational Safety and Health (OSH) Program** – One Special Gold Award, three Gold Awards, two Silver Awards for Best OSH Restaurant across six of Melco Resorts' restaurants in Macau, with one restaurant receiving Bronze and Merit Awards for Outstanding Safety Performance Management and three colleagues winning Bronze Awards for Outstanding OHS Colleague, 2024
- **World Luxury Hotel Awards** – Luxury Sustainable Resort – Cyprus, City of Dreams Mediterranean, 2024

CERTIFICATIONS

- **"RG Check" accreditation** – International, third-party Responsible Gambling Council accreditation across our properties in Cyprus and Manila since 2021 and 2022, respectively
- **DICJ RG Implementation Index** – Ten of our facilities[15] have received recognition as 'Responsible Gambling Model Units' with nine earning perfect scores of 100% against the criteria
- **Forbes Travel Guide Certification** – Melco Resorts' integrated resorts in Macau and the Philippines were among the first in the world to achieve the Sharecare Health Security VERIFIED®
- **BREEAM "Excellent" rating** – Design stage certification for Studio City Phase 2 and City of Dreams Mediterranean. Studio City Phase 2 was the first BREEAM-certified project in China under the category *International 2016 New Construction: Bespoke Scheme* with an "Excellent" rating
- **Hazard Analysis Critical Control Point (HACCP) certification** – City of Dreams Macau has maintained HACCP certification since 2011, Altira Macau since 2014, Studio City since 2021 (Celebrity and Star Tower in 2021, Epic Tower in 2022 and Studio City 2 since 2024), and the restaurants at Morpheus Hotel have been covered under the certificate of City of Dreams Macau since 2022. City of Dreams Mediterranean was certified in January 2024 and City of Dreams Manila applies best practices in conformance with HACCP requirements
- **ISO 45001 certification** – The first in the hotel and entertainment industry in Macau to achieve ISO 45001 certification, recognizing the OSH management system at City of Dreams Macau, Studio City, Altira Macau, Mocha Clubs and the Hong Kong offices
- **ISO 27001 certification** – Certifying the Information Security Management System for our Macau operations since 2009

RECOGNITION

- **S&P Global Corporate Sustainability Assessment (CSA)** – Significantly increased our score by 14 points in the CSA, ranking us in the 93rd percentile of our industry group overall, which is six percentiles higher than the previous year, resulting in Melco Resorts' inclusion as a Member of the S&P Global Sustainability Yearbook 2025 and being recognized as an Industry Mover
- **MSCI ESG Ratings** – Achieved an A rating
- **Carbon Disclosure Project (CDP)** – Scored B for Climate and B for Water
- **Greater China Hotel Business Sustainability Index (BSI) 2024** – Achieved "Achiever" rating (year of assessment 2021/22)
- **Association of Volunteers Social Service Macao** – Outstanding Corporate for Volunteerism, 2019-2024

15. The facilities include City of Dreams Macau, Studio City, Altira Macau (including Mocha Altira), Grand Dragon Casino, Mocha Hotel Grand Dragon, Mocha Hotel Golden Dragon, Mocha Kuong Fat, Mocha Inner Harbor, Mocha Hotel Royal and Mocha Hotel Sintra.

Restoring our World

CONSERVING RESOURCES, ENHANCING CLIMATE RESILIENCE AND RESTORING OUR ECOSYSTEMS

QUICK ACCESS TO MATERIAL TOPICS

Energy & Climate Resilience 034
Material Use & Waste 044

CASE STUDY

Rethinking Food Waste from Source to Plate

When we think about food, climate change isn't always top of mind. Yet, food production accounts for over one quarter—26%—of all the greenhouse gas emissions generated globally, with 6% coming from food waste[16] alone. Recognizing this, we take a multi-pronged approach to tackling wastage.

People love good food—and to feel good about making responsible choices. That's why we engage all colleagues in reducing food waste—from noticeboards, videos and focused training to expert talks, competitions and recognition programs. Participation rates in our Clean Plate Challenges range between 86% and 97%, helping reduce post-consumer food waste by 9% in grams per individual meal cover in 2024 compared to the previous year.

Backed up by precision measurement, our Winnow systems[17] provide real-time insights giving us the data to drive smarter decisions. Winnow Vision tracks quantities and types of food waste from overproduction at all our properties' employee dining rooms (EDRs) and guest buffets at Studio City and City of Dreams Manila, helping chefs refine menus and portion sizes. Winnow Sense weighs plate waste in EDRs to track efforts in reducing post-consumer food waste. This has all led to small changes with big results—from adjusting portion sizes and the replenishment of buffets to repurposing surplus food into soups and other dishes, for example.

"Walking through our EDRs, we can see our efforts to reduce food waste coming to life and we have the data to prove it. For plate waste, we are seeing a downward trend, which is positive."

KEVIN BENNING
SENIOR VICE PRESIDENT AND GENERAL MANAGER AT STUDIO CITY

In addition to efforts to reduce food waste within our operations, we provide ongoing training to suppliers on reducing food spoilage upstream. Downstream, we first reduce the volume of waste with dewatering, then put nature to work with composting and vermiculture to turn food waste into compost. This compost fertilizes our landscaping, and we donate excess to a local farm, which returns healthy herbs and vegetables, like lemongrass and capsicum peppers, for our F&B operations. Refer to the case study in the Sustaining our Supply Chain section on page 089 for details.

Our efforts contribute to UN SDG 12 - Responsible Production and Consumption, working towards the global goal to halve food waste by 2030. We'll keep pushing forward—because every plate, portion and ingredient counts.

16. https://ourworldindata.org/food-waste-emissions.
17. Winnow Vision uses AI technology to identify food waste arising from overproduction in our EDR kitchens and Winnow Sense records the weight of post-consumer plate waste.

RESTORING OUR WORLD

Strategy and Management Approach

Doing less harm isn't enough—we aim to drive real change by cutting waste and emissions while embedding sustainability across our business through our RISE sustainability strategy. While the world navigates geopolitical uncertainty, we continue to stay the course in addressing the global threats of climate change, resource depletion, pollution and biodiversity loss.

We are motivated by our longstanding commitment to inspire our stakeholders to collaborate to achieve a better, sustainable future for all. Achieving carbon neutrality and zero waste across our operations, and contributing to a circular economy, are the overarching ambitious goals we set in 2019 to progress our actions towards 2030. These priorities were reinforced last year when we became the World Sustainable Hospitality Alliance's (the Alliance) founding member in Asia, aligning our strategy with the Alliance's Pathway to Net Positive Hospitality[18].

Driven from the top, our Chairman & CEO's commitment—even during the challenging years during and after the pandemic—has not wavered, continuing to support all our teams to embed sustainability considerations throughout the Group's activities. At a practical level, the Group's requirements and expectations for managing environmental performance within our operations, and along our value chain, are enshrined in our Environmental Sustainability Policy and Code of Business Conduct and Ethics, and Supplier Code of Conduct, respectively.

The Executive Sustainability Committee, led by our Senior Sustainability Advisor, is responsible for keeping us on track to meet the goals and targets of our RISE sustainability strategy and reporting progress to the Board of Directors. Meeting quarterly, the committee guides the implementation of our strategy, allocates resources and monitors progress through three working groups: the Carbon Neutral Working Group, Zero Waste Working Group and Sustainable Sourcing Working Group. These groups include senior leaders and functional representatives from across our operations and report to the Executive Sustainability Committee. Meeting monthly, they seek input from our stakeholders and external technical experts as they develop, implement and review plans and take practical actions to further our goals. Please refer to our Corporate Governance Structure on page 107 for details.

Progress would not be possible without the integration of sustainability thinking at all levels of our organization and the support of our stakeholders along the value chain. Building the capacity and practical skillsets of our colleagues, suppliers, partners and tenants is essential to meet our common sustainability challenges. To support this, we continue to deliver targeted sustainability awareness-raising sessions, both as part of onboarding and for specific operational teams, featuring renowned guest speakers.

KEY GOALS

- Achieving carbon-neutral resorts[19] by 2030[20]
- Achieving zero waste[21] across our resorts by 2030
- Contributing to circular economy leadership in Asia
- Sourcing goods and services with sustainability attributes[22]
- Reducing our water footprint

KEY TARGETS

We established 2019 as our baseline year for measuring progress towards our 2030 goals against the intensity targets outlined below. Since then, we have adopted a variety of energy- and water-efficient technologies, implemented material reduction, recycling and composting initiatives, and raised awareness through stakeholder training. These actions have all contributed towards us making progress towards our Group-level targets for 2030 and driven improvements across our properties.

- → 5% tCO_2e/m^2 intensity reduction in Scope 1 and 2 GHG emissions[23] by 2030, with ambitions for 22% reduction at the Group level
- → 3% kWh/m^2 intensity reduction in fuel and electricity consumption by 2030, with ambitions to achieve between 4% to 8% reduction at the Group level[24]
- → 19% m^3/m^2 intensity reduction in water consumption by 2030, against our baseline year of 2019
- → 5% tonnes/m^2 intensity reduction in non-hazardous waste generation by 2030, against our baseline year of 2019, with ambitions for 24% reduction
- → Diverting 5% of useful materials from disposal by 2030, with ambitions for 24%[25]

MATERIAL TOPICS

Energy & Climate Resilience 034
Material Use & Waste 044

18. https://sustainablehospitalityalliance.org/our-work/pathway/
19. As defined by 2025 edition of The CarbonNeutral Protocol of Climate Impact Partners.
20. To achieve our goal of carbon neutrality, we are focused on first increasing energy consumed from renewable sources, which may be generated onsite or obtained through power purchasing agreements, and then purchasing Energy Attribute Certificates or other market instruments, in quantities equivalent to the amount of energy that is consumed through non-renewable sources.
21. Achieving zero waste means avoiding the disposal of all waste materials to landfill or other treatment or disposal methods that do not involve the recovery, reuse, recycling or repurposing of the material or the generation of energy.
22. A material, product or service is deemed to have a "sustainability attribute" if, when compared to other similar items, it has, or any significant portion of the materials it comprises has, (a) a reduced negative environmental impact at any point throughout its lifecycle (e.g., when it is harvested, produced or managed), (b) an increased positive social impact at any point throughout its lifecycle (e.g., where the economic benefits of its sale accrue to local or marginalized groups or communities), and/or (c) third-party certifications or traceability features attesting to its environmental and/or social benefits.
23. Biogenic emissions are not included in the target boundary.
24. The target has been revised from a property-level to a Group-level ambition.
25. The target was previously stated as being compared against our 2019 baseline. It has been revised to correctly state that the absolute quantity of materials diverted from disposal will be measured against the quantity of waste generated in 2030.

RESTORING OUR WORLD
STRATEGY AND MANAGEMENT APPROACH

HIGHLIGHTS

Reflecting on 2024 and the past five years since setting our ambitious 2030 goals, we have seen a groundswell of support for integrating sustainability across our operations. Beyond launching initiatives to drive progress towards our targets and goals, we have built a solid foundation—policies, systems, stakeholder engagement, training, progress monitoring and auditing—reinforcing sustainability in our operations.

Investments made have also delivered measurable impact, advancing energy, waste, sourcing and water footprint goals and their related intensity targets. Critical to this success has been training and capacity building, with new colleagues at all levels receiving in-person orientation training with an introduction to sustainability. Targeted initiatives, team alignment across the Group and consistent reporting against standardized metrics have further driven progress.

KEY INITIATIVES IN 2024 INCLUDED:

- **Expanded recycling of playing cards** across our markets in Macau, Manila and Cyprus
- **Increased Clean Plate Challenges** in EDRs in Macau, boosting engagement and reducing plate waste
- **Enhanced chef training** on sustainable sourcing and zero-waste cooking through establishing an annual competition and engagement with sustainability F&B leaders in Macau in preparation for Group-wide rollout
- **Accelerated adoption of recycled fabric uniforms,** working to establish guidelines and adopt recognized certifications
- **Strengthened data tracking and credibility in certified sourcing and chain-of-custody verification** for key categories such as seafood and chemicals, while equipping local suppliers to meet our expectations
- **Commenced implementation of a Group-wide information management system** strengthening transparency, accuracy and completeness of sustainability data

In 2024, we participated in a pilot of the Alliance's Net Positive Hospitality Academy with 26 colleagues from various business units across Melco completing online courses tailored to the hospitality industry, ranging from GHG emissions, water and waste to human and labor rights.

Our efforts in ESG disclosure have been externally recognized, with our S&P Global CSA performance significantly improving. In 2024, we are now in the 97th percentile for CSA's Environment module and our overall score increased by 14 points, ranking us in the 93rd percentile of our industry group—a six-percentile jump from the previous year. We have been identified as an Industry Mover and included in the S&P Global Sustainability Yearbook 2025.

Reflecting on the past five years, consistent feedback from our colleagues affirms they distinctively feel a culture of sustainability permeates our day-to-day operations. Across our properties, the shift is tangible—from reduced food waste in EDRs and recycled content in our uniforms to dramatic reductions in SUP water bottles, amenities and packaging, and the adoption of innovative technologies to address energy, water and waste footprints. Our guests recognize it, too—over 80% of post-stay survey respondents associated our hotels with sustainability practices, further validating our long-term commitment.

CHALLENGES

2024 marked a year of getting back on track after years of navigating the pandemic's disruptions. As we doubled down in seeking cost-effective and operationally efficient measures, we never lost sight of balancing environmental and business priorities. With our stakeholders, we consistently worked towards communicating and implementing our RISE sustainability strategy goals across our properties in Macau, Manila and Cyprus. This helped in shifting traditional mindsets and embedding practices such as food waste reduction, composting and recycling into daily operations.

2025 AND BEYOND

As we look ahead to 2030 and beyond, the foundation we have set in aligning mindsets, systems and resources positions us to advance towards carbon neutrality, climate resilience and circular solutions while helping restore our environment. We will continue adapting our strategies based on evolving technologies and locally available solutions, particularly in achieving our zero-waste goal, which depends on locally available waste diversion and conversion options.

Achieving our 2030 goals requires bigger, bolder actions—not just incremental progress. While we continue monitoring and reporting on results, accelerating impact demands stronger engagement, broader collaboration and scalable solutions.

Our priorities remain clear: expanding renewable energy use, improving resource efficiency, cutting waste at the source and strengthening responsible sourcing. To move faster, we are leveraging data analytics and AI, forging new partnerships and enhancing how we communicate sustainability progress to engage stakeholders more effectively.

Additionally, we will critically assess specific opportunities for water conservation and our broader impacts and dependencies on nature. This will guide the adoption of new initiatives to support biodiversity protection and nature-positive solutions.

Energy & Climate Resilience

OUR COMMITMENT

Extreme weather ranks as the world's second most severe risk for the next few years and is projected to take the number one spot for the next 10 years, followed by biodiversity loss and ecosystem degradation, critical change to Earth systems and natural resource shortages[26]. Integrating the latest climate science into our risk assessment and scenario modeling while building climate resilience throughout our value chain is therefore critical for addressing these substantive risks.

To advance our 2030 goal of carbon neutrality, we continue to prioritize new technologies and opportunities for furthering energy efficiency and utilizing renewable energy sources with our stakeholders. As a next step, we consider offsetting unabated Scope 2 emissions through renewable energy instruments.

OUR TARGETS

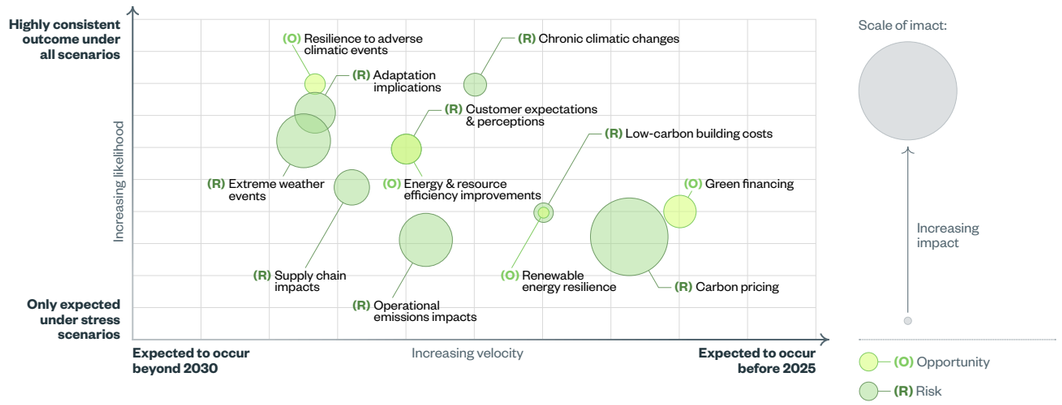
- Achieving carbon-neutral resorts by 2030
- Minimizing the impact of our business on ecology and biodiversity
- Improving the operational performance of all our resorts year-on-year
- 5% tCO_2e/m^2 intensity reduction in Scope 1 and 2 GHG emissions[27] by 2030, with ambitions for 22% reduction at the Group level
- 3% kWh/m^2 intensity reduction in fuel and electricity consumption by 2030, with ambitions to achieve between 4% to 8% reduction at the Group level

HOW WE MANAGE IT

Our climate strategy is driven by two core objectives: reducing our GHG footprint and addressing climate-related risks and opportunities. Oversight of our actions is provided by our Chairman & CEO to ensure we stay on course to achieve our commitment to operate carbon-neutral resorts globally by 2030. Our Roadmap and Action Plan feature time-bound targets and specific actions aimed at decarbonizing our energy consumption and addressing GHG emissions throughout our value chain. Investments in new technologies and resource allocation are planned to systematically reduce

Prioritization of Financially Material CRROs

The below chart displays the outputs for the prioritization of the fully assessed CRROs. Each bubble represents a climate impact focus area.



our externally verified inventory of Scope 1, 2 and 3 GHG emissions along our value chain. Our transparency and accountability in environmental performance have earned us CDP scores of B for both climate- and water-related initiatives and performance[28].

Since 2022, the TCFD recommendations[29] have guided our climate strategy and disclosures, including our assessment of and actions to address potential climate-related risks and opportunities (CRRO). Our approach was updated in 2023 with input from an independent consultant and relevant teams from across our business. As a result, we incorporated financial "value-at-stake" quantifications for our operations in Macau, Manila and Cyprus under various climate scenarios, including current policies and stress scenarios.

As part of our assessment, the likelihood and speed of impact of the CRROs were identified for our analyzed scenarios by timeframe. As identified in the graph above, carbon pricing, which is linked to our mix of energy sources, is the most financially material risk in the near term. This is followed by impacts from operational emissions, implications from climate change adaptation and extreme weather events towards 2030. These key risks are associated with the related costs of water and energy usage, adapting to adverse climatic events, cooling requirements, workforce adaptation and sourcing construction materials. It is also anticipated that insurance and financing costs will increase at pace. On the flipside, opportunities from green financing and building resilience to adverse climatic events represent the main opportunities going forward.

Ensuring compliance with transition-related measures, including carbon pricing and emissions trading scheme regulations, while addressing associated risks, is part of our evolving mitigation plan. In preparation for increasingly stringent requirements in Europe and other markets, we focus on renewable energy generation and implementing energy efficiency measures to mitigate potential additional costs linked to fossil fuel consumption for buildings and vehicles.

Building climate resilience importantly requires preventative measures to mitigate physical risks, such as property damage and supply chain disruptions. Increasing awareness and preparedness among our colleagues and suppliers is equally crucial. Our training programs build capacity for them to seize opportunities to reduce energy consumption and related GHG emissions, and plan for risk mitigation.

26. World Economic Forum, The Global Risks Report 2025.
27. Biogenic emissions are not included in the target boundary.
28. CDP score of "B – Management: Taking coordinated action on climate issues".
29. IFRS S2 subsumed TCFD in 2023; Melco's climate-related disclosures will continue to respond to the TCFD recommendations for the 2024 reporting year as we plan for transitioning to the new standard.

TCFD Response (Summary of Findings)

The full TCFD report, detailing our approach to governance, strategy, risk management, metrics and targets on CRROs, can be found in the TCFD Content Index on page 144.

Climate-related Risks

Transition risks

- *Regulatory pressures and carbon pricing* Melco has high exposure to net-zero transition-related policies and carbon prices that could result in energy and fuel inflationary pressures
- *Resource procurement*
  Net-zero transition-related regulation could also increase exposure to potential commodity price increase pressures

Physical risks

- *Extreme weather events*
  The increase in frequency and intensity of extreme weather events, such as typhoons, could pose a considerable impact to our resorts and could leave Melco vulnerable to increased insurance costs or inability to obtain sufficient coverage
- *Chronic temperature increases*
  Increases in temperatures are likely to require increased energy needs for our resorts to be kept at desired cooling levels to satisfy guest comfort
- *Water stress*
  Increased pressures on water supplies could result in higher water procurement costs for the Company

Climate-related Opportunities

Capital flow opportunities

- Opportunities to reduce the cost of capital through instruments such as green bonds that are linked to the implementation of carbon reduction/green energy initiatives

Renewable energy and onsite generation opportunities

- Sourcing renewable energy and expanding onsite PV electricity generation presents an opportunity to decarbonize our operations as well as mitigate the risks relating to rising fossil-fuel-based energy prices and disrupted energy supply from severe weather events

Sustainable Design

Our commitment to going Above & Beyond is embodied in our properties that integrate pioneering design with aesthetically pleasing environments to uplift our guests, colleagues and communities. On a practical level, our integrated resorts are designed with resource efficiency and climate resiliency at their core. Our specialized teams collaborate closely with professional advisors, partners and suppliers to incorporate best practices in environmentally responsible materials, equipment, systems and technologies whenever possible in the design, operation and renovation of our properties.

This commitment is reflected in the latest properties to join our portfolio: City of Dreams Mediterranean in Cyprus and Studio City Phase 2 in Macau, both achieving the BREEAM[30] "Excellent" rating for the design stage—a first for Cyprus and for any hotel in Macau. Studio City Phase 2 development also became the first BREEAM-certified project in China under the category of *International 2016 New Construction*: *Bespoke Scheme* with an "Excellent" rating.

As always, the latest in sustainable design features and lessons learned from adopting new technologies are shared across the Group for implementation. These environmental features range from responsibly sourced construction materials, low or no emission paint, energy-, water- and resource-efficient systems, PV panels, and greywater irrigation systems to electric vehicle (EV) infrastructure and connections to mass transport. As our newest property, City of Dreams Sri Lanka, is being fit out, a variety of measures are adopted to reduce environmental impact, including:

- Reuse of architectural elements from the building's existing core and shell to minimize demolition of existing structures
- Limited use of resource-intensive and environmentally impactful stone finishes
- Paints, finishes, adhesives and sealants with low VOC content to enhance indoor air quality and reduce harmful emissions
- Procurement of goods and services from local or neighboring suppliers and vendors to reduce transportation emissions

Refer to our previous Sustainability Reports for details on the wide range of initiatives adopted at all our integrated resorts.

30. Building Research Establishment Environmental Assessment Method (BREEAM)

MINI CASE STUDY

Conserving Biodiversity

Safeguarding species diversity and the health and productive capacity of natural habitats and ecosystems is vital for everyone's survival as climate change exacerbates threats to our environment. As our business interactions along the value chain depend on natural resources and ecosystem services, we seek to reduce and responsibly manage our impacts and risks. We also explore opportunities to expand our sourcing of items and services with sustainability attributes and to integrate biodiversity protection into our property planning and operations.

Our sourcing guidelines account for biodiversity across materials such as wood and paper and items like seafood, while new developments and renovations prioritize low-impact designs to reduce potential impacts on the surrounding ecosystem. This has included implementing height restrictions and positioning our building infrastructure to not interfere with the migratory patterns of birds. Advice from ecologists and environmental experts is integrated early on to ensure that any large-scale construction projects and ongoing operations consider potential impacts on flora and fauna.

City of Dreams Mediterranean is located within a protected area; we maintain borderless landscaped zones that facilitate species movement across landscaped areas and natural habitats. These areas include protected wetlands and specific plants that support pollination. Established habitats for arboreal wildlife including birds, bats, bees and insects are actively maintained, supported by native vegetation on the property that is acclimatized to local conditions. Nests for birds are purpose-built to encourage birds to relocate to specified areas and messaging is provided to guests explaining that the birds are protected and their original nests are not to be touched.

As part of a comprehensive landscape plan for our property in Cyprus, treed areas that promote biodiversity are monitored to ensure a thriving and balanced ecosystem is maintained within the integrated resort. Responsible pest management practices and soil and water protection measures also help support the area's biodiversity and contribute to the preservation of the natural environment. Our property team oversees these habitats, including ongoing citrus tree maintenance and planting, as well as a designated, open area for our guests and the local community to enjoy. A post-construction ecology report identified additional measures, such as external lighting controls and fireworks restrictions to safeguard wildlife.

Across our portfolio, energy-efficient façade lighting is maintained at acceptable environmental levels. In Macau, which is along the flight path of the Black-faced Spoonbill, an internationally classified endangered species that is endemic to East Asia, our properties adhere to local government guidelines for non-essential lighting to be turned off between 10 pm and 7 am between the months of October to May.

ENERGY & CLIMATE RESILIENCE
HOW WE MANAGE IT

Energy-efficiency Measures

Reducing energy consumption at source is a priority to progress our goal for carbon-neutral integrated resorts, with our actions guided by international standards[31] for environmental, energy and facility management systems across our properties. Given the energy-intensive nature of our operations, we have long implemented EEMs—from efficient lighting and equipment to optimized systems—with performance actively tracked since 2018.

In 2024, property visitation and hotel room occupancy rose by 39% and 19%, respectively, over the previous year. Despite this, non-renewable consumption rose by 9% in intensity and total energy intensity by 10% over the same period, keeping us well ahead of our 2030 target[32] and demonstrating the positive impact of our EEMs at the property level. This is particularly significant given the addition of a new property and integrated resort to our portfolio in 2023. EEMs implemented since 2018 have resulted in cumulative, annualized savings of over 62.5 million kWh, and initiatives in 2024 resulted in a 9% increase in savings over the previous year.

With the increased visitation and occupancy rates, total energy consumption increased by 14% in absolute terms over 2023 but only 5% over our baseline year of 2019. This was alongside a surge in absolute electricity consumption from renewable sources by 72% over 2023, reflecting a full year of renewable energy generation at City of Dreams Mediterranean. For our integrated resort properties that were included in our baseline year scope and have not substantially changed in their operational footprint since— Altira Macau, City of Dreams Macau and City of Dreams Manila—absolute purchased electricity consumption has reduced by 11%, 9% and 3%, respectively.

Energy consumption at all properties and on a Group-wide basis is monitored monthly. As always, we continuously seek opportunities to enhance existing EEMs, adopt proven measures implemented by other parts of the Group, and explore the feasibility of new technologies as they evolve. Our Executive Sustainability Committee, supported by our steering committees, prioritizes these actions and consults our stakeholders and technical experts to keep us on track to meet our goals.

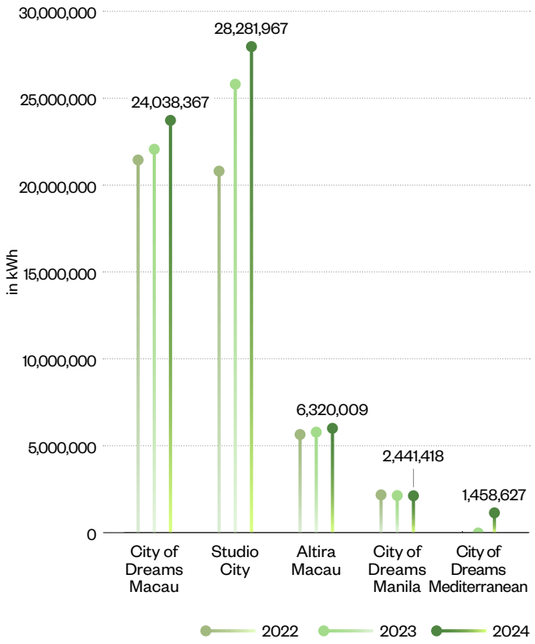
In 2024, highlights of EEMs adopted included:

- LED lighting retrofits in HoH and car park areas and for building façades
- Adjustments to turn-off times for heating systems, water features and façade lighting
- Upgrades or replacements of cooling towers, air handling units, exhaust fans, heat exchangers, heat pump insulation, Heating, ventilation and air conditioning (HVAC) systems and uninterruptible power supply consolidation
- Free cooling systems to naturally cool air to lower temperatures, instead of relying on mechanical refrigeration
- Heat recovery chillers for hot water preheating
- Regenerative elevator drive system to capture and reuse energy produced and service-on-demand escalators

Calculated kWh Savings based on Cumulative Annualized EEMs

(in kWh)

>62.5 million kWh total accumulated annualized savings



31. As the first integrated resort and hotel operator in Macau and Hong Kong to achieve ISO 14001 Environmental Management System (EMS) and ISO 50001 Energy Management System certifications in 2018, as well as ISO 41001 for Facilities Management Systems in 2019, Melco has robust systems in place that cover our portfolio of properties in Macau and Hong Kong, including City of Dreams Macau, Studio City, Altira Macau, Mocha Clubs and Melco's Macau and Hong Kong corporate headquarter offices. In 2023, City of Dreams Mediterranean was certified to the ISO 14001 EMS Standard and Studio City Phase 2 achieved this certification in early 2025.

32. As previously disclosed several years ago, we met our 2030 target for a 3% intensity reduction in fuel and electricity consumption across our properties, compared to our baseline year of 2019.

Energy Consumption by Source and Intensity, and Generated Onsite

(in MWh)

	2024	2023	2022
Fuel consumption from non-renewable sources	**98,125**	67,159	58,381
Electricity consumption from non-renewable sources	**435,637**	401,302	330,179
Electricity consumption from renewable sources[33]	**2,675**	1,555	1,525
Total energy consumption	**536,437**	470,015	390,085
Energy intensity (in MWh/m²)	**0.29**	0.27	0.28
Total renewable energy generated[34]	**4,827**[35]	1,741[36]	1,525

33. PV panel systems were installed at our properties in Macau and Manila in 2019, and in Cyprus in 2023. Renewable energy consumed at City of Dreams Manila has been generated onsite since 2019. Data for 2023 and 2024 consumption also includes renewable energy generated onsite at City of Dreams Mediterranean.

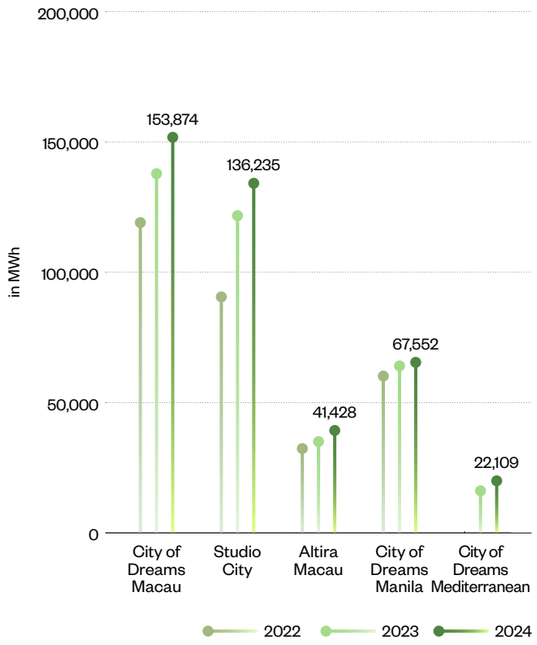
34. The renewable energy generated at both City of Dreams Manila and City of Dreams Mediterranean is consumed onsite and in Macau, it feeds into the electricity grid. In 2023, the renewable energy generated by PV panels at properties in Macau and Cyprus was recorded from October to December 2023.

35. The increase over the previous year primarily reflects a full year of City of Dreams Mediterranean generating renewable energy in 2024, compared to the three-month period of October to December in 2023.

36. The quantity of renewable energy generated in Macau, which is based on data provided by the local grid operator, was adjusted for the year 2023 (a total of 1,761 MWh of renewable energy generated was previously disclosed).

ENERGY & CLIMATE RESILIENCE
HOW WE MANAGE IT

Total Resort-level Purchased Electricity Consumption
(in MWh)



Cleaner Energy and Renewables

Addressing our contribution to climate change drives us to increasingly adopt renewable energy solutions, support cleaner energy development in our markets and source less fossil-fuel-intensive sources of energy.

Year-on-year we continue to scale up EV adoption and accessibility to charging stations at our properties. In Macau, we operate 60 EV shuttle buses, passenger vehicles, vans and carts, as well as 28 hybrid buses and vehicles, representing 55% of our total fleet. In Macau, the percentage of EV shuttle buses and passenger vehicles in our fleet has increased by 7% and 91%, respectively in 2024, over the previous year. We operate 16 EV passenger vehicles and carts in Cyprus and Manila. Across our properties, we have a total of 165 EV charging stations, a 25% increase over the previous year.

In support of our Roadmap and Action Plan for decarbonization, our integrated resorts have installed over 25,000 PV panels that can generate close to 10,000 MWh of energy at full capacity. Details on installations across our portfolio are shared below.

- **City of Dreams Macau and Studio City** – 30,000 square meter rooftop solar project with 18,000 PV panels generates over 7,000 MWh annually at full capacity. As the largest PV project in Macau, this has the potential to reduce 4,700 tCO_2e annually, equivalent to an average gasoline–powered passenger car driving 20 million kilometers[37]
- **City of Dreams Manila** – 3,120 PV panels, which can be exposed to sunshine all year round, can generate 1,500 MWh annually at full capacity
- **City of Dreams Mediterranean** – 4,200 PV panels with the capacity to generate up to 1,200 MWh annually, taking into account reduced generation over the winter months

In 2024, City of Dreams Macau is transitioning part of its energy mix from liquified petroleum gas (LPG) to natural gas, which not only generates less GHG emissions, but is a safer fuel because it is less dense than air and can dissipate faster than LPG in the event of a leak.

As 35% of our total GHG emissions arise from purchased electricity for onsite consumption, transitioning to renewable energy sources is an essential part of our effort to advance towards carbon neutrality. Until the energy grids can supply our needs, we will continue to invest in renewable energy markets in the region by offsetting our Scope 2 GHG emissions by purchasing renewable energy instruments that are RE100[38] compliant. EACs, issued according to the i-REC Standard, and Renewable Energy Certificates (RECs), verified to applicable requirements, are purchased to offset our electricity consumption in Macau, Manila, Hong Kong, Singapore, and Sri Lanka[39] through hydroelectric, wind and PV power projects. Similarly, in Cyprus we offset electricity consumption by purchasing EACs with Guarantees of Origin in Europe that support PV power generation.

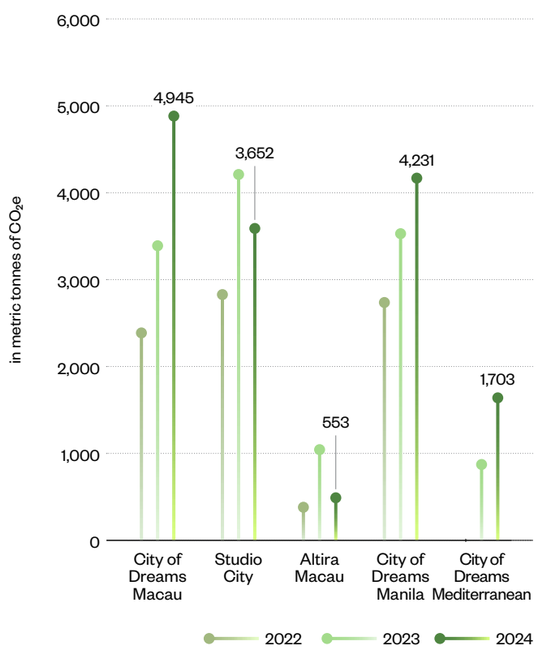
Greenhouse Gas Emissions

From flooding to wildfires, the evidence is irrefutable: we must strive to keep global temperatures below 1.5°C to preserve a habitable world. Businesses must stay the course and reduce GHG emissions to help address the devastating impacts of climate change. Doing our part to adopt the latest energy-efficient technologies, expanding our EV program and enhancing onsite renewable energy generation and consumption, remains crucial.

We take transparency seriously, publicly disclosing our GHG emission inventory, which is verified independently and includes relevant upstream and downstream emissions along our value chain, and our efforts to reduce our key categories of emissions.

Total Scope 1 and 2 GHG emissions (market-based) in 2024 were 4% less than our baseline year of 2019, and intensity was down by 27%, despite the addition of a new property and an integrated resort to our portfolio and reflecting the efficacy of our EEMs. The increase in total Scope 1 and 2 GHG emissions by 33% and 38%, by intensity and absolute terms respectively, in 2024 compared to 2023 is commensurate with the increase in property visitation and hotel room occupancy, which rose by 39% and 19%, respectively, over the previous year. At the property level, increases in GHG emissions are primarily attributable to increased visitation and occupancy, as well as changes in refrigerant consumption and fuel consumption for F&B operations.

Total Resort-level Scope 1 and 2 (market-based) GHG Emissions[40]
(in metric tonnes of CO_2e)



37. https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator
38. https://www.there100.org/
39. EACs procured in 2024 exclude Scope 2 purchased electricity attributed to our office in Bangkok and City of Dreams Sri Lanka (casino and five floors of hotel under Melco's NÜWA brand) that are currently under renovation/fit out.
40. 2024 emissions attributable to City of Dreams Sri Lanka (casino and the top five floors of its hotel under Melco's NÜWA brand) and our office in Bangkok will be updated, in accordance with our Environmental inventory management plan, and disclosed in our 2025 report.

ENERGY & CLIMATE RESILIENCE
HOW WE MANAGE IT

Absolute GHG Emissions by Scope and Intensity[41]
(in metric tonnes of CO_2e)

	2024	2023	2022
Scope 1 emissions	**28,217**	20,392	17,142
Emissions from stationary fuel combustion	**8,249**	6,776	4,962
Emissions from mobile fuel combustion	**13,210**	7,412	7,467
Fugitive emissions from refrigerants	**6,758**	6,204	4,713
Biogenic emissions	**450**	368	212
Scope 2 emissions (location-based)	**265,093**	252,155	208,510
Scope 2 emissions (market-based)[42]	**–**	–	–
Total Scope 1 and 2 emission (market-based) intensity by floor area (in metric tonnes of CO_2e/m^2)	**0.015**	0.012	0.012

Scope 3 GHG Emissions[43]
(in metric tonnes of CO_2e)

	2024	2023	2022
Category 1: Purchased goods and services	**223,089**	167,148	81,164
Category 2: Capital goods	**96,002**	77,461	200,438
Category 3: Fuel and energy-related activity (FERA)	**75,704**	68,529	56,034
Category 4: Upstream transportation	**930**	723	414
Category 5: Waste	**1,159**	1,162	1,181
Category 6: Business travel	**2,053**	1,909	612
Category 7: Employee commuting	**19,288**	11,023	6,412
Category 8: Upstream leased assets	**573**	548	195
Category 13: Downstream leased assets	**49,257**	44,246	31,175
Total Scope 3 emissions	**468,055**	372,748	377,625
Total Scope 3 emission intensity by floor area (in metric tonnes of CO_2e/m^2)	**0.25**	0.21	0.27

Since 2022, we have applied a standardized calculation methodology to measure Scope 3 GHG emissions across the nine categories that are most relevant to our business. As with other scopes and commensurate with the uptick in business in 2024, overall Scope 3 emissions increased in intensity by 21% and in absolute terms by 26% over 2023. The three categories showing more of an increase were employee commuting followed by purchased goods and services, and upstream transportation. Emissions from waste reduced substantively this year over 2023, reflecting the continued progress made in diverting materials to recycling and composting.

We are actively identifying and implementing new opportunities to reduce Scope 1 and 2 emissions from our operations, as well as Scope 3 emissions within our control and those resulting from supplier and contractor activities.

We are focused on reducing the environmental impact of our F&B operations by incorporating more vegetarian and plant-based alternatives into our menus and sourcing meat like beef and duck from lower-carbon suppliers. In Macau, Manila and Cyprus, 93% of our restaurants offer vegetarian options and 40% serve alternatives to meat. Furthermore, 95% of our outlets serve sustainable seafood[44], and lower carbon beef is served at 15 of our outlets in Manila and Macau. Purchasing locally grown vegetables, eggs and hydroponic lettuce, as well consuming herbs and vegetables from onsite gardens, are steps that we take to reduce our Scope 3 impact.

41. Emissions attributed to our office in Bangkok and premises within City of Dreams Sri Lanka under Melco's operational control will be included in an updated inventory for 2024 (subject to meeting Melco's materiality assessment, as defined in our environmental inventory management plan) in our 2025 report.

42. Scope 2, market-based emissions are offset through renewable energy instruments that are RE100 compliant. Refer to the section on Cleaner Energy and Renewables for details.

43. Refer to Performance Metrics on page 126 for detailed footnotes on Scope 3 GHG Emissions.

44. As outlined in our Sustainable Seafood Sourcing Guidelines, we define "sustainable seafood" as fish or seafood items from sources that have been certified by international bodies or other standards, or identified as such by recognized, science-based recommendations. Refer to our Sustaining our Supply Chain section on page 097 for details.

RESTORING OUR WORLD

Material Use & Waste

Conventional reduction and diversion efforts aren't enough—we must go beyond to rethink sourcing, cut unnecessary consumption, optimize resource efficiency and design circular economy models along our value chain.

OUR COMMITMENT

Achieving zero waste to landfill across our integrated resorts requires day-to-day diligence, forward planning and innovation. Conventional reduction and diversion efforts aren't enough—we must go beyond to rethink sourcing, cut unnecessary consumption, optimize resource efficiency and design circular economy models along our value chain. That means planning for reuse, repurposing and recycling wherever possible. When selecting materials, products and packaging or managing food, water and waste, we examine both lifecycle impacts and opportunities for circularity.

OUR TARGETS

- Achieving zero waste across our resorts by 2030
- 19% m^3/m^2 intensity reduction in water consumption by 2030, against our baseline year of 2019
- Increasing our capacity for greywater recycling across all our properties
- 5% tonnes/m^2 intensity reduction in non-hazardous waste generation by 2030, against our baseline year of 2019, with ambitions for 24% reduction
- Diverting 5% of useful materials from disposal by 2030, with ambitions for 24%[45]

HOW WE MANAGE IT

Our resource conservation and waste reduction efforts are led by our Zero Waste Working Group that meets monthly to evaluate progress, pinpoint areas for improvement and devise new initiatives. This includes exploring additional actions, resources, training and partnerships with suppliers, business partners and local governments. We have fostered a culture of resource conservation and waste prevention among our colleagues and stakeholders, working collaboratively to identify opportunities for circularity and environmentally responsible alternatives—without compromising quality, safety or guest experience.

Our initiatives are concentrated on building and renovation materials, SUP, food and food waste, as well as the diversion of recyclables and water management. All our properties focus on conserving materials, avoiding waste and sourcing items, packaging and services with reduced environmental impact. These requirements are outlined in our sourcing guidelines. For details on our sourcing practices, see the Ethical & Sustainable Supply Chain section of this report on page 092.

Materials

Sustainable Buildings and Construction
Achieving internationally recognized sustainable design standards, like BREEAM, and implementing responsible practices and systems throughout the lifecycle of our integrated resorts helps reduce environmental impact, foster community development and enhance brand differentiation. Whether designing new structures or planning retrofits, our team consistently upholds high standards for environmental performance exceeding local compliance requirements and for the responsible sourcing of materials and products. We work closely with our contractors and suppliers to ensure adherence to our expectations across all jurisdictions, including through the application of measures to achieve BREEAM certifications, maintain externally certified environmental and energy management systems and adopt other best environmental practices across the Group.

Eliminating Plastic
A central focus of our RISE sustainability strategy, and our actions over the past six years, has been to reduce the consumption of SUP throughout our value chain. Since joining the Global Tourism Plastics Initiative (GTPI)[46] in 2020—led by the UN Environment Programme and the World Tourism Organization, alongside the Ellen MacArthur Foundation—circular approaches to eliminating unnecessary plastic throughout our value chain have advanced. Examples of initiatives, which were undertaken to address GTPI's six action areas[47] for completion by 2025, were shared in the Case Study on page 029 of our Sustainability Report 2023.

Since establishing our "Problematic Plastic Inventory" in 2022 under GTPI guidelines, we've mapped a 2025 roadmap to address 15 priority items across GTPI's three categories (refer to roadmap highlights on the next page). These range from hard-to-replace items like disposable gloves and cling film to water bottles, which, while relatively easier to phase out, required significant investment in the form of our onsite NORDAQ bottling plants. Today, our NORDAQ system enables us to proudly serve filtered water in refillable glass bottles in nearly all guest rooms of our integrated resorts[48], supplemented with water refilling dispensers in all HoH areas.

To implement our roadmap, we researched and analyzed purchasing data to assess the types and quantities of SUP used across our properties, identifying the top 15 items in our inventory by weight. In 2024, we engaged our suppliers to refine those estimates, gathering data on actual usage and physically weighing key items from GTPI's single-use problematic plastic category, enhancing data accuracy.

45. The target was previously stated as being compared against our 2019 baseline. It has been revised to correctly state that the absolute quantity of materials diverted from disposal will be measured against the quantity of waste generated in 2030.

46. GTPI was formerly known as the New Plastics Economy Global Commitment, to which Melco became a signatory in 2019.

47. GTPI's six actionable commitments by 2030: eliminate problematic or unnecessary plastic packaging and items; take action to move from single-use to reuse models or reusable alternatives; (engage the value chain to) move towards 100% of plastic packaging to be reusable, recyclable or compostable; take action to increase the amount of recycled content across all plastic packaging and items used; collaborate and invest to increase the recycling and composting rates for plastics; and report publicly and annually on progress made towards these targets.

48. The NORDAQ system has yet to be rolled out at our Studio City property in Macau.

MATERIAL USE & WASTE
HOW WE MANAGE IT

Progress on our 2025 Roadmap by GTPI Categories

CATEGORY I: HIGH-USAGE ITEMS
(e.g. toiletry bottles, straws and other frequently used plastic items)

- Water dispensers installed in our HoH areas[49] to replace SUP water bottles
- Over 13.2 million SUP water bottles avoided in 2024[50], with almost all hotel rooms serving filtered water in refillable glass bottles from our onsite NORDAQ bottling plants
- High-filtration water dispensers installed at our restaurants to reduce plastic bottle use
- Recycled polyethylene terephthalate (rPET) bottles are only used where glass isn't feasible, such as poolside, at spas, fitness centers and in limousines. Bottles made from 100% locally sourced, recycled PET, stimulate demand and drives bottle collection
- Small, disposable SUP bottles replaced with large-sized, refillable dispensers for shampoo and other amenities in guest rooms and spas in the majority of hotel rooms
- Guest room amenity packaging switched to paper alternatives
- Lower-impact alternatives increasingly adopted for guest amenities, including bamboo toothbrushes, combs, hairbrushes and pens
- All SUP takeaway containers, utensils, drink stirrers and gloves substituted with biodegradable alternatives in our F&B operations
- Straws made of biodegradable or compostable material

1

CATEGORY II: MODERATE-CONTROL ITEMS AND INCIDENTAL PACKAGING
(e.g. sachets, bags and packaging for chips and sweets)

- Disposable packaging, particularly SUP, increasingly avoided in favor of reusable and/or lower-impact alternatives
- Collection and refill model being adopted by egg suppliers, plastic crates avoided
- Takeaway bags for guests switched to paper bags
- Laundry bags were switched from SUP to reusable materials

2

CATEGORY III: ALL OTHER PROBLEMATIC PLASTICS COMMONLY USED

- Switched shower caps and disposable gloves to biodegradable alternatives
- Guestroom setup streamlined—items such as shoe mitts, shoeshine kits and razors are now available only upon request
- Non-food items delivered internally using pallet buckle belts instead of plastic wrap at warehouses in Macau
- City of Dreams Mediterranean uses raffia fiber string to hang cards with environmental messaging in guest rooms

3

We actively encourage suppliers to develop and incorporate reduced-impact products, packaging and services into tenders, purchase orders and other agreements—advancing circular economy principles in the supply chain. A diverse range of facilities across our properties are managed by tenants, including F&B operations that contribute plastic packaging to our waste stream, as demonstrated by our KAIZEN[51] reviews that identify ways to improve our processes. Melco's Zero Waste Working Group also engages with these tenants to encourage them to explore biodegradable alternatives, sharing our first-hand experience and lessons learned. As we are on this journey together, progress wouldn't be possible without the collaboration of our suppliers and tenants and of course the dedicated support of our colleagues.

Waste and Diversion

Preventing waste generation and maximizing resource efficiency are essential components of our zero-waste strategy. We also implement measures to reuse, repurpose, recycle and compost valuable materials, thereby reducing the environmental impacts associated with waste treatment and disposal. One example is our increased adoption of electronically signed documents, which has enabled us to avoid using close to 777,000 pages of paper, equivalent to saving 456 trees and over 69,000 kg of wood, and avoiding more than 1 million liters of water.[52]

To support waste diversion, our material handling and waste management standard operating procedures (SOPs) direct the actions of our colleagues, and we have established aligned requirements for our suppliers and tenants. Moreover, sorting, storage and collection systems that facilitate effective waste diversion are established in all our buildings.

With visitation and occupancy rates at our properties up by 39% and 19%, respectively, in 2024, waste generated that was sent for disposal increased by 31% over 2023 and by 3% compared to our baseline year of 2019. The combined quantity of waste generated and materials diverted in 2024 increased by 29% in intensity compared to 2023, but decreased by 12% over 2019. In 2024, 13% of our waste stream globally was diverted from disposal through recycling and composting, representing a 58% increase in the amount over the previous year and 291% more compared to 2019.

Food Waste

Reducing food waste—from kitchen prep to plate waste—is cited by colleagues as one of Melco's key achievements in 2024. A diverse array of initiatives has now led to the diversion of 290 tonnes of food waste from disposal. This is an increase of 7% over the previous year and part of a cumulative diversion of 1,140 tonnes since 2019, putting a significant dent in the 43%[53] that food waste comprised in our waste stream, based on an audit conducted in 2019.

It all starts with the commitment of our F&B teams and colleagues and is enhanced by leveraging advanced technologies, including Artificial Intelligence (AI) systems, to reduce waste and enhance operational efficiencies in our kitchens, dining rooms and restaurants. We conduct daily monitoring of food waste from overproduction in our EDRs at City of Dreams Macau, Studio City and City of Dreams Manila and review this data monthly with our F&B teams. Additionally, plate waste is tracked across all our properties in Macau and Manila, with City of Dreams Mediterranean soon to begin.

49. Dispensers have also been installed at Celebrity Tower since January 2020, NÜWA Macau, Star Tower, NÜWA and Nobu in Manila in 2021, Altira Macau in 2022 and at our offices in Macau in 2023. Work is underway to roll out the system at Studio City Phase 2, City of Dreams Mediterranean, Morpheus and Hyatt Regency.
50. When the NORDAQ system is installed for all properties in Macau, we will avoid an estimated 14.8 million plastic bottles annually.
51. https://kaizen.com/what-is-kaizen/
52. Estimations of avoided paper consumption, including composition of virgin and recycled fibers, are based the assumed quantity of paper and envelopes avoided, and by applying the methodologies of www.papercalculator.org and the Environmental Paper Network's 2018 State of the Global Paper Industry Report.
53. The volume of food waste and its portion of our total waste stream was determined based on an audit conducted in 2019 that included an assessment of waste arising from our colleague dining areas and associated kitchens, restaurants operated by Melco and our tenants, guest rooms and onsite facilities.

SIGNATURE CASE STUDY — CITY OF DREAMS MANILA

Circularity in Action: Fork to Farm to Fork

City of Dreams Manila has established a circular economy that starts with food waste reduction, includes composting and vermiculture, and provides compost for farms to grow some of the vegetables we proudly serve our guests.

Managing Production and Plate Waste

Avoiding food wastage starts with precision planning—having the right menu options and food quantities for both our guests and colleagues. Comprehensive training for our F&B staff on ordering, production management, storage and innovative menu creation is reinforced by AI-powered Winnow[54] systems to evaluate and monitor our performance.

Winnow Vision analyzes and weighs food waste quantities arising from our kitchens and food served to colleagues at all our properties, including guest buffets at Studio City and City of Dreams Manila. The system not only weighs food waste from overproduction but analyzes its composition so action can be taken to reduce food wastage by item. Winnow Sense, meanwhile, tracks the composition of plate waste in our EDRs, providing valuable information to encourage our colleagues to take only what they need.

This year, we again fine-tuned our internal processes based on the results of our KAIZEN review of waste handling with a focus on reducing and diverting waste and improving data accuracy. SOPs were updated and Melco's sustainability team directly engaged chefs and F&B colleagues on how to properly use and calibrate the Winnow machines and better manage food waste bins. We also conducted monthly reviews of progress that included guidance on how to interpret data to further reduce waste from overproduction and plate waste. New instructional videos on proper food waste handling were also launched, along with information updates on HoH noticeboards.

In 2024, our sustainability and food safety teams collaborated to assess the proper use of Winnow machines and waste segregation practices as part of existing internal, food safety spot checks and audits. To address audit recommendations for reducing the key categories of food waste, our chefs have focused on batch control and reducing wastage in F&B operations, resulting in 5% less overproduced food waste in 2024 compared to 2023.

54. Winnow Vision uses AI technology to identify food waste arising from EDR kitchens and guest buffets at Studio City and City of Dreams Macau, and Winnow Sense records the weight of post-consumer plate waste.

MATERIAL USE & WASTE
HOW WE MANAGE IT

To deepen engagement in 2024, targeted training on sustainable sourcing and zero-waste principles was provided to 74 culinary team members in Macau. This included sourcing items with sustainability attributes—from responsibly sourced seafood and cage-free eggs to local and seasonal produce. Later in the year, a Sustainability Culinary Competition brought together 30 chefs across our integrated resorts in Macau, challenging them to create innovative dishes using sustainable ingredients and cooking methods. Divided into 15 groups, participants were judged by three internal chefs and members of Melco's sustainability team on taste, presentation, ingredient choices and their knowledge of sustainability.

Dishes showcased the chefs' talent—from their carefully sourced ingredients ranging from sustainably sourced seafood, local seasonal vegetables and fairtrade chocolate, to their creative cooking methods. For example, when vegetables were featured in the main dish, pickled vegetable trimmings were served on the side, or an entire pumpkin was used in a dessert—from skin to seeds to flesh. Additionally, as part of the competition, guest chef Richard Ekkebus, Director of Culinary Operations and Food & Beverage at The Landmark Mandarin Oriental, Hong Kong, who has earned three MICHELIN stars and Green Star for excellence in culinary and sustainability, shared insights and his experience of transforming the industry, further inspiring our chefs to embed sustainability in their craft.

In Manila, our chefs have refined buffet preparation to minimize food waste. Dishes for EDR buffets are cooked in larger batches at the start of the day, with portions gradually reduced as the day progresses and new batches only made when there are less than two trays available. Other actions to avoid wastage include only providing two menu options at breakfast and lunch, not serving fish with bones and serving rice in smaller portions to prevent excess.

Wasting food isn't just bad manners—it's bad business. Our Clean Plate Challenges have turned plate waste into a competition, and colleagues are stepping up. In 2024, weekly challenges had average participation rates between 86% and 97% across City of Dreams, Studio City and Altira Macau, Plate waste has reduced by 9% at all our properties in Macau and Manila in 2024 compared to the previous year. In Macau, a weekly Waste Separation Game Booth lets colleagues test their recycling smarts. After demonstrating that they had successfully cleaned their plates, colleagues could take a quiz about recycling and the proper handling of various packaging types to win prizes. The movement has spread with high participation rates replicated across all our EDRs. Even on days when City of Dreams Manila's weekly Clean Plate Challenge isn't conducted, a "no waste" culture consistently delivers clean plates.

Clean Plate Challenge Participation Rate[55]

(%)

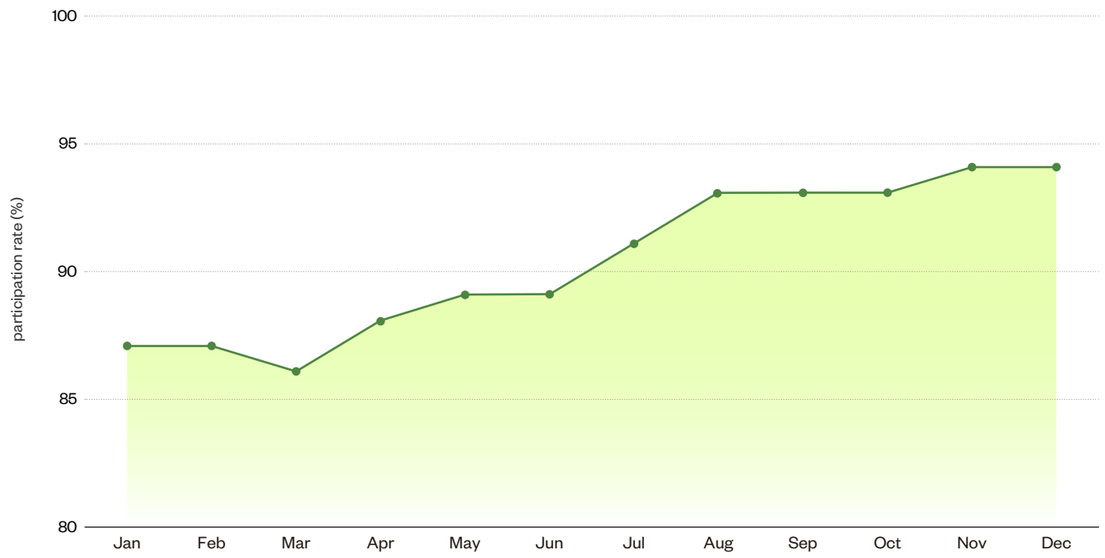
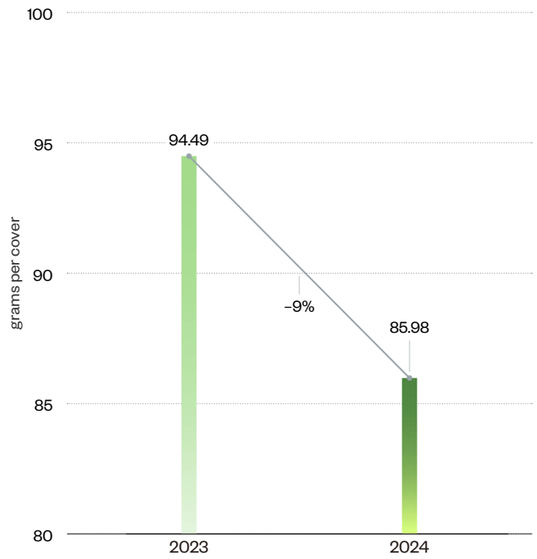


Plate Waste Reduction at Colleague Dining Rooms[55]

(grams per cover)

–9% plate waste reduction from 2023 to 2024



Composting

Composting and vermiculture have long been part of our circular economy efforts. Across our integrated resorts, our Zero Waste Working Group drives food waste diversion, turning waste into nutrient-rich compost. The process starts with dewatering, followed by processing remaining food waste onsite to cut landfill waste and fertilize our landscapes and local farms instead. A total of close to 290 tonnes of food waste was diverted from disposal through composting.

At City of Dreams Manila, over 3,700 liters of Vermitea and close to 5,000 kg of Vermicast are harvested as fertilizer to nourish an onsite herb garden and other horticulture grown at the property. Embracing a "waste not want not" mindset, over 4,500 kgs of compost generated from food waste was provided to a partnering farm in Manila this year, helping grow lemongrass and red and green capsicum peppers—which in turn return to our kitchens, completing the cycle. Refer to the case study in the Sustaining our Supply Chain section on page 089 for details.

At City of Dreams Mediterranean, colleagues tend a garden to grow tomatoes and cucumbers, with over 160 kgs of herbs also harvested—a small but impactful step to closing the loop at source.

55. At City of Dreams, Studio City and Altira Macau

MATERIAL USE & WASTE
HOW WE MANAGE IT

Other Diversion Highlights
We continue to expand recycling efforts across all our markets by working with local businesses to collect and process waste including paper, metal, used cooking oil, glass bottles, batteries, plastic and soap. Onsite compactors are used at City of Dreams Mediterranean to reduce the volume of paper and plastic materials before they are sent for local processing. A major 2025 initiative planned at City of Dreams Manila will see used cooking oil and grease trap waste repurposed into biodiesel.

Beyond recycling, other items targeted for reuse and recycling include electronics, light fixtures, ink toners, coffee capsules and mattresses. At City of Dreams Manila, over 700 mattresses were raffled to colleagues, ensuring practical reuse while reducing waste.

Through the NVC Foundation[56] in the Philippines, recycled materials, including coffee capsules, are collected and repurposed into artwork, providing both livelihoods for artisans while funding the Artisans of Hope initiative. Proceeds contribute to the MINGO Feeding Program, supporting undernourished Filipino children.

At our Macau resorts, soap collected for repurposing increased by 230% in 2024 over the previous year. Organized by Clean the World Asia[57], this initiative distributes recycled bars of soap hygienically to children and families in Asia and beyond.

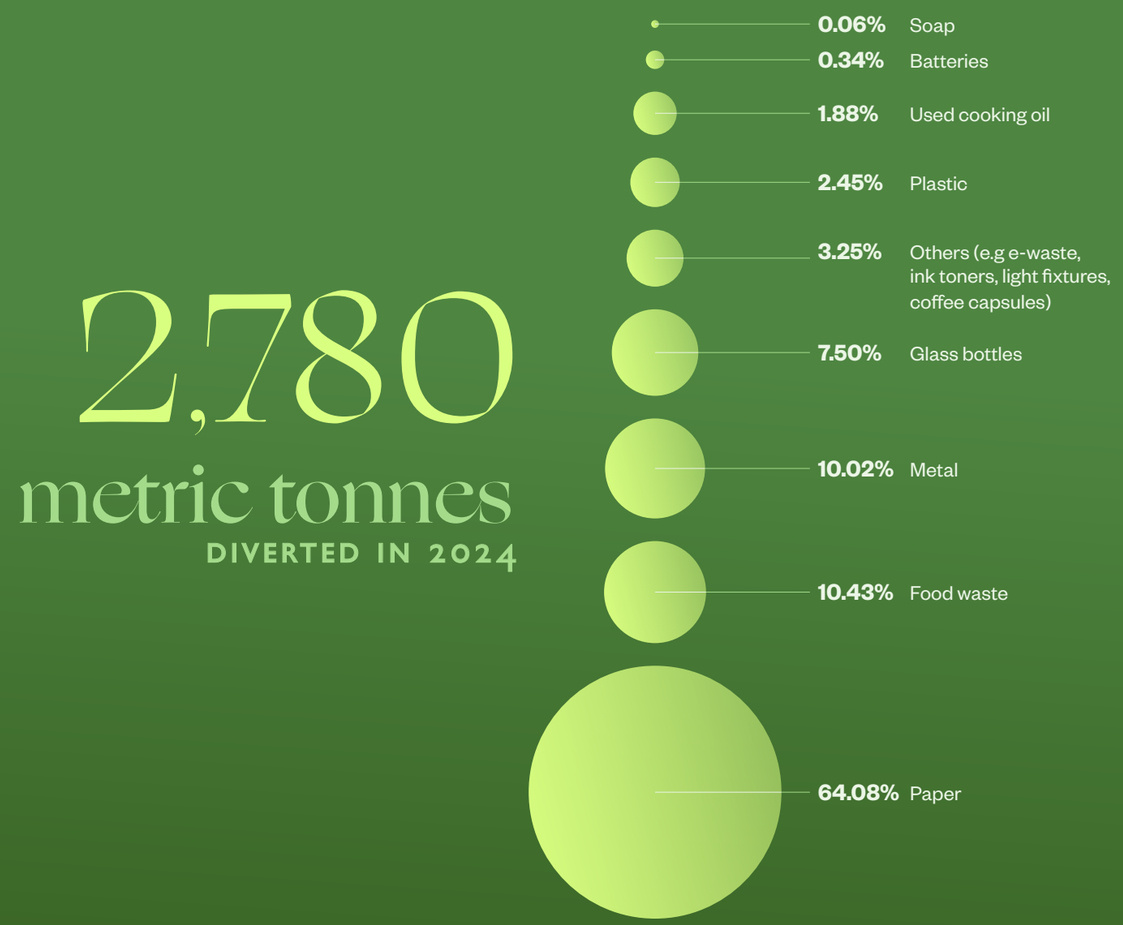
Given our business, recycling playing cards remains a key circularity initiative. In 2024, our properties in Cyprus, Manila and Macau (Studio City and City of Dreams) collected over 763,400 kgs of playing cards for recycling—a 50% increase over the previous year. We have engaged SMEs in our communities to recycle shredded cards into useful products that include, for example, coffee cup holders, coasters, calendars and other items available at our coffee shops in Macau. In Manila, the cards are upcycled into chipboard, used for noticeboards and as an alternative to wood in appliance and fixture baseboards.

Material Diversion and Waste Generation[58] with Intensity[59]
(in metric tonnes)

	2024	2023	2022
Composting	**290**	272	262
Recycling	**2,491**	1,486	735
Total materials diverted	**2,780**	1,758	997
Incineration	**15,972**	11,956	5,657
Landfill	**2,241**	1,916	1,026
Total waste generated	**18,213**	13,872	6,683
Total materials diverted and waste generated	**20,993**	15,630	7,680
Intensity of materials diverted and waste generated (in metric tonnes/m²)	**0.011**	0.009	0.005

56. https://www.nvcfoundation-ph.org
57. https://www.cleantheworldasia.org/
58. Refer to Performance Metrics for information on hazardous waste generation.
59. Figures have been rounded.

MATERIAL DIVERSION BY TYPE IN 2024



Total materials diverted and waste generated (in metric tonnes)
20,993

Composting (in metric tonnes)
290

Intensity of Materials Diverted and Waste Generated (in metric tonnes/m²)
0.011

Recycling (in metric tonnes)
2,491

MATERIAL USE & WASTE
HOW WE MANAGE IT

Water

Clean water is a fundamental need, yet its availability is increasingly threatened by climate change. As a business with a significant role to play in responsibly managing water resources, we conserve water at source, ensure wastewater is discharged in compliance with regulatory standards and implement water-efficiency initiatives and technologies without compromising the guest experience. Our measures are designed to achieve optimal water-efficient consumption levels set by BREEAM standards. Progress and performance are monitored monthly by the Carbon Neutral Working Group and assessed quarterly by the Executive Sustainability Committee.

At all our properties, we continually refine and enhance the following water-saving strategies while maintaining and upgrading equipment as needed to optimize performance:

- **Water-efficient fixtures and smart automation** – Low-flow toilets, shower heads, faucets and nozzles are increasingly installed to minimize water use without compromising guest comfort. Sensor-based flushing and automated faucets are also being rolled out to reduce unnecessary water consumption, along with pulse metering to enable real-time leak detection.
- **Recycled water systems** – Collected and treated water from basins, showers, condensate, cooling tower bleed-off and reverse-osmosis systems is repurposed for toilet flushing and irrigation, reducing reliance on freshwater sources.
- **Optimized kitchen operations** – Air defrosters prevent unnecessary water use in food thawing, while scaling solutions minimize the frequency of water pan drainage in kitchens.
- **Enhanced pool and water feature management** – Filtration systems upgraded with recycled glass media reduce water demand, while optimized backwash operations further improve efficiency. Onsite vegetation and landscaping features also help reduce wind-driven evaporation losses.
- **Rainwater harvesting** – Collection systems capture rainwater for onsite irrigation, with seasonal schedules tweaked to optimize watering cycles and reduce waste.
- **Training and awareness** – Focused training for cleaning and maintenance teams ensures vigilant conservation practices across properties, reinforcing responsible water use.

House of Dancing Water experience at City of Dreams in Macau is returning in May 2025. Since its first opening, it has used a sophisticated filtration system and large-scale water storage tank that enables water to be reused repeatedly, avoiding the consumption of 2,000 m³ every month, equivalent to saving the water of ten Olympic-sized swimming pools per year.

To further our target for increasing capacity for greywater recycling, we seek to establish collection and treatment systems. In 2024, the quantity of recycled water consumed onsite reduced over the previous year as systems were maintained and upgraded, and several of our properties invested in additional greywater recycling measures.

Recognizing that visitation and occupancy across our portfolio increased year on year since the pandemic, our total water consumption and water intensity increased by 6% and 2% compared with 2023, respectively. When comparing consumption in 2024 against our baseline year of 2019, significant reductions of 6% and 30%, in absolute and intensity terms, respectively, have been achieved despite the inclusion of our two newer properties, City of Dreams Mediterranean and Studio City Phase 2 with the Studio City Indoor Water Park. This demonstrates that the measures we have progressively implemented across our portfolio since 2019 have helped reduce our water footprint, which resulted in annualized savings of 510,820 m³ in 2024 and a 10% increase over 2023.

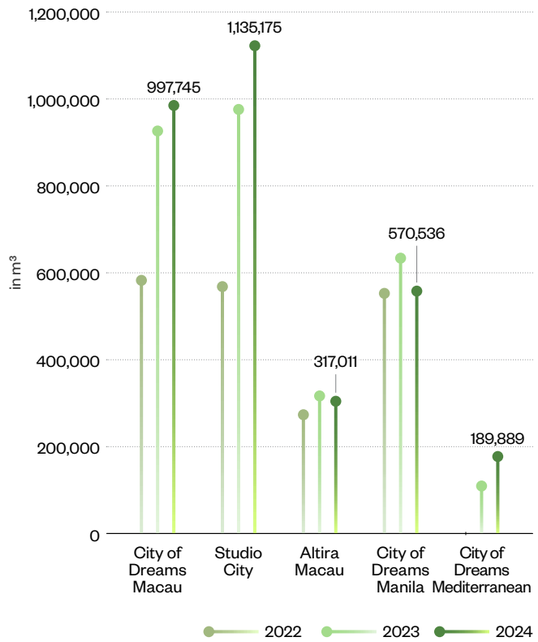
Calculated Savings based on Cumulative Annualized Water-efficiency Measures (WEMs)
(in m³)

Property	Annualized Water Savings (m³)		
	2024	2023	2022
City of Dreams Macau	**41,958**	39,758	39,758
Studio City	**207,730**	197,330	178,835
Altira Macau	**15,394**	15,394	27,318
City of Dreams Manila	**219,091**	213,822	217,714
City of Dreams Mediterranean	**26,647**	–	–
Total	**510,820**	466,304	463,625

Water Consumption by Source and Intensity
(in m³)

	2024	2023	2022
Municipal water	**3,242,942**	2,853,466	2,104,286
Recycled water	**16,094**	218,225	217,714
Total water consumption	**3,259,036**	3,071,691	2,322,000
Water intensity by floor area (in m³/m²)	**1.77**	1.74	1.66

Total Resort-level Water Consumption
(in m³)



Inspiring our Communities

MAKING A MEANINGFUL DIFFERENCE FOR OUR PEOPLE, GUESTS AND COMMUNITIES

QUICK ACCESS TO MATERIAL TOPICS

Engaging our People 060
Safety, Health & Wellbeing 072
Responsible Gaming 076
Community Investment & Engagement 080

CASE STUDY

We Can Dream Together: Providing Opportunities for All

Imagine a world where everyone's unique talents are not only valued but given a meaningful purpose. The We Can Dream Together Foundation[60] helps people with disabilities discover their potential, fostering hope and a sense of purpose.

In partnership with the foundation, Melco supports the **Fu Hong Culinary Training Program**, a training initiative for chefs with disabilities working at a restaurant operated by the Fu Hong Society of Macau. Every two weeks, our skilled Melco chefs mentor participants, helping them refine their skills, teaching them new recipes and offering insights into food safety and operational practices. These aspiring chefs also gain invaluable exposure in Melco's professional kitchens, preparing them for real-world culinary careers. Since December 2023, over 400 training hours have been provided through specialized pastry and bakery courses.

"The Culinary Training Program has been transformative for me. I enjoyed learning knife skills from professional chefs, cutting vegetables and meat. The hands-on experience in a real kitchen environment enabled me to try different roles and understand various duties. Building on 'practice makes perfect', I was encouraged to hone my skills through repetition and learning from professional chefs."

MAN CHENG CHU,
PARTICIPANT AT THE POU CHOI CENTRE

Melco also champions artisanship and economic inclusion through the **We Can Dream Together Shop at Studio City**. Operated rent-free in partnership with Caritas Macau and the Fu Hong Society of Macau, the shop not only sells handcrafted products designed and made by individuals with disabilities but provides them with meaningful work opportunities, with all proceeds going directly back to the artisans. Extending this initiative to Cyprus, City of Dreams Mediterranean provided rent-free pop-up space for the **Pancyprian Organization of the Blind**, where handwoven baskets crafted by students at the School for the Blind supported the organization's important work.

Further integrating these efforts, both Studio City and Altira Macau feature products from the shop in their turndown service, introducing guests to the artistry of individuals with disabilities. The shop and this service have **generated just over US$30,000 in 2024**, with over **13,700 products sold**.

Through these programs, We Can Dream Together is more than a foundation—it is a movement redefining inclusion, one opportunity at a time.

60. https://www.wecandreamtogether.com/

INSPIRING OUR COMMUNITIES

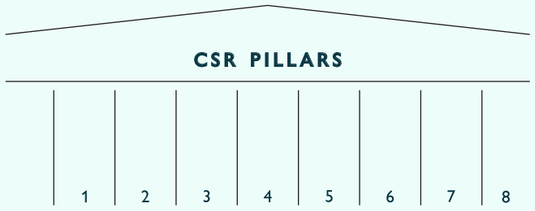
Strategy and Management Approach

Progressing the goals of our RISE sustainability strategy pillars starts with people. When individuals thrive and communities are strong, business follows. We focus on inspiring all our communities to share this vision, empowering colleagues to drive innovation with our community, governmental, supplier and SME partners along our value chain. To make progress, our focus areas include:

- **Creating a workplace where people thrive** – An inclusive environment where individuals feel valued, safe, healthy and equipped to flourish both personally and professionally
- **Upholding responsible gaming** – Maintaining trust and support from our guests, governments and communities through the highest standards of integrity and accountability
- **Driving sustainable development** – Aligning outreach and support with local needs and helping SMEs and micro enterprises thrive
- **Celebrating culture and heritage** – Honoring the unique traditions of our communities to enrich the lives of stakeholders and enhance guest experiences

We foster a vibrant workplace culture by adhering to international human rights standards, complying with local labor, safety and hygiene regulations, promoting health and wellbeing, and respecting local customs and traditions. Our colleagues receive steadfast support, competitive compensation and benefits, and opportunities to enhance their skills through workshops, training and targeted programs. Signature initiatives such as the FAP, Culinary FAP, Back-to-School program, RG competitions and HoH Roadshows for SMEs align talent development with business and community needs.

Guided by our eight Corporate Social Responsibility (CSR) pillars, we integrate the views of all our stakeholders as we consider community investment and evolve our programs. Our stakeholder engagement programs apply to and cover Melco's entire operations.



1. Youth 2. Education 3. Women 4. Environment 5. Culture & Heritage 6. Responsible Gaming 7. Whole Person Development 8. Small & Medium Enterprises

KEY GOALS

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

MATERIAL TOPICS

Engaging our People 060
Safety, Health & Wellbeing 072
Responsible Gaming 076
Community Investment & Engagement 080

HIGHLIGHTS

Developing talent with the expertise and experience to lead and sustain our organization, while reflecting the diverse communities we serve, remains at the forefront of our succession planning and overall people strategy. This was reflected in our efforts to create career advancement opportunities, nurture local talent pipelines and enhance the resilience of our leadership.

This year we have also seen how our efforts to integrate sustainability into our operations and culture are uplifting not only the guest experience but pride at work. Across the Group, we are seeing this translate into daily operations. Colleagues have spent an average of 38 hours each on learning and development opportunities and over 1,700 have bolstered their physical and mental resilience through our *REACH!* Program. In addition, close to 3,600 colleagues were actively engaged in community activities this year where they saw first-hand the meaningful difference that they can make to people's lives.

Our FAP and Culinary FAP, in partnership with the Macau Labour Affairs Bureau and the Macao University of Tourism (UTM), offer exceptional opportunities for skill development through job rotations, hands-on experience, management training, mentorship and career planning. These initiatives have led to numerous promotions and internal transfers across our global operations. Our Melco Learning Academy enabled over 785,000 participants to brush up on our signature service standards, keeping pace with the skills and capabilities needed in an ever-evolving industry.

Our high standards for OSH, as well as food safety and hygiene, were again demonstrated with reduced rates for work-related injuries and lost time incidents, and HACCP certifications and best practices extended at our integrated resorts. Independent, external verification of our best-in-class RG practices was again recognized with RG Check accreditation for our operations in Manila and Cyprus and ten locations in Macau being recognized as 'Responsible Gambling Model Units' with nine earning perfect scores of 100% against the government-endorsed, Responsible Gambling Indicators project's criteria.

Our partnerships with local governments and NGOs continue to enrich the experiences we create for our colleagues, local businesses and members of our communities—from capacity building and training opportunities, supporting SMEs and social enterprises, raising awareness of safety, health and RG best practices to volunteering.

CHALLENGES

The geopolitical and economic uncertainties that we have and continue to collectively face show how important it is to reinforce support systems for our colleagues and other stakeholders. Managing the fast-paced changes of 2024 has required flexibility and updating our approaches to effectively safeguard the wellbeing, safety, health and security of all our stakeholders. Upholding our high standards of service excellence for our guests goes hand in hand with continually providing our colleagues with personal and professional development opportunities and excellent benefits. This, as well as maximizing the beneficial impact of our support and engagement with our suppliers, SMEs and community partners, keeps us focused on continually building our resilience.

2025 AND BEYOND

Disruptive forces are expected to remain a challenge for us all in the near future. We believe that the strong foundation of trust and mutual respect that we have established with our stakeholders puts us in good stead for continuing to effect positive change in our communities through collaboration. Refining our strategies as we embrace innovation and new best practices will remain essential in upholding the safety, health and wellbeing of our people and guests, and supporting community development.

Looking ahead, our succession planning strategy will remain focused on nurturing talent that not only has the necessary expertise and experience to lead our organization into the future but also reflects the diverse communities we serve. We are dedicated to continuing to create career advancement opportunities, develop local talent pipelines, and ensure our leadership is resilient and prepared for future challenges.

Engaging our People

OUR COMMITMENT

As a responsible, global, integrated resort operator, our reputation is crucial for attracting and retaining top talent. Beyond maintaining our license to operate, we embed our values—respect human rights, diversity, equity and inclusion—into all that we do. This commitment shapes our culture of service excellence, guiding recruitment, personal and professional development and daily operations. We invest in our colleagues through diverse training programs, cross-functional transfers, upskilling opportunities, and continuous health, wellbeing and fitness initiatives, empowering colleagues to thrive personally and professionally. Respecting and protecting human rights and the dignity of our colleagues is foundational in our commitment to providing our colleagues with equal remuneration for work of equal value.

OUR TARGETS

- Maintaining the number of colleagues receiving training/education/professional development at 95% level or greater annually
- 95% of managers in Macau to be recruited from the local community by 2030
- 50% of management roles to be held by women by 2030
- 50% of women in our total workforce by 2030

HOW WE MANAGE IT

To foster an environment that keeps our colleagues supported and engaged, we concentrate on the following areas:

Policy on Board Diversity
- → Furthering diversity across all layers of the organization is reflected by the tone we set in aspiring to have a diverse and inclusive board and management team

Code of Business Conduct and Ethics (Code)
- → Stipulating expected standards for business conduct with zero tolerance for non-adherence to the Code

Culture of Excellence
- → Aligning systems to premium brand standards

Whole Person Development
- → Providing internal career opportunities

Workforce Inclusion & Diversity
- → Being an equal opportunity employer
- → Incorporating our Inclusion and Diversity Statement in our Recruitment Policy and Workplace Behavior Policy

Work Environment
- → Fostering a place where people feel valued, cared for and recognized

Quality of Life
- → Nurturing workplace, family and personal wellbeing

Safety & Health
- → Keeping our colleagues and guests safe
- → Updating our OSH Policy regularly

Our 21,784 colleagues reflect the diversity of the regions and communities where we operate. We celebrate everyone's unique attributes, empowering people to bring their best selves to work while respecting local customs and culture—an approach that also enhances our guests' experiences. In 2024, our workforce expanded by 8% over the previous year due to an uptick in business.

Enhancing diversity, particularly in senior leadership, is focused on increasing the representation of women and local talent. In 2024, 32% of senior management roles were held by women, with representation in management and other roles at 40% and 47%, respectively. 62% of our senior managers are recruited from our local communities Group-wide, with local representation in senior management at 70% in Macau.

We actively engage with our colleagues. Through various channels we share information, reinforce values and, importantly, gather feedback for improvement. Staying informed about regulatory changes, standards, best practices and stakeholder expectations is a crucial aspect of our strategy. These efforts enable us to remain responsive and compliant with the latest requirements on human and labor rights, while upholding our zero-tolerance policy for child and forced labor in our operations and supply chain, and maintaining high standards for safety, health and hygiene. Our performance management process aligns individual goals and skill development with the Company's goals. Each year, organizational and financial targets, and individual goals are shared with property presidents, who then communicate them to department heads to set specific goals and KPIs, aligning skill development with access to capacity-building opportunities. In line with our multidimensional approach to performance reviews, employees are assessed not only on their ability to meet these specific targets but also on how they embody the values and objectives of their department and the organization. Compliance with Company policies, including codes of conduct, is an integral component of our performance appraisal system and remuneration framework.

Feedback is gathered from a range of sources, including peers, direct reports, and other colleagues, offering a comprehensive view of each employee's performance. These goals are routinely followed up on to monitor colleagues' progress, including management representatives who are rated on the achievement of relevant goals during performance reviews.

Performance reviews, which are conducted annually, serve as opportunities for career development discussions and are the basis for remuneration when applicable. Each review is part of a self-appraisal process that is discussed with the respective business leader. For management level colleagues, all management scores arising from their reviews are reviewed and approved by the Chairman & CEO, Group President and the EVP, Chief of Staff to the Chairman & CEO. Our colleagues are encouraged to take an active role in their performance and career development, collaborating with managers on goals that drive success and continuous improvement.

To prioritize our investment in human capital, we consider evolving business needs, priorities for building talent throughout the Company and supporting our succession planning, as well as importantly being responsive to our colleagues' needs arising from their performance and career development discussion. For information on our investment in employee-related salaries and benefits, refer to page 118 of our Performance Metrics.

Ethical Practices

In upholding high standards across our diverse workplaces, we adhere to our Code that includes, among other requirements, our expectations for exceeding regulatory requirements related to human and labor rights, in line with the UN's Universal Declaration of Human Rights. We are committed to providing a workplace free of discrimination and harassment, adopting a zero-tolerance policy towards incidents of any form. Our commitment to fair and equitable employment practices extends to our contractors and partners as well.

In addition to our Code and related policies, including a specific anti-sexual harassment policy, we implement programs and measures to create a workplace environment that is harmonious, respectful of the rights of all our colleagues and conducive to attaining excellence in the quality of service provided to our guests.

ENGAGING OUR PEOPLE
HOW WE MANAGE IT

All colleagues are required to acknowledge our Code and complete mandatory anti-harassment and nondiscrimination training during onboarding and annually thereafter. Colleagues are encouraged to raise potential incidences of noncompliance with our Code or other concerns, including cases of discrimination and harassment through our Procedures for Handling Complaints and Whistleblowing, which ensure confidentiality and explicitly prohibit retaliation or restrictions against those who report concerns. In 2024, 99.13% of colleagues completed our corporate governance induction training on Melco's Code, reinforcing our zero-tolerance policy towards discrimination and harassment and measures to prevent and address the occurrence of related incidents.

The Code defines a clear escalation process for all concerns, including cases of discrimination or harassment, allowing colleagues to report and investigate concerns with appropriate departments. Enforcement is uniform, regardless of position within the Company. It is Company policy that any individual who violates the Code will be subject to appropriate discipline, which may include termination of employment. Refer to the Code for details. In the reporting year, Melco did not cause or contribute to any human and labor rights violations. In addition, no substantiated violations of the Code were reported.

Fair Compensation and Equitable Practices

Melco is committed to fair and equitable compensation, ensuring that all employees and contractors receive wages, that meet local minimum requirements, in line with legal regulations and living wage benchmarks. We actively engage with worker representatives to assess and improve working conditions.

Our remuneration policies are managed locally with regional oversight to maintain competitive pay practices that uphold fairness and gender equity. Employees are compensated for overtime, and we closely monitor working hours to prevent excessive workloads. Any mass terminations, if required, adhere to minimum consultation or notice periods.

Culture of Excellence

Maintaining our culture of excellence sets us apart, driving how we operate and serve. At its core, it empowers our people to take pride in delivering exceptional service. To sustain this, we have established key systems, including:

- Leadership vision and commitment
- An environment that fosters success
- Diligent processes and structures for delivery of our brand promise, including a training system that delivers meaningful programs and customized content
- Continuous measurement of service delivery and behavioral standards
- Attractive reward structures
- Regular performance and development reviews for all colleagues
- A culture that celebrates our achievements

A bespoke training program reinforces the system and comprises:

- **Induction and orientation:** new joiners receive an introduction to the secrets of Melco's success: our values, philosophy and six core service standards
- **Technical skill training:** according to our belief in "hiring for attitude, potential and image, and training on skills"
- **"My First 90 Days" integration program:** integrates new colleagues into Melco's culture of excellence through a proprietary program that ensures each department's unique requirements, knowledge, skills and expectations are shared and understood
- **Consumer brand and service training:** ensures that service is aligned with our consumer brand and positioning to maintain our exemplary, five-star high standards
- **Forbes Five-Star standards training:** reveals what is behind our exquisite premium luxury service
- **Mystery shoppers:** provides an opportunity for our colleagues to experience Melco's service excellence and inspires their own commitment to being best-in-class

At each integrated resort, responding to our guests' evolving expectations for innovative experiences continually inspires us to actively seek and explore new ideas. We have established both formal and informal channels, such as guest surveys, interviews and focus groups, to gather input on enhancing our services, furthering our culture of excellence.

Whole Person Development

Creating an environment where our colleagues feel motivated to bring their "whole selves" to work and actively pursue learning and skill enhancement is essential for them and our business to thrive. Our evolving suite of resources supports both personal and professional growth—within their current roles and beyond.

In 2024, Melco invested an average of US$582 per FTE employee on learning and development activities, equating to an average of 38 training hours per FTE. 100%[61] of our FTEs participated in these programs that were offered by the Melco Learning Academy in 2024.

Below are key updates on this year's **Whole Person Development** initiatives.

FAP – Building new perspectives and skills
Since its launch in 2015 to nurture internal talent, this program has empowered colleagues to develop complementary skills by exploring different functions and alternative career paths across the Group. Participants engage in a "day in the life" experience with colleagues from various areas of the business, from day-long shadowing opportunities and short-term assignments to longer-term projects and transfers to deepen their understanding of how each role contributes to the bigger picture.

The program importantly assists Melco in retaining talent and facilitates internal promotions and transfers, thereby addressing some of our resourcing needs from within the organization. It also helps prepare local employees for future managerial roles, equipping them with the necessary expertise and confidence to lead effectively. Through this initiative, participants build a strong foundation for career advancement, fostering a pipeline of capable leaders ready to drive the organization forward.

In 2024, 3.5% of Macau colleagues participated in over 4,100 FAP experiences, of which 12% were related to non-gaming activities.

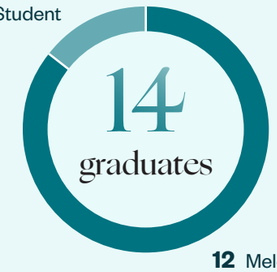
Culinary FAP
To address the industry-wide demand for skilled culinary talent, we launched the Culinary FAP in 2021, a pioneering 12-month program developed with DSAL and UTM. The program nurtures local culinary talent through structured on-the-job training, cross-functional exposure, and both formal and informal education in collaboration with local government and universities.

61. The number of colleagues trained may exceed the total number of colleagues at the year's end, as the figure includes individuals who received training but subsequently left the company prior to the close of the reporting period.

Culinary FAP: by the numbers

CLASS OF 2023/2024 INCLUDED:

2 UTM Student



12 Melco Chefs

CLASS OF 2025: 2024/25

In collaboration with UTM, the current cohort comprises:

5 UTM graduates

7 Melco Chefs

In 2024, 14 participants graduated from the intensive program, which covers Western and Chinese culinary, pastry and bakery skills. In collaboration with UTM and DSAL, the curriculum includes master chefs' motivational talks, DSAL-led training on professionalism and F&B and food safety certification, and UTM lectures on topics ranging from nutrition and F&B service to cost management and kitchen design.

At the program's graduation ceremony—coinciding with International Chefs' Day—we recognized the top 100 chefs. To further enrich the Culinary FAP program, a sustainability cooking competition and sustainability forum were held within one month of graduation. Participant feedback revealed a shift in perspectives on the culinary profession, while internal colleagues valued the fast-tracked learning and development opportunities.

In 2024, 86% of F&B colleagues who participated in the 12 Culinary FAP experiences were retained within the company, with 17% being promoted upon program completion.

Employee Turnover Rate
(%)

FY[62] 2020	19.8
FY 2021	15.7
FY 2022	12.6
FY 2023	15.4
FY 2024	**12.3**

Melco Learning Academy
Our culture of excellence isn't static—it's learned, refined and reinforced. Since 2009, the Melco Learning Academy has been equipping colleagues with the skills to uphold our signature service standards. Since its establishment in 2009, over 8,400 in-house courses, covering finance, customer service, leadership, sales, marketing, information technology and language training, have been accessed by our colleagues, enabling both new joiners and seasoned colleagues to keep pace with the skills and capabilities needed in an ever-evolving industry.

In 2024, over 785,000 participants attended more than 1,400 courses offered by the academy, equating to over 870,000 learning hours delivered. During the year, colleagues from our F&B teams participated in over 250,000 hours of training, focused on enhancing their technical skills and service standards, helping to ensure the consistent delivery of high-quality dining experiences. In Macau, this contributed to our F&B outlets being recognized with eight MICHELIN stars across five of our restaurants and a total of six diamonds from the Black Pearl Restaurant Guide 2024 across four of our restaurants, further strengthening our reputation for excellence in the region's dining scene.

In 2024, we also provided over 8,200 hours of dedicated and intensive Forbes Standards training for our teams, aimed at enabling colleagues to deliver exceptional guest experiences aligned with Forbes' exacting standards. As a result, we achieved 107 Forbes stars across our hotels, restaurants and spas in Macau, marking the highest number of Forbes stars ever earned in the region and highlighting our commitment to excellence.

Other Professional Development Opportunities
Beyond regular service training, FAP and related initiatives, annual competitions provide colleagues with a platform to shine. In preparation, colleagues receive intensive training, coaching and guidance, enhancing their skills and broadening their career potential. The journey—from preparation to competition—is a testament to the perseverance, persistence and resilience of the contestants, coaches and all supporting units. Examples of these achievements for our participants in 2024 include:

- **6th Macao Integrated Tourism and Leisure Enterprises Vocational Skills Competition 2024** – with a total of ten awards, attaining top-tier recognition with the greatest number of awards received
- **Stelliers for Greater China** – attaining the greatest number of Hotel of the Year awards across integrated resorts in Macau with three awards for Chef Hotelier, Wine Sommelier Hotelier and Information Technoloy Hotelier
- **Gold Pin competition** – attaining three awards across the categories of Room Attendant, Western Waiter/Waitress and Tea Master
- **Macao Government Tourism Office (MGTO)'s Tray Race** – attaining a top award, Winner (Male Group)
- **Tea Sommelier** – attaining three awards, including 1st runner up (Individual) at the ShenHe Cup 深合杯 and Best Table Setup & Design (Group) and Best Organization of Tea (Group) at the Macau MING XIN 茗星 Tea Sommelier competition
- **Gelato World Cup 2024** – three colleagues participating on the team from Macau

62. Financial Year (FY)

ENGAGING OUR PEOPLE
HOW WE MANAGE IT

At City of Dreams Manila, structured skill-enhancement experiences covered F&B Culinary, Table Games, Housekeeping, Front Office and HR, with participants accumulating over 12,100 employee training hours. Additionally, a two-day course held in partnership with the Philippine Society for Talent Development, strengthened internal trainers' ability to deliver skill-based training and incorporate effective techniques and tools into their sessions. In 2024, 216 internal career progressions were recorded: 142 colleagues were promoted across various departments, taking on increased responsibilities or higher-level positions, while 111 made lateral transfers into new roles—all enriching the Company's talent ecosystem and succession planning.

In Macau, new training initiatives were also launched to empower our colleagues with future-ready skills such as AI, digital transformation and marketing, computer skills as well as language training.

Average Training Hours Completed per Employee by Employee Category and Gender[63]
(Hours)

	2024		2023		2022	
	Female	**Male**	Female	Male	Female	Male
Management	**22.46**	**21.35**	19.88	16.07	20.06	15.37
Non-management	**39.65**	**39.00**	67.15	70.96	204.82	161.64

Internal Career Opportunities – long-term employment and career progression
Our colleagues' personal and professional growth fuels their success and ours. Prioritizing in-house candidates for job opportunities when they demonstrate the requisite skills has resulted in over 31,000 internal promotions and transfers and since our Company's inception, with 23% of vacancies filled internally in 2024.

Scholarships
Since 2010, Melco has been supporting our colleagues and their immediate families with awards of financial assistance to fund undergraduate education. Hope Scholarships are also provided to those that have experienced hardship or misfortune. Since the program's inception in 2020, over US$500,000 has been awarded through scholarship grants to our colleagues and their family members. In 2024, scholarships were offered to Digital Media students at Macau University of Science & Technology for study in 2025. Our aim is that the program will help build a talent pipeline and opportunities for long-term employment at Melco.

Back to School
Launched in 2010, our Back-to-School program is a collaborative effort with the Education and Youth Development Bureau in Macau and local high school teachers, aiming to provide colleagues who left school prematurely with the opportunity to earn their high school diploma while working. A total of 63 colleagues are currently enrolled to achieve their High School Diploma. To further support our colleagues' lifelong learning and prepare them for future career opportunities, we also organized two, two-year long, in-house classes in 2023 for a total of 61 colleagues to complete their final two years of high school. These classes further underscore our commitment to investing in the growth and development of our colleagues. We believe this program not only empowers our colleagues with the essential education they need to succeed but also contributes to the development of our local community.

In 2024, 37 colleagues in the program received awards from the government for their outstanding academic performance, including one receiving the 'Lotus Award' for excellence in overall academic studies and another the "Li Bai Award" recognizing the best academic result in Chinese studies.

Melco YOU-niversity
In partnership with Edinburgh Napier University (ENU), Melco offers colleagues the opportunity to earn a Bachelor's Degree in International Business over a two-year period while remaining employed. Each year, a new cohort of 15 colleagues can join, and since 2015, 29 colleagues have graduated with 11 advancing through promotions or internal career changes. In 2024, 15 colleagues joined the cohort, where local tutors from Macau universities collaborated with ENU faculty members on the program, enabling students to benefit from both local and international perspectives.

Graduate Trainee Program
Melco has partnered with DSAL since 2020 to offer Macau graduates the opportunity to experience our high standards and consider careers in the hospitality industry. This bespoke program provides three-month-long placements for participants to gain cross-departmental experience across our business. Feedback received over the years from the attendees confirms that the program also equips them with practical skills to support their career development, including coaching and mentorship from business managers.

Diploma in Hospitality Management
In collaboration with UTM, a Diploma in Hospitality Management program with the American Hotel & Lodging Educational Institute (AH&LEI) features a total of 11 courses on the latest business trends in the areas of service leadership, managing front office and F&B operations, practical digital marketing, financial, business, people and event management, sustainable development goals in hospitality management, hotel operations under digital transformation as well as local cultural literacy. In addition to the certificate program offered by UTM, participants will also receive two international certificates from AHLEI upon successful completion.

Inclusion & Diversity

Future-fit companies thrive on diversity, cultivating inclusive environments where unique perspectives drive innovation and resilience. As outlined in our Code and reinforced through our Inclusion & Diversity Statement (Statement), we are an equal opportunity employer with zero tolerance for any form of discrimination or harassment based on gender, age, race, religion, gender identity, sexual orientation, varying ability, parental/marital status, or other non-meritocratic factors. Colleagues are encouraged to raise potential incidences of noncompliance with our Code and Statement or other concerns though our Procedures for Handling Complaints and Whistleblowing. We did not receive any reported incidents of discrimination or harassment and no substantiated cases of noncompliance with our Code were reported in 2024.

63. Average training hours returned to pre-pandemic levels in 2023; the higher average training hours in 2022reflected the increased training provided for colleagues to maintain their professional skills, and opportunities for exploring other department's operations when business was restricted.

ENGAGING OUR PEOPLE
HOW WE MANAGE IT

Highlights of our progress on DEI are outlined below.

Inclusive Workplace
Our workforce reflects 85 nationalities with women comprising 47% of our global team.

Opportunities for Individuals with Special Needs
2024 was a year of expanded opportunities for our colleagues and supporting people with disabilities. In 2013, Melco was one of only two companies participating in a DSAL-organized internship program for local students with special needs. In 2024, 33 internship opportunities were offered, resulting in five interns later becoming permanent employees. Since the program began in 2013, we have had a total of 170 interns participate to date with 67 being placed in permanent positions. We participated in DSAL's career fair for the physically challenged in June and December. We also collaborated with DSAL and five NGOs to launch a new program offering individuals with severe disabilities the opportunity to work within our integrated resorts in Macau. Over a period of one to three months, participants gain invaluable work experience, enhancing skills and fostering autonomy. Sixteen participants have been accepted to the program, running from November 2023 to January 2025.

Leadership from the Local Community
Across our integrated resorts, 63% of positions at the "Vice President" or senior management level and above have been filled locally.

Gender Diversity
As we strive to enhance diversity throughout our company, supporting the inclusion and promotion of women in the workplace remains a priority. In 2024, 32% of our senior management roles, 40% of our management roles and 47% of other roles were held by women in 2024, with 55% of revenue-generating functions and 21% of Science, Technology, Engineering and Mathematics (STEM)-related positions also held by women.

WOMEN IN LEADERSHIP

23% of directors across our boards

14% of our Corporate Executive Committees

32% of our senior management

40% of our general management

Family-friendly Workplace
To retain valuable talent and enable our colleagues to be their best means supporting them to balance work and family needs. In addition to a variety of HoH facilities and flexible working arrangements, all our properties have lactation rooms that provide a comfortable, private and hygienic space to support our breastfeeding mothers transitioning back to work. In 2024, City of Dreams Manila passed an audit of its lactation facilities and was recognized by the Department of Health as a "Mommy-friendly Workplace". Out of the women and men who returned to work following parental leave in 2024, we saw retention rates of 97% and 98%, respectively.

Our in-house Learning Academy has co-organized various parenting education seminars and parent-child workshops with the Education and Youth Affairs Bureau and Gaming Employees Home of Macau respectively, enabling our colleagues to enhance their parenting skills, parent-child relationships and, thereby, the wellbeing of families and our communities. In 2024, we expanded the Best Mom Awards to women in the Greater Bay Area (GBA), with 10 moms from the GBA recognized in various categories.

Work Environment

A workplace isn't just where work gets done—it's where people grow, connect and find purpose. Recognizing the importance of this in both sustaining our culture of excellence and our colleagues' ability to thrive, we continuously evolve our environment to meet our colleagues' changing needs. We actively seek feedback through formal and informal feedback channels, including surveys, "Meet the Management" sessions and multiple other platforms for dialogue, including:

- Focus groups across various business functions and integrated resorts
- A mobile app that allows colleagues to "Talk to Management"
- Newsletters and social media
- Annual performance appraisals
- Leadership forums
- In-house mental wellness seminars

We aim to enhance our colleagues' wellbeing, support their learning and enrich their social lives at work by providing a range of tailored facilities and amenities in all the HoH areas of our integrated resorts. Examples include:

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

We provide a range of work-life balance initiatives that offer flexibility to accommodate our colleagues' needs and allow them to explore their interests beyond the workplace.

- **Strawberry Life Flex Compress:** a compressed workweek arrangement where our colleagues can concentrate their work hours on certain days of the week
- **Strawberry Life's part-time scheme:** allowing colleagues to remain eligible for full-time benefits on a pro-rated basis
- **"Thinking of you" initiative:** providing subsidized leave for colleagues who are evaluating career changes, allowing for a six- to 18-month partly paid leave of absence, which provides them a safety net while exploring other employment opportunities in other industries
- **Lifestyle Programs:** workshops providing lifestyle and personal growth knowledge through the Melco Learning Academy
- **Hybrid work from home opportunities** as positions and responsibilities allow

Special events are also held to bring families together. At City of Dreams Manila, attendance at a two-day Trick or Treat event drew over 460 participants and featured dancing, singing and games, making Halloween extra fun for all.

ENGAGING OUR PEOPLE
HOW WE MANAGE IT

Wellness

Mental and physical wellbeing is essential for personal and professional development. We are committed to empowering our colleagues, their families and our community partners by providing support that is customized to meet their unique needs. We recognize that these needs are very different—what works for "high performing" individuals in need of stress relief, for example, varies significantly from those affected by mental and/or physical challenges. In this regard, our efforts continue to raise awareness about the significance of self-care, destigmatize mental health issues, and promote healthy lifestyles through nutritious eating and regular exercise.

On a quarterly basis, our colleagues at City of Dreams Manila have access to information sessions on family planning as well as free birth control items and consultations. In 2024, over 1,400 of our colleagues attended these sessions, organized in partnership with the local government and the Commission on Population and Development. In addition, three separate wellness events were organized with the Manila Doctors' Hospital, covering topics ranging from general wellbeing and nutrition to bone and eye health.

Since 2021, in collaboration with the Women's General Association of Macau, our Feel Better Mental Wellness Program has significantly benefitted over 2,400 colleagues, their families, friends and the wider community with bi-monthly seminars and counseling offered. Surveys reveal that 88% of participants feel more inclined to seek professional help after attending the seminars. Annually, we provide 600 individual counseling sessions exclusively for our colleagues and their families. In 2024, 182 colleagues, 98 family members and 113 community members participated in the program with 200 sessions of individual counselling services provided.

In Manila, through a partnership with a local NGO, our Spiritual Value Formation program continues to promote mental wellness as a vital component of overall spirituality. Our Philippine colleagues can benefit from webinars on a variety of mental health topics and counseling support, among other initiatives.

Acknowledging the link between a healthy mind and body, we consistently update noticeboards across all our HoH areas to share tips on exercise and nutrition. Each quarter, booths are also set up for colleagues to assess their body composition and engage in other health monitoring activities.

To support healthy and balanced eating, nutritional information and healthy food options are prominently featured in all our EDRs. We thoroughly and regularly review our menus at employee restaurants and guest food and beverage outlets, prioritizing healthier, nutrient-rich items and offering plant-based alternatives to popular meat dishes. Proactively, we also encourage colleagues to eat only what they need. Appropriately reducing portion sizes benefits their health and supports our ongoing efforts to minimize both food wastage and plate waste, which contributes to reducing our carbon footprint.

REACH! Boosts Physical and Mental Health in Macau

Melco's *REACH!* Program inspires and supports colleagues to get moving—helping reduce stress and enhance overall wellbeing through exercise and participating in community sports among colleagues. Key achievements of the program include:

- 9,153 colleagues engaged since the program was launched in December 2022, with close to 20% of that total, or 1,718 people, joining in 2024
- 36 elite sport players identified
- 68 sport competitions joined
- 150 awards won
- InBody Booths drawing over 2,000 colleagues for body health checks
- Two sessions of a program called Little Athletes, for both colleagues and families held
- 485 training sessions held with over 900 participants

Throughout the year several events have been held, ranging from charity runs, a women's sport festival and sport carnivals, to the annual Macao Water Run for water conservation. Colleagues have been involved in badminton, basketball, bowling, darts, obstacle course, running, snooker, soccer and table tennis competitions as well as the Macao International Dragon Boat Races.

At the *REACH!* seminars, over 900 participants attended events on the following topics:

- Food and Mood – The Role of Nutrition in Mental Health
- Roots of Wellness: Unlocking the Holistic Benefits of a Plant-based Diet
- Organic and GMO Foods
- Get in Shape for Summer Without Getting Hurt
- The Joy and Pain of Turning Interest into Work
- Importance of Sport in Our Life
- Yoga and Health

INSPIRING OUR COMMUNITIES

Safety, Health & Wellbeing

OUR COMMITMENT

The safety, health and wellbeing of our colleagues, guests and partners are paramount, and while regulations set the baseline, we strive to go further. From air quality to safe working practices, from hygiene to physical security, every detail is measured, monitored and fine-tuned to meet industry-leading occupational safety and health standards. Through specialist training, real-time monitoring and rigorous audits, we ensure every space we manage is designed not just for compliance, but for confidence.

OUR TARGET

- Reduce Melco's Group annual employee Injury Frequency Rate (IFR) by 5% in 2025, from base year 2019

HOW WE MANAGE IT

Occupational Safety and Health (OSH)

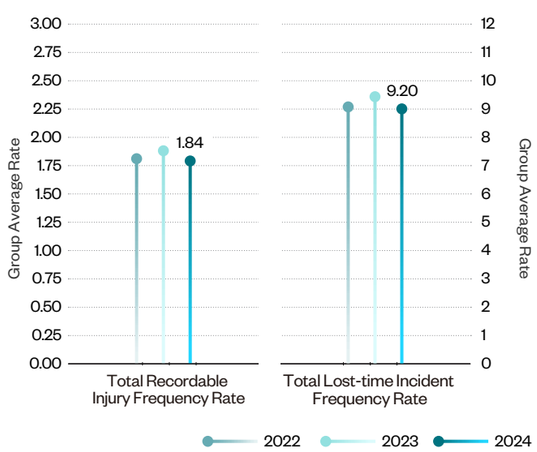
Being the first organization in the hotel and entertainment industry in Macau to achieve ISO 45001 certification for our OSH management system is a source of pride and reflective of our ongoing commitment. We adopt stringent OSH protocols and dedicated OSH Committees meet monthly to oversee the following responsibilities of all our properties:

- Reporting to management on OSH issues raised by colleagues and contractors as well as progress made on any corrective and preventative actions
- Monitoring OSH performance results and following up on any incidents, ensuring thorough investigation and effective rectification
- Managing auditing and inspection activities
- Developing targeted training and awareness-raising activities
- Identifying areas for improvement and resource allocation needs

To ensure that relevant parties are aware of our stringent OSH standards and expectations, training is mandatory for all new joiners and, on a regular, ongoing basis, for colleagues and contractors.

Our CRO oversees OSH performance of relevant business units across our portfolio and regular reviews of risks and hazards, implementing appropriate corrective and/or preventative measures. To be ready to respond to a range of potential incidents that could occur at each of our properties, our local Emergency Response Teams liaise with relevant authorities to devise and implement plans as needed.

Melco's Total Recordable Injury and Total Lost-time Incident Frequency Rate[64,65]
(Group average)



This year, the Group's operations in Macau, Manila, Cyprus, and our Hong Kong office reported an average recordable work-related IFR of 1.84, which is a decrease of 4.42% compared to 2023 and below our baseline rate of 3.09 in 2019. The average lost-time incident frequency rate reached 9.2, also marking a 4.42% decrease from the previous year. These decreases reflect improved safety performance at City of Dreams Mediterranean as a result of systematic OSH training at this newer property. As always, we continuously review our performance and improve our safety training and monitoring, as well as the implementation of preventative and remedial actions as needed in response to OSH incidents.

OSH and Food Safety Training
Since its launch in 2018, our Hotel and Catering Safety Card Training Program has raised awareness and built the capacity of our colleagues to prevent workplace accidents, adopt proper manual handling practices and respond to emergencies. DSAL and Melco actively support this training program and 88% of our colleagues completed this training in 2024, which is valid for five years.

From 2018 to 2024, approximately 350 internal training sessions were held with over 19,000 participants, including more than 7,400 new hires and 12,500 colleagues. In 2024, a total of 3,910 colleagues, equivalent to 18% of our workforce, completed this training, including around 2,800 new hires.

Examples of training conducted across our portfolio included:

- Implementing an online OSH incident handling course and food safety awareness training at our properties in Macau, including a five-day-long HoH roadshow with games and quiz booths, supplemented with ongoing awareness-raising posters and a newsletter with food safety tips.
- City of Dreams Manila launching five new OSH training modules with an emphasis on administrative compliance, recognizing safety hazards and control measures, hazard identification risk assessment and emergency preparedness, as well as chemical and food safety.
- City of Dreams Mediterranean organizing courses on best practices in food safety and catering for special dietary requests and food allergies.

Healthy Air

From the design stage of our buildings through to the daily monitoring and maintenance of the ventilation, air conditioning and heating systems, ensuring that our colleagues and guests can breathe healthy air in comfortable environments is vital. Across our guest and HoH areas advanced sensors monitor indoor air quality and temperatures in real time with results monitored by our engineering teams so that adjustments or maintenance can be promptly undertaken. Onsite, smoking is strictly regulated to designated areas in compliance with regulatory requirements, maintaining a clean and healthy environment for everyone.

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

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

Our Pillars of Wellbeing

PHYSICAL

- *"REACH!"* – athlete nurturing and healthy eating program
- Macao Water Run, Macau Triathlons and Macau Youth Charity Golf Tournaments

OCCUPATIONAL AND INTELLECTUAL

- Training and development

EMOTIONAL

- "Feel Better" mental wellbeing seminars for colleagues and families

SOCIAL

- Community volunteering opportunities
- Organization-wide social events and opportunities to foster meaningful relationships
- Encouraging colleagues to "give back" to the community by volunteering during working hours

Wellbeing

Guided by our four Pillars of Wellbeing, we develop, implement and evolve a variety of initiatives for enhancing the health and wellbeing of our colleagues, their families and our communities.

Eating Safely, Healthily and Sustainably

Great food is equally about taste as it is about trust, and we ensure that all our F&B outlets adopt best practices in safety, hygiene and quality to safeguard the health and happiness of our guests and colleagues. Regular inspections are carried out by our food safety teams to monitor compliance with relevant regulations and our own food safety standards. All our properties in Macau and Cyprus have also obtained the HACCP certification. Each year, an external auditor conducts HACCP assessments at all our F&B locations in Macau; in 2024, we did not have any incidences of non-compliance arising from the audit that resulted in any fines, penalties or warnings. City of Dreams Manila complies with all local regulatory requirements and provides ongoing training to all F&B staff to uphold high standards in food safety and hygiene.

Knowledge is as essential as ingredients. That's why our F&B colleagues and suppliers undergo regular, ongoing training on food safety, ensuring the highest standards to safeguard the health and wellbeing of both colleagues and guests. In 2024, we expanded these efforts, launching a food safety newsletter in Macau and hosting roadshows that engaged over 2,000 participants, reinforcing best practices across our operations.

As part of our *REACH!* Program, this year we've continued nutrition education through online courses with attendance mandated for colleagues working in F&B, Hotel, Spa & Leisure, Culinary and Stewarding departments. Three seminars were also held at our employee restaurants in Macau, attracting 300 attendees in total (refer to the Mini Case Studies on pages 071 and 075 for details). These efforts are aligned with the government's overarching goal of promoting public health through the 'Blueprint for a Healthy Macao'. By fostering a deeper understanding of these issues, we aim to encourage sustainability practices and contribute to a healthier community. We plan to continue these seminars at all Melco locations and extend them to local NGOs to raise awareness. Educational posters on HoH notice boards are refreshed on a regular basis, covering topics from nutrition fundamentals and food allergy management to fat loss myths. Future seminars will cover food security and waste minimization.

We constantly review our menu offerings to ensure nutritious and sustainable food options are available, accommodating diverse dietary needs. We are also expanding the range of sustainably and wild-caught seafood, and plant-based meal options, responding to increased demand. Information on healthy and nutritious options is promoted in our EDRs and on our guest menus. We focus on:

- Increasing plant-based dishes, vegetarian and healthy cuisine selections
- Reducing deep-fried, pickled and smoked foods, and decreasing oil, salt and sugar usage
- Providing healthier breakfast options like sugar-free soy milk, low-fat fresh milk and yogurt
- Serving less calorie-dense breakfast foods and more boiled eggs, steamed corn, pumpkin and tomatoes
- Promoting the Green Monday initiative with more vegetarian Chinese soups and vegan dishes
- Serving brown rice as a healthier option

A Holistic Approach to Health and Wellbeing in Macau

In 2024, we launched a series of health programs for colleagues in partnership with the Macau Health Bureau, addressing five key areas:

Workplace Physical Activity – Movement matters. The "114 Workplace Exercise" feature on Melco's internal mobile app helps colleagues stay active, countering the toll of prolonged sitting or standing. A "Let's Stretch Competition and Award Presentation Ceremony", co-hosted with the Macau Labor Affairs Bureau, rewarded those making workplace wellness a priority.

Health Monitoring and Equipment – Keeping track of personal health should be effortless. City of Dreams, Studio City and Altira now have blood pressure monitors and height/weight measuring devices in employee medical centers, making self-health checks second nature. Ergonomic chairs, foot mats, lumbar support belts and anti-fatigue mats tailored to different job roles were also provided.

Health Promotion Activities and Seminars – Mental and physical wellbeing go hand in hand. In collaboration with the Women's General Association of Macau, we hosted a "Feel Better" Community Mental Health Carnival and 12 seminars on stress reduction, better sleep and mindfulness through art. The Melco Learning Academy launched 39 lifestyle courses on emotional health, fitness and personal development, while Thai boxing classes and family-friendly fitness workshops encouraged movement at every age.

Healthy Eating – The best fuel powers the best performance. Employee dining rooms continued serving healthy, sustainable meal options, featuring live cooking stations and a mix of Asian and international dishes. The Green Monday initiative reinforced the appeal of plant-based choices, proving that good food benefits both people and the planet.

Smoke-free Lifestyle – A fresh start needs the right support. Awareness roadshows, co-organized with the Smoke-Free Macau Healthy Living Association, highlighted the benefits of a smoke-free lifestyle, encouraging colleagues to take the first step.

For more details, refer to sections on Wellness on page 070 and Eating Safely, Healthily and Sustainably on page 074.

Keeping our Properties Secure

True security isn't just about barriers—it's also about readiness. At every property, our highly trained security teams work behind the scenes, using real-time monitoring, rigorous testing and cutting-edge technology to ensure seamless protection. We constantly assess the integrity of physical controls and security measures onsite. In the unlikely event of a breach or other type of security incident, established protocols with local police, fire departments and other authorities ensure swift, coordinated action. Regular crisis response drills and joint training with emergency services keep our security teams and relevant personnel sharp and prepared. Because true security isn't just about reacting—it's about staying ahead.

INSPIRING OUR COMMUNITIES

Responsible Gaming

OUR COMMITMENT

Responsible gaming is not only foundational to maintaining our license to operate, but also an ethical imperative—the onus is on us to equip our patrons with all the required information and resources needed to make informed gaming choices and to have access to appropriate channels for support. We strive to differentiate ourselves in the industry by upholding stringent RG standards, adopting technologically enabled safeguards to facilitate RG and proactively providing related information, tools and assistance when needed to all our guests. Surpassing regulatory requirements in all our jurisdictions demonstrates our commitment to continuously improving fair and safe gaming experiences for our guests and colleagues. We do not make exaggerated, false or misleading claims regarding the chances of winning or losing in context of gambling. We will not make false claims or employ misrepresentations in our communications, particularly when it comes to undermining our competitors' product or reputation.

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

OUR TARGET

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

HOW WE MANAGE IT

Our commitment to human rights and dignity extends across our entire value chain—from colleagues to guests to the communities where we operate. In gaming, this means ensuring that every guest has the information and resources to make informed choices. Gaming experiences vary, and so does an understanding of RG, making awareness a priority. Beyond education, we leverage advanced facial recognition technology to facilitate RG among our guests, while providing seamless access to support channels and resources for those who need them.

As human rights issues in gaming can be in various forms, we actively undertake various measures to promote a fair and safe gaming environment through a comprehensive approach focused on technology and process, education and community engagement. Leadership from the top and a global steering committee with representatives from both gaming and non-gaming departments across all our operations provide strategic direction for our responsible gaming initiatives, which include:

- Taking measures to ensure that individuals have access to adequate support and resources for dealing with problem gaming or addiction
- Supporting self-exclusion with real-time facial recognition security systems
- Ensuring our patrons have access to accurate information about the odds and risks associated with gaming
- Following local laws and regulations on gaming related marketing campaigns to ensure:
  - they do not target youth, or use elements that might appeal to youth
  - they do not exploit vulnerable individuals or make any implication that gaming can solve financial or personal problems
  - marketing communications are not sent to individuals subject to self-exclusion or third-party exclusion
- Educating our colleagues. Rigorous training is conducted through a mix of online and in-person sessions to maintain our high standards, comply with regulatory requirements and retain our third-party, independent RG accreditations
- Supporting the community by being in compliance with regulatory requirements related to the provision of information on responsible gaming

These mitigating actions are applied across all our casino-based properties. In 2024, Melco did not cause or contribute to any substantiated cases of human rights violations. The Group's Procedures for Handling Complaints and Whistleblowing are not only applicable to colleagues but to other stakeholders, encouraging all to feel safe in raising any potential concerns. For details, refer to the section on Whistleblowing on page 110.

Leadership from the Top

The foundation for RG is set at the highest level, with our Chairman & CEO, Lawrence Ho, overseeing our RG strategy and leading our RG Steering Committee. The committee, which also comprises leaders from gaming and non-gaming departments across the Group, provides strategic direction for all our RG initiatives. At each property, dedicated working committees manage the implementation of our RG measures, regularly reviewing performance and offering recommendations to improve our initiatives.

Third-party Validation

Independent, external verification is central to Melco's commitment to best-in-class RG practices. In 2021, we became the first integrated resort operator in Macau and the Philippines to attain RG Check accreditation, with Cyprus following in 2022. Developed by the Responsible Gambling Council and overseen by an independent panel of RG specialists, RG Check is the most comprehensive and rigorous international, third-party, RG accreditation program globally. In 2024, City of Dreams Manila and City of Dreams Mediterranean, including its satellite casinos, excelled in the RG strategy, education and training criteria for RG Check[66] accreditation.

In Macau, the government-endorsed, Responsible Gambling Indicators project, developed by the Responsible Gambling Work Group[67], assesses casinos based on its RG Implementation Index criteria. Ten of our facilities[68] have received recognition as 'Responsible Gambling Model Units' with nine earning perfect scores of 100% against the criteria.

In addition to the robust RG measures adopted at City of Dreams Mediterranean, we are working with the RG unit of the Cyprus Gaming and Casino Supervision Commission to continue to enhance procedures and performance indicators for measuring the efficacy of our RG controls.

Technology and Process

In gaming, staying ahead means staying responsible. Real-time facial recognition security systems are embedded in our gaming infrastructure across Macau, Manila and Cyprus, facilitating self-exclusion by guests. As technology advances, so do we—consistently exploring new developments and constantly refining our processes, controls and safeguards to meet the pace of change.

Educating our Colleagues on RG

Responsible gaming isn't a policy—it's a mindset that extends from senior leaders to the frontline teams. Every colleague is trained to recognize its importance and equipped with the tools to support our guests effectively. Through a combination of online and in-person training, our standards remain sharp, while mandatory RG assessments reinforce compliance with regulatory requirements and help maintain our external RG verification. Completing online RG assessments is mandatory for our colleagues, and each year, our "RG Awareness Month" strengthens this commitment, deepening awareness and accountability across the organization.

As part of our regular HoH Roadshows and community-building events, we invite NGOs and other community stakeholders to engage with our colleagues and suppliers on RG. Key highlights of 2024 are shared below.

- Melco hosted a Responsible Gaming Photo Exhibition at Studio City in August, supported by DICJ and the University of Macau's Institute of Advanced Studies (IAS). The exhibition featured impactful visuals to raise awareness about RG
- A total of over 66,400 training hours spent by close to 114,790 participants joining RG training, with completion rates for the Annual RG Refresher Training of 98% in Macau, 100% in Manila and 98% in Cyprus
- High completion rates by colleagues accessing the online "RG is Everyone's Job" training with 99% in Macau and Manila and 90% in Cyprus
- In cooperation with NGOs in Macau, 15 RG Roadshows were attended by more than 3,000 colleagues, with RG Boardgames and counseling services provided by the NGO, Gaming Employee Home, on a quarterly basis
- Awareness-raising activities, including RG Game Booths and RG Awareness Months, saw over 20,000 colleagues participating in Macau, Manila and Cyprus

RG Ambassadors

Our RG Ambassadors (RGAs) are experienced in all aspects of RG. These frontline managers are specifically trained to support guests and colleagues with RG challenges, ranging from self-exclusion practices to recognizing those in need of assistance and providing referrals to professional counseling services.

In total, RGA teams across our properties, which comprise over 1,210 qualified managers serving as contact points for all RG-related issues, are available onsite 24/7. In Macau, we've increased our RGAs to 729, enhancing support for gaming disorder prevention. Additionally, 242 RGAs were trained in Cyprus and 239 in Manila, an increase of 68 from the previous year in Cyprus.

The training program to be qualified as an RG Ambassador is rigorous and has the following three levels:

- Level 1 – RG Introduction
- Level 2 – RG Advanced course
- Level 3 – RGA training

Previously in 2023 and in collaboration with NGOs in Macau, a training series, along with seminars, game booths and kiosks, was launched to enhance RGAs' knowledge and skills. Completion rates for this ongoing RGA Refresher Training were at 100% for Macau and Manila, and 99% in Cyprus in 2024.

Alongside the Responsible Gaming Photo Exhibition at Studio City in August, an advanced training seminar was held for 102 RG Ambassadors, focusing on self-exclusion practices and counseling referrals. Led by Professor Davis Fong from UMAC, the session enhanced the expertise of frontline managers in supporting guests and colleagues with RG challenges.

Supporting the Community

Beyond standard regulatory requirements, we take a proactive approach to elevating RG awareness and support into all our communities. Through partnerships with local NGOs, we ensure that information, resources and support services are easily accessible, reinforcing RG as a shared responsibility.

In 2024, we hosted quarterly workshops for women in Macau, merging RG awareness with lifestyle subjects. Additionally, we organized events and roadshows to promote RG with NGOs such as the Youth Volunteers Association of Macau, and provided counseling support through Gaming Employee Home.

66. As of 2024, the casinos at our properties in Macau have retained external assessment against the local government's RG Implementation Index criteria.
67. In Macau, this group comprises members from the Social Welfare Bureau, Gaming Inspection and Coordination Bureau, Education and Youth Development Bureau, Institute for the Study of Commercial Gaming (ISCG) at University of Macau and Centre for Gaming and Tourism Studies of Macao Polytechnic University.
68. The facilities include City of Dreams Macau, Studio City, Altira Macau (including Mocha Altira), Grand Dragon Casino, Mocha Hotel Grand Dragon, Mocha Hotel Golden Dragon, Mocha Kuong Fat, Mocha Inner Harbor, Mocha Hotel Royal and Mocha Hotel Sintra.

INSPIRING OUR COMMUNITIES

Community Investment & Engagement

OUR COMMITMENT

Our work—now and into the future—depends on the strength of our communities and those along our supply chain. While our guests may come from afar, our colleagues and their families, NGO partners, businesses and government stakeholders call these communities home. At Melco, deep community connections aren't just a responsibility—they're a source of constant pride. We are committed to maximizing our positive impact and creating shared value, ensuring our initiatives are both meaningful and lasting. In developing and implementing programs, we focus on:

- Contributing to economic development and meeting local needs through tailored programs and collaborations with community partners—from social impact groups to local SMEs and microenterprises
- Empowering our colleagues to advance social and environmental progress through volunteering
- Providing charitable donations to address local needs and sponsorships for beneficiaries to reach their potential
- Conserving and celebrating cultural heritage to enrich the guest experience and connections between our stakeholders and our communities

OUR TARGETS

- 80% of global colleagues to volunteer at least 4 hours per year
- Each jurisdiction to run cultural and heritage programs that help develop people into knowledgeable and engaged ambassadors of their country
- Advance the economic prosperity of local SMEs

HOW WE MANAGE IT

Our approach to community investment and engagement is holistic, designed to maximize impact through tailored programs and long-term, authentic partnerships. By fostering collective action, we create initiatives that go beyond one-off contributions, generating lasting value. Leadership at the highest level, combined with committed support throughout our global organization and from our stakeholders, works together to enhance the positive impact we can make together in our communities.

CSR Steering Committee

Our CSR Steering Committee, which is inspired and guided by our Chairman and CEO, is responsible for ensuring we make a meaningful impact in our communities. Charged with aligning our priorities and resources, the committee collaborates closely with local governments, NGOs and businesses, while empowering our colleagues to participate actively. United by a shared commitment to addressing the unique challenges of our diverse communities, committee members draw on their expertise and experience to work with local authorities and drive lasting change.

Our CSR Approach and Programs

Guided by our eight CSR pillars, we aim to address the distinct needs of our local communities by:

- Engaging with local SMEs and suppliers
- Partnering closely with local NGOs, charities, academia, government departments, associations and other organizations
- Being attentive to relevant local issues and tailoring our engagement strategies with communities
- Creating targeted programs that provide effective solutions for social challenges
- Integrating community needs with our business strategy

In reporting on our partnerships and programs aimed at strengthening our communities, we concentrate on the following areas:

- Economic Prosperity for Local SMEs
- Volunteerism
- Disaster Relief Response
- Culture and Heritage
- Philanthropy

Economic Prosperity for Local SMEs

SMEs and micro enterprises are the backbone of local economies, fueling economic activity and generating jobs throughout the value chain. We actively expand procurement opportunities with local suppliers while helping them grow their businesses sustainably.

By strengthening their capacity to meet requirements—from timely delivery and quality to hygiene, and labor and environmental standards—we foster long-term partnerships that empower local businesses to scale. This approach allows us to leverage economies of scale, secure reliable supply chains, reduce risk and enhance operational resilience. Local companies, including SMEs, make up the majority of suppliers across our markets. Refer to our Sustaining our Supply Chain section on page 088 for details.

In 2024, we reinforced our commitment to local procurement through a variety of initiatives, highlighted below.

Industry Participation
Melco representatives attended the 4th Procurement Alliance Matching Event that was organized by Macau Young Entrepreneur Incubation Centre.

Melco SME Academy
Fostering a culture of life-long learning, the SME Academy extends the Melco Learning Academy, providing training programs specifically targeted to the needs of local businesses and SMEs operating in a global environment. The program covers topics such as sustainability, work ethics, product development initiatives, food safety and hygiene, equipping SME partners with practical tools to remain competitive and scale their operations in an evolving business landscape. In 2024, 17 capacity-building workshops were conducted with 698 attendees from 434 SMEs—a 47% increase in total attendance over 2023—strengthening local businesses through knowledge and innovation. In addition, two SME Experience Tours and four F&B workshops were organized with 81 and 139 SME representatives, respectively.

COMMUNITY INVESTMENT & ENGAGEMENT
HOW WE MANAGE IT

"To the Table" event
In 2024, we again hosted our "To the Table" event in Macau for 53 local suppliers, including 28 F&B SMEs, to introduce their products to 27 of our chefs, F&B colleagues, 13 guests as well as local government officials and departmental managers from across Melco. The event also provided training on Melco's food safety standards and overall sustainability strategy. A total of 93 attendees attended the event.

HoH Roadshows
The HoH Roadshow is a unique initiative that provides local SMEs with rent-free opportunities to set up booths in the back-of-house areas of our integrated resorts, enabling them to sell directly to over 12,000 colleagues in Macau. This program has received overwhelmingly positive feedback over the years, fostering stronger connections between our team members and the local business community.

In 2024, 17 roadshows were held in-house with 393 participating SMEs, representing a 42% increase over 257 that joined in 2023, and generating over US$898,000 for SME businesses.

Building on this success, we collaborated with key local organizations to expand the roadshows into the wider community with two being held with the Macau Federation of Trade Unions, and another with the General Union of Neighborhood Associations of Macau (UGAMM), with a total of close to US$70,000 in revenue generated for the 169 participating SMEs, attracting 18,000 visitors.

At City of Dreams Manila, a quarterly, four-day-long Employee Bazaar brings colleagues and local businesses together in our HoH. Seasonal events further support local vendors, offering discounted prices for colleagues—from back-to-school books and Christmas toys to items and services for school graduation.

Christmas Bazaar
At Studio City, our annual Christmas Bazaar extended from 10 to 21 days over the holiday season, bringing greater market exposure to local SMEs and NGOs. With support from the Economic and Technological Development Bureau (DSEDT) and MGTO, the event attracted both guests and visitors to Macau, reinforcing our commitment to economic diversification. The festive marketplace generated over US$50,000 in revenue for 40+ local businesses, showcasing a broad range of handicrafts, gifts, food and drinks. Beyond shopping, family-friendly activities, such as festive arts and crafts and gift-making workshops, game booths, themed displays, photo taking and live performances created a vibrant holiday experience for all.

21 SME events[69]

603 participating SMEs and NGOs

US$1.02m+ in revenue for SMEs

Volunteerism

Volunteering is a powerful way for our colleagues to create meaningful change in their communities. In 2024, close to 3,600 volunteers in Macau, Manila and Cyprus dedicated their time and effort to 359 beneficial activities, ranging from recreational events with families that facilitate participation of children and adults with special needs, elderly talent shows, visits to elderly homes, refurbishing schools, and blood donations to tree planting and coastal clean-up drives.

Volunteering Initiatives

	2024	2023	2022
Activities	**359**	530	2,276
Participants	**3,587**	3,845	22,346

Simple Acts of Kindness
Our hallmark "Simple Acts of Kindness" program leverages our belief that a multitude of actions can collectively have a big impact. Highlights of our initiatives to engage and support our communities across our global network in 2024 are shared below.

Properties in Macau
Over 1,800 volunteers rolled up their sleeves this year in:

- Supporting the Young Volunteers Development Program that mobilizes youth to assist individuals with disabilities, fostering a sense of inclusivity and reinforcing the importance of giving back and building strong community ties. Supported by the Macau Education and Youth Development Bureau and the Environmental Bureau, and in partnership with UGAMM, the program included 18 parent-child pairs, with 10 pairs from Melco and eight from the community.
- Contributing to the Macau Inclusion Conference and Golf Masters 2024, which promotes inclusivity through sports. This landmark event with Melco as the main sponsor, celebrates inclusivity and empowerment. The event brought together 1,000 participants from over 30 countries, including the world's top 14 golf players with intellectual challenges. The conference featured parental consultation sessions and activities designed to foster connections, alongside recreational activities such as a visit to Studio City Water Park—Macau's first Certified Autism Center[70]. There, trained colleagues ensure individuals and their families can enjoy a welcoming and inclusive environment. Melco is honored to receive this accolade, which together with these key events, underlines our dedication to inclusive community engagement and creating opportunities for all individuals—regardless of ability—to connect, participate and thrive.
- Engaging with around 60 community members, including families with special needs children, to support cultural appreciation and social inclusivity through bespoke art workshops at City of Dreams' "Crowning Journey of Jean-Michel Basquiat" event. Participants explored the life and work of the legendary artist through interactive tours and creative workshops, as well as collaborating with local artist MCZ_Thomas to create personalized ceramic plate designs, inspired by Basquiat's urban art culture. Co-organized with Artelli[71] and supported by the MGTO and Cultural Affairs Bureau, this initiative highlighted Melco's commitment to fostering meaningful cultural connections.

69. This includes HoH and external roadshows, as well as the Christmas Bazaar, generating direct revenue for SMEs.
70. https://ibcces.org/blog/2024/04/22/melco-studio-city-macau/
71. https://www.artelli-meta.com/

COMMUNITY INVESTMENT & ENGAGEMENT
HOW WE MANAGE IT

- Partnering with UGAMM, FAOM and Macau Caritas, to organize “Simple Acts of Kindness 2024 – Elderly Got Talent”, an event featuring 75 elderly performers across nine teams to showcase their talent and enjoy a fun, meaningful experience with their peers and families. With around 500 community members in attendance, the event celebrated both the 75th anniversary of the PRC and the 25th anniversary of Macau’s return to mainland China, featuring a diverse lineup of dance, drama, music and cheongsam performances. Our Chairman & CEO, Mr. Lawrence Ho, joined the celebration, praising the performers’ passion and dedication, while highlighting the joy and sense of purpose the event fostered. UGAMM reaffirmed its commitment to creating opportunities for elderly people to connect, celebrate and share the festive spirit, reinforcing a vibrant and harmonious Macau.

- Visiting elderly homes to provide company and help with day-to-day tasks, including homes that are short-staffed
- Training and certifying 539 volunteers to serve elderly and other physically challenged individuals in partnership with the Pou Tai Elderly Service Center
- Collecting and donating food items to NGOs such as Fu Hong Happy Market to share with those in need
- Providing education support to parents through pastry and cooking workshops

City of Dreams Manila
In 2024, 56 activities involving 1,774 volunteers in total were held. These included:

- Participating in a quarterly blood donation activity onsite, together with Philippine National Red Cross; over 700 volunteered at these drives and the family planning events during the reporting year
- Collaborating with partner institutions to help take care of orphans, elderly and sick children
- Repainting and repairing local schools
- Engaging in a tree-planting and coastal clean-up drive
- Donating rice, toiletries and other goods specifically needed by partner institutions

City of Dreams Mediterranean
- City of Dreams Mediterranean staff donated clothing to children through Hope for Children as part of their commitment to giving back to the community during the holiday season. This initiative aligns with the company’s core philosophy and broader CSR efforts to support vulnerable groups and address social issues.

Culture and Heritage

Honoring the distinctive cultures and heritage of our communities enriches guest and colleague experiences, creates business opportunities for our partners and helps preserve invaluable legacies for future generations. By promoting the history and traditions of Macau, Manila, and Cyprus, we strengthen ties with our people and their communities, offer unique cultural experiences to our guests, and contribute to vibrant tourism sectors in our markets.

Splendors of China
Our “Splendors of China” program continues to inspire a deeper appreciation of Chinese heritage, offering multifaceted learning opportunities that cultivate cultural pride and understanding among colleagues and the wider community. In 2024, over 9,000 participants were engaged in cultural awareness activities, with 98% of feedback indicating increased pride in Chinese culture and a stronger desire to explore its rich heritage.

A special “Splendors of China” event was hosted at City of Dreams in 2024, featuring a variety of cultural highlights, including a keynote speech by Professor Zhu Shoutong from the University of Macau, cultural demonstrations by the Macau Qipao Society and the Macau Fashion Industry Federation, and performances by Melco’s award-winning Chinese tea masters. The Best Dressed Chinese Outfit Contest celebrated colleagues’ creativity and pride in traditional Chinese attire, with winners recognized across categories such as creativity, glamour and historical style. Nearly 200 attendees, including colleagues, university students and local community members, joined the event, alongside distinguished guests from government, academia and cultural organizations.

Other Cultural Initiatives
As part of its commitment to fostering cultural exchange and artistic development, Melco proudly facilitated a visit of the Central Conservatory of Music delegation from Beijing to Macau in 2024. Through its sponsorship of the “Beijing-Macao Universities Art Exchange and Aesthetic Education Immersion Activities”, 51 students and teachers joined seminars and musical performances at local universities, schools and community centers in Macau. Melco also hosted a visit to UGAMM’s Family and Integrated Community Service Centre, where the delegation performed nationalistic songs and exchanged musical experiences with local elderly people.

Cultural Heritage Training Programs
Infusing local culture and heritage into guest experiences transforms a stay into a lasting memory. To bring this to life, we offer training programs across the Group, equipping guest services and front office colleagues to serve as proud cultural ambassadors—imparting their knowledge of local culture and heritage to our guests. Building on our “Everyone is a Salesperson” initiative, the cultural heritage training program deepens colleagues’ familiarity with historical and cultural landmarks, ensuring they can offer guests insightful, enriching experiences.

COMMUNITY INVESTMENT & ENGAGEMENT
HOW WE MANAGE IT

Cultural Ambassadors in Macau
Through internal property knowledge exchanges and site visits, our colleagues in Macau are equipped to create high-quality, curated experiences for our guests. In 2024, 24 sessions, with 123 colleagues participating, were held focusing on:

- Experiencing the World Heritage sites in Macau and their blending of Chinese and Portuguese culture
- Learning details about the history, local culture and local attractions of Macau
- Exploring the old-style community of Macau, with its distinctive shops and antique stores
- Wandering the alleys of Taipa and Coloane to enjoy the historic areas that uniquely integrate East and the West architectural features

Cultural Ambassadors at City of Dreams Manila
Great service isn't just about meeting expectations—it's about bringing a place to life. At City of Dreams Manila, a one-day orientation program immerses colleagues—especially non-locals— beyond the textbook version of Filipino culture, giving them direct encounters with its history, traditions and landmarks so they can offer guests more than just directions, but real insight. To elevate tourism standards, business unit leaders and core trainers participated in the "Filipino Brand of Service Excellence" training organized by the Philippines' Department of Tourism. The program sets a benchmark for Filipino hospitality excellence, reinforcing the warmth and service the country is known for.

Non-native colleagues also receive a "Filipino Culture Orientation" to learn about the historical sites in Intramuros Manila, the city's historic "old town", where they explore architecture, artwork, music and food to gain a deeper appreciation of the country's history and traditions.

Cultural Ambassadors at City of Dreams Mediterranean
Through the Cypriot Cultural Ambassadors Program, developed in partnership with the Limassol Tourism Board, colleagues gain a deeper understanding of Cyprus's history, traditions and attractions— giving them the knowledge to introduce guests to the island's history, traditions and hidden gems. The two-day comprehensive training combines blends classroom seminars with site visits to landmarks such as the Kourion Theatre and the Sanctuary of Apollo Hylates, offering firsthand exposure to the island's cultural legacy.

Youth Engagement

Our 'Start Young' initiative in Macau equips the next generation with the skills and mindset needed for the workforce of tomorrow. By collaborating with academia, industry and society—both nationally and internationally—the program nurtures young talent while reinforcing Melco's RISE sustainability strategy. A key component, the business case study competition, challenges secondary school students to develop practical solutions to optimize the sustainability of day-to-day operations.

In 2024, the "Melco Star Macau Youth Talent Competition" engaged 1,300 students from 60 schools and art organizations, showcasing nearly 200 performances in dance, song and recital. Co-hosted with the National Education (Macau) Association, the competition focused on nurturing young local talent, aiming to inspire a new generation of young artists, while promoting Chinese cultural awareness and fostering creativity. The judging panel features renowned experts, including:

- The creative direction team of "House of Dancing Water" from Peparini Studios
- Mr. Kriman Benbella, Founder and Creative Director of The Planet Entertainment
- Mr. Shanqi, renowned Chinese musician and producer
- Professor Xu Qing, former associate professor at the People's Liberation Army Art College
- Mr. Vincent Lu Jia, Macao Orchestra Principal Cello
- Ms. Hu Chengfeng, former judge of elite projects for the China National Arts Fund

This esteemed panel provided valuable feedback to the participants, helping to foster creativity and professional growth in Macau's youth.

Bridging generations of talent, Melco also hosted the "Macao Orchestra Meet the Musicians" event, bringing together orchestral members, aspiring musicians and students from institutions such as the University of Macau, Macau Conservatory and the Macau Autism Association. Among the featured musicians were Assistant Conductor Mr. Tony Cheng-Te Yeh and Principal Cellist Mr. Vincent Lu Jia, who shared their expertise and experience with young musicians eager to refine their craft.

Part of Melco's broader efforts to nurture local talent, the event provided students with direct access to world-class performers, and thereby contributing to Macau's development as a "City of Performing Arts" and inspiring the next generation of musical talent.

Beyond the arts, Melco continues to foster career development in our industry through partnerships with higher education institutions. In 2024, eight interns transitioned into full-time roles at City of Dreams Manila. Senior leaders also attended a "Learn & Dine" program organized by local universities, sharing industry insights on hospitality, luxury service, sustainability and corporate communication—helping prepare students for future careers.

Philanthropy

Businesses can make critical contributions where and when they are needed most, enriching the livelihoods of the most vulnerable in our communities. In 2024, we donated over US$17.42 million to causes supporting youth, SME and micro-enterprise development, culture and heritage, and other community needs. We continue to direct our monetary, in-kind and volunteering resources towards addressing priority needs in our communities.

Charitable[72], Political and Other Contributions and Expenditures
(US$)

	2024	2023	2022
Contributions to charities	**17.42 million**	16.68 million	7.85 million
Contributions to lobbying, interest representation, political groups/ organizations	**0**	0	0
Contribution to trade associations or tax-exempt groups[73]	**103,315**	67,781	111,729

Melco's Code, Ethical Business Practices Program and Policy on Sponsorship and Donations apply to political and charitable donations, ensuring that these contributions are not used as any form of bribery or corruption. As such, Melco's policies and procedures cover the identification, periodical review and monitoring of politically exposed persons (PEPs). Refer to the Code and our Ethics & Integrity section on page 108 for details.

72. Including cash contributions, in-kind donations and donations from our Philippines Foundation.

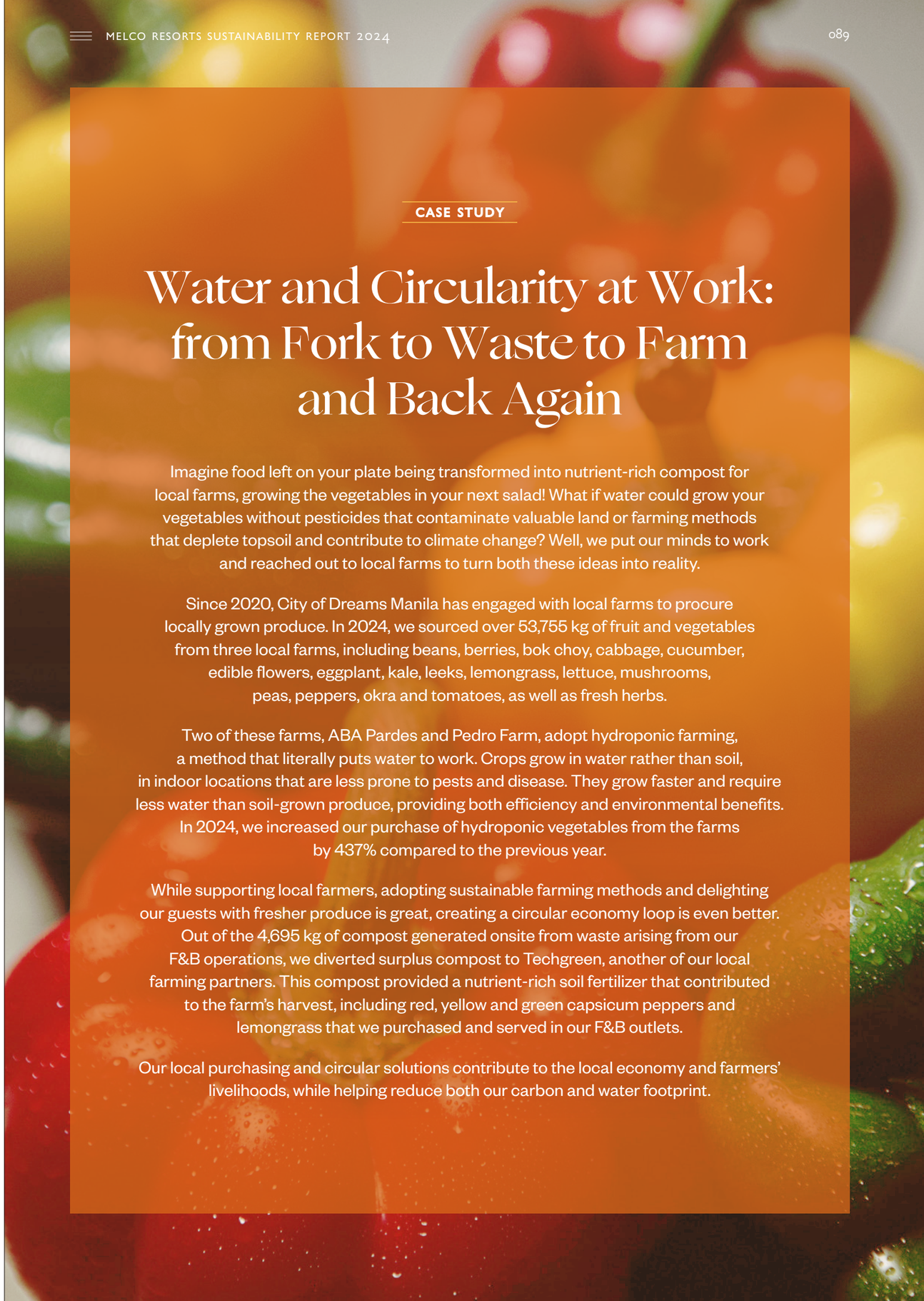
73. Comprising contributions to tax-exempt chambers of commerce.

Sustaining our Supply Chain

TRANSPARENCY, TRACEABILITY AND TRANSFORMATION TO FURTHER SUSTAINABLE SUPPLY CHAINS

QUICK ACCESS TO MATERIAL TOPICS

Ethical & Sustainable Supply Chain 092



CASE STUDY

Water and Circularity at Work: from Fork to Waste to Farm and Back Again

Imagine food left on your plate being transformed into nutrient-rich compost for local farms, growing the vegetables in your next salad! What if water could grow your vegetables without pesticides that contaminate valuable land or farming methods that deplete topsoil and contribute to climate change? Well, we put our minds to work and reached out to local farms to turn both these ideas into reality.

Since 2020, City of Dreams Manila has engaged with local farms to procure locally grown produce. In 2024, we sourced over 53,755 kg of fruit and vegetables from three local farms, including beans, berries, bok choy, cabbage, cucumber, edible flowers, eggplant, kale, leeks, lemongrass, lettuce, mushrooms, peas, peppers, okra and tomatoes, as well as fresh herbs.

Two of these farms, ABA Pardes and Pedro Farm, adopt hydroponic farming, a method that literally puts water to work. Crops grow in water rather than soil, in indoor locations that are less prone to pests and disease. They grow faster and require less water than soil-grown produce, providing both efficiency and environmental benefits. In 2024, we increased our purchase of hydroponic vegetables from the farms by 437% compared to the previous year.

While supporting local farmers, adopting sustainable farming methods and delighting our guests with fresher produce is great, creating a circular economy loop is even better. Out of the 4,695 kg of compost generated onsite from waste arising from our F&B operations, we diverted surplus compost to Techgreen, another of our local farming partners. This compost provided a nutrient-rich soil fertilizer that contributed to the farm's harvest, including red, yellow and green capsicum peppers and lemongrass that we purchased and served in our F&B outlets.

Our local purchasing and circular solutions contribute to the local economy and farmers' livelihoods, while helping reduce both our carbon and water footprint.

SUSTAINING OUR SUPPLY CHAIN

Strategy and Management Approach

Sustaining our supply chain goes beyond our downstream sourcing practices. It embodies what we aim to achieve across our entire value chain, as demonstrated through the actions of colleagues and suppliers and showcased to our guests. This starts with our colleagues defining our sourcing strategy and working collaboratively with suppliers to meet our compliance requirements and sustainability expectations, resulting in experiences that show our guests how quality and excellence go hand in hand with sustainability.

Our Supplier Code sets minimum legal compliance standards and outlines our requirements for ethical and responsible business practices, including safeguarding human and labor rights and advancing environmental and social progress. With code compliance integrated into tendering and purchasing processes, it forms the foundation of our engagement with over 5,000 suppliers in our global network. As the regulatory landscape and ESG risks and opportunities continually evolve, alongside stakeholder expectations for accountability and transparency, we review and update the Supplier Code as needed. We also provide access to regular information sessions and training for our suppliers, keeping them abreast of any changes.

Prioritizing where we can effect change, we focus on building the capacity of our local partners to innovate, deliver items and services with reduced environmental impact and provide decent work to support productive livelihoods in our communities. As a result, suppliers are increasingly offering competitive options that not only meet our Supplier Code but also balance sustainability and financial considerations. This is critical to leveling the playing field and driving industry-wide change—benefitting our business, suppliers and wider communities along the supply chain.

KEY GOALS

- Procuring locally and creating demand for materials that have sustainability attributes[74]
- Building capacity and awareness of the social, ecological and biodiversity impacts in sourcing
- Striving to eliminate human trafficking and modern slavery in our industry and supply chains

MATERIAL TOPIC

Ethical & Sustainable Supply Chain 092

HIGHLIGHTS

For the supply chain pillar of our RISE sustainability strategy, we are seeing measurable results from integrating sustainability considerations into our sourcing. In 2024, five years since setting our ambitious goals, we have made progress by focusing on:

- reducing environmental impacts across priority product categories, including cotton[75], chemicals, seafood, cage-free eggs[76] and others
- enhancing our systems and processes to track sourcing attributes and improve efficiency in ordering and payments to suppliers
- integrating sustainability thinking and actions into our colleagues' day-to-day operations and interactions with suppliers and business partners

Examples of progress made in 2024 range from 86% of chemicals sourced being rated in the Green and Amber categories and 18% of all seafood purchased by weight from sustainable sources, to 93% of our F&B outlets offering vegetarian options.

Supporting our commitment to local economic development, 86% of our purchasing in Macau in 2024 was from local companies, 59% of which came from local SMEs. In Manila and Cyprus, 76% and 40% of our procurement, respectively, supported local businesses.

We also continued to provide training on human rights and modern slavery risk, with 528 colleagues from our security teams and 155 from our supply chain teams participating since 2023.

Through years of engaging our stakeholders on this journey, we have noticed a growing sense of pride in the progress achieved by integrating sustainability in our sourcing. It is no longer a "project" but ingrained in our DNA; it is the golden thread tying all our efforts together. Sustainable sourcing makes ESG real in our daily activities and relationships with suppliers, fosters community engagement and drives cultural change.

> **"Integrating sustainability into our sourcing has been a learning experience for our colleagues that has changed their lives. When they speak about procuring items for the Company or even for themselves, they look at if it's organic and where it comes from, caring about the whole ecosystem now. We see a big, sustainable cultural change."**
>
> **AUGUSTA VARGAS-PRADA**
> SENIOR VICE PRESIDENT, GLOBAL SUPPLY CHAIN

Together, we have achieved several sustainable sourcing targets and continue to make progress on others, motivating us to push forward and set new targets to advance our broader sustainable sourcing goals.

74. A material, product or service is deemed to have a "sustainability attribute" if, when compared to other similar items, it has, or any significant portion of the materials it comprises has, (a) a reduced negative environmental impact at any point throughout its lifecycle (e.g., when it is harvested, produced or managed), (b) an increased positive social impact at any point throughout its lifecycle (e.g., where the economic benefits of its sale accrue to local or marginalized groups or communities), and/or (c) third-party certifications or traceability features attesting to its environmental and/or social benefits.

75. We define sustainable sources as those that are certified to internationally recognized schemes for responsibly sourced cotton.

76. Cage-free eggs, from sources recommended by the Lever Foundation, are produced by hens that are free to roam in barns and natural environments, rather than being confined to small cages.

CHALLENGES

While the world was in post-pandemic recovery mode in 2024, geopolitical tensions and climate change induced extreme weather challenged global supply chain resilience. While no region was spared, our global sourcing strategy was tested but held firm.

Though our diverse supplier network and expertise in managing complexity keep us in good stead, rolling out new procurement technology and systems has taken longer than planned. With 2024 as a reflection point ahead of 2025, when most targets are due, we critically assessed progress and identified areas for improvement. As detailed on page 098, direct supplier engagement to verify sources and certifications has been challenging yet effective, helping to drive transparency, traceability and sustainability across our supply chain.

2025 AND BEYOND

As we look to 2025, our immediate priority is to set new sourcing targets to meet our ambitious goals for 2030 and beyond. Navigating globalization in an interconnected yet stressed world won't be easy. The strong foundation we have built in institutionalizing our sourcing strategy and fostering a sustainability mindset among our people, suppliers and business partners enables us to embrace new opportunities. We will continue to expand our supplier engagement and capacity-building initiatives to drive continuous improvement.

SUSTAINING OUR SUPPLY CHAIN

Ethical & Sustainable Supply Chain

OUR COMMITMENT

Melco's procurement of products and services must be nimble to adapt to change and challenges, yet grounded in the resilience and diversity of its global network. Fostering strong supplier relationships is therefore essential, driving our efforts to promote the sustainable and inclusive development of local economies and communities in our markets. As we expand the integration of ESG criteria into our sourcing expectations and decision making, we aim to reduce supply chain risks and disruptions and enhance sustainability performance. This builds resilience for our business and suppliers, enabling us to make collective progress towards a more sustainable future.

To stimulate and sustain demand and supply for responsibly sourced products and services, we raise awareness of the importance and benefits of ethical and sustainable sourcing among our guests, colleagues and suppliers. Through targeted initiatives, we advance our progress towards existing targets and plan new ones to continuously enhance sourcing strategies and achieve broader goals.

OUR TARGETS

- Purchasing 100% of our bed linen and towels from OEKO-TEX®-certified suppliers and 100% of our pure cotton linen and towels from sustainable sources[77] by 2030
- Procuring 20% of our seafood from sustainable[78], local, and/or globally recognized certification schemes by 2025
- Sourcing 50% of our chemicals rated as Green or Amber[79] by 2025
- Sourcing 100% cage-free eggs by 2025

These ambitious, measurable targets, set in 2019, have guided our sourcing teams in aligning internal processes and strengthening supplier partnerships. This has required critical assessments to identify opportunities for procuring items with sustainability attributes and engaging directly with local organizations and suppliers to build capacity for meeting our criteria along the tiers of our supply chain.

Since establishing these targets, we have achieved some ahead of schedule, including bed linen and towels from OEKO-TEX®-certified suppliers, chemical ratings and cage-free eggs for our properties in Manila and Macau[80]. Progress on seafood has been more challenging but has led to significant enhancements in transparency and traceability, particularly related to confirming product certifications and helping local sources move towards meeting recognized certifications. 18% of our total seafood procured globally by weight is from sustainable sources, bringing us close to our target of 20% by 2025.

For our previous target of "sourcing 80% of our procurement choices with sustainability attributes by 2025", we analyzed our product categories and their individual items to proactively procure those with reduced environmental impact and/or social benefits to local communities. Tracking criteria related to these numerous items is an ongoing task, which requires both aligning our systems to capture this data and our suppliers to provide accurate product and service information. Given the substantive nature of this task, we have been reviewing the target to understand which categories and areas we need to focus on to have the most impact. Reducing the footprint of our F&B procurement will remain a high impact focus. In recent years, we have continued to refine our methodologies for calculating our Scope 3 GHG emissions, which have been verified with reasonable assurance since 2022. We are conducting a thorough review of emissions arising from Purchased Goods and Services and will redefine the overarching target to focus on areas where we can reduce carbon intensity and enhance sustainability attributes.

HOW WE MANAGE IT

Sourcing responsibly is a discipline, a commitment and oftentimes, a challenge. That's why we integrate sustainability considerations at every stage of supplier engagement—from tendering and purchasing agreements to training on sustainability criteria to build local capacity. But we don't just ask our suppliers to meet sustainability standards—we expect them to push us and the industry forward.

Through contracts, every supplier we work with must adhere to our Supplier Code, which sets clear expectations across key areas:

- Ethical and fair business practices, including zero tolerance for misleading advertising and unfair advantage
- Human rights protection, including freedom of association, the right to collective bargaining, fair labor practices and our zero-tolerance policy on modern slavery, including any form of forced or harmful child labor, in line with the UN's Universal Declaration of Human Rights
- Standards for safety and health
- Environmental protection measures
- Anti-corruption and anti-bribery practices
- Data privacy and upholding confidentiality in business conduct

Established procedures and systems guide our global and local teams in implementing measures aligned with both the code requirements and our sustainable sourcing goals, which enhance transparency and efficiency in the procurement process. We also have sourcing guidelines aimed at meeting specific ESG criteria for procurement categories.

77. We define sustainable sources as those that are certified to internationally recognized schemes for responsibly sourced cotton.

78. As outlined in our Sustainable Seafood Sourcing Guidelines, we define "sustainable seafood" as fish or seafood items from sources that have been certified by international bodies or other standards, or identified as such by recognized, science-based recommendations. Refer to page 097 of this section for details.

79. The "traffic-light" rating system (Green, Amber or Red) rates chemicals based on their impacts on human health, toxicity, ecosystem degradation and bioaccumulation, prioritizing those certified to internationally recognized eco-labels such as Green Key and Green Seal.

80. 74% of the eggs served at City of Dreams Mediterranean are from cage-free sources in 2024. Our integrated resort in Sri Lanka, City of Dreams Sri Lanka, is scheduled to open mid-2025 and will adopt and work towards achieving our criteria and targets for our sustainable sourcing categories.

ETHICAL & SUSTAINABLE SUPPLY CHAIN
HOW WE MANAGE IT

The Supplier Code requires suppliers to establish effective mechanisms, such as a complaint/whistleblower process, to identify and promote anonymous reporting of any unethical behavior in violation of the code (refer to the Supplier Code for details). Melco's established whistleblowing system enables suppliers and other stakeholders to safely and confidentially report any concerns or incidents of actual or potential misconduct. From Melco's website[81], concerned parties can access an independently operated third-party site[82] to make a report via a toll-free reporting hotline or the site's online reporting mechanism. Our Ethics & Integrity section of this report on page 108, provides detail on these mechanisms.

As a result of due diligence conducted to assess compliance in 2024, business with one seafood supplier was discontinued when it was determined that incorrect documentation had been provided to Melco. While we addressed this case, no other substantiated cases of noncompliance with our Supplier Code were reported in 2024.

Representatives from our properties meet monthly to review performance and share best practices. Melco's Sustainable Sourcing Working Group also meets monthly to oversee sourcing and supply chain decision making, allocate resources and provide recommendations to further our goals. Progress is reported quarterly by this group to the Executive Sustainability Committee, providing another layer of oversight, support and guidance.

Supplier Engagement and Capacity Building

A key ingredient of our sourcing strategy is building strong relationships with suppliers to deepen understanding and support for sourcing products and services with sustainability attributes. Our diverse supplier network spans global multinationals to SMEs, many of which are local and micro in size. To help ingrain a sustainability mindset, especially among local and SME suppliers, we focus on raising awareness and providing training and capacity-building opportunities. Through an array of such initiatives, we establish collaborations to improve the procurement process, enhance product and packaging designs, reduce environmental impact and co-develop new products or expand sourcing categories.

Each year, we host a series of "Sustainability and Ethics" workshops on topics ranging from responsible sourcing and waste reduction to increasing recycled and biodegradable content, eliminating SUP packaging and preventing modern slavery. These sessions support suppliers in adopting responsible practices while giving our colleagues and suppliers a platform to exchange ideas for new products or initiatives, share lessons learned and define areas for improvement. As part of our engagement, we also support our suppliers in implementing improvement actions through tailored strategies, ongoing training and monitoring.

In 2024, we implemented eight SME collaboration projects ranging from business matching and procurement system improvements to award ceremonies and awareness sessions on sustainable sourcing.

We also held sessions for our colleagues and 19 SME partners to learn directly from expert NGOs about priority areas aligned with our sustainable sourcing goals. These included:

- A Plastic Ocean Foundation[83] sharing insights on recycling/plastic reduction trends, with practical tips on reducing SUP usage
- The Mekong Club[84] delivering a session on the status of modern slavery in the hospitality industry and actions to be taken to prevent and mitigate it in supply chains
- Zero Foodprint Asia[85] leading a discussion on food-related sustainability risks and opportunities and how the hospitality sector can support regenerative farming in Asia and further the sustainability of food systems

As part of our ongoing KAIZEN exercise, we work directly with suppliers to ensure they follow our waste segregation requirements for onsite deliveries to reduce packaging and make delivery processes more efficient. Infrastructure to facilitate this is in place across our properties, with recycling bins and signage at product receiving areas and warehouses. Suppliers are also encouraged to incorporate circular economy principles into tenders, purchase orders and other agreements by specifying low-impact products, packaging and services.

Supplier Showcase
HoH Roadshows are special events that we run in Macau to spotlight suppliers bringing new innovations in sustainable and ethical sourcing. From hosting booths, making presentations and engaging in discussions, suppliers can showcase both food and other items with sustainability attributes to our colleagues, hospitality peers and NGOs focused on environmental protection and sustainably sourced seafood.

Our annual "To the Table" event brings suppliers, chefs and guests together for educational talks on sustainability while featuring locally produced F&B products and dishes. The event highlights both Melco's high standards for food safety and support of sustainable products and practices.

Since 2016, we have run two to three SME Experience Tours a year for around 25 SMEs with 40 to 35 participants each time. Since 2020, we have also hosted our SME Academy. These engagements connect SME suppliers with Melco's Procurement team members to learn more about products and services in different category themes, discuss sourcing strategies and build both supplier capacity and new business opportunities.

2024 Highlights

In 2024 we hosted the following events:

- **one "To the Table" event** with 53 representatives (including 28 SMEs suppliers), 27 chefs and 13 guests, as well as local government officials and departmental managers from across Melco Resorts

- **two SME Experience Tours** with 81 SME representatives
- **four F&B workshops** with 139 SME representatives
- **17 capacity-building workshops** on topics ranging from OSH best practices to work ethics, with 698 attendees—a 47% increase in total attendance over 2023—including 434 SMEs

81. https://www.melco-resorts.com/en/about-governance.html
82. http://www.melcoresorts.ethicspoint.com
83. https://www.aplasticocean.foundation/
84. https://themekongclub.org/
85. https://www.zerofoodprintasia.org/

ETHICAL & SUSTAINABLE SUPPLY CHAIN
HOW WE MANAGE IT

Technological Advancements and Process Improvements

Continually upgrading our technology and systems enhances the accessibility and transparency of our procurement process for our teams, suppliers and distributors. A key part of this is ensuring that localized SOPs in each market align with our centralized supply chain management system, improving efficiencies and oversight of our sourcing practices and real-time performance.

Managing procurement categories through our BirchStreet system gives us oversight of our global procurement and spending. By tracking the delivery and usage of consumables, we can better plan ahead and reduce the risk of disruptions and delays. These systems also optimize colleagues' time and resources while helping support suppliers' businesses. Our online purchase-to-pay (P2P) procurement system automates invoice submission and payments, to help ensure transactions are processed promptly and effectively.

Sourcing Guidelines

With our Supplier Code and SOPs as the foundation of our sourcing strategy, we put additional focus on key categories where we can effect meaningful change. Through research, planning, target setting and direct collaboration with suppliers in each market, we have made substantive progress in the widescale adoption of several items with sustainability attributes.

Our first targeted categories, which we continue to track, include cotton, chemicals and seafood, followed by cage-free eggs. Over the years we expanded our focus to coffee, tea, milk, chocolate, vegetables, meat and lower-carbon and organic options, as well as recycled fabrics for our uniforms.

Cotton

Our cotton guidelines specify that our linen and towels are certified to be free of harmful chemicals, safe for use, and from responsibly managed sources with reduced environmental impacts arising from harvesting and manufacturing. At our Macau and Manila properties, we achieved our 2025 target ahead of schedule, sourcing all bed linen and bath towels from OEKO-TEX®-certified suppliers since 2021, with Cyprus achieving this from the start. As of 2024, we have also met this target for bathrobes, mats and napkins. We continue to expand our procurement of pure cotton linen and towels with internationally recognized responsible sourcing certifications.

For other textile items, circularity trials are being implemented to integrate recycled fiber into our uniforms. We are in the process of replacing colleague uniforms with recycled polyester fibers for our hotels in Macau and Manila. Tendering processes for new uniforms prioritize recycled fabric options, and at City of Dreams Manila and our hotels in Macau, our chef uniforms are made from OEKO-TEX®-certified cotton and recycled polyester fibers.

Chemicals

While chemicals play an essential role in cleaning and other products that we rely on, we focus on increasingly procuring those that are fit for purpose with reduced impact. We categorize them with a traffic-light rating system—Green, Amber or Red—based on the extent that these substances are persistent, bioaccumulative and toxic to human health and ecosystems. Our sourcing guidelines include this rating for all chemicals and outline strict controls over their procurement and use at the property level. This process is tracked by our procurement and operational teams, with quarterly monitoring by our Executive Sustainability Committee.

Balancing safety and hygiene standards with reducing the environmental and human health impacts of chemical usage remains a challenging priority. In 2024, 86% of the total chemicals used across the Group were rated as Green or Amber keeping us well ahead of our target of sourcing 50% of chemicals in these reduced impact categories by 2025. While the preponderance of chemicals used are Green, equivalent to 53% in 2024, the total number of chemical products increased by 21% as well as the proportion of Red-rated chemicals. We attribute the changes primarily to a reassessment of data and chemical classifications to enhance accuracy. At the local level, 87%, 84% and 87% of the chemicals used at our properties in Macau, Manila and Cyprus, respectively, are rated as Green or Amber. We continuously test new chemicals with different business units, aiming to switch to reduced impact chemicals, such as laundry products that work effectively with less heat.

We also continually engage with our suppliers to update our inventory of cleaning chemicals, such as surface disinfectants, detergents and multi-purpose cleaners, with newly certified, less harmful chemicals approved for use in our markets.

Seafood

Responsibly sourcing fish and seafood items is important to our business, the economy and the communities around the world that depend on these resource for protein and their livelihoods. Healthy freshwater and marine ecosystems support biodiversity, produce oxygen and regulate the climate, making their protection critical. Since 2019, we have worked with our chefs to refine menus for guests and colleagues and engaged suppliers to provide items that meet our Sustainable Seafood[86] Sourcing Guidelines. These guidelines prioritize seafood certified to internationally recognized schemes[87], and support suppliers collaborating with local, small-scale fishers to adopt sustainable practices. We also collaborate with organizations focused on sustainable seafood, seeking to identify opportunities to expand our sourcing efforts. To raise awareness, we participate in annual events like World Ocean Day on June 8th, featuring sustainably sourced seafood on special menus at our restaurants.

In the Philippines, we not only procure seafood that is from certified, wild caught or aquaculture operators, we work with local stakeholders to build capacity and effect systemic change. We collaborate with the Philippines Marine Board to engage with suppliers, other supply chain coordinators and local fishers at the grassroots level. With the Sustainable Fisheries Partnership, we have joined the "Better Seafood Philippines" challenge, which has been supported by The United States Agency for International Development (USAID) and the Philippines Bureau of Fisheries and Aquatic Resources (BFAR). This initiative aims to set up the Responsible Seafood Sourcing (RSS) Standard with criteria for evaluating practices in the capture, sourcing and trading of wild-caught seafood to ensure legal compliance, traceability and the adoption of responsible environmental and social practices.

86. As outlined in our Sustainable Seafood Sourcing Guidelines, we define "sustainable seafood" as fish or seafood items from sources that have been certified by international bodies or other standards, or identified as such by recognized, science-based recommendations.

87. The guidelines align with the science-based recommendations of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the International Union for Conservation of Nature (IUCN), as well as the World Wide Fund for Nature (WWF)'s Local Seafood Guide. We prioritize procurement of fish and seafood that is certified by international bodies such as the Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), Global Aquaculture Alliance-Best Aquaculture Practices (BAP), the GLOBAL G.A.P Aquaculture Certification and other standards.

ETHICAL & SUSTAINABLE SUPPLY CHAIN
HOW WE MANAGE IT

The proportion of sustainably sourced seafood is tracked by our properties and monitored by our Executive Sustainability Committee, with progress towards our target reported quarterly to the Board. In 2024, 18% of seafood purchased by weight across our properties globally came from sustainable sources.[88] At the property level, it has been challenging to establish traceability mechanisms that enable the credible accounting of data and certifications for responsible sourcing in the seafood category. However, a thorough review of our sourcing data confirms that at our Manila and Macau properties, sustainably sourced seafood represents 45% and 14% of purchases by weight, and 44% and 22% by spend, respectively.

Other Sourcing Categories

We strive to delight our guests and colleagues by offering healthy, safe and delicious dishes while considering broader factors such as supporting local farmers, harvesters, fishers and food producers and promoting animal welfare. Broadening the range of products we procure with sustainability attributes presents an ongoing opportunity for us to increase positive impact. Beyond cotton, chemicals and seafood, we continually explore options for other items and incorporate them into our procurement.

Since 2022, every coffee bean procured and roasted onsite at City of Dreams Manila has been from locally sourced varieties of Arabica, Robusta, Liberica and Excelsa, which are native to the Philippines. Our support of this industry has been made possible through our partnership with the PCB-Le Café Filipina. The board has connected us to distributors and farmers along the coffee value chain, enabling us to support local farmers and entrepreneurs, including women who play an active role within the industry.

All tea[89] served at City of Dreams Manila is from certified organic sources in Sri Lanka. A similar commitment extends to dairy, with over 15,000 liters of milk sourced from organic suppliers certified under ISO 14001 environmental management systems. Soy and oat milk served in Manila is also certified organic, and we are exploring other non-dairy options, such as almond and walnut milk, for both Manila and Macau. Furthermore, City of Dreams Manila procures vanilla from sustainable sources certified in the Philippines and Madagascar. Our patisserie teams in Macau source fairtrade- and organic-certified chocolate from a certified B Corporation[90].

Across all our restaurants, serving fresh, locally sourced vegetables, fruit and herbs is, of course, a priority. Thanks to its proximity to a strong local farming sector, City of Dreams Manila leads the way (refer to the Case Study on page 089 for details on our circular economy engagement with local farms). The hotel also features an extensive rooftop garden, growing a variety of items for its onsite restaurants, including Italian and Thai basil, mint, rosemary, thyme, lotus flowers and leaves, as well as calamansi.

Across all our markets, we work with local farmers and distributors to secure a sufficient and reliable supply to facilitate our transition to cage-free eggs. In Asia, this was progressed by our partnership with the Lever Foundation, an NGO that works to create a more humane and sustainable protein supply. All the F&B outlets that we operate in Macau and Manila only serve cage-free eggs, City of Dreams Mediterranean reached 74% in 2024, and we plan for City of Dreams Sri Lanka to follow suit, keeping us on track to meet our target of 100% by 2025.

We are also expanding reduced-impact protein options. Our menus increasingly feature plant-based “beef” and “pork” alternatives, while responsibly sourced meat with a reduced carbon footprint plays a growing role in our sourcing strategy. Over 40% of our venues in Macau, Manila and Cyprus now serve alternatives to meat and 93% of our outlets offer vegetarian options on their menus. Furthermore, 95% of our outlets serve sustainable seafood, and 15 outlets at our properties in Macau and Manila have been serving lower carbon beef since 2023. For those serving duck at our properties in Macau, we are increasingly procuring from a source certified for its sustainability practices[91].

Human Trafficking and Modern Slavery

Raising awareness of the risks and impact of human trafficking and modern slavery within the hospitality industry and global supply chains is our responsibility. We take proactive action, requiring compliance with our zero-tolerance approach to any form of forced and child labor. We integrate these standards into our codes of conduct and provide training on prevention, detection and remediation. We collaborate with partners, including local authorities, task forces, industry leaders and NGOs to support joint efforts to eradicate human trafficking and modern slavery.

We ensure employment contracts comply with local laws and go beyond minimum standards for fair working hours, wages and workplace safety.

In 2024, we invited the Mekong Club back to update colleagues and suppliers on modern slavery risks in hospitality and supply chains and the preventive actions needed to mitigate them. A member since 2021, we began our collaboration with expert-led training on modern slavery for our procurement team.

Since then, and in partnership with the Mekong Club, the Melco Learning Academy has continued to provide both orientation and ongoing online courses tailored for our security and sourcing teams. The training consists of four modules incorporating video content and assessments, covering modern slavery risks across various sectors, including hospitality.

For security personnel, the courses provide guidance for identifying underage and minor patrons and also cover issues related to human rights, sexual exploitation, and identifying suspicious activities. The supply chain module highlights red flags for identifying risk factors from suppliers and third-party contractors, discusses how the private sector can advocate for policy and regulatory changes, and emphasizes the importance of increased transparency and traceability throughout the value chain. Since 2023, 528 colleagues from our security teams and 155 from our supply chain teams have received training. Additionally, and through our Absorb Learning Academy, the Mekong Club assisted us in developing training courses on human rights and modern slavery for our suppliers.

88. While we had aimed to disclose data on sustainably sourced seafood purchased at City of Dreams Mediterranean in 2024, additional effort is required to establish the traceability and tracking mechanisms required to do so.
89. https://www.dilmahtea.com/sustainability/carbon-neutral-dilmah-tea.html
90. https://www.valrhona.com/en
91. These practices include the recycling of duck feathers to make premium duvets and pillows, providing bulk offal to the pet food industry, converting duck fat into biodiesel and treating wastewater slurry for use as organic fertilizer.

Empowering our Business

OUR LICENSE TO OPERATE IS BOTH A PRIVILEGE AND A RESPONSIBILITY

QUICK ACCESS TO MATERIAL TOPICS

Ethics & Integrity 108
Privacy & Cybersecurity 112

CASE STUDY

Cybersecurity Drills: Testing our Readiness to Respond

Cyber risk is an ever-present threat, with attacks growing in frequency and sophistication—our industry included. Ranked as the fifth most severe global risk over the next two years[92], cyber incidents demand both constant vigilance and forward-looking planning to protect our operations, reputation and financial stability.

In 2024, we put our crisis management plans to the test. Partnering with a leading third-party cybersecurity consultancy, our Corporate Risk and Information Security teams conducted real-world cyberattack simulations across our properties. The drills assessed how well our colleagues understood their precise roles during a crisis, and how teams could execute SOPs under pressure. Scenarios ranged from manually checking guests in and out to processing payments without online systems, all while adapting to evolving instructions from our Corporate Crisis Team as the drills unfolded. The exercises also included communications protocols, ensuring timely updates to internal and external stakeholders as well as regulatory authorities.

Beyond testing our established systems and response protocols, these exercises sharpened team coordination across properties. Colleagues collaborated, exchanged best practices and identified scalable response strategies for the Group. Insights and feedback from the drills have since informed improvements in our crisis management plans, related training and ongoing preparedness drills.

While our business, like all others, must remain on heightened alert, these drills reinforced the dedication and preparedness of our teams. The collaboration, adaptability and shared learning across our properties reflect a collective commitment to staying prepared and being ready to respond effectively when it matters most.

92. World Economic Forum, The Global Risks Report 2025.

EMPOWERING OUR BUSINESS

Strategy and Management Approach

Our commitment to best-in-class standards in ethics, transparency and sustainability is embodied in our RISE sustainability strategy. This guiding framework shapes everything we do across our integrated resorts, empowering us to manage our business responsibly. Strong governance structures, policies and controls reinforce our expectations for ethical conduct in every interaction.

Anchored in our Code and related procedures, we focus on upholding our high expectations for ethical conduct, maintaining world-class data security practices to protect our stakeholders and creating shared value throughout our value chain.

KEY GOALS

- Operating our business to the highest responsibility, ethical and transparency standards
- Minimizing any risk of occurrence of, or disruption from, data privacy or cybersecurity events

MATERIAL TOPICS

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HIGHLIGHTS

Robust Governance Practices

Ethical leadership isn't just about compliance—it's the backbone of a business that lasts. As regulations tighten and risks evolve, we continuously refine our policies and processes to uphold high ethical standards. Stakeholder interviews reaffirmed the strength of our governance and risk management, particularly in tackling financial crime, potential money laundering, bribery and corruption in gaming operations, and addressing increasing privacy and cybersecurity threats.

Governance starts at the top—led by our Chairman & CEO, Board and senior leaders—but it's a responsibility shared across all levels and properties. Clear policies and procedures, reinforced through awareness-raising and training programs for colleagues and suppliers, establish common expectations for accountability. Stringent Board oversight, regular audits and performance reviews by our Steering Committees, Working Groups and Internal Audit teams uphold our standards. This commitment to strong governance helps safeguard our operations and reinforces a culture of integrity across the organization.

Data Privacy and Cybersecurity

Protecting stakeholder data and ensuring operational resilience demand constant vigilance. As threats evolve, we take a proactive approach, combining preventive measures, contingency planning and expert collaboration. We work with third-party advisors to align with best practices, continuously updating policies, refreshing training for employees, senior management and the Board, and strengthening incident response protocols. As detailed in the Case Study on page 101, this year's onsite cyberattack drills, led by our Corporate Crisis Team, reinforced our readiness to respond swiftly and effectively.

As regulations tighten and risks evolve, we continuously refine our policies and processes to uphold high ethical standards. This commitment to strong governance helps safeguard our operations and reinforces a culture of integrity across the organization.

EMPOWERING OUR BUSINESS STRATEGY AND MANAGEMENT APPROACH

OUR POLICIES AND STATEMENTS

Melco's established policy framework guides effective risk management while aligning stakeholders with the goals of our RISE sustainability strategy. We regularly review the policies and statements below to maintain their continued relevance and strategic alignment with our objectives.

Environmental Policy

- Environmental Sustainability Policy

Social Policies

- Inclusion & Diversity Statement
- Occupational Safety and Health Policy

Governance Policies

- Policy on Board Diversity
- Code of Business Conduct and Ethics (Code)
- Corporate Governance Guidelines
- Ethical Business Practices Program
- Supplier Code of Conduct (Supplier Code)
- Policy for the Prevention of Insider Trading
- General Policy on Related Party Transactions
- Policy on Sponsorship and Donations
- Gifts Policy
- Guidelines on Festive Gift Giving to Government Officials
- Policy on Red Flags Raised (Due Diligence of Construction and Design Contractors)
- Contract Legal Review and Approval Policy
- Corporate Anti-money Laundering (AML), Counter-terrorist Financing (CTF) and Counter-Proliferation Financing (CPF) Policy
- Disclosure Controls and Procedures
- Guidelines on Disclosure of Material Cybersecurity Incidents
- Information Security Policy
- Information Technology Acceptable Use Policy
- IT Security Guideline for Contractors and Third Parties
- Public Website and Application Security Policy
- Privacy and Personal Data Protection Policy
- Data Privacy Guidelines
- Guidelines on Data Protection Measures
- Policy for International Transfer of EU Personal Data
- Guidelines for the International Transfers of EU Personal Data
- Document Retention Policy
- Personal Data Retention Guidelines
- Procedures for Handling Complaints and Whistleblowing

The Code, Melco's Ethical Business Practices Program and Policy on Sponsorship and Donations govern political and charitable donations, specifying how they are not to be used as channels for any form of bribery or corruption. As such, Melco's policies and procedures also include the identification, periodic review and monitoring of PEPs.

Melco has processes and procedures designed to comply with anti-money laundering and anti-terrorism financing laws in every jurisdiction where we operate. When there are amendments or new requirements, we will work with the local regulator as necessary to ensure our implementation meets with the legal requirements. Record-keeping requirements vary: the Macau and Philippine AML laws both require record keeping for five years, while the Cyprus AML law requires a six-year retention period.

Our AML policies include the requirement, in line with regulations, to file Large Sum Transactions Reports and Suspicious Transactions Reports with the relevant regulators. We verify our customers' identity through reliable, independent source documents as well as screening customers against various sanctions lists, PEP watchlists and databases tracking terrorists, drug traffickers and specially designated nationals. At various customer interaction points, we also screen for PEP status. When identified, we conduct enhanced due diligence, including documenting sources of wealth, monitoring their transactions and, in certain circumstances, restricting their transactions.

Our AML process also mandates that senior management reviews and approves PEPs and other high-risk customers, such as customers from high-risk countries or with a greater risk of money laundering and terrorist financing.

CHALLENGES

Staying ahead of emerging risks, especially unforeseen "black swan" events—requires constant vigilance. We continuously assess our management practices to counter potential cyber threats, including AI-driven tactics like deepfakes. This means keeping our Board and colleagues informed about evolving cyber threats, regularly testing their phishing awareness and ensuring third-party data processors adhere to stringent cybersecurity and data privacy standards.

2025 AND BEYOND

We will persist in strengthening governance, increasing investment in advanced cyber defense tools, and conducting regular resilience drills to improve preparedness. Continually enhancing our ESG risk management, supplier capacity building and ethical business practices will support all four RISE pillars, driving transparency, accountability and resilience while reinforcing our high standards for data privacy, cybersecurity and sustainability.

As always, keeping our Board, management teams and colleagues informed of emerging risks remains a priority. Regular training sessions will continue to focus on evolving risk factors, technologies and proactive mitigation strategies, enabling continuous upskilling at all levels.

To complement regular Board and committee updates on bribery, corruption and cybersecurity risks, a dedicated training session is planned for 2025. For details on previous cybersecurity training provided to the Board, refer to the Case Study on page 089 of our 2023 Sustainability Report.

EMPOWERING OUR BUSINESS

Corporate Governance Structure

Integrity and trust are the bedrock principles guiding our corporate ethics, strategy and operations, as well as our commitment to integrating sustainability along our value chain. Our Board plays a critical role in overseeing management and team actions, ensuring we adhere to applicable legal standards across all jurisdictions, but also advancing our sustainability initiatives and adhering to the highest standards of business conduct.

Melco's Board of Directors comprises seven members: two executive directors, one non-executive director and four independent non-executive directors. In 2024, the Board convened five times (four regular meetings, one ad-hoc) with an average attendance rate of 97.14%. Our Corporate Governance Guidelines state that all Board members are expected to attend all Board and applicable committee meetings to maintain strong, engaged oversight.

THE BOARD COMPRISES:

1 Non-executive Director
nominated by our parent company, Melco International Development Limited

2 Executive Directors
nominated by our parent company, Melco International Development Limited

4 Independent Non-executive Directors
who lead and participate in Board committees, including one female director

Ensuring the ongoing effective composition and functioning of the Board and its subcommittees is the responsibility of the Nominating and Corporate Governance Committee (NCGC), in consultation with the Chairman of the Board & CEO. The requirements for nominating Directors and ensuring Board independence are stipulated in our Corporate Governance guidelines.

We believe it is critical to balance skill sets and experience with the independence and diversity of the Board. Increasing female representation and striving for broader diversity in the composition of our Board, and its subcommittees, is a priority. On an annual basis, the NCGC reviews the collective experience, expertise, diversity of the Directors and the performance of the Board to confirm that our Board's composition is appropriate for it to fulfill its role and responsibilities effectively.

The NCGC also evaluates succession planning regularly to ensure that the Board and the Senior Executive team are well equipped to steer the business in the best interests of the Company and its shareholders. In addition to bringing a diversity of backgrounds, skills and competencies, they have extensive experience with the Company and knowledge of the hospitality, leisure and gaming sectors.

The Board oversees the Company's three steering committees that manage our CSR and sustainability initiatives. These include the CSR Steering Committee and the Responsible Gaming Steering Committee, which are led by our Executive Vice President (EVP), Chief of Staff to Chairman & CEO, and the Executive Sustainability Committee that is chaired by our Senior Sustainability Advisor.

CORPORATE GOVERNANCE STRUCTURE

Chairman & CEO

Board of Directors

The Board receives quarterly updates on the Company's CSR and sustainability programs and monitors how new developments, industry trends and the regulatory landscape may affect our business.

Board Committees

The Board's three committees that maintain oversight of key governance issues are comprised entirely of Independent Non-executive Directors.

Compensation Committee

The Compensation Committee executes the responsibilities of the Board relating to the compensation of our directors and executives. The Compensation Committee works closely with management to design, evaluate and approve management compensation plans, policies and programs for executives' and directors' compensation. All recommendations are presented to the Board for approval before any changes take effect.

Audit and Risk Committee

The Audit and Risk Committee monitors the integrity of Melco's financial reporting processes and oversees its internal financial and operational controls and risk management systems. It is also responsible for overseeing matters relating to ethical conduct, responsible gaming, financial reporting, audit, risk management, cybersecurity and compliance with requirements related to anti-money laundering, anti-bribery and corruption and data privacy.

Nominating and Corporate Governance Committee

The NCGC's responsibilities include overseeing Melco's ESG practices and performance, director nominations to support the Company's Policy on Board Diversity, and reviewing and amending, as needed, corporate governance policies previously approved by the Board.

Steering Committees

The protection of stakeholders' interests is primarily the responsibility of Melco's steering committees. Strategic functions of the committees include understanding stakeholder concerns through our internal governance system and establishing goals, implementing policies, prioritizing initiatives and securing resources. Our three steering committees provide quarterly reports and updates on progress to the Board.

CSR Steering Committee

The CSR Steering Committee is responsible for upholding the Company's social responsibility commitments. Led by our EVP, Chief of Staff to Chairman & CEO, the committee holds monthly meetings attended by senior managers from across the organization. To ensure that Melco's community investment and engagement programs deliver tangible and positive benefits, the committee engages with colleagues and local community partners to form effective partnerships and implement strategically targeted initiatives.

Executive Sustainability Committee

This committee, which is chaired by our Senior Sustainability Advisor, oversees and champions the activities of our Carbon Neutral, Zero Waste and Sustainable Sourcing Working Groups. These groups, involving colleagues from all business functions across our integrated resorts, are responsible for managing and measuring progress towards our ambitious goals of achieving carbon neutrality, sustainable sourcing and zero waste.

Responsible Gaming Steering Committee

Ensuring that our RG policies are upheld and continue to meet high standards is the responsibility of the RG Steering Committee. Sponsored by the Chairman & CEO and championed by our EVP, Chief of Staff to Chairman & CEO, this committee evaluates strategic initiatives in its quarterly meetings. Additionally, it oversees the RG Working Committees and designated Global RG Champions, who meet regularly to review operational matters.

Properties & Corporate Functions

Implementing and monitoring the Group sustainability strategy onsite at each of our integrated resorts to ensure Melco's overall goals align with local needs, is the responsibility of each of our Property Presidents and all corporate functions.

Employee Champion Networks

At all levels of our integrated resorts, employee champions lead and inspire colleagues to implement procedures and initiatives to support Melco's sustainability strategy.

EMPOWERING OUR BUSINESS

Ethics & Integrity

OUR COMMITMENT

Integrity is the foundation for maintaining our license to operate and the trust of our stakeholders. Guests, investors, regulators, suppliers, colleagues and community partners expect us to meet—and often exceed—legal and regulatory standards. But compliance alone isn't enough. Strict adherence to laws, codes of conduct and policies is essential to mitigating risk across our value chain and reinforcing our dedication to the highest ethical and corporate governance standards.

Our Board and leadership teams set the tone and expectations for accountability, professionalism and transparency that permeate every level of our organization. This foundation fosters trust, confidence and respect in our interactions across all jurisdictions.

OUR TARGETS

- Ensuring 100% of relevant colleagues in targeted groups[93] receive training on ethical conduct
- Maintaining zero cases of material ethical violations along our value chain
- Remediating 100% of any material ethical violations along our value chain[94]

HOW WE MANAGE IT

Code of Business Conduct and Ethics

Our Code defines ethical expectations, requiring respect for others and responsible business practices free from corruption. It outlines our zero-tolerance policy on discrimination and harassment and includes measures to prevent and address related incidents. Upholding the Code builds stakeholder confidence that all interactions with Melco along our value chain are conducted fairly and in compliance with laws and regulations. The NCGC regularly reviews its implementation, focusing on:

- Compliance with laws, rules and regulations
- Employment practices to maintain fair, inclusive, respectful and safe workplaces
- Fair competition
- Conflicts of interest
- Anti-bribery and corruption
- Confidential and proprietary information
- Anti-money laundering and counter-terrorist financing
- Gifts and entertainment
- Sponsorship and donations
- Reporting and communications
- Reporting violations of the Code
- Policy against retaliation

We apply the Code's high standards across our diverse workplaces, aligning regulatory requirements related to human and labor rights with the UN's Universal Declaration of Human Rights. In addition to having a zero-tolerance policy for any instances of noncompliance with our Code, we also address the Code expectations with our colleagues in performance reviews and remuneration decisions. Melco does not make any contributions to or allocate spending for political campaigns, political organizations, lobbyists or lobbying organizations or trade associations whose role is to influence political campaigns or public policy legislation. Contributions to tax-exempt groups such as chambers of commerce are disclosed on page 087 of the Inspiring our Communities section.

Charitable contributions undergo rigorous due diligence aimed at ensuring they have meaningful impact and align with our business conduct and ethical standards.

We have established policies to support commitments in our Code as well as programs and measures to support their implementation, ranging from training for Board Directors, suppliers and all colleagues to clear channels in place for raising concerns.

All colleagues are required to acknowledge our Code and complete mandatory training on Code elements during onboarding and any violation of the Code is subject to appropriate discipline, which may include termination of employment.

Additionally, all management colleagues and selected non-management colleagues, based on the nature of their roles, are required to complete Do-The-Right-Thing (DTRT) training which includes training on anti-corruption and anti-bribery measures on an annual basis. Additionally, the Ethical Businesses Practices Program is a policy that is applicable to all colleagues that includes clauses on compliance with anti-bribery and anti-corruption.

Targeted employee groups are also required to complete orientation training on the Code, including a mandatory corporate governance orientation module, within their first 30 days of employment and sign to confirm receipt of corporate governance policies. In 2024, 99.13% of new colleagues across all jurisdictions completed Code induction training. Governance updates are communicated as needed, and relevant employees must confirm annual adherence to the Code while completing online anti-bribery and corruption refresher training.

Colleagues, and other stakeholders, are encouraged to report potential Code violations, ethical concerns or red flags. Our Procedures for Handling Complaints and Whistleblowing outline secure reporting channels, ensuring confidentiality and explicitly prohibiting retaliation or restrictions against those who report concerns. The Code also defines a clear escalation process for reporting and investigating concerns through appropriate departments. Our Code is enforced on a uniform basis for everyone, without regard to their position within the Company. It is Company policy that any individual who violates the Code will be subject to appropriate discipline, which may include termination of employment. Refer to the Code for details.

Anti-corruption and anti-bribery clauses, outlined in both Melco's Code and our Supplier Code, are standard in contracts with suppliers and contractors. All new suppliers are subject to background checks, as part of the registration process, and intermediaries are subject to regular review.

Bribery and corruption-related risks are assessed quarterly as part of the Group's strategic risk assessment review, led by the CRO and reported to the Audit and Risk Committee. In 2024, no material incidents were recorded related to bribery, corruption, anti-competitive behavior, monopolistic practices, insider trading or breach of AML requirements.

Supplier Code of Conduct

All our suppliers must sign and accept the Supplier Code, committing to ethical and responsible business practices. SME suppliers receive tailored training on ethical business practices, particularly during their onboarding. While the initial focus has been on SME suppliers in Macau, we are working to standardize these practices across all operating locations. This will include enhancing our ESG risk assessment and due diligence process with capacity-building, monitoring and auditing processes going forward. Details on the anti-corruption and other ESG initiatives implemented in our supply chain can be found in the Ethical & Sustainable Supply Chain section of this report on page 092.

Ethical Business Practices Program

Melco's Ethical Business Practices Program is designed to address sector-specific risks, including money laundering, bribery, fraud and other forms of corruption. As a core component of our Group-wide operational controls, it provides detailed guidance on relevant local laws, anti-corruption regulations and Company policies.

The program highlights the importance of reporting any suspected or confirmed incidents of bribery or corruption, with a focus on safeguarding our people and business. Through stringent oversight and ongoing training, we aim to ingrain ethical business conduct at every level—from onboarding through career progression.

Do-The-Right-Thing Training

To keep targeted colleagues sharp on bribery and corruption risks, engaging in our DTRT training program is required annually. Including online training on topics such as relevant laws and regulations, Company guidance towards potential corruption situations, typical red flags and case studies, the program's content is refreshed each year. Understanding is tested through a compulsory assessment, reinforcing expected conduct. During the reporting year, the training was revamped and relaunched to include lessons learned from corruption cases in the Philippines, Melco's requirements for sponsorship and donations, and the latest policies. For Board members, updates on requirements and developments in the industry are provided in committee meetings.

93. The target has been adjusted to reflect that the training is provided to relevant colleagues of targeted employee groups.

94. For both targets on ethical violations, a materiality threshold is applied for what is disclosed and remediated.

Ethical Business Advisor and Liaison Officers
Beyond training, on-the-ground guidance is essential. To strengthen oversight and clarity in Code implementation, and reinforce an ethical business culture, we appoint an Ethical Business Advisor and Ethical Business Liaison Officers across the Group. They serve as an additional layer of defense in our compliance efforts by helping colleagues interpret the Code and apply ethical business practices in real-world situations.

Ethical Business Liaison Officers discuss concerns with the Ethical Business Advisor for review and resolution on a quarterly or as-needed basis, based on the criticality of the concern. The Audit and Risk Committee receives regular updates from the Ethical Business Advisor to stay informed of potential compliance risks. Feedback from the committee is reviewed by the Ethical Business Advisor and Ethical Business Liaison Officers during regular meetings, with necessary follow-up actions implemented as needed.

Whistleblowing

Compliance with our Code and all applicable laws and regulations is non-negotiable. Colleagues and other stakeholders are able to report any incidences of noncompliance, red flags or suspected unethical behavior through the channels outlined in our Procedures for Handling Complaints and Whistleblowing. Additionally, we provide employees with training on how to raise concerns through our whistleblowing channels. These robust procedures outline how any concerns raised through whistleblowing channels are handled with confidentiality and professionalism by designated senior management members, and they demonstrate our zero-tolerance stance towards retaliation or restrictions against those who report concerns.

Multiple reporting channels are available for colleagues and other stakeholders to raise any concerns they may have anonymously, including a dedicated toll-free phone number and email account operated by an independent third party. The procedures outline a defined escalation process for colleagues to report and investigate concerns with appropriate departments. Details of the various options for raising concerns are available on our intranet and physical locations at our properties. All reports and records associated with complaints are considered confidential information and access will be restricted to "designated whistleblower reviewers", i.e. the Chief of Staff to Chairman & CEO, the Chief Legal Officer, VP of Internal Audit and Internal Control Compliance, the Group Corporate General Counsel, the Chief Risk Officer (CRO) and the Director of HR Operations and Corporate Coordination. Information on complaints may also be provided to the CRO for the purpose of risk management review and reporting to the Audit and Risk Committee. A representative of the designated whistleblower reviewers will also report relevant cases to the NCGC on a quarterly basis. All complaints are handled and investigated by the designated whistleblower reviewers of the Company who are not directly involved in the matter. Unless otherwise directed by the Chief Legal Officer for certain highly sensitive cases, the Investigation Department will be assigned to and conduct an investigation of the complaint and report his or her findings or recommendations to the Company Chief of Staff to Chairman & CEO and designated whistleblower reviewers, including recommended disciplinary or corrective action. If legally required, the Chief of Staff to Chairman & CEO will consult with the Chief Legal Officer, and the violation shall be immediately reported to the Audit and Risk Committee, NCGC and/or relevant governmental authority.

We also encourage our suppliers and other stakeholders in the community to confidentially raise any potential concerns, incidents of actual or potential misconduct or breaches of our codes. Through Melco's website[95], concerned parties can access an independently operated third-party site[96] to make a report via a toll-free reporting hotline or the site's online reporting mechanism.

Our Code is enforced on a uniform basis for everyone, without regard to their position within the Company or elsewhere. It is Company policy that any individual who violates the Code will be subject to appropriate disciplinary action, which may include termination of employment. Refer to the Code for details.

In 2024, we received approximately 77 whistleblower reports via the hotline and email through a third-party system (NAVEX), including allegations of misappropriation of Company assets, complaint or grievances over supervisors, work conditions, work scheduling and benefits, as well as noncompliance with SOPs—none related to human rights violations. Of these 77 reports, there were no grievances raised by local stakeholders and communities that the Company is aware of. There were no cases of noncompliance with our Code that had a significant impact on the Company reported in 2024.

Reports have led to disciplinary actions and policy revisions to strengthen SOP communication, monitoring and compliance. Designated senior management members are responsible for the whistleblowing mechanism and each quarter, the CRO presents significant whistleblower cases and investigation outcomes to the Audit and Risk Committee including a summary of misconduct cases directly from the whistleblower platform, addressing questions on whistleblowing procedures, system integrity and review processes.

95. https://www.melco-resorts.com/en/about-governance.html

96. http://www.melcoresorts.ethicspoint.com

Ethical Marketing and Advertising

We are committed to maintaining transparency and integrity in all aspects of our business, ensuring that our communications are honest, responsible, and free from misleading claims. We avoid overstating the social and environmental benefits of our initiatives and take a measured approach in reporting our progress. Refer to the Responsible Gaming section for more details on our efforts to promote safe and responsible gambling practices.

Furthermore, we uphold fair competition by ensuring that our marketing and customer communications do not misrepresent or discredit competitors' offerings. By adhering to these principles, we reinforce our commitment to ethical business conduct and build trust with our stakeholders.

2024 Key Initiatives

Board Training on Sustainability Oversight

- Melco's Board and Executive Committee participated in a three-hour interactive session led by independent sustainability consultant Sedgwick Richardson. Tailored to Melco's operations, the training covered:
  - *The sustainability imperative* – Key global sustainability trends, their direct relevance to Melco's operations, and the Board's oversight responsibilities in linking business strategy, risk management and sustainability performance
  - *Industry benchmarking* – A comprehensive analysis of where the Company stands relative to peers in the hospitality and gaming sectors, highlighting areas for improvement in strategy, communications and integration
  - *Stakeholder insights* – Key takeaways from independently conducted interviews, including identification of opportunities to better align efforts with stakeholder priorities and expectations
  - *Sustainability governance models* – Overview of best practices in governance and frameworks for oversight
  - *Board responsibilities* – Actionable guidance on asking the right questions to assess the effectiveness of Melco's approach to, and resources for, executing its RISE sustainability strategy

Training on Anti-bribery, Cybersecurity and Data Privacy

- Refreshed DTRT online training to align with the latest Ethical Business Practices Program
- Updated, mandatory cybersecurity training for relevant colleagues, with highlights on new developments provided to the Board and senior management
- Conducted onsite drills to test readiness and adequacy of response to potential cyberattacks (refer to the Case Study on page 101 for details)
- Implemented new or updated training modules on data privacy for relevant colleagues

Policy Updates

- Adapted Melco's AML and CTF Policy to emerging global legislation

Compliance and Cybersecurity Reporting

- Quarterly reports on compliance shared with the Audit and Risk Committee focused on significant employee misconduct cases, AML suspicious transaction reports filed, regulatory audits undertaken, compliance training statistics, and approved sponsorships and donations[97]
- Quarterly cybersecurity reporting to the Audit and Risk Committee focused on industry trends, global incidents, risk management strategies, results of employee awareness and phishing exercises, and security assessments

97. Reports on reviews of data privacy compliance are shared when there are material matters identified.

EMPOWERING OUR BUSINESS

Privacy & Cybersecurity

OUR COMMITMENT

In today's rapidly changing, technology-driven landscape, safeguarding data is essential. We are committed to adapting our robust controls and systems to protect the personal and corporate data entrusted to us by our guests, colleagues, suppliers, partners, regulators and other stakeholders. Stringent systems and controls, reinforced through comprehensive training and testing, are designed to prevent and respond to the growing risks of cybersecurity and data privacy breaches that could impact our stakeholders and operations.

To deliver on our commitment, we regularly review our cybersecurity risk mitigation and data protection strategies to identify areas for improvement. Our emphasis is on strengthening security controls to ensure data remains accurate, consistent, and safeguarded from unauthorized access, tampering, or destruction. This includes implementing robust measures that protect data, ensuring that only authorized users can access or modify sensitive information. These controls are designed not only to prevent security breaches, but also to enable swift and effective mitigation in the event of an incident.

OUR TARGETS

- Maintaining zero incidents of leaks, theft or loss of data
- Responding to any incidents of unauthorized access to systems and data by containing the negative potential impact to our stakeholders and business, and continually reviewing to ensure we have appropriately stringent safeguarding controls
- Ensuring our Board and all relevant colleagues are trained on information security, privacy and data protection

HOW WE MANAGE IT

Safeguarding data privacy and mitigating cybersecurity risk starts with clear, comprehensive policies, guidelines and procedures designed to meet evolving legal requirements that vary across our markets. Each of our properties, led by our Property Presidents and their Information Security and Risk teams, has a crisis management plan tailored to local threats—detailing when and how to engage local authorities and report externally. At the corporate level, aligned response plans are in place to manage incidents with potential Group-wide impact, such as cyberattacks. In these cases, our Corporate Crisis Team leads a coordinated response, ensuring SOPs are executed meticulously across all operations.

Cyber threats don't stand still, and neither do we. Our Cybersecurity Technical Incident Response Team and a Cybersecurity Disclosure Subcommittee (under the Disclosure Committee) work alongside our Corporate Risk Team to monitor our adherence to external regulatory and internal policy expectations. These are operationalized through guidelines and systems, including our cyber incident response and reporting policies, procedures and plans. Ongoing awareness raising and periodic training tailored to our stakeholders, including colleagues, senior managers and the Board, as well as suppliers and other business partners, importantly contribute to our lines of defense.

Monitoring the threat landscape, updating our systems and testing our colleagues against the latest cyber tactics, from new phishing techniques to deepfake scamming, are all key to identifying and closing potential gaps in our defenses. While this is also supported by ongoing internal reviews and expert-third party audits, we supplement our robust approach with real-time onsite crisis drills to test how effectively our people and systems are in responding to a simulated attack (refer to the Case Study on page 101 for details). By enabling our colleagues to test their knowledge of our procedures and their skills under a crisis, we can identify areas for improvement that can safely be rectified through amendments to our procedures and approach to implementing them.

In the event that an employee observes a security incident, vulnerability or suspicious activity, the matter should be reported through Melco's official support ticketing system or by contacting the IT Service Centre directly. Upon receipt, the incident is reviewed and analyzed by the designated IT & Information Security personnel. The escalation process that follows is governed by the procedures outlined in Melco's Security Incident Management documentation. This ensures that all relevant internal stakeholders and the SOC are engaged as necessary, depending on the nature and severity of the incident. The SOC is also responsible for monitoring and managing reports related to suspicious activities, ensuring that such incidents are appropriately investigated and addressed.

In 2024, no substantiated data or customer privacy breaches were reported. As outlined below, we have established a framework of controls for managing data and information security risks.

Cybersecurity and Data Privacy Initiatives

Melco has implemented initiatives throughout our operations to meet applicable laws and regulations for protecting data and privacy in all our jurisdictions, as stipulated by the policies, guidelines and procedures listed below.

- Privacy and Personal Data Protection Policy
- Document Retention Policy
- Policy on International Transfers of EU Personal Data
- Data Privacy Guidelines
- Personal Data Retention Guidelines
- Guidelines for the International Transfers of EU Personal Data

EMPOWERING OUR BUSINESS
HOW WE MANAGE IT

Our Chief Information Security Officer (CISO) oversees cybersecurity and reports to our Chief Legal Officer. The Company's Group Coordinating Data Protection Officer is appointed to coordinate data privacy-related work, with jurisdiction-specific Data Protection Officers responsible for overseeing the local data protection procedures and compliance within the relevant legislation. The Group- and jurisdiction-specific-level Officers and the Legal Department are responsible for reviewing any suspected or confirmed data breaches, and for providing appropriate notifications to the relevant local authority and affected parties, as required by the applicable data privacy laws and regulations.

Our privacy policies apply to all aspects of Melco's operations. Our Supplier Code details how suppliers should manage data privacy and uphold confidentiality in business conduct. Our Privacy Notice can be found on our website.

Our privacy policy system is considered within our risk management framework. The Group Coordinating Data Protection Officer, in conjunction with the jurisdiction-specific Data Protection Officers, is responsible for overseeing data privacy issues.

Before engaging IT service providers or initiating any contract involving personal data collection and processing, our Data Protection Officers and our Legal, Information Security and Risk & Compliance teams assess risks and identify actions to avoid potential noncompliance with our relevant policies, guidelines and legal requirements. We also conduct regular risk assessments and internal and external/independent third-party audits of our data privacy-related processes to identify corrective and preventative actions as needed.

During the reporting year, our teams continued to undertake the following essential initiatives:

- **Overseeing our global data privacy framework** – The Group Coordinating Data Protection Officer and jurisdiction-specific Data Protection Officers oversee measures to ensure adherence to the Group's data privacy policies
- **Maintaining ISO 27001 certification** – Our Information Security Management System (ISMS) for our Macau operations has been certified under ISO 27001 since 2009, with all IT service providers required to be similarly certified. Other properties across the Group implement systems in conformance with the standard
- **Reviewing cybersecurity and data privacy policies** – Performing regular reviews of all policies, procedures and training concerning cybersecurity and data privacy to ensure compliance readiness with applicable laws and regulations, including but not limited to those prescribed by Hong Kong's Personal Data (Privacy) Ordinance, Macau's Personal Data Protection Act, China's Personal Information Protection Law, Singapore's Personal Data Protection Act, the Philippines' Data Privacy Act, Sri Lanka's Personal Data Protection Act No. 9 of 2022 and the EU's General Data Protection Regulation (GDPR)
- **Conducting risk assessments and independent audits** – Performing regular risk assessments and internal and external/independent third-party audits of processes and protocols under our cybersecurity and information security policies
- **Monitoring significant cyber incidents** – Reviewing significant cyber incidents impacting companies, discussing lessons learned at risk management meetings at all properties, and updating our own cyber incident preparedness procedures and crisis management plans as needed
- **Deploying our Cybersecurity Technical Incident Response Team** – A team comprising Information Security and IT Department representatives reviews and enhances the technical response and resolution of potential cyber incidents
- **Partnering with external cybersecurity experts** – Engaging external specialized firms, including IT technical and forensic experts, cyber incident response advisors, legal counsel and a public relations agency, to ensure timely support in the event of a cyberattack. This integration of industry best practices and emerging technologies to strengthen our defences ensures continuous improvement of information security systems

Training and Capacity Building

To support our colleagues, leadership and other stakeholders in navigating rapid IT advancements and evolving cybersecurity threats, we provide ongoing, structured training. All relevant colleagues across our organization receive training on our information security and data protection guidelines, at least annually, covering:

- Identifying and managing phishing, spear-phishing and whaling attacks
- Understanding the risks and consequences of malware and spyware
- Responding to other threats to information security and data protection

By reinforcing cyber awareness and preparedness, we help ensure our teams remain vigilant, adaptable and aligned with best practices in protecting sensitive information.

In 2024, we launched updated and new data privacy modules with introductory and advanced level training for relevant new hires and colleagues, covering applicable legislation, principles of data processing, and data collection and retention requirements set out under local laws, regulations and Company policies. Specific EU GDPR online training was provided for specific colleagues, as well as annual refresher training for select staff with access to personal data from those in the EU. For the 74 colleagues across different business units in Cyprus that completed the GDPR training in 2024, a 100% completion rate was achieved.

Strengthening supplier and business partner capacity in data protection and cybersecurity is equally critical. As we digitalize our supply chain for efficiency and transparency, we remain focused on maintaining robust privacy safeguards. To achieve this, we actively engage suppliers to share best practices while requiring strict adherence to security standards, including incident reporting and ISO 27001 compliance.

By reinforcing cyber awareness and preparedness, we help ensure our teams remain vigilant, adaptable and aligned with best practices in protecting sensitive information.

About Melco

Melco Resorts & Entertainment Limited (Melco) is a developer, owner and operator of integrated resort facilities in Asia and Europe. Melco is listed on NASDAQ under the ticker symbol "MLCO".

Melco is majority owned by Melco International Development Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited, which is in turn majority owned and led by Mr. Lawrence Ho, who is the Chairman, Executive Director and Chief Executive Officer of Melco.

Melco continuously strives to raise the bar in offering premium luxury, culinary and entertainment experiences for our guests. Melco has operations in Macau, the Philippines and Cyprus with corporate offices in those locations and our headquarters in Hong Kong, China and Singapore. Melco currently operates Altira Macau (www.altiramacau.com), an integrated resort located at Taipa, Macau and City of Dreams (www.cityofdreamsmacau.com), an integrated resort located in Cotai, Macau. Its business also includes the Mocha Clubs (www.mochaclubs.com), which comprise the largest non-casino-based operations of electronic gaming machines in Macau. Melco also majority owns and operates Studio City (www.studiocity-macau.com), a cinematically themed integrated resort in Cotai, Macau. In the Philippines, a Philippine subsidiary of Melco currently operates and manages City of Dreams Manila (www.cityofdreamsmanila.com), an integrated resort in the Entertainment City complex in Manila. In Europe, Melco operates City of Dreams Mediterranean in Limassol in the Republic of Cyprus (www.cityofdreamsmed.com.cy). Melco also continues to operate three satellite casinos in other cities in Cyprus (the "Cyprus Casinos").

Melco has cooperated with John Keells Holdings PLC in their integrated resort development. As part of the cooperation, the integrated resort is to be rebranded as "City of Dreams Sri Lanka". Melco expects to commence operations of both the casino and the Nüwa-branded hotel at City of Dreams Sri Lanka in the third quarter of 2025.

Further details on our operations can be found in our Annual Report (US Form 20-F) linked here.

APPENDICES

Performance Metrics

ECONOMIC & SOCIAL IMPACT

Economic and social impact is measured by the financial value we generate and the contributions we make in terms of our overall community investment. For a strategic review of our economic and social progress, refer to our Annual Report and the Inspiring our Communities on page 056, respectively.

Economic Value Generated & Distributed

	2024	2023	2022	2021	2020
Total revenue (in thousands of US$)	**4,638,213**	3,775,247	1,349,977	2,012,356	1,727,923
Total operating costs & expenses (in thousands of US$)	**4,153,586**	3,710,288	2,093,082	2,589,807	2,668,480
Operating (loss) / income (in thousands of US$)	**484,627**	64,959	(743,105)	(577,451)	(940,557)
Cash and cash equivalents (in thousands of US$)	**1,147,193**	1,310,715	1,812,729	1,652,890	1,755,351
Dividends declared per share	**0**	0	0	0	0.055
Total employees	**21,784**	20,209	16,908	17,878	19,746
Community investment (charitable giving in US$)	**17,420,976**	16,682,737	7,852,819	21,905,091	34,105,825

Human Capital Return on Investment

	2024	2023	2022	2021	2020
Total employee-related salaries and benefits[98] (in thousands of US$)	**874,881.6**	762,277.8	660,501.9	703,251.8	736,106.2

98. The amounts include the following expenses: Social Security Tax, Provident Fund Expense, Recruitment & Relocation, Employee Shuttle Bus, Medical Expenses, Employee Training and Contract Labor.

PEOPLE

The progress of our People strategy is revealed through several indicators. These encompass: inclusion and diversity, including closing the gender gap and empowering local community colleagues; attraction and retention rates; building capacity through training; and safety and health performance. All these areas work toward our goals, of which a strategic update can be reviewed in the Inspiring our Communities on page 056 section.

Our Workforce

ALL EMPLOYEES[99]

	2024	2023	2022	2021
Employees by Gender				
Female	**10,151**	9,496	8,114	8,636
% of Females	**46.6%**	47.0%	48%	48%
Male	**11,633**	10,713	8,794	9,242
% of Males	**53.4%**	53.0%	52%	52%
Total	**21,784**	20,209	16,908	17,878

99. Globally we have around 2,007 non-employee workers to augment functions including construction, F&B, IT, security and administrative functions.

OUR WORKFORCE BY GENDER AND GEOGRAPHIC LOCATION[100, 101]

	2024[102]	2023	2022	2021
Corporate and Centralized Services (Including Hong Kong, Macau and Other Locations)				
Female	**284**	259	249	274
Male	**328**	297	281	354
Total	**612**	556	530	628
% of Employees in Corporate and Centralized Services (Including Hong Kong, Macau and Other Locations)	**3%**	3%	3%	4%
Macau Properties (Including City of Dreams, Studio City, Altira Macau and Mocha Clubs)				
Female	**7,481**	6,949	5,920	6,499
Male	**8,094**	7,268	5,772	6,261
Total	**15,575**	14,217	11,692	12,760
% of Employees in Macau Properties (Including City of Dreams, Studio City, Altira Macau and Mocha Clubs)	**72%**	70%	69%	71%
Manila Property				
Female	**1,674**	1,552	1,540	1,559
Male	**2,273**	2,147	2,173	2,171
Total	**3,947**	3,699	3,713	3,730
% of Employees in Manila Property	**18%**	18%	22%	21%
Cyprus Property				
Female	**712**	736	405	304
Male	**938**	1,001	568	456
Total	**1,650**	1,737	973	760
% of Employees in Cyprus Operations	**8%**	9%	6%	4%

100. Figures reflect permanent employees. We do not have temporary employees.

101. Part-time employees represent less than 1% of the total workforce.

102. 'Other locations' comprise Singapore and Sri Lanka in 2024.

EMPLOYEES BY NATIONALITY

	2024	2023
Nationality		
Macau, China	**46.25%**	48.09%
Phillippines	**22.57%**	22.32%
Mainland China	**18.79%**	17.96%
Cyprus	**3.40%**	3.51%
Greece	**0.97%**	1.17%
Hong Kong, China	**1.14%**	1.16%
Vietnam	**1.54%**	1.12%
Others[103]	**5.32%**	4.67%

103. There are 78 other nationalities in 2024 and 72 in 2023.

Gender Diversity Breakdown

	2024	2023
Indicator		
Women in management positions in revenue-generating functions	**55%**	50%
Share of women in STEM-related positions	**21%**	21%

Senior Management Representation from Local Communities[104, 105, 106]

	2024	2023	2022	2021
Local				
Hong Kong /Macau	**72%**	83%	78%	75%
Singapore	**25%**	25%	25%	–
Manila	**57%**	57%	57%	67%
Cyprus	**40%**	35%	25%	57%
Sri Lanka	**40%**	–	–	–
Total	**62%**	66%	68%	73%
Non-local				
Hong Kong /Macau	**28%**	17%	22%	25%
Singapore	**75%**	75%	75%	–
Manila	**43%**	43%	43%	33%
Cyprus	**60%**	65%	75%	43%
Sri Lanka	**60%**	–	–	–
Total	**38%**	34%	32%	27%

104. Senior management defined as vice presidents and above.

105. Our usage of "local" is in accordance with local government definitions.

106. Significant locations represent where we have properties and local, corporate headquarters.

New Employee Hires and Turnover by Gender, Age and Location

	2024		2023		2022	
	Number	**Rate**	Number	Rate	Number	Rate
New Hires by Gender						
Female	**1,771**	**17.45%**	2,345	24.69%	535	6.59%
Male	**2,262**	**19.44%**	3,062	28.58%	650	7.39%
New Hires by Age						
Under 30 years of age	**1,747**	**48.21%**	2,060	60.84%	501	21.52%
Between the age of 30 and 50	**2,165**	**14.77%**	3,131	23.55%	620	5.39%
Over 50 years of age	**121**	**3.46%**	216	6.12%	64	2.08%
New Hires by Location						
Hong Kong	**58**	**26.13%**	26	13.47%	27	15.25%
Singapore	**0**	**0%**	0	0%	1	20.00%
Macau	**3,001**	**18.82%**	3,871	26.56%	479	3.98%
Manila	**537**	**13.61%**	507	13.71%	351	9.45%
Cyprus	**426**	**25.82%**	1,003	57.74%	327	33.61%
Sri Lanka	**11**	**84.62%**	–	–	–	–
Other locations	**0**	**0%**	0	0%	–	–
Employee Turnover by Gender						
Female	**1,195**	**11.77%**	1,428	15.04%	1,049	12.93%
Male	**1,396**	**12.00%**	1,693	15.80%	1,080	12.28%
Employee Turnover by Age						
Under 30 years of age	**872**	**24.06%**	932	27.53%	422	18.13%
Between the age of 30 and 50	**1,486**	**10.14%**	1,800	13.54%	1,165	10.13%
Over 50 years of age	**233**	**9.00%**	389	11.02%	542	17.61%
Employee Turnover by Location						
Hong Kong	**26**	**11.71%**	20	10.10%	59	32.42%
Singapore	**0**	**0%**	0	0%	0	0%
Macau	**1,698**	**10.65%**	1,889	12.96%	1,575	13.08%
Manila	**363**	**9.20%**	496	13.41%	366	9.85%
Cyprus	**504**	**30.55%**	716	41.22%	129	13.33%
Sri Lanka	**0**	**0%**	–	–	–	–
Other locations	**0**	**0%**	0	0%	0	0%

Employee Turnover Rate

	2024	2023	2022	2021	2020
Employees Turnover	**12.3%**	15.4%	12.6%	15.7%	19.8%

Parental Leave by Gender

	2024
Total number of employees that were entitled to parental leave	
Female	**10,151**
Male	**11,633**
Total number of employees that took parental leave	
Female	**264**
Male	**225**
Total number of employees that returned to work in the reporting period after parental leave ended	
Female	**253**
Male	**225**
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	
Female	**256**
Male	**221**
Return to work and retention rates of employees that took parental leave	
Female	**97%**
Male	**98%**

Average Training Hours Completed per Employee by Employee Category and Gender

	2024	2023	2022
Management by Gender			
Female	**22.46**	19.88	20.06
Male	**21.35**	16.07	15.37
Non-management by Gender			
Female	**39.65**	67.15	204.82
Male	**39.00**	70.96	161.64

Total Group-wide Recordable Injury and Lost-time Injury Frequency Rates

	Change 2023/2024				
	Rate	%	2024	2023	2022
Total Recordable Injury Rate					
40-hour work week/total cases[107]	**-0.09**	**-4.29%**	**2.01**	2.10	2.02
48-hour work week/total cases[108]	**-0.08**	**-4.57%**	**1.67**	1.75	1.69
Average	**-0.09**	**-4.42%**	**1.84**	1.93	1.86
Lost-time Injury Frequency Rate					
40-hour work week/total cases[109]	**-0.46**	**-4.38%**	**10.04**	10.50	10.11
48-hour work week/total cases[110]	**-0.39**	**-4.46%**	**8.36**	8.75	8.43
Average	**-0.43**	**-4.42%**	**9.20**	9.63	9.27

107. Total case x 200,000 / 40 hours.
108. Total case x 200,000 / 48 hours.
109. Total case x 1,000,000 / 40 hours.
110. Total case x 1,000,000 / 48 hours.

DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Melco reports on the percentage of individuals within the organization's governance bodies and across its global workforce by gender.

Governance Bodies, Corporate Executive Committee and Employees Profile

	2024	2023	2022
Board Members by Gender			
Female	**23%**	27%	27%
Male	**77%**	73%	73%
Board Members by Age			
Under 30 years of age	**0%**	0%	0%
Between the age of 30 and 50	**27%**	27%	27%
Over 50 years of age	**73%**	73%	73%
Corporate Executive Committee by Gender			
Female	**14%**	14%	21%
Male	**86%**	86%	79%
Corporate Executive Committee by Age			
Under 30 years of age	**0%**	0%	0%
Between the age of 30 and 50	**43%**	43%	43%
Over 50 years of age	**57%**	57%	57%
Management by Gender			
Female	**40%**	41%	41%
Male	**60%**	59%	59%
Management by Age			
Under 30 years of age	**2%**	3%	1%
Between the age of 30 and 50	**78%**	77%	79%
Over 50 years of age	**20%**	20%	20%
Non-management by Gender			
Female	**47%**	48%	49%
Male	**53%**	52%	51%
Non-management by Age			
Under 30 years of age	**18%**	18%	15%
Between the age of 30 and 50	**66%**	65%	67%
Over 50 years of age	**16%**	17%	18%

ENVIRONMENT

Our environmental impact and performance is managed and reported against a number of indicators. These include our GHG emissions, energy consumption, waste management, including recycling and composting, and water consumption and reuse. All data cover Melco's sustainability performance for the calendar year ending December 31st, 2024, unless otherwise stated, with historical data provided for comparison purposes. For a strategic review of our environmental progress, as well as detail regarding the scope of data and any restatements, review our Restoring our World section on page 028.

Greenhouse Gas (GHG) Emissions

TOTAL RESORT-LEVEL SCOPE 1 AND 2 (MARKET-BASED) GHG EMISSIONS (IN METRIC TONNES OF CO_2e)

	2024	2023	2022	2021	2020
City of Dreams Macau	**4,945**	3,453	2,450	2,461	4,089
Studio City	**3,652**	4,273	2,891	1,869	1,902
Altira Macau	**553**	1,107	444	1,075	904
City of Dreams Manila	**4,231**	3,592	2,800	2,323	2,063
City of Dreams Mediterranean	**1,703**	936	–	–	–

ABSOLUTE GHG EMISSIONS BY SCOPE AND INTENSITY[111] (IN METRIC TONNES OF CO_2e)

	2024	2023	2022	2021	2020
Scope 1 emissions	**28,217**	20,392	17,142	14,842	16,011
Emissions from stationary fuel combustion	**8,249**	6,776	4,962	5,237	4,962
Emissions from mobile fuel combustion	**13,210**	7,412	7,467	5,095	5,955
Fugitive emissions from refrigerants	**6,758**	6,204	4,713	4,510	5,095
Biogenic emissions	**450**	368	212	264	150
Scope 2 emissions (location-based)	**265,093**	252,155	208,510	211,787	206,420
Scope 2 emissions (market-based)[112]	**–**	–	–	–	–
Total Scope 1 and 2 emission (market-based) intensity by floor area (in metric tonnes of CO_2e/m^2)	**0.015**	0.012	0.012	0.011	0.011

111. Emissions attributed to our office in Bangkok and premises within City of Dreams Sri Lanka under Melco's operational control will be included in an updated inventory for 2024 (subject to meeting Melco's materiality assessment, as defined in our environmental inventory management plan) in our 2025 report.

112. Scope 2, market-based emissions are offset through renewable energy instruments that are RE100 compliant. Refer to the section on Cleaner Energy and Renewables for details.

	2024	2023	2022	2021[113]	2020
Scope 3 emissions					
Category 1: Purchased goods and services[114, 115]	**223,089**	167,148	81,164	–	–
Category 2: Capital goods[116]	**96,002**	77,461	200,438	–	–
Category 3: Fuel and energy-related activity (FERA)[117]	**75,704**	68,529	56,034	56,882	35,588
Category 4: Upstream transportation[118]	**930**	723	414	–	–
Category 5: Waste[119, 120]	**1,159**	1,162	1,181	–	–
Category 6: Business travel[121]	**2,053**	1,909	612	–	–
Category 7: Employee commuting[122, 123]	**19,288**	11,023	6,412	–	–
Category 8: Upstream leased assets[124]	**573**	548	195	–	–
Category 13: Downstream leased assets	**49,257**	44,246	31,175	32,697	30,579
Total Scope 3 emissions	**468,055**	372,748	377,625	89,579	66,167
Total Scope 3 emission intensity by floor area (in metric tonnes of CO_2e/m^2)[125]	**0.25**	0.21	0.27	–	–

113. In 2020-2021, only Scope 3 Categories 3 and 13 were available for disclosure.
114. Calculated using an average data method that applies the weight of purchased items by type and a spend-based method based on the amount spent on capital goods.
115. Items that do not have their weight stated in the Company's purchasing system or do not have lifecycle assessment emission factors attributable for the emission calculations have been excluded.
116. Definition of "capital goods" is in line with the Company's financial accounting.
117. Electricity consumption for FERA is calculated using the most recent set of emission factors for overseas electricity based on the Department for Environment, Food and Rural Affairs of the United Kingdom (Defra) 2023 data.
118. This category includes emissions from the transportation and distribution of goods and services purchased by Melco.
119. This category includes emissions from the disposal of waste generated within the Company's business operations only.
120. Recycling of "household residual waste" (e.g. soap, used waste oil) has been excluded in the calculation.
121. Calculation of air travel only.
122. Includes emissions from transportation carriers that arise during employees' commute to and from work in vehicles not owned or operated by the Company.
123. Employees in Singapore account for less than 1% of our full-time employees and are excluded from this calculation.
124. Includes emissions from the operations of assets that are leased by the Company (acting as lessee), that are not included in Scope 1 and Scope 2. As upstream leased assets are not under Melco's operational control, the Company may need to request data from lessors in order to calculate emissions. In the current inventory, upstream leased vehicles for shuttle buses in the Philippines and Macau have been included.
125. Scope 3 GHG emission intensity by floor area is disclosed for 2022 data, marking the first year of disclosing Scope 3 emission data for all categories that are relevant to the Company's business.

Energy

TOTAL RESORT-LEVEL PURCHASED ELECTRICITY CONSUMPTION (IN MWh)

	2024	2023	2022	2021	2020
City of Dreams Macau	**153,874**	139,916	121,153	139,929	136,630
Studio City	**136,235**	123,818	92,655	85,648	79,991
Altira Macau	**41,428**	37,156	34,472	35,482	40,027
City of Dreams Manila	**67,552**	66,183	62,276	53,788	49,718
City of Dreams Mediterranean	**22,109**	18,290	–	–	–

ENERGY CONSUMPTION BY SOURCE AND INTENSITY, AND GENERATED ONSITE (IN MWh)

	2024	2023	2022	2021	2020
Fuel consumption from non-renewable sources	**98,125**	67,159	58,381	47,770	50,738
Electricity consumption from non-renewable sources	**435,637**	401,302	330,179	333,985	326,116
Electricity consumption from renewable sources[126]	**2,675**	1,555	1,525	1,478	1,555
Total energy consumption	**536,437**	470,015	390,085	383,233	378,409
Energy intensity (in MWh/m²)	**0.29**	0.27	0.28	0.27	0.27
Total renewable energy generated[127]	**4,827**[128]	1,761[129]	1,525	1,478	1,555

126. PV panel systems were installed at our properties in Macau and Manila in 2019, and in Cyprus in 2023. Renewable energy consumed at City of Dreams Manila has been generated onsite since 2019. Data for 2023 and 2024 consumption also includes renewable energy generated onsite at City of Dreams Mediterranean.
127. The renewable energy generated at both City of Dreams Manila and City of Dreams Mediterranean is consumed onsite and in Macau, it feeds into the electricity grid. In 2023, the renewable energy generated by PV panels at properties in Macau and Cyprus was recorded from October to December 2023.
128. The increase over the previous year primarily reflects a full year of City of Dreams Mediterranean generating renewable energy in 2024, compared to the three-month period of October to December in 2023.
129. The quantity of renewable energy generated in Macau, which is based on data provided by the local grid operator, was adjusted for the year 2023 (a total of 1,761 MWh of renewable energy generated was previously disclosed).

Waste

MATERIAL DIVERSION AND WASTE GENERATION WITH INTENSITY (IN METRIC TONNES)[130]

	2024	2023	2022	2021	2020
Composting	**290**	272	262	192	36
Recycling	**2,491**	1,486	735	720	319
Total materials diverted	**2,780**	1,758	997	912	355
Incineration	**15,972**	11,956	5,657	7,624	6,788
Landfill	**2,241**	1,916	1,026	1,160	1,131
Total waste generated	**18,213**	13,872	6,683	8,783	7,919
Total materials diverted and waste generated	**20,993**	15,630	7,680	9,695	8,274
Intensity of materials diverted and waste generated (in metric tonnes/m²)	**0.011**	0.009	0.005	0.007	0.006

130. Figures have been rounded.

MATERIAL DIVERSION BY TYPE (IN %)

	2024	2023	2022	2021	2020
Recycling					
Paper	**64.08**	58.37	31.10	35.80	42.18
Metal	**10.02**	2.39	6.37	4.64	9.47
Used cooking oil	**1.88**	2.81	7.37	6.03	3.94
Glass bottles	**7.50**	11.82	15.25	7.28	0.00
Batteries	**0.34**	1.73	0.96	0.17	0.38
Plastic	**2.45**	2.60	8.05	11.20	1.61
Soap	**0.06**	0.07	0.16	0.35	0.74
Others (e.g. e-waste, ink toners, light fixtures, coffee capsules)	**3.25**	4.76	4.45	13.48	21.24
Composting					
Food waste	**10.43**	15.45	26.28	21.05	14.43

HAZARDOUS AND NON-HAZARDOUS WASTE GENERATION WITH INTENSITY[131] (IN METRIC TONNES)

	2024	2023	2022	2021
Hazardous waste by category				
Batteries	**10**	30	10	N/A
Ink toners	**1.51**	0.75	0.35	N/A
Light fixtures	**0.99**	3.00	0.07	N/A
E-waste	**49**	23	17	N/A
Contaminated containers	**2**	–	2	N/A
Total hazardous waste	**63**	57	30[132]	110
Hazardous waste by intensity (in metric tonnes/m²)	**0.00003**	0.00003	0.00002	0.00008
Total non-hazardous waste	**20,931**	15,573	7,650	9,585
Non-hazardous waste by intensity (in metric tonnes/m²)	**0.011**	0.009	0.005	0.007
Total waste	**20,993**	15,630	7,680	9,695

131. Figures have been rounded.

132. The significant reduction in 2022 is attributable to the one-off recycling of e-waste in 2021.

Water

TOTAL RESORT-LEVEL WATER CONSUMPTION (IN M³)

	2024	2023	2022	2021	2020
City of Dreams Macau	**997,745**	938,996	595,231	798,030	835,129
Studio City	**1,135,175**	988,584	580,840	642,519	569,519
Altira Macau	**317,011**	329,297	286,017	323,882	307,150
City of Dreams Manila	**570,536**	646,343	565,282	424,982	396,644
City of Dreams Mediterranean	**189,889**	122,027	–	–	–

WATER CONSUMPTION BY SOURCE AND INTENSITY (IN M³)

	2024	2023	2022	2021	2020
Municipal water	**3,242,942**	2,853,466	2,104,286	2,118,259	2,110,619
Recycled water	**16,094**	218,225	217,714	147,549	63,120
Total water consumption	**3,259,036**	3,071,691	2,322,000	2,265,808	2,173,739
Water intensity by floor area (in m³/m²)	**1.77**	1.74	1.66	1.61	1.56

GRI Content Index

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
GRI 1: Foundation 2021			
GRI 2: General Disclosures 2021			
1. The Organization and its Reporting Practices			
2-1	Organizational details	About this Report About Melco Melco's headquarters are at 71 Robinson Road #04-03, Singapore 068895 and the 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong.	
2-2	Entities included in the organization's sustainability reporting	About this Report	
2-3	Reporting period, frequency and contact point	About this Report This report was published on 24th April, 2025.	
2-4	Restatements of information	The following restatements of information were made in 2024: • The quantity of renewable energy generated in Macau, which is based on data provided by the local grid operator, was adjusted for the year 2023 (a total of 1,761 MWh of renewable energy generated was previously disclosed). • The target for "3% kWh/m^2 intensity reduction in fuel and electricity consumption by 2030, with ambitions to achieve between 22% to 28% reduction at the property level" has been revised to correctly state the ambition to between 4% to 8% at the Group level, rather than between 22% to 28% at the property level. • The target for "Diverting 5% of useful materials from disposal by 2030, with ambitions for 24%" was previously stated as being compared against our 2019 baseline. It has been revised to correctly state that the absolute quantity of materials diverted from disposal will be measured against the quantity of waste generated in 2030.	
2-5	External assurance	ISO 14064-3:2019 A third-party assurance provider verified the Company's Scope 1, 2 and 3 GHG emission inventory for the year 2024 against ISO 14064-3:2019. The Board's NCGC reviewed and approved the Company's 2024 Sustainability Report.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
GRI 2: General Disclosures 2021			
2. Activities and workers			
2-6	Activities, value chain and other business relationships	About Melco About this Report Our Impact along the Value Chain Restoring our World Inspiring our Communities Sustaining our Supply Chain Empowering our Business MRE Annual Report 2024 – Form 20-F – P.81-95; 162 Melco Resorts & Entertainment Limited, is a global, premium-focused integrated resort operator primarily targeting the Asian premium mass as well as the mass gaming segments, by leveraging its differentiated, award-winning non-gaming entertainment attractions. Melco Resorts' business is focused in Macau, Manila and Cyprus. We maintain various offices in Macau, Hong Kong, Cyprus, Singapore, the Philippines, Sri Lanka and Thailand. Melco Resorts is engaged in the fit out of a casino gaming space, and the top five floors of its hotel under Melco's NÜWA brand, at an integrated resort that is intended to be launched as "City of Dreams Sri Lanka" in 2025. There were no significant changes in Melco's value chain compared to the previous reporting period. Operating within global gaming and hospitality industries, Melco's supply chain is unsurprisingly vast; embracing over 5,000 global upstream vendors who support the delivery of services and products necessary to deliver a premium guest experience within our resorts. Our goods and services are too numerous to list but include fresh food and beverages, furniture and in-room technology systems, responsible gaming and security systems, furniture, fixtures and equipment, communications, gaming, sport and spa equipment, as well as operational, logistics and professional services, to name but a few. We continuously endeavor to engage and support our local supply base; collaborating to find new ways to differentiate our guest experience and in turn create inclusive business opportunities. In 2024, the Group procured goods and services from over 5,000 global suppliers. Sourcing by location and percentage spend comprises: Macau (72%), the Philippines (9%), Hong Kong (8%), Cyprus (5%), Australia (1%), mainland China (1%), Singapore (1%), and other locations (3%). The Company's downstream activities range from engaging with and providing experiences for guests to contracting or collaborating with stakeholders in our jurisdictions of operations. Examples of these interactions include companies that undertake the recycling of valuable materials from our operations, educational institutions that organize capacity-building programs for our colleagues and NGOs that work with us on community engagement activities.	
2-7	Employees	MRE Annual Report 2024 – Form 20-F – P.162 Performance Metrics The Company employed 21,784 people in 2024 compared to 20,209 in 2023; representing an 8% increase in the workforce as business volume also increased. In 2024, there was an uptick in property visitation and hotel room occupancy by 39% and 19%, respectively over 2023.	
2-8	Workers who are not employees	Performance Metrics There were no significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
GRI 2: General Disclosures 2021			
3. Governance			
2-9	Governance structure and composition	Corporate Governance Structure MRE Annual Report 2024 – Form 20-F – P.151-157	
2-10	Nomination and selection of the highest governance body	MRE Annual Report 2024 – Form 20-F – P.160 Policy on Board Diversity	
2-11	Chair of the highest governance body	Corporate Governance Structure MRE Annual Report 2024 – Form 20-F – P.151-152 In view of the current composition of the Board, the in-depth knowledge of Mr. Ho, Lawrence Yau Lung of the operations of the Group and of the gaming and entertainment sector, his extensive business network and connections in that sector, and the scope of operations of the Group, the Company believes it is in its best interests for Mr. Ho, Lawrence Yau Lung to assume the roles of Chairman and Chief Executive Officer until such time as the Company considers that such roles should be assumed by different persons.	
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance Structure Understanding What Matters Most Assessing Materiality Sustainability Risk Management MRE Annual Report 2024 – Form 20-F – P.157-161	
2-13	Delegation of responsibility for managing impacts	Corporate Governance Structure MRE Annual Report 2024 – Form 20-F – P.157-161	
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance Structure MRE Annual Report 2024 – Form 20-F – P.160-161 The Nominating and Corporate Governance Committee of the Board approved Melco Resorts Sustainability Report 2024 on 23rd April, 2025.	
2-15	Conflicts of interest	MRE Annual Report 2024 – Form 20-F – P.66-68; 168-169 Conflicts of interest covered in detail in the Code of Business Conduct and Ethics.	
2-16	Communication of critical concerns	Ethics & Integrity MRE Annual Report 2024 – Form 20-F – P.157-161 Melco did not have any critical concerns raised in 2024.	
2-17	Collective knowledge of the highest governance body	MRE Annual Report 2024 – Form 20-F – P.151-161 Corporate Governance Structure	
2-18	Evaluation of the performance of the highest governance body	MRE Annual Report 2024 – Form 20-F – P.160-161	
2-19	Remuneration policies	MRE Annual Report 2024 – Form 20-F – P.156-157; 159-160	
2-20	Process to determine remuneration	MRE Annual Report 2024 – Form 20-F – P.156-157; 159-160	
2-21	Annual total compensation ratio		Confidentiality constraints. Information is considered private.

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
GRI 2: General Disclosures 2021			
4. Strategy, Policies and Practices			
2-22	Statement on sustainable development strategy	Chairman & CEO's Statement	
2-23	Policy commitments	Sustainability Risk Management Restoring our World Inspiring our Communities Sustaining our Supply Chain Our Policies and Statements Ethics & Integrity The precautionary principle informs Melco's risk assessment, property design, construction and operations and planning processes.	
2-24	Embedding policy commitments	Sustainability Risk Management Restoring our World Inspiring our Communities Sustaining our Supply Chain Our Policies and Statements Ethics & Integrity	
2-25	Processes to remediate negative impacts	Sustainability Risk Management Evolving Risks and Opportunities Restoring our World Inspiring our Communities Sustaining our Supply Chain Empowering our Business	
2-26	Mechanisms for seeking advice and raising concerns	Ethics & Integrity Our Policies and Statements	
2-27	Compliance with laws and regulations	Restoring our World Inspiring our Communities Sustaining our Supply Chain Empowering our Business No significant instances of non-compliance with laws and regulations occurred during the reporting period.	
2-28	Membership associations	Melco Resorts joined the World Sustainable Hospitality Alliance in November 2023. The Mekong Club is a not-for-profit organization that inspires and engages the private sector to collaborate and lead in the fight against modern slavery. Melco Resorts joined the membership-based business association in 2021. Melco Resorts joined the Global Tourism Plastics Initiative in 2020. Melco Resorts has been a member of the European Casino Association since 2019.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
GRI 2: General Disclosures 2021			
5. Stakeholder Engagement			
2-29	Approach to stakeholder engagement	Understanding What Matters Most Assessing Materiality As part of identifying its stakeholders, the Company applied the GRI Reporting Principle of stakeholder inclusiveness.	
2-30	Collective bargaining agreements	Other than the rank-and-file employees of the table games division of City of Dreams Manila, representing 4.5% of the Group's workforce, none of our employees are members of any labor union and we are not party to any collective bargaining or similar agreement with our employees.	
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Understanding What Matters Most Assessing Materiality	
3-2	List of material topics	Assessing Materiality There have been no significant changes from previous reporting periods in the list of material topics and topic boundaries. To begin alignment with IFRS S1 – *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 – *Climate-related Disclosures*, we evolved our assessment process to address both the GRI and IFRS approaches to determine our material topics through a double materiality lens.	
Report Section: Restoring our World			
Material Topic: Energy & Climate Resilience			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Evolving Risks and Opportunities Restoring our World – Strategy and Management Approach Energy & Climate Resilience Our Policies and Statements TCFD Content Index	
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Energy & Climate Resilience Performance Metrics	
302-3	Energy intensity	Energy & Climate Resilience Performance Metrics The ratio uses energy consumption within the organization.	
302-4	Reduction of energy consumption	Restoring our World – Strategy and Management Approach Energy & Climate Resilience Performance Metrics	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
Report Section: Restoring our World			
Material Topic: Energy & Climate Resilience			
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Energy & Climate Resilience Performance Metrics Scope 1 emissions arise from stationary fuel combustion (LPG, natural gas, diesel, fuel gel and cassette gas as well as biogenic sources from wood and charcoal), mobile fuel combustion (from diesel, petrol and other fuels consumed for light and heavy vehicles, buses and other forms of transport) and refrigerants (R134a, R404a, R407c, R410a and R32). 2019 is the base year for target setting as that was the first year that third-party verification was undertaken of Melco's Scope 1 inventory. Our GHG inventory is calculated using an operational control approach. The inventory aligns with the Greenhouse Gas Protocol Corporate Accounting Standard (GHG Protocol) published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI), and refers to the Global Warming Potentials (GWPs) of the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC).	
305-2	Energy indirect (Scope 2) GHG emissions	Energy & Climate Resilience Performance Metrics Scope 2 emissions arise indirectly from purchased electricity consumption. Scope 2 emissions are reported with both the location-based and market-based methods, in alignment with reporting requirements from the GRI Standards and the GHG Protocol. 2019 is the base year for target setting as that was the first year that third-party verification was undertaken of Melco's Scope 2 inventory. Our Scope 2 market-based emissions are neutral since 2018 from the purchase of EACs for 100% of our global electricity consumption. Melco's GHG inventory is calculated using an operational control approach. The inventory aligns with the GHG Protocol published by WBCSD and WRI, and refers to the GWPs of the AR6 of the IPCC.	
305-3	Other indirect (Scope 3) GHG emissions	Energy & Climate Resilience Performance Metrics In 2024, Scope 3 emissions disclosed arose from the nine categories that are relevant to our business. Emissions arising from these categories have been tracked and disclosed since 2022, when an updated methodology was adopted and 2022 became our base year for tracking these emissions. For the years 2021 and 2020, Scope 3 emissions disclosed arose from downstream leased assets (tenants) and fuel and energy-related activity. The inventory aligns with the GHG Protocol published by WBCSD and WRI, and refers to the GWPs of the AR6 of the IPCC.	
305-4	GHG emissions intensity	Energy & Climate Resilience Performance Metrics	
305-5	Reduction of GHG emissions	Energy & Climate Resilience Performance Metrics	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
Report Section: Restoring our World			
Material Topics: Energy & Climate Resilience / Material Use & Waste			
GRI 304: Biodiversity 2016[133]			
304-2	Significant impacts of activities, products and services on biodiversity	Energy & Climate Resilience Material Use & Waste Sustaining our Supply Chain	
Material Topic: Material Use & Waste			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Evolving Risks and Opportunities Restoring our World – Strategy and Management Approach Material Use & Waste Our Policies and Statements	
GRI 301: Materials 2016			
301-2	Recycled input materials used	Sustainable Design Material Use & Waste	Information unavailable. It is not feasible to quantify the percentage of recycled input materials used.
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Material Use & Waste	
303-2	Management of water discharge-related impacts	Material Use & Waste All wastewater discharges to municipal treatment systems are in compliance with applicable legal requirements. Data are not available on quantities discharged.	
303-3	Water withdrawal	Material Use & Waste	
303-4	Water discharge	Material Use & Waste	Not applicable. All wastewater discharges to municipal treatment systems are in compliance with applicable legal requirements. Data are not available on quantities discharged.
303-5	Water consumption	Material Use & Waste Performance Metrics	

133. The updated Topic Standard, GRI 101: Biodiversity 2024, will be effective January 1st, 2026.

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
Report Section: Restoring our World			
Material Topic: Material Use & Waste			
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Material Use & Waste	
306-2	Management of significant waste-related impacts	Material Use & Waste	
306-3	Waste generated	Material Use & Waste Performance Metrics	
306-4	Waste diverted from disposal	Material Use & Waste Performance Metrics	
306-5	Waste directed to disposal	Material Use & Waste Performance Metrics	
Report Section: Inspiring our Communities			
Material Topic: Engaging our People			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Inspiring our Communities – Strategy and Management Approach Engaging our People Our Policies and Statements	
GRI 202: Market Presence 2016			
202-2	Proportion of senior management hired from the local community	Performance Metrics	
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Performance Metrics	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
Report Section: Inspiring our Communities			
Material Topic: Engaging our People			
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	Performance Highlights Engaging our People Performance Metrics	
404-2	Programs for upgrading employee skills and transition assistance programs	Engaging our People	Information unavailable. Programs to facilitate continued employability of employees who leave the company, either through retirement or termination, are not currently provided.
404-3	Percentage of employees receiving regular performance and career development reviews	All permanent employees, excluding newly-hired employees that did not complete their probationary period, received annual performance reviews.	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Inspiring our Communities Performance Metrics	
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Engaging our People Zero allegations of discrimination have been submitted to the government or to human resources in this reporting period.	
Material Topic: Safety, Health & Wellbeing			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Inspiring our Communities – Strategy and Management Approach Safety, Health & Wellbeing Our Policies and Statements	

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

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
Report Section: Inspiring our Communities			
Material Topic: Safety, Health & Wellbeing			
GRI 403: Occupational Health & Safety 2018			
403-8	Workers covered by an occupational health and safety management system	Safety, Health & Wellbeing Melco's major operations across Macau and Hong Kong are certified to the ISO 45001 management system standard for occupational health and safety. OSH systems are implemented to comply with all relevant legal requirements, and cover the workplaces of all colleagues across the Group and onsite workers.	
403-9	Work-related injuries	Safety, Health & Wellbeing Performance Metrics There were no cases of high-consequence work-related injuries or of colleague or worker fatalities on Melco properties in 2024. The main types of injuries included slips, trips and falls, cuts and abrasions, striking against objects or manual handling. Melco's OSH system identifies work-related hazards that pose a risk of high consequence injury and implements controls to mitigate risk.	Information unavailable. Data on workers outside the organization have yet to be collected.
GRI 416: Customer Health & Safety 2016			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Ethics & Integrity No significant incidents of non-compliance with regulations concerning safety and health impacts occurred during the reporting period.	
Material Topic: Responsible Gaming			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Inspiring our Communities – Strategy and Management Approach Responsible Gaming	
GRI 417: Marketing & Labeling 2016			
417-1	Requirements for product and service information and labeling	Responsible Gaming Melco has not had any incidents of non-compliance with its procedures related to responsible gaming and safety and health communication materials.	
417-3	Incidents of non-compliance concerning marketing communications	Responsible Gaming Community Investment & Engagement Melco has not had any incidents of non-compliance with requirements or codes concerning marketing communications.	
Report Section: Inspiring our Communities			
Material Topic: Community Investment & Engagement			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Inspiring our Communities – Strategy and Management Approach Community Investment & Engagement Our Policies and Statements	
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Community Investment & Engagement	
Material Topics: Engaging our People / Ethical & Sustainable Supply Chain			
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Ethical & Sustainable Supply Chain	
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ethical & Sustainable Supply Chain Engaging our People	
Report Section: Sustaining our Supply Chain			
Material Topic: Ethical & Sustainable Supply Chain			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Sustaining our Supply Chain – Strategy and Management Approach Ethical & Sustainable Supply Chain Our Policies and Statements	
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Ethical & Sustainable Supply Chain Disclosure item 2-6 of this Content Index Our usage of "local" is in accordance with local government definitions.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
Report Section: Sustaining our Supply Chain			
Material Topic: Ethical & Sustainable Supply Chain			
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Ethical & Sustainable Supply Chain 100% of new suppliers must acknowledge acceptance of our Supplier Code of Conduct, including its environmental requirements. Suppliers' environmental performance is assessed and compliance with the Supplier Code of Conduct is required.	
308-2	Negative environmental impacts in the supply chain and actions taken	Our Impact along the Value Chain Ethical & Sustainable Supply Chain	Information unavailable/ incomplete. The number and percentage of suppliers assessed have yet to be quantified.
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Ethical & Sustainable Supply Chain 100% of new suppliers must acknowledge acceptance of our Supplier Code of Conduct, including its social requirements. Suppliers' social performance is assessed and compliance with the Supplier Code of Conduct is required.	
414-2	Negative social impacts in the supply chain and actions taken	Our Impact along the Value Chain Ethical & Sustainable Supply Chain	Information unavailable/ incomplete. The number and percentage of suppliers assessed have yet to be quantified.
Report Section: Empowering our Business			
Material Topic: Ethics & Integrity			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Empowering our Business – Strategy and Management Approach Ethics & Integrity Our Policies and Statements	
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Ethics & Integrity All of Melco's operations are regularly assessed for corruption risk.	
205-2	Communication and training about anti-corruption policies and procedures	Ethics & Integrity Members of Melco's governing bodies, including the Board, its committees and the Company's Executive Committee as well as property-level boards and their committees and Executive Committees have received training on Melco's anti-corruption policies. Relevant colleagues in targeted groups receive training on Melco's anti-corruption policies and procedures. Melco's requirements for suppliers and business partners are acknowledged through acceptance of Melco's Code of Conduct for Suppliers and related training is provided.	

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR EXPLANATION(S)	REASONS FOR OMISSION
Report Section: Empowering our Business			
Material Topic: Ethics & Integrity			
GRI 205: Anti-corruption 2016			
205-3	Confirmed incidents of corruption and actions taken	Ethics & Integrity No confirmed material incidents of corruption in the reporting year.	
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics & Integrity No legal actions for anti-competitive behavior, anti-trust or monopoly practices were identified in the reporting year.	
Material Topic: Privacy & Cybersecurity			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Assessing Materiality Our Impact along the Value Chain Sustainability Risk Management Empowering our Business – Strategy and Management Approach Privacy & Cybersecurity Our Policies and Statements	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy & Cybersecurity Melco did not have any substantiated complaints concerning breaches of customer privacy or losses of customer data during the reporting period.	
Other Disclosure Items			
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Performance Metrics MRE Annual Report 2024 – Form 20-F – P.137; 162-164	
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Risk Management Evolving Risks and Opportunities Our Risk Universe Energy & Climate Resilience TCFD Content Index	Information unavailable. Financial implications from climate change scenarios based on risk classifications have yet to be assessed.
GRI 410: Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	Safety, Health & Wellbeing Ethical & Sustainable Supply Chain As part of the intensive training provided to all security teams, approaches to enforcing procedures that respect human rights are followed. 528 colleagues from our security teams have been trained since 2023.	

TCFD Content Index

QUICK ACCESS TO SECTIONS

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS & TARGETS
Melco's oversight and management of climate-related risks and opportunities.	Melco's actual and potential impacts of climate-related risks and opportunities across the value chain of our business, our strategy, and our financial planning.	How Melco effectively identifies, evaluates and manages climate-related risks to our business, suppliers and communities.	The metrics and targets used to assess and manage relevant climate-related risks and opportunities material to Melco.

TCFD DESCRIPTION	OUR RESPONSE
GOVERNANCE	
a. Describe the board's oversight of climate-related risks and opportunities.	**Board** **Board of Directors** The Board has strategic oversight and ultimate responsibility for sustainability governance including climate-related risks and opportunities. The Board receives quarterly reports on climate-related risks and opportunities and our Chairman & CEO, who sits on the Board, oversees the Company's Roadmap and Action Plan for decarbonization, including GHG emission reduction, and strategy for assessing, mitigating and adapting to climate-related risks and identifying opportunities. Refer to Corporate Governance Structure section on page 106 for more details. **Audit and Risk Committee** The Audit and Risk Committee supports the Board in the management of risk and is responsible for overseeing and monitoring the effectiveness of the risk management and internal control processes during the year, including climate-related risks. **Nominating and Corporate Governance Committee (NCGC)** The NCGC assists the Board in assessing climate-related issues by overseeing strategy and evaluating emergent risks and opportunities, and the Company's progress against its environmental goals, including the policies and programs instrumental in achieving short- and long-term climate-related targets. This report is reviewed by the NCGC, and provides a review of climate-related risks and outlines progress towards environmental goals.
b. Describe management's role in assessing and managing climate-related risks and opportunities.	**Management Level** **Executive Sustainability Committee** The Executive Sustainability Committee comprises the Chairman & CEO, CFO, CRO, President, Property Presidents, SVP Project and Facilities, Supply Chain VP, Chief of Staff to Chairman & CEO and Sustainability Team, and provides quarterly updates to the Board on progress towards the Company's Carbon Neutral, Zero Waste and sustainable sourcing goals including reviewing any related capital expenditures annually and raising any significant strategic or operational climate-related issues that may impact the Company's growth and performance objectives. The Committee sponsors Working Groups across all corporate functions and all resorts that drive and measure progress towards achieving our ambitious goals. **Working Groups** Oversight of our actions falls under the purview of three Working Groups: the Carbon Neutral Working Group, Zero Waste Working Group and Sustainable Sourcing Working Group, which report to our Executive Sustainability Committee. The Working Groups meet monthly to map our actions and measure our progress while evaluating our policies and systems with a view towards continual improvement. Within all budgets, each business unit across properties is responsible for working towards our long-term goals, such as energy- and water-efficiency measures, waste reduction and sustainable and responsible sourcing. **Senior Sustainability Advisor** The Senior Sustainability Advisor works with the Executive Sustainability Committee, Working Groups and the Sustainability Team to set climate-related strategies and implement actions towards our goals, and offers advice and provides regular updates to the CEO on the Company's progress. **Chief Risk Officer (CRO)** The CRO provides a regular update to the CEO and the Audit and Risk Committee on significant strategic risks, including climate-related risks and opportunities. The CRO participates in annual Sustainability Materiality Assessments and includes any significant climate-related risks identified in the Company-wide risk register.

TCFD DESCRIPTION | OUR RESPONSE

STRATEGY

Climate-related risks and opportunities (CRROs) were first identified through an in-depth workshop with key stakeholders within the Company, which has been detailed below. Following the risk identification stage, a prioritization assessment was completed to understand which CRROs are most significant to the business. The CRROs are reviewed annually.
The full table of prioritized CRROs is listed on pages 148-150.

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Risk and Opportunity Identification

In 2022, Melco began working with an independent sustainability consultancy to assess the potential CRRO areas that may impact the Company. An in-depth, climate-related risk and opportunity workshop was held for key representatives from business units across all of our properties to provide insights and input to the assessment.

A comprehensive list of potential CRROs was first developed using information collected from external research, the internal workshop and interviews with stakeholders from across the business. The longlist development considered all risk categories outlined by the TCFD[134].

Time Horizon

CRROs considered as part of the identification analysis have been reviewed over a time horizon up to 2050. Time periods considered as part of the analysis were separated into the following:

- Short term – 0-2 years
- Medium term – 2-5 years
- Long term – 5-11 years and onwards

b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

From identifying potential CRROs within specific time horizons and looking at the velocity and likelihood of each area, Melco has determined where the impact could occur across the value chain of the business as well as the potential financial impact to the organization.

Assessing the potential impact has helped the business identify those prioritized CRRO areas and the prioritization analysis is detailed below. The table on page 148 lists the prioritized CRRO areas identified as part of the work completed by the Company's business units.

Prioritization Analysis

Following the risk identification stage, a prioritization assessment was completed to understand which CRROs are most significant to the business.

CRROs have been assessed on three main criteria:

- **Velocity:** the speed of development of the external root cause that is driving the CRRO.
- **Likelihood:** the likelihood is considered by consistency of outcome when comparing a Stress Scenario with a Current Policy Scenario for each CRRO, and determining how closely the projections are in alignment with each other. (For more information on the scenarios applied, please refer to disclosure Strategy (c) on the next page)
- **Financial Impact:** estimate of the order of magnitude for how the identified CRROs could impact the business.

134. IFRS S2 subsumed TCFD in 2023; Melco's climate-related disclosures continue to respond to the TCFD recommendations for the 2024 reporting year.

GOVERNANCE | STRATEGY | RISK MANAGEMENT | METRICS & TARGETS

TCFD DESCRIPTION | OUR RESPONSE

c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Climate Scenario Selection

As part of the prioritization analysis, the CRROs were analyzed using two scenarios: Current Policy and a Stress Scenario.

The Current Policy Scenario considers temperature increases likely to range between 2.5-3°C, with significant resultant impacts to global climate systems.

The Stress Scenario depends on whether the CRRO is a transition or a physical CRRO. For transition CRROs, a low-carbon pathway aligned to limiting peak global temperatures to at least below 2°C was considered. For physical CRROs, a high-emission pathway is used, aligned to RCP 8.5, where global temperatures increase significantly and reach 4°C above pre-industrial levels.

Scenarios to support the Stress Scenario analysis are based on the following data sources:

- **Current Policy Scenario**
  - NGFS (Current Policies)
  - IEA World Energy Outlook (Stated Policies Scenario)
  - Climate Impact Explorer (RCP 4.5)
  - KNMI Climate Change Atlas (RCP 4.5)
  - WRI Water Risk Atlas (RCP 4.5)
  - WRI Aquaduct Floods (RCP 4.5)
- **Transition Stress Scenario**
  - NGFS (Net Zero 2050)
  - IEA World Energy Outlook (Sustainable Development Scenario)
- **Physical Stress Scenario (all RCP 8.5)**
  - Climate Impact Explorer
  - KNMI Climate Change Atlas
  - WRI Water Risk Atlas
  - WRI Aquaduct Floods

Upon considering different climate scenarios and impact to the business, we have determined what the company's response should be as well as mitigating measures to reducing risks.

In 2023 and expanding on earlier assessments of the most significant CRROs likely to face Melco, we applied a model to quantify the financial 'value-at-stake' under climate scenarios based on current policies and stress scenarios. We engaged all relevant teams across the business to contribute to the assumptions and calculations to determine a 'net value-at-stake' and appropriate steps for our targeted risk mitigation plan.

Glossary

NGFS	Network for Greening the Financial System
IEA	International Energy Agency
KNMI	The Royal Netherlands Meteorological Institute
WRI	World Resources Institute

Summary of Key Identified CRROs, Potential Impacts and Mitigating Actions
The following table lists the prioritized CRRO areas identified as a result of the assessment as well as related time horizons, value chain affected areas and the Company's response and mitigating action for each CRRO.

Scope 1 GHG emissions
Scope 1 emissions arise from sources that an organization owns or controls directly. For example, burning fuel in fossil-fuel powered vehicles in its fleet.

Scope 2 GHG emissions
Scope 2 are emissions that arise indirectly from the generation of energy that is purchased and consumed by a company. For example, when the electricity or energy it buys for heating and/or cooling buildings, is being produced on its behalf.

Scope 3 GHG emissions
Scope 3 encompasses emissions that are not produced by the company itself, and are not arising from the activities of assets owned or controlled by them, but by those that it's indirectly responsible for, up and down its value chain. An example of this is when the company buys, uses and disposes of products from suppliers. Scope 3 emissions include all sources that are not within its scope 1 and 2 boundaries.

Transition Risk Areas

Regulatory Pressures and Carbon Pricing

Melco's integrated resorts are energy intensive and therefore Scope 2 emissions comprise a significant portion of the Company's carbon footprint.

Melco therefore has high exposure to net-zero transition related policies and carbon prices that could result in energy inflationary pressures.

Fuel usage relating to Scope 1 emissions could also be exposed to potential carbon pricing regulatory mechanisms in the future.

Implicit carbon costs could also affect the Company where investments are required to meet building efficiency requirements and emissions regulations that are introduced as part of net-zero transition plans.

Time Horizon
Short — Medium — Long

Value Chain Affected Area (unmitigated impact)
Operational costs and capital expenditure – *low moderate impact*

Melco's Response and Mitigation Actions
Melco performed a quantitative scenario analysis to assess its exposure to carbon pricing. The assessment reviewed Melco's exposure over a 10-year time horizon and was identified as low to moderate risk.

To mitigate Melco's exposure to such regulation, Melco will be:

- → Pursuing our strategy for Carbon Neutral resorts, which will involve implementing further energy-efficiency initiatives and reducing reliance on fossil-fuel-based energy sources through further investment in cleaner energy sources (i.e. solar photovoltaics (PVs), power purchase agreements (PPAs).
- → Continuing to monitor the introduction of further regulations including building efficiency regulatory requirements.
- → Aligning future developments and retrofits to BREEAM/latest green building standards.

Resource Procurement

Scope 3 categories 1 & 2 (Purchased Goods and Services and Capital Goods, respectively) are material contributions to emissions, as a result of the embodied carbon associated with energy-intensive goods and construction materials and activities.

Melco has exposure to potential commodity price increase pressures resulting from net-zero transition related regulations.

Time Horizon
Short — Medium — Long

Value Chain Affected Area (unmitigated impact)
Operational costs and capital expenditure – *insignificant impact*

Melco's Response and Mitigation Actions
Melco assessed its future growth strategy and determined that the exposure relating to carbon-intensive building materials is low. The Company will continue to monitor the risk to resource procurement alongside our growth strategy as this develops.

The Company also aligned recent integrated resort expansions to BREEAM building standards. The Company will aspire to follow this approach for any future developments.

By aspiring to attain BREEAM International certification, this will ensure embodied carbon is factored into design and construction considerations for new developments and this will reduce the risk in this area.

Physical Risk Areas

Acute

Extreme Weather Events

The increase in frequency and intensity of extreme weather events, such as typhoons, could pose considerable impact to Melco.

Melco has integrated resorts located in island regions that are in close proximity to coastal waters. The properties in Macau and Manila are both subject to typhoons, which exposes the integrated resorts to potential impacts including damage to property, loss of revenues as a result of service disruption and increased employee management costs to ensure procedures are in place to effectively manage such events.

Melco obtains insurance coverage for such events. However, as an enhanced warming climate change scenario could lead to increased severity and frequency of extreme weather events, this could leave Melco vulnerable to increased insurance costs or inability to obtain sufficient coverage.

Time Horizon
Short — Medium — Long

Value Chain Affected Area (unmitigated impact)
Operational costs and lost revenues – *moderate impact*

Melco's Response and Mitigation Actions
To mitigate Melco's exposure to extreme weather events, we will:

- → Invest in resilience, such as onsite energy storage systems and ensuring all integrated resorts are designed to reduce the impact of weather events.
- → Avoid high-risk areas for future developments.
- → Review insurance agreements and consider cost/benefit assessment of investing in resilience versus the increased costs of insurance.

Physical Risk Areas

Chronic

Chronic Temperature Increases

Increases in temperatures are likely to require increased energy needs for our integrated resorts to be kept at desired cooling levels to maintain guest comfort and satisfaction.

Time Horizon

Short — Medium — Long

Value Chain Affected Area (unmitigated impact)

Operational costs – *insignificant impact*

Water Stress

Global warming is likely to increase pressures on water supplies that could result in increased water procurement costs for the Company.

Macau is considered a medium water stress region, whereas both Cyprus and the Philippines are regarded as low stress regions. Climate is anticipated to raise the vulnerability to water stress in these regions.

Time Horizon

Short — Medium — Long

Value Chain Affected Area (unmitigated impact)

Operational costs – *insignificant impact*

Melco's Response and Mitigation Actions

- Melco performed a scenario analysis, looking at the potential impacts of both increased temperatures and water stress. Climate scenario modelling has been applied, looking at projections for both variables under high (RCP 8.5) warming and current policy (RCP 4.5) scenarios. For increased temperatures, considerations have been made based on the current cost of energy and the forecast in increased energy consumption under a stress scenario. When assessing water stress, we have analyzed the potential impact this could have on water procurement costs for the business. Both assessments have indicated an increase in operational costs that is insignificant when compared to other costs. The analysis has therefore shown that impacts to Melco are immaterial over a long-term time horizon.
- The implementation of planned energy- and water-efficiency measures will help further reduce risk exposure in these areas as well as build further resilience.

Opportunities

Capital Flow Opportunities

Strategic Actions to be Undertaken

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

Actions

- Due diligence of capital investments that involves a carbon emission assessment.
- Investment in low-carbon/low-energy technologies to unlock potential favorable green financing opportunities.

Renewable Energy and Onsite Generation Opportunities

Strategic Actions to be Undertaken

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

Actions

- Assess potential investment opportunities to reduce exposure to risks based on energy usage and costs savings analysis.

TCFD DESCRIPTION	OUR RESPONSE
RISK MANAGEMENT	
a. Describe the organization's processes for identifying and assessing climate-related risks.	The Board oversees our Enterprise Risk Management (ERM) process through the Audit and Risk Committee, and while our CRO is operationally responsible for the process, all colleagues are supported to participate in the identification and assessment of existing, new and emerging risks, including climate-related risks. Please refer to Sustainability Risk Management section of this report on page 022 for the full disclosure on our risk management processes. In 2023, we expanded our risk assessment approach. To look deeper, we worked with our independent consultant to quantify the financial 'value-at-stake' to our operations in Macau, Manila and Cyprus under climate scenarios based on current policies and stress scenarios. The assessment identified carbon pricing, linked to energy consumption, as the most significant potential impact. Other notable risks include the costs associated with water and energy usage, adapting to adverse climatic events, cooling needs, workforce adaptation, sourcing construction materials, and managing energy and resources. Additionally, risks related to increased insurance and financing costs were identified. We engaged all relevant teams across the business—finance, risk, property service and transportation functions—to contribute to the assumptions and calculations to determine a 'net value-at-stake' and to build ownership for implementing appropriate steps under a targeted risk mitigation plan.
b. Describe the organization's processes for managing climate-related risks.	The Board oversees the ERM process through the Audit and Risk Committee. Existing and emerging risks, including climate-related risks and their potential impacts and mitigation measures, are regularly discussed with the Executive Management team. The conclusion of those discussions is presented to the Audit and Risk Committee every quarter alongside a risk register that is informed by the 4Ts of Risk Management: Treat, Tolerate, Transfer or Terminate. To ensure effective management of the CRRO analysis completed to date, we will additionally regularly monitor and review CRROs with our facility management teams in our monthly Working Group meetings and quarterly Executive Sustainability Committee meetings. Our daily operational risks related to climate change, carbon and energy management are managed through our ISO 14001 Environment Management System and ISO 50001 Energy Management System certified system. Building in the results of the financial 'value-at-stake' assessment conducted in 2023, we will evolve our mitigation plan to ensure compliance with transition-related measures, such as carbon pricing and emission trading scheme regulations, and to mitigate these risks. For example, to prepare for the next stage of the EU's Emission Trading Scheme in 2027, City of Dreams Mediterranean is focused on renewable energy generation, and energy reduction and efficiency measures, to mitigate the potential additional costs to Melco arising from the consumption of fossil-fuel based energy sources for buildings and vehicles.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	The Audit and Risk Committee oversees and monitors the Company's risk management policies, procedures and practices, and internal control systems, including climate-related risks along with financial, operational and compliance controls.

METRICS & TARGETS

TCFD DESCRIPTION	OUR RESPONSE
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risks management processes.	We publish key metrics on energy, water usage and waste management in our sustainability report annually. Monitoring and reporting these metrics help us to identify areas with high climate-related risks to further improve our performance. Measuring our energy and water usage helps to assess potential carbon pricing exposure and the extent of potential impacts arising from temperature increases and water-related risks. Please refer to page 127 to see Performance Metrics on energy, water and waste. Where we have not set targets for specific CRROs, we are working to install the required systems to collect and monitor data so we can report progress against these in future disclosures.
b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Please refer to page 125 of the report to see our disclosure for Scope 1, 2, and 3 GHG emissions.
c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	**Our Goals and Targets** In preparation for the transition to a low-carbon economy, we have established goals and targets, supported by initiatives for carbon reduction. These will help the organization minimize exposure to climate-related risks. Please refer to page 030, Restoring our World, for details on our approach and actions taken for energy, water and waste management. Our goals include: → Achieving carbon-neutral resorts by 2030 → Achieving zero waste across our resorts by 2030 → Contributing to circular economy leadership in Asia → Sourcing sustainable goods and services → Reducing our water footprint In support of these Group-level goals, we have set the following aligned targets for our properties: → 5% tCO_2e/m^2 intensity reduction in Scope 1 and 2 GHG emissions by 2030, with ambitions for 22% reduction at the Group level → 3% kWh/m^2 intensity reduction in fuel and electricity consumption by 2030, with ambitions to achieve between 4% to 8% reduction at the Group level → 19% m^3/m^2 intensity reduction in water consumption by 2030 → 5% $tonnes/m^2$ intensity reduction in non-hazardous waste generation by 2030, against our baseline year of 2019, with ambitions for 24% reduction → Diverting 5% of useful materials from disposal by 2030, with ambitions for 24% Where we have not set targets for specific CRROs, we are working to install the required systems to collect and monitor data so we can report progress against these in future disclosures. Going forward, we will continue to seek technological innovations and facilitate the transition to a lower-carbon environment by adopting more advanced renewable energy systems and explore the feasibility of adopting SBTi targets.

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Your Feedback

If you have any questions or feedback on this report, please scan the QR Code with your smartphone to provide your feedback.

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