



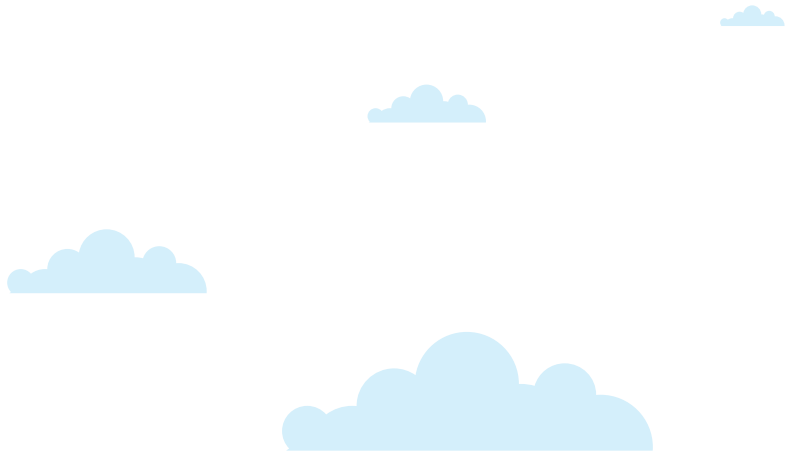
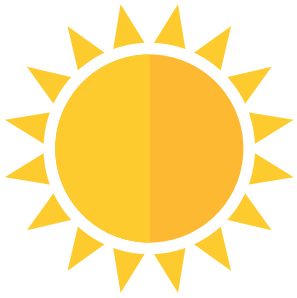
森美(集團)控股有限公司
Summi (Group) Holdings Limited

(incorporated in the Cayman Islands with limited liability)
Stock Code: 00756

2020

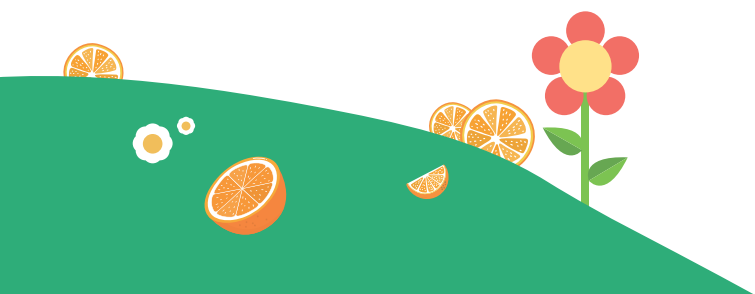
ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT





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ABOUT THE COMPANY

Summi (Group) Holdings Limited (the “Company”, together with its subsidiaries collectively referred to as the “Group”), headquartered in Hong Kong, was established in 1993 and listed on the Stock Exchange of Hong Kong (“HKEX”) on July 10, 2008, with stock code 00756.HK. It is among China’s leading agriculture enterprises listed on the main board of HKEX. The Group, which adopts an integrated business model, is principally engaged in manufacturing and selling of Summi fresh orange juice and other products (“Summi Products”), frozen concentrate orange juice (“FCOJ”) and its related products. The Group has a total of five highly efficient production plants which are strategically located in major citrus growing areas (Fujian and Hunan) in China. Its products have received numerous international certifications and a high level of national recognition in the market.



REPORTING PRINCIPLES AND SCOPES

The Group is pleased to present this Environmental, Social and Governance Report (the “ESG Report”) to provide an overview of its business management and performance in the realms of environment, social and governance. This ESG Report mainly covers the information related to the Group’s operation in the five production plants in the PRC and headquarters in Hong Kong.

The Report complies with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 of the Listing Rules (“ESG Reporting Guide”). The information enclosed in this ESG Report comprises of the Group’s public information, official documents, and internal statistics on the material environmental and social issues relevant to the Group’s principal business of manufacturing and selling Summi Products, FCOJ and other related products during the year ended 30 June 2020 (the “Reporting Period”) as well as those for the year ended 30 June 2019 (the “Previous Period”) for comparison purposes. By adopting the latest ESG Reporting Guide, we reviewed and updated relevant information and figures from our operation during the Previous Period.

This report covers our major operational processes, such as:

- i. Collection of orange
- ii. Washing and brushing
- iii. Sorting
- iv. Squeezing
- v. Pasteurization
- vi. Aseptic packaging and storage



STAKEHOLDERS COMMUNICATION

The Group places great emphasis on communication with stakeholders and understands stakeholders' requirements and aspirations. The Group therefore has a variety of channels that allows different stakeholders to share their demands and concerns on its business operation and performances in terms of the environmental, social and governance aspects. Our major stakeholders include our shareholders and investors, government and regulatory bodies, customers, employees, communities, media and environment. The table below is an overview of our communication channels with our major stakeholders.

Major stakeholders	Demands and expectations	Communication channels
Shareholders and investors	<ul style="list-style-type: none"> — Good corporate governance — Sustainable profitability — Production safety — Prevention of operational risks 	<ul style="list-style-type: none"> — Company announcements — General meetings — Annual report — Roadshow
Government and regulatory bodies	<ul style="list-style-type: none"> — Compliance and operation 	<ul style="list-style-type: none"> — Supervision and evaluation
Customers	<ul style="list-style-type: none"> — High-quality products — High-quality services — Cost-effectiveness — Information security — Communication channels 	<ul style="list-style-type: none"> — Business communication — Customer service hotline — Customer feedback — Industry exhibition
Employees	<ul style="list-style-type: none"> — Good corporate governance — Improvement in employee's remuneration and welfare — Career development — Workers' rights and interests 	<ul style="list-style-type: none"> — Staff meetings and activities — Staff training — Workers' Congress — Staff manual and internal publications — Recruitment
Communities	<ul style="list-style-type: none"> — Supporting public welfare activities — Improving community environment — Promoting employment 	<ul style="list-style-type: none"> — Communication with communities and local government — Charity activities
Media	<ul style="list-style-type: none"> — Transparent information — Improving product quality and maintaining business stability 	<ul style="list-style-type: none"> — Company's website — Company's advertisements — Business interviews
Environment	<ul style="list-style-type: none"> — Energy conservation — Reduce emission of pollutants — Reasonable use of water 	N.A.

The Group welcomes stakeholders' feedback on our environmental, social and governance approach and performance. Please share your suggestions or views with us via the message board at our Company's website <https://hksummi.com>.

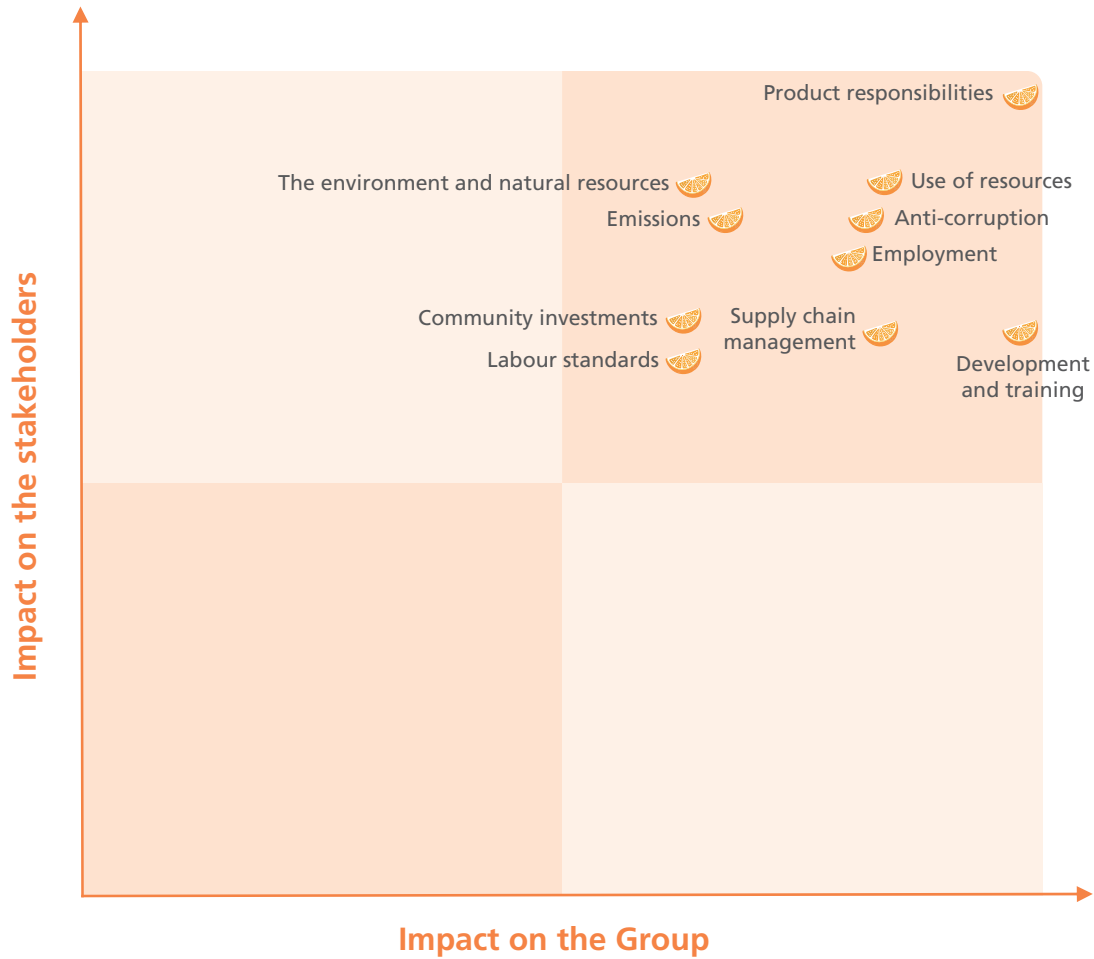
The ESG Reporting Guide and its updates from time to time have been effectively communicated to the Board of Directors (the "Board"), which adopts these principles when governing the Group's operation. The Board strives to closely monitor the Group's business development and day-to-day operation to identify any material ESG-related issues. It also helps the management team of the Group sets goals in the ESG aspects and requests timely reports on the progress. When major ESG-related issues arise or primary goals and targets are missed, the Board alerts the management team and requests a change of strategies. In the case of this Reporting Period, no major issues were reported, and the Board considers ESG-related requirements met and ESG performances up to standard.

The Board oversees the ESG Report's preparation and provides necessary access to internal information to complete it. The Board also reviews this report to ensure that it covers all relevant aspects, mainly the Group's environmental policies and performance, its compliance with the relevant laws and regulations, and its relationships with employees, customers and suppliers. All of this information will be disclosed in the respective sections of this report.



MATERIALITY ASSESSMENT

During the Reporting Period, the Company conducted a comprehensive materiality assessment, mainly involving interviews and/or surveys with internal and external stakeholders, to identify ESG-related areas having the most significant impacts on our business. The chart below briefly shows the results of the assessment.



Based on the materiality assessment results, the use of resources, employee-related issues, anti-corruption, and product responsibilities are considered the most important to the stakeholders and the Group. The Group strives to review these issues from time to time to achieve continuous improvement and sustainable business development.



GREEN PRODUCTION

POLLUTION CONTROL AND EMISSION REDUCTION

As a leading agricultural products processing enterprise in the PRC, the Group acknowledges our responsibility towards environmental protection, and believes it is the fundamental obligation in our business operation. For the Reporting Period, there is no significant climate-related issues impacted by the Group. Summi (Group) Holdings advocates business sustainability concept and complies with national and local environmental laws and regulations, including the Environmental Protection Law of the PRC, Law of the PRC on the Prevention and Control of Atmospheric Pollution, Law of the PRC on Prevention and Control of Water Pollution, Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste and Law of the PRC on Environmental Impact Assessment, etc.

Summi (Group) Holdings prioritises sourcing quality of its raw material in its production, in which the materials used are procured from confirmed qualified plantation areas. Over the years, the Group's agricultural practice not only complies with relevant laws, regulations and other legal requirements, it also attains the stringent internal requirement in order to keep our agricultural ingredients at a top-quality standard. The Group has established a framework and committed to sustainable procurement and sourcing processes.

Air Pollution Control and GHG Emission Reduction

The Group is conscious of every decision made in our business, from orange plantations to production facilities, and delivery to the consumers. In an effort to develop our business in green and sustainable ways, we insist on imposing strict environmental control to reduce pollution our production caused to the environment. During the Group's production and operating activities, greenhouse gas (GHG) and key air pollutants of Nitrogen Oxide (NOx), Sulphur Oxide (SOx) and Particulate Matters (PM) were, directly and indirectly, attributable to the burning of fossil fuels, vehicle exhausts, and electricity consumption. Due to the Group's business nature, direct and indirect pollution sources was derived from vehicle and fuel consumption at our production facilities. Yet, the orange plantations, accounted for its newly planted trees of the Groups enables GHG removals, where 12,012 trees were newly planted for the Reporting Period. During the Reporting Period, the Group is not aware of any non-compliance incident in relation to air pollutants and greenhouse gas emissions. The Group's GHG and the key pollutants emissions were as follows:

	For the year ended 30 June			
	2020	Key emissions intensity (per million dollars of revenue)	2019	Key emissions intensity (per million dollars of revenue)
	Key emissions		Key emissions	
Greenhouse gas emissions (kg in CO₂ equivalent)				
Total	3,579,145	71,583	4,069,318	71,391
Direct (Scope 1)	801,740	16,035	949,689	16,661
Indirect (Scope 2)	2,777,405	55,548	3,119,629	54,730
Key Air Pollutants (g)				
NOx	3,217,126	64,343	2,378,566	41,729
SOx	5,936	119	5,628	99
PM	316,060	6,321	232,743	4,083



GREEN PRODUCTION

Discharge of Wastewater and Treatment

For the Reporting Period, sewage discharged from our production process was recorded at 1,420,123 m³. Sewage discharged from our production is passed to a third-party recycling system near our production plants, whereas the highly acidic sewage discharged has been properly handed over to qualified third parties for disposal.

Hazardous Wastes and Treatment

The Group has handled hazardous wastes in strict compliance with the Solid Wastes Pollution Prevention Law of the PRC. The sludge generated by the Group has been treated by professional agencies after being dried. The waste paint buckets have been recycled, and other hazardous wastes have been properly handed over to qualified third parties for disposal for the purpose of controlling or eliminating hazards. The amount of hazardous wastes produced by the Group are insignificant.

Non-Hazardous Wastes and Treatment

Our non-hazardous wastes consist of fruit pomace and waste paper, which was recorded 3,000 tonnes and 210 tonnes respectively for the Reporting Period. The fruit pomace is sold after being dried for extraction of pectin, whereas waste paper is recycled by dedicated departments. For the Reporting Period, the Group/the Company minimised waste paper produced from 301 tonnes to 210 tonnes, which fulfils the Group's target set earlier in the beginning of the Reporting Period. Since fruit pomace is the by-product of fresh orange juice production, the amount produced differs by the fresh orange juice production volume each year. It is non-hazardous to the environment, and could also be utilised and reused in different products.

For the year ended 30 June 2020		
	Annual Waste Produced (tonnes)	Non-hazardous Waste Intensity (per million dollars of revenue)
Fruit Pomace	3,000	60
Waste Paper	210	4
Total	3,210	64

The Board of the Company has set out emission target of the Reporting Period in an attempt to minimise emission and waste produced by the Group in the course of our business activity. By optimising the production process for the Reporting Period, we aim to enhance energy utilisation efficiency by reducing 10% GHG emission compared to that of the Previous Period.



GREEN PRODUCTION

USE OF RESOURCES

Through monitoring the Group's energy use and consumption on resources, the Group has a better understanding of its consumption pattern. Responsible staff could formulate effective measures and effective energy utilisation for gradual enhancement of efficiency. Moreover, the Group has applied strict controls on resources consumption through the transformation and upgrade of equipment and advanced treatment system during the Reporting Period. The Group's business operation consists of direct and indirect energy consumption, direct energy consumption includes the use of non-renewable fuel, such as diesel oil, unleaded petrol and LPG from production facilities and vehicle use; indirect energy consumption is contributed by the purchase of energy, such as electricity. Other resources consumed are water consumption and packaging material used for Summi Products, FCOJ, and other related products of the Group. For the Reporting Period, there was no issue in sourcing water in our production. The table below shows the Group's consumption of resources and consumption intensity for the Reporting Period and those of the Previous Period for comparison:

	For the year ended 30 June			
	2020		2019	
	Annual consumption	Consumption intensity per million Hong Kong dollars in revenue	Annual consumption	Consumption intensity per million Hong Kong dollars in revenue
Fuel — Diesel oil (L)	271,210	5,424	260,500	4,570
Fuel — Unleaded petrol (L)	130,000	2,600	120,000	2,105
Fuel — LPG (kg)	3,530	71	3,120	55
Electricity (kWh)	2,402,433	48,049	2,704,410	47,446
Water (m ³)	1,230,111	24,602.220	1,400,214	24,565
Paper (kg)	1,120	22	1,640	29
Paper packaging (tonnes)	420	8	510	9
Plastic packaging (tonnes)	10	0.2	12	0.2
Wooden packaging (tonnes)	54	1.1	23	0.4

GREEN PRODUCTION

Adhering to the principle of balancing environmental protection and continuous business development, the Group has established and implemented a set of measures on environmental protection as below:

- Improve and optimise production process to enhance energy utilisation efficiency and reduce emission of greenhouse gases, pollutants and wastes;
- Staff are encouraged to use video conference system to decrease carbon emission arising from business travel;
- Staff are encouraged to choose public transport for business travels, thus to reduce carbon emission arising from separate use of private cars;
- Reduce the use of hazardous substances, promote industrial waste reduction, recycle resources, save energy and reduce carbon emission in order to enhance the Group's environmental protection results;
- Strengthen education and training to enhance staff awareness of environmental protection so that effective environmental measures are carried out;
- Advocate green office where indoor temperature maintains to be 24–26°C for energy-saving purposes.

The Group has put effort into energy-saving management, planning to achieve energy-saving and emissions reduction at our processing plants step, and phase out high-polluting, high-carbon energy gradually in the future. The Group will continue to be attentive to the aforementioned impacts and strive for better practices in reducing our environmental footprint.



CARING WORKPLACE

EMPLOYMENT AND EMPLOYEES BENEFITS

Summi (Group) Holdings ensures strict compliance with regulations to safeguard our employees' lawful rights and well-being. Hence, a range of internal policies is executed by the department of human resources under the corporate governance team's supervision, while we include the updated policies in our internal publications to keep our employees well-informed.

As we highly value and protect all who contribute to our business growth, the Group strictly complies with all legal regulations and has executed a series of internal policies set out by our human resource department for our employees' rights and benefits. In line with employment laws in Hong Kong and the PRC, all employees of the Group in Hong Kong are covered by Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong); while employees in the PRC are covered by the Labour Contract Law of the PRC, Social Insurance Law, Juvenile Protection Act, Measures for Paid Annual Leave, the Minimum Wage Regulations, and our female labours are also protected by Female Workers' Labour Protection Regulations of the PRC.

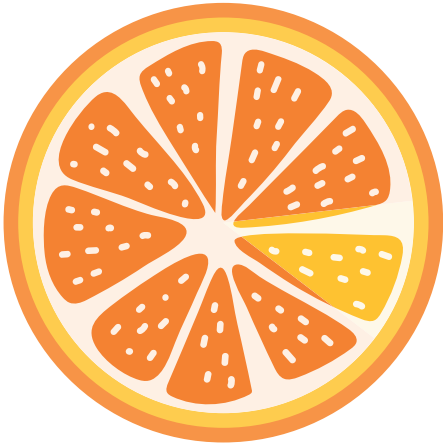
For the Reporting Year, detailed employee statistics of the Group categorised by contract, job function, gender, age group, and employment location are laid out below:

	As at 30 June	
	2020	2019
By Employment Type		
Long-term Service Contract	100	80
Short-term Service Contract	13	24
By Job Function		
Executive Directors and Senior Management	7	7
Project Management and Supervision	3	3
Finance and Accounting	7	7
Administrative and Human Resources	13	12
Production Workers	1	1
Site Workers	64	53
Security	4	4
Janitorial	4	4
Maintenance	4	3
Warehousing	3	2
Loading and Unloading	1	4
Procurement	1	2
Logistics	1	2

CARING WORKPLACE

As at 30 June		
	2020	2019
By Gender		
Male	70	62
Female	43	42
By Age Group		
≤30	12	5
30-50	79	67
51-60	22	27
By Employment Location		
PRC	107	98
Hong Kong	6	6
Total	113	104

By Employment Type

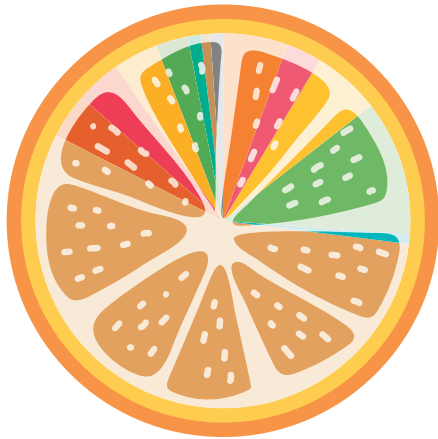


88%  Long-term service contract

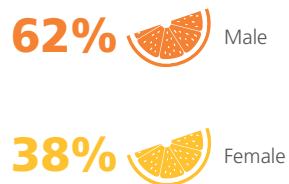
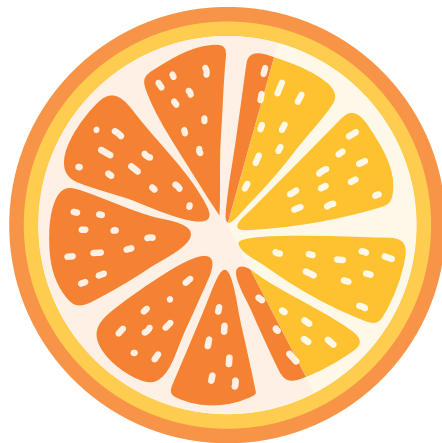
12%  Short-term service contract

CARING WORKPLACE

By Job Function

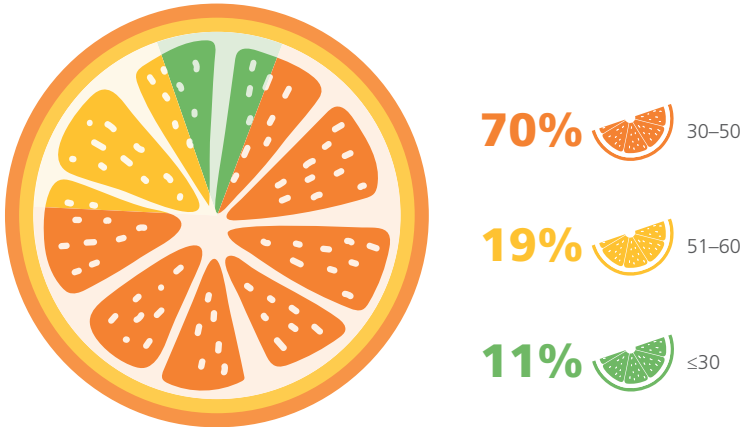


By Gender

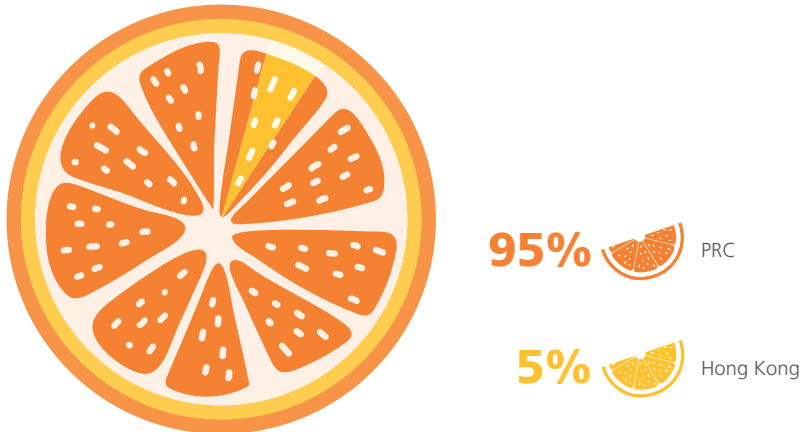


CARING WORKPLACE

By Age Group



By Employment Location



EQUAL OPPORTUNITIES

At Summi (Group) Holdings, we aim to enhance our employees' well-being and development and treat all employees on an equal footing. The Group firmly demands equal employment to protect job applicants from discrimination of gender, age, family status, ethnicity, or religion, where none of these factors are considered before personal merit and competence in neither our evaluation for employment, promotion opportunities, nor remuneration. For the Reporting Period, the Group has adopted fair practices in hiring to attain employee diversity. As a result of this indiscriminate hiring process, the Group's male-female employee proportion maintains to be around 6:4 during the Reporting Period and the Previous Period. During the Reporting Period, the Group did not receive any complaints in regard to unequal employment nor treatment. The Group endorses a fair and open competing environment, that of equal opportunities are provided to our employees regardless of their gender, age, religion, race, etc. Relevant training schemes are also arranged to cater to the different needs of our employees in various roles. More about development and training will be explained further in the below section.

CARING WORKPLACE

REMUNERATION AND BENEFITS

The Group values its employees as its greatest asset in achieving sustainable development. Maintaining a healthy work-life balance is part of our company culture, and we do not advocate overtime practice. To regulate employee working hours, the Company's human resources department monitors the overtime working hours during the Reporting Period. We believe that work satisfaction helps increase our employees' motivation at work. Therefore, remuneration in terms of salary and benefits is adjusted according to regular performance appraisals. Besides, the Group guarantees all the employees enjoy sufficient rest days, including statutory holidays and leaves. The Group improves the human resources system on selection, training, and employee retention to create an open occupational environment.

The Group began the Reporting Period with 104 employees, and concluded it with 113 as at 30 June 2020. The Reporting Period's employee turnover rate was approximately 2.8%, whereas most of the members who left the Group were in the age group of 51–60 and located in the PRC. Below are headcounts for the Reporting Period:

	PRC	Hong Kong	Total
Beginning of the Reporting Period	98	6	104
Recruits	12	0	12
Resignees	3	0	3
End of the Reporting Period	107	6	113

OCCUPATIONAL HEALTH AND SAFETY

The Group considers employees as the greatest assets in supporting our business growth, and recognises the relatively high risk poses on our frontline workers' safety and health. We, therefore, place great importance on ameliorating safety standards of our workplace. During the Reporting Period, we complied in material respects with all applicable laws and regulations in relation to health and safety at the production plants in the PRC, including the Work Safety Law, the Law of the PRC on the Prevention and Control of Occupational Diseases, the Regulations on the Safety Management of Hazardous Chemicals and the Provisions on Fire Control Safety Education and Training of the PRC.

In accordance with the latest safety regulations and industry guidelines, the Group has established a range of standard policies implemented in our processing plants, that the policies clearly state production safety rules, standard operation procedures, and emergency rescue plans. Moreover, we provide all staff with necessary labour protection articles, facilities and equipment regarding their job duties, and request frontline manager to review the proper implementation and use of such protection equipment on a regular basis. All-round checks are also conducted from time to time as part of risk management. According to the Group's data recorded, there was one case of work-related fatalities that occurred in the corresponding year in 2018 due to a traffic accident. For the Reporting Period and the Previous Period, there were no work-related injuries nor death of employees, thus, there were no lost days due to work injury.

EMPLOYEE DEVELOPMENT AND TRAINING

All our employees should have the opportunity to discover their full potential. The Group devotes resources to our staff development and training to enhance their job skills and professional competence. The Group's human resources department develops training plans in consideration of training requirements and plans of different departments as employees' needs vary depending on their job duties. A variety of training programmes is arranged for employees of different levels, with topics that cover technical improvement, safety education, corporate values, professional ethics and management ability, operation skills, and quality control system.

The table below summarises training statistic recorded for the Reporting Period:

By categories	For the year ended 30 June 2020		
	Total number of employees trained	Average training hours completed per employee (hours)	The percentage of employees trained
Employees trained, by gender			
Male	27	20	69%
Female	12	20	31%
Employees trained, by job categories			
Executive Directors and Senior Management	7	5	18%
Project Management and Supervision	6	20	15%
Finance and Accounting	3	20	8%
Administrative and Human Resources	1	20	3%
Production Workers	1	20	3%
Site Workers	12	20	31%
Security	2	20	5%
Janitorial	1	20	3%
Maintenance	1	20	3%
Warehousing	1	20	3%
Loading and Unloading	1	20	3%
Procurement	1	20	3%
Logistics	1	20	3%
Executive Directors and Senior Management	1	20	3%

CARING WORKPLACE

For the Reporting Period, the percentage of male employees trained was 69%, and the percentage of female employees trained was 31%. In terms of job categories, the Group has provided comparatively more training to its site workers and executive directors and senior management staff during the Reporting Period.

LABOUR STANDARDS

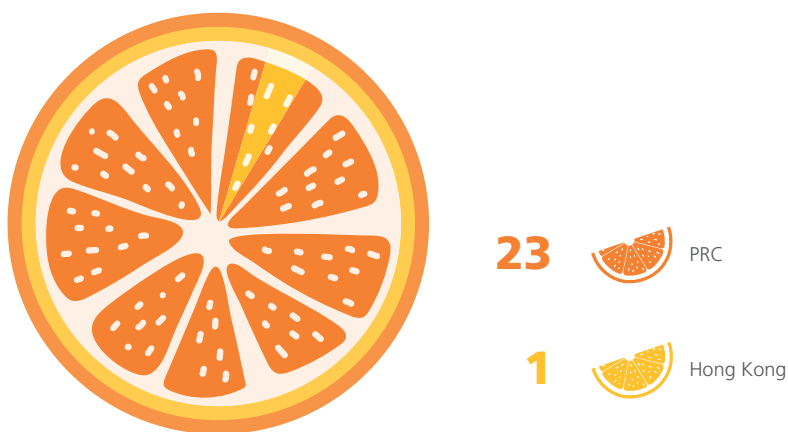
The Group forbids the employment of child labour, forced labour, nor black-market labour in any form, whereas only vocational qualifications would be considered during our recruitment process. The Group strictly follows the Employment Ordinance of Hong Kong and Labour Contract Law of the PRC. The human resources department investigates and verifies the personal information of all applicants during the recruitment and future retention, so as to ensure all employees hired by the Group hold legally authorised work permit, and meet the legal working standard of Hong Kong or the PRC region, depending on the employment location of each position. The Group has established a comprehensive system for employee recruitment; candidates are required to go through identity verification and qualification checks during the recruitment process. If any information is found in violation of employment laws or standards, the recruitment process would be terminated immediately to protect both parties.

STRINGENT OPERATION MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Group has established long-term relationships with our suppliers with good cooperation and communications over the years. Still, the Group adopts an objective-oriented approach in an effort to maintain a highly efficient supply chain to foster our business growth. The Group's procurement team has established a comprehensive supplier evaluation mechanism to monitor and review existing suppliers' terms and performance from time-to-time. Such regular evaluation is carried out at least once a year. It aims to make a comprehensive judgment on suppliers' environmental and social risks to ensure the Group works with suppliers that meet our standards and other local regulations. We set out consistent and clear criteria in our evaluation for potential and existing suppliers, such as pricing, service, quality, reputation, past business history, after-sales support, and environmental protection considerations. For the Reporting Period, the majority of the Group's suppliers are located in the PRC.

Number of Suppliers by Geographic Region



PRODUCT RESPONSIBILITIES

Quality Control

We prioritise the quality and wholesomeness of our products, including Summi fresh orange juice, FCOJ and related products and fresh oranges. So we adopt high standards in raw material selection and inspection to make sure our products start from the best sources. High hygiene standards are also applied throughout our production process until all products are safely delivered to our distributors. We have a comprehensive and technology-based quality control system to inspect our products before they are packed. Although our advanced technology ensures our products' quality, we are still very concerned about the possibilities of any defective products reaching the consumer market; thus, we always conduct random checks upon our final products to further secure our quality control.

We also set up channels to listen to our customers. If customers complain about our products, the Group conducts inspections according to protocols and determines necessary actions. If a recall is needed, the Group would immediately launch recall procedures to ensure all defective products are fully recalled; and such inspection records would be stored in our internal database for future improvement.

As a result, our products fully comply with the Food Safety Law of the PRC, Product Quality Law, Law on Protection of the Rights and Interests of Consumers and other relevant laws and regulations. Our products have passed the ISO22000 certification, the HACCP certification, the SGS certification, the SGF certification and the HACCP certification on food safety as well as the Certificate Of Sustainable Agriculture Guiding Principles ("SAGP") from one of our clients, a leading international beverage giant, certifying our products being environmentally-friendly, of high quality, safe and sustainable. During the Reporting Period, the Group had no product recalls as a result of quality issues or for safety and health reasons; and received no complaints on product quality.

STRINGENT OPERATION MANAGEMENT

Being the first orange juice supplier in the world certified with SAGP by the client mentioned above, the Group believes that such accreditation would enhance our brand image and client relationships. It also encourages us to pursue even higher goals in terms of product responsibilities.

Protection of Intellectual Property

As a leading brand in the market, we possess cutting-edge technology and strive to protect our intellectual properties while avoiding any breach in other company's policies in this aspect. We implemented a comprehensive intellectual property management mechanism to safeguard both internal and external intellectual properties. We also set out a contingency plan to provide guidelines and solutions in case any intellectual-property-related infringement arises. During the Reporting Period, the Group recorded no material infringement of intellectual property.

Protection of Customer Information and Privacy

Generally speaking, the Group does not acquire and store customers' personal information, especially those considered sensitive. The Group strictly abides by the Contract Law, the Regulations of the PRC for Safety Protection of Computer Information Systems, the Law on the Protection of Consumer Rights and Interests and relevant laws and regulations of the PRC.

Furthermore, the Group is committed to protecting the privacy of customer data received during our selling processes. We set strict rules to manage market-related documents and enforce these rules stringently. No department and staff are permitted to access, copy, and reproduce customer information content without approval. As an act of further precaution, we install firewalls and anti-virus software in our work computers to protect confidential information from hackers.

Advertising and Labelling

In terms of advertising and marketing, the Group strictly complies with relevant laws and regulations in the PRC, such as Advertising Law, Trademark Law, etc. Our marketing department works closely with external agencies when designing an advertisement. Market demands and business strategies, as well as competition ethics, are well-considered before we launch any marketing campaigns. As for labelling products, we show the real content in a clear way, not only to comply with the laws and regulations but also to promote a high-end brand image. During the Reporting Period, no material issues were recorded in this aspect.

ANTI-CORRUPTION

To maintain fairness in our business and market integrity, the Group put efforts fighting against corruption and strictly abides by the Prevention of Bribery Ordinance in Hong Kong and all relevant anti-corruption laws in the PRC, such as the Criminal Law of the PRC, the Law of the PRC Against Unfair Competition, the Interim Provisions on Banning Commercial Bribery and the Opinions on Issues concerning the Application of Law in the Handling of Criminal Cases of Commercial Bribery. The Group has also applied the Code of Corporate Governance Practices, sets out in Appendix 14 of the Listing Rules, as the basis in formulating the internal rules and regulations for integrity discipline and clean administration.

The Group is highly concerned with our employees' integrity, where guidelines and procedures stated ethical and lawful standards to avoid ethical violation in our business activity. Whilst employees shall avoid engaging in any personal financial transactions with customers, suppliers, or other relevant parties, without the Board's prior consent, acceptance of gifts from any party which has dealings with the Group is prohibited. To encourage effective scrutiny, we keep all channels open for anonymous reporting, and encourage all employees to report any suspicious cases of unethical behaviour or incompliance. Employees found to be in violation are subject to disciplinary action and reported to the judicial department for pursuing liability.

During the last two financial years, the Group has recorded zero corrupted cases nor breach of any anti-corruption laws. Although we were unable to hold relevant training sessions during the Reporting Period due to the limitations on physical gatherings under the Coronavirus pandemic, our previous training with topics covering anti-corruption and anti-bribery matters has laid a solid foundation for good business conducts.

COMMUNITY INVESTMENT

As a leading juice producer and well-established brand in the PRC, we feel deeply connected to our society and seriously consider the welfare of local communities around our plants and headquarters. As shown at the beginning of this report, we actively communicate with our stakeholders, including local communities and governments, to understand their various needs and demands. We incorporate their concerns into the formation of our business strategies. Under the COVID-19 pandemic, we were unable to organise or participate in any physical charitable events during the Reporting Period. Still, we continue to encourage our staff to stay kind and caring and participate in volunteer works when the situation allows.

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Subject Areas, Aspects and General Disclosures and KPIs	Section	Page(s)	
A. Environment			
Aspect A1: Emissions	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	Pollution Control and Emission Reduction	P.6
KPI A1.1	The types of emissions and respective emissions data.	Pollution Control and Emission Reduction	P.6
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Pollution Control and Emission Reduction	P.6
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Pollution Control and Emission Reduction	P.7
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Pollution Control and Emission Reduction	P.7
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Pollution Control and Emission Reduction	P.7
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Pollution Control and Emission Reduction	P.7

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Subject Areas, Aspects and General Disclosures and KPIs	Section	Page(s)
A. Environment (continued)		
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Use of Resources P.8
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).	Use of Resources P.8
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources P.8
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources P.9
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources P.9
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources P.9
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Pollution Control and Emission Reduction & Use of Resources P.6, P.9
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Pollution Control and Emission Reduction & Use of Resources P.6, P.9
Aspect A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Pollution Control and Emission Reduction P.6
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Pollution Control and Emission Reduction P.6

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Subject Areas, Aspects and General Disclosures and KPIs	Section	Page(s)	
B. Social			
Employment and Labour Practices			
Aspect 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.	Employment and Employees Benefits	P.10
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Employment and Employees Benefits	P.10, P.11
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Remuneration and Benefits	P.14
Aspect 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.	Occupational Health and Safety	P.14
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety	P.14
KPI B2.2	Lost days due to work injury.	Occupational Health and Safety	P.14
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety	P.14

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Operating Practices (continued)		
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management P.17
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management P.17
Aspect 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.	Product Responsibilities P.17
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibilities P.17
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibilities P.17
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibilities P.18
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibilities P.17
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibilities P.18

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Operating Practices (continued)		
Aspect 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.	Anti-corruption P.18
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.	Anti-corruption P.18
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption P.18
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption P.18
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment P.19
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment P.19
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment P.19



森美(集團)控股有限公司
Summi (Group) Holdings Limited

(incorporated in the Cayman Islands with limited liability)

Stock Code: 00756