



Embracing a Green Future

Customers

We design highly energy-efficient gas appliances for our customers. For example, we have developed a built-in hob with an Inner Flame Burner (IFB) featuring a unique flame that allows more effective transmission of heat and enhances energy efficiency.

With the implementation of bimonthly billing, we save about a hundred tonnes of paper a year and reduce associated printing costs. Additionally, bill inserts with energy saving tips are regularly distributed to customers.

General Public

We take our environmental responsibility seriously, and seek to promote awareness of sustainable development and key environmental messages among our staff and the public through a variety of channels such as exhibitions, publicity leaflets, online games and community events.

We have forged a partnership with the Business Environment Council by serving as a council member for the promotion of environmental protection and sustainable development in the business sector.

We were the first business organisation in Hong Kong to set up a Green Partnership Programme in collaboration with the Environmental Protection Department. We also often join hands with leading environmental organisations, including the Conservancy Association, the WWF Hong Kong, Friends of the Earth and Green Power, to promote environmental education in the community.

Awards

Over the years, we have received numerous awards in recognition of our environmental efforts and our commitment to environmental sustainability.

- 2002-2008 Gold Wastewise Logo from Environmental Protection Department for seven consecutive years
- 2004 and 2007 Hong Kong Awards for Industries: Environmental Performance Grand Award
- 2007 Hong Kong Eco-Products Award: Bronze Award
- Commendation in the Association of Chartered Certified Accounts (ACCA) Hong Kong Awards for Sustainability Reporting 2007
- 2007 Eco-Service Enterprise Award in the Top Service Awards 2007, Next Magazine
- 2006 Green Participant, One Factory - One Year - One Environmental Project Programme
- 2004 Green Management Award, China Environment Daily
- Best Environmental Report in the Association of Chartered Certified Accounts (ACCA) Hong Kong Awards for Sustainability Reporting 2003
- 2003 Hong Kong Eco-Business Award: Gold Award in the Best Environmental Reporting category
- 2002 Hong Kong Eco-Business Award: Grand Award in the Green Office (Large Organisations) category
- 2001 and 2002 Hong Kong Awards for Industry: Environmental Performance Award



Environmental Protection



Our Mission

"To provide our customers with a safe, reliable supply of gas and the caring, competent and efficient service they expect, while also working to preserve, protect and improve our environment."

Our Corporate Health, Safety and Environment (HSE) Policy

Towngas pledges to conduct its operations in a manner which poses no risk to the health, well-being and safety of its employees, contractors, customers and the public at large and to make every effort to protect the environment.

Therefore, Towngas strives for achieving the following objectives:

- To strive for ensuring health and safety at work, and to minimise HSE risks;
- To achieve a standard of zero accident and high standard of environmental care through continuous improvements;
- To eliminate HSE hazards in its operations, applications and services;
- To carry out necessary HSE assessments to all major projects and to conduct periodic HSE audits to its operations;
- To promote HSE awareness and consciousness among employees, contractors and business associates through education and training;
- To achieve full compliance with all relevant legislation;
- To use environmentally-friendly materials and technologies, promote economic recycling of materials and conserve resources.

Towngas has set up an Environmental Working Committee to manage various environmental improvement projects, with its 12 subcommittees covering all aspects of Towngas' operations.

Clean Energy

We have been working to produce gas as cleanly and efficiently as practicable. In the early 1970s, we introduced naphtha, which has an extremely low sulphur content, to replace coal and heavy oil for town gas production. This significantly reduced the emission of sulphur dioxide, a major contributor to acid rain.

Our production plants have been certified to ISO 14001 standard in recognition of our efforts in aligning our environmental management to meet international standards. We have adopted an Environmental Management System (EMS) at our production plants in Ma Tau Kok and Tai Po, with all of their operations fully complying with relevant environmental regulatory requirements.

Introduction of Natural Gas

To further minimise the environmental impact of our gas production process, we introduced natural gas as a partial feedstock replacement for naphtha for gas production in 2006. We have invested in the construction of a pair of 34 km-long high-pressure submarine pipelines to deliver natural gas from the Liquefied Natural Gas Terminal in Chengtougiao in Shenzhen to our gas production plant in Tai Po.

Natural gas is one of the cleanest fossil fuels, and using a dual natural gas and naphtha feedstock mix makes the gas production process cleaner and reduces emissions of carbon dioxide, nitrogen oxides and sulphur oxides, bringing further improvement to Hong Kong's air quality. This dual feedstock mix also enhances the reliability of our town gas supply.

Utilisation of Landfill Gas

We also began to harness landfill gas from the Shuen Wan Landfill for gas production in 1999, thus helping to reduce greenhouse gas emissions from the landfill. In 2007, we began collecting landfill gas from the Northeast New Territories Landfill as well. The treated landfill gas is transferred through a 19 km-long pipeline to the Tai Po production plant for gas production.

Green Office

We continually seek to conserve resources and improve waste management through the adoption of the "5R" principle (Reduce, Replace, Recover, Recycle and Reuse). Our efforts to reduce resource consumption have dramatically reduced our energy consumption, and at the same time saving millions of dollars in operating costs. Moving towards our vision of a paperless office, we have introduced a "Paperless Purchasing" policy. Our entire procurement process is now handled electronically, which generates savings in paper consumption, time and expense.



The installation of solar panels at 32 outdoor gas offtake/ pigging stations has enabled the use of solar power to reduce electricity consumption.

We became the first commercial organisation in Hong Kong to replace conventional condensers with water-cooled evaporative condensers, saving over 500,000 kWh of electricity consumption. Our energy conservation initiatives at our North Point headquarters building have earned us a "Platinum" HK-BEAM (Hong Kong Building Environmental Assessment Method) rating. The building is also registered as an Energy Efficient Building, having received all of four of the required certificates under the Energy Efficiency Registration Scheme of the Electrical and Mechanical Services Department.

Used Gas Appliance Recycling Programme

In October 2003, Towngas launched a "Used Gas Appliance Recycling Programme", creating a win-win-win solution for our customers, our contractors and the environment.

In this programme, contractors offer our customers free removal of old appliances in their premises. Instead of ending up in a landfill, these old appliances are delivered to recycling contractors to be disassembled for recycling purposes. All proceeds from the recycling programme are allocated to our Green Creativity Fund, which supports the environmental activities of Towngas, our contractors and

other green partners. We recover more than 65,000 used appliances every year, with a total weight of over 1,000 tonnes.

Green Business

ECO LPG Filling Stations

The five ECO LPG Filling Stations run by our subsidiary ECO Environmental Investments Limited have helped to improve air quality by providing liquefied petroleum gas (LPG) to taxis and mini buses in Hong Kong. Over 90% of the 18,000 diesel taxis in the territory have now converted to LPG, a significantly cleaner fuel than diesel, thus reducing their emission of respirable suspended particulates by 30%.

Trenchless Technologies

Our specialist subsidiary U-Tech Engineering Company Limited has developed and implemented several advanced technologies for laying underground pipes without digging trenches. These trenchless technologies reduce noise, disturbance and damage to the surrounding environment, while generating less waste and consuming fewer resources.

Green Partnerships

Achieving environmental sustainability requires contributions and effort from different parties. We encourage our customers, business partners, contractors and suppliers to adopt and implement numerous environmental protection initiatives.

Employees

Through our Green Ambassadors Club we assign internal Green Ambassadors to promote environmental awareness across our departments and among our employees. We implement a wide range of awareness enhancement activities, including HSE Day and the publication of HSE Bulletins.

We also run a number of incentive programmes, including a HSE Suggestion Scheme, a Green Creativity Fund and an Annual Outstanding Environmental Subcommittee Award, to encourage the development of environmental solutions among our employees.

Contractors and Suppliers

We publish an environmental handbook on our environmental practices, and distribute it to all contractors. We organise training tailored to our network and installation contractors to further enhance their environmental performance. We also have a Dealer & Contractor Green Ambassador Club to promote knowledge of environmental protection.

ISO 14001 certification is a preferred criterion for our supplier selection and some of our suppliers have acquired this certification. With the cooperation of manufacturers, we have succeeded in reducing the use of polyfoam as packaging materials for our gas appliances. More than 90% of our appliances imported from Asia are now free of polyfoam, eliminating the need for about 5 tonnes of foam.