

GLOSSARY

Terms

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| Absentee Rate | Represents the number of absentee days per year. It is calculated as total absentee days, which include sick days and lost days due to injury and occupational diseases, divided by total work days for the year |
| Average room rate | This reveals the average rate charged per occupied room, calculated based on the following formula: $\frac{\text{Total rooms revenue}}{\text{Rooms sold}}$ |
| Adjusted net assets | The figure provides an adjusted value assessment of the Group's assets based on current market valuation |
| Back-of-house | Staff-only areas, usually in a hotel |
| BREEAM | Building Research Establishment Environmental Assessment Method is a UK-based environmental assessment and certification scheme on sustainable building |
| Climate Disclosure Leadership Index for Asia ex-Japan | An annual index run by Carbon Disclosure Project (CDP) recognising companies which display a strong approach to the disclosure of climate strategy and measurement. The index includes top 10% of CDP reporting companies for the year |
| Corporate Responsibility | A systematic approach whereby a business monitors and ensures its compliance with the law, ethical standards, and international standards relating to the environment, consumers, employees, communities, and other stakeholders |
| EarthCheck | An internationally recognised sustainability benchmarking and certification programme for the hospitality sector |
| EBITDA | The figure reflects the profitability of the operations of the Group before interest, tax, depreciation and amortisation |
| Front-of-house | Areas of a hotel that are in sight of guests/customers |
| Forest Stewardship Council (FSC) | An internationally recognised certification scheme on sustainable forest management, which meets key requirements of responsibility, transparency, international consistency and balanced multi-stakeholder governance |

Terms

Gearing

This measures the degree of debt financing used by the Group to fund its business, calculated based on the following formula:

$$\frac{\text{Net borrowings}}{\text{Net borrowings} + \text{Shareholders' equity}}$$

Global Reporting Initiative (GRI)

A non-profit organisation that produces the prevalent standards for sustainability reporting widely adopted by companies worldwide

Environmental, Social and Governance Reporting Guide

A guide on environmental, social and governance disclosure standard published by the Hong Kong Stock Exchange for voluntary disclosure by listed companies in Hong Kong

Interest cover

The ratio reflects the ability of the Group to meet its financing costs expressed as a multiple of its operating profit

Occupancy rate

This reveals the extent of rooms being occupied, calculated based on the following formula:

$$\frac{\text{Rooms sold}}{\text{Rooms available}} \times 100\%$$

PP

Percentage points

RevPAR

The figure reflects the revenue generating ability of the Group's hotels from available rooms, calculated based on the following formula:

$$\frac{\text{Total rooms revenue}}{\text{Rooms available}}$$

Stakeholders

Group or individuals that are affected by or can affect a company's activities

Sustainable luxury

Luxury products or services which maintain a level of responsibility to both the environment and society

Underlying profit attributable to shareholders

The figure reflects the profitability of the Group arising from its operations by excluding non-operating and non-recurring items