



2017

Environmental,
Social and
Governance Report



富豪酒店國際控股有限公司
Regal Hotels
International Holdings Limited

(Incorporated in Bermuda with limited liability)
(Stock Code : 78)

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ABOUT THIS REPORT

REPORTING STANDARD

This report was prepared in accordance with the “comply or explain” provision set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). To meet this standard, this report was prepared in adherence to the following reporting principles: Materiality, Quantitative, Balance and Consistency.

REPORTING SCOPE AND BOUNDARY

This is the second annual standalone environmental, social and governance (“ESG”) report of Regal Hotels International Holdings Limited (“Regal” or the “Company” and together with its subsidiaries, the “Group” or “Regal Group”). This report serves as a benchmark for improving our ESG performance. We aim to provide our stakeholders in this report a holistic overview of our ESG impacts, and highlight the initiatives that we have taken in these aspects at our hotels in Hong Kong and Mainland China.

REPORTING PERIOD

Unless otherwise specified, this report encapsulates the highlights of our progress and performance on ESG issues for the period from 1 January 2017 to 31 December 2017.

ACCESSIBILITY OF THE REPORT

An electronic version of this report can also be downloaded from Regal’s website at www.regal.com.hk. If you have any questions about the report or opinions on Regal’s ESG performance, please feel free to contact us via info@regal.com.hk.

BOARD APPROVAL

This report was approved by the Board of Directors of the Company (the “Board”) on 30 July 2018.



CHAIRMAN'S STATEMENT

I am pleased to present the Company's ESG report for the year ended 31 December 2017.

Continuing our initiatives in promoting ESG performance, we reckon sustainability to be an essential part of our business operations. We strive to be "an internationally recognised hotel group known for its Sustainability Programmes". In 2012, we first implemented our Sustainability Programmes and adopted our Corporate Social Responsibility ("CSR") initiatives.

Following the three pillars in the Regal Group Sustainability Programmes – Environmental Responsibility, Social Responsibility and Economic Responsibility – we have implemented initiatives and established best practices to continuously improve our sustainability performance.

In terms of Environmental Responsibility, we have put in place programmes under four major categories, namely carbon reduction, energy saving, water conservation and waste management programmes. In 2017, we collaborated with a social enterprise, Green Monday, and promoted vegan and Buddhist-friendly menus in five of our hotels. In the future, we hope to extend the scheme to more hotels and more days of the week to promote green and healthy diets.

In terms of Social Responsibility, we focused on youth development and health enhancement initiatives. In recognition of our support for the community, Regal Group has been selected as a "Caring Company" by The Hong Kong Council of Social Service for more than 15 years.

In terms of Economic Responsibility, we pursue profit maximisation for our investors and shareholders, employee development, equal employment opportunities, prioritisation of local employment and growth of the local economy. During the year, we continued our initiatives in fair and clean market competition, and adoption of good corporate governance practices.

With more new hotels commencing operation in the coming years, we will continue to adhere to our Sustainability Programmes and create long-term rewards for our valued stakeholders. I hereby express my gratitude for your support and sincerely welcome you to move forward with us in our sustainable journey.

LO YUK SUI

Chairman

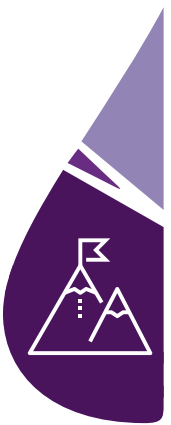
Hong Kong
30 July 2018

ABOUT REGAL

OUR BUSINESS

Regal Group's significant investments and principal business activities mainly comprise hotel ownership business undertaken through Regal Real Estate Investment Trust ("Regal REIT", a listed subsidiary of the Company), hotel operation and management businesses, asset management of Regal REIT, property development and investment, including those undertaken through the joint venture in P&R Holdings Limited ("P&R Holdings") which is 50% owned by the Group, aircraft ownership and leasing business, and other investments including financial asset investments.

Although the Group's investments and businesses are diversified, hotel operation and management remain as its core business, generating the most significant portion of the Group's overall revenue.



MISSION

- Sustainable Growth
- Maximisation of Profit
- Quality Management System
- Innovative Marketing
- Recognition as a Preferred Hotel Employer
- Guest Satisfaction



CORE VALUES

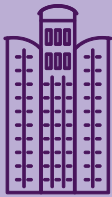
- Passion and Ownership
- Innovation
- Continuous Improvement
- Quality
- Teamwork
- Initiation



OUR BRAND

Listed in Hong Kong in 1980, the Group is one of the largest hotel operators in Hong Kong. Including hotels under the Group's management and those under construction, the Regal brand encompasses over 10,000 rooms and 90 restaurants and bars. As we look ahead, we will continue to pursue our goal of being a leading reputable hotel group in the Asia Pacific region – preferred by employees and guests worldwide.

The Group's hotels are operated under several brands including Regal, Regal Residence and iclub, serving different types of demand from business to leisure and providing full and select services to our guests.



Regal

Elegant and upscale, Regal Hotel offers full-service accommodation with a variety of food and beverage choices, entertainment venues and conference facilities.



Regal Residence

Regal Residence incorporates hotel and residential features, providing guests with the convenience and amenities of a hotel while retaining privacy and home-away-from-home comfort for an extended stay.



iclub

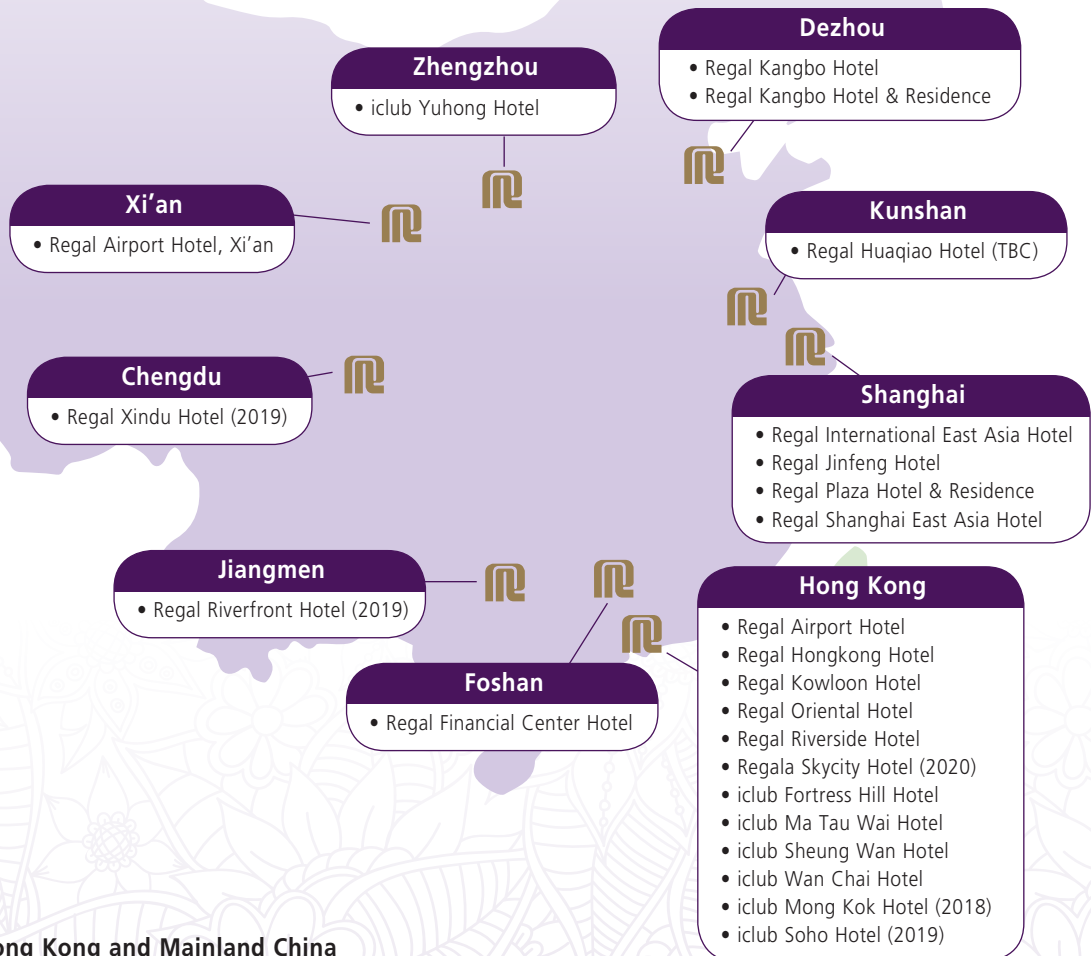
iclub provides select service hotels at prime locations with tech-savvy facilities that are designed for optimum functionality.

OUR PRESENCE

There are a total of nine operating hotels under the Regal and iclub by Regal brands in Hong Kong, all owned by Regal REIT. In Mainland China, we manage nine other operating hotels under the Regal, iclub by Regal and Regal Residence brands. Our current portfolio of hotels includes a good mix of full-service and select-service hotels in various strategic locations in Hong Kong, Shanghai, Dezhou, Foshan, Xi'an and Zhengzhou, catering to a wide range of business and leisure guests.

Apart from the two new hotels in Hong Kong, iclub Mong Kok Hotel and iclub Soho Hotel, being constructed by P&R Holdings, in February 2017, the Group was awarded the contract for the development of a hotel project at the SKYCITY at Hong Kong International Airport. The new project is planned for the development of a 13-storey (including one basement floor) hotel with 1,203 guestrooms and suites as well as extensive banquet, meeting and food and beverage facilities. The hotel is intended to be named as the Regala Skycity Hotel, which will be operated as a full service hotel targeting at commercial, airline related, leisure and meeting businesses. These hotels, when completed, will further strengthen the market presence of the Group's hotel network in Hong Kong. We are also active in our business development in Mainland China through hotel management. Our new hotel in Chengdu (owned by Cosmopolitan International Holdings Limited, a listed fellow subsidiary of the Company, and to be managed by the Group) and two managed hotels in Kunshan and Jiangmen owned by independent owners are in the pipeline.

In addition, the Group also owns a hotel, formerly known as La Mola Hotel & Conference Centre, in Barcelona, Spain, which has been leased to an independent third party for operation and renamed as Campus La Mola.



Regal Hotels in Hong Kong and Mainland China

OUR ESG APPROACH

Regal is fully committed to sustainability management at every Regal Hotel, regardless of whether it is managed or owned and managed by the Group. Each of our core values sets out the objective in how we execute our policies to strive for sustainability.



OUR SUSTAINABILITY CORE VALUES AND COMMITMENTS:

- To implement Green Programmes inside and outside of the workplace;
- To launch a minimum of one significant Humanitarian Service Project per business unit per year focusing on Youth Development & Health Enhancement in the communities where we operate;
- To be a financially responsible group accountable to our shareholders;
- To implement sustainable Economic and Community Development Programmes where we operate;
- To engage our guests, associates and their families in all our sustainability efforts; and
- To engage internationally recognised certification organisations to measure our sustainability performance and development.

Regal has developed a deliberate approach towards achieving sustainability and to be an internationally recognised hotel group known for its Sustainability Programmes. Targeting on environmental, social and economic sustainability, our Sustainability Programmes present a three-pillar approach to driving change in our business:

1. **Environmental Responsibility Programmes** include but are not limited to carbon reduction, energy saving, water conservation and waste management programmes. We also focus on the 5-Rs – Reuse, Reduce, Recycle, Reform and Reject – in our Environmental Responsibility Programmes.
2. **Social Responsibility Programmes** include but are not limited to practices of employing ethnic and physically handicapped citizens, as well as supporting health, medical and literacy projects in our community. We also focus on youth development and health/medical projects in our Social Responsibility Programmes.
3. **Economic Responsibility Programmes** include but are not limited to the usual maximisation of revenue and minimisation of cost business practices, delivering maximum profit to investors and shareholders, creation of local employment, development of employees and implementation of equal employment opportunity practices. We also focus on delivering quality products and services, enhancing work efficiency, exploiting technology and automation, implementing economies of scale and engaging with local partners.

CORPORATE GOVERNANCE

Good corporate governance is an issue of concern to our stakeholders. Regal has adopted the Code Provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The Board has three board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, to perform different functions delegated by the Board. All major policies and practices in relation to management and corporate matters are reviewed by the Board on a regular basis for compliance with any new requirements. In addition, new measures are introduced and implemented where appropriate.

More information about our governance matters and as regards the Board of Directors can be found in our Annual Report 2017.

Moreover, all of our hotels have a management system at the operational level usually chaired by the hotel general managers. They are responsible for establishing achievable goals that balance the needs of our community, delivering high-quality services and implementing relevant programmes. Through our corporate responsibility initiatives, we encourage effective internal communications and transparency. We are dedicated to working with guests, investors, shareholders, business and community partners, suppliers and employees in our sustainability efforts and to achieve the best we can do through collaborative work and building trust among stakeholder groups. More detailed information on the corporate governance of Regal can be accessed on our website at: www.regal.com.hk.

SUSTAINABILITY GOVERNANCE

Over the past few years, sustainability has been a priority in the Group's objectives. Regal consults and shares our sustainability performance with key stakeholders and balances their interests with our common goals. The Group first launched the Group Sustainability Programme in 2012, covering environmental, social and economic issues.

To enhance the sustainability governance of the Group, we established a sustainability governance framework to manage the sustainability performance of the Group. The Board of Directors oversees the sustainability performance and disclosure of the Group. The Executive Directors, with the assistance of senior managers from key divisions, are delegated with the responsibilities to implementing the sustainability planning of the Group under three major objectives: economic sustainability, environmental sustainability and social sustainability. The sustainability plan will then be executed by different operating divisions of the Group to achieve the goals and priorities set.



STAKEHOLDER ENGAGEMENT

We believe that transparent and regular communication with stakeholders can help to drive Regal’s growth and improvement. All our hotels have developed communication channels with each of our key stakeholder groups, which are reviewed on a regular basis to ensure that our stakeholders’ views are collected effectively. The common communication channels for each of the stakeholder groups are presented below:


Stakeholder Group Engaged		Methods of Engagement
Internal Stakeholders	Management	<ul style="list-style-type: none"> • Regular meetings • Ongoing engagement
	General Staff	<ul style="list-style-type: none"> • Staff satisfaction questionnaires • Regular meetings • Orientation activities • Notice boards • Annual appraisal meetings • Employee engagement activities
External Stakeholders	Community	<ul style="list-style-type: none"> • Media conferences • Volunteer activities • Face-to-face meetings
	Hotel Guests	<ul style="list-style-type: none"> • Guest satisfaction surveys • Loyalty clubs, e.g. 925 Club • Website and social media • Day-to-day communication with front-line staff • Customer feedback mechanism • Hotlines
	Investors/Shareholders	<ul style="list-style-type: none"> • Analyst briefings • Investor meetings • General meetings • Annual and interim reports • Press releases/announcements
	Industrial Associations	<ul style="list-style-type: none"> • Industry forums
	Suppliers/Contractors/ Business Partners	<ul style="list-style-type: none"> • On-site evaluation visits and meetings • Regular meetings

MATERIALITY ASSESSMENT


In alignment with the framework and as set forth in the ESG guidelines, we commissioned an independent consultant to conduct interviews with our stakeholders and review the stakeholder engagement results last year to help identify stakeholders' key areas of concerns and develop the framework of this ESG report.

Based on the findings of the survey and stakeholder interviews, observations during the site visits, together with documentation review, media review, and peer analysis, the consultant identified 13 issues which are material to Regal. The following 13 material issues will be discussed throughout this report.

ENVIRONMENTAL

- 
- Energy Management
 - Waste Management

OPERATING PRACTICES

- 
- Anti-corruption
 - Product and Service Quality
 - Customer Data Protection
 - Customer Health and Safety
 - Customer Feedback Mechanism

EMPLOYEES

- 
- Employment Relations
 - Employee Retention
 - Employee Training and Development
 - Occupational Health and Safety
 - Labour Standard Compliance

COMMUNITY

- 
- Community Investment



ENVIRONMENTAL RESPONSIBILITY

Environmental responsibility is fundamental for everyone to live and to thrive. We only have one planet, and it is our duty to take care of it.

To manage the environmental responsibility of the Group, we prioritised 3 most relevant focus areas, namely energy, water and waste, in our hospitality operation. We have also put in place the Green Committees to implement the environmental initiatives that help achieve the sustainability goals set by the Group. With a clear focus in our environmental pursuit, we hope to fulfil our environmental responsibility in the most effective way.

COMMITMENT TO THE ENVIRONMENT

One of the goals of our hospitality operation is to provide a pleasant environment for everyone to enjoy. Beyond the decor and ambiance of our hotel premises, we strive to contribute to the well-being of our surroundings and natural environment. We are conscious of the impact our business has on the environment. Besides being compliant with all relevant laws and regulations, we are determined to mitigate any adverse impacts, to protect the environment and to enhance environmental quality as far as practicable.

ENVIRONMENTAL MANAGEMENT

Regal has formulated a group-wide Environmental Policy Statement for its hotels to follow. The Environmental Policy Statement is set to make sure that our operations are carried out in a legal and environmentally acceptable manner. The Statement outlines the environmental missions of the Group, including measures in enhancing the environmental performance of the Group and raising the awareness of its associates. Through constantly monitoring and reviewing our environmental performance, minimising any adverse environmental impact, enhancing our associates' environmental awareness and adopting green procurement practices, we are committed to safeguarding the environment.

We participated in EarthCheck's certification programme as part of our environmental commitment. EarthCheck, the leading environmental certification body in the travel and tourism industry, has benchmarked and assessed our environmental management and performance on energy, water, wastewater, waste, and chemical and harmful substance issues. Due to our dedicated efforts, except for the iclub Ma Tau Wai Hotel which soft opened in May 2017, all of our hotels in Hong Kong have attained EarthCheck Silver or Bronze benchmarking certifications.



Environmental certifications obtained by Regal Airport Hotel.

Some of our managed hotels in Mainland China also participated in the certification of China Green Hotel by the National Tourism Administration of China. Our hotels are assessed and benchmarked with performance on green design, energy and resource management, and pollution control. In line with our goal of incorporating sustainable elements into our operations, Regal International East Asia Hotel and Regal Airport Hotel Xi'an are certified as Golden Leaf while other three hotels, namely Regal Shanghai East Asia Hotel, Regal Kangbo Hotel and Regal Plaza Hotel & Residence are certified as Silver Leaf.

During the reporting period, we complied with the relevant laws and regulations that have a significant impact on the Company in relation to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.

To promote a healthier diet and environmental awareness, Regal was one of the first hotels in Hong Kong to launch vegan and Buddhist-friendly dishes with the social enterprise, Green Monday, at all Chinese restaurants and coffee shops of 5 hotels in Hong Kong in May 2017, in which guests are encouraged to start a green diet.

At the same time, we are committed to implementing green programmes inside and outside of our workplaces. For example, we have been organising "We Love Our Planet" since 2012, which advances our work on sustainable development. As part of our shared commitment to make our operation more environmentally friendly, various departments in our hotels, including Engineering, Finance, Human Resources, Marketing, Operations, Project Development, Purchasing and Sales, have put various supportive measures into practice.



We launched Green Monday at all Chinese restaurants and coffee shops of five Initial Hotels in Hong Kong in May 2017.



The launch of the "We Love Our Planet" programme by top management of our hotel business.



ENERGY AND EMISSIONS

We actively manage our energy use and greenhouse gas emissions in our business operation. Every year, all Regal hotels are required to set their respective energy and carbon reduction targets, and come up with feasible measures to achieve them. This year, we set the target of 2% in energy and carbon reduction, comparing to the emission level in 2016. To better organise our energy and carbon management, some of our hotels have adopted ISO 50001 Energy Management System certification and ISO 14064 Greenhouse Gas Accounting and Verification certification. We are seeking ways to manage environmental performance, with our Regal Airport Hotel being the first hotel in Hong Kong to attain the above two international standards. We are approaching to a greener operation with more hotels applying for these certifications of international standards.

We adopted a number of supportive measures in our operation to reduce our energy consumption. Our hotels replaced or are in the process of replacing all less-energy-efficient lighting with LED lights. Where space heating is used in our operation, we reduce heat loss in piping by applying insulation which reduces the amount of electricity used to maintain indoor temperatures. Some of our hotels also take energy efficiency into account in their centralised air-conditioning systems. Besides hardware improvement, we made changes to how we conduct our daily operations. We also raised energy-saving awareness among our associates and ask them to switch off all lighting and electronic devices after use. On the other hand, we encourage our guests to join us in conserving energy by providing energy-saving tips in hotel lobbies and reminders in guestrooms.

While the aforementioned energy use reduction initiatives can cut our greenhouse gas emissions, we have implemented specific measures on curbing our greenhouse gas generation. For example, most of our hotels are equipped with electric vehicle charging stations to promote low-carbon transportation. We have also phased out diesel-powered equipment and replaced it with natural gas-powered equipment which is less carbon-intensive in hotels such as Regal International East Asia Hotel. At five of our hotels in Hong Kong, we set up organic farms to reduce our carbon footprint and provide fresh and chemical-free herbs for our restaurants. With other measures applied to offset carbon emissions, our iclub Wan Chai Hotel was the first carbon-neutral hotel in Hong Kong.

Our commitment to reducing energy consumption and carbon emissions is demonstrated by the green events that we participated in and the green recognition that we have earned. Our hotels take part in Earth Hour promoted by the World Wide Fund for Nature (WWF) to express our support for the climate change movement and environmental protection.



Regal takes part in Earth Hour promoted by the WWF.



Our hotels replaced or are in the process of replacing the T8 fluorescent tubes in the guestrooms and public area with LED light tubes for further energy saving.

WATER MANAGEMENT

Our hotel operation relies on the use of water, from catering and cleaning to consumption by guests. As a result, proper water management is essential to fulfil our environmental responsibility. Apart from monitoring, several measures have been implemented to reduce our water use. For instance, air-conditioning condensing water is recycled and reused for toilet flushing, and automatic faucets and toilet flushers have been installed in public toilets. Our renovated guestrooms are also equipped with dual-flush toilets which allow guests to use the right amount of water. As part of our “We Love Our Planet” initiative, we wash our guests’ linen and bath towels every third day of their stay, unless requested otherwise. This reduces our overall water consumption for laundry and minimises environmental pollution.

WASTE MANAGEMENT

We understand hospitality operation involves significant material consumption and contributes waste. Thus, we strive to enhance our ability to minimise waste generation by changing our business practices and working with our associates, guests and non-profit organisations. We reuse and recycle waste as much as economically practical, and ensure the remaining waste is disposed of responsibly. We keep track of the amount of our waste generation and recycling regularly, and review the situation to enable continuous improvement.

Food from our catering service contributes the majority of waste in our operation. To reduce the amount of food waste sent to landfills, we have implemented different initiatives. To minimising food waste at its source, our hotels order ingredients from suppliers with reference to the number of guests and meal reservations to minimise over-purchasing. We partnered with Foodlink Foundation – Hong Kong’s leading hunger relief charity – to donate our unconsumed food, given the food items are safe to consume, hence minimising food wastage at some of our hotels in Hong Kong. Qualified service vendors are engaged to collect food waste generated on our hotels’ premises for food waste recycling.

Our hazardous waste mainly comes from chemicals and cleaning products. To allow an eco-friendly operation, we procure chemicals and cleaning products with eco-certificates or labels. In addition, these products can be harmful to the environment if they are not handled properly. We have set out a protocol related to hazardous materials and waste storage and handling for our associates to follow.



Volunteers in our soap recycling workshop



Some of our hotels partnered with Foodlink Foundation to donate the unconsumed food and minimise food waste.



SOCIAL RESPONSIBILITY

We care for our people, and extend our love to society. By bringing people together and creating a difference, we strive to make our community and the wider society better places for everyone.

Regal endeavours to be a leading corporate citizen in the communities in which we operate. Our community is regarded as an essential element in demonstrating our social responsibility, which is one of the pillars of our long-term sustainability programme. We are not only working to create better memories for guests, but also better communities for citizens to live in. We believe that continuous monitoring by our Social Responsibility Steering Committee, chaired by the chief operating officer and supported by all heads of function, provides a focus for our journey towards sustainability. The Committee identified three social responsibility focuses: Youth Development, Health Enhancement and Social Inclusion.

COMMUNITY COMMITMENT



To put our community commitment into action, we set up regular volunteer programmes that not only work with us to serve and benefit the community, but also foster the younger generation's commitment to contributing to society.

In 2017, we launched a wide variety of community programmes and sponsored a wide range of non-profit organisations in these three main focus areas. Our efforts are well recognised in our communities.



We have been selected as a "Caring Company" by the Hong Kong Council of Social Service for 15 years consecutively, and recognised in "The 8th Hong Kong Outstanding Corporate Citizenship Awards", affirming our contribution to the community.

Regal cares about the communities that we operate in. We hope the younger generation can connect with and appreciate the community in which they live. We organised visits to non-governmental organisations ("NGOs") such as St. James' Settlement, Tung Chung Safe and Healthy City, Sage Kwan Fong Nim Chee Home for the Elderly, Kowloon City Children & Youth Integrated Service Centre, Methodist Centre and Eastern District Elderly Community Centre. During the visits, our associates learned more about the services provided by these NGOs. Under the guidance of NGO representatives, our associates explored different facilities in the service centres and learned about the services offered. Through partnering with NGOs that assist the elderly, underprivileged people and families, associates participating in the visit build awareness of people in need. We hope to raise their social concern and help them become responsible citizens in the future.

YOUTH DEVELOPMENT

Our future society will be led by the younger generation. It is important to ensure that the younger generation receives education and development opportunities. Apart from the education provided by conventional schools, Regal brings young people out of classrooms to enjoy diverse learning experiences by internships and hotel tours. In 2017, we also supported a range of programmes and activities, which improved child literacy and advocated equal opportunities for handicapped youths.

“Family Storytelling” Neighbourhoods Developmental Project

To build social capital by strengthening the collaboration of corporations and local families, Regal volunteered in the “Family Storytelling” Neighbourhoods Developmental Project from May to December in 2017, held by Hong Kong Outlying Islands Women’s Association. Storytelling can stimulate children’s interest in learning, and therefore enhance their language skills.

Career Talk

Regal continues to provide career support to youth. Three career talks were conducted from January to April in 2017 in Stewards Sha Kok Youth & Children’s Centre, enabling young people to acquire insights and experience in the hospitality industry.



Children are listening to fun story delivered by our associates.



Students attending the Career Talk organised by our hotel associates



“Regal Hotels International Youth Development Programme”

Regal is dedicated to boosting the talent pool in the hospitality industry. To achieve this, we offer opportunities for young people to gain a better understanding of our industry. Starting in 2015, we launched the “Regal Hotels International Youth Development Programme”, in which 19 students from IVE Hotel, and Service and Tourism Studies disciplines were offered scholarships and 300 hours of internship opportunities in various operating functions, such as front office, food and beverage, and housekeeping in our hotels, allowing them to gain more practical experience during the programme. For instance, interns in the front office serve guests directly and thus improve their problem-solving skills by handling various day-to-day and on-the-spot issues.



Secondary school students visited our hotels.

Hotel tours

Regal provides young people with learning experience outside classrooms. Hospitality has become a hot industry in recent years and Tourism and Hospitality Studies is now an elective subject in the new Hong Kong Diploma of Secondary Education Examination. Regal spared no effort to support education in our local community. Students studying in relevant disciplines require real-life experience to enhance their learning. Regal Riverside Hotel and Regal Oriental Hotel cooperated with NGOs to organise hotel tours for students. We also organised hotel visits for younger children. We partnered with the Boys' and Girls' Clubs Association of Hong Kong to organise hotel visits and table manners training in Regal Hongkong Hotel, enabling the children to explore the hotel industry.

HEALTH ENHANCEMENT

We believe healthy living contributes to a positive society. Regal considers healthy development to be important. We strive to spread the message of a healthy lifestyle and provide resources to people in need.

“Save Our Sevens” campaign

The Hong Kong Rugby Sevens is one of the largest sporting events in the city. In 2017, the event was held in early April at Hong Kong Stadium. During the three-day event, KELY Support Group partnered with the Hong Kong Rugby Union to organise a public awareness campaign called “Save Our Sevens”. The campaign aimed to provide a safe and fun environment for young people to enjoy the game. Our associates enthusiastically participated in the campaign as volunteers and provided support to inebriated spectators with necessary first aid to reduce alcohol-related harm. We also hope to spread the message of a healthy lifestyle during this annual campaign.

Cleaning Day

Ronald McDonald House Charities of Hong Kong provides families with sick children with housing close to hospitals. In May 2017, our volunteer team participated in a cleaning day organised by the Ronald McDonald House in Sha Tin. Our volunteer team assisted with cleaning, cooking and chores in the house to show support to families experiencing difficulties.



Our volunteers visited Ronald McDonald House.

Charity sales

In 2017, we initiated various charity sales to raise funds for NGOs providing support to people with disabilities or illnesses throughout the year. In December 2017, Regal Kowloon Hotel held a 5-day Christmas Cookie Charity Sale with Children's Cancer Foundation, selling Christmas cookies in the hotel and raised a total of HK\$22,800. All proceeds generated were donated to the Children's Cancer Foundation to enhance the quality of life of children suffering from cancer, in caring for their physical, psychological and social well-being.



In 2017, the Charity Cookies Sale held with Children's Cancer Foundation was a success.

SOCIAL INCLUSION

We embrace inclusiveness and value everyone as an individual, regardless of their backgrounds and capability. Everyone should enjoy equality and be respected. Hence, we endeavour to engage the underprivileged in the community through social activities and to understand their needs for future community initiatives planning.

“Inclusion” - Joy Charity Walk 2017

Regal especially focuses on the growth and needs of handicapped youths. To gather the collective power of handicapped youths and to promote the spirit of self-help, Regal supported the “Inclusion” - Joy Charity Walk 2017, a major fundraising event held by the Hong Kong Federation of Handicapped Youth on 22 October 2017. Experiential checkpoints including the Wheelchair Obstacle Challenge, Knee Supporter Challenge and One Arm Challenge, were designed, to enable participants to experience the difficulties and limitations that handicapped youths encounter in daily life. Seventeen of our associates volunteered in the Walk to help the disabled to fully integrate, participate and contribute to society.



Regal supported “Inclusion” - Joy Charity Walk 2017.

Day Trips with Handicapped Youths

In advocating equal opportunities, Regal collaborated with the Hong Kong Federation of Handicapped Youth and conducted in total 7 day-trips for handicapped youths throughout the year. Social inclusion can be enhanced by pairing up our associates and handicapped youths, as our associates experience and understand the difficulties of handicapped youths, who in turn can integrate into society with the help and encouragement of our associates.



Regal organised day trips with the handicapped to promote social inclusion.



ECONOMIC RESPONSIBILITY

Business growth relies on the ability to deliver quality products and services. We emphasise equal opportunity work environment and staff development, customer experience and working with suppliers to bring additional value to our stakeholders.

Our economic responsibility focuses on our employment and operational practices. We understand that our associates are crucial elements in making our business successful and sustainable. Therefore we strive to retain talents with integral employment policies and initiatives. Also, our business operations impact our stakeholders, from shareholders, guests to the community. We hence maintain our business operation in an ethical manner.

COMMITMENT TO OUR EMPLOYEES

As a hospitality operator, Regal is dedicated to providing the utmost care to not only our guests but also our associates. We believe that our associates are our greatest asset. Besides adhering to relevant laws and regulations, we are committed to helping them to thrive and develop their potential, and creating an enjoyable and rewarding working experience as specified in our comprehensive human resources policies.

We strive to offer a healthy, safe and fulfilling working environment, well-structured career path, practical on-the-job training opportunities and staff engagement events. These employee-friendly policies and initiatives are essential to the consistent delivery of our quality services. Regal's Human Resources Department works closely with management in these areas for continuous improvement.

During the reporting period, we have complied with the relevant laws and regulations that have a significant impact on the Group in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare; providing a safe working environment and protecting employees from occupational hazards; and preventing child and forced labour.

RECRUITMENT, RETENTION AND BENEFITS

Regal believes that recruiting and retaining passionate talents contribute to our continuous development. We are dedicated to providing a positive working environment that fosters our associates' growth. Apart from competitive remuneration, we also offer comprehensive welfare and benefits. Our Employee Handbook provides details on matters relating to employee compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Regal is an equal opportunity employer. We adopt the guidelines and regulations set by the Equal Opportunities Commission as the basis of our human resources policies. Our recruitment and promotion process adheres to strict guidelines on fairness and non-discrimination. Associates are protected from all kinds of discrimination including gender, age, ethnicity, family status, sexual orientation, disability, race and religion.

ASSOCIATE ADVANCEMENT

We believe that providing a wide variety of training will enable our associates to continuously improve their job performance and achieve their career goals. As a commitment in our Economic Responsibility pillar, we strive to offer tailor-made learning and training programmes for our employees for holistic development. For instance, the compulsory orientation programme is designed for new joiners to get to know more about our operation and working environment. Different departments organise their own courses that are suitable for their operational needs. We also encourage our associates to participate in external training programmes, with subsidies available for application. In the future, we aim to offer more diverse training programmes and online training to facilitate the process of participation.



We organised various training for our associates to develop their skills and career path.



EMPLOYEE ENGAGEMENT

Every year, we organise engagements to enrich our associates' workplace experience. Understanding the essence of work-life balance, we regularly arrange activities for our associates, including sports competitions and annual staff parties. We also recognise the hard work and loyalty of associates working with us with our Year-of-service Award. Additionally, we welcome any suggestions from our associates and utilise both offline and online channels for them to express their opinions. These channels include staff meetings with the hotel general managers, suggestion boxes, annual surveys and our Facebook page. In addition to formal suggestions, associates can voice their grievances to immediate supervisors or management. A grievance mechanism is put in place for our associates to raise their concerns. All concerns are carefully handled and management is mandated to respond to enquiries within a given timeframe.

WORKPLACE HEALTH AND SAFETY

As a caring employer, we strive to ensure workplace health and safety to all associates. From room cleaning and catering to engineering and renovation work, any hospitality operation is vulnerable to occupational safety hazards. Recognising the importance of health and safety in all aspects of our hotel operations to avoid injuries, damage to property and lost time, we published a Safety Manual to outline the management, control and coordination of work to protect our employees' health, safety and welfare. Responding to relevant health and safety legal requirements, a Safety Policy has been implemented in all operations. A Safety Committee has been established to assist the hotel general manager in reviewing the implementation of the Safety Manual at least once a month. The policy is reviewed periodically to keep up with the latest developments in workplace health and safety, and related regulations.

Apart from the policy, we have a series of programmes in place to enhance our workplace health and safety. Through inspections, job hazard analysis, monitoring and safety audits, and implementing safety management systems and accident prevention measures, we strive to minimise workplace health and safety risk. A safety management system has been maintained to comply with all relevant laws and regulations. We also have Safety and Security Officers to identify any potential hazards and recommend alternatives at the operational level. Our hotels are required to maintain adequate personal protective equipment and first aid materials. With our health assurance programme, we also arrange pre-job and regular medical examinations for employees who are exposed to health hazards to ensure their physical well-being. To ensure overall safety and safeguard health in our workplace, personnel found not following the safety rules and practices may be penalised.

Safety training is another measure we have promoted in creating a healthy and safe workplace. All our associates engaging in work with occupational safety risks receive job safety training. We also invite external parties to provide training to supervisory and managerial personnel, and trainers to further the application of their safety knowledge in our daily operation. In terms of emergency preparedness, we appointed an adequate number of suitably trained personnel who are competent in the use of fire-fighting equipment, provision of first aid and rescue techniques. Our Safety and Security Officers also organise simulated emergency drills regularly for all emergency and rescue teams.



We regularly hold fire drills to enhance our associates' awareness on safety.



Building continuous awareness is essential to maintaining a healthy and safe environment. Therefore, we put up posters and distributed health and safety information sheets, newsletters and bulletins to our associates. Relevant warning signs, emergency and rescue procedures, notices and placards are placed eminently in hotel offices, workshops and welfare facilities as reminders. As an incentive programme, we introduced a Safety Award to recognise those personnel with best health and safety performance periodically.

Keeping track of our workplace safety and health performance is crucial to constantly improve our workplace. As such, the Safety and Security Officers are required to submit monthly safety reports detailing any accidents, injury statistical data, health and safety training undertaken, safety inspections and audits for the hotel general manager's endorsement.

COMMITMENT TO OUR GUESTS

Regal is devoted to offering quality services to our guests. Our long-standing commitment to quality and attention to details have enabled us to drive "Regal" and "iclub by Regal" becoming two of Asia's pre-eminent hotel brands.

In order to create a memorable experience for our guests, we are always open to listening to their needs and wants. We proactively engage and communicate with our guests through various channels, including the Regal Rewards and 925 Club, to seek their opinions on our services. We also protect customers' privacy and respect intellectual property rights throughout our operations while providing reliable services to our guests.

GUEST HEALTH AND SAFETY

Regal always puts the health and safety of our guests as our highest priority. We have developed a set of procedures to assist our associates in handling emergencies in a legal and efficient manner. For example, in terms of food safety, Regal Airport Hotel has established standard requirements for food suppliers to guarantee the highest food quality and compliance with food safety standards. We also implemented the ISO 22000:2005 Food Safety Management System, in which "traceability" is the core requirement. In this manner, Regal Airport Hotel ensures the safety of incoming raw materials from suppliers.

In order to comply with the standards, our food suppliers are required to provide a full list of ingredients with supporting documents for the delivery of some prescribed food products. Our associates also strictly follow the receiving guidelines clearly stated in our Food Safety Policy and ingredients delivered without supporting documents are not accepted to ensure food safety.

In addition, selected suppliers' product and/or process controls will be audited on-site to ensure the safety of our food supply. All vendors are required to declare compliance with Hong Kong laws and regulations, including but not limited to Part V of the Public Health and Municipal Services Ordinance and the Food Safety Ordinance.

GUEST FEEDBACK

We view customer opinions as valuable input for our continuous improvement, and we treasure every comment from our guests. Our Guest Comments Reply Standards serves the purpose of ensuring that guest feedback, regardless of nature, is regarded as a priority in guest service standards.

Regal treats complaints as a driver for improvement of our facilities and services. We are able to maintain a positive image of our hotels by handling and resolving guest complaints efficiently, and aim for a “win-win” situation. We gather feedback from our guests through various means including verbal communication, guest questionnaires and websites. Guest comments whether in verbal or written format are categorised and handled effectively and efficiently by the relevant departments at all times. All guest comments are reported and followed up on by contacting the guest in person or in writing within 48 hours. Further follow-up actions will be taken, whenever necessary.

CONNECTING WITH OUR GUESTS

Regal offers a wide range of customised rewards programmes to suit the needs of all of our guests and to build guest loyalty for our brands. The Regal Rewards Programme was launched in 2007 and is an exclusive reward programme tailor-made by offering more refined services and special privileges to frequent travellers and loyal customers. We presently have five major loyalty programmes for our guests, namely Regal Rewards, 925 Club, Regal Card, Regal Kids Club and Airline Rewards.

CUSTOMER DATA PROTECTION

Protecting customers’ privacy is always a prime concern of Regal. We strictly comply with all laws and regulations on personal data privacy in our operating jurisdictions. Under our privacy policy, all personal data collected is handled with strict confidentiality. Various levels of access rights have been set up so that only authorised staff are permitted to access customers’ personal information. All personal information collected for membership maintenance will only be used for membership programme administration and marketing with customers’ consent.

Apart from customer data privacy, Regal is also committed to protecting and respecting intellectual property rights. We comply with relevant laws and regulations with formulated policies to ensure that intellectual rights are protected. Only authorised logos or trademarks are used for promotion and, where appropriate, all marketing materials will only be used for designated promotion upon mutual agreement with joint promotion partners.

SUPPLY CHAIN MANAGEMENT

Regal has an extensive and complex supply chain that encompasses vendors from different nations that provide a variety of products and services. From our food and beverage operation to our cleaning and laundry services, we maintain high standards and are committed to responsible and sustainable sourcing. We seek appropriate ways to serve our stakeholders whilst controlling the quality of service and cost. Thus, we sought to address the sustainability balance and risk in our supply chains. The Group Purchasing Department is responsible for managing procurement of items that support most of the daily operations – food and beverage products, guestroom supplies and engineering materials.



We have a well-established mechanism to monitor suppliers with respect to a wide range of rules so that we can minimise the negative environmental and social impacts that may otherwise arise from our procurement process.

We have been a member of Green Council since 2012. We advocate green and local purchases. To support the local economy and minimise our environmental footprint from transportation of products, we source from local suppliers whenever possible. In addition, the Group promotes green procurement and gives priority to contractors and suppliers that demonstrate environmental commitment.

ENGAGING WITH OUR SUPPLIERS

Our purchasing choices not only affect the services that we deliver to our guests, but also impact the community and the environment. We work with suppliers that are grounded in the industry, and we agree on specific procurement terms and guidance for suppliers on listed criteria. As specified in our Contractor Code of Conduct and Safety, we seek suppliers that share the same core values to create a socially and environmentally sustainable supply chain.

As an extension of Regal's service, suppliers and vendors are prudently selected to ensure that all relevant work with our Group complies with all regulations. During the pre-qualification period, we request tenders to provide necessary samples and catalogues for strict testing and examination. In accordance with the Green Purchasing Policy, our Group Purchasing Manager and Group Hygiene Manager evaluate potential contractors using an On-site Evaluation Checklist to ensure that they employ environmentally friendly techniques to process the products. This evaluation is relevant to all types of purchases, from engineering-related equipment to food and beverage items, and it is particularly important to safeguard the safety standard of food-related procurements as they are exposed to risks that can occur during slaughtering or harvesting, storage, distribution and transportation. This process is carried out before we make any selection of suppliers and afterwards we conduct regular reviews to ensure compliance throughout the term of our business relationship.

Besides seeking suppliers with the right quality and competitive rates, we choose contractors that are ISO 9001 certified whenever possible. Contractors are also required to comply with regulations regarding employee safety at work sites. For environmental and social responsibility, we select suppliers who share the same standards and values so that we are able to maintain our guiding principles and build a solid foundation for sustainable development. The Group Purchasing Department is responsible for monitoring the quality of products regularly and ensuring the suppliers meet our Supplier Code of Conduct as a standard requirement to evaluate whether we will expand or extend our cooperation with them.

Beyond daily procurement, we take heed of sustainability considerations when engaging with our suppliers. Maintaining sustainability in the supply chain requires constant collaborative work with guests, employees and suppliers.

RESPONSIBLE SOURCING

Regal purchases recycled and other environmentally preferable products whenever they meet cost and performance requirements according to our Green Purchasing Policy. We take the environmental impact into consideration when procuring products and purchasing products that have minimal impact on the environment and human health, such as LED lighting, bio-degradable shopping bags and recycled-paper packages. We have eliminated the use of disposable cutlery and we purchase vegetables and fruit from local farmers whenever possible. Additionally, we only purchase hazardous chemicals and cleaning products with eco-certificates or labels.

ANTI-CORRUPTION

Our employees and suppliers are required to comply with the Supplier Code of Conduct which is included in the Supplier/Distributor Registration Application Form. The Form is a pre-requisite for any co-operation with the Group and provides guidelines on the primary consideration of managing corruption and bribery incidents. We believe that gifts among business associates are to the detriment of the fair and honest co-operative partnership. In order to improve transparency and overall ethical standards, under our strict rules, any staff member who requests or receives gifts from a supplier, in money or any other form, during business dealings may be subject to dismissal.

To ensure the highest standards of honesty and integrity in our operations, we strive to maintain a bribery and corruption free workplace. We communicate with our associates on anti-corruption measures and controls through the policies set out in our Employee Handbook. The Handbook provides definitions and scenario descriptions, such as gifts and gratuities, to educate our employees on how corruption can be prevented in our daily operations. Any employee who is found to be involved in corruption or bribery is subject to disciplinary action or immediate termination. Similarly, related parties are expected to be free of interests in activities such as procurement. If our employees are affiliated with other business dealings with the Group, they are required to disclose that information to the Group. Otherwise, it may result in disciplinary action or immediate termination.

As an ongoing effort to prevent bribery and corruption from occurring in our workplace, we arranged ICAC talks periodically for our associates to refresh their understanding. While these measures will serve to safeguard the interests of Regal, they are also pivotal to creating a clean and well-functioning working environment.

During the reporting period, we have complied with the relevant laws and regulations that have a significant impact on the Company, in relation to bribery, extortion and money laundering prevention. No legal cases regarding corrupt practices brought against the Group or its employees were recorded in 2017.



We organised training on personal integrity to promote corruption free working environment.

FAIR COMPETITION

We encourage healthy competition to maintain fair practices across our supplier chain. Our documents on tendering procedures provide anti-collusion confirmation to reassure that no anti-competitive behaviour has been introduced. We also provide sufficient training sessions for all employees on various aspects including anti-competitive conduct and the relevant laws and regulations.

APPENDIX I – AWARDS, RECOGNITIONS, QUALIFICATIONS AND MEMBERSHIP

AWARDS AND RECOGNITIONS

Regal Hotels International Limited, our hotel management company

AWARDS AND RECOGNITIONS	ORGANISATIONS
Business for Sustainability	Hong Kong Council of Social Service The Hong Kong Polytechnic University
15 Years + Caring Company	Hong Kong Council of Social Service
Corporate Drive for Hong Kong Corporate Citizenship Award (Enterprise Category)	Hong Kong Productivity Council
Social Capital Builder Award	Community Investment & Inclusion Fund Labour and Welfare Bureau
Walk for Millions - Outstanding Walk Team	The Community Chest
Outstanding Volunteers Recruitment Award	TREATS
Certificate of Appreciation - Gold Category	Volunteer Movement
Certificate of Appreciation - Silver Category	Hong Kong Federation of Handicapped Youth
Certificate of Appreciation	Vocational Training Council Agency for Volunteer Service TREATS Soap Cycling

Regal Airport Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
World's Best Airport Hotel Award 2017	Business Traveller UK Magazine
Best Airport Hotel in Asia-Pacific Award 2017	Business Traveller Asia-Pacific Magazine
Best Airport Hotel Asia Pacific (2017 Readers' Choice Awards)	Travel Weekly Asia
The Best Airport Hotel in Asia Pacific Award	TTG Asia Media
Travel Hall of Fame Award 2017	TTG Asia Media
Top 25 Conference Hotel Asia Award 2017	Smart Travel Asia
Certificate of Excellence	TripAdvisor
Customer Service Excellence Award	Airport Authority
QTS Merchant Award 2017 – Airport Izakaya (Gold Award – Asian Cuisine)	Hong Kong Tourism Board
QTS Merchant Award 2017 – Dragon Inn (Gold Award – Chinese Cuisine)	Hong Kong Tourism Board
QTS Merchant Award 2017 – Rouge (Bronze Award – Chinese Cuisine)	Hong Kong Tourism Board
QTS Merchant Award 2017 – China Coast Bar + Grill (Gold Award – Western Cuisine)	Hong Kong Tourism Board
QTS Merchant Award 2017 – Café Aficionado (Gold Award – Other Cuisine)	Hong Kong Tourism Board
QTS Merchant Award 2017 – Regala Cafe & Dessert Bar (Bronze Award – Other Cuisine)	Hong Kong Tourism Board
Best Restaurant 2017 – Airport Izakaya	Hong Kong Tatler

Regal Hongkong Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
Caring Company 10 Years+ Award	Hong Kong Council of Social Service
Bronze Award 2017	Rakuten Travel
QTS Merchant Award 2017 – Alto 88 (Bronze Award – Western Cuisine)	Hong Kong Tourism Board
Hong Kong's Best Restaurant – Alto 88	Hong Kong Tatler
Italian Hospitality Seal – Alto 88	Ospitalita' Italiana
Hong Kong's Best Restaurant – Regal Palace	Hong Kong Tatler



Regal Kowloon Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
Gold Circle Award	agoda.com
Certificate of Excellence 2017	TripAdvisor
Rakuten Travel Award 2017 – Bronze Award	Rakuten Travel
Partner Employer Award 2017/18	Hong Kong General Chamber of Small and Medium Business
CLP GREENPLUS Award 2017 – Merit Certificate	CLP
QTS Merchant Award 2017 – Mezzo (Merit Award)	Hong Kong Tourism Board
Silver Benchmarking Certificate	EarthCheck
Quality Wedding Merchant	ESDLife
Hong Kong’s Best Restaurants – Regal Court (since 2010) & Mezzo	Hong Kong Tatler

Regal Oriental Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
CLP GREENPLUS Award 2017	CLP
Hong Kong International Culinary Classic 2017 Silver Award – Pastry Kitchen	HOFEX
Caring Company Award 2014 – 18	Hong Kong Council of Social Service
Halal Certificate	The Incorporated Trustees of The Islamic Community Fund of Hong Kong

Regal Riverside Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
Rakuten Travel Bronze Award 2017	Rakuten Travel
CLP GREENPLUS Award 2017	CLP
“Hong Kong No Air Con Night 2017” Certificate	Green Sense
Quality Restaurant for 10 Consecutive Years – Regal Terrace	Hong Kong Tourism Board
QTS Merchant Award (Bronze Award) 2017 – Regal Terrace & Regal Court	Hong Kong Tourism Board
Quality Wedding Merchant	ESDLife
Hong Kong International Culinary Classic 2017 Bronze Award – Chinese Cuisine	HOFEX
HK Tatler Best Restaurant 2017 – Dragon Inn	Hong Kong Tatler
Halal Certificate	The Incorporated Trustees of The Islamic Community Fund of Hong Kong
Catering Industry Safety Award Scheme (2017/2018) – Supervisor Award	Labour Department

iclub Sheung Wan Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
Guest Review Award	Booking.com



Regal Financial Center Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
The Best Service Hotel in China	Golden Horse Awards of China Hotel
Best Business Hotel 2017	Ctrip.com
Guest Review Awards 2017	Booking.com
Top 10 Guest Pick Hotel by Hong Kong and Macau Business Travelers	Tammy Travel
Annual Marketing Excellence Award 2017	Shenzhen Jubang International Travel Agency Company

Regal International East Asia Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
Certificate of Excellence	TripAdvisor
Selected High Class Hotels Award – Best Wedding Hotel	AIRTIME magazine
2016-2017 The Best Business Hotel Award	City Traveler Magazine

Regal Kangbo Hotel & Residence

AWARDS AND RECOGNITIONS	ORGANISATIONS
2017 Best Guest Review Award	Meituan
2017 Best Hotel Residence Award	Ctrip.com

Regal Plaza Hotel & Residence

AWARDS AND RECOGNITIONS	ORGANISATIONS
2017 Excellent Dining Venue	Global Gourmet “Chef par Excellence” Culinary Competition
2017 Best Business Hotel – HongKong, Macau, Taiwan and Overseas Chinese Most Favorite Hotels Awards	Emigrant to Shanghai Magazine

Regal Shanghai East Asia Hotel

AWARDS AND RECOGNITIONS	ORGANISATIONS
China Hotel Green Laundry Building and Management Excellent Demonstration Unit	China Hotel Engineering Alliance China Hotel Engineering Network Organizing Committee of China Hotel Smart Cleaning and Green Washing Summit

Regal Airport Hotel, Xi'an

AWARDS AND RECOGNITIONS	ORGANISATIONS
2017 Golden Goblet Award of Excellent Conference Hotel in China	Alliance of China Conference Hotels
2017 The Most Popular Hotel of China	2017 China Hotel Brand Conference – HOTELN Awards
The Best Airport Hotel in China	Golden Horse Awards of China Hotel

QUALIFICATIONS

- EarthCheck (Silver): Regal Airport Hotel, Regal Hongkong Hotel, Regal Kowloon Hotel, Regal Oriental Hotel, Regal Riverside Hotel, iclub Fortress Hill Hotel, iclub Sheung Wan Hotel and iclub Wanchai Hotel are certified.
- EarthCheck Regional Leader: Regal Oriental Hotel has been identified as a Regional Leader in the areas of Energy Consumption, Greenhouse Gas Emission and Waste sent to Landfill. The information provided by the Regional Leaders will be used to create a snapshot of the best practice initiatives and programs implemented in the said areas.
- Green Hotel Awarded by China Tourist Hotel Star Rating Committee/National Green Hotel Committee:
 - Golden Leaf Green Hotel in China: Regal International East Asia Hotel and Regal Airport Hotel, Xi'an
 - Silver Leaf Green Hotel in China: Regal Kangbo Hotel, Regal Shanghai East Asia Hotel and Regal Plaza Hotel & Residence
 - Green Hotel in China: Regal Kangbo Hotel & Residence
- Quality Water:

Under the Quality Water Supply Scheme for the Building of Water Supplies Department, the Government of Hong Kong Special Administrative Region, four Initial Hotels in Hong Kong achieved the below levels:

 - Regal Hongkong Hotel – Gold
 - Regal Kowloon Hotel – Blue
 - Regal Oriental Hotel – Gold
 - Regal Riverside Hotel – Gold



- Quality Air:

All five Initial Hotels and four iclub Hotels in Hong Kong received Indoor Air Quality Certificates awarded by the Environmental Protection Department, the Government of Hong Kong Special Administrative Region.

- ISO Certifications:

- ISO 14064 – 1: All five Initial Hotels are certified.
- ISO 22000: Regal Airport Hotel, Regal Hongkong Hotel, Regal Kowloon Hotel and Regal Riverside Hotel are certified.
- ISO 50001: Regal Airport Hotel is certified.

- Carbon Reduction:

All five Initial Hotels in Hong Kong achieved Carbon Reduction Certificates, Hong Kong Green Organisation Certification issued by Environmental Campaign Committee.

MEMBERSHIP

The Group has been a member of the Hong Kong Green Purchasing Charter of the Green Council since 2012, advocating green and local purchases.

APPENDIX II – PERFORMANCE TABLE

ENVIRONMENTAL PERFORMANCE¹

	UNITS	PERFORMANCE IN 2017
Greenhouse gas (GHG) emissions		
Total GHG emissions	tonnes of CO ₂ equivalent (tonnes CO ₂ e)	51,522
Direct GHG emissions (Scope 1) ²	tonnes CO ₂ e	7,633
Indirect GHG emissions (Scope 2) ³	tonnes CO ₂ e	43,888
GHG emission intensity	kg CO ₂ e/equivalent guest night ⁴	15.64
Energy consumption		
Total energy consumption	GJ	385,520
Electricity	kWh	67,078,400
Towngas	GJ	123,150
Fuel	GJ	15,873
Steam	GJ	5,015
Energy intensity	GJ/equivalent guest night ⁴	0.12
Water consumption		
Total water consumption	m ³	828,730
Water intensity	m ³ /equivalent guest night ⁴	0.25
Waste disposal and recycled		
General waste disposed	tonnes	3,942
Waste recycled		
Used cooking oil	Litre	20,912
Aluminium cans	kg	477
Plastic bottles	kg	9,553
Paper	kg	125,639
Food waste and donations	kg	208,482
Glass bottles	kg	19,051
Soap	kg	1,429



ECONOMIC RESPONSIBILITY PERFORMANCE¹

Employment Practice

	UNITS	PERFORMANCE IN 2017
Total workforce by employment contract		
Permanent	number of people	2,006
Trainee	number of people	4
Total workforce	number of people	2,010
Total workforce by gender		
Male	number of people	1,133
Female	number of people	877
Total workforce by age group		
Under 25	number of people	236
25 – less than 40	number of people	640
40 – less than 55	number of people	823
55 or above	number of people	311
Total workforce by employment category		
Senior management	number of people	63
Middle management	number of people	250
General staff	number of people	1,697

Occupational Health and Safety

	UNITS	PERFORMANCE IN 2017
Total number of work related fatalities	number of people	0
Total number of lost day ⁵ due to work injuries	number of days	2,101.5

Development and Training

	UNITS	PERFORMANCE IN 2017
Average training hours by gender		
Male	number of hours	8
Female	number of hours	11
Average training hours by employment category		
Senior management	number of hours	20
Middle management	number of hours	14
General staff	number of hours	8

Supply Chain Management

	UNITS	PERFORMANCE IN 2017
Number of suppliers by geographical region		
Hong Kong	number of suppliers	1,952
Mainland China	number of suppliers	5
Overseas	number of suppliers	72

Notes:

- ¹ The performance data only covers hotel management operations in Hong Kong, including the five Initial Hotels (Regal Airport Hotel, Regal Hongkong Hotel, Regal Kowloon Hotel, Regal Oriental Hotel and Regal Riverside Hotel) and four iclub Hotels (iclub Fortress Hill Hotel, iclub Ma Tau Wai Hotel, iclub Sheung Wan Hotel and iclub Wan Chai Hotel), in 2017. The data of iclub Ma Tau Wai Hotel only covers operations since its opening in May 2017.
- ² Direct GHG emission generated from fuel consumption and leaked refrigerant/CO₂e from equipment.
- ³ Indirect GHG emissions generated from electricity and towngas consumption.
- ⁴ Equivalent guest night includes the total number of guests stayed overnight in our hotels and one third on total number of guests patron in our restaurants and banquet/function rooms.
- ⁵ Lost days refer to sick leave due to all types of work-related injuries.

APPENDIX III – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

INDICATORS		SECTION/ STATEMENT
<i>A. Environmental</i>		
Aspect A1: Emissions	<p>General Disclosure Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. <p>KPI A1.1 The types of emissions and respective emissions data.</p> <p>KPI A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p> <p>KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p> <p>KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p> <p>KPI A1.5 Description of measures to mitigate emissions and results achieved.</p> <p>KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.</p>	<p>Environmental Responsibility</p> <p>Appendix II – Performance Table</p> <p>Appendix II – Performance Table</p> <p>Appendix II – Performance Table</p> <p>Appendix II – Performance Table</p> <p>Environmental Responsibility</p> <p>Environmental Responsibility</p>

INDICATORS		SECTION/ STATEMENT
A. Environmental		
Aspect A2: Use of Resources	<p>General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).</p> <p>KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).</p> <p>KPI A2.3 Description of energy use efficiency initiatives and results achieved.</p> <p>KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.</p> <p>KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.</p>	<p>Environmental Responsibility</p> <p>Appendix II – Performance Table</p> <p>Appendix II – Performance Table</p> <p>Environmental Responsibility</p> <p>Environmental Responsibility</p> <p>Not applicable to the core business of Regal</p>
Aspect A3: The Environment and Natural Resources	<p>General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.</p> <p>KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>	<p>Environmental Responsibility</p> <p>Environmental Responsibility</p>

INDICATORS		SECTION/ STATEMENT
B. Social		
Employment and Labour Practices		
Aspect B1: Employment	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p> <p>KPI B1.1 Total workforce by gender, employment type, age group and geographical region.</p> <p>KPI B1.2 Employee turnover rate by gender, age group and geographical region.</p>	<p>Economic Responsibility</p> <p>Appendix II – Performance Table</p> <p>Appendix II – Performance Table</p>
Aspect B2: Health and Safety	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</p> <p>KPI B2.1 Number and rate of work-related fatalities.</p> <p>KPI B2.2 Lost days due to work injury.</p> <p>KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.</p>	<p>Economic Responsibility</p> <p>Appendix II – Performance Table</p> <p>Appendix II – Performance Table</p> <p>Economic Responsibility</p>

INDICATORS		SECTION/ STATEMENT
B. Social		
Employment and Labour Practices		
Aspect B3: Development and Training	<p>General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p> <p>KPI B3.2 The average training hours completed per employee by gender and employee category.</p>	<p>Economic Responsibility</p> <p>Appendix II – Performance Table</p> <p>Appendix II – Performance Table</p>
Aspect B4: Labour Standards	<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</p> <p>KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.</p> <p>KPI B4.2 Description of steps taken to eliminate such practices when discovered.</p>	<p>Economic Responsibility</p> <p>Economic Responsibility</p> <p>Economic Responsibility</p>
Operating Practices		
Aspect B5: Supply Chain Management	<p>General Disclosure Policies on managing environmental and social risks of the supply chain.</p> <p>KPI B5.1 Number of suppliers by geographical region.</p> <p>KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.</p>	<p>Economic Responsibility</p> <p>Appendix II – Performance Table</p> <p>Economic Responsibility</p>



INDICATORS		SECTION/ STATEMENT
B. Social		
Operating Practices		
Aspect B6: Product Responsibility	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p> <p>KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.</p> <p>KPI B6.2 Number of products and service related complaints received and how they are dealt with.</p> <p>KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.</p> <p>KPI B6.4 Description of quality assurance process and recall procedures.</p> <p>KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.</p>	<p>Economic Responsibility</p> <p>Not applicable to the core business of Regal</p> <p>Economic Responsibility The number of complaints received is not ready to be disclosed</p> <p>Economic Responsibility</p> <p>Economic Responsibility</p> <p>Economic Responsibility</p>
Aspect B7: Anti-corruption	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</p> <p>KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.</p> <p>KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.</p>	<p>Economic Responsibility</p> <p>Economic Responsibility</p> <p>Economic Responsibility</p>

INDICATORS		SECTION/ STATEMENT
<i>B. Social</i>		
Community		
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Social Responsibility
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social Responsibility
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Social Responsibility



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