



# 1957 & Co. (Hospitality) Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8495

## Environmental, Social and Governance Report 2020



# Contents

1.	Introduction	2
2.	About this Report	3
3.	Sustainability Management	3
	A. Stakeholder engagement	3
	B. ESG issues materiality matrix	4
4.	Our Commitment to the Environment	5
	A. Introduction	5
	B. Measure for energy and resources conservation	5
	C. Sustainable restaurants operation measure under COVID-19 pandemic	6
	D. Active waste recycle to minimise disposal	6
	E. Sustainable dishes and food sourcing	7
	F. Acts to manage climate change risks	8
	G. Energy consumption and emission data	8–10
	H. Performance and goal	11
5.	Our Commitment to Quality	12
	A. Procurement policy	12
	B. Internal safety and hygiene policy	13–14
	C. Protecting intellectual property rights	15
	D. Our care to customers	15
	E. Data protection and privacy policies	15
6.	Policy and Measures on Anti-corruption	16
7.	Our Commitment to Our People	17
	A. Introduction	17
	B. Labour standard and equal opportunity	17
	C. Occupational health and safety	18
	D. Employee development and training	19
	E. Hours of training received by our staff	19–20
	F. Employee data	21–22
	G. Employee turnover rate	23
8.	Our Connection with the Global Community	24
9.	Awards and Recognition	25–27
10.	Laws and Policies	28–29
11.	Report Disclosure Index	30–32

# Environmental, Social and Governance Report

## 1. INTRODUCTION

1957 & Co. (Hospitality) Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**We**”) is pleased to present the Environmental, Social and Governance (“**ESG**”) report (the “**Report**”) for the year ended 31 December 2020. While pursuing development of our core food and beverage (“**F&B**”) business with our dining concept on the theme “Create an Original Lifestyle”, the Company does not solely attach great importance on food quality and safety, but also on a multidimensional catering concept that can reflect sustainability, social caring, and innovation.

With the hit of Coronavirus Disease 2019 (“**COVID-19**”) and the economic contraction in Hong Kong, 2020 was a year of hardship for the F&B industry. In this difficult environment, an operational with emphasis on sustainability can show strong resilience. The Company will continuously strengthen the ESG management mechanism and improve our ESG strategy to ensure sustainable and growing return for our investors.

As of 31 December 2020, we had twelve restaurants under five self-owned brands and three franchised or sub-licensed brands in Hong Kong. Through these various brands, we were dedicated to serving quality Japanese, Thai, Vietnamese, Shanghainese and Italian cuisines to different customers.



Our Thai-style cuisine restaurants — Mango Tree (Elements), Mango Tree (Cityplaza) and Mango Tree (YOHO Mall).



Our Vietnamese-style restaurants — An Nam (Lee Garden One) and An Nam (Festival Walk).



Our Japanese-style restaurants — Ta-ke (Lee Garden Two), Gonpachi (Lee Garden One) and Hokkaidon (Cityplaza).



Our Shanghainese-style restaurants — Modern Shanghai (YOHO Mall), Modern Shanghai (Olympian City) and 10 Shanghai (Lee Garden Two).



Our Italian-style restaurant — Paper Moon (Harbour City).

# Environmental, Social and Governance Report

## 2. ABOUT THIS REPORT

This Report aims to disclose the sustainability and social approach and performance of the Group's core business located in Hong Kong, emphasising on the key issues with stakeholders' highest concern (please refer to the ESG issues materiality matrix section). This Report is prepared in accordance with the ESG Reporting Guide as set out in Appendix 20 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

The scope of the report includes the headquarter and all restaurants of the Group in Hong Kong from 1 January 2020 to 31 December 2020.

For more information on our approach regarding ESG matters or our financial performance and corporate governance, please refer to our official website at [www.1957.com.hk](http://www.1957.com.hk).

## 3. SUSTAINABILITY MANAGEMENT

### A. Stakeholder engagement

Active communication with stakeholders is essential to the assessment of our current ESG strategy. Our Group is committed to take the initiative to continuously interact with key stakeholder groups. Diverse communication channels and platform are established to exchange information and receive feedback from stakeholders, prompting adjustment and feedback in response to the changing needs and requirements of the stakeholders. Communication channels with major stakeholder groups were as below:

Stakeholder Group	Issues of Concern	Communication Channels
Investors and shareholders	<ul style="list-style-type: none"><li>Return on investment</li><li>Future development plan</li><li>Transparency of business</li></ul>	<ul style="list-style-type: none"><li>Annual general meeting</li><li>Quarterly reports, corporate website, announcements, circulars and notices of meetings</li></ul>
Employees	<ul style="list-style-type: none"><li>Remuneration and benefits</li><li>Career development opportunities</li><li>Occupational health and safety</li><li>Corporate culture</li></ul>	<ul style="list-style-type: none"><li>Staff orientation</li><li>Continuously trainings and workshop programmes</li><li>Performance reviews and appraisals</li><li>Team building activities</li></ul>
Customers	<ul style="list-style-type: none"><li>Food quality and safety</li><li>Service</li><li>Dinning environment and experience</li><li>Personal data collection policy</li></ul>	<ul style="list-style-type: none"><li>In-restaurant customer satisfaction survey</li><li>Customer service hotline</li><li>Corporate website and social media page</li></ul>
Suppliers	<ul style="list-style-type: none"><li>Long-term business relationship</li><li>Contractual arrangement</li><li>Supply chain management</li><li>Fair procurement policy</li></ul>	<ul style="list-style-type: none"><li>On-site inspection and performance review</li><li>Tendering and other regular meetings</li></ul>
Landlords	<ul style="list-style-type: none"><li>Lease contract arrangement</li><li>Corporate image and marketing</li></ul>	<ul style="list-style-type: none"><li>Regular meetings</li><li>Opening ceremonies of new shops</li></ul>
Community	<ul style="list-style-type: none"><li>Contribution to the community</li><li>Promoting community harmony</li><li>Pollution and other adverse effect</li></ul>	<ul style="list-style-type: none"><li>Press release</li><li>Corporate website</li><li>Community investment and activities</li></ul>
Regulators	<ul style="list-style-type: none"><li>Regulatory compliance</li><li>Taxation compliance</li></ul>	<ul style="list-style-type: none"><li>Seminars and trainings</li><li>Responses to government policies</li></ul>

# Environmental, Social and Governance Report

## B. ESG issues materiality matrix

Based on the stakeholders' feedback collected from the aforementioned channels, 15 ESG-related material issues were identified and classified into four aspects, namely, environment, employment, quality and social aspects. Accordingly, we consider the issues located near or in the top right-hand portion of the matrix to be more important. With the outbreak of COVID-19, health and safety continue to serve as one of the most important issues in the reporting year, while food safety and hygiene, food research and development ("R&D") and quality and customer service are of the top issues for our stakeholders and our business. With the growing concern by our customers on food quality and dining experience, development and training of our staff as well as supply chain management raised to the second batch of the most important issues in 2020. The Report is concentrated to provide comprehensive disclosures on these top issues, with sufficient disclosures for other issues.

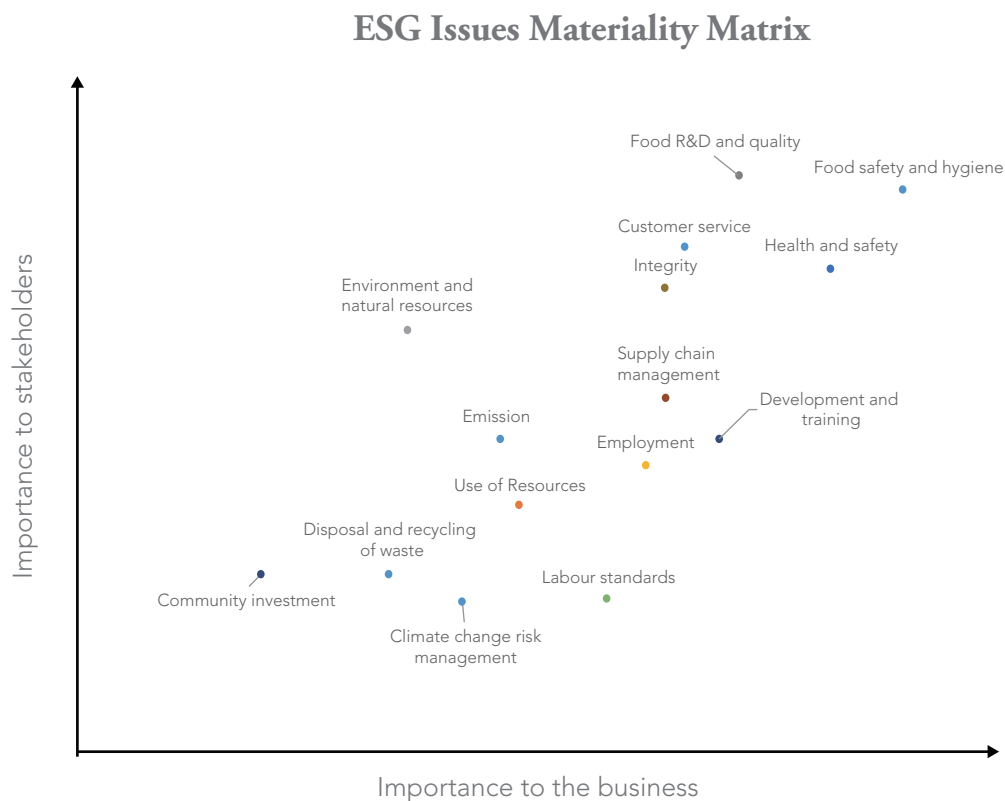


Figure 1 — ESG issues materiality matrix showing the issues that are important to stakeholders and the business

# Environmental, Social and Governance Report

## 4. OUR COMMITMENT TO THE ENVIRONMENT

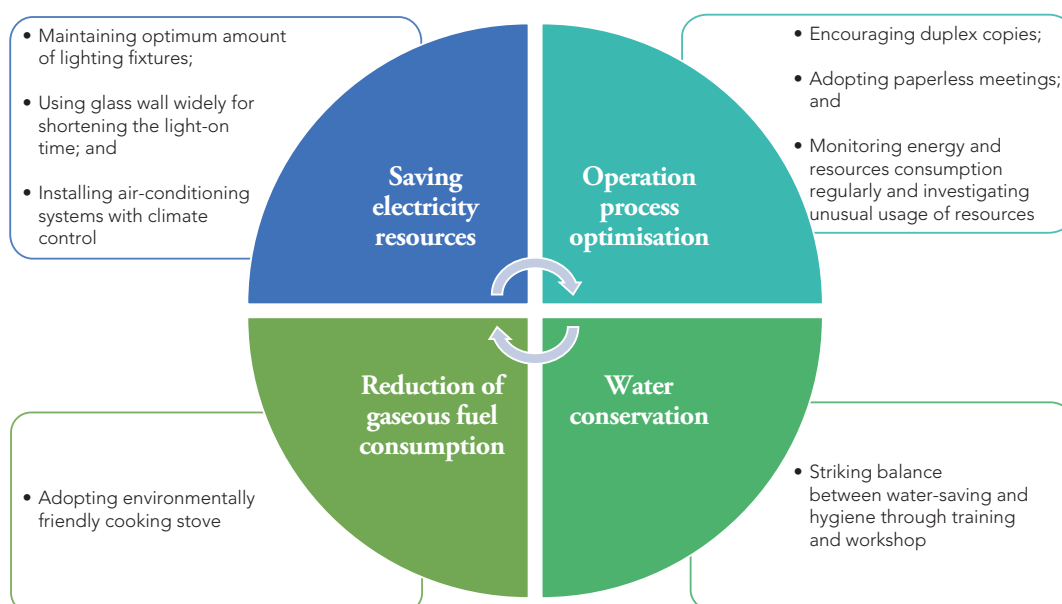
### A. Introduction

Our Group has strictly implemented environmental-friendly measures according to the relevant Laws of Hong Kong and specific guidance in the food industry. We also have stringent compliance with the Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong), ensuring all sewage is treated properly before the discharge. According to Zero Foodprint organization, 70% of the restaurant's carbon footprint comes from the production of its ingredients. Greenhouse gases are the major cause of climate change and global warming. To reduce our carbon footprint, one of our key focus of this year's environmental policy is to create sustainable food choices for our customers, others would be as follows:

- Strengthening ESG management system and establishing comprehensive environmental policies to reduce negative impacts on society and environment;
- Optimising operation process by advanced technology adaptation in office and restaurants;
- Reducing the carbon footprint of our dishes by selecting sustainable raw materials' supply;
- Consuming energy, water, resources and raw materials efficiently; and
- Advocate sustainability concept to employees to create a joint effort in green business development.

### B. Measure for energy and resources conservation

In order to achieve green and low-carbon operation, we are committed to implementing environmentally friendly and resource-saving measures in daily operations in both the office and restaurants. The below summarises our measures for energy and resources conservation in four aspects.



# Environmental, Social and Governance Report

## C. Sustainable restaurants operation measure under COVID-19 pandemic

### Regular sanitation within the restaurant

- Disinfectant is used for cleaning the dining area to ensure customers as well as our employees are safe from the virus;
- Several sanitation teams are standing by during the operation hours to monitor the cleanliness of the environment.

## D. Active waste recycle to minimise disposal

During our operation, we have invested in tremendous efforts in reducing the amount of waste generated and we have a standardised waste management system. The main generated waste from our operation is food waste and we do not produce any hazardous waste and material packaging materials due to our business nature. We believe by adopting the following practice, there will be no material non-hazardous waste generated as well.

### Solid food waste management

- Implementing cooked-to-order measure to minimise the amount of pre-cooked food and potential food waste.

### Waste cooking oil (“WCO”) management

- In a contractual relationship with a licenced company handling waste cooking oil recycling since 2018 to collecting and transport the WCO to Environmental Protection Department (“EPD”)’s facility;
- Providing trainings to our staff on the effective and efficient techniques of using cooking oil;
- Strictly followed the guidelines from the EPD to store and record the waste cooking oil on-site; and
- All of our restaurants have contracted their respective property management company and are using the centralised grease trap(s) located in the shopping malls.

During the reporting period, the assigned recycling company collected 35,064 litres (2019: 34,168 litres) of waste cooking oil from our restaurants which represented an increase of 2.6% of waste cooking oil collected compare to last year. We discover there are some initiatives turning waste cooking oil into resources, such as biodiesel and soap. We will explore those initiatives in order to make the best out of the waste cooking oil.

# Environmental, Social and Governance Report

## E. Sustainable dishes and food sourcing

Natural resources are significant to our business operation as we value food quality greatly. Increased frequency of natural disasters and rising temperature caused by climate change will increase our operational risks. It will directly affect the stability of food supply and the procurement process. In order to cope with the impacts of climate change, the Group has to be climate resilient. It is important to strengthen the supply chain management and corporate governance so that the operation can be flexible enough to deal with any situation under climate change.

During the supplier selection procedure, we take sustainability into consideration, prioritising those suppliers using safer pesticides, transportation with less carbon footprint, and less damaging fishing method. In the meantime, our restaurants do not purchase endangered or threatened species to sustain our natural environment. For instance, the tuna being selected and used in our restaurant Hokkaidon is from Kyūshū, Japan, and are not wildly hunted.

We rely on the nature greatly and we also respect it. We strive to maintaining the food sustainability and working our best to cause less impacts to the nature. We guarantee that our restaurants would only consume energy that is under absolute need and minimise the production of waste. We endeavour to strive for excellence in pursuing mutual coexistence and symbiosis with our environment.

### Our participation in food sustainability event — One Planet Plate

During the year, we are pleased to announce that our executive chef Chen from 10 Shanghai (Lee Garden Two) was one out of twelve chefs for participating in One Planet Plate, which is a restaurant campaign to put sustainability on the menu hosted by Food Made Good Hong Kong in partnership with WWF-Hong Kong and Hysan Development Company Limited. Throughout a series of six workshops with the theme of one of the six criteria for a One Planet Plate recipe, it was also a chance for chef worldwide to show how they were contributing to a better food future, and to galvanize diners to think about and act upon their own food choices. The whole event have raised HK\$35,000 for WWF-Hong Kong.



Figure 2 & 3 — Food sustainability event of One Planet Plate



# Environmental, Social and Governance Report

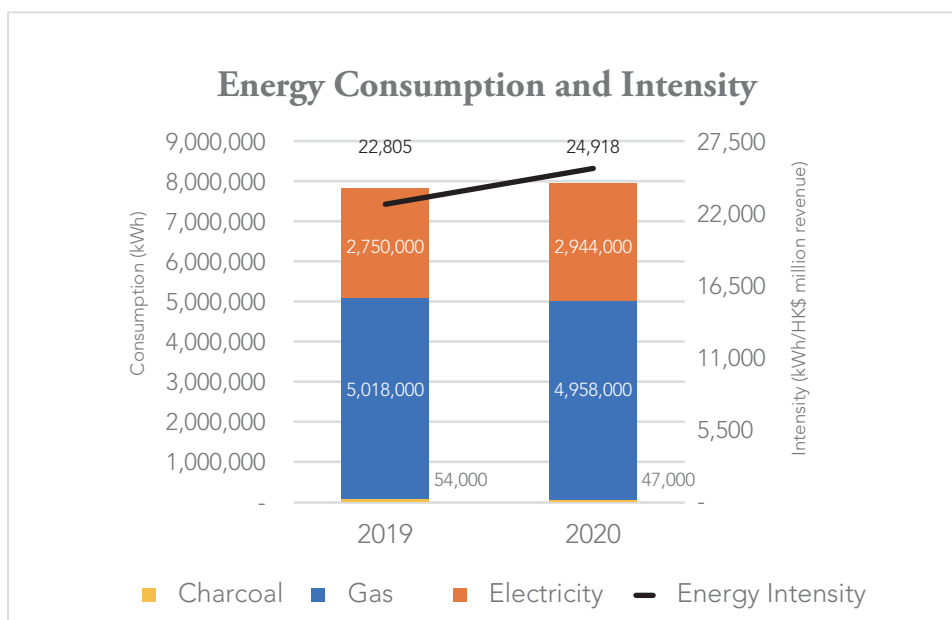
## F. Acts to manage climate change risks

Our Group realises that climate change may cause certain risks to its business. Therefore, we have been specifically paying attention to climate change and its impact in recent years. According to the Task Force on Climate-related Financial Disclosures (“TCFD”), climate change risks can be divided into physical risks and transition risks. TCFD has also pointed out that physical risk is the impact or loss caused to the company’s real capital, which can be further subdivided into acute and chronic risks. While transition risk refers to the risks related to the transformation towards a low-carbon economy. Companies may experience regulatory risks and litigation in the process risks, technical risks, reputation risks, and market fluctuations incurred by the transition.

By exploring the risks and opportunities that climate change might bring, we formulate effective countermeasures and policies to deal with the climate change as well as reducing its impact on the Group’s business.

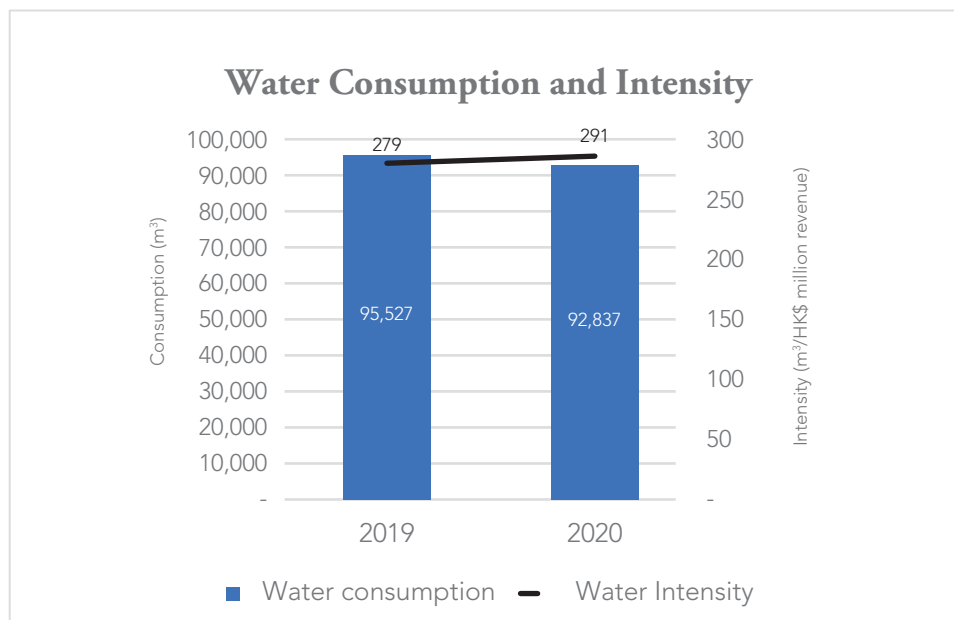
## G. Energy consumption and emission data

Gas, electricity and charcoal are the major types of energy resources consumed by the Group. In 2020, the Group consumed approximately 4,958,000 kilowatt hour (“kWh”) and 2,944,000 kWh gas and electricity respectively and 5,685 kg of charcoal, with a total energy consumption of 7,949,000 kWh and the intensity was 24,918 kWh per HK\$ million revenue. The energy consumption increased by 9.3% compared to preceding year.

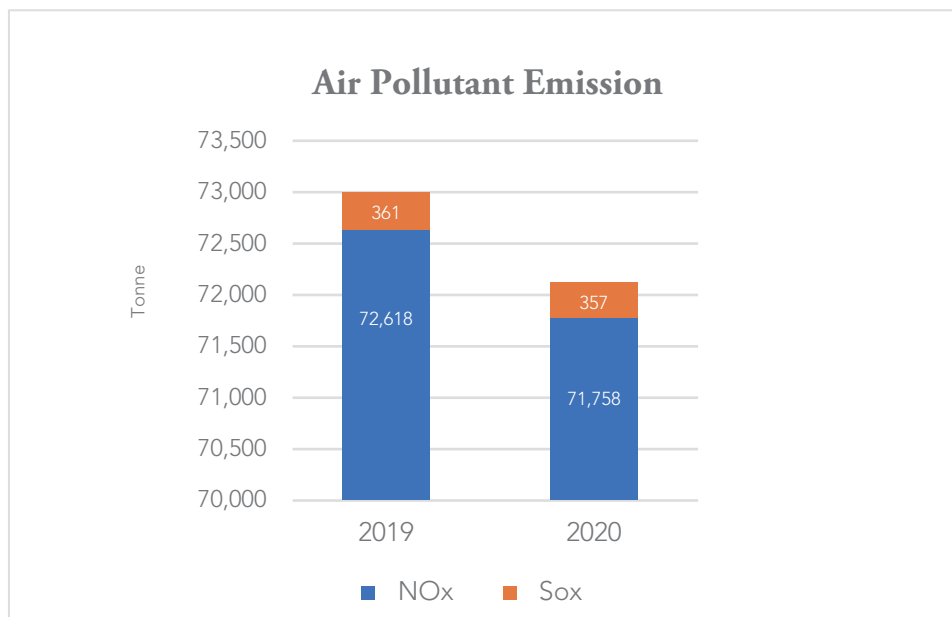


# Environmental, Social and Governance Report

Water is another resource that the Group consumed most. The total consumption of water in 2020 was 92,837 cubic meter ("**m<sup>3</sup>**"), with water intensity of 291 m<sup>3</sup> per HK\$ million revenue. There was no issue in sourcing water that is fit for the purpose.

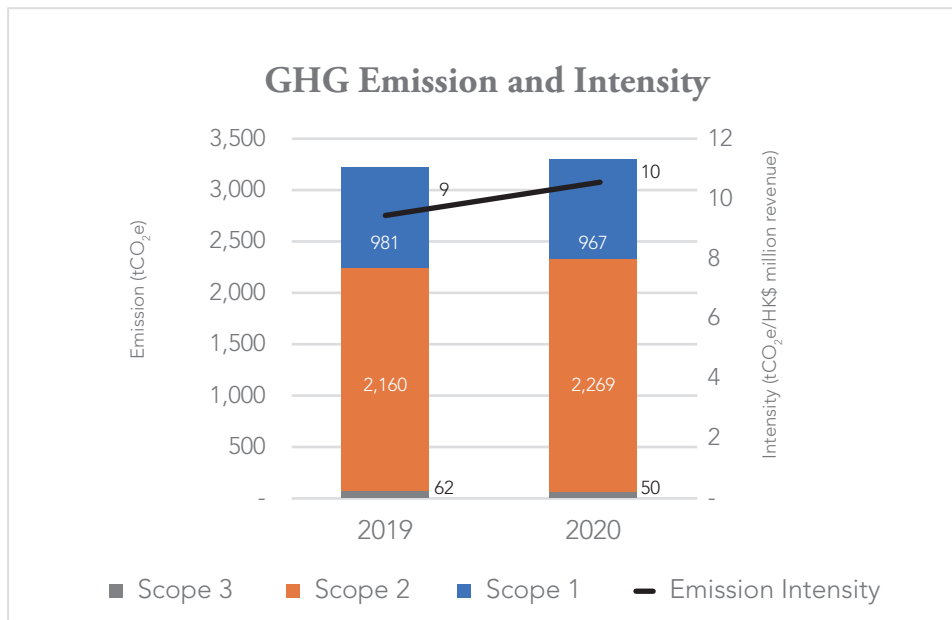


The group's gas consumption generates approximately 357 tonne sulphur oxides ("**SO<sub>x</sub>**") and 71,758 tonne nitrogen oxides ("**NO<sub>x</sub>**") as shown in the below diagram.



# Environmental, Social and Governance Report

In 2020, the total greenhouse gas (“GHG”) emissions amounted to approximately 3,286 tonnes of carbon dioxide equivalent (“tCO<sub>2</sub>e”), of which 967 tCO<sub>2</sub>e were direct emissions (Scope 1), 2,269 tCO<sub>2</sub>e were energy indirect GHG emissions (Scope 2) and the remaining 50 tCO<sub>2</sub>e were other indirect GHG emissions (Scope 3). The emission intensity was 10 tCO<sub>2</sub>e per HK\$ million revenue.



# Environmental, Social and Governance Report

## H. Performance and goal

The above energy consumption and emission data for this reporting period covers all our restaurants. By comparing the figures of the years 2019 and 2020, we have similar performance, and we have improvements in some aspects.

In terms of energy, our consumption of gas has decreased while electricity showed an increase as we have shifted some of our cooking utensils from gas to electricity. We have also consumed less water in absolute terms. Furthermore, our emissions of SO<sub>x</sub> and NO<sub>x</sub> have decreased over the year. Our total GHG emissions intensity has risen slightly and we will continue to monitor it closely.

Reviewing the past performance is important while setting goals for future is also critical. Based on the past performance and our future business development plan, we came out the following goals on our environmental performance. As we intend to continue expanding our business and we are still reviewing and adjusting our environmental policy, we will set the goals at a reasonable and reachable level at first. For the energy and water consumption intensities, we will try our best to reduce not less than 3% by next reporting year. We aim at lowering the total GHG emissions through our various policies and thus reach that goals. We will integrate the sustainability concept into every stage of our operation and enhance our environmental and social performance in the future.

# Environmental, Social and Governance Report

## 5. OUR COMMITMENT TO QUALITY

To retain customers as well as protecting their health, we put quality control of our services in a high place. There are several material issues identified and related policies are carried out to address the concerns.

Concerned issue	Related policies
Food quality	A. Procurement policy B. Internal health, safety and hygiene policy
Customer dining experience	C. Protecting intellectual property rights D. Our care to customers E. Data protection and privacy policies

### A. Procurement policy

The creation of quality dishes starts from sourcing quality ingredients. To ensure the input supply are in a high standard sustainably, the Group manage the supply chain with several standards. Our group has formulated internal guidelines for the selection of suppliers, in which the stability of input quality, hygiene and reputation are the main concerns. Apart from solid background of the suppliers, we also pay much attention to the ethics of suppliers. Our approved partners must not be associated with any of the following offence, including animal cruelty, local pollution, child labour and forced labour. Even if the companies are on our approval list, we are having a range of rigorous procurement process and a specified Food Safety Task Force to assess our suppliers. Through regular visit to factories and workshops, we can assess the current conditions such as the cleanliness of the products. If there are any problems discovered, a meeting with the respective supplier will be held to seek for the solutions and improvement.

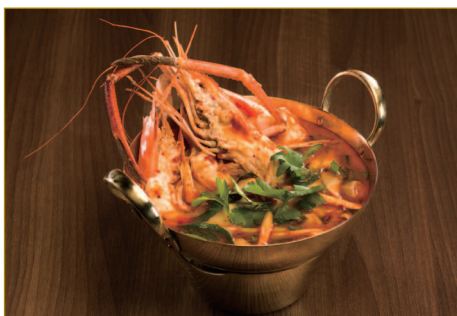


Figure 4 — Tom Yum Goong from Mango Tree (YOHO Mall)



Figure 5 — Teppanyaki Grilled Live Lobster from Ta-ke (Lee Garden Two)



Figure 6 — Huaiyang Appetizer Platter from Modern Shanghai (YOHO Mall)



Figure 7 — Char-grilled Pork from An Nam (Festival Walk)

# Environmental, Social and Governance Report

## **B. Internal safety and hygiene policy**

Workplace hygiene and safety are of our highest priorities for the restaurant's operation. The Group strives to provide high-end dishes and experience to customers in a clean and safe environment that employees are comfort with. To ensure our servings are in a consistently satisfactory standard, we follow not only the internal hygiene standard, but also the official supervising scheme as stated by the government. The Food and Environmental Hygiene Department has introduced the Hygiene Manager and Hygiene Supervisor Scheme under which all large food establishments and food establishments producing high risk food are required to appoint a hygiene manager and a hygiene supervisor. Under such Supervisor Scheme, all large food establishments producing high risk food are required to be monitored by them on the hygiene level of the environment as well as the way food are handled.

The manager and supervisor are also responsible to promote and support the hygiene and health regulations. They have to participate in extra courses to enhance their food safety knowledge of eliminating any food poisoning and foodborne illnesses. All employees must strictly follow the instructions regarding cleaning, storage and food processing at all times.

To further safeguard the food safety and maintain an effective food safety management system, a food safety task force is established to identify and address the food safety concerns and report any discovered problems to the seniors for further improvements.

### **Measures in response to COVID-19**

Since the early 2020, companies or even countries around the world were still facing the challenges brought by the COVID-19. The daily business operation has inevitably being affected drastically. To better protect our customers and the staff still working in the restaurants, we have strictly followed the government's guidelines on virus control and the Group updated policies on personal hygiene. We believe the following measures would help securing the health and safety of every stakeholders involved and supporting the communities to back on the right track.

In our daily operation, we perform temperature check on all staff and require every of them to wash their hands and wear a proper mask before entering the restaurant. In order to prevent infected pollutants disperse around the restaurants, we have equipped medical grade of air purifiers at our restaurants which also recommended by Food and Environmental Hygiene Department ("**FEHD**") so as to ensure the sufficient fresh air supply, starting from 2021.

Over the past year, we have strictly complied with the social-distancing measures imposed to catering business by the government. Every customers before entering the restaurants are required to perform temperature check and scan the "LeaveHomeSafe" QR code or register their information. Hand sanitisers are also provided. After customers have finished their meals, staff would take the responsibility to sanitise the facilities including the plastic partitions used to maintain the social distance, ensuring every equipment is clean and ready to use by the next customer.

# Environmental, Social and Governance Report

Furthermore, we have taken utmost attention to enforce measures against COVID-19, including:

## *Restaurants*

- Arranging nano photocatalyst long-acting disinfectants to all areas in the restaurants;
- Conducting body temperature check for restaurant guests before seated;
- Inviting guests to sanitise their hands with the infra-red sensor automatic soap dispenser before entering the restaurant;
- Offering guests antiseptic wipes and extra cutleries for sharing purpose;
- Stepping up the sanitation standard and conducting thorough disinfection, especially those high-risk areas, such as tables, chairs and menus;
- The cutleries sanitation will be done by over 80 degree Celsius;
- Dishes should be covered by a lid all the way from kitchen to dining table;
- Dining tables are sanitised with designated disinfectant immediately after each meal;
- All restaurant toilets are disinfected on an hourly basis; and
- All guests are required to wear mask within the restaurant (except the time during consuming food or drink), and to maintain a distance of 1.5 meters between dining tables or some form of partition.

## *Staff*

- All staff are required to check their body temperature before report duty every day;
- All staff are required to wear surgical mask;
- All staff are required to wash their hands appropriately before back to working station;
- All staff should maintain good personal hygiene (e.g. washing hands before or after handling food, after clean-up is carried out, after handling refuse or other dirty items, and after visiting the toilet);
- All staff are required to report any travelling during vacation to their supervisor for record; and
- Timely report to Human Resources Department for any mandatory quarantine or compulsory testing required by the Law.

# Environmental, Social and Governance Report

## C. Protecting intellectual property rights

Each of our restaurants has its own dining concept, and we provide a great dining environment by merging the interior design and restaurant view together. Our designers use their own ideas to create award-winning interior design. Our company respects the effort of every creator, therefore we comply with relevant laws and regulations to observe and protect intellectual property rights.

We are currently operating restaurants under five self-owned brands and three franchises or sub-licensed brands. We took measures to protect all trademarks and other intellectual property rights by making the necessary filing and registration. Apart from that, recipes are significant assets of our Group. There are strict regulations in the kitchen and effective management to prevent disclosure of the recipes. Any requests or enquiries from outside news organisations, magazines, competitors and other members of the public regarding our restaurants, their plans, sales procedures, team members or other matters should be referred immediately to the Marketing and Communication Director.

## D. Our care to customers

A successful cooperation would not fail to cater customers' need. We value all sorts of opinion from the customers and are always motivated to interact with them. Our employees are well-trained to be detail-minded and take the initiative to accommodate customers' need. Through direct interactions with customers, these help to build warm and comfortable atmosphere among the restaurant and retain our precious customers.

All front and back-of-house staff are required to have a thorough understanding in all food and beverages items on our menus. Related trainings such as menu tasting, wine tasting, negotiation and service techniques will be provided to ensure that our team is able to deliver excellent and consistent service to the customers.

Apart from direct communications with staff and managers, we also provide various communication channels for complaints and compliments. Our managers will therefore respond to the enquiries in a timely and positive manner. They will also investigate into the subject report and address the problem immediately once the problem is confirmed. Complaints and material issues are reported to the headquarters on a regular basis.

## E. Data protection and privacy policies

Our Group place great emphasis on the data protection and privacy security of our customers. We strictly follow the guidance of the Employee Handbook and restrict any unauthorised usage on the personal data. We have a "1957 & Co. Loyalty Program" (the "**Program**") for our frequent guests to earn and redeem points across our restaurants and enjoy exclusive privileges. Customer's personal information might be passed across different departments and employees easily. Hence, we have fully informed employees that they must only collect and use personal data in accordance with applicable data protection laws, as well as the Group's policy on Personal Data Governance and local policies of the Telecommunications division. As our frontline employees have more chances to handle personal information with consumers, we provide specific trainings for them to ensure that they do understand the importance of privacy protection.

All our personal data collection complies strictly to the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong), including that for the purpose of the operation and management of the Program, and are collected solely for activities related to the Program.



# Environmental, Social and Governance Report

## 6. POLICY AND MEASURES ON ANTI-CORRUPTION

Our Group believes that loyalty, integrity, and fairness are core assets to our business. Therefore, all employees of the Group, from the top management to our frontline staff, must strive to ensure that the reputation of the Group is not damaged by dishonesty, disloyalty or corruption. We advocate anti-corruption and anti-fraud in our working environment. We have implemented a strict internal control policy and regulation towards bribery or dishonesty which are all stated in the Code of Business Conduct. The content of the Code is applicable on all employees, including temporary and part-time workers. Well-structured processes on purchases, sales, operation and finance are mentioned for employees to follow to avoid the occurrence of any potential corruption issues.

Our Company's whistleblowing policy is available on our website. We encourage our employees who have concerns about any suspected misconduct or malpractice within the Group to voice out verbally or in written standard whistleblowing report form, and the Group will acknowledge receipt of the report within five working days. A designated senior officer, Company Secretary or Compliance Officer, will be appointed to manage the report. An investigation will be conducted in accordance to the investigation procedures that we set out. We have no tolerance towards any corruption incidents. During the reporting period, there are no concluded legal cases regarding corrupt practices.

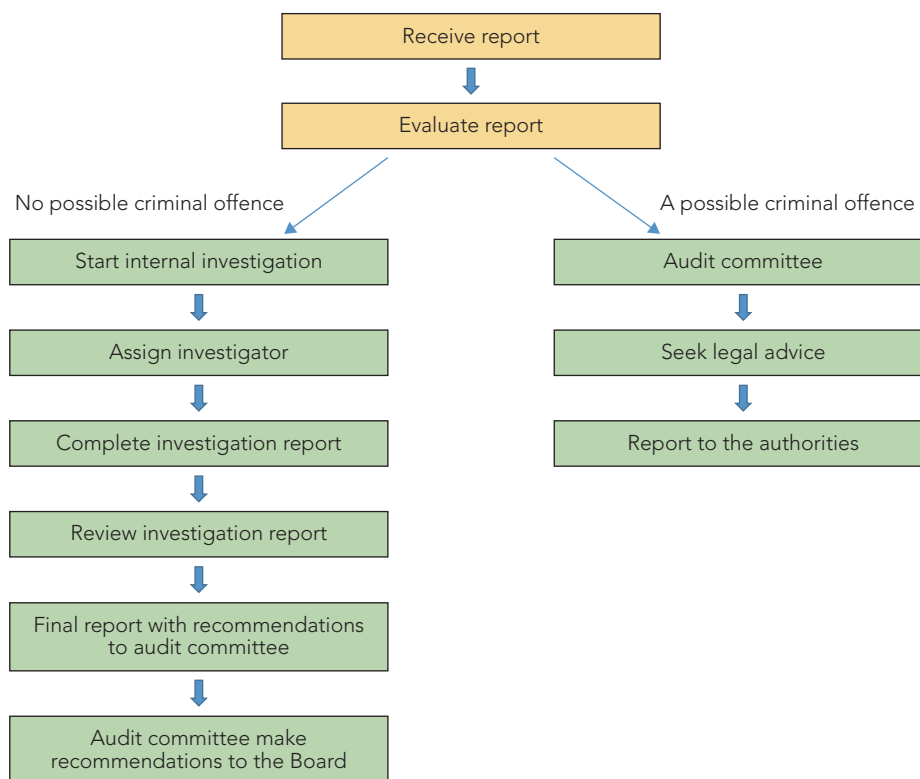


Figure 8 — The anti-corruption policy of our Group

# Environmental, Social and Governance Report

## 7. OUR COMMITMENT TO OUR PEOPLE

### A. Introduction

Employees are of vital importance to us and we pay attention to the protection of employees' interests and rights. We strictly comply with all relevant laws, including but not limited to Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong), Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong), Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong) and Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong). We believe a safety, healthy and fair working environment would encourage productivity and incentive and hence is beneficial to the Group's growth.

Every employee is engaged with an employment contract through our Human Resources Department. Employee Handbook is delivered to every employee. The standard employment policy coverage ranges from recruitment to termination as well as policies regarding employee's safety, prevention on food poisoning, food contamination handling and staff or guest injury treatment are contained in the Employee Handbook. Each employee could refer to the Employee Handbook under different situations at work promptly as the policies are based on scientifically proven and time-tested results.

### B. Labour standard and equal opportunity

Our Group as an equal opportunity employer, welcome all talents and enthusiastic candidates to join our family regardless of their backgrounds, ages, genders and nationalities. Inclusiveness, fairness and integrity are always imbedded in our recruitment policy. Discrimination and harassment are strictly prohibited in our Company. Any verbal, visual and physical conduct of discrimination or harassment will subject the employee to disciplinary action, up to and including dismissal. The fair and equal concepts are also integrated in our promotion ladder. We provide equal opportunities for our employees who are looking for a chance to make a career in one of the best award-winning restaurants in town. We believe in promoting internally and rewarding performance excellence. Employees with satisfactory professionalism and passionate to serve our customers have chance to be promoted.

The Employee Handbook clearly states the general rules on compensation, dismissal, recruitment, promotion, working hours, annual leave, anti-discrimination, employment certificates, etc. We provide sick leave, annual leave, maternity leave, paternity leave, birthday leave, marriage leave and funeral leave to our employees. All full-time employees have participated in the Mandatory Provident Fund (MPF) scheme after completion of 60 days continuous employment.

Our Group do not tolerate any forced or child labour in support of human rights and labour standard. We strictly comply with the statutory requirement of the Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong). All related job duties, including the number of working hours, over-time working arrangement and staff welfare and allowance are clearly stated in the employment contract. During the recruitment process, the Human Resources Department is responsible for ensuring the candidate has reached the legal working age by inspecting the candidate's Hong Kong identity card or valid travel document. If any child or forced labour is discovered, employees can report to us through phone, mail and email. The reported case will be followed up with immediate investigation. In the reporting period, there is no related violation cases discovered.

# Environmental, Social and Governance Report

## C. Occupational health and safety

We care about both physical and mental health of our employees. We apply “team building and career development” management philosophy to our employees. Our Company makes every effort to provide a healthy, efficient and safe working environment. Emergency plans and drills, employee safety trainings and appraisals, on-site inspection and safety forums are conducted on a regular basis to ensure safe operation. The Group makes every effort to provide and maintain the optimal working environment for our employees. Related practice that we have adopted is as below:

- Take the staff circulation and latitude into consideration when designing the restaurants;
- First Aid Box is provided to all employees in case of medical emergency and placed at every restaurant, whenever work injury occurred on the premises, first aid should be given to the injured person by a certified first aider and should be escorted to the nearest hospital or clinic for immediate medical treatment;
- The department head should submit a comprehensive “Workplace Incident & Accident Report” form to the Human Resources Department within twenty-four hours of the incident;
- Investigation will be conducted and corresponding suggestions will be given to prevent reoccurrence of similar accident;
- Safety supervisor in every outlet conducts safety check on a regular basis, three main aspects on the checklist include employee behaviour, kitchen environment and cleanliness; and
- Supervisor is encouraged to make suggestions or opinions for improvement.

For this year in particular, in dealing with COVID-19, we have implemented the following practices:

- Provision of anti-epidemic allowance to all staff; and
- Supporting and registering for the FEHD’s free COVID-19 tests for frontline staff.

During the reporting period, the number and rate of work-related fatalities were zero, and lost days due to work injury was 26 days. All injured staff received their claim under insurance coverage and sick leave with pay.

# Environmental, Social and Governance Report

## D. Employee development and training

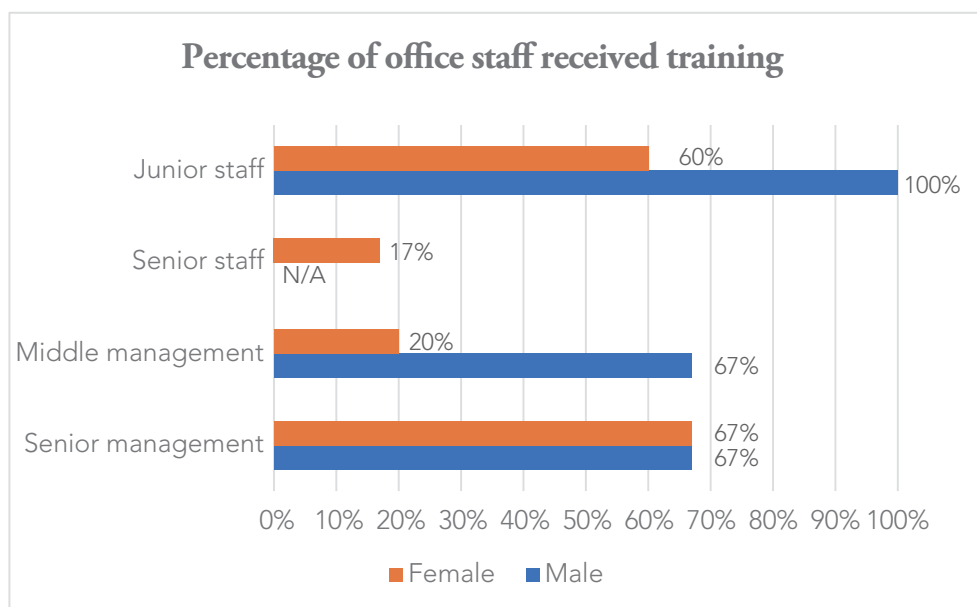
Catering is an industry that provides both services and products to our guests, and the quality of both depends on the quality of our staff. We believe that we cannot grow unless the quality of our staff grows. We provide trainings for all level of staff, including both knowledge and skill-based training workshops, on areas such as anti-corruption, food safety and industry insights. The trainings help employees to gain new knowledge and skills, which in turn foster the growth of the Company.

The table below shows the trainings held in the reporting period.

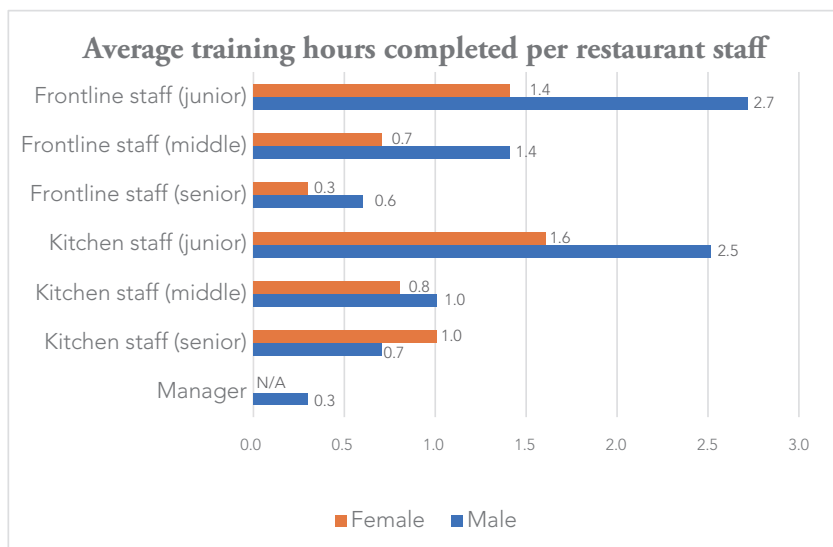
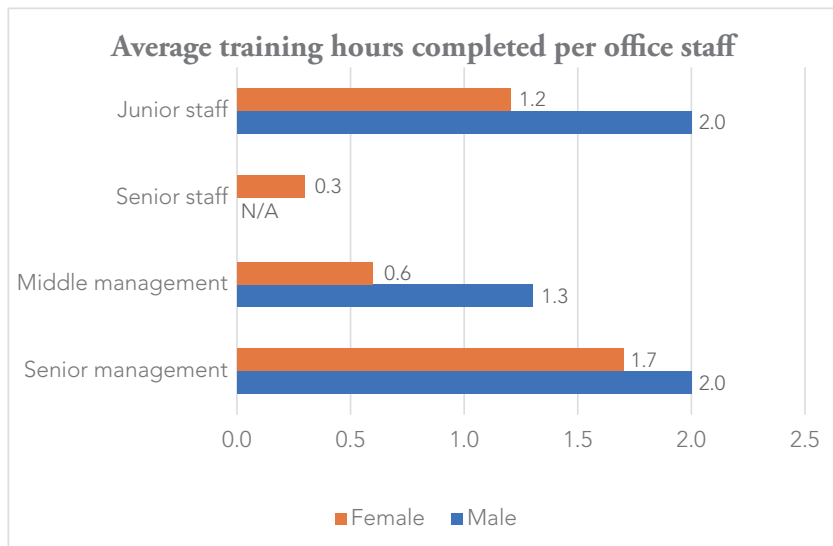
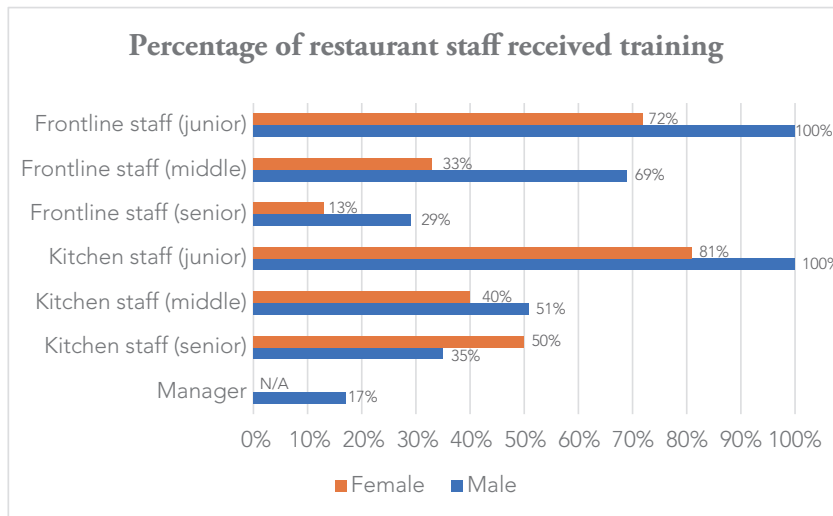
Training Date	Training theme	Target employee	Training content
Day one of work	New Joiner Orientation	New joiner	<ul style="list-style-type: none"> <li>Group's organisation chart and the Group's concept</li> <li>Outlet Specific Rules &amp; Regulations, Equipment Orientation</li> </ul>
June 2020	Food Safety	Kitchen staff	<ul style="list-style-type: none"> <li>Proper food storage</li> <li>Utensil and food handling</li> <li>Cleaning technique and hygiene issues</li> </ul>

## E. Hours of training received by our staff

Employees' growth and development is essential in helping the Group's journey as it translates into an efficient and smooth operation. We support and encourage employees to climb up the career ladder. To ensure the quality and knowledge enhancement for our staff, all staff are encouraged to participate in trainings that suits their needs, regardless of age, gender and employment level. Relevant data are shown below.



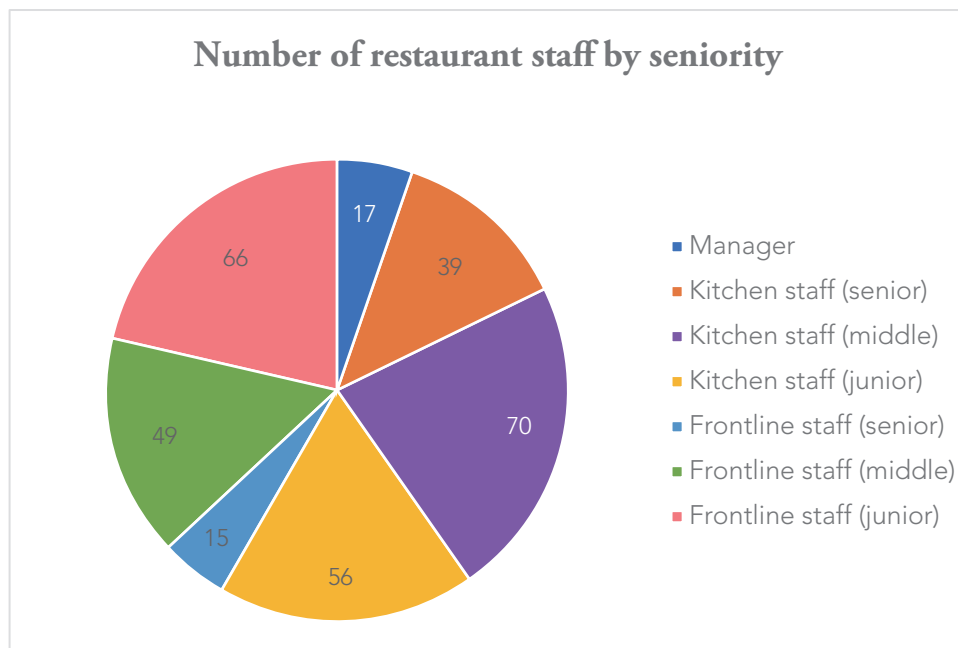
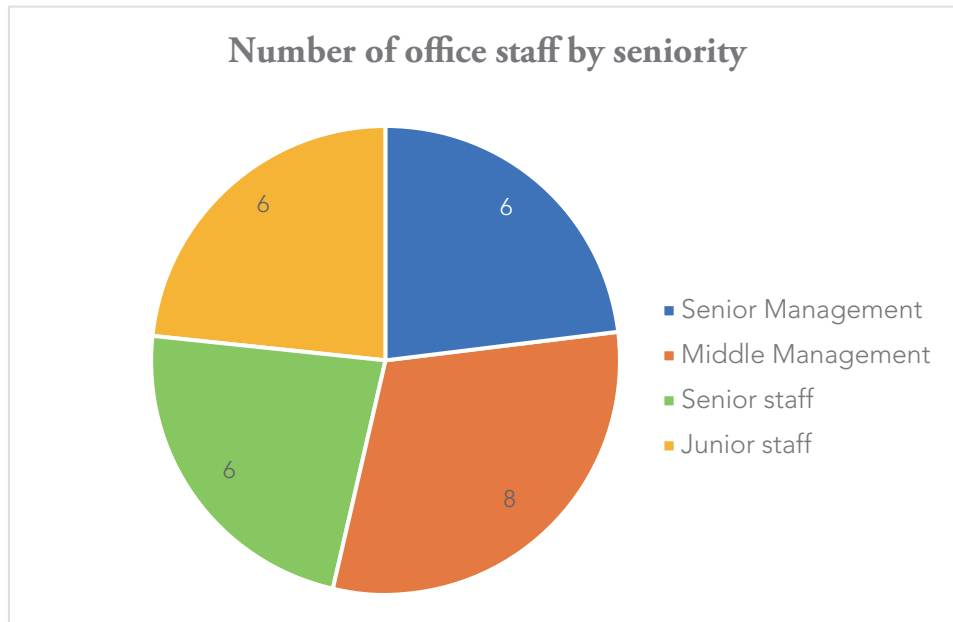
# Environmental, Social and Governance Report



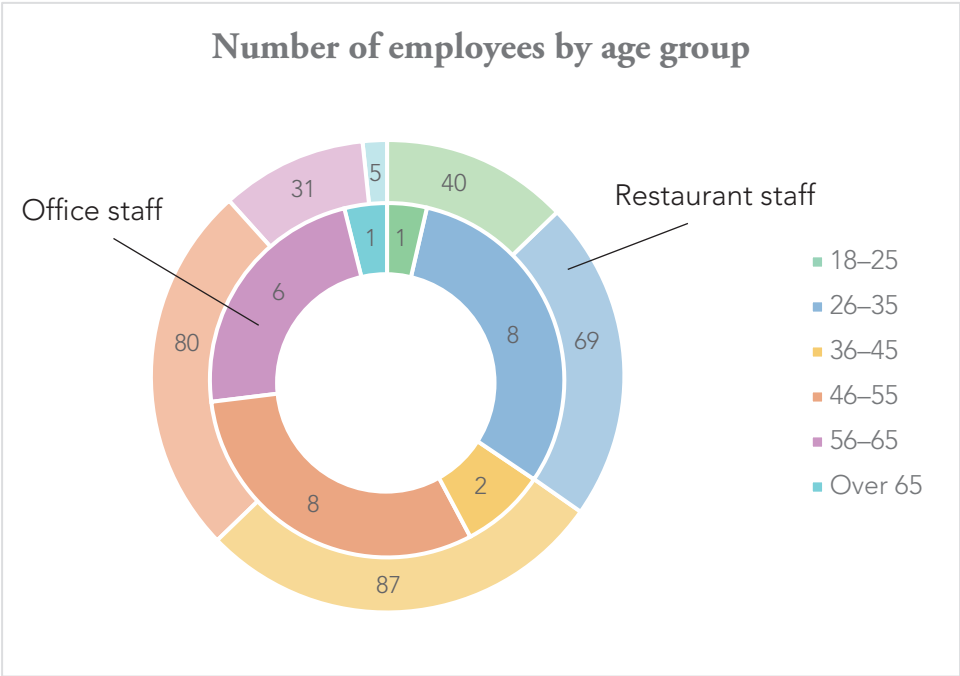
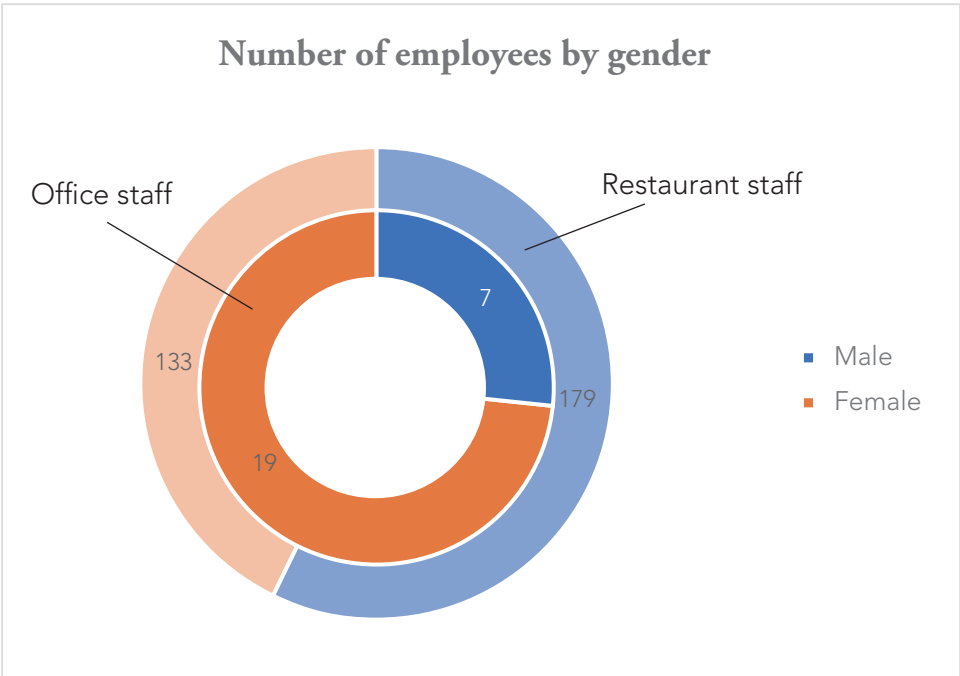
# Environmental, Social and Governance Report

## F. Employee data

The total number of employees decreased from 354 to 338 in the reporting period. Other details related to the employee data are illustrated in the below charts.



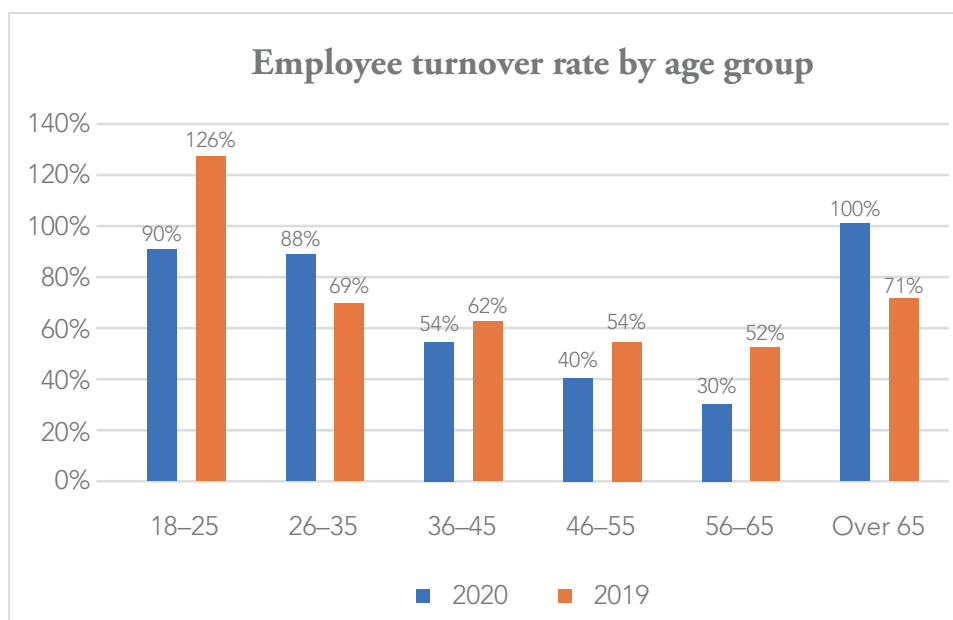
# Environmental, Social and Governance Report



# Environmental, Social and Governance Report

## G. Employee turnover rate

During the reporting period, permanent staff turnover rate for male and female are 60% and 61% respectively, while in the year 2019, the numbers are 76% and 58% respectively. It shows our improvement on our human resources management. Moreover, the turnover rates for permanent staff by age group for years 2020 and 2019 are shown below.



Compared with the past data of employee turnover rate, except for the age groups of 26-35 and over 65, the other age groups show a decreasing trend.



# Environmental, Social and Governance Report

## 8. OUR CONNECTION WITH THE GLOBAL COMMUNITY

Servicing different countries' cuisines in our Hong Kong restaurants, we believe our community does not limited to Hong Kong, but also include the countries our cuisines represented. The success of our restaurants and cuisines are based on food tradition and wisdom across Asia, such as Vietnam, Thailand, and Japan. In 2020, we have expanded our social engagement footprint to Thailand, aimed to give back to the country that contributed to our foundation of Thai cuisines.

In January 2020, our Group has participated in Global Franchisee Summit 2020 in Bangkok, Thailand. Hosted by the world's leading Thai restaurant operator, COCA Holding International and Mango Tree Worldwide Restaurant Group, the summit allowed the Company to connect with participants from eight other countries and committed to create a better culinary world together and share best sustainable practices within the F&B industry. To facilitate knowledge exchange, our Chief Executive Officer, Mr. Kwok Chi Po, has given a keynote speech on the success of the loyalty programme.

Apart from professional gathering, our Group has also headed to Kanchanaburi Province to take part in a Corporate Social Responsibility ("CSR") project co-hosted with Thailand's Royal Forest Department, aimed at preventing deforestation and encouraging communities to live in harmony with nature.



Figure 9-12 — Full day experience with Coca Global Franchisee Summit in Thailand

# Environmental, Social and Governance Report

## 9. AWARDS AND RECOGNITION

We are pleased to share the most honourable awards that we received in 2020 regarding the below scope:

### Recognition on staff development

We fulfilled Mandatory Provident Fund (MPF) Scheme requirement that all full-time employees have participated in the scheme. We were honoured as a “Good MPF Employer” by the Mandatory Provident Fund Schemes Authority. We also honoured by the Labour Department of the Good Employer Charter 2020 that to adopt employee-oriented and progressive good human resource management practices.



Figure 13 — Good MPF Employer Award 2019–2020



Figure 14 — Good Employer Charter 2020 by Labour Department

### Recognition on food quality and services



Figure 15 — Our Group was authorised to use the certification mark under the Quality Tourism Services Scheme

All restaurants of our Group are authorised to use the certification mark under the Quality Tourism Services Scheme by Hong Kong Tourism Board. This recognises us as meeting high standards of product quality and service under the scheme.

# Environmental, Social and Governance Report



Figure 16 — Paper Moon (Ocean Terminal) was awarded My Favourite Restaurants with Great View by U magazine

For the Favourite Food Awards 2020 held by U Magazine, Paper Moon (Ocean Terminal) was awarded for the My Favourite Restaurants with Great View. As the award came from the polling result of the U magazine’s readers, it is an honour to get the recognition from the general public. Meanwhile, Paper Moon (Ocean Terminal) was also awarded for the Weekend Weekly Best Restaurant Award 2020 for restaurant’s view and signature dishes by online polling. In the coming years, we will keep striving for improvement on our services and dishes.

**【全港必吃食店2020】新假期票王、必吃食店、全民公投 得獎名單餐廳結果公布！**

新假期 - 飲食 Jun 10 2020 - 23:00

《新假期》全港必吃食店2020大獎，經過為期一個月的投票後，終於圓滿結束！今年共有26間必吃大獎，除了不同菜系界別之外，更有新設《全民公投必吃食店》，由香港市民網上提名，競選情況非常激烈，立即為各位揭曉得獎名單！

撰文：新假期飲食組 | 圖片：新傳媒資料庫、相關機構

**必吃環球特色美食**

**票王**

仙后餐廳 Junon [【餐廳詳情按此】](#)

**必吃食店**

Lucky Ristorante

Duck & Waffle [【餐廳詳情按此】](#)

Paper Moon

Little Mario's Pizzeria

Amber

Le Rambla by Catalunya [【餐廳詳情按此】](#)

Bayfare Social

**必吃觀景食店**

**票王**

Wooloomooloo Prime

**必吃食店**

% Arabica [【餐廳詳情按此】](#)

101手工潮潮鎮 [【餐廳詳情按此】](#)

Paper Moon

Figure 17 & 18 — The Weekend Weekly Best Restaurant Award 2020 of Paper Moon (Ocean Terminal)

# Environmental, Social and Governance Report

We are specifically proud that the Mango Tree series restaurants have been awarded for the Thai Select Award “Seal of Approval for Thai Cuisine” since August 2019. This award is a mark of certification awarded by the Ministry of Commerce, Royal Thai Government, to guarantee the authenticity of Thai restaurants and Thai food product. This award is specifically meaningful as it serves as the recognition of our qualitative Thai food.



Figure 19 — Thai Select Award “Seal of Approval for Thai Cuisine”

Various restaurants including 10 Shanghai (Lee Garden Two), An Nam (Causeway Bay), An Nam (Festival Walk), Gonpachi (Lee Garden One), Hokkaidon (Cityplaza), Mango Tree (Cityplaza) and Ta-ke (Lee Garden Two) were awarded T. Dining Hong Kong Best Restaurants Award 2020 regarding the quality of our dishes and the overall services we delivered.



Figure 20 — T. Dining Hong Kong Best Restaurants Award 2020 for 10 Shanghai (Lee Garden Two)

# Environmental, Social and Governance Report

## 10. LAWS AND POLICIES

ESG subject area	Related laws and regulations which we have been in compliance with in the reporting period, including but not limited to:
Environment	<ul style="list-style-type: none"> <li>• The Environmental Protection Law of the People’s Republic of China</li> <li>• Law of the People’s Republic of China on Environmental Impact Assessment</li> <li>• Law of the People’s Republic of China on Prevention and Control of Environmental Noise Pollution</li> <li>• Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution</li> <li>• Law of the People’s Republic of China on Prevention and Control of Water Pollution</li> <li>• Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes</li> <li>• Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong)</li> <li>• Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong)</li> <li>• Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong)</li> <li>• Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong)</li> </ul>
Employment	<ul style="list-style-type: none"> <li>• Labour Law of the People’s Republic of China</li> <li>• Labour Contract Law of the People’s Republic of China</li> <li>• Employment Promotion Law of the People’s Republic of China</li> <li>• Employment Ordinance (Cap. 57 of the Laws of Hong Kong)</li> <li>• Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong)</li> <li>• Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong)</li> <li>• Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)</li> <li>• Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong)</li> <li>• Employees’ Compensation Ordinance (Cap. 282 of the Laws of Hong Kong)</li> <li>• Mandatory Provident Fund Scheme Ordinance (Cap. 485 of the Laws of Hong Kong)</li> </ul>
Product liability	<ul style="list-style-type: none"> <li>• Product Quality Law of the People’s Republic of China</li> <li>• Construction Law of the People’s Republic of China</li> <li>• Anti-Unfair Competition Law of the People’s Republic of China</li> <li>• Law of the People’s Republic of China on the Protection of Consumer Rights and Interests</li> <li>• Trademark Law of the People’s Republic of China</li> <li>• Advertising Law of the People’s Republic of China</li> <li>• Food Safety Ordinance (Cap. 612 of the Laws of Hong Kong)</li> <li>• Public Health and Municipal Service Ordinance (Cap. 132 of the Laws of Hong Kong)</li> <li>• Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong)</li> <li>• Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)</li> <li>• Trade Marks Ordinance (Cap. 559 of the Laws of Hong Kong)</li> </ul>

# Environmental, Social and Governance Report

ESG subject area	Related laws and regulations which we have been in compliance with in the reporting period, including but not limited to:
Anti-corruption	<ul style="list-style-type: none"><li>• Anti-Money Laundering Law of the People’s Republic of China</li><li>• Criminal Law of the People’s Republic of China</li><li>• Anti-Unfair Competition Law of the People’s Republic of China</li><li>• Bidding Law of the People’s Republic of China</li><li>• Regulation on the Implementation of the Bidding Law of the People’s Republic of China</li><li>• Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong)</li><li>• Sale of Goods Ordinance (Cap. 26 of the Laws of Hong Kong)</li><li>• Supply of Services (Implied Terms) Ordinance (Cap. 457 of the Laws of Hong Kong)</li></ul>

# Environmental, Social and Governance Report

## 11. REPORT DISCLOSURE INDEX

KPIs	Description	Relevant Session in the Report
<b>A: Environmental</b>		
<b>A1: Emissions</b>		
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	4. Our Commitment to the Environment
KPI A1.1	The types of emissions and respective emission data	4G. Energy consumption and emission data
KPI A1.2	Greenhouse gas emissions in total (tCO <sub>2</sub> e) and intensity (tCO <sub>2</sub> e/HK\$m revenue)	4G. Energy consumption and emission data
KPI A1.3	Total hazardous waste produced (tonne) and intensity (tonne/HK\$m revenue)	4G. Energy consumption and emission data
KPI A1.5	Description of measures to mitigate emissions and results achieved	4D. Active waste recycle to minimise disposal
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	4D. Active waste recycle to minimise disposal
<b>A2: Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	4. Our Commitment to the Environment
KPI A2.1	Energy consumption by type in total (kWh) and intensity (kWh/HK\$m revenue)	4G. Energy consumption and emission data
KPI A2.2	Water consumption in total (m <sup>3</sup> ) and intensity (m <sup>3</sup> /HK\$m revenue)	4G. Energy consumption and emission data
KPI A2.3	Description of energy use efficiency initiatives and results achieved	4. Our Commitment to the Environment
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	4. Our Commitment to the Environment
KPI A2.5	Total packaging material used for finished products (tonne)	Not Applicable
<b>A3: The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	4. Our Commitment to the Environment
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	4. Our Commitment to the Environment

# Environmental, Social and Governance Report

KPIs	Description	Relevant Session in the Report
<b>B: Social</b>		
<b>Employment and Labour Practices</b>		
<i>B1: Employment</i>		
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	7B. Labour standard and equal opportunity
KPI B1.1	Total workforce by gender, employment level and age group	7F. Employee Data
KPI B1.2	Employee turnover rate by gender and age group	7G. Employee turnover rate
<i>B2: Health and Safety</i>		
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	7C. Occupational health and safety
KPI B2.1	Number and rate of work-related fatalities	7C. Occupational health and safety
KPI B2.2	Lost days due to work injury	7C. Occupational health and safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	7C. Occupational health and safety
<i>B3: Development and Training</i>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	7D. Employee development and training
KPI B3.1	The percentage of employees trained by gender and employee level	7E. Hours of training received by our staff
KPI B3.2	The average training hours completed per employee by gender and employee level	7E. Hours of training received by our staff
<i>B4: Labour Standards</i>		
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	7B. Labour standard and equal opportunity
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	7B. Labour standard and equal opportunity
KPI B4.2	Description of steps taken to eliminate such practices when discovered	7B. Labour standard and equal opportunity



# Environmental, Social and Governance Report

KPIs	Description	Relevant Session in the Report
<b>Operating Practices</b>		
<i>B5: Supply Chain Management</i>		
General Disclosure	Policies on managing environmental and social risks of the supply chain	5A. Procurement policy
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	5A. Procurement policy
<i>B6: Product Responsibility</i>		
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	5. Our Commitment to Quality
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	5C. Protecting intellectual property rights
KPI B6.4	Description of quality assurance process and recall procedures	5. Our Commitment to Quality
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	5E. Data protection and privacy policies
<i>B7: Anti-corruption</i>		
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	6. Policy and Measures on Anti-corruption
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	6. Policy and Measures on Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	6. Policy and Measures on Anti-corruption
<b>Community</b>		
<i>B8: Community Investment</i>		
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	8. Our Connection with the Global Community
KPI B8.1	Focus areas of contribution	8. Our Connection with the Global Community
KPI B8.2	Resources contributed to the focus area	8. Our Connection with the Global Community