



翠華集團[®]
TSUI WAH GROUP

Tsui Wah Holdings Limited
翠華控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1314

2020

**Environmental, Social
and Governance Report**



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ABOUT THE REPORT

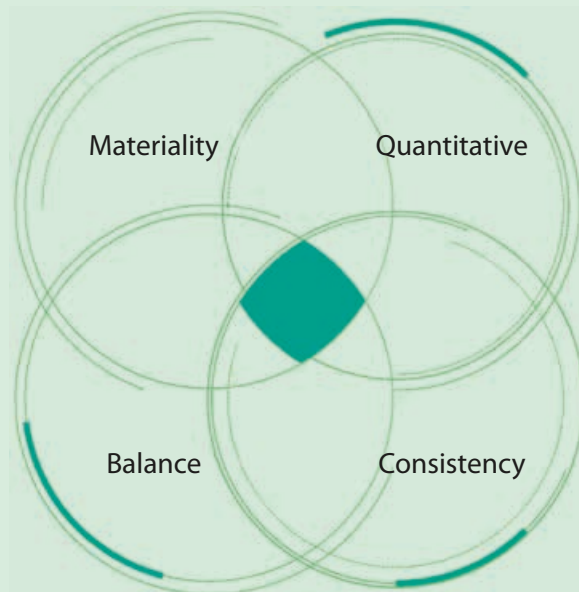
In strict compliance with the requirement under Appendix 27 — Environmental, Social and Governance Reporting Guide (“ESG Guide”) of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEx”), Tsui Wah Holdings Limited (hereinafter referred to as “Tsui Wah” or the “Company” and, together with its subsidiaries the “Group”) are pleased to present its Environmental, Social and Governance (“ESG”) Report for the year ended 31 March 2020 (“FY2020”), which demonstrates the Group’s approach and performance in terms of ESG management and corporate sustainable development for FY2020.

REPORTING PRINCIPLES OF THIS ESG REPORT

Given the Reporting Principles that underpin the preparation of ESG report as required by HKEx, the content of this ESG report has been determined and summarised by the principles of Materiality, Quantitative, Balance and Consistency. The four principles are intended to underlie all aspects of the disclosed ESG information as required in the ESG Guide, and their faithful application can facilitate the ESG report presented by Tsui Wah to constitute an objective, transparent and accurate embodiment of the Group’s ESG management and sustainable development during FY2020.

Rational Boundary Setting and Materiality Assessment of ESG Topics

Objective ESG Performance Analysis and Evaluation



Efficient Data Management, Calculation and Disclosure

Coherent Reporting Framework and Techniques

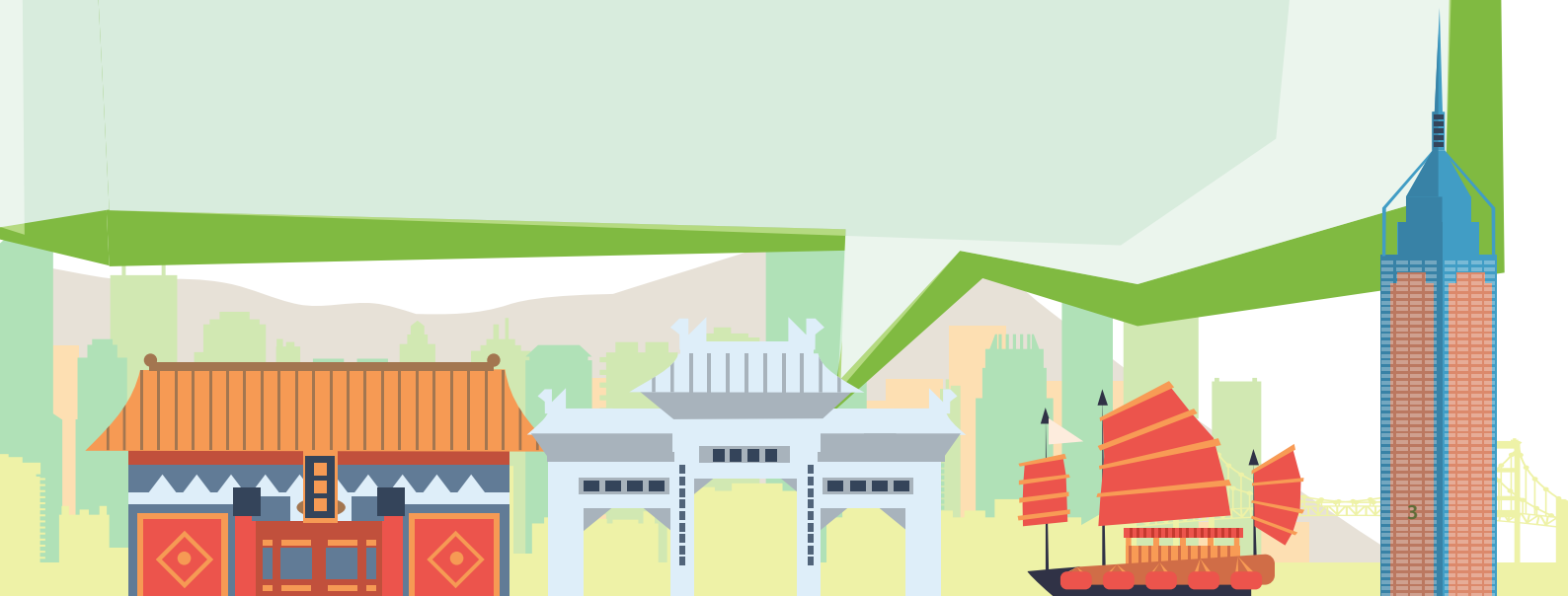
ABOUT THE REPORT

Materiality: Materiality is the threshold at which aspects become sufficiently important that the relevant information around them should be disclosed. As a strategic business tool, a broad, inclusive and science-based materiality assessment based on stakeholder engagement can help the Group define specific content of the report, thereby more efficiently managing its ESG-related risks. As such, Tsui Wah has implemented its principle of Materiality by carefully setting its report boundary and pinpointing the significant ESG issues that have or will exert a great impact on the Group's business in the long run through materiality assessment.

Quantitative: With a continuous performance monitoring system, sustainability management framework and effective analysis techniques, the ESG data collection and reporting process have been one of the many factors contributing to a successful ESG management of Tsui Wah. It is the complete data package with descriptive information and statistics regarding the Group's ESG performance during the year that allows Tsui Wah to employ its sustainability key performance indicators ("KPIs") in both quantitative and qualitative analyses, including emissions, exploitation of natural resources and distribution of suppliers, thereby further measuring the degree to which the management is addressing the intangible areas that are regarded most relevant and material.

Balance: An unbiased picture of the Group's ESG performance with all positive and potentially negative data is essential to ensuring the accuracy of information delivered to audiences and the validity of the report on which all informed decisions by stakeholders are based. Adhering to this principle, the Group not only pursues an appropriate balance between qualitative and quantitative information in the report, but also provides an in-depth analysis of its ESG management during the year from both positive and negative sides. Tsui Wah welcomes the valuable advice of its stakeholders from all walks of life and insists on the disclosure of its real performance against various ESG criteria.

Consistency: With the adoption of a consistent methodology in data collection, calculation, evaluation and reporting, Tsui Wah commits to depicting a roadmap that ensures all readers including investors, customers, suppliers and other stakeholders can trace and compare its performance in sustainability internally over past years and against peers in the industry. Tsui Wah has furthered the transparency of greenhouse gas ("GHG") calculation process by clearly disclosing the standards it refers to, tools it uses and scope it covers so that the accuracy and consistency of the Group's environmental performance can be maintained in the future. Tsui Wah sticks to the high-level consistency of its reporting approach and chooses to follow the basic format used in the previous report.



ABOUT THE REPORT

CONFORMITY TO INTERNATIONAL STANDARDS IN THE ESG REPORT

To adapt to the climate-related risks and to mitigate the potentially catastrophic consequences of the unpredictably volatile global economy, the Group spares no effort in exploring the financial and operational implications of climate change and identifying potential opportunities for improvement and development. With an in-depth evaluation of the impacts that climate emergency may cause on the Group's business over a short-, medium-, and long timeframe, the Group keeps optimising its ESG governance



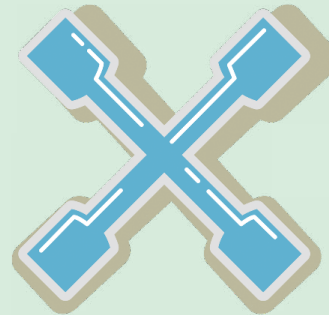
Boundary setting and topic identification and prioritisation

Data management platform used to collect and document information



Fair evaluation and comprehensive analysis on the performance

Uniform science-based methodology for calculations and reporting style



model, development strategy, risk management system and targets in respect to corporate sustainable development under the Recommendations of Task Force on Climate-related Financial Disclosures ("TCFD"), in order to comply with latest regulations, market rules and industry standards. To deliver an internationally standard ESG report that appeals to its global readership, the Group has used Sustainable Development Goals ("SDGs") as a linkage between the Group's ESG practice and global sustainability initiatives, and used SDGs as an overarching framework to shape, steer, communicate and report its strategies, goals and activities based on the procedures under SDG Compass (The guide for business action on the SDGs). In addition, the Group has adopted GRI (Global Reporting Initiative) Sustainability Reporting Standards to enhance the integrity, international compatibility and industry comparability of the report. Specifically, this material references Disclosures 102-8 (a), 102-8 (b), 102-8 (c), 102-9, 102-17, 102-43 and 102-44 from GRI 102: General Disclosures 2016; Disclosures 103-1, 103-2, and 103-3 (a-i) from GRI 103: Management Approach 2016; Disclosure 201-1(a-ii) from GRI 201: Economic Performance 2016; Disclosure 203-1(a) from GRI 203: Indirect Economic Impacts 2016; Disclosure 205-3 from GRI 205: Anti-corruption 2016; Disclosure 301-1 from GRI 301: Materials 2016; Disclosures 302-1, 302-3, 302-4 and 302-5 from GRI 302: Energy 2016; Disclosures 303-2 and 303-3 from GRI 303: Water 2018; Disclosure 304-2 from GRI 304: Biodiversity 2016; Disclosures 305-1, 305-2, 305-3 (c), 305-4, 305-5, 305-6 and 305-7 from GRI 305: Emissions 2016;

ABOUT THE REPORT

Disclosures 306-2, 306-3, 306-4 and 306-5 from GRI 306: Effluents and Waste 2016; Disclosure 307-1 from GRI 307: Environmental Compliance 2016; Disclosures 308-1 and 308-2 from GRI 308: Environmental Assessment 2016; Disclosure 403-2 from GRI 403: Occupational Health and Safety 2018; Disclosures 404-1 and 404-2 (a) from GRI 404: Training and Education 2016; Disclosure 405-1(b-ii) from GRI 405: Diversity and Equal Opportunity 2016; Disclosure 408-1(c) from GRI 408: Child Labour 2016; Disclosure 409-1(b) from GRI 409: Forced or Compulsory Labour 2016; Disclosures 414-1 and 414-2 from GRI 414: Supplier Social Assessment 2016; Disclosure 416-2 from GRI 416: Customer Health and Safety 2016; Disclosures 417-2 and 417-3 from GRI 417: Marketing and Labelling 2016; Disclosure 418-1 from GRI 418: Customer Privacy 2016; Disclosure 419-1 from GRI 419: Socioeconomic Compliance 2016. A complete content index and a GRI linkage table are available at the end of this ESG report for readers' reference.

The Group has laid great emphasis on its stakeholder engagement in the discussion of sustainable development and built effective data management platform where relevant ESG information can be collected, stored, accessed, retrieved and processed efficiently. Specifically, the disclosed information in this ESG report was mainly gathered through channels including the official documents and statistics of the Group, the record of daily management and practice in accordance with the relevant policy, and the results of surveys conducted by an independent party requiring internal and external stakeholders to provide relevant ESG information with detailed description and evidence.

Striving for excellence, Tsui Wah invites and welcomes all readers to share their views and provide suggestions on its sustainable development with the Group at info@tsuiwah.com. For more information on our sustainability approach, please visit our official website at <http://www.tsuiwah.com>.

Setting a clear reporting boundary from the outset helps report readers to clarify the reporting scope and compare the effectiveness of the implementation of relevant ESG policies within the company over the years and across the industry, while allowing the Group to lower the risks of inadvertently neglecting the incorporation of material activities or business operations in which the Group was engaged during the year under review. This ESG report covers the relevant environmental and social performance within the main operations of the Group, which includes the Group's 83 restaurants, central kitchens and administrative offices in Hong Kong, Mainland China, Macau and Singapore. The standard adopted for the boundary setting of this ESG report for which relevant ESG performance of Tsui Wah and climate-related impacts on its business are being reported is primarily based on the judgement if the entity is under the Group's operational control.

The reporting period of this ESG report is for FY2020 unless specifically stated otherwise.



A LETTER TO STAKEHOLDERS

On behalf of the board of directors (the “Directors” and the “Board”, respectively) of Tsui Wah Holdings Limited, I am pleased to present to our stakeholders our third standalone ESG report to demonstrate the Group’s approach and performance in terms of sustainable development for the year ended on 31 March 2020. FY2020 undoubtedly was a challenging year to Tsui Wah, during which the unstable global economic environment, social unrest and the public health emergency of coronavirus pandemic caused significant impacts on the catering industry. Despite various challenges in maintaining business operations, the perseverance to pursuing progressive changes toward sustainable development has invariably been the heart of our business development and corporate vision, and become the strong driver pushing us seeking economic, social, environmental and managerial success. As one of the listed catering enterprises in Hong Kong, with our strategic business expansion in the geographic coverage, restaurant network and operational innovations, Tsui Wah has been committed to promoting traditional Hong Kong culinary culture by providing high quality cuisines, maintaining a high level of hygiene, and endeavouring to enhance its customer service. The pluralistic businesses of Tsui Wah in the catering industry have continued developing. Facing the weakening of the purchasing power of customers as a result of global economic fluctuation, it is our top priority to tuning-up our business towards better stewardship and strengthening our management approach to address various risks. As such, we believe that it is important to become a responsible enterprise that takes into account the economic growth, environmental protection and social well-being simultaneously. We are very proud of the commitment and joint efforts of all of our employees in Hong Kong, Mainland China, Macau and Singapore so far to hold on to the corporate vision of Tsui Wah by being dedicated to producing quality food and providing top-notch services to our clients. Their relentless efforts contributing to the Tsui Wah’s transformation towards an environmentally conscious and socially responsible enterprise are the foundation for us being the evergreen landmark in the catering industry in Hong Kong and the engine that keeps motivating us to be competitive and sustainable in the market.



A LETTER TO STAKEHOLDERS

Insisting on providing the best cuisine to our diners, the excellence in the selection of fresh raw materials, food storage condition, hygiene of entire production processes, all the way to service quality of food delivery and food residue management has been strictly upheld for more than 50 years. Being a famous Cha Chaan Teng chain restaurant with a business network expanding from Hong Kong to overseas markets, Tsui Wah was successfully listed on the Hong Kong Stock Exchange (Stock Code: 1314) in 2012. With the mission to make the culinary culture of Cha Chaan Teng thrive, Tsui Wah's philosophy of preserving and spreading the everlasting spirit of the Chinese people has never been changed. Like the Chinese name of Tsui Wah, which symbolises Evergreen and Chinese, the prosperity and sustainable development of Hong Kong in which Tsui Wah has been rooted for around half a century and witnessed the 'Spirit of Lion Rock' among Hong Kong citizens is what matters most to us. Tsui Wah is committed to promoting this culture of Cha Chaan Teng and Hong Kong that dates back to decades ago to the entire world, thereby continuing to evaluate the market and price the potential risks and opportunities for its business expansion.

Tsui Wah has been focusing its efforts on innovation and sustainability, disseminating its sustainability concept throughout the entire business value chain and established sustainability management system that particularly emphasises Innovation and Professional training programmes for its business operations. The world has evolved through cycles of change and waves of technological breakthroughs. As Tsui Wah is aware that incorporating sustainability into the Group's short-, medium- and long-term goals and operational strategies can generate economic, social and environmental benefits both for the organisation and society as a whole, piggybacking onto the advanced technology of this era is vital. For instance, the Group has introduced digital payment system, such as AliPay (支付寶) and WeChat Pay (微信支付) in all restaurants, in order to align with global e-payment trends as well as to create more user-friendly services to its customers. Second, with the goals for climate change management, performance tracking effectiveness, good supplier and customer stewardship and quality product delivery with safe and reliable sources and production process, Tsui Wah is committed to fathoming the impacts that our operations exert on the environment and society, thereby achieving the competitive advantage. Third, we have put efforts into empowering our talented employees to keep developing themselves, and offering tools, platforms and opportunities for them to develop when hitting the plateau. A professional young team is believed to be essential to the long-term success of companies. Therefore, we spare no effort in building a dedicated team in constant pursuit of individual and corporate goals.



A LETTER TO STAKEHOLDERS

It is universally accepted that climate change is having a devastating influence on a vast majority of regions on the earth. To halt the climate change and mitigate the potential impact of climate-related risks on our business operations in the long run, it is imperative for us to figure out how to accurately perceive the uniquely challenging climate-related risks and potential opportunities and what effects they would impose on our business in the future should the decision be made today. With the adoption of the 'Recommendations of the Task Force on Climate-related Financial Disclosures' (TCFD), we consider that the 'substitution of existing products and services with lower emissions options' will be the direction towards which all industries and societies develop in the future. Thus, we commit to lowering its energy consumption, reducing its daily waste, and maintaining the high-level standard of 'Green Office' that runs towards a cleaner and more resilient economy. Bearing in mind our green development goals and desire in climate change mitigation, Tsui Wah has been committed to developing and implement relevant supporting policies and giving full play to the role that we, as corporate citizens, should play in supporting environmental improvement, action to climate change and efficiency improvements.

In early 2020, as the coronavirus came into the fore, the whole world was severely hit by the COVID-19 pandemic. Under the social distancing rule, the catering business and other industries were impacted severely. Facing the outbreak and its fallout, the Group formed a Crisis Management Committee comprising two non-executive directors and one independent non-executive director, who were responsible for providing strategic direction in fighting against COVID-19, formulating preventive measures in order to minimise the risks of the pandemic in all aspects, setting up response procedures to mitigate the negative impacts on the healthcare and safety of the Group's customers and employees, and coordinating senior management and different departments of the Group to implement any measure to be taken in response to the widespread pandemic. The Group responded to the crisis proactively and timely by changing our business strategies including strengthening the cooperation with other business partners such as takeaway application developers and operators, and launching promotion discount for takeaway, in order to minimise the detrimental impacts of the pandemic on the Group. As a socially responsible enterprise, the Group tried its best to protect its employees and ensure that employment opportunities could be provided to its staff, aiming to build a supportive team with mutual trust and overcome this difficult period together. Meanwhile, the Group stepped up efforts in making sure that all of its restaurants and facilities were sanitised regularly, which was believed to be an effective measure to protect our customers' health. To further its care to the community, the Group also prepared alcohol-based hand rub and mask pouch for those who were in need.



A LETTER TO STAKEHOLDERS

It is the strong aspirations to be the best in the catering industry as well as being the trailblazer driving positive changes and sustainable growth in the society that has long been steering us to include a broader set of ESG values into our long-term strategy and capability to innovate and adapt, such as sustainable waste and packaging management, efficient resource consumption, carbon footprint control, promotion of occupational health and safety, customer wellbeing and social welfare. It is the quest for excellence and perfection that continues the Group's mission towards sustainability and will bolster the Group's confidence to address its environmental and social challenges in the future.

I would like to take this opportunity, on behalf of my fellow Directors and management of Tsui Wah, to extend my sincere gratitude to our customers, suppliers, partners, colleagues and all stakeholders who care about and trust us, for their continuous effort in helping Tsui Wah constantly make breakthrough in its sustainable development. With a spirit of tenacity and a systematic framework for sustainable development, we have faith in our capability to accomplish the ambitious goals. Remaining true to our original aspiration and keeping our mission firmly in mind, Tsui Wah is now working tirelessly and making strides to the brighter future.

Lee Yuen Hong

Chairman and Executive director





ABOUT TSUI WAH



ABOUT TSUI WAH



Tsui Wah Holdings Limited is a restaurant chain based in Hong Kong. Our network covers Hong Kong, Macau, Shenzhen, Guangzhou, Zhongshan, Zhuhai, Shanghai, Wuhan, Sanya, Nanjing in Mainland China, as well as Singapore.

As of 31 March 2020, the Group had a total of

83 Restaurants.

Tsui Wah started its catering service business in the year of 1967. Since 2009, Tsui Wah embarked upon a new era in which a number of new restaurants in popular entertainment venues in Macau and various first-tier cities in Mainland China were opened and operated. At present, almost half of our restaurants are situated in regions outside Hong Kong, including Macau, Mainland China and Singapore, which demonstrates our determination to carry forward the typical dining culture to the world. We are committed to gradually spreading the culture of Cha Chaan Teng and the traditional culinary experience that has accompanied Hong Kongers for decades to our diners, while in Hong Kong, our business strategy is to capture a larger market share by identifying any opportunities to expand and advance our existing business. During recent years, Tsui Wah has further developed various new brands, including Ging Sun Ho King of Bun (堅信號上海生煎皇) offering Shanghai buns and various noodle cuisines, Nijuuichi Don (廿一堂) featuring Japanese fast-food, 'BEAT Bakery' highlighting the use of imported flour from Japan and 'Maomao Eat' (輕·快翠) serving authentic snacks, as well as 'Tsui Wah Café' (翠華冰廳) aiming to promote Eastern-and-Western fusion cuisine, 'Tsui Wah Siu Mei' (翠華燒味) presenting Hong Kong style siu mei and 'Homurice' (揚食屋) featuring Japanese style western cuisine such as egg omelet rice.

During the past 50 years, Tsui Wah has grown together with Hong Kong and the indigenous people, and experienced a number of ups and downs of the local economy and changes of the global food market. The last half-century not only recorded how Tsui Wah focused itself on the development of the culture of Cha Chaan Teng in Hong Kong, continuous development and progress in pursuing in cuisine innovation, cultural promotion, business diversification, technological advancement, and resilience building which allows it to adapt to various risks and survive the competitive market, but also forged Tsui Wah to be a leading Cha Chaan Teng restaurant chain that has concentrated itself more on the protection of the ecosystem, preservation of cultural values, social welfare, application of renewable energy and stakeholder engagement, in order to develop a sustainable business model that is respectful of customers, environment and economy at the same time.



ABOUT TSUI WAH

THE GROUP'S DEVELOPMENT MILESTONES

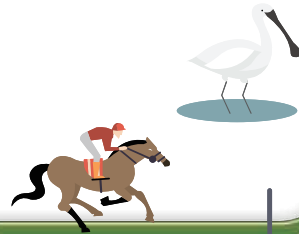
1967-1994

- Opening of the first Tsui Wah restaurant, a small-scale 'Ice Café' in Mong Kok
- Acquisition of the San Po Kong Tsui Wah restaurant



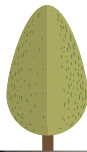
Consolidation stage in Hong Kong:

- Establishing a chain network, enhancing quality, building brand name and management team
- Opening of the Wellington Street Tsui Wah restaurant in Central
- Retaining personnel consultant and improving staff quality
- Opening of the Pak Hoi Street Tsui Wah restaurant, being the 10th restaurant of Tsui Wah
- Recognition of Tsui Wah's central kitchen by Hong Kong Quality Assurance Agency
- Business development in Macau and Mainland China
- Establishment of new sub-brands under the brand of Tsui Wah
- Partnership with Jumbo Group Limited to build the first overseas branch in Singapore



2018

- Setting foot on Singapore
- Launch of sub-brands
- Opening of 8 new restaurants in Mainland China and Hong Kong



2017

- Celebrating the 50th anniversary of the founding of the Group and the 5th anniversary of the Group's listing
- Opening of 2 new restaurants in Mainland China

2019

- Opening of 13 new restaurants under 6 new brands in Hong Kong and Singapore



2020

- Central kitchen obtaining ISO22000 recertification from the SGS Hong Kong Limited
- Launching a new membership system through Storellet application





ABOUT TSUI WAH

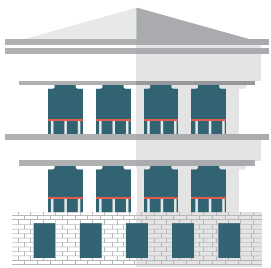
2009

- Opening of Tsui Wah's first restaurant in Mainland China (Shanghai)
- Commencement of operation expansion into Mainland China
- Order-taking by mobile device with the introduction of electronic system



2011

- Opening of the 20th restaurant of Tsui Wah in Hong Kong
- A workforce of over 2,000 employees
- Opening of the first restaurant of Tsui Wah in Macau



2015

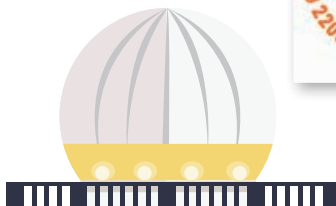
- Opening of 10 new restaurants in Mainland China and Hong Kong
- Commencement of operation of new central kitchen in Hong Kong

2012

- Successfully being listed on HKEx
- Launch of 'Supreme Catering' and 'Tsui Wah Delivery'
- Opening of 10 new restaurants in Shanghai, Wuhan and Hong Kong

2016

- Setting foot on Nanjing and Wuxi
- Central kitchen obtaining ISO22000 certification from the SGS Hong Kong Limited



ABOUT TSUI WAH

Care for Employee

Award/Recognition

Qualifications Framework Scheme's
"Qualifications Framework (QF) Star Employer"

Issuing organisation

Education Bureau of the Hong Kong Special
Administrative Region



Care for Customer

Award/Recognition

"U Favourite Marketing Campaign
— Tsui Wah 50th Anniversary
Classic Dish Series"

Issuing organisation

U Magazine



20

Care for Employee

Award/Recognition

"Smiling Enterprise 5+ Award" and
"Smiling Employer Outstanding Award"

Issuing organisation

Mystery Shopper Service
Association



Care for Employee

Award/Recognition

2013 Successful Employment Cases

Issuing organisation

Christian Action Training Services



Care for Environment

Award/Recognition

Hong Kong Green
Organisation —
Tsui Wah Restaurant
(Wong Tai Sin Branch)

Issuing organisation

Environmental
Campaign Committee



Care for Environment

Award/Recognition

Hong Kong Green Organisation
Certification — Wastewi\$e
Certificate (Basic Level)

Issuing organisation

Environmental Campaign
Committee

Care for Employee

Award/Recognition

Joyful@Healthy Workplace Best Practices
Award — Enterprise/organisation Category

Issuing organisation

Occupational Safety & Health Council

Care for Environment

Award/Recognition

Green Office and Eco-Healthy
Workplace Awards Labelling
Scheme

Issuing organisation

World Green Organisation





Care for Environment

Award/Recognition

Best in Reporting Awards
(Small Market Capitalisation) 2019

Issuing organisation

BDO ESG Awards (Environment,
Social and Governance)



Care for Customer

Award/Recognition

Top Service Awards 2018
— Cha Chaan Teng

Issuing organisation

Next Media

Care for Customer

Award/Recognition

Headline No. 1 Awards 2019

Issuing organisation

Headline Daily



Care for Environment

Award/Recognition

Best in ESG Awards (Small Market
Capitalisation) 2019

Issuing organisation

BDO ESG Awards (Environment,
Social and Governance)

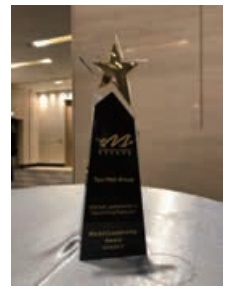
Care for Customer

Award/Recognition

HKIM Market Leadership Award 2018/2019

Issuing organisation

Hong Kong Institute of
Marketing



Care for Customer

Award/Recognition

2019–2020 EatSmart
Restaurant Star+

Issuing organisation

Department of Health



Care for Customer

Award/Recognition

Madman Monologue
Advertising Award (TVC)

Issuing organisation

Madman Monologue

Care for Customer

Award/Recognition

Certificate of Appreciation
— Salt & Sugar Reduction

Issuing organisation

Food and Health Bureau

19 = 20

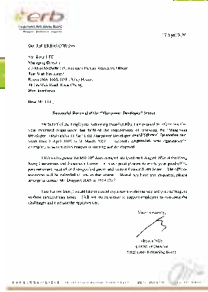
Care for Employee

Award/Recognition

Best ERB Manpower
Developer Award
— ERB Best Employer

Issuing organisation

Employees Retraining Board (ERB)



Care for Customer

Award/Recognition

2019 Guangfu Temple Fair Food Section
— Most Popular Brand

Issuing organisation

Guangfu Temple Fair Organising
Committee



Care for Employee

Award/Recognition

Appreciation Reception for
Employers 2019

Issuing organisation

The Salvation Army



Care for Customer

Award/Recognition

Service No. 1 Award

Issuing organisation

Next Magazine



ABOUT TSUI WAH



Care for Employee

Award/Recognition
Smiling Supervisor Award

Issuing organisation
Mystery Shopper Service Association

Care for Employee

Award/Recognition
Smiling Outstanding Supervisor Award

Issuing organisation
Mystery Shopper Service Association

Care for Employee

Award/Recognition
5 Years+ Caring Company

Issuing organisation
The Hong Kong Council of Social Service



Care for Environment

Award/Recognition
Hong Kong Green Organisation Certification — B. Station

Issuing organisation
Environmental Campaign Committee

Care for Environment

Award/Recognition
Hong Kong Green Organisation Certification — Sheung Tak Branch

Issuing organisation
Environmental Campaign Committee

Care for Employee

Award/Recognition
Smiling Staff Award

Issuing organisation
Mystery Shopper Service Association

Care for Customer

Award/Recognition
Hong Kong Top Brand Mark (Top Mark)

Issuing organisation
Hong Kong Brand Development Council

Care for Employee

Award/Recognition
Happy Company 2020

Issuing organisation
Promoting Happiness Index Foundation

Care for Environment

Award/Recognition
BOCHK Corporate Environmental Leadership Award

Issuing organisation
Federation of Hong Kong Industries & Bank of China (Hong Kong)



Care for Employee

Award/Recognition
10 Years+ Caring Company

Issuing organisation
The Hong Kong Council of Social Service



Care for Customer

Award/Recognition
10th World's Excellence Brands Award — Gold Restaurant

Issuing organisation
China Media Network



Care for Customer

Award/Recognition
Consumer's Most Favourable Hong Kong Brands

Issuing organisation
China Enterprise Reputation & Credibility Association (Overseas) CERCAO

Care for Customer

Award/Recognition
Best Late Night Dining

Issuing organisation
HKClubbing.com

Care for Customer

Award/Recognition
Outstanding QTS Merchant Service Staff Award 2019 (Front-line staff) — Bronze Award

Issuing organisation
The Hong Kong Tourism Board

Care for Customer

Award/Recognition
10th World's Excellence Brands Award — HK/Macau

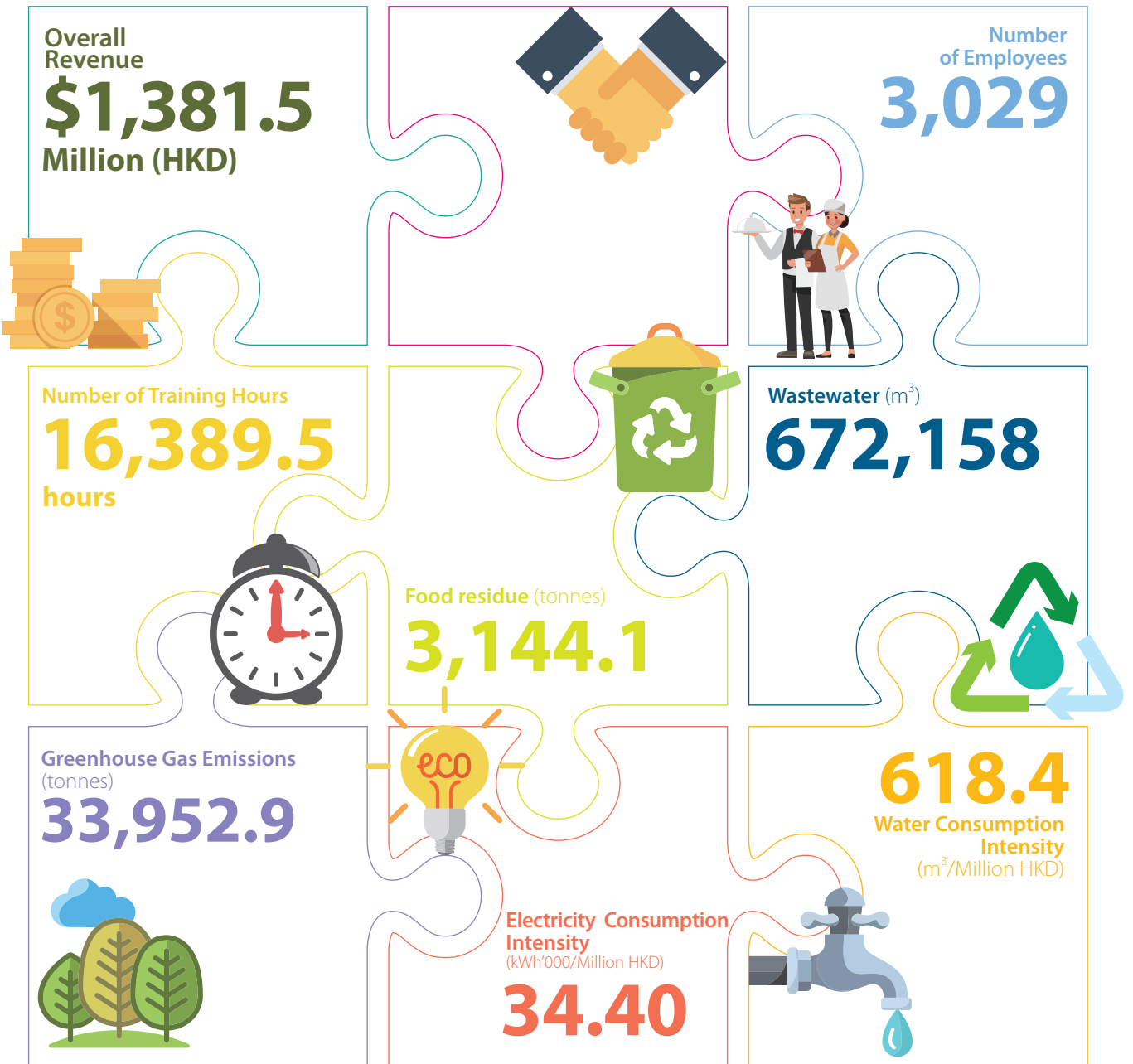
Issuing organisation
China Media Network



ABOUT TSUI WAH



CORE ESG PERFORMANCE DEMONSTRATION



SUSTAINABILITY MANAGEMENT



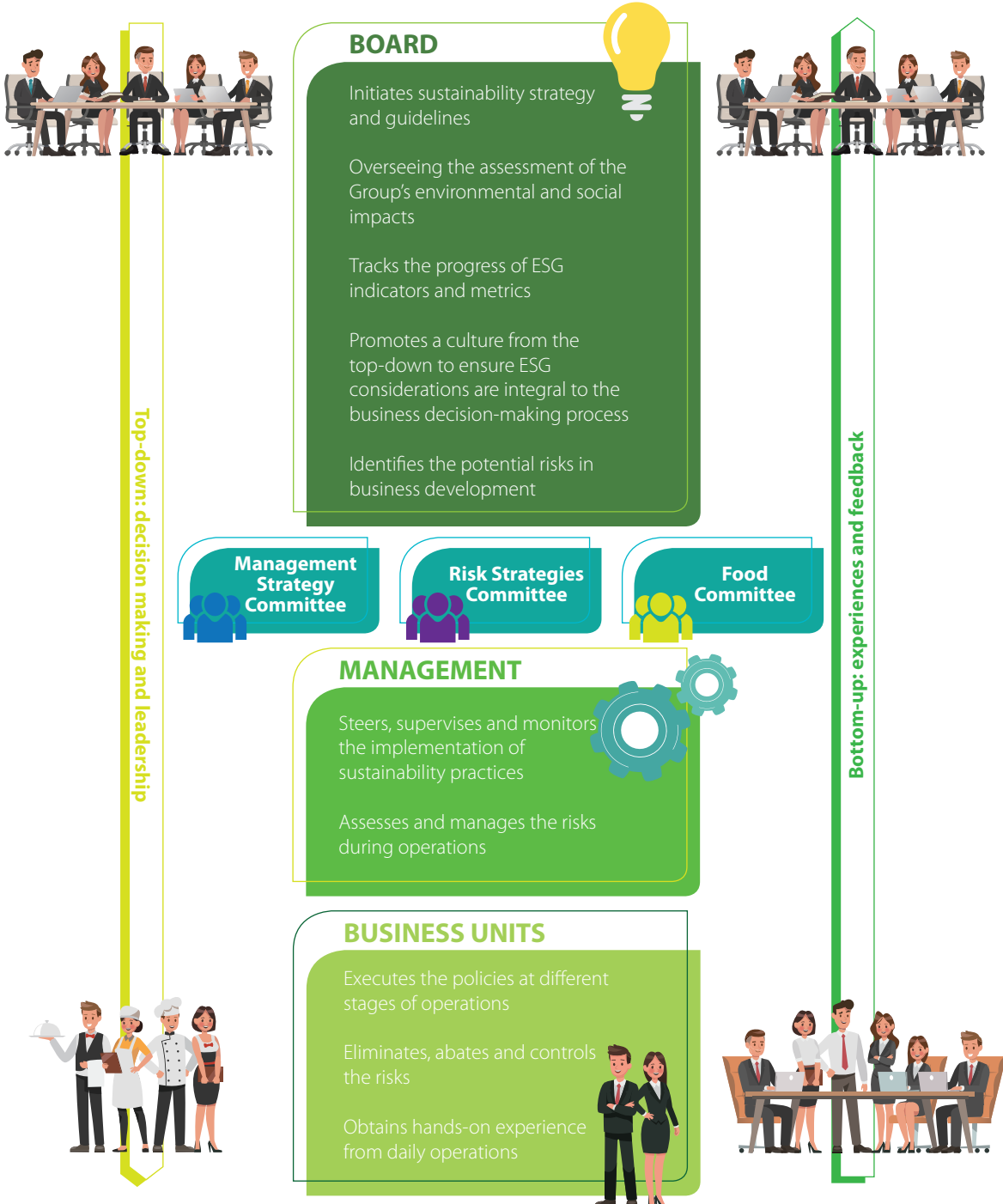
A purpose-driven business strategy and the building of sustainability management system have always been Tsui Wah's core mission in its business growth for decades. We believe that with a robust sustainability management platform where the accountability system can be efficiently implemented, eco-friendly operations can be strictly regulated, multi-stakeholder perspectives can be timely received, and our transformative potential towards sustainable development can be effectively harnessed.



SUSTAINABILITY MANAGEMENT



APPROACH TO ARTICULATING SUSTAINABILITY



SUSTAINABILITY MANAGEMENT



GOVERNANCE STRUCTURE

As a leading enterprise that engages in the catering industry for decades, it has long been the Group's policy to implement environmentally and socially sustainable best practices that not only meet the laws and regulatory requirements, but also are supervised under its Board's leadership and make full use of sustainability gearbox that facilitates the connectivity of innovative tools to achieve a broad range of positive outcomes of sustainability management and ESG policy. In this day and age that is fraught with opportunities and risks, the Group has been aware that an effective governance structure of ESG matters and management approach to corporate sustainable development is essential to the Group gaining the edge and remaining long-term competitive in the market. Our Board, which is comprised of many resourceful and experienced members with a forward-looking vision, is responsible for overseeing the assessment of the Group's environmental and social impacts, guiding the implementation of ESG policies throughout the organisation, analysing the implications of market changes including the repercussions of climate change and market uncertainties on the Group's business development. The Group is fully aware of the pivotal role the Group's board of directors (the "Board") plays in the implementation of ESG management policies and supervision of daily practices to ensure that the Group moves towards sustainable development. In order to facilitate the regulatory requirements to be communicated throughout the entire organisation, strength its ESG-related risk management within the Group's operational boundaries and ensure the hands-on experience to be timely updated to the policymakers and executives of Tsui Wah, a top-down and bottom-up approach has been applied to the Group's sustainability management. Specifically, the Governance Strategy Committee, Risk Strategy Committee and Food Committee of the Board are held fully accountable for making strategic decisions on the formulation of sustainability-related policies and corporate ESG reporting.

Through boardroom discussions, the Board directly oversees the Group's ESG risk management process and regularly reviews the information regarding the most significant strategic, operational, financial and compliance risks under various ESG topics. However, the Group believes that the internal ESG-related risk control should not be the only task of the Board, but requires a concerted effort from all employees in Tsui Wah, especially the policy executors who are encouraged to focus on potential ESG-related opportunities in relation to business innovation, disruptive technologies in the market and new ways for value creation. Hence, a smooth and barrier-free communication between the Board, the management, general employees of the Group and other stakeholders appears to be of paramount importance. The Board normally acquires relevant ESG information through the following channels:

- a. Being updated on material financial and ESG risks from the Group's annual report and ESG report;
- b. Reviewing and adjusting proposed business plans in accordance with external market changes; and
- c. Attending oral presentations by the management personnel on corporate risk management and sustainable development at general meetings.





SUSTAINABILITY MANAGEMENT



STAKEHOLDER ENGAGEMENT



The Group values the mutual understanding with its stakeholders and believes that fostering a sound relationship with all stakeholders is the premise of value creation for all. Ensuring effective stakeholder engagement which leads to a broad and inclusive materiality process generates valuable benefits including promoting the business strategy to take account of significant social and environmental topics; enabling the business to be prepared for new product/service rollout; allocating company's resources to sustainability that matters most to the long-term business development wisely; and making for the reporting of valuable information that depicts a meaningful picture of progress to stakeholders who need it in a concise way. As such, the Group relies on its good corporate citizenship, reputational influence and strong capability in coordination to communicate and collaborate with its stakeholders effectively, including investors, customers and suppliers. Through a variety of open communication channels in recent years, the Group has garnered a deeper understanding of its stakeholders' concerns and expectations, which facilitated the Group to better position itself in the competitive market and to make rapid and appropriate strategic adjustments.



SUSTAINABILITY MANAGEMENT



GOVERNMENT AND REGULATORY AUTHORITIES

Expectations and concerns

Law and regulation compliance;
Anti-corruption policies;
Occupational health and safety;
Food safety and hygiene.

Communication Channels

Supervision on the compliance with local laws and regulations;
Workshops;
Routine reports and taxes paid;
Onsite inspection.



SHAREHOLDERS

Expectations and concerns

Return on investments;
Corporate governance;
Law and regulation compliance.

Communication Channels

Regular reports and announcements;
Regular general meetings;
Official website.



EMPLOYEES

Expectations and concerns

Employees' remuneration and benefits;
Career path;
Training opportunities;
Occupational health and safety;
Implementation of circular economy by transforming suitable residue into useful resource.

Communication Channels

Performance reviews;
Regular meetings and trainings;
Round-table discussions;
Emails, notice boards, hotline, caring activities with management.

CUSTOMERS

Expectations and concerns

Product quality assurance;
Protect the rights of customers;
Decelerate the speed in the consumption of natural resources.

Communication Channels

Customer satisfaction survey;
Face-to-face meetings and onsite visits;
Customer service hotline and email.



SUPPLIERS

Expectations and concerns

Fair and open procurement;
Win-win cooperation;
Environmental protection;
Internal control;
Talent management.

Communication Channels

Open tendering;
Suppliers' assessment;
Written comments/responses;
Face-to-face meetings and onsite visits;
Industry seminars.



GENERAL PUBLIC

Expectations and concerns

Involvement in communities;
Business compliance;
Employment opportunities.

Communication Channels

Response to enquiries through hotline, mails and emails;
Public welfare activities.





SUSTAINABILITY MANAGEMENT



With the goal to strengthen its corporate sustainability management while enhancing its stakeholders’ awareness of the progress that Tsui Wah has made in order to support global sustainable development, the Group has put tremendous efforts into its internal and external stakeholders’ inclusiveness. The Group carefully evaluated its stakeholders’ opinions on corporate sustainable development, especially the material ESG topics and relevant SDGs, and has committed itself to resolving the potential risks in proper ways based on continuous and effective communications. With a survey initiated by an external sustainability consultancy agency, the Group hopes to achieve the following three goals:

- *Charting a comprehensive and objective picture demonstrating stakeholders’ major concerns on Tsui Wah’s ESG management and sustainable development process;*
- *Exploring opportunities and gathering ideas on how to refine the Group’s business models and platforms (e.g. by taking advantage of artificial intelligence) that make for more effective ESG management, to plug the loophole of company’s system of accountability and to support increased availability and reliability of ESG-related data; and*
- *Raising stakeholder’s awareness of global sustainability issues and solidifying a common language to report the Group’s and its stakeholders’ contribution to the SDGs.*



The Group pinpointed Goal 3 (Good Health and Well-Being), Goal 2 (Zero Hunger), Goal 1 (No Poverty), Goal 6 (Clean Water and Sanitation) and Goal 11 (Sustainable Cities and Communities) of all 17 SDGs as the primary sustainability targets that are integrated into its business development. In response to the call and concerns from stakeholders, the Group has been committed to paying particular attention to the sub-targets under these five goals. Thus, the Group has meticulously evaluated its interconnections with these five objectives where Tsui Wah believes it can focus the resources to help drive the greatest impact:

Goal 3: Good health and well-being — ‘Ensure healthy lives and promote well-being for all at all ages’.

Goal 2: Zero Hunger — ‘End hunger, achieve food security and improved nutrition and promote sustainable agriculture’.

Goal 1: No Poverty — ‘End poverty in all its forms everywhere’.

Goal 6: Clean Water Sanitation — ‘Ensure availability and sustainable management of water and sanitation for all’.

Goal 11: Sustainable Cities and Communities — ‘Make cities and human settlements inclusive, safe, resilient and sustainable’.

Source: <https://sdgcompass.org/>



SUSTAINABILITY MANAGEMENT



Tsui Wah is deeply aware that only access to safe and nutritious food will ensure healthy lives and promote well-being for all. As such, Tsui Wah puts great efforts on delivering reliable food of which the sources, procurement, transportation and production can be traced. In addition, the Group is committed to implementing adequate occupational health and safety procedures, and providing training and safety guidelines to ensure that employees and customers are not exposed to hazardous chemicals, waste or risks that lead to serious work-related accidents. Meanwhile, Tsui Wah provides accessible and affordable health-care options, including insurance, to its employees. Anti-discrimination policies are also in place to protect its employees' mental health and well-being.

Targets: Record and continue to lower the injury rate (IR), occupational disease rate (ODR), lost day rate (LOR) and/or absentee rate (AR) annually



As a famous brand of chain restaurant in Hong Kong, Tsui Wah commits to providing affordable and palatable cuisine to its diners. Tsui Wah also pays attention to the globally systematic problems tied with Goal 2, and has been actively assessing the procurement process to identify raw materials and products that conform to internationally recognised and responsible production standards, in order to facilitate sustainable food production systems and raise the awareness of employees on sustainable food consumption. In the meantime, the Group keeps strengthening its external communications on the potentially negative social and environmental impacts on agricultural production within its supply chain, aiming to conserve and protect the environment and ecosystem.

Targets: Improve the procurement policy and both quality and environmental management system, and raise the ratio of local entities as suppliers annually



To end poverty, Tsui Wah is dedicated to supporting and participating in public welfare activities to help the underprivileged people in various ways. Tsui Wah not only advocates and engages in the different initiatives and campaigns to empower vulnerable social groups in order to shake off poverty, but insists on providing the best possible wage (at a minimum wage), benefits and condition of work regarding the needs of its employees and their families (e.g. subsidy for books of employees, sponsorship for employee's continuing education) as well. To ensure that human rights are respected and protected throughout the supply chain, the Group pays attention to its suppliers' efforts in eliminating slavery, forced labour or any exploitation of labours in operations.

Targets: Comprehensively implement the social protection systems and measures for all as required by national laws and regulations



Tsui Wah encourages all its restaurants and central kitchens to prohibit the use of chemicals and materials that may contaminate water quality if improperly disposed during daily operations. To implement the policy of 'Saving Water', Tsui Wah has established wastewater management systems in its own operations and built a systematic platform where the amount and performance of discharged water can be assessed, monitored and reported. To prevent the water contamination caused by discharged waste oil, the Group is committed to participating in waste cooking oil recycling scheme and endeavouring to ensure that all waste oil is treated in a proper and environmentally friendly manner.

Targets:

- > Reduce annual water consumption by 2% per year and set science-based sub-targets to enhance water efficiency for all restaurants within five years;
- > Reduce the amount of waste oil created from operations, ratchet up the regulation on waste oil and keep increasing the ratio of recycled waste oil



In response to Goal 11, Tsui Wah has long regarded itself as a member of the sustainable development of cities and communities where the restaurant branch operates. Despite not being a significant contributor supporting the development of local infrastructure systems or providing solutions to long-term urban development planning, Tsui Wah embraces Goal 11 by respecting the local culture, values and language in its services delivered to the customers. Tsui Wah keeps learning the cultural uniqueness in the region where it operates and making innovations on its dishes that cater to local taste without compromising the authentic Cha Chaan Teng touch.

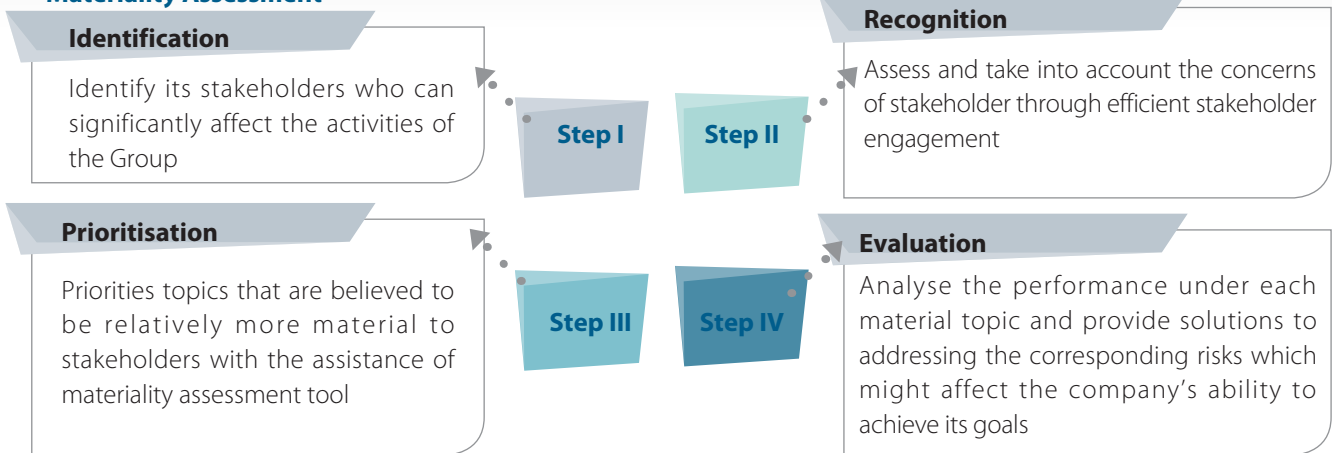
Targets: Diversify its menus with innovation through the offer of special cuisine in different regions that feature the combination of traditional Tsui Wah taste and local preference



SUSTAINABILITY MANAGEMENT



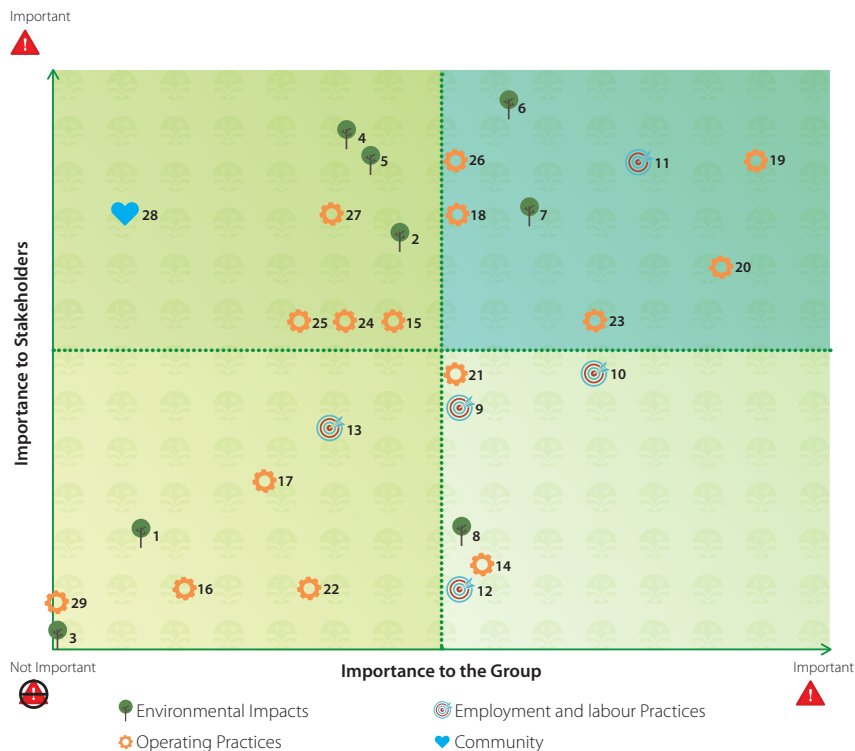
Materiality Assessment



As ESG risks and opportunities for companies vary across industries depending on the corporate business models, identifying its stakeholders' main concerns and material interests in relation to ESG issues is vital for the Group. With regard to the Group's strategic direction and long-term business development plan of its operations, the Board decided to continue to use the results of the materiality assessment in FY2019.

In FY2019, the Group engaged its stakeholders to conduct a materiality assessment survey. Specifically, the Group selected certain internal and external stakeholders based on their influence and dependence on the Group. The stakeholders who stood out in the first round of evaluation were then invited to participate in an online survey to express their views on a list of ESG issues. The online survey was comprised of around 40 well-designed questions, which were believed to be material and relevant to the Group's business development and strategies. This objective, transparent and decision-useful materiality assessment allowed the Group to give priority to certain topics in a list of ESG issues after mapping the result of the survey to a materiality matrix as shown below. The assessment process revealed the Group's efforts on stakeholders' engagement. The result of the survey served as a powerful tool which assisted the Group to develop its action plans for more targeted ESG management.

STAKEHOLDER ENGAGEMENT MATERIALITY MATRIX











SUSTAINABILITY MANAGEMENT

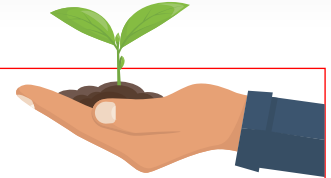


STAKEHOLDER ENGAGEMENT MATERIALITY MATRIX (Continued)


Reference index

ENVIRONMENTAL IMPACTS

-  1. Air and greenhouse gas ('GHG') emissions
-  2. Sewage treatment
-  3. Land use, pollution and restoration
-  4. Solid waste treatment
-  5. Energy use
-  6. Water use
-  7. Use of raw/packaging materials
-  8. Mitigation measures to protect natural resources

















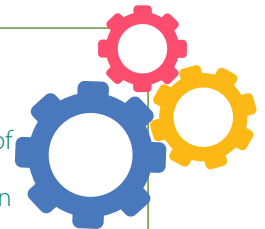
EMPLOYMENT AND LABOUR PRACTICES

-  9. Composition of employees
-  10. Employee remuneration and benefits
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-  12. Employee development and training
-  13. Prevention of child and forced labour



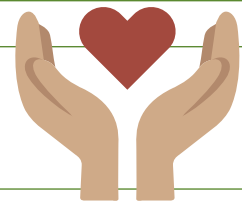
OPERATING PRACTICES

-  14. Suppliers' geographical regions in which materials are sourced
-  15. Selection of suppliers and assessment of their products/services
-  16. Environmental protection assessment of the suppliers
-  17. Social risks assessment of the suppliers
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-  21. Marketing and promotion
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-  24. Protection of consumer information and privacy
-  25. Labelling relating to products/services
-  26. Prevention of bribery, extortion, fraud and money laundering
-  27. Anti-corruption policies and whistleblowing procedures



COMMUNITY INVESTMENT

-  28. Understanding local communities' needs
-  29. Public welfare and charity



Through the materiality analysis matrix, the Group identified '10. Employee remuneration and benefits', '26. Prevention of bribery, extortion, fraud and money laundering', '19. Health and safety relating to products/services', '27. Anti-corruption policies and whistle-blowing procedures' and '11. Occupational health and safety' as issues of high importance to the Group's sustainable development. Give the high degree of concern on the material issues mentioned above, the Group has evaluated and addressed the risks and leveraged the opportunities hidden behind those matters, which are elaborated under different sections of this report.

SUSTAINABILITY PERFORMANCE HIGHLIGHT

Carefully choose the ingredients that go into the dishes based on diners' health properties as well as food's environmental sustainability and restaurant's social commitment: this is the message coming out from Tsui Wah's service principles and operational practices every day. As a chain restaurant brand that strives for sustainable development, it is Tsui Wah's unremitting pursuit to become a genuinely sustainable restaurant which selects quality raw materials, monitors the way in which they are produced and processed, builds a collaborative and firm relationship with suppliers and customers, respects the agricultural production chain, values both positive and negative feedback from business partners and diners, lays emphasis on the appropriate disposal of food residue, opts for producers with both ingredients and production process



SUSTAINABILITY MANAGEMENT



Issue of high importance	Boundary	Potential risks and opportunities
Employee remuneration and benefits	Operations in all restaurants, central kitchens and administrative offices of the Group.	Reputation Risks: Opportunity to optimise salary and promotion system that retains the talents and attracts high-calibre job applicants.
Prevention of bribery, extortion, fraud and money laundering	Operations in administrative offices of the Group.	Legal and reputation risks: Opportunity to refine the management of raw material procurement.
Health and safety relating to products/services	Mainly focus on the food and cuisine produced and delivered in central kitchens and restaurants.	Legal and reputation risk: Opportunity to strengthen internal monitoring system and improve its market competitiveness through the provision of high-quality and reliable food.
Anti-corruption policies and whistle-blowing procedures	Applicable to all full-time employees of the Group.	Legal risks: Opportunity to respond to the call of government and improve the capability of internal control.
Occupational health and safety	Operations in all restaurants and central kitchens of the Group.	Legal risks: Opportunity to create a secure and healthy working environment, thereby ensuring the well-being of all employees who are more passionate about the work.

being certified as of lower environmental impact, and provides support to the community groups. In FY2020, Tsui Wah kept its original aspiration in mind, and endeavoured to show an outstanding performance in employment management, customer satisfaction, supply chain risk control, environmental protection and community investment. Reducing unemployment and developing useful skillsets for employees, especially for fresh graduates, are essential components of sustained and inclusive business development of Tsui Wah. Tsui Wah has provided meaningful work and valuable development opportunities for its employees across all its restaurants, central kitchens and offices with unwavering faith during recent years, and retained its employees who have shown potential and excellence in their position with sincere attitude and practical actions. Tsui Wah is committed to serving delicious and healthy food sourced in a transparent and trustful manner. We care about the nutrition of the food we produce and serve, especially the health of children as part of our commitment to the society. Tsui Wah has developed an efficient approach to managing its suppliers that are responsible for producing, transporting and storing myriads of ingredients for Tsui Wah. Maintaining a sound relationship with its business partners by strengthening its risk control in the supply chain management has always been a top issue to Tsui Wah. As such, Tsui Wah has paid attention to sourcing quality food and ordering safe and environmentally friendly packages during its operations, which is critical to ensure that superb delicacy can be offered at the stage of use in a product life cycle. Climate Change is acknowledged as the greatest environmental issue nowadays. Aiming to move towards a low-carbon economy, Tsui Wah has never slowed down its footstep in exploring the feasibility of utilising renewable and clean energy in its business operations, and assigning specific employees and allocating resources to the waste management including food residue and packaging waste from restaurants. Energy efficiency has also become an important aspect on which Tsui Wah laid particular emphasis during FY2020. Tsui Wah has developed a number of applicable environmentally sound solutions and put them into practice to minimise any unnecessary waste of energy resources. The community development scheme of Tsui Wah never rests on satisfying the present needs of community groups, rather, it aims to make the community thrive in a robust and sustainable way. Tsui Wah believes that only the joint efforts across all of its initiatives by partnering with employees, suppliers, customers, government, community members and other stakeholders can help drive meaningful change to tackle the risks ahead of Tsui Wah in its path to sustainable development.

SUSTAINABILITY MANAGEMENT



EMPLOYEE

- 2,546.5 hours and 13,843 hours were spent by employees on internal and external training programmes in Hong Kong and Mainland China, respectively
- Comprehensive OH&S policies and effective implementation
- Various training programmes
- 'People-oriented' approach in employee management
- Follow the requirements of Occupational Health and Safety Management Systems (ISO 45001: 2018)

CUSTOMER

- Cuisine innovation through diversified business branches
- QR Code Customer Plan 100% customers' comments were followed up 'Customer's Suggestions and Follow-up Report'
- E-payment technology
- Strict implementation of Food Safety Management System
- Delivery service partnering with delivery platform 'Deliveroo'
- New membership system launched in collaboration with Storellet

ENVIRONMENT

- Compliance with relevant environmental laws and regulations
- Decline of gasoline and diesel consumption by 47.0% and 66.6% respectively
- 'Prevention, Recovery, and Recycling' management approach to food waste
- Effective reduction of GHG emissions by 16.5%

SUPPLIER

- Tsui Wah had 253, 98 and 108 suppliers in Hong Kong, Mainland China and Macau during FY2020, respectively
- 'Green Procurement' practice

COMMUNITY

- 'No Straw' commitment in all restaurants of Tsui Wah
- Caring for the elderly through meaningful activities organised by volunteers of Tsui Wah
- Distribution of moon cakes during the Mid-Autumn Festival



CARE FOR EMPLOYEES



The well-being of employees has always been a primary topic to Tsui Wah. We believe that it is the provision of a decent working environment, compensation package, attractive training opportunities and meaningful activities for all employees, which makes Tsui Wah one of the most sought-after employers in the catering industry.

CARE FOR EMPLOYEES



EMPLOYMENT

As a well-known chain restaurant brand in Hong Kong, Tsui Wah believes that sound capital management and the formulation of appropriate employment policies are essential to the long-term stability and competitiveness of the company. As such, the Group treasures employees' talent and strives to provide its employees with a suitable platform and working environment that advances their professional development. Adhering to the 'people-oriented' approach, Tsui Wah Group cares for its employees and treats them like family members. The same principle applies to our talent development philosophy of 'talent training, team building, career development', in which 'talent training' comes first, as we recognize talent as one of the pillars upholding the success of companies in the catering industry after all.



To make sure that all employees of the Group are competent and equipped with the skill to accomplish the work, Tsui Wah provides various training programmes in relation to the important professional skills in the catering industry to its employees. Meanwhile, the Group has a clear promotion ladder in place in the management of employee's career development and advancement. It goes without saying that technology has made huge strides in changing the face of modern employment management around the world over the past few decades. Tsui Wah has invested massively in the application of digital devices and systems in its employment management, in order to abate the workload of frontline employees, ease the strain of complex scheduling tasks that may cause the management chaos, and improve the efficiency of the recruitment process.

Law compliance

The Group's employment policies have been updated and adjusted to cater to social changes since the inception of the Group, and more importantly, to abide by relevant laws and regulations in Hong Kong, Mainland China, Macau and Singapore. In FY2020, the Group complied with all the relevant laws and regulations, including the following:

- *Employment Ordinance (Cap. 57 of the Laws of Hong Kong);*
- *Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong);*
- *Disability Discrimination Ordinance (Cap. 487 of the laws of Hong Kong);*
- *Sex Discrimination Ordinance (Cap. 480 of the laws of Hong Kong);*
- *Law no. 21/2009 (Law for the employment of non-resident workers in Macau);*
- *Labour Law of the People's Republic of China (中華人民共和國勞動法);*
- *Insurance Law of the People's Republic of China (中華人民共和國社會保險法);*
- *and*
- *Employment Act (Singapore).*





CARE FOR EMPLOYEES

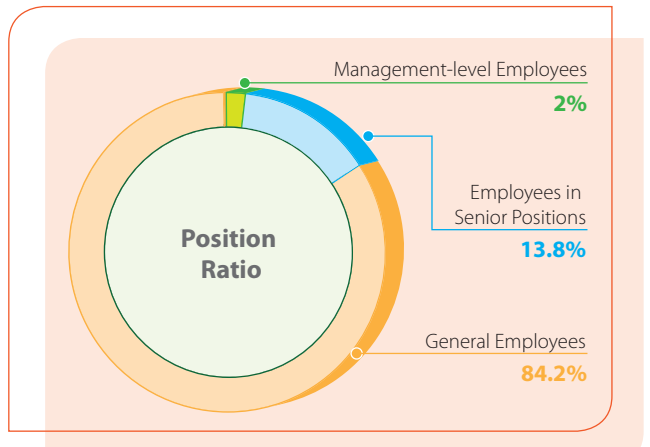
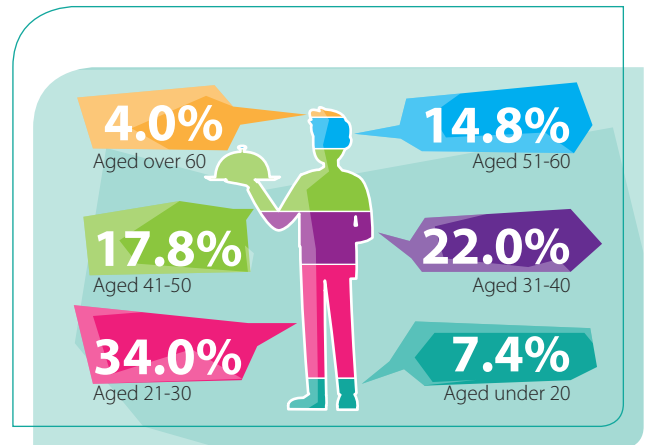
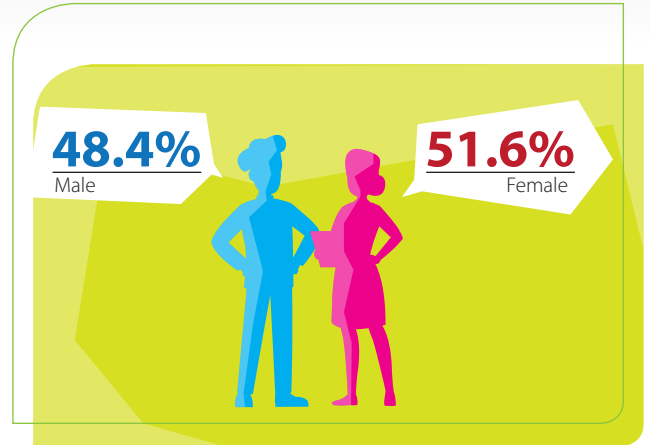


Employee structure

The Group strives to create a decent work environment with equal opportunities. As mounting evidence nowadays points to the positive impact that greater gender equality has on talent development, corporate productivity, and access to sustainable markets, Tsui Wah has been committed to controlling the male-to-female employees' ratio in the Group. In FY2020, the male-to-female employees' ratio of Tsui Wah was 48.4%:51.6% (male: 1,466; female: 1,563).

As of 31 March 2020, a total of 1,272 were employed in Hong Kong, 1,336 in Mainland China, 352 in Macau, and 69 in Singapore.

In addition, the number of employees of Tsui Wah aged under 20 years old, 21 to 30 years old, 31 to 40 years old, 41 to 50 years old, 51 to 60 years old, and above 60 years old was 223, 1,030, 668, 539, 449 and 120, respectively. In FY2020, the number of full-time employees was 2,186, while the number of part-time employees was 843. The number of general employees, employees in senior positions and management-level employees constituted 2,551, 419 and 59, respectively. Notably, the number of females occupied 35% of the management-level employees of Tsui Wah during FY2020.



CARE FOR EMPLOYEES



Promotion Ladder

Tsui Wah believes that setting up a fair and effective promotion ladder not only contributes to staff retention and incentivises employees to pursue good performance, but can benefit the company itself by allocating the assignments to the right person who is competent for the work as well. As such, Tsui Wah has a well-defined promotion ladder that is equally applied to all employees. Employees working in different positions who meet the requirement of the promotion policy and showcase the fitness for a high position and determination for more responsibilities will be offered the opportunity for promotion in line with the promotion ladder by the Group. As talent retention is vital to its business development in the long run, the Group periodically reviews its compensation packages and performs probationary and regular evaluations of the capability and performance of its employees. This ensures that all employees can be recognised by the Group appropriately with respect to their efforts and contributions.



Restaurant Manager

Deputy Manager/Department Head

Supervisor/Deputy Head

Floor Manager

Senior Staff

Entry-Level/Base-Level Staff

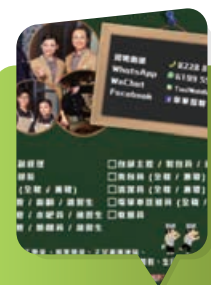
Intern/Trainee

Recruitment Channels

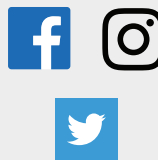
The brand and reputation of Tsui Wah are the primary elements driving a growing number of fresh graduates and young talents to join Tsui Wah. Apart from a complete talent training package for all newly hired employees, Tsui Wah adopts a set of transparent and clear procedures to attract high-calibre candidates as set out in its annual recruitment plan through numerous channels. Specifically, Tsui Wah organised several job fairs in universities in Mainland China during FY2020, in an attempt to recruit local graduates and offer students from Hong Kong the opportunity to do part-time work at restaurants nearby. The flexible working place and schedule for graduates are the strength of Tsui Wah for sound talent acquisition, as it allows more autonomy and initiative for young people with full passion and potential to realise their dreams. To attract high-calibre candidates, the Group offers fair and competitive remuneration and benefits in accordance with the applicants' educational backgrounds, personal attributes, job experiences and career aspirations.



On-campus job fair



Recruiting poster



Social media platform



Seminar



CARE FOR EMPLOYEES



Compensation and dismissal

Tsui Wah is committed to providing a fair and competitive reward and compensation package for its employees. 'QR code Customer Plan', which has long been adopted by the frontline restaurants, is a smart approach for customers to rate the quality of food and service, and even vote for the best employee in the restaurant. The result is reported directly to the Human Resources Department via the internet, who will perform the assessment and make certain adjustments on the benefits offered to employees accordingly. Any appointment, promotion or termination of recruitment contract are based on reasonable, lawful grounds and internal policies (such as staff handbooks). Tsui Wah strictly prohibits any kind of unfair or illegitimate dismissal. For those who show unsatisfactory working performance or repetitively make the same mistake, the Group would warn verbally before issuing a warning letter. For those who remain untamed and constantly violate the Group's rules, the Group would dismiss the person according to relevant laws in Hong Kong, Mainland China, Macau and Singapore (as the case may be).



Working hours and rest periods, benefits and welfare

The Group has formulated its policy based on local employment laws including the 'Provisions of the State Council on Employees' Working Hours' (國務院關於職工工作時間的規定) for determining working hours and rest time for employees. Specifically, the Group has installed an attendance management system that could keep monitoring its employee's working hours and compensate those who work overtime with extra pay or additional days off. In addition to basic paid annual leave and statutory holidays, the employees are also entitled to leave benefits such as marriage leave, maternity leave, birthday leave and compassionate leave. To ensure that the voices from all employees of Tsui Wah can be heard, the Group has built an 'Employees Relationship Team', which acts as a medium to smooth out and make for a sound relationship between employees and the management. Besides, the management of Tsui Wah cares about the well-being of all employees and believes that they are the creators and practitioners who will help realise the corporate values of the Group. As such, the managers often throw dinner parties in the restaurants with frontline employees and pay the visit to different restaurants, in order to gain a better understanding of employee's needs and give them a sense of belonging.

CARE FOR EMPLOYEES



A good package of welfare offered to employees is helpful in keeping high morale and motivation of the employees in the workplace. Tsui Wah keeps improving its welfare system, which could stimulate the employees' interest in their jobs and make them work with a feeling of involvement and participation. Therefore, Tsui Wah has set up the Textbook Assistance (TA) Scheme that subsidises the children of employees in terms of their education and introduced the 'Daydream Scholarship Scheme (白日夢獎學金計劃)', a scholarship programme for students. To benefit employees in traffic, the Group has taken into account the demands of employees who wish to work at the restaurant near their residence or with a specific working schedule. During FY2020, the Group arranged a number of meaningful and entertaining activities for its employees, including Aberdeen Dragon Boat Race, 10 km Race of the Standard Chartered Marathon, Chinese New Year Greeting, Team Construction trip, Smiling Supervisor event and annual dinner.

TSUI WAH ACTIVITIES FOR EMPLOYEES



EQUAL OPPORTUNITY AND ANTI-DISCRIMINATION

As an equal opportunity employer, creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all its human resources and employment decisions is never hollow words in Tsui Wah. Rather, we hope to implement strict policies to regulate its daily corporate practices and prevent any activities that may violate the principles of equal opportunity and anti-discrimination. Specifically, hiring, training, promotion opportunities, dismissal and retirement policies are all based on factors irrespective of the applicants' or the employees' age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion or any other non-job related factors. Meanwhile, in accordance with the local laws and regulations, the Group's equal opportunity policy allows zero tolerance to any workplace discrimination, harassment or vilification. Employees are vigorously encouraged to report any incidents involving discrimination to the Human Resource Department of the Group, which takes the responsibility for assessing, dealing with, recording and taking any necessary disciplinary actions in relation to the substantiated cases.

In FY2020, the Group was in compliance with the relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.



CARE FOR EMPLOYEES



HEALTH AND SAFETY

The Group believes that health and safety at work involves both the prevention of harm, and the promotion of employees' well-being. To provide and maintain a safe, clean and environmentally friendly working condition for employees, the Group has established strict internal safety and health policies, and abided by the relevant laws and regulations in Hong Kong, Mainland China, Macau and Singapore, including but not limited to the:



Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)



Regulation on Work-Related Injury Insurance



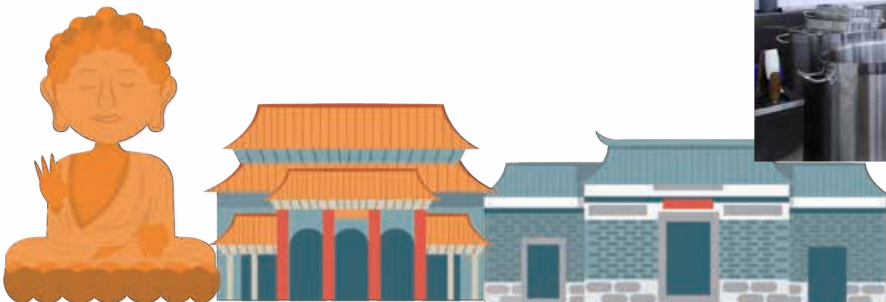
Production Safety Law of the People's Republic of China



Law of the People's Republic of China on Prevention and Control of Occupational Diseases

To strive for zero accidents for all persons involved in daily operations, Tsui Wah rigorously follows the instructions of Occupational Health and Safety Management Systems (ISO 45001:2018) and implements its internal policies to prevent workplace accidents. For instance, Tsui Wah attaches great importance to the independence of different zones for work in the restaurant, such as cleaning area, cutting and preparation work zone, baking room, cooking kitchen and serving place. Such separation and organised working area and the process could to a large extent ensure safety in the workplace, thereby further eliminating the risk of collision, tension and chaos in the restaurant. In terms of the management of detergent commonly used in kitchens and restaurants for cleaning and sanitisation practices, Tsui Wah provides the employees whose work is involved in the use of these chemicals with dishwashing gloves and splash aprons, and requires them to read labels carefully before use. Meanwhile, Tsui Wah has designed and posted relevant guidance in relation to the correct and safe use of detergents and bleach, such as Powder-Dip Plus, in the prominent areas of the restaurants, in order to ensure that all responsible staff can follow the procedures in the cleaning process that lowers the risks of workers being impacted by hazardous chemicals to the maximum extent possible. Eco-friendly cleaners are always the top choice to Tsui Wah in procurement, which is considered to be an effective measure to protect its employees from occupational hazards that might exist in some types of cleaners.

In case of any emergency, the Group regulates that all accidents be immediately reported to the shop manager and the responsible personnel from the Operational Department and Human Resources Department. Injured staff need to be accompanied by other employees and escorted for medical treatment. An Emergency Report, which includes the detail of the accident, follow-up arrangements and suggestions, should be handed to the Administrative Department within 24 hours, while all other relevant evidence and documents such as doctor's prescriptions, medical reports and photos should be handed in within 48 hours. All records are required to be kept by the Administrative Department and reviewed if necessary, which to a large extent eliminate the causes of the accident and prevent similar cases from recurring again or occurring elsewhere.



CARE FOR EMPLOYEES



The Group's guidelines and policies of occupational safety and health:

1. Establishing clear policies to maintain a clean and hygienic environment in each workplace.
2. Ensuring that all devices and working systems are safe and pose no threat to health.
3. Avoiding nuisance caused by sewage flowing out of the drainage system, sanitation facilities or toilets.
4. Maintaining good ventilation in the workplace.
5. Providing sufficient lighting in the workplace with clean glass windows and skylights for light penetration.
6. Offering sufficient drinking water, sanitation facilities and washrooms.
7. Checking all floors, walls, ceilings, windows and skylights to avoid cracking risk.
8. Keeping an even and dry floor.
9. Supplying first-aid kit in place.
10. Making sure that effective transmission, discussion and consultation of health and safety-related matters can be implemented successfully.





CARE FOR EMPLOYEES



HEALTH AND SAFETY

It is worth noting that the Group has established its internal 'Health and Safety Policy' and 'Occupational Safety and Health Rules and Guide' to regulate the working procedures, improve the working environment and standardise employees' practice in the workplace, so that any occupational hazards can be minimised. The relevant policies formulated by the Group introduce in detail the basic concept of



In FY2020, the total lost days of work due to injury of the Group was approximately 2,563.5 days. Aiming to keep lowering this number and more importantly, minimising the risk of injury, the Group will further expand the scope and improve the quality of its health and safety-related training programmes in Hong Kong, Mainland of China and Macau, and continuously maintain a sound the working environment and reinforce the regulation of the safe use of appliance during operations. During FY2020, the Group found zero work-related cases of fatality and there was no violation of any of the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group.

occupational safety, safe physical operations, matters needing attention when working high above the ground, how to prevent falling during work, fire prevention, electrical security, office safety, emergency preparedness and responsiveness and personal protective equipment. To ensure that the principles and regulations set out in the internal policies can be communicated internally and all staff has a good understanding of the requirements related to health and safety, thereby gradually developing a corporate culture that stresses safety in the workplace, the Group has designed and provided professional induction training covering relevant topics and distributing all relevant materials and operation manuals to its employees. Meanwhile, the policies also specify the strict requirement for the first aid kits that are placed in different places of the Group, in order to make sure that the health and safety of all employees of the Group can be perfectly protected. Employees can ask for more information and guidance about how to use the first aid kit from the human resource department.



CARE FOR EMPLOYEES



EPIDEMIC PREVENTION AND CONTROL GUIDELINE

As COVID-19 pandemic has been spreading worldwide, the Group has taken a variety of measures to protect its employees' wellbeing and health, which Tsui Wah believes is the foundation for a sustainable and stable business. In an immediate response to the government's call and advice, Tsui Wah has swiftly compiled and released its Epidemic Prevention and Control Guideline for the internal control of the Group. The guideline requires all employees to pay great attention to personal hygiene and has been used as an overarching internal regulation which all employees must obey during the critical period. Specifically, the mandatory requirements that the employees of Tsui Wah have strictly followed include:

- ✔ All employees, visitors, contractors and deliverymen entering the office building should wear masks, and need to be aware of how to wear masks in a correct way;
- ✔ All employees can sign up and get one mask at the reception per day;
- ✔ The receptionist should measure and register the body temperature of employees, visitors, contractors, deliverymen before entering the office building, and those who go out for a while and return to the building should follow the requirement as well;
- ✔ Anyone with fever or other respiratory symptoms should seek medical advice immediately, self-isolate at home, notify the head of relevant department, and inform the Administrative Department and Human Resources Department as soon as possible;
- ✔ All employees must declare their travel records for the past 14 days on the first working day after annual leave, self-isolate at home and monitor their physical condition for 14 days before returning to work;
- ✔ Buttons for elevators and photocopiers should be covered with transparent films and disinfected every hour;
- ✔ Cleaners should use 1:99 diluted bleach per hour to disinfect areas that are often touched or visited thoroughly, including buttons for elevators, reception desks, conference rooms, training rooms, toilets, door handles of all departments and places and public facilities;
- ✔ Alcohol-based hand sanitisers should be provided at reception area, and 1:99 diluted bleach needs to be sprayed on the carpet every two hours;
- ✔ Anyone who has touched public facilities should clean hands with disinfectants in a proper way (e.g. 5 steps for proper hand washing);
- ✔ Anyone who or whose family members have been in contact with suspected cases or confirmed cases must immediately notify his/her supervisors and Human Resources Department.



CARE FOR EMPLOYEES



DEVELOPMENT AND TRAINING

The Group strives to create a promising and satisfactory career path with promotion prospects for all employees by providing suitable and customised training programmes on various aspects in relation to catering services. Based on a set of internal regulations and policies for strengthening the work-related skills and knowledge of its employees, Tsui Wah has kept updating its training manuals for employees, including Restaurant Manager Manual, Kitchen Manual, Water Bar Manual, Pancake Manual, Noodle Manual, Emergency Response Manual, Food Safety and Hygiene Manual, and Cashier Manual, and offering its employees opportunities to choose internal training programmes in various channels. The programmes cover training for both frontline table services and value-added courses for the production department. In addition, a complete training package is normally provided to all new hires, which includes the History of Company, Corporate Governance Structure, Corporate Culture, Business Processes, and Management System. As for experienced employees, profession-oriented courses are provided according to the corporate demands and employees' expectations, such as CEO move — Service Ambassador, Nutrition Course, Fire Safety Course and First Aid Class. The Group is committed to developing more skilful and efficient talents that are conversant with different techniques in the catering field through well-designed training programmes.

The importance of training to Tsui Wah:



Corporate training makes sure that the entire workforce is a reflection of Tsui Wah's catering culture in a consistent way



Higher productivity and revenue can be achieved rapidly once individual goals are integrated with the organisational targets through communications and training



Employees' weakness and deficiency of interpersonal skills with people from different backgrounds can be addressed



Well-designed training programs provide employees with standard specifications of the responsibilities they are required to assume and promote a harmonious relationship between employees and management, during which the team spirit can be gradually bred



Employees can bear in mind and follow the basic requirement of food safety and avoid any incident that disobeys the hygiene standard in the catering industry

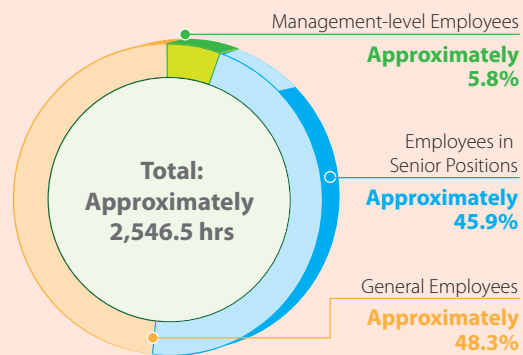


CARE FOR EMPLOYEES

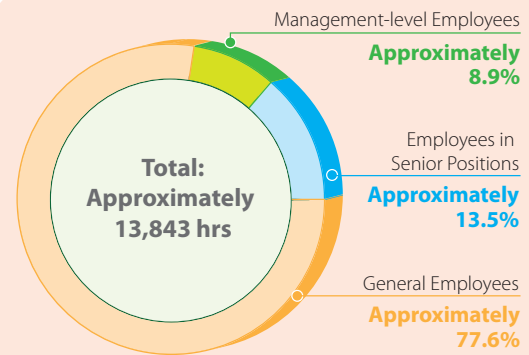


To further enhance the professional skills of its employees and meet the Group's development goals, employees are highly encouraged to attend external training courses and professional qualification examinations. Employees who have passed professional qualification examinations and successfully obtained vocational qualification certificates can receive reimbursements from the Group. Meanwhile, the Group often invites external organisations and experts to provide relevant training to its employees. During FY2020, a total of 16,389.5 hours of training were arranged and provided by Tsui Wah to its employees. In particular, the Group's employees in Hong Kong and Mainland China received 2,546.5 hours and 13,843 hours of training, respectively. In Hong Kong, the general employees, employees in senior positions and management-level employees spent 1,230.5, 1,169 and 147 hours on training programmes, whilst the general employees, employees in senior positions and management-level employees in Mainland China participated in the training course for 10,744.5, 1,863 and 1,235.5 hours, respectively.

Hong Kong



PRC



* Data of Singapore and Macau branches was not included due to the difficulties in collecting data resulted by the lockdown measures that were proposed by the governments during the pandemic.



To better manage various kinds of training and monitor the progress of its employees, the Group has enforced a training management system and assigned a specific team exclusively responsible for the arrangement of training courses for its employees. Tsui Wah has kept detailed training and attendance records, including the training category, course name, responsible organisation, date, attendance, training hours etc. Any special incidents or absence of employees would be also recorded for future inspection.



CARE FOR EMPLOYEES



Example of the themes of training programmes



CARE FOR EMPLOYEES



LABOUR STANDARDS

The Group abided by the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), the Labour Law of the People's Republic of China (中華人民共和國勞動法), Law No. 7/2008 Labour Relations Law (Macau), Employment Act (Singapore) and other labour laws and regulations in Hong Kong, Mainland China, Macau and Singapore to prohibit any child and forced labour employment in FY2020. To combat illegal employment in relation to child labour, underage workers and forced labour, the Group's Human Resource Department requires all job applicants to provide valid identity documents to ensure that they are lawfully employable prior to confirmation of any employment according to its internal procedures. It is the responsibility of the Group's Human Resource Department to monitor and guarantee the compliance of corporate policies and practice with the latest laws and regulations that prohibit child labour and forced labour. Once the Group discovers any case which fails to conform to the relevant labour laws, regulations or standards, the relevant employment contract will be immediately terminated and the staff responsible for the recruitment will be disciplined according to Tsui Wah's internal regulations.

In FY2020, the Group was in compliance with all relevant laws and regulations, in relation to the prevention of child and forced labour that has a significant impact on the Group.

ANTI-CORRUPTION

To maintain a fair, ethical and efficient working environment, the Group abided by the relevant laws and regulations relating to anti-corruption and bribery, irrespective of the region where the Group operates, including but not limited to the Anti-Corruption Law of the People's Republic of China (中華人民共和國反腐敗法), the Law of the People's Republic of China on Anti-money Laundering (中華人民共和國反洗錢法), the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong), the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) and the Prevention of Corruption Act (Singapore).

The Group has formulated and strictly enforced its anti-corruption policies such as 'Handling red envelope guide' (處理「利是」指引) to manage any fraudulent practices including corruption, extortion and money-laundering within the Group, which covers all employees in both office buildings and various restaurants. The Group prohibits all forms of bribery and corruption, and requires all its employees to follow the relevant codes of professional ethics. All employees are expected to discharge their duties with integrity, to act fairly and professionally, and to abstain from engaging in bribery activities or any activities which might utilise their authorities against the Group's interests. During FY2020, no concluded legal cases regarding corrupt practices were brought against the Group or any of its directors and employees.

Whistle-blowers can report verbally or in writing to the audit committee of the Group for any suspected misconduct with full details and supporting evidence. The audit committee of the Group will conduct investigations against any suspected or illegal behaviour to protect the Group's interests. The Group has established an effective grievance mechanism to protect the whistle-blowers from unfair dismissal or victimisation. Where any crime is suspected and consolidated by the Group, a report will be made promptly to the relevant regulators or law enforcement authorities when the management considers it necessary.

In FY2020, Tsui Wah invited ICAC (Independent Commission Against Corruption) to provide anti-corruption seminars to the management, in order to instil the resolve of rooting out all corruption in the company. During FY2020, the Group was in compliance with any relevant laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

CARE FOR CUSTOMERS



Tsui Wah puts emphasis on various ways to collect its customers' feedback and has dramatically shortened the distance with its customers through innovative online questionnaires and surveys. Tsui Wah believes that gathering the feedback from its customers promptly and maintaining a sound relationship is beneficial to the long-term improvement of its restaurants and business, and will play a pivotal role in consolidating the leading position of Tsui Wah in the catering industry.

CARE FOR CUSTOMERS



IN TOUCH WITH CUSTOMER'S TASTE BY INNOVATION

Tsui Wah keeps listening to the voice of its customers, in order to redesign and produce better cuisines that suit their taste. During recent years, Tsui Wah has focused itself on the innovation of cuisines and committed to creating more styles of cooking that are geared towards diners with distinct preferences in food. As such, Tsui Wah has launched various brands including Ging Sun Ho King of Bun (堅信號上海生煎皇), Nijuuichi Don (廿一堂), Maomao Eat (輕·快翠), BEAT Bakery, Tsui Wah Siu Mei (翠華燒味), Tsui Wah Cafe (翠華冰廳) and Homurice (揚食屋). These brand-new restaurants that are filled with youthfulness, fashion and innovative elements are the crystal of intelligence, wisdom and efforts made by all members of Tsui Wah.

In early 2020, Tsui Wah launched a new membership system in collaboration with Storellet application. This allows the Group to better engage with customers in a flexible way while promoting its restaurants and offering its latest news including the discount for its members.

Nijuuichi Don (廿一堂)



'Nijuuichi Don' is specially designed for young generations who fancy fast food and Japanese cuisine. Below are some extraordinary features that Nijuuichi Don brings to its customers:

- a. Several self-service kiosks are placed at the entrance and the prevailing yellow tone is designed to create a youthful energetic ambience for customers;
- b. Made-to-order Japanese donburi using premium ingredients to guarantee the quality of food while preserving the original taste; and
- c. 'Self-service ordering, Self-service meal serving and Self-service utensil collection' culture in the store, enabling customers to shorten the waiting time and enjoy high quality Japanese cuisine in a cosy setting.



BEAT Bakery



In 2017, Tsui Wah stepped into the bakery market with 'BEAT', a brand-new business branch that uses bakery ingredients made with 100% Japan flour and natural yeast, and provides locally bakery products every day. As an enterprise that has been rooted in Hong Kong for decades, Tsui Wah cares for the true needs of local citizens who have to adapt to the fast pace of urban life in this international metropolis. Tsui Wah hopes that BEAT Bakery can provide the people commuting between work and home every day with no time for meals the convenience to access filling and wholesome bakery products.



Ging Sun Ho King of Bun (堅信號上海生煎皇)



Joining the Group near the beginning of 2019, Ging Sun Ho King of Bun has been mainly focusing on providing Shanghai buns and various kinds of noodles for its customers. To better understand and meet its customers' needs, Tsui Wah has been making good use of the social network platform such as Facebook, to interact with customers. In response to the increasing demand for vegetarian choice, Tsui Wah has introduced several new dishes made with vegetarian pork 'Omnipork', to satisfy the requirements of its vegetarian customers, as well as providing alternative choices for other customers.



MaoMao Eat (輕·快翠)



輕·快翠
MaoMao Eat

'MaoMao Eat' mainly provides food products to customers who are fond of local delicacies and Asian light meals in Hong Kong. In addition to Tsui Wah's classic Hong Kong delicacies including Crispy Bun with Sweet Condensed Milk and creamy milk tea, it also provides new all-day meals, such as Hot Spring Egg Rice with Swiss Source and Drumstick, Macaroni with Ham and Scallop and fresh sandwich, etc. 'Green element' is the aspect that makes this restaurant special and uniquely attractive under the brand of Tsui Wah. 'MaoMao Eat' promotes the special vegetarian diet called 'Cheese hamburger with vegetable beef and fried egg' and encourages customers to adopt 'Green' attitude to lives by bringing own eco-friendly cutlery and living in an environmentally sound way, in order to reduce their carbon footprint, thereby decelerating global warming.





CARE FOR CUSTOMERS



Tsui Wah Café (翠華冰廳)



Featuring specially designed fusion cuisine since July 2019, Tsui Wah Café has the mission to promote the special dining culture of Chinese-and-Western fusion. To carry forward this unique dining culture, Tsui Wah Café has created a number of original dishes with the combination of Chinese-and-Western elements, which have shown the enormous creativity in cuisine of Tsui Wah.



Homurice (揚食屋)



As a specialised restaurant focused on cuisines including Japanese-style Omelet Rice, Homurice prioritises the careful selection of high-class raw materials such as Japanese eggs and rice, aiming to serve its customers with dishes that retain their original taste and flavour. Meanwhile, another magnificent signature dish series called "Yang Sik" – fried food served by Homurice, integrates the authentic flavour of Western and Japanese cuisine into localised preference, with the characteristic of a crumbly texture on the outside and a soft taste on the inside.



Tsui Wah Siu Mei (翠華燒味)



翠華燒味
TSUI WAH SIU MEI

Integrating innovative and traditional flavours, Tsui Wah Siu Mei has served exquisite siu mei delicacies since October 2019. Apart from outstanding food dishes such as Steamed Rice with Barbeque Pork and Scrambled Egg, Tsui Wah Siu Mei has long been committed to upgrading its operating model towards innovation and sustainability. For example, to ensure its customers to dine with excellent experience, Tsui Wah Siu Mei has made the best use of self-service ordering systems and aims to bring its customers a natural and comfortable dining environment with simple but unique interior decoration design.



SERVICE DIVERSITY THROUGH INNOVATION

During FY2020, Tsui Wah collaborated with Storellet in launching its Membership Programme, which covered many brands under Tsui Wah and brought its customers who registered and became a member of the programme an unprecedentedly pleasant and interactive dining experience. With the successful application of this innovative membership scheme, Tsui Wah is committed to building a more solid and long-term relationship with its loyal customers, ramping up the communication with its stakeholders, improving its competitive edge in the market and more importantly, enhancing its service quality by providing its customers the brand-new and enjoyable consumption experience with redeemable points for gifts and cash coupons.

In addition, aiming to bring its customers a more flexible and convenient service experience and seeking to expand its businesses to new areas where diners may not have easy access to Tsui Wah, Tsui Wah cooperates with various delivery platforms in providing delicious and authentic dishes through the fast and reliable food delivery service which the customer can order and track on their phones.

CARE FOR CUSTOMERS



LISTENING TO CUSTOMERS

Tsui Wah's 'QR Code Customer Plan' provides an easy pathway to timely collect customer's feedback and helps Tsui Wah better address the concerns of its customers. Through an easy scanning step, customers can make compliments, complaints and suggestions for future improvement on a variety of aspects, including food quality, waiters' attitude and dining environment. Meanwhile, customers can also choose to write down their opinions on the food and service via the survey card. The online questionnaire and survey have been carefully designed to guide customers to complete step by step. Tsui Wah values all customers' feedback and analyses the comments from all branches on a monthly basis. In FY2020, a vast majority of comments from our customers were positive appraisals.

To follow up on comments raised by its customers, especially the feedback that is conducive to refining its operations and keeping improving its performance in the future, Tsui Wah has formulated the 'Customer's Suggestions and Follow-up Report', in order to monitor and supervise the implementation of corrective actions. Specifically, the report needs to detail the context of relevant incidents, including proposed plans for improvement, record the evidence of the follow-up measures/training, take notes of the response of customers who have received the feedback from Tsui Wah, and need a report from the executive of operations on the management progress of relevant incidents.



Online customer survey

Enhanced customer ordering and billing experience





CARE FOR CUSTOMERS



Comments From Our Customers

I often go to your restaurant, Tsui Wah, for lunch and dinner. Thank you very much for taking a series of defensive measures under this pandemic, including the use of disposable tableware and individually packaged seasoning packages. And the major reason for me to write is the enthusiasm and dedication of the employees in your company. Despite the shortage of manpower, everyone sees that they can perform their duties and display the spirit of mutual assistance. In particular, a male clerk in a suit was particularly attentive and kind, full of energy, and passed his enthusiasm and dedication to every diner. Therefore, I am writing to pay a special tribute to you. Thank you all.



Customer A



Yesterday morning, I had breakfast at Tsui Wah restaurant in Tsim Sha Tsui. At that time, my friend and I wanted to place an order for the famous wonton noodles. A waitress told us that there were no wonton noodles. With a slight disappointment, we were told by a staff named A, who was dressed in black that they can prepare the wonton noodles and placed an order for us as it seems that we were so eager for the famous wonton noodles. Her service and considerate attitude have touched us so much. I will definitely visit Tsui Wah again next time if there is a chance.

Customer B

I live in Mainland China and have to travel to Hong Kong frequently for business. Every time I got off the plane, I immediately went to the Tsui Wah restaurant at the airport. It was one of the most refreshing moments in my life when I ordered and enjoyed a cup of tea and a light dish there. On top of the delicious cuisine that you offered, what impressed me most was your staff, who indeed was of a high standard in service. They worked hard and served us very patiently even under a certain degree of hardship. Please convey my best regards and thank the staff who made me feel at home every time.



Customer C



I am a big fan of Tsui Wah Restaurant. I have been eating in Tsui Wah in Central for 10 to 20 years. My family and I visit Tsui Wah every week, but the most outstanding, commendable and my favourite ones should be the Tai Po branch, in which the service attitude, efficiency, production, etc. are superior to other restaurants, especially the morning managers and waiters in Tai Po branch. Their work attitude and efficiency are impressive, especially when the manpower is insufficient. In addition to the execution ability and working attitude of the staff, the leadership of the branch manager, also plays an important role in ensuring the excellence of the restaurant. Therefore, this mail is especially sent to commend the morning shift team of Tai Po restaurant!

Customer D

CARE FOR CUSTOMERS



I love Tsui Wah. All foods are of high quality and exquisite. Pork cartilage fried rice, curry beef brisket rice, freshly baked bread and lemon tea are all very fresh. Once a cup of lemon was a bit bitter, your staff was very polite and changed it for me immediately. I specially write this message to praise the staff of Tsui Wah, who is very polite and devoted to providing top-notch services.

Customer E



I really want to praise the staff B of Tsui Wah Houde branch. This is actually the first time that I saw such a warm moment: not only was she polite to the customers, but she also respected other colleagues working in the kitchen. She praised them when they finished preparing the food while also comforting them when they carelessly poured some drinks instead of scolding them. As a diner, I feel the warmth that all the staff in the kitchen and frontline workers do respect and care about each other.

Customer F



I am writing to thank C, an employee of the Tuen Mun branch. I live in Australia and often go to Tsui Wah every time I come back to Hong Kong. She could remember the food that my mother always likes to order and she did her best to meet the needs of customers. She loves laughing as well. I will continue to recommend Tsui Wah to my friends in Australia.

Customer G



I had dinner at your restaurant last night and I left my phone there. I returned to the restaurant half an hour later and the staff kept my phone safely. I am really grateful for your staff's help, honesty and integrity.

Customer H



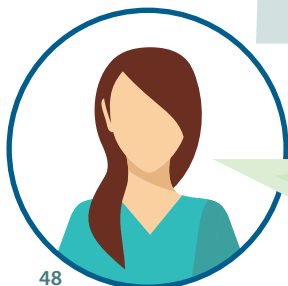
Customer I

I had dinner at the Tsuen Wan restaurant. Even though it has passed the last-order time, the staff was still willing to place the order. I really appreciated their kindness and helpfulness.



I was deeply impressed by the service of the manager in the restaurant. The manager was quite warmhearted and cared about the customers' feeling and condition under hot weather, and volunteered to help the customers with their belongings.

Customer J





CARE FOR CUSTOMERS



ENHANCED CUSTOMER ORDERING AND BILLING EXPERIENCE

Nowadays, e-payment has become one of the popular mainstream payment methods in China and even around the world. Tsui Wah, therefore, has introduced various e-payment platforms, including Alipay, Wechat pay, Apple pay and Android pay in its restaurant operations. We believe that keeping pace with the e-payment trend will undoubtedly give a fillip to our business and attract more diners who prefer the convenience, efficiency and fun of e-payment in the near future.

VALUE FOOD SAFETY

In FY2020, the Group strictly abided by the applicable laws and regulations, including but not limited to Food Safety Ordinance (Cap. 612 of the Laws of Hong Kong), Food and Drugs (Composition and Labelling) Regulation, Public Health and Municipal Service Ordinance (Cap. 132 of the Laws of Hong Kong) and Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong), and implemented a comprehensive safety policy for the management of central kitchen(s) and all restaurants of Tsui Wah. With an objective to continuously ensure the Group's food quality and enhance hygiene standards, which are considered fundamentals to guarantee the safety of food products and health of diners, Tsui Wah has established a food safety management system, in which the implementation of Food Safety Management Principles in both restaurants and central kitchens can be effectively monitored and evaluated. Through a series of transparent, secure and strictly controlled working procedures, the Group is committed to making sure that its customers can trust Tsui Wah and enjoy the delicious cuisine made by Tsui Wah without the slightest hesitation. Tsui Wah has applied and obtained a number of licenses in relation to being a hygienic, safe and legal restaurant, including but not limited to the 'General Restaurant License' and 'Food Factory License' from the Food and Environmental Hygiene Department (FEHD).

'Safe food, Conscientious manufacture, Sustained improvement, Optimised service'

Taking 'Conscientious manufacture' as its basic principle, all employees of Tsui Wah have engaged themselves to the safety control of food products, thereby fulfilling Tsui Wah's corporate responsibility which is to make customers eat healthily and safely. Through continuous enhancement and scientific melioration of product and service quality, and more importantly the improvement of the corporate quality management system, Tsui Wah commits to standardising its management approach in all restaurants and central kitchens, while bringing more innovative elements to its business development.

Principles

According to the framework of corporate Food Safety Management Principles, the following four areas have been given particular attention by Tsui Wah, which normally conducts thorough assessment on the degree of accomplishment in each procedure through internal annual reviews on a regular basis.

FOUR KEY PRINCIPLES

- 1 Perform regular microorganism tests on finished products, working environment and packaging materials;
- 2 Monitor and control the amount of food waste generated due to production error and low quality of raw materials;
- 3 Implement strict control on machinery operation and production workflow;
- 4 Prevent food-related recalls and serious accidents from happening.

CARE FOR CUSTOMERS



Commitments

Tsui Wah commits to optimising and implementing the food safety management system continuously, especially fulfilling its pledges to ensure that:

- 1 Build tangible and measurable targets in food safety management and communicate the principles and targets throughout the entire company via various channels;
- 2 Make sure that all employees in different departments understand the major and genuine concerns of its customers and the importance of regulatory compliance;
- 3 Evaluate the suitability, completeness and effectiveness of the food safety management system regularly through assessment meetings; and
- 4 Determine and allocate sufficient resources to the organisation of activities concerning food safety.

Management approach

To establish, implement, maintain and improve its food safety management system, a professional food safety team primarily comprised of employees from different departments has been built. The team members should have knowledge and experience to establish and implement the food safety management system, which includes a good understanding of Tsui Wah's product, production process, equipment and relevant food safety standards. A sound communication with external parties and internal groups is an important part of Tsui Wah's food safety management system, and believed to be fundamental to ensuring effective and sustainable implementation of relevant food safety policies within Tsui Wah. The food safety team is in charge of communicating with external stakeholders, including suppliers, customers and relevant governmental departments. The topics that need to be discussed with these stakeholders should at least cover:

Suppliers: information on the quality and safety of raw materials, packaging materials and materials that may be in contact with food.

Customers: product information (including use introduction, storage requirement and expiry date), enquiry about products and responses from customers (including complaints and comments).

Relevant governmental departments: documents on technological development and amendments of laws and regulations.

Other organisations: impacts brought by the renewal of the food safety management system that affects or will affect other organisations such as assurance organisation.

In order to promote the effectiveness of the improvement of food safety management, meetings, seminars, written documents, training, records, internal assessments and audits are the common ways that Tsui Wah often chooses for its internal communications.

Handling emergency

The Group has also formulated the 'OP-QA-012 Emergency Preparedness and Countermeasures Management Procedures' to identify, execute and cope with any emergency that may jeopardise the safety of food. Tsui Wah regulates that assessments and drills on the implementation of emergency countermeasures should be conducted regularly. The relevant records need to be taken as the input for management appraisal of the Group.



CARE FOR CUSTOMERS



Restaurant

All restaurants under the brand of Tsui Wah strictly adhered to the basic Food Safety Management principles of the Group in FY2020 and implemented the following procedures to ensure the high quality and safety of cuisines to customers:

Standard formulation

- Formulating the Food Safety Standard Guideline that follows the food safety manual published by the Centre for Food Safety
- Restaurant Hygiene Standard

Employee hygiene training

- Internal and external training offered to employees through courses, seminars and knowledge sharing activities

Internal audit on practices

- Self-audit by the Restaurant Manager within the restaurant
- Reciprocal audit by other Restaurant Managers within the Tsui Wah Group
- External Inspection performed by the Food and Environmental Hygiene Department

Record and retrospective review

- Recording and reporting any incidents that have happened and preventing the same incident from occurring again with the implementation of effective measures

Central kitchen

The Group considers central kitchens the first line of defence against potential food safety risk and therefore puts great emphasis on the management of central kitchens. The central kitchens of Tsui Wah have fully implemented a comprehensive food safety management system, aiming to keep enhancing the food quality and hygiene level.

To be timely updated of product quality and service level of suppliers, the suppliers who are subject to the evaluation (against those who offered high-usage/high-risk products or received complaints in respect of food safety before) are strictly monitored and controlled under the ISO22000:2005 food safety management system and the Procurement Department of the Group after the discussion during year-end meetings.



EQUIPMENT INNOVATION

Tsui Wah focuses on the upgrading and innovation of cooking equipment. Specifically, by purchasing and installing state-of-the-art equipment in central kitchens, the Group is committed to minimising the food safety risks during mass production. For instance, air cooling units that are widely adopted in the food industry have been utilised by central kitchens of Tsui Wah to efficiently eliminate any risk of food degradation or contamination due to long-time exposure to the external environment at normal temperature.

SOURCING MANAGEMENT

kitchens of Tsui Wah to efficiently eliminate any risk of food degradation or contamination due to long-time exposure to the external environment at normal temperature.

CARE FOR CUSTOMERS



Management system

The effectiveness of the food safety management system in central kitchens is manifest in the formulation of relevant policies and strict execution. Precisely, the policies ensuring the high quality of food mainly are underpinned by the following three aspects:

1. Planning and implementation of safe products



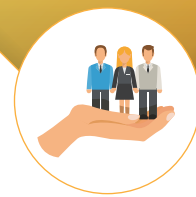
Central kitchens of the Group make sure that all products meet the expectations of restaurants through the implementation of PRP (prerequisite program), OPRP (operational prerequisite program) and HACCP (Hazard Analysis and Critical Control Point) system.

2. Control of disqualified products



According to internal policies including Corrective and Preventative Actions Management Program, Disqualified Product Management Program and Tracing and Recall of Products Program, the Group could respond rapidly and timely on issues regarding defective products.

3. Identification, verification and improvement of food safety management



Tsui Wah has built a food safety team that is responsible for the identification of a combination of risk control measures, verification of its food safety management system according to Internal Audit Control Program, and constant improvement and updating of its food safety management system based on internal and external communications, audit result, document analysis, and other sources.

Tsui Wah has been a Signatory of Food Safety Charter since 2009 and always been fulfilling its commitment to:



- a. Support Food Safety Charter;
- b. Keep updated on food safety development, enhance food safety, promote a good image of food trade; and
- c. Provide safer and healthier food by referencing the Centre for Food Safety (CFS) guidelines

Meanwhile, it is acknowledged that excessive dietary sodium and sugar intakes are closely related to health problems, including hypertension and dental caries. In response to the call from CFS of the Food and Environmental Hygiene Department, 'Mao Mao Eat' has been striving to safeguard food safety and promoting healthy eating in Hong Kong by supporting the salt & sugar reduction initiatives.



CARE FOR CUSTOMERS



RESPONSE TO COVID-19 PANDEMIC

During FY2020, the COVID-19 pandemic had swept across the globe, posing a serious threat to human health. In response to the unexpected public health emergency that arose suddenly, especially to ensure that all customers' health and safety can be protected, the Group abided by the regulations enforced by the governments in the regions where the Group operates, endeavouring to minimise the risks of transmission of COVID-19 in food premises and delivery services that may jeopardise its customers' wellbeing. For instance, the restaurants of Tsui Wah in Hong Kong complied with Food Safety and Hygiene Advisory for Food Premises on the Prevention of COVID-19, Food Safety Advice on Prevention of COVID-19, Precautions for Food Delivery Agents on the Prevention of COVID-19 that were set out by the Centre for Health Protection by learning and adopting the recommended measures and complied with the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F of the Laws of Hong Kong). To maintain high standards of hygiene and cleanliness and contribute to the prevention and control of disease in its restaurants, all frontline employees have followed the Epidemic Prevention and Control Guideline, which gives instructions to all restaurants and its employees about how to minimise the exposure risks of COVID-19 for business operations. During the year under review, all food premises of Tsui Wah strictly adhered to the relevant recommendations and requirements and specifically took effective measures to protect its customers' health, including but not limited to:

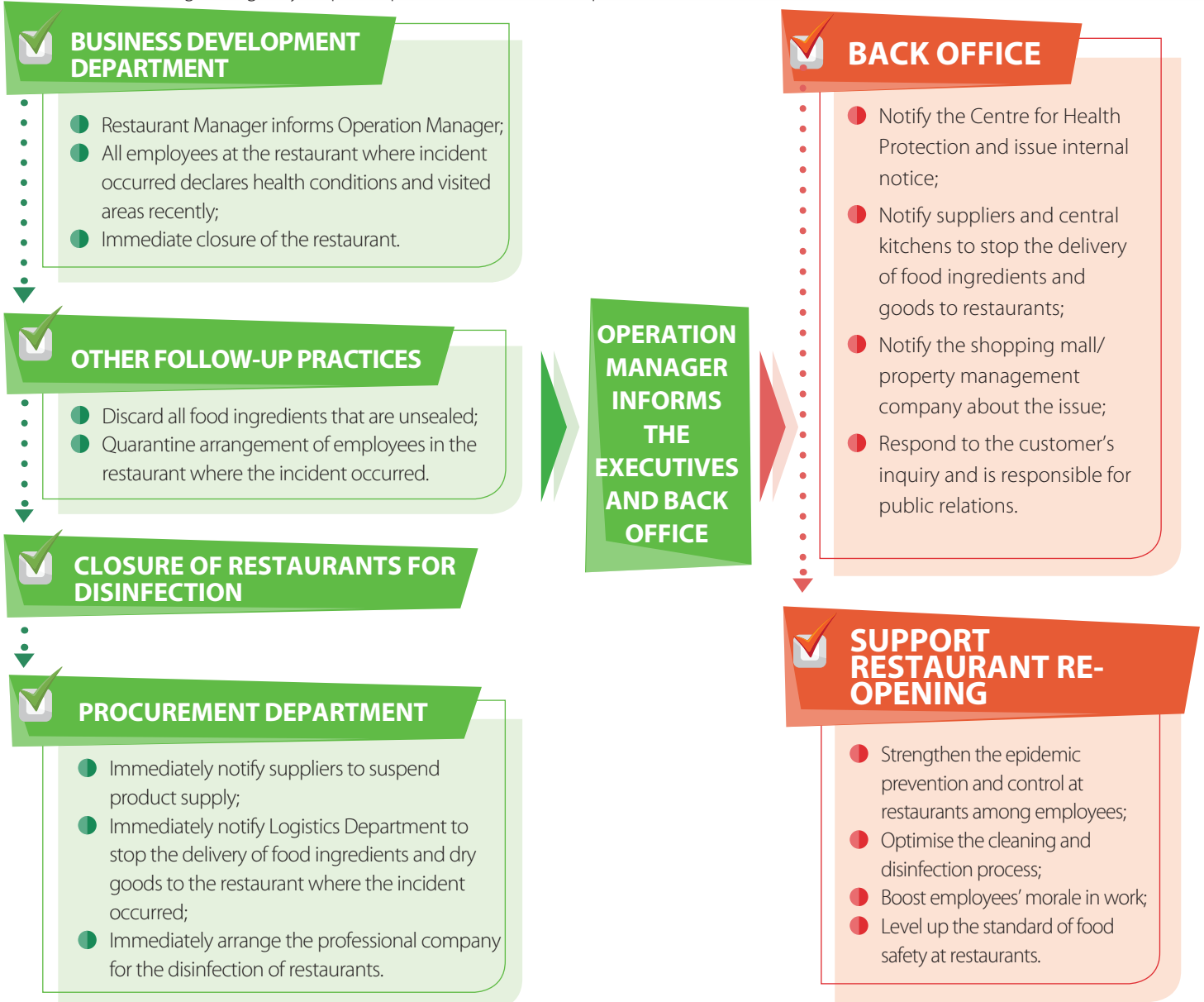


- ✔ All restaurants should check the body temperature of anyone including employees, customers, contractors and deliverymen before they enter the restaurants. Anyone who exceeds 37.5 degrees or is found to be wearing a "compulsory quarantine wristband" should be politely refused to enter;
- ✔ The management should check the thermometers at restaurants regularly and notify the corresponding Operation Manager for replacement once any defect or malfunction is found;
- ✔ All restaurants should be equipped with antiseptic spray machines and hand sanitisers on the cashier desk or near the door for customers;
- ✔ All restaurants must use towels in special colour for cleaning, and dilute the bleach with designated measuring glass and plastic buckets;
- ✔ All frontline employees in the restaurants can get one mask every day and are required to wear the mask correctly at all times;
- ✔ All employees at restaurants should be responsible for stepping up the specific measures of cleaning and regular disinfection that are regulated by the Group, including kitchens, food rooms, toilets, scullery rooms, the seating area, cashier desk and sewer;
- ✔ Cleaning activities should be recorded by filling out the Restaurant Cleaning Inspection Form (門店清潔巡查表), including the area, time and name of the responsible person;
- ✔ The cleaning waste should be properly wrapped and put into the designated rubbish bins, which need to be covered all the time and cleaned up on a daily basis;
- ✔ All restaurants should avoid table sharing or modify seating arrangements to reduce direct face-to-face encounter;
- ✔ All restaurants should increase the frequency of disinfection by applying standard bleaching agent;
- ✔ All restaurants should frequently clean and disinfect tabletops, doorknobs and food trays;
- ✔ All restaurants regulate all employees to practise good personal hygiene, such as washing hands before handling food or returning to work.

CARE FOR CUSTOMERS



In cases where the employees/customers of the restaurants visited by confirmed persons are diagnosed with COVID-19, the following emergency response procedures will be adopted:





CARE FOR CUSTOMERS



ADVERTISING & LABELLING

Within the public health community, there is growing consensus and public pressure to regulate the marketing and advertising matters in the catering industry. Tsui Wah is aware of its role as a famous restaurant chain in Hong Kong to convey unbiased information about its food and service to the public, especially the vulnerable groups, such as children, to promote healthy food choices and eating style. Thus, the Group abided by relevant laws and regulations in the region where it operates, such as the Trade Description Ordinance (Cap. 362 of the Laws of Hong Kong) and the Advertising Law of the People's Republic of China (中華人民共和國廣告法), and has been committed to ensuring that the Sales and Marketing Departments of the Group provide precise product descriptions and information that both comply with the relevant local laws and regulations, and conform to the code of ethics to its customers. Any misrepresentation in marketing materials or exaggeration of offerings is strictly prohibited by the Group.

Since labelling is not applicable to the Group given its business nature, the labelling-related regulations and policies are not mentioned in this ESG report.

CUSTOMER PRIVACY

The Group places great emphasis on the protection of its customers' privacy and ensures that the customers' rights can be strictly protected in accordance with the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and other local regulations in terms of consumer data policy. It is included in the Group's policy called 'Principles for Information Protection' (保障資料原則註釋) in the Staff Handbook that all information collected would only be used for the purpose authorised by customers. The customer's name, dining time, contact number and comments obtained from online questionnaires and surveys in the restaurant are taken as confidential information by Tsui Wah and will only be used for internal food and service improvement. The Group prohibits the provision of consumer information to a third party without the authorisation from the customers. All collected personal data is treated confidentially, kept securely and accessible by designated personnel only. The IT department has set obstruction between office and commercial network to prevent unauthorised data use, exportation and copy based on the 'Electronic message and information system guide' (電子傳訊及資訊系統指引). During FY2020, the Group did not receive any complaints regarding breaches of customer privacy.



CARE FOR CUSTOMERS



INTELLECTUAL PROPERTY RIGHTS

The Group has been dedicated to protecting and enforcing its intellectual property rights (IPR), which are crucial to the sustainable business growth of Tsui Wah. The Group currently operates its restaurants under its core brand 'Tsui Wah' and its new brands, namely Ging Sun Ho King of Bun (堅信號上海生煎皇), 'Nijuuichi Don (廿一堂)', 'BEAT Bakery', 'Maomao Eat (輕。快翠)', 'Homurice' (揚食屋), 'Tsui Wah Café' (翠華冰廳), 'Supreme Catering (至尊到會)' and so on. The Group has taken effective measures to protect its trademarks and other intellectual property rights by making the necessary filing(s) or registration(s), and hired a legal advisor to advise on the legal registration of intellectual property rights and renewal matters. The Group has a professional team that implements regular investigations and reviews on Tsui Wah's business practice, in order to make sure that it does not violate any regulations of intellectual property rights in regions where it operates or plans to operate in the future.

The Group's intellectual property rights are mainly comprised of information management systems, proprietary know-how and secret recipes. To enhance the awareness of the importance to protect the company's intellectual property rights among employees, the Group has formulated a set of internal management rules in its employees' manual. Since secret recipes are the most significant asset to the companies in the catering industry, a strict and effective management system has been applied in the central kitchens of Tsui Wah, which makes sure that the confidential food information can only be accessed by a minimum number of staff on a 'need-to-know' basis, ensuring that Tsui Wah can stay competitive in the market in a long run. Also, the employment contract clearly regulates the correct procedures of handling confidential information and provides detailed guidance to the employees to better verify any possible actions that may violate the Group's intellectual property rights and to take immediate steps to safeguard the company's legitimate rights and interests.

In FY2020, the Group was in compliance with the relevant laws and regulations regarding health and safety, advertising, labelling and privacy matters of its products and services that have a significant impact on the Group.

CARE FOR COMMUNITIES



Tsui Wah has long been committed to making the communities where it operates a better place to live and particularly contributing to the development of an inclusive, upwardly mobile and environmentally conscious society. In particular, the Group has put its main focus on 'Engaging with Society, Caring for Community, Donating to The Underprivileged, and Promoting Environmental Awareness' as ever.

CARE FOR COMMUNITIES



ENGAGING WITH SOCIETY

The Group has been caring about the demands of communities for a long time and keeps shouldering its corporate responsibility to hold different fundraising events and sponsor many community activities for the society. Every year, the Group has certain amounts of funds in reserve for social services and encourages its staff with their families to help underprivileged people and promote the culture of care to the public.



CARING FOR COMMUNITIES

The Group has built a close relationship with a number of charitable organisations and encourages its employees to participate in community activities and services to help those in need. Tsui Wah recommends all its staff to get involved in 'Prosperity of both the physically handicapped and able-bodied' activities and is committed to enhancing an inclusive society, so that all individuals can enjoy equality and respect in different areas of life. Also, Tsui Wah has organised several meaningful activities of elderly care in recent years, during which the participants of Tsui Wah talked with the senior citizens and brought joy to them by preparing exquisite food gifts. In addition, Tsui Wah cares about the healthy and happy growth of children, and has arranged a variety of educational activities for the kids who can exhibit talent and build confidence.



DONATING TO THE UNDERPRIVILEGED

In recent years, the Group paid great attention to the contribution to charities and communities, and actively took part in various charitable programs, including donating food and raising funds at various events. Until FY2020, Tsui Wah made donations to various charitable organisations and for different charitable purposes.



PROMOTING ENVIRONMENTAL AWARENESS

Since the major business of the Group is serving the public, the Group encourages its employees to spread the concept of an environmentally friendly lifestyle that can make our world a better place to customers. For instance, every customer is offered one piece of tissue only and will get more only if they ask for it. Also, restaurant waiters/waitresses may suggest their customers order less and save the food when necessary. Despite the hindrance at first due to customers being unaccustomed to such service, it is the unremitting perseverance and patient explanation that ultimately helped us earn the understanding of customers. What is more, Tsui



Wah has put enormous efforts in encouraging its customers to eliminate the use of plastics through posters, and is committed to implementing the practice of 'No Straw' in all its restaurants.

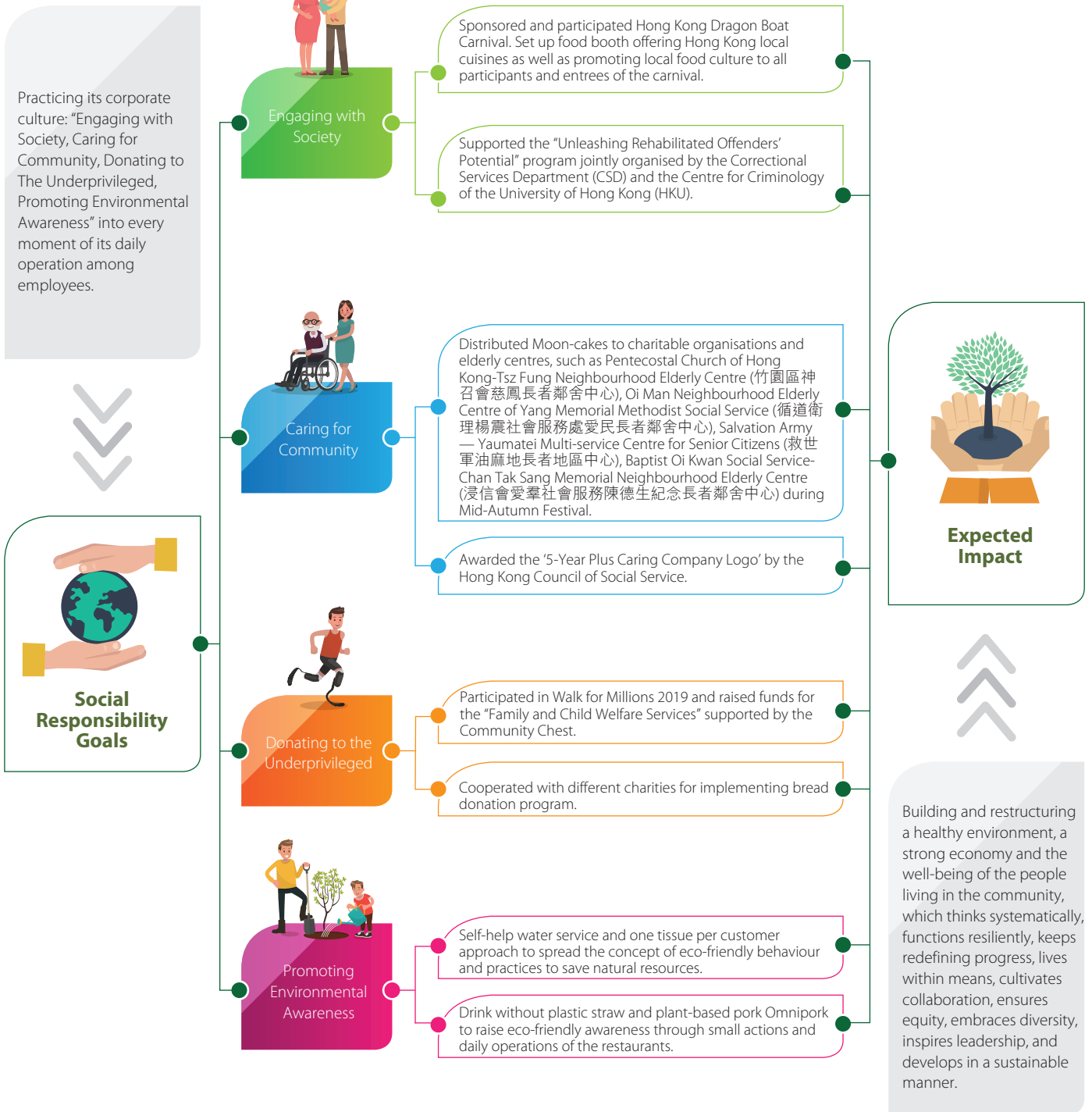




CARE FOR COMMUNITIES

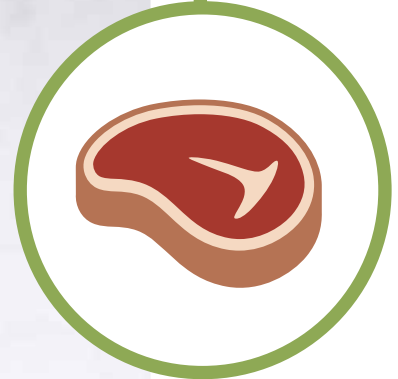


During the year, Tsui Wah’s engagement in community activities and contributions to global sustainable development was recognised by the public and received a high appraisal by local governments, media and a great many peers. The following “Theory of Change” diagram can visually illustrate the performance of Tsui Wah during recent years.



* More corporate and social activities in which Tsui Wah participated in the past can be found in http://www.tsuiwah.com/about-tsui-wah/responsibility/public_charities/

CARE FOR SUPPLIERS



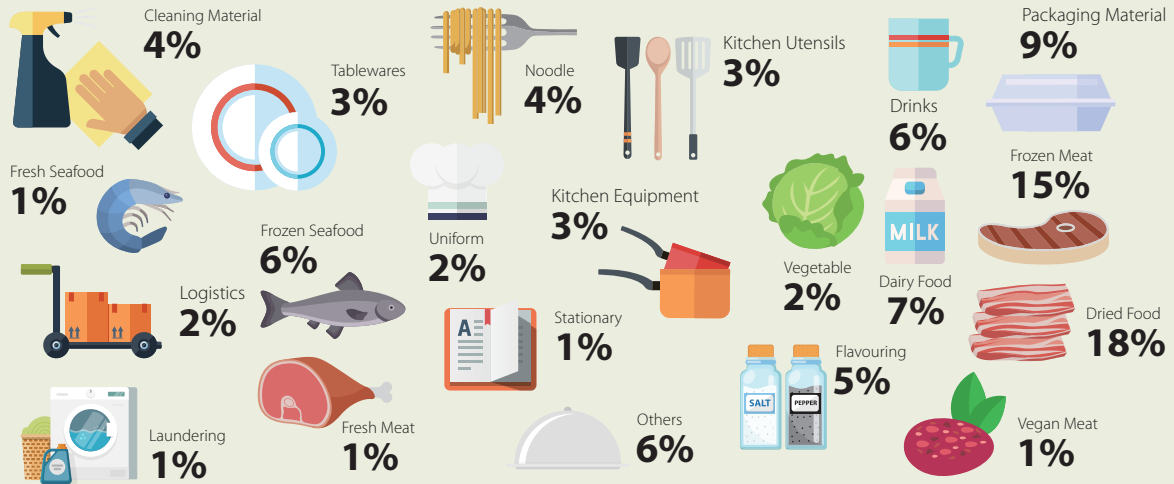
An effective supply chain management is the lifeblood of any company in its business growth and it is particularly important to the chain restaurant brand like Tsui Wah. As a socially responsible enterprise, the Group is aware of its duty and obligation to strengthen its management and control on its suppliers and requires them to fully comply with the relevant laws and regulations in the regions where Tsui Wah has operations as well as the Group's own standards and specifications.



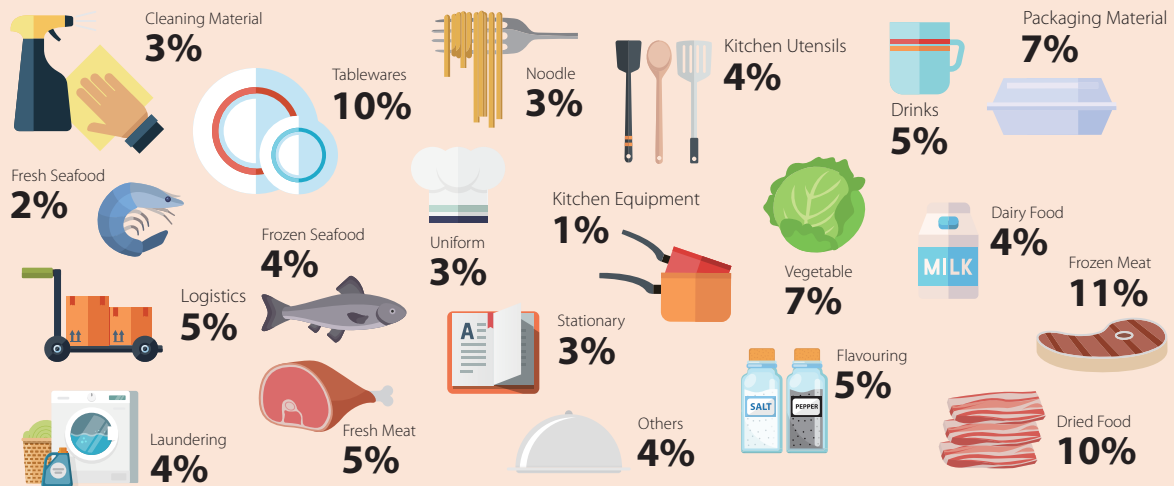
CARE FOR SUPPLIERS



Number of suppliers in Hong Kong by Category (e.g Meat, seafood, dairy)



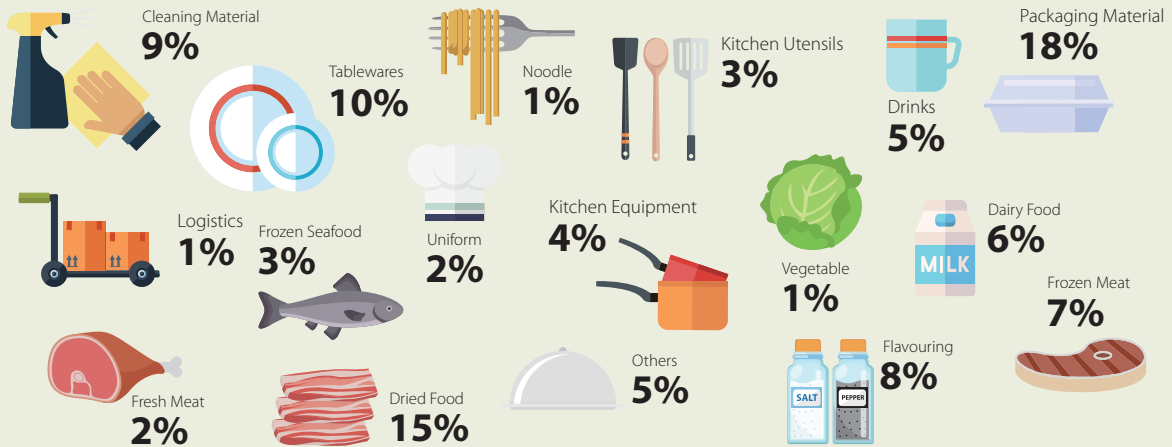
Number of suppliers in Mainland China by Category (e.g Meat, seafood, dairy)



CARE FOR SUPPLIERS



Number of suppliers in Macau by Category (e.g Meat, seafood, dairy)

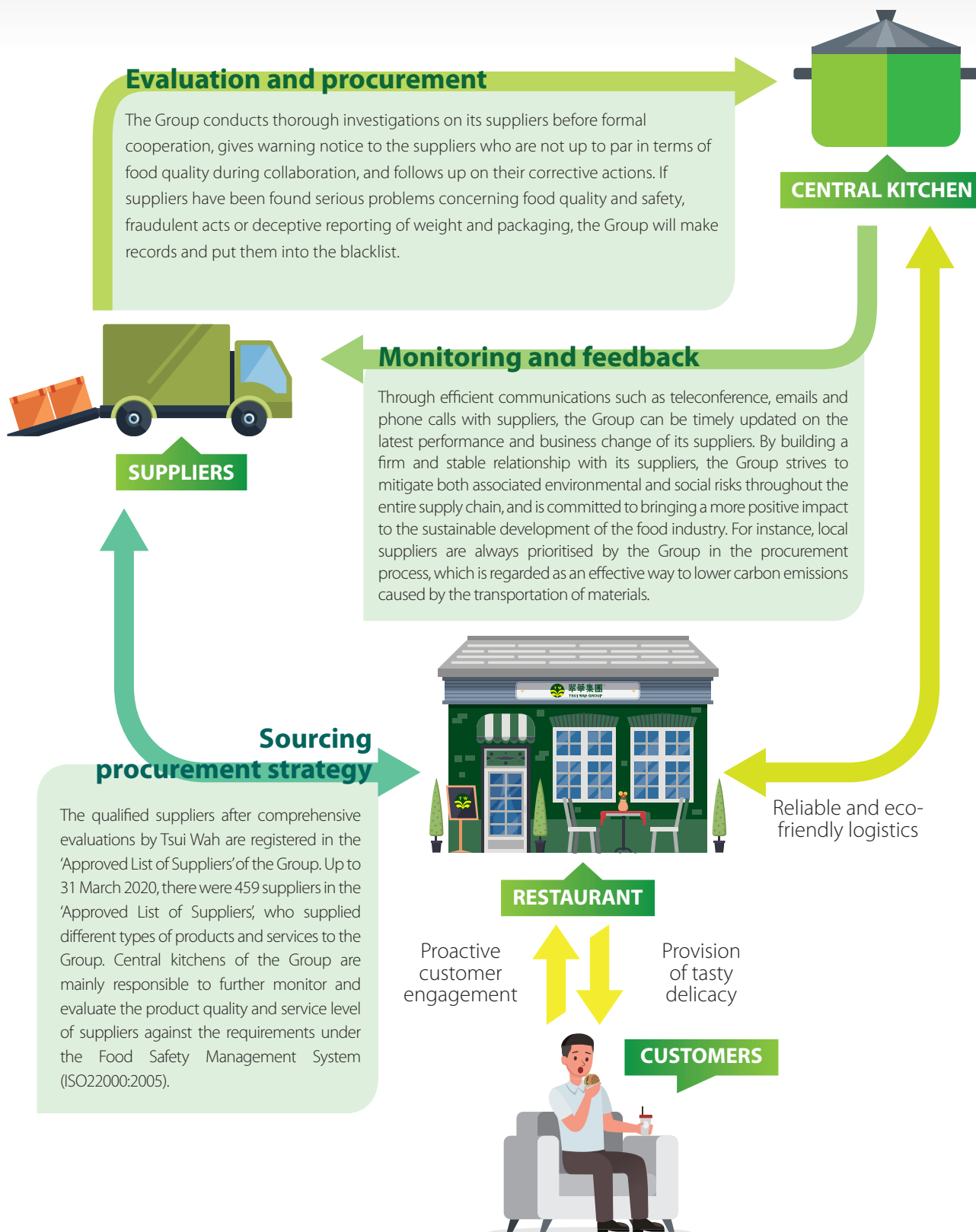


* Data of Singapore branches was not included due to the difficulties in collecting data resulted by the lockdown measures that were proposed by the government during the pandemic.

The Group employs a strict set of criteria to select its suppliers. For instance, suppliers of the Group must hold licences approved by the government and all goods to be sold must be imported in an appropriate way. Specifically, the goods/raw materials from suppliers are required to be in full compliance with the latest food labelling, hygiene and sanitary regulations. Suppliers should submit relevant health certificates and the results of laboratory tests of their goods to the Group as and when required. Comprehensive evaluations on suppliers for the initial provision of food merchandise are performed by the Procurement Department of Tsui Wah, which should make sure that both suppliers and their materials are in compliance with relevant standards, including but not limited to the relevant food safety regulations, business performance and reputation of suppliers in the past, hygiene requirement, suppliers' sustainability practices and their fulfilment of corporate social responsibility. The assessment on the existing suppliers is implemented by the Group from time to time through various channels, such as paying onsite visits to suppliers' offices and factories with production facilities.



CARE FOR SUPPLIERS



CARE FOR SUPPLIERS



It is worth mentioning that Tsui Wah has been dedicated to 'Green Procurement' in its purchasing practice for a couple of years and gradually adjusted its procurement standards by incorporating the environmental responsibility into its entire supply chain management. Especially, suppliers of Tsui Wah are highly encouraged to optimise their ingredients sourcing management and manufacturing processes. Looking beyond the traditional parameters in procurement such as price, quality, functionality and availability, Tsui Wah gives priority to the products that have a lesser environmental impact by using less packaging materials, consuming fewer energy resources and water, generating fewer emissions to the environment and possessing less embodied carbon (carbon footprint of a material that reflects how many greenhouse gases (GHGs) are released throughout the supply chain). As such, Tsui Wah has strictly implemented its internal policy of 'Green Procurement' and taken into consideration a series of questions during the purchasing decision-making process:

- a. whether it is necessary to purchase the product;
- b. what are the components of the product;
- c. how is the product made;
- d. how far has the product travelled;
- e. what is the mode of transportation during product delivery;
- f. what is the packaging material and how heavy is it;
- g. how will the by-products (including packaging materials) be reused and recycled, etc.



CARE FOR ENVIRONMENT



Tsui Wah is committed to protecting the environment during its business operations and does its utmost to optimise its efficient use of natural resources that could be inevitably consumed every day. With investment in research & development and efficient implementation of relevant policies, Tsui Wah bears in mind the 3R principles — Reduce, Reuse and Recycle, and changes towards a sustainable enterprise.

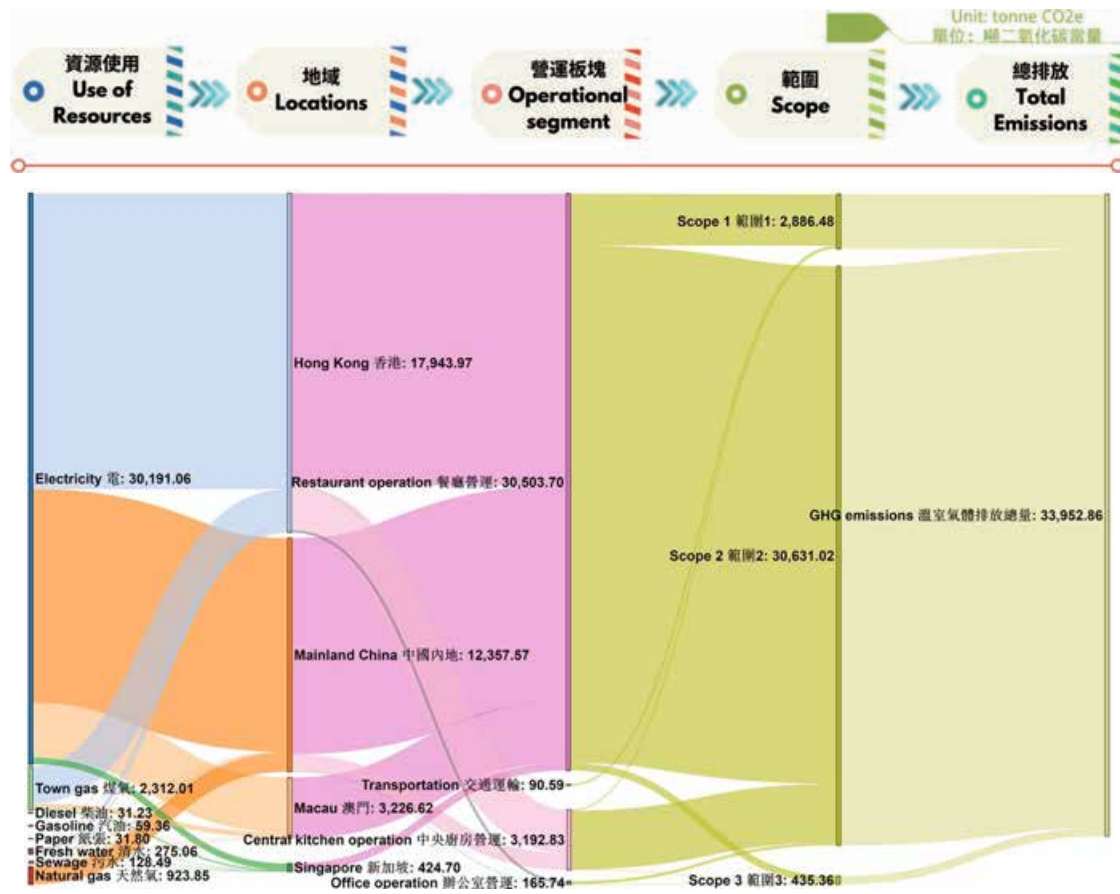
CARE FOR ENVIRONMENT



EMISSIONS

There are inherent limitations to the accuracy and representativeness of the quantitative data under the environmental subject of this ESG report. Several sources of uncertainty including the estimation of solid waste emissions, packaging materials, consumption of paper and discharge of sewage based on the data from sample restaurants of Tsui Wah can contribute to the overall uncertainty of a corporate emissions inventory. We recognise that the data provided in the report might be affected by these limitations, but we will keep improving data integrity by strengthening our internal control and data management in the future.

Given the nature of the Group's business, the air emissions mainly came from the fuel combustion for food processing and transportation. In FY2020, the air emissions of sulphur oxides ("SO_x"), nitrogen oxides ("NO_x") and particulate matter ("PM") amounted to 5.92, 415.44 and 16.67 kg, respectively. GHGs are a major contributor to climate change and have been rigorously governed by the United Nations (UN) 'Framework Convention on Climate Change' and 'Kyoto Protocol'. GHG emissions from the Group were primarily due to the use of various forms of fossil fuels such as gasoline, diesel, natural gas and town gas, and the consumption of electricity for daily operations in the offices, restaurants and central kitchens. Specifically, the Group's total GHG emissions were 33,952.86 tonnes CO₂e, with an intensity of 24.59 tonnes CO₂e/HKD Million. In addition, the Group generated certain amounts of food residue, commercial solid wastes and sewage from its administration offices, restaurants and central kitchens. Precisely, a total of 3,144.07 tonnes of food residue and 4,851.10 tonnes of other non-hazardous commercial solid wastes were generated by Tsui Wah during FY2020, while 672,158.12 tonnes of non-hazardous wastewater were discharged during the Group's operations. In FY2020, Tsui Wah did not discharge any hazardous wastes (solid waste or sewage) to the environment during its operations. The Group's total emissions in FY2020 are summarised in Table 1 below. To better illustrate the GHG emissions of the Group in detail, especially from the perspective of the use of resources, geographical locations, business segments and emission scopes, a GHG emissions Sankey diagram is presented below. It visualises the patterns of corporate GHG emissions with the width of the flow representing the magnitudes of the amount of emissions.





CARE FOR ENVIRONMENT



EMISSIONS (Continued)

Table 1. Group's Total Emissions by Category in FY2020

Emission category	Key Performance Indicator	Unit	Amount in FY2020	Intensity ⁽²⁾ (Unit per Million HKD) in FY2020	Intensity ⁽³⁾ (Unit per Million HKD) in FY2019	Directions of change to intensity as compared with before
Air emissions ⁽¹⁾	SO _x	Kg	5.92	4.29×10 ⁻³	4.18×10 ⁻³	Increase
	NO _x	Kg	415.44	0.30	0.14	Increase
	PM	Kg	16.67	1.21×10 ⁻²	2.00×10 ⁻³	Increase
GHG emissions ⁽⁴⁾	Scope 1 (Direct Emissions)	tonnes CO ₂ e	2,886.48	–	–	–
	Scope 2 (Energy Indirect Emissions) ⁽⁵⁾	tonnes CO ₂ e	30,631.03	–	–	–
	Scope 3 (Other Indirect Emissions) ⁽⁶⁾	tonnes CO ₂ e	435.35	–	–	–
	Total (Scope 1, 2 & 3)	tonnes CO ₂ e	33,952.86	24.59	22.75	Increase
Non-hazardous waste	Food residue ⁽⁷⁾	tonnes	3,144.07	2.28	5.37	Decrease
	Solid Wastes ⁽⁸⁾	tonnes	4,851.10	3.51	3.27	Increase
	Wastewater ⁽⁹⁾	m ³	672,158.12	486.72	461.61	Increase

Notes:

- (1) The calculation of air emissions was based on the consumption of gasoline and diesel for transportation, and the consumption of town gas and natural gas for food processing;
- (2) The intensity for FY2020 was calculated by dividing the amount of air, GHG and other emissions by the Group's revenue of approximately HKD1,381 million for FY2020 according to Financial Summary in the Annual Report;
- (3) The amount and intensity in FY2019 were extracted from the data in the ESG Report 2019 of the Group;
- (4) The methodology adopted for reporting on GHG emissions set out above was based on "How to Prepare an ESG Report? — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange and 2006 IPCC Guidelines for National Greenhouse Gas Inventories;
- (5) The methodology adopted for reporting on GHG emissions from electricity consumption in Hong Kong was based on the latest emission factors from the sustainability reports of CLP and HKE;
- (6) The Group's Scope 3 (Other Indirect Emissions) included other indirect emissions from paper waste disposed at landfills and electricity used for processing fresh water and sewage by government departments;
- (7) The amount of food residue for FY2020 was recorded, measured and estimated in a more comprehensive way that incorporated all restaurants and central kitchens of Tsui Wah in Hong Kong, Mainland China, Macau and Singapore;
- (8) The other solid wastes for FY2020 included the commercial waste from all restaurants and central kitchens, except the waste from offices, which Tsui Wah believed was not as important as the formal two function units in terms of the solid waste measurement;
- (9) Since the wastewater from offices of Tsui Wah was mainly handled by the management of property buildings, it was hard to retrieve the accurate figure of discharged wastewater from all offices and thus the amount of sewage generated from Tsui Wah in FY2020 did not cover all offices.

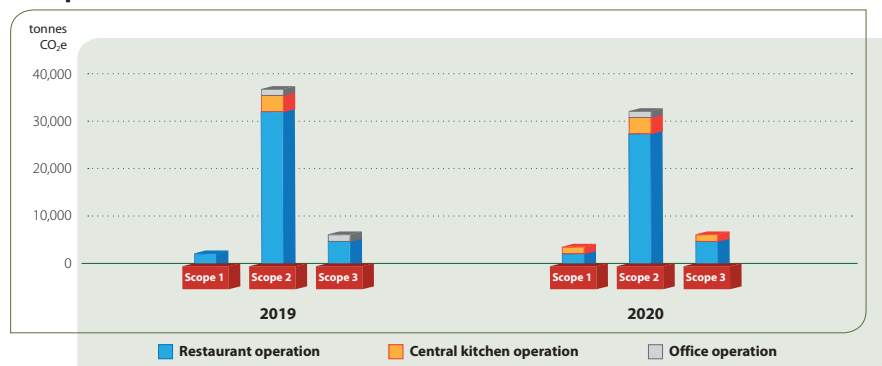
CARE FOR ENVIRONMENT



Air & GHG emission management

To efficiently control the air pollutants from the transportation process, Tsui Wah has established strict policies regulating the appropriate use of vehicles for business. In FY2020, as Tsui Wah kept strengthening its monitoring on the consumption of fossil fuels for transportation in all regions through the implementation of various measures, including the regulation of vehicle used for business and substituting other energy resources for diesel in its selection of vehicle fuels, the Group's emission of SO_x dropped by around 20.6%. The primary source of GHG emissions by the Group was the consumption of purchased electricity. During FY2020, the central kitchens, offices and restaurants of Tsui Wah all took effective actions to save electricity and explore practical ways to enhance energy efficiency during operations. As such, around 15.57% decline in GHG emissions from Scope 2 (Energy indirect emissions) in the restaurants, central kitchens and offices was recorded. The amount of total GHG emissions decreased by 16.46%, whilst its intensity rose moderately compared to that of FY2019. This was mainly due to the drop in revenue caused by external factors including shortened business hours, declined number of diners and even temporarily suspended business of some of its restaurants in response to the social movement and more importantly, the outbreak of COVID-19 pandemic.

Comparison of the GHG emission in FY2019 and FY2020



To achieve additional energy savings and reduce GHG emissions within the Group, the offices, restaurants and central kitchens of Tsui Wah have adopted energy-efficient appliances, especially utilising LED lights instead of traditional equipment that consumes large amounts of energy during operation.



Restaurants and central kitchens have installed lighting control systems for regional power supply. According to actual demands, the lighting system can be adjusted, which can vastly help the Group move toward more sustainable usage of electricity.

Environmentally Sound Solutions to Tackling Climate Change

With the aim of reducing GHG emission and other air pollutants, Tsui Wah has proactively participated in the Waste Oil Recycling Scheme, whereby the wasted cooking oil could be transported to biodiesel producers for the generation of renewable energy.



Environmental-friendly vans have been prioritised and used as the Group's transport fleet. Not only do the engines of these vans meet the exhaust emission and noise standards, but the diesel particulate filters (DPF) have also been installed to further lower the PM emissions so as to lower its impacts on the environment.



CARE FOR ENVIRONMENT

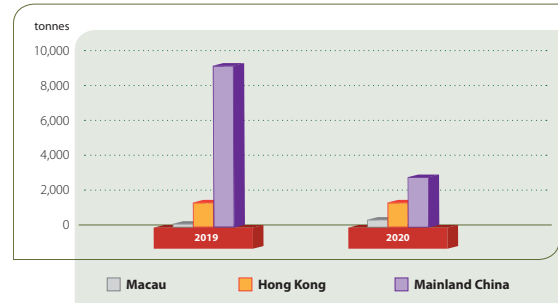


Waste management

Owing to the rising population and the increase of dining-out habits of Hong Kong people, food residue is continuously ascending and has become one of the most critical issues to Tsui Wah. In FY2020, around 3,144.1 tonnes of food residue was generated from Tsui Wah, accounting for approximately 39.32% of the total solid waste. Tsui Wah, as a prominent brand in the catering industry of Hong Kong, is fully aware of the importance of sustainable waste management to both its business development and urban ecological civilisation. As such, the Group sticks to the plan and multi-pronged approach of the Environmental Protection Department to tackle food waste problems and implements good management practices according to the Food Waste Management Hierarchy, in which the avoidance of food waste generation and reduction at source always comes first.



Comparison of the food residue in FY2019 and FY2020



In FY2020, there was a dramatic drop of 74.43% of food residue produced from the branches in Mainland China, resulting in a fall of around 67.2% and 57.5% in the amount of food residue and its intensity of the Group compared to those in FY2019. In addition to the implementation of food waste management practices, external uncertainty including the outbreak of COVID-19 was also an important factor contributing to the drastic decline.

To seek long-term sustainability of the environment and community where it operates, the Group has made tremendous efforts in controlling its emissions as well as its consumption of resources, and has strictly complied with relevant environmental laws and regulations in Hong Kong, Mainland China, Macau and Singapore during its daily operations, including but not limited to the following:

- ✓ Environmental Protection Law of the People's Republic of China
- ✓ Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution
- ✓ Law of the People's Republic of China on Prevention and Control of Water Pollution
- ✓ Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes
- ✓ Law of the People's Republic of China on Conserving Energy
- ✓ Regulations of the Management of Economical Use of Urban Water
- ✓ Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong)
- ✓ Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong)
- ✓ Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong)
- ✓ Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong)
- ✓ Macau Environmental Law
- ✓ Environmental Protection and Management Act (Chapter 94A) (Singapore)

CARE FOR ENVIRONMENT



FOOD WASTE MANAGEMENT

Tsui Wah has formulated and strictly implemented internal food waste management policies during its business operations, especially under the following four areas — Education, Food Waste Separation, Central kitchen Management, and Waste Oil Recycling Scheme.

1. Education



The Group joined the campaign ‘Food Wise Hong Kong’ held by the Environmental Protection Department, aiming to encourage customers to reduce food waste and promote the concept ‘Think before you order’, and also to support the meatless menu campaign in which the environmental organisation encourages a meat-free green diet that reduces carbon usage, thereby slowing down the global warming. Meanwhile, Tsui Wah has long been a practitioner supporting “No Leftover” campaign organised by the Environmental Protection Department & Greeners Action, and places posters in outlets to promote the reduction of food waste.

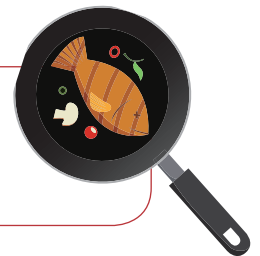
2. Food Waste Separation



Food waste separation has been implemented in the Group’s restaurants located at the Hong Kong International Airport and Tuen Mun. The Group’s restaurants located at the Hong Kong International Airport worked with AAHK and property management companies to deliver separated food waste to food waste plants, where the food waste can be processed into the fish feed and soil conditioner so as to relieve the burden on landfills. Restaurants give full support to the Food Waste Recycling Partnership Scheme of the Environmental Protection Department to carry out the practice of food waste separation and collection. Besides, food wastes are normally separated and disposed of by qualified recyclers in certain restaurants of the Group in Mainland China.

3. Central Kitchen Management

All central kitchens of the Group have adopted the centralised food processing model, which enhances the utilisation efficiency of raw materials, thereby reducing the food waste.



4. Waste Oil Recycling Scheme



The central kitchens and restaurants have implemented the waste oil recycling scheme since the year 2014. Under this scheme, the waste cooking oil (WCO) produced by the Group during cooking process is collected and converted into industrial products such as biodiesel, soap etc. In response to the administrative measures announced by the Government in the 2016 Policy Agenda with regard to the proper disposal of waste cooking oil produced by local licensed food premises, the Group has partnered with local eligible waste cooking oil collectors, processors and exporters who are registered in the Environmental Protection Department’s (EPD) WCO Recycling Administrative Registration Scheme.

During the year under review, the Central kitchens of Tsui Wah successfully recycled a total of 47 barrels (one barrel equivalent to 190 L approximately) of oil, which were equal to 8,930 L, while the restaurants in Hong Kong, Mainland China, Macau and Singapore recycled a total 8,541 barrels of waste oil in FY2020, amounting to around 153,736 L of oil (one barrel equivalent to 18 L). The Group also participated in the Hong Kong Cooking Oil Registration Scheme launched by the Hong Kong 2016 Quality Assurance Agency. Some restaurants of the Group in Mainland China handled waste cooking oil by collaborating with third-party waste oil collection companies during FY2020.



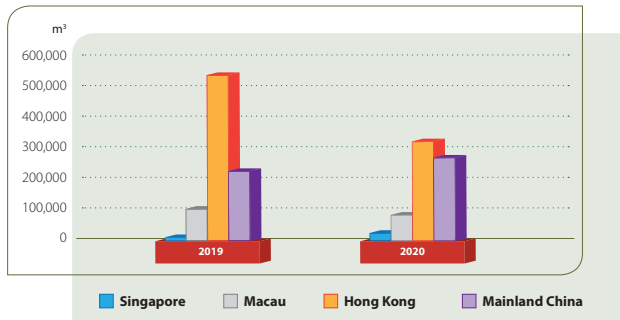
CARE FOR ENVIRONMENT



WASTEWATER MANAGEMENT

Since the amount of wastewater generated by the Group highly depends on the amount of water used by its employees and customers, the Group has adopted specific measures to mitigate its water consumption in offices, restaurants and central kitchens. In FY2020, municipal wastewater was directly discharged into the property's wastewater system. Central kitchens of the Group used grease traps to separate grease in the wastewater and qualified collectors were responsible for collecting the grease, which could to a large extent prevent pipe clogging. In FY2020, the amount of wastewater discharged by Tsui Wah went down by around 18.5% when compared to FY2019, with a dramatic fall being recorded in Hong Kong by around 39.9%.

Comparison of the wastewater discharged in FY2019 and FY2020



Use of resources

In FY2020, the primary resources consumed by the Group were electricity, town gas, natural gas, gasoline, diesel, water, paper and plastic- and paper-made packaging materials. Table 2 illustrates the amount of different resources used by the Group.

Table 2. The Group's Total Use of Resources by Category in FY2020

Use of Resources	Key Performance Indicator (KPI)	Unit	Amount in FY2020	Intensity ⁽¹⁾ (Unit per Million HKD) in FY2020	Intensity ⁽²⁾ (Unit per Million HKD) in FY2019	Direction of change to intensity as compared with before
Energy ⁽³⁾	Electricity	kWh'000	47,500.25	34.40	30.64	Increase
	Natural gas	m ³	489,662.64	354.57	306.70	Increase
	Town gas	Unit	733,271.38	530.97	581.66	Decrease
	Gasoline	L	22,761.21	16.48	24.01	Decrease
	Diesel	L	11,832.13	8.57	19.84	Decrease
Water	Water	m ³	853,946.54	618.35	690.11	Decrease
Paper	Paper	Kg	6,624.43	4.80	14.72	Decrease
Packaging materials ⁽⁴⁾	Plastic ⁽⁵⁾	Tonnes	55,493.98	40.18	0.52	Increase
	Paper	Tonnes	722.97	0.52	0.51	Increase
	Others	Tonnes	37.45	0.03	0.06	Decrease

Notes:

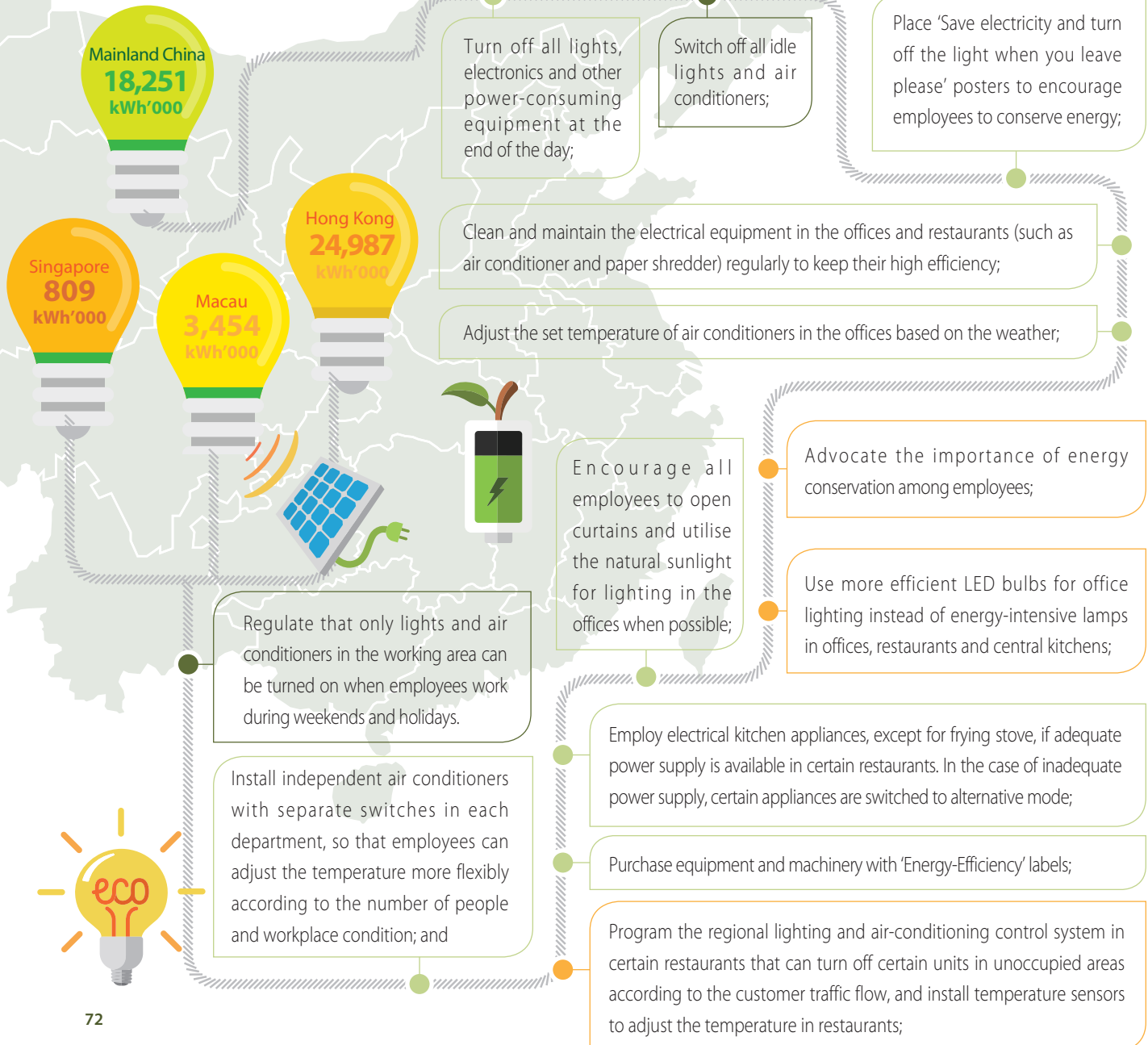
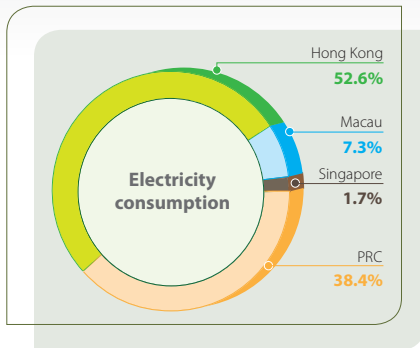
- (1) The intensity for FY2020 was calculated by dividing the amount of resources the Group has consumed in FY2020 by the corporate revenue of approximately HKD1,381 million for FY2020 according to Financial Summary in the Annual Report;
- (2) The amount and intensity in FY2019 were extracted from the data in the ESG Report 2019 of the Group;
- (3) The amount of gasoline and diesel in FY2020 covered the performance of operations of Tsui Wah in both Hong Kong and Mainland China;
- (4) The amount of packaging materials in the table included the performance of all four regions in FY2020, namely Hong Kong, Mainland China, Macau and Singapore;
- (5) The dramatic increase of consumed plastic materials in FY2020 was due to the thorough recording, monitoring and measurement of the total amount of plastic materials used in the restaurants of Tsui Wah in Mainland China, and increasing order of takeaway products as the pandemic broke out.

CARE FOR ENVIRONMENT



ELECTRICITY

The electricity consumed by the Group mainly came from the operation of electrical devices and equipment in the offices, restaurants and central kitchens for daily operations. All employees and business branches of Tsui Wah have complied with relevant regulations and the Group's policies of saving electricity. Due to the unwavering efforts in electricity conservation of the Group, the total electricity consumption of the Group in FY2020 was 47,500.25 kWh'000, which was slightly higher than that in FY2019 primarily because of the business expansion of Tsui Wah in Hong Kong and the incorporation of a full-year data of operations in Singapore. To mitigate the consumption of electricity so as to diminish its GHG emissions, the Group has embedded the slogan of 'Saving Electricity' into its business strategy and particularly implemented the following practices in its restaurants, offices and central kitchens:





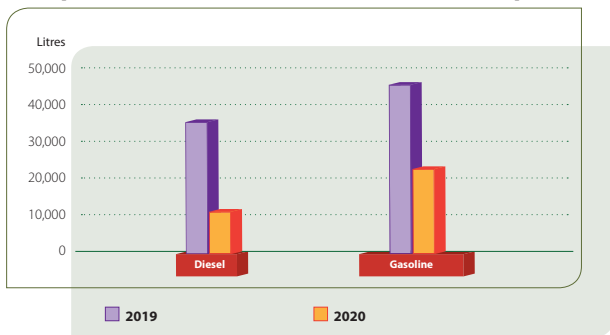
CARE FOR ENVIRONMENT



OTHER ENERGY RESOURCES

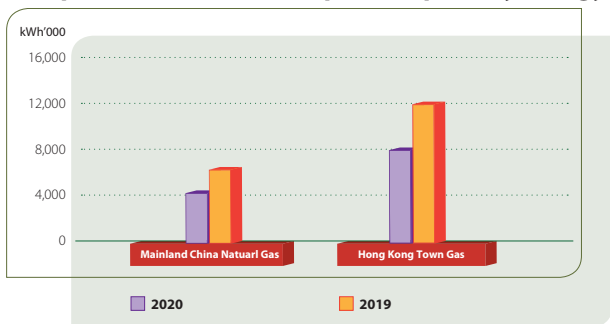
The Group consumed gasoline, diesel, natural gas and town gas as its primary energy resources for daily operations and transportation. The Group has been dedicated to reducing the use of fossil fuel, especially diesel, and improving the efficiency of operations, and sees it as the key to its commitment to becoming an eco-friendly enterprise. In FY2020, the amount of gasoline and diesel fuel consumed by the Group was 22,761.21 litres and 11,832.13 litres respectively, among which the consumption of gasoline and diesel was reduced by 46.95% and 66.62% respectively. To further lower the consumption of fossil fuels, the Group has adopted a number of effective measures. The Group's transportation fleet in Hong Kong, for example, has adopted environmentally friendly trucks, which must meet the emission and noise control standards issued by the Hong Kong Government. Furthermore, all vehicles of the Group have been installed with diesel particulate filters (DPF), a device designed to remove diesel particulate matter or soot from the exhaust gas of a diesel engine, to further abate the detrimental impact of exhaust fumes from vehicles on the environment. In contrast with the outmoded supply chain management model in which suppliers normally transport raw materials directly to restaurants, central kitchens adopt a brand-new approach called 'centralised logistics' for food delivery, which has successfully reduced the frequency of vehicle usage, thereby leading to a substantial decline of the carbon footprint of its products from a lifecycle perspective.

Comparison of the fossil fuel used for transportation in FY2019 and FY2020



The cooking process and food processing operations of the Group rely on the use of town gas in Hong Kong, Macau and Singapore, whilst natural gas is the dominant energy resource that Tsui Wah restaurant counts on for daily operations in Mainland China. In FY2020, Tsui Wah was committed to lowering the consumption of natural gas and town gas during restaurant operations, and trying to find renewable and clean energy as alternatives for cooking. Specifically, the Group's central kitchens started to operate under electric model instead of town gas to reduce the emissions of air pollutants and achieve higher operating efficiency. Meanwhile, the adoption of the electric model renders the combustion air fans useless at central kitchens anymore, thereby significantly reducing the noise pollution generated by the fans and avoiding unnecessary electricity consumption. During FY2020, a total of 300,454.45 units (equivalent to 4,006.38 kWh'000) of town gas were saved in Hong Kong by the concerted efforts of employees in Tsui Wah.

Comparison of the consumption of primary energy resources in FY2019 and FY2020

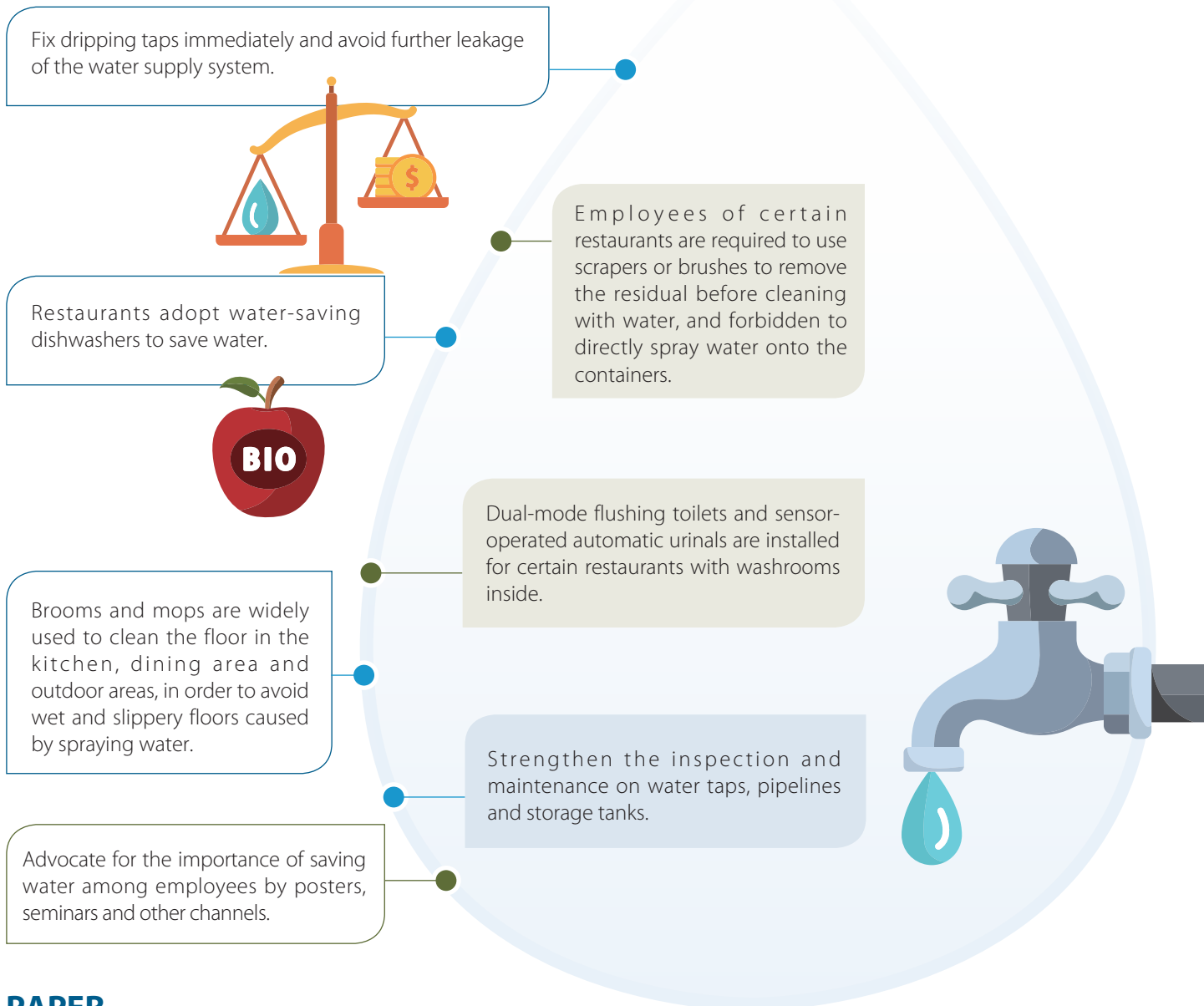


CARE FOR ENVIRONMENT



WATER

Tsui Wah prioritises water conservation among a growing number of environmental issues and follows the 3R rules — Reduce, Reuse and Recycle in its daily operations. By applying the robust water resource protection measures, the Group did not face any problem in sourcing water during FY2020. Furthermore, not only has the management and board put great emphasis on water preservation, all offices, restaurants and central kitchens have implemented uniquely effective water conservation measures very well. The Group strives to gradually instil the principle of ‘Saving Water’ to every employee during their daily lives and work. In FY2020, Tsui Wah’s total water consumption intensity dropped by approximately 10.40%. To further improve the utilisation efficiency of water resources, the Group has adopted the following practices:








PAPER

In FY2020, Tsui Wah participated in the Green Office and Eco-Healthy Workplace Awards Labelling Scheme held by World Green Organisation (WGO) again, committing to contribute to the creation and maintenance of healthy and green workplaces. During FY2020, the Group re-stressed the importance of saving resources in the office by releasing announcements and providing relevant guidance on the approach to protecting our environment around us. Tsui Wah has been dedicated to saving paper in the offices by promoting the concept of ‘paperless office’, and has already achieved significant progress by taking the following measures:



CARE FOR ENVIRONMENT



-  Choose suppliers with more environmentally-friendly paper sources, so as to reduce the number of indirect tree losses while consuming the same amount of paper;
-  Promote the concept of paperless office and office automation, and disseminate information by electronic means (i.e. emails or bulletin boards) as much as possible;
-  Set duplex printing as the default mode for most network printers when printouts are needed;
-  Spread the idea of “think before you print” by using posters and stickers in the offices to remind staff to avoid unnecessary printings; and
-  Use the back of old single-sided documents for printing or as draft paper.

PLASTIC

With increasing concerns of the environmental impacts, especially impacts to aquatic lives, caused by plastic waste, the Hong Kong Government has kept stressing the importance of reducing, reusing and recycling the plastic waste in the Policy Address 2018. With regard to the call of the government, the Environmental Protection Department has collaborated with the catering sector to promote the idea of “plastic free” and discourage the use of disposable plastic utensils through formulating guidelines and organising the campaign “Plastic-Free Takeaway, Use Reusable Tableware”. Caring about the sustainability of its aquatic environment and aiming to minimise its environmental footprint, as one of the outstanding leaders in the catering industry, Tsui Wah has been determined in taking actions to implement the policy of banning plastic straws and polyfoam food containers in its restaurants, in a response to the government’s initiative. Plastic straws, tableware and packaging bags are not provided to the customers unless they request. Tsui Wah believes that its endeavours in disseminating and embracing the plastic-free concept not only can contribute to the sustainable development of our planet, but will raise the awareness of the public in opting for a more eco-friendly lifestyle.



PACKAGING MATERIALS









The Group adopts standardised packaging materials for takeaways across all restaurants, which can be split into plastic, paper products and products made in other types of materials. It is widely acknowledged that the one-off plastics are a real concern for the planet and the damaging and long-lasting environmental effects of excessive takeaway waste have already gained significant attention in recent decades. To better control its consumption of packaging materials during daily operations, Tsui Wah has put more focus on the procurement management of packaging materials and strengthened its measurements of the consumption on a daily basis. As such, the Group furthers its monitoring, measurement and evaluation of the amount of different packaging materials purchased and used in all restaurants and central kitchens in FY2020. A great many restaurants of Tsui Wah have come up with a number of innovative and cost-effective packaging solutions whereby the amount of packaging materials can be strictly monitored and controlled. For instance, restaurants have specific records of procurement for packaging materials every day and place an order by estimating the number of different packaging items for the business the next day according to statistics. Furthermore, some restaurants regulate that the procurement of certain packaging items would be suspended for one day if the latest order exceeds the threshold. Moreover, the biodegradable plastic bags for take-away food has been widely used in Tsui Wah’s restaurants, which as compared with traditional plastic bags, are more eco-friendly. 37.45 tonnes of these biodegradable plastic packaging materials were adopted in the restaurants of Tsui Wah in terms of weight. Tsui Wah plans to keep exploring the possibility of applying this material to other packaging items in the future.

CARE FOR ENVIRONMENT



Ging Sun Ho King of Bun (堅信號上海生煎皇)

In alignment with the Group's vision in environmental protection, Ging Sun Ho King of Bun has implemented effective environmental policies to further its effort in minimising any potentially negative impacts on the environment, which includes:

-  Install the electrostatic precipitators in the exhaust system in the kitchen to reduce the emission of air pollutants and unpleasant odour;
-  Introduce the electric stoves in replacement of traditional gas stoves to lower the consumption of town gas, which in turn could reduce the GHG emissions;
-  Design vegetarian menus and encourage customers to eat 'greener' thus reducing carbon emissions related to meat production in cooperation with Green Monday;
-  Purchase and use environmentally friendly refrigerants (e.g. R404A/R410A) for refrigerators and air conditioners;
-  Utilise fans in assistance with air conditioners to cool the restaurant more efficiently;
-  Regulate that all employees fill in food-loss tables every day and report on any abnormal food-loss situation during food preparation;
-  Use air pumps instead of fresh water for blanching in food preparation to reduce water consumption; and
-  Prioritise take-away boxes made by paper or biodegradable materials in procurement and replace plastic straws with paper straws.

ENVIRONMENTAL AND NATURAL RESOURCES

Tsui Wah has bent itself for sustainable development and concentrated on the evaluation of the environmental impact of its business development and daily operations. Through a series of measures to save electricity, water, gasoline, diesel, natural gas, town gas and all other raw materials during operations that have been introduced above, the Group has made significant progress towards the building of a reliable and resilient corporation that pioneers in the catering industry. In FY2020, the Group's major environmental impacts were food waste and GHG emissions which were mainly attributed to the consumption of electricity and fossil fuels.

a. Food waste

Management approach:



Aiming for 'Zero Food Waste' from restaurants and central kitchens, Tsui Wah attaches great importance to the learning of Food Recovery Hierarchy and has carefully evaluated the profit potential, feasibility, industry prevalence, diversion potential, and societal economic value of certain policies and measures in food waste reduction, in order to seek the best approach to avoiding unnecessary food waste from daily operations. Tsui Wah follows the order of 'Prevention, Recovery, and Recycling' in its food management, and strives to grasp the opportunity to lower its food waste through the entire supply chain.

Examples of prevention:



Designing menus with 'No Waste' in mind, Tsui Wah endeavours to make innovations on its cuisines by minimising the range of ingredients used across dishes to create opportunities for cross-utilisation and delving into the possibility of using the by-products of one dish to produce another delicious food. Tsui Wah has also partnered with other organisations in the promotion of preventing food waste. For example, the Group participated in "Save Food Day" organised by Greeners Action in the past, advocating the environmental benefits of "smaller portions".

Examples of recovery:



Tsui Wah has long been considering the partnership with relevant food donation organisations which enables the Group to identify appropriate ways that the edible leftover and food can be delivered to those in need. Meanwhile, the food donation also provides a great opportunity facilitating Tsui Wah to keep measuring and managing its surplus food, and more importantly, to timely make adjustment of the stored raw materials for cooking and food preparation for sale, which pushes the Group to further eliminate the food waste at source.

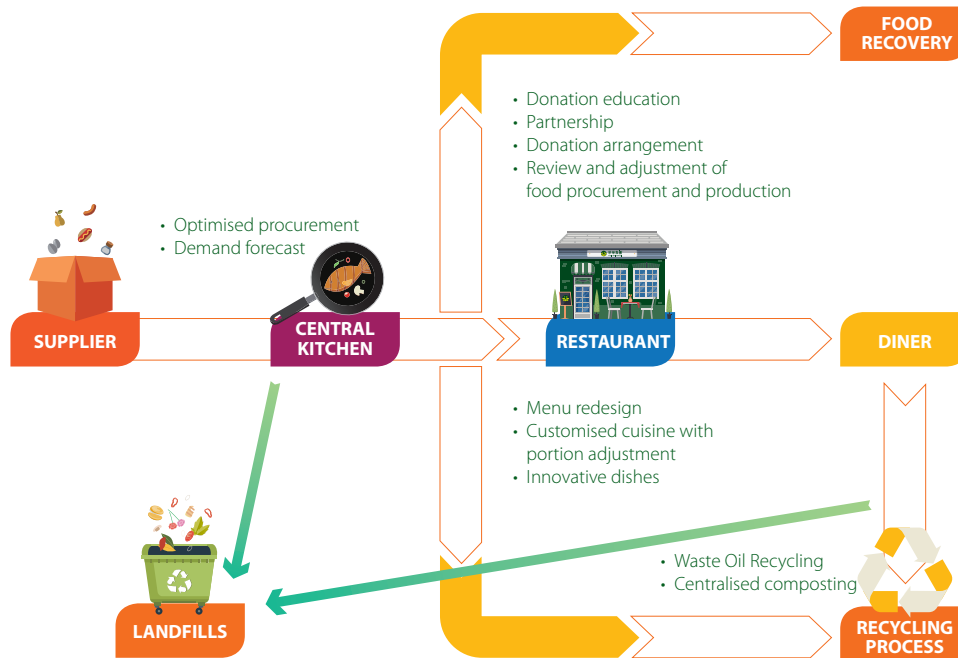


CARE FOR ENVIRONMENT



Examples of recycling:

The central kitchens of Tsui Wah have been engaged in the Waste Oil Recycling scheme for years by collaborating with certified oil recyclers. The waste oil is collected by the oil recycler and processed accordingly before being transformed into renewable energy that supports global sustainable development.



b. GHG emissions

Despite a magnificent triumph in lowering GHG emissions, the Group is still committed to further minimising its underlying environmental impacts by putting more efforts in the following two areas:

1. Innovation

To further minimise its possible repercussions on the environment, the Group will put more emphasis on the exploration of advanced technologies and business models with operations under higher energy efficiency. Following the requirements of ISO 50001 Energy Management System, Tsui Wah has been committed to establishing, implementing, maintaining and continually improving its energy management system by setting appropriate strategies and policies in controlling its energy consumption, which enables the Group to keep optimising its operational process and seeking any opportunity for advancement. For example, the central kitchen of the Group has adopted a centralised logistics approach, which allows all food to be distributed to each restaurant more efficiently, a result that lowers the carbon emissions during the transportation process. Also, the promotion of electric models in central kitchens and restaurants could massively lessen the Group's dependence on fuels for cooking operations.

2. Education

Tsui Wah values the education and advocacy of low-carbon operations and lifestyle. Employees are highly encouraged to take public transport instead of private cars, thereby largely reducing their individual carbon footprint. Besides, the Group endeavours to cultivate the good habits of diligence and frugality in terms of the use of natural resources among its employees through plenty of channels.

Looking ahead, Tsui Wah will remain steadfast in the research and application of more environmentally sound solutions to its food waste management and GHG emissions control, which are believed not only to be critical to the long-term success of the Group by decreasing waste hauling bill, raising employee's morale and retaining customers, but also beneficial to maintaining the balance of the entire ecosystem.

The Group was in compliance with laws and regulations relating to air, GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste during the year under review.

LAWS AND POLICIES



The Group's business operations have always been in compliance with relevant environmental and social laws, regulations and policies set out in Hong Kong, Macau, Mainland China and Singapore. The table below summarises laws and regulations which have a significant impact on Tsui Wah and with which the Group has complied.

CARE FOR EMPLOYEES

Employment Ordinance (Cap. 57 of the Laws of Hong Kong)
 Law no. 21/2009 (Law for the employment of non-resident workers in Macau)
 Labour Law of the People's Republic of China
 Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong)
 Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong)
 Employment Act (Singapore)
 Provisions of the State Council on Employees' Working Hours
 Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)
 Production Safety Law of the People's Republic of China
 Law of the People's Republic of China on Prevention and Control of Occupational Diseases
 Regulation on Work-Related Injury Insurance
 Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong)
 Anti-Money Laundering and Counter-Terrorist Financing Ordinance
 Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong)
 Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong)
 Mandatory Provident Fund Scheme Ordinance (Cap. 485 of the Laws of Hong Kong)
 Anti-corruption law of the people's Republic of China
 Law of the People's Republic of China on Anti-money Laundering
 Prevention of Corruption Act (Singapore)
 Law No. 7/2008 Labour Relations Law (Macau)



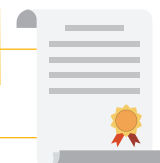
CARE FOR CUSTOMERS

Food Safety Ordinance (Cap. 612 of the Laws of Hong Kong)
 Food and Drugs (Composition and Labelling) Regulation
 Public Health and Municipal Service Ordinance (Cap. 132 of the Laws of Hong Kong)
 Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong)
 Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)
 Trade Marks Ordinance (Cap. 559 of the Laws of Hong Kong)
 Food Safety and Hygiene Advisory for Food Premises on the Prevention of COVID-19
 Food Safety Advice on Prevention of COVID-19
 Precautions for Food Delivery Agents on the Prevention of COVID-19
 Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F of the Laws of Hong Kong)



CARE FOR COMMUNITIES

Not applicable



CARE FOR SUPPLIERS

The Sale of Goods Ordinance (Cap. 26 of the Laws of Hong Kong)
 The Supply of Services (Implied Terms) Ordinance (Cap. 457 of the Laws of Hong Kong)



CARE FOR ENVIRONMENT

Environmental Protection Law of the People's Republic of China
 Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution
 Law of the People's Republic of China on Prevention and Control of Water Pollution
 Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes
 Law of the People's Republic of China on Conserving Energy
 Regulations of the Management of Economical Use of Urban Water
 Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong)
 Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong)
 Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong)
 Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong)
 Macau Environmental Law
 Environmental Protection and Management Act (Chapter 94A (Singapore))





REPORT DISCLOSURE INDEX



Aspects	ESG Indicators	Description	GRI Standards and Disclosures*	Section	Page
A. Environmental					
A1: Emissions	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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 305: Emissions, and GRI 306: Effluents and Waste) GRI 305: Emissions: Management approach disclosures guidance GRI 307: Environmental Compliance: Disclosure 307-1	Care for Environment	65
	KPI A1.1	The types of emissions and respective emission data.	GRI 305: Emissions: Disclosures 305-1, 305-2, 305-3, 305-6, and 305-7	Care for Environment	66
	KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 305: Emissions: Disclosures 305-1, 305-2, 305-3, 305-4	Care for Environment	66
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306: Effluents and Waste: Disclosure 306-2 (a)	Care for Environment	66
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306: Effluents and Waste: Disclosure 306-2 (b)	Care for Environment	67
	KPI A1.5	Description of measures to mitigate emissions and results achieved.	GRI 103: Management Approach: Disclosure 103-2 (used together with GRI 305: Emissions) GRI 305: Emissions: Clause 1.2 and Disclosure 305-5	Care for Environment	68
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	GRI 103: Management Approach: Disclosure 103-2 (used together with GRI 306: Effluents and Waste) GRI 306: Effluents and Waste: Disclosures 306-2 and 306-4	Care for Environment	69

REPORT DISCLOSURE INDEX



Aspects	ESG Indicators	Description	GRI Standards and Disclosures*	Section	Page
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 301: Materials, GRI 302: Energy, and GRI 303: Water)	Care for Environment	71
	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).	GRI 302: Energy: Disclosures 302-1 and 302-3	Care for Environment	71
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Not covered by the GRI Standards	Care for Environment	71
	KPI A2.3	Description of energy use efficiency initiatives and results achieved.	GRI 103: Management Approach: Disclosure 103-2 (used together with GRI 302: Energy) GRI 302: Energy: Disclosures 302-4 and 302-5	Care for Environment	72
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	GRI 103: Management Approach: Disclosure 103-2 (used together with GRI 303: Water) GRI 303: Water: Disclosure 303-3	Care for Environment	74
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	GRI 301: Materials: Disclosure 301-1	Care for Environment	75
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 301: Materials, GRI 302: Energy, GRI 303: Water, GRI 304: Biodiversity, GRI 305: Emissions, and GRI 306: Effluents and Waste).	Care for Environment	76
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	GRI 103: Management Approach: Disclosures 103-1 and 103-2 (used together with GRI 301: Materials, GRI 302: Energy, GRI 303: Water, GRI 304: Biodiversity, GRI 305: Emissions, and GRI 306: Effluents and Waste) GRI 303: Water: Disclosure 303-2 GRI 304: Biodiversity: Disclosure 304-2 GRI 306: Effluents and Waste: Disclosures 306-3 (c) and 306-5	Care for Environment	76



REPORT DISCLOSURE INDEX



Aspects	ESG Indicators	Description	GRI Standards and Disclosures*	Section	Page
B. Social					
Employment and Labour Practices					
B1: Employment	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 compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 202: Market Presence, GRI 401: Employment, GRI 405: Diversity and Equal Opportunity, GRI 406: Non-discrimination) GRI 419: Socioeconomic Compliance: Disclosure 419-1	Care for Employees	29
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	GRI 102: General Disclosures: Disclosures 102-8 (a), 102-8 (b), and 102-8 (c) GRI 405: Diversity and Equal Opportunity: Disclosure 405-1(b-ii)	Care for Employees	31
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	GRI 401: Employment: Disclosure 401-1 (b)	–	–
B2: Health and Safety	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 providing a safe working environment and protecting employees from occupational hazards.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 403: Occupational Health and Safety) GRI 419: Socioeconomic Compliance: Disclosure 419-1	Care for Employees	35
	KPI B2.1	Number and rate of work-related fatalities.	GRI 403: Occupational Health and Safety: Disclosure 403-2	Care for Employees	37
	KPI B2.2	Lost days due to work injury.	GRI 403: Occupational Health and Safety: Disclosure 403-2	Care for Employees	37
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	GRI 103: Management Approach: Disclosure 103-2 and 103-3 (a-i) (used together with GRI 403: Occupational Health and Safety)	Care for Employees	35

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Aspects	ESG Indicators	Description	GRI Standards and Disclosures*	Section	Page
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 404: Training and Education) GRI 404: Training and Education: Disclosure 404-2 (a)	Care for Employees	39
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Not covered by the GRI Standards	-	-
	KPI B3.2	The average training hours completed per employee by gender and employee category.	GRI 404: Training and Education: Disclosure 404-1	Care for Employees	40
B4: Labour Standards	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.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 408: Child Labor and GRI 409: Forced or Compulsory Labor) GRI 419: Socioeconomic Compliance: Disclosure 419-1	Care for Employees	42
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	GRI 103: Management Approach: Disclosure 103-2 (used together with GRI 408: Child Labor and GRI 409: Forced or Compulsory Labor) GRI 408: Child Labor: Disclosure 408-1(c) GRI 409: Forced or Compulsory Labor: Disclosure 409-1(b)	Care for Employees	42
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	GRI 103: Management Approach: Disclosure 103-2 (used together with GRI 408: Child Labor and GRI 409: Forced or Compulsory Labor) GRI 408: Child Labor: Disclosure 408-1(c) GRI 409: Forced or Compulsory Labor: Disclosure 409-1(b)	Care for Employees	42



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Aspects	ESG Indicators	Description	GRI Standards and Disclosures*	Section	Page
Operating Practices					
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 308: Supplier Environmental Assessment and GRI 414: Supplier Social Assessment)	Care for suppliers	60
	KPI B5.1	Number of suppliers by geographical region.	GRI 102: General Disclosures: Disclosure 102-9	Care for suppliers	28/61
	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.	GRI 103: Management Approach: Disclosure 103-2 (used together with GRI 308: Supplier Environmental Assessment and GRI 414: Supplier Social Assessment) GRI 308: Supplier Environmental Assessment: Disclosures 308-1 and 308-2 GRI 414: Supplier Social Assessment: Disclosures 414-1 and 414-2	Care for suppliers	62
B6: Product Responsibility	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 health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 416: Customer Health and Safety, GRI 417: Marketing and Labeling, and GRI 418: Customer Privacy) GRI 416: Customer Health and Safety: Disclosure 416-2 GRI 417: Marketing and Labeling: Disclosures 417-2 and 417-3 GRI 418: Customer Privacy: Disclosure 418-1 GRI 419: Socioeconomic Compliance: Disclosure 419-1	Care for customers	43
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not covered by the GRI Standards	There were no matters of recall for safety and health reasons during the reporting period.	–
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	GRI 102: General Disclosures: Disclosures 102-43 and 102-44 GRI 103: Management Approach: Disclosure 103-2 (c-vi) GRI 418: Customer Privacy: Disclosure 418-1	The Group is not aware of any significant complaints related to products and services during the reporting period.	–
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not covered by the GRI Standards	Care for customers	56

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Aspects	ESG Indicators	Description	GRI Standards and Disclosures*	Section	Page
	KPI B6.4	Description of quality assurance process and recall procedures.	Not covered by the GRI Standards	Care for customers	49
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	GRI 103: Management Approach: Disclosures 103-2 and 103-3 (a-i) (used together with GRI 418: Customer Privacy)	Care for customers	55
B7: Anti-corruption	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 bribery, extortion, fraud and money laundering.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 205: Anti-corruption) GRI 205 Anti-corruption: Disclosure 205-3 GRI 419: Socioeconomic Compliance: Disclosure 419-1	Care for Employees	42
	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.	GRI 205: Anti-corruption: Disclosure 205-3	Care for Employees	42
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	GRI 102: General Disclosures: Disclosure 102-17 GRI 103: Management Approach: Disclosures 103-2 and 103-3 (a-i) (used together with GRI 205: Anti-corruption); GRI 205: Anti-corruption: Clause 1.2	Care for Employees	42
Community					
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.	GRI 103: Management Approach: Disclosure 103-2 (c-i) (used together with GRI 413: Local Communities)	Care for communities	57
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	GRI 203: Indirect Economic Impacts: Disclosure 203-1(a)	Care for communities	58
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	GRI 201: Economic Performance: Disclosure 201-1(a-ii)	Care for communities	58



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