



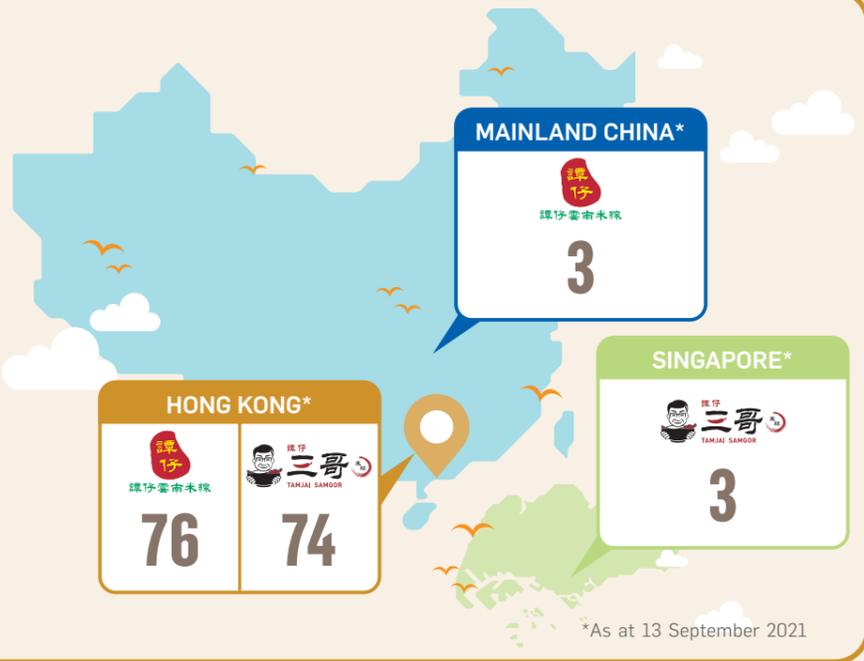
Tam Jai International Co. Limited
譚仔國際有限公司

(Incorporated in the Hong Kong with limited liability)
Stock Code : 2217

Environmental,
Social and
Governance Report
Highlights
2021

Tam Jai International Co. Limited

("TJI" or the "Company") and its subsidiaries (collectively, the "Group" or "We"), are the leading and renowned restaurant chain operator which operates TamJai Yunnan Mixian ("TamJai", 譚仔雲南米線) and TamJai SamGor Mixian ("SamGor", 譚仔三哥米線) branded fast casual restaurant chain in Hong Kong, Mainland China and Singapore.



2019

Awarded the "Hong Kong Top Service Brand" by the Hong Kong Brand Development Council



SamGor was awarded the "Hong Kong Star Brand Award – Enterprise Award" by the Hong Kong Small and Medium Enterprises Association for five consecutive years and the "2019 Service & Courtesy Award – Top 10 Outstanding Service Retail Brand" by Hong Kong Retail Management Association



2021

First restaurant under TamJai brand was opened in Mainland China



TamJai was awarded "Best of Show – Campaign", five gold awards, two silver awards and one bronze award at the MARKies Awards 2021 by the Marketing Magazine

Awarded "Happy Company" by Promoting Happiness Index Foundation and "Caring Company" by the Hong Kong Council of Social Services in 2021



IMPORTANT BUSINESS MILESTONES

1996

The first TamJai restaurant opened in Hong Kong



2011-2013

SamGor restaurant was recognised as a "Bib Gourmand" restaurant by the MICHELIN Guide for three consecutive years



2018

Toridoll HK acquired TamJai and SamGor

TORIDOLL →

2008

The first SamGor restaurant opened in Hong Kong



2015

First awarded the "Hong Kong Star Brand Award – Enterprise Award" by the Hong Kong Small and Medium Enterprises Association



2017

Over 100 restaurants were operated under TamJai and SamGor brands in Hong Kong

2020

Completed the integration of our central kitchens for TamJai and SamGor brands, and commenced operation of our newly integrated central kitchen for both brands in Hong Kong as a way to optimise our operational process and maximise the value of sustainability



- First restaurant under SamGor brand was opened in Singapore
- TamJai and SamGor were awarded the "Manpower Developer Award" by Employees Retraining Board and "Smiling Enterprise 5+ Award" by Mystery Shopper Service Association respectively in 2020



MESSAGE FROM THE BOARD



DEAR PARTNERS, CUSTOMERS AND STAKEHOLDERS OF TJI,

This is a time that requires action. As we provide our first annual update on our environmental impact, corporate social responsibility and sustainability commitments, we are keenly aware of the significance and urgency in embracing and pursuing a sustainable business model at this point in time. Not only this meets our stakeholders' rising expectations in the ESG agenda, but it also helps saving the world from further decline.

GIVING BACK TO SOCIETY

TJI cares about the environment and sustainability, and we are committed to supporting those in need. TJI is eager to serve our communities, as we follow through our motto, "Giving back to society (取諸社會·用諸社會)". For example, we sprang into action last year during the unprecedented pandemic that severely impacted the lives of many people around the world. We provided support in various forms to local communities, especially caring for the underprivileged groups such as the elderly, low-income families and people with disability. We also gave meals, donated hygienic items and distributed free SIM cards to support different community groups and members of society.

TJI prides itself as a caring organisation. And it is very encouraging to see how our corporate ethos of love and caring for others could be used to help the disadvantaged during the pandemic.

SUSTAINABLE DEVELOPMENT GOALS

Sustainability is a big issue and covers a wide area that requires action and cooperation from each and every one on this planet. To this end, when making decisions and taking actions, we are not only guided by our motto but also the United Nation's Sustainable Development Goals (SDGs). The SDGs are a blueprint for stakeholders to work collaboratively for a better future. We follow the framework of SDG Compass, starting from a comprehensive training workshop about SDGs and defining our prioritised SDGs based on a thorough analysis of our business. This enables us to focus on supporting three SDGs, namely SDG4 Quality Education, SDG12 Responsible Consumption and Production, and SDG2 Zero Hunger.

FAIR EDUCATION

The concept of promoting a fair education culture cascades throughout TJI. Since establishment, we have strived to become a progressive company that looks beyond profit. We support our staff's children and those with special educational needs (SEN). To support our employees' children in accessing quality education opportunities, we established the Employees' Children Scholarship for our qualified employees in 2015. Since 1 April 2018, the Fund has benefited over 52 employees by granting a total of HK\$1.5 million. We also realised that SEN children, particularly those from the low-income group, did not have high-speed internet connection for remote learning from home during the pandemic. As such, we donated SIM cards to them so that they could have a better learning experience.

RESPONSIBLE CONSUMPTION

To achieve our ambition of minimising our impact on the environment, we are committed to halting practices that lead to environmental degradation. For example, we continued our investment in innovative packaging solutions by introducing biodegradable materials and making our takeaway packaging and utensils sustainable. Also, we support the elimination of plastic straws in our restaurants. Instead, we provide paper-made alternatives for our customers.

In terms of interior design, we continued retrofitting our facilities by installing LED lighting fixtures as part of our strategic campaign to decelerate global warming through the reduction of our carbon footprint. Specifically, 43 lights in the car park of our central kitchen were replaced with LED lights, while approximately over 640 LED lights with good performance in energy efficiency were installed in our restaurants in the financial year ended 31 March 2021 ("FY2021"). In 2020, we merged our central kitchens into one operating unit, further streamlining our food processing procedures and integrating our facility management.

ZERO HUNGER

Feeding and fostering the community is one of our sustainability goals. To help combating hunger issues in society, in FY2021, we worked with St. James' Settlement and donated 60,000 bowls of mixian to people in need.

In our journey to make the selected SDGs a reality in TJI, we will keep reviewing on how TJI can effectively serve our communities with eco-friendly products and socially responsible operations through our TamJai and SamGor brands.

TRANSFORMING THE FUTURE

Despite the challenges and uncertainties in FY2021, we stayed true to our heritage and what we stood for. We consolidated our leadership for a more robust governance, we innovated in our products and services, and we cared for our people and spread positive vibes in the wider community. We also continued our efforts to reduce carbon footprint and protect the environment. Looking ahead, we will deepen practice of sustainability in our operations for a greener future.

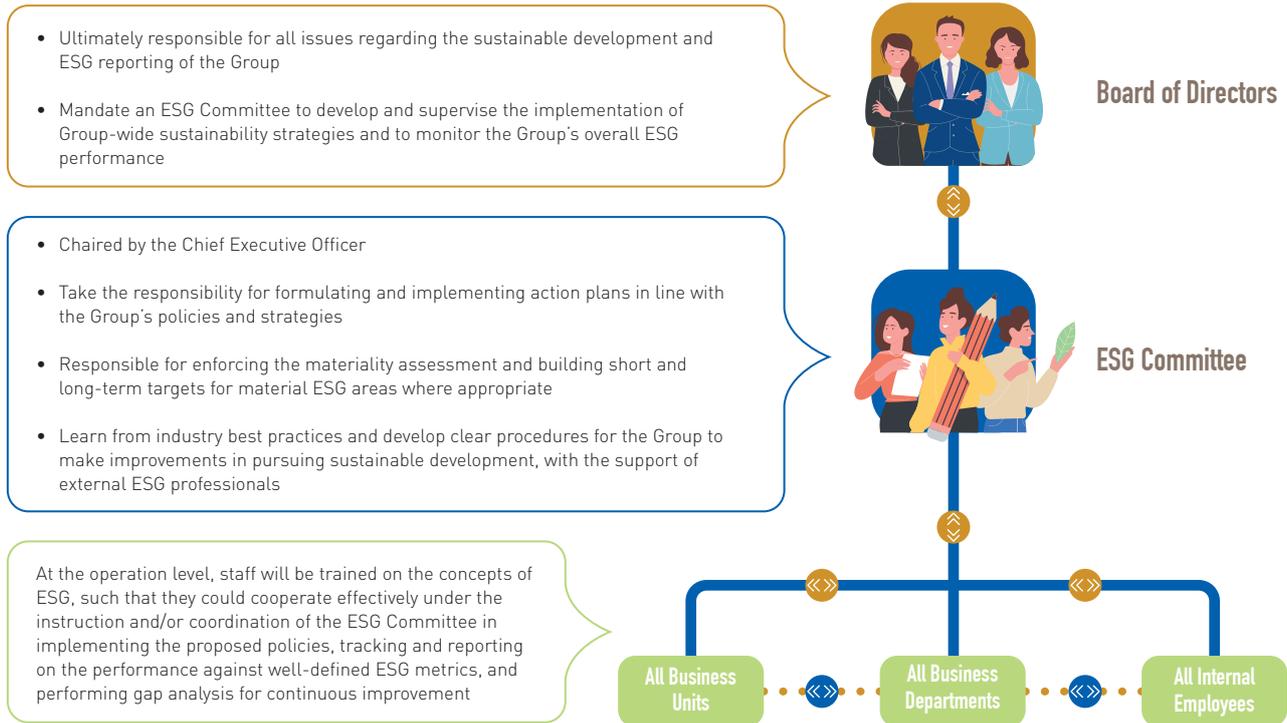
For and on behalf of the Board

Mr. Lau Tat Man
Chairman & Chief Executive Officer

SUSTAINABILITY GOVERNANCE AND STRATEGY

GOVERNANCE STRUCTURE

In order to drive our ESG agenda effectively, a “Top-down” management mechanism has been set up in the Group, which enables the highest governance body of the Group to consider the economic, environmental and social issues simultaneously when overseeing and making major decisions on capital allocation in relation to business development to ensure long-term value creation for the business and stakeholders.



SUSTAINABILITY STRATEGY

Our sustainability strategy has been set up based on the United Nation’s 17 Sustainable Development Goals (“SDGs”), which represents a common framework and language through which the public and private sectors can work together to identify transformational opportunities to achieve Sustainable Development by 2030. Out of the 17 goals, we prioritised the 3 SDGs below as our focuses:

<p>2 ZERO HUNGER</p> <p>We are committed to putting an end to the hunger problems in the society through collaboration with charities and donation of food to those in need.</p> <p>Actions:</p> <ul style="list-style-type: none"> ✓ Engaged in meaningful community investment activities to feed the underprivileged groups in the society and foster the local community 	<p>4 QUALITY EDUCATION</p> <p>We are committed to supporting our staff’s children and SEN children in accessing quality education.</p> <p>Actions:</p> <ul style="list-style-type: none"> ✓ Provided staff with technical and vocational skills training courses ✓ Organised and supported various initiatives to nurture talented young generations 	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>We are committed to doing business in a responsible way by eliminating non-biodegradable consumables and reducing electricity consumption.</p> <p>Actions:</p> <ul style="list-style-type: none"> ✓ Built a sustainable value chain in collaboration with our business partners ✓ Facilitated the awareness building of sustainable development and drove sustainable consumption of natural resources ✓ Strived to reduce environmental impacts during operations
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UPHOLDING BUSINESS ETHICS

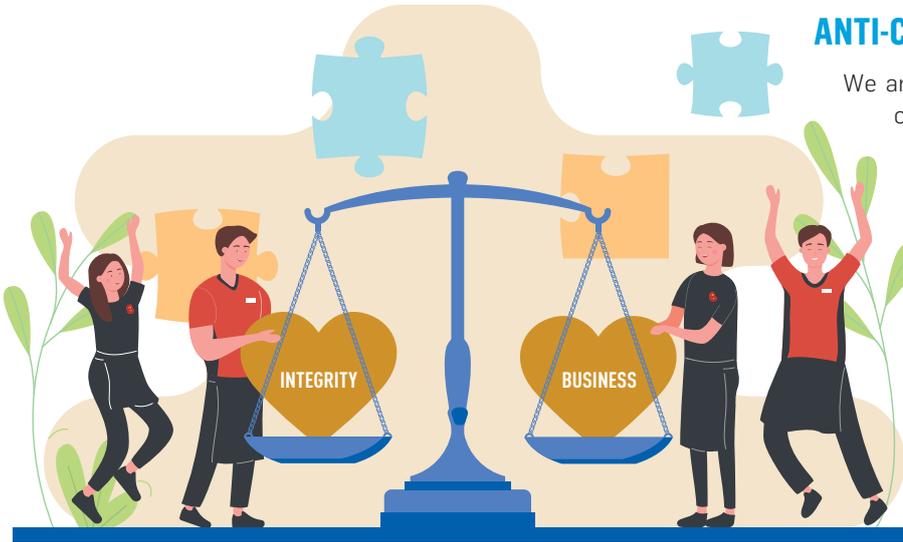
Ethical business conduct and the compliance with local, national and international legislation are fundamental to our ways of doing business.

LABOUR STANDARDS

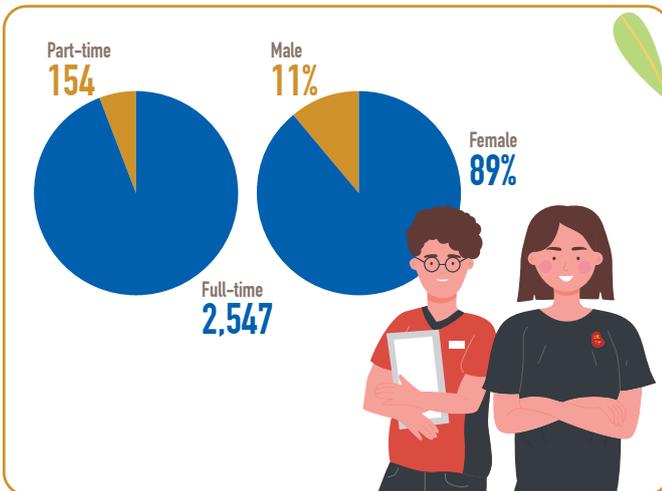
In FY2021, the Group was in compliance with the Employment Ordinance, Employment Act and Labour Law of the geographical locations where the Group operated, and there were no child or forced labour practices in the Group's operations.

ANTI-CORRUPTION AND INTEGRITY

We are committed to upholding high standards of integrity and business ethics, maintain a zero-tolerance policy regarding misconduct or unethical behaviour of any kind. All employees must adhere to the Anti-Bribery and Corruption Policy and Code of Ethics of the Group, in which the requirements for acceptance of advantages and conflict of interest are clearly listed with reference to the Prevention of Bribery Ordinance ("POBO") and the Independent Commission Against Corruption ("ICAC").



CARING FOR OUR PEOPLE



“Create a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all its human resources.”

The provision of corporate benefits for employees is stipulated in the Group's policies including the Staff Handbook that include Mandatory Provident Fund Scheme, Newcomer Incentives and Introducer Incentives Plan, Employee's Children Scholarship Programme, Employee Safety Shoe Replacement Programme and Employee Care Plan.

OCCUPATIONAL HEALTH AND SAFETY

The Group has built efficient occupational health and safety (OHS) systems in its restaurants and central kitchen, with internal policies and measures being effectively implemented to eliminate the exposure to health and safety related risks in the workplace. The OHS training and posters are two most common practices adopted by the Group, among many measures, to enhance its employees' awareness of health and safety risks, as well as precautionary measures.





PANDEMIC

During the pandemic, the Group took effective measures to protect the health and wellbeing of its employees and customers. In early 2021, the Group set up its operational Business Continuity and Disaster Recovery Plan (“BC&DR Plan”) in further adapting to the critical situation and protecting its employees’ health and safety. The appropriate systems and procedures in place within the Group and corresponding teams including the Crisis Management Team (“CMT”) were foundational for the Group to successfully tide over the tough period during the pandemic crisis.

GROWING BUSINESS FOR GOOD

SUPPLY CHAIN MANAGEMENT

At TJI, we are passionate about our food, which means we take great care of where our food comes from, what goes into it and how it is produced. This is key to our commitment to food quality, and ultimately to deliver the “Tam Jai Tastes” expected by our customers.



- ✓ High quality standards and sustainable expectations and requirements have been set forth for our suppliers, which follow the Corporate Procurement Policies and Procedures
- ✓ Tailor-made Receiving Checks, Product Testing Plan and Continual Site Qualification Audit for the maintenance of Very High-Risk and High-Risk suppliers

Number of Suppliers in Hong Kong:

160

QUALITY CONTROL

“Bring all those “Tam Jai Tastes” and our unique brand of food culture all over the world to satisfy customers craving for a steaming bowl of Chinese noodle soup, and for a taste of Hong Kong- style hospitality, wherever our customers are.”

– Group’s Vision

The Corporate Quality Assurance Policy supervised by the Quality Assurance Department of the Group lays the foundation for building and continuously enhancing the internal quality assurance system at different business levels in the Group, and sets forth the roles and responsibilities of department heads, general managers, business directors, various operating units and employees and external consultants in the implementation of the policy.



- ✓ Our central kitchen in Hong Kong is accredited with ISO22000:2005 (Food Safety Management System) and HACCP (Hazard Analysis Critical Control Point Management System) certifications
- ✓ In our restaurants, the fundamentals of good hygiene practices and safe food handling are emphasised particularly, which include the effective management of hygiene supervision, hand-washing facilities and utensils, strict food storage conditions, etc.

COMMUNITY CONNECTION

- ✓ Raised and donated **HK\$41,000** and **HK\$230,000** to the Heep Hong Society through TamJai Desktop Calendar Campaign and TamJai Jeh Jeh Campaign respectively, so as to support the development of **SEN children** and **local artists**.



- ✓ Donated 60,000 bowls of mixian to low-income families through "Mixian for the Good" ("線有善報") in partnership with FOOD-CO of St. James' Settlement.
- ✓ Sent love and care to elderlies through the purchase of charity products and donation to **Lok Sin Tong**.
- ✓ Supported youth mental health by sponsoring the "Youth Minds Matter" campaign of the **KELY Support Group**.
- ✓ Invited mothers and children from families in crisis who were being taken care of by the **Caritas Family Crisis Support Centre** to enjoy free meals and entertainment activities.



Supporting the minorities in the society amid pandemic:

- ✓ Donated **hand sanitisers** to the visually impaired people through "Dialogue in the Dark".
- ✓ Distributed **food coupons** to students.
- ✓ Donated **HK\$500,000 mixian coupons** to workers in the affected industries through Trade Unions.
- ✓ Donated **HK\$100,000 mixian coupons** and **HK\$200,000 SIM cards** to the low-income families with SEN children as a support for them to meet their daily and online learning needs.



- ✓ Established the Employees' children scholarship to lessen our staff's financial burden caused by their children's tuition fee.

The Fund supports up to **80%** of the university tuition fee, while recipients are required to work at our restaurants for around **72 hours** to understand, experience and be grateful for their parents' difficulties and contributions.



- ✓ Sponsored the Life Mart to promote and support the local handcraft design artists and creative industry in 2019 and 2021, and Hong Kong Creative PR Competition and Hong Kong Youth Science and Technology Innovation Competition to support the local creative industry and aid students to pursue their dreams.



- ✓ Built a strategic collaboration with the Heep Hong Society and donated all proceedings from our campaigns to them **without the deduction of costs or administrative fees**.
- ✓ Raised and donated **HK\$532,068** to the Heep Hong Society through the Less Mixian Donation Campaign, in which when customers order less mixian, HK\$1 will be deducted from their bill while HK\$2 will be donated by us. This has also promoted the idea of responsible consumption to our customers.



- ✓ Donated **HK\$100,000** to the United Nations High Commissioner for Refugees for financing the basic livelihood, shelter construction and children protection for refugees in FY2020.
- ✓ Set **long-term donation boxes** at our cashier counters for ORBIS and the United Nations Children's Fund (UNICEF), through which customers can donate their changes or cash through the donation boxes, while **100% of our revenue from the sales of tissue paper** was donated as well.

RESPECTING NATURE

WASTE MANAGEMENT

FOOD RESIDUE

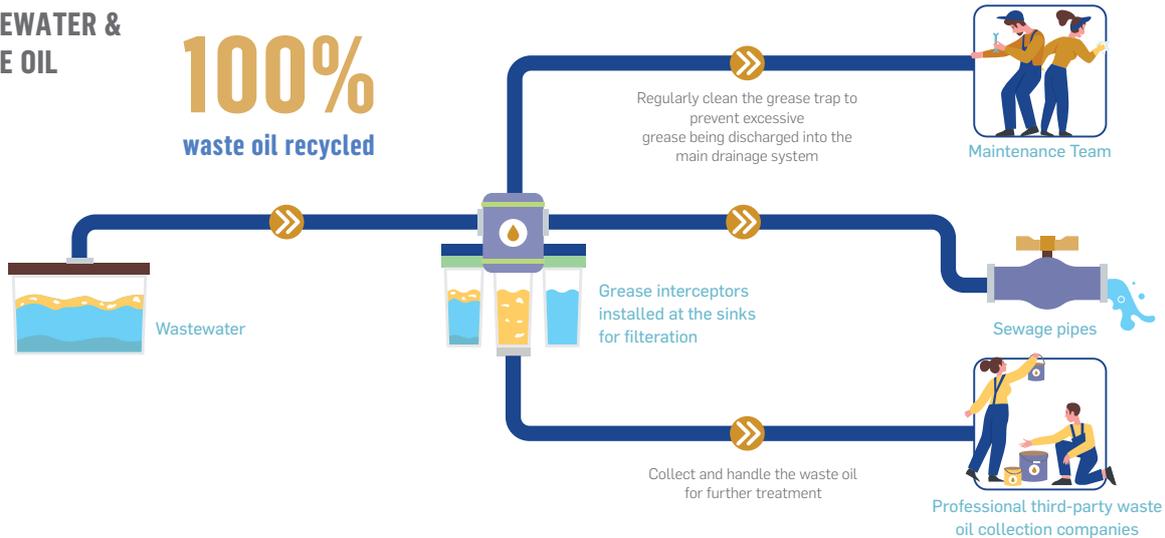
- ✓ Joined "Food Wise Hong Kong" held by the Environmental Protection Department and became one of the signatories of the Food Wise Charter to reduce food waste at source
- ✓ Donated our surplus food to Food Angel (惜食堂), which turns edible surplus food into nutritious meals for the needy



72 of SamGor restaurants were regarded as the "Food Wise Eateries – Silver"

WASTEWATER & WASTE OIL

100%
waste oil recycled



ENERGY MANAGEMENT

Electricity:
34,203.70
kWh'000

Diesel:
54,730.28 L

Town gas:
6,699,463.27
Unit

WATER MANAGEMENT

Consumption of a total of
491,288.42 m³
water

RENOVATION OF RESTAURANTS

- ✓ Switched all lightings in our restaurants from traditional high energy consumption downlight into LED lamps
- ✓ Accelerated in the replacement of equipment with poor efficiency in our restaurants

MERGE OF CENTRAL KITCHENS

- ✓ Merged the food processing plants of TamJai and SamGor into one central kitchen, so as to better monitor and manage our environmental impacts, including the energy management and water conservation



CENTRAL KITCHEN

- ✓ Routine maintenance on boilers, chiller plants and cooling towers to prevent leakage and ensure efficiency
- ✓ Installation of chemical dosing system at the cooling water circulation system to ensure the quality of the cooling water that can be reused in the circuit

RESTAURANT

- ✓ Retrofitted the operating equipment to enhance water efficiency such as reducing the size of water boilers
- ✓ Embraced more eco-friendly design of appliances such as foot-step water tap and automatic mixian boiler

PACKAGING MATERIALS

“Identify and scale up circular packaging solutions that stay away from the unsustainable “take-make-dispose” approach of the traditional linear design.”



16,184,000

pieces of new plastic packaging bags with TDPA™ and P-Life® additives



14,272,800

pieces of bowls with TDPA™ additives



100%

implementation of paper straws

Paper straws instead of plastic straws:

- ✓ Eliminated plastic straws from all TamJai and SamGor restaurants
- ✓ Ran initiatives such as “Bring your own takeaway utensils” in our restaurants to drive customer behavioural change

Oxo-biodegradable plastic additives:

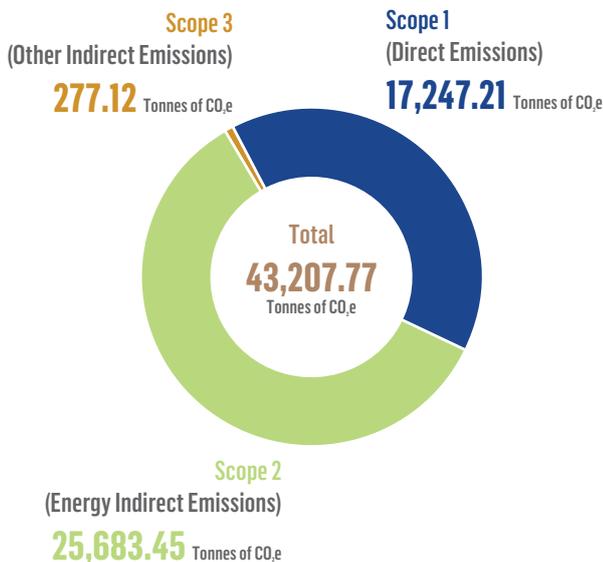
- ✓ Replaced our takeaway plastic bags with new products with TDPA™ and P-Life® additives
- ✓ Replaced our polystyrene and polypropylene (PP) takeaway bowls with new products in which TDPA™ was added

Continuous innovations on packaging solutions

- ✓ Launched innovative snack plate design as a substitution for the traditional design that consisted of bowls, caps and inner pocket, which could substantially reduce the amount of packaging materials used

WHAT IS THE CLIMATE PRIORITY OF TJI?

While we strive to improve our measures in overall resource optimisation, we particularly focus on the control of GHG emissions from the consumption of energy, water consumption for food preparation and food residue generated during operations.



CLIMATE CHANGE MITIGATION

- Scientifically reduced our GHG emissions with specific targets set
- Established and gradually improved the standardised system to monitor and review the effectiveness of our initiatives and the reduction progress
- Offset our emissions through encouraging and participating in green activities such as tree planting

CLIMATE CHANGE ADAPTATION

- Optimised daily operations and invested in environmentally friendly innovations to minimise potential physical risks
- Implemented Typhoons and Rainstorm Warning Guideline to guide our restaurants and central kitchen operations under extreme weather incidents

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If you have any questions or suggestions regarding the Report Highlights, please contact the Company.