

APPENDIX 11: SUSTAINABLE PURCHASING POLICY

Our Purpose

This policy of The Hong Kong and China Gas Company Limited (the “Company”) and its subsidiaries (collectively the “Group”) ensure the employment of environmentally-friendly products and services, to conserve resources, consider the application of Life Cycle Costing (LCC) and promote the economic recycling of materials. Products and services purchased must observe this policy. All our project companies, associates, suppliers and business partners are encouraged to make reference to the principles of this policy, where applicable.

Our Commitment

The following guidelines are followed, wherever possible, in our purchases and procurement:

- To endeavor to use/ buy timber and its products, including those used in partitions, doors, floors, skirtings and other fittings in our premises, from sustainably managed sources. The suppliers shall prove that the timber has originated from a sustainable source. The use of timber from unsustainable sources is to be avoided wherever possible. Contractors employed to fit-out and maintain our buildings, or provide other relevant services should also follow this principle;
- To buy paper from environmentally-friendly paper manufacturers/ traders;
- To employ scrap dealers who dispose of unserviceable materials in an environmentally-friendly manner;
- To buy stationery which can be re-used or re-filled, e.g. refillable pens & pencils;
- To buy equipment and machines which help to reduce waste, e.g. copying machines capable of double-sided printing;
- To ensure that the principles of conserving resources and maximising energy efficiency are observed in our purchases, e.g. by purchasing solar-powered calculators instead of battery-operated versions;
- To comply with all relevant environmental legislation for all purchases;
- To promote environmental awareness to suppliers and contractors;
- Where practicable or economically viable, to neither buy nor allow contractors to use polluting products, such as CFCs or HCFCs for thermal insulators; lead-based primers; paint containing organic solvents and asbestos; and extinguishers made of halon for building and services maintenance;
- To promote simple packaging and to avoid using non environmentally-friendly materials such as plastic foam in packaging; and
- To encourage services providers to consider the environmental impacts of service delivery.