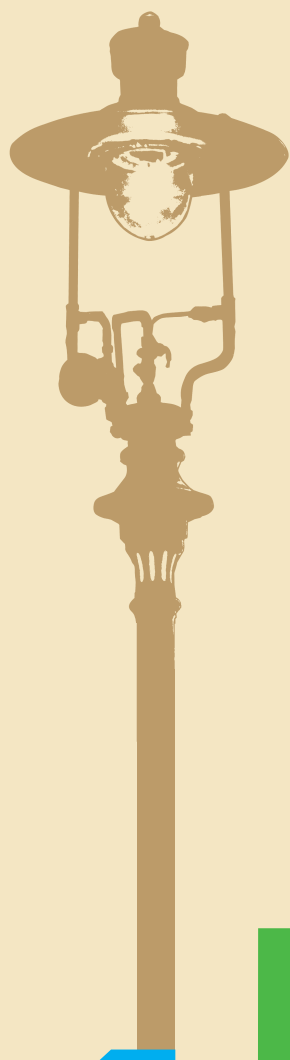


# Corporate Profile



煤氣  
Towngas



150



150 Years of Service

A stylized flame logo composed of three concentric, teardrop-shaped outlines in shades of blue, set against a solid blue background. The logo is positioned on the left side of the page, partially overlapping a large, faint circular graphic.

## **Vision**

To be Asia's leading energy supplier and service provider, with an environmentally-friendly focus.

## **Mission**

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



## Reaching New Heights

Founded in 1862, the Hong Kong and China Gas Company Limited (Towngas) is one of the largest energy suppliers in Hong Kong, and a trusted brand reputed for its world-class management and business practices. For the past 150 years, Towngas has grown with Hong Kong—making the transition from a gas company supplying fuel for street lamps to a leader in the energy industry providing an uninterrupted gas supply to the residential and commercial sectors.

China's rapid economic development has resulted in tremendous demand for clean energy. Fulfilling this need with both determination and enthusiasm, Towngas has not only developed a thriving piped city-gas business in the country in early 1990s, we have also introduced clean energy and advanced safety and environmental management systems. Our activities are thus improving living standards on the mainland, while reducing air pollution and protecting the environment.

Building on these solid foundations in the gas industry, we have diversified our business, moving into eco-friendly energy, water projects, building services engineering, and telecommunications infrastructure, enabling us to grow more vigorously towards a brighter future.







## Hong Kong Business

### Gas Safety

As an energy company, safety is of paramount importance in everything that we do. We are therefore constantly enhancing our safety management to provide a safe and reliable gas supply for our customers.

Currently, we supply town gas to 1.75 million customers in Hong Kong. Gas is provided through a pipeline network of more than 3,500 km, supported by our Grid Control Centre, which monitors the network 24 hours a day. Regular pipeline inspections ensure a reliable gas supply, and our Emergency Teams are on alert around the clock.



We provide a comprehensive maintenance service for our customers. Additional preventive measures include Regular Safety Inspections, with our dedicated inspection teams calling on all residential customers at regular intervals to carry out routine safety checks on gas risers, installations and appliances.

### Innovative Products

Providing one-stop services, we continue to develop a range of innovative gas appliances for the market. At the same time, regular market research helps us to learn more about customer requirements, enabling us to introduce efficient products with stylish contemporary designs and innovative functions that meet their evolving needs.

## Residential Market

We provide a wide range of quality products for the residential market. Apart from our diverse series of hotplates and water heaters, we provide gas dryers, multi-function cookers, built-in hobs, ovens, range hoods as well as kitchen cabinets to serve the many different needs of modern lifestyles.

We have launched two in-house appliance brands in Hong Kong: TGC, in 2001, and SIMPA, in 2003. TGC, which targets the upscale and mid-scale markets, offers innovative and stylish products tailored for Hong Kong's homes. SIMPA, the second brand, offers more economical products with simpler designs that still feature comprehensive functions meeting different user needs. In our continued quest to make cooking more convenient, we introduced a timer function on several of our TGC built-in hob models last year.

Our Towngas Cooking Centre, which has promoted flame cooking for 35 years, continues to serve as a platform for cookery lovers to experiment with new cooking techniques and share their enjoyment of flame cooking.



Since their debut, our Towngas Avenue lifestyle concept stores have become focal points for people who love to cook and those with a passion for design. This lifestyle shopping concept, blending the pleasures of gourmet dining with modern lifestyle products, has gained wide acclaim.

With over 10 years of experience in supplying stylish kitchen cabinets for new residential projects and our expertise in flame cooking and gas appliances, we expanded our kitchen design business into the retail sector in 2010, launching our own brand, Mia Cucina. Our design team imports top-quality cabinet materials and accessories from Europe for our Mia Cucina kitchen cabinet series. Designs are tailored according to each customer's unique requirements. In line with our customer-oriented service culture, our professional and thoughtful design service focuses on meeting customers' all-round needs, from consultation to product selection, design and installation, and after-sales services.



## Commercial and Industrial Markets

To address the needs of Hong Kong's different industries, Towngas has introduced gas products and application systems with comprehensive functions and high energy efficiency. Our aim is to serve as an effective business partner, helping our clients to expand their business and enhance their competitive edge.

We have launched an array of energy-efficient gas appliances for restaurants, including steam cabinets, food steamers, cooking ranges, and stock pots. We have obtained patents for some of our technologies such as the residual heat recovery technology adopted in our energy-efficient food steamers.



Popular among customers ever since their launch, our condensing water heaters are 30% more energy-efficient than traditional water heaters. The heaters are installed in premises that require large quantities of hot water, such as hotels, hospitals and indoor swimming pools.

Our gas dehumidifiers are widely used in shopping malls, commercial kitchens and wet markets to improve indoor air quality. Major customers include the Hong Kong Convention and Exhibition Centre and the Hong Kong Film Archive.

In addition, the "Towngas Green Kitchen" was set up at Towngas Showcase in North Point to serve as another channel of communication between the company and the catering industry. Industry practitioners are able to experience the impressive functions of Towngas's business cookers and exchange ideas on energy conservation and environmental protection.





## Customer Services

“Customers come first” is a core principle at Towngas. We provide caring and competent services to meet customer needs and offer greater convenience. Our “Six-star Service” provides a 24-hour hotline and same-day services for installation and maintenance.

Direct communication with customers and prompt responses to their feedback help us enhance our services. In addition to commissioning regular customer surveys, our Customer Focus Team visit public and private housing estates regularly, gathering customer opinions on our products and services, while also promoting gas safety.

Every year, we receive a large number of compliment letters from customers on our quality services. In 2011, we received more than 5,200 such letters, driving us to provide even better services.

## Environmental Protection

Towngas fully supports environmental protection, seeking to ensure a better living environment and to promote the sustainable development of our planet. We apply a sound environmental management system that plans, coordinates and supervises all work systems to ensure that our operations proceed smoothly, efficiently and with minimum impact on the environment. We not only support and sponsor different activities held by green organisations to raise the environmental awareness of our employees and the public, we have also implemented far-reaching environmental measures throughout our operations.

Making sure that we operate to the highest global standards, our production plant has been certified to the internationally acclaimed ISO 14001 standard. The use of clean feedstock is essential in the production of town gas. In the early 1970s, we made the switch to producing town gas from cleaner naphtha fuel instead of heavy oil and coal. In 2006, we moved forward

again, introducing natural gas as part of the feedstock in our production of town gas. This dual use of natural gas and naphtha as feedstock has significantly reduced carbon dioxide, nitrogen oxide and sulphur oxide emissions.

We also now utilise landfill gas from the Shuen Wan and North East New Territories landfill sites as a heating fuel in the production of town gas. Using landfill gas as an energy source not only conserves natural resources, it also reduces the emission of greenhouse gases and thus improves air quality.

Maintaining our commitment to conserve resources and manage waste, we put the 5R concept—Reduce, Replace, Recover, Recycle and Reuse—into practice in our daily operations. Our “Used Gas Appliance Recycling Programme” recycles the metal from discarded appliances, conserving natural resources. We use the revenue raised through this programme to support green educational initiatives.

In 2008, we became one of the first of the Hong Kong Government’s “Carbon Audit Green Partners” to endorse its Carbon Reduction Charter. As a Green Partner, we pledge to audit our carbon emissions within the Company, while at the same time taking measures to reduce these emissions. Our carbon inventories were also verified under ISO 14064-1 specifications.



## Contributing to the Community

Hong Kong is our home as well, and we seek not only to provide quality services and products to our customers, but also to do our best to give a helping hand to those in need in our community. We encourage our employees to participate in voluntary social services, and provide resources and support for our “Towngas Volunteer Service Team” which formed by our employees to care for the community. Extending these services, Towngas customers and retirees are invited to join our “Towngas Customer Volunteer Team”.

In 1995, we launched our “Elderly Concession Scheme” offering special benefits for qualified senior citizens. These benefits include a waiver of their account deposit, monthly maintenance charge and monthly minimum charge, together with a 50% discount on the first 500 megajoules of gas consumed as well as free maintenance services for their gas appliances. Since then we have expanded the programme, launching further concession schemes for people with disabilities as well as single-parent families and low-income families, to help lighten their economic burden.

Since 2000, we have organised an annual charitable event, “Rice Dumplings for the Community” during the Dragon Boat Festival. Towngas Volunteer Service Team members are joined by students, legislative councillors, district councillors and other members of the community to wrap healthy rice dumplings for the elderly and people in need, bringing them warmth and care while also raising funds for charity.

We visit elderly people who live alone during important Chinese festivals, such as the Dragon Boat Festival and Mid-Autumn Festival, to deliver dumplings and mooncakes and share the festive spirit. On a more day-to-day level, we show our care for the elderly through free photo-taking and hair-cutting services, free installation of safety rails at their homes, and free check-up services for their Personal Emergency Link which “links” them to emergency services in case of need. Our volunteers also deliver long-boiled soup to the elderly who live alone.



Committed to the needs of Hong Kong’s children, who are the future of our community, we launched the “Cooking for Fun” English learning workshop in 2006. With the support of the Social Welfare Department, Towngas volunteers organise workshops for children from underprivileged families throughout the territory, to learn English through cooking. These workshops provide an excellent means for the children to build self-confidence, expand their social networks and raise their interest in learning English.



We also offer assistance and support to social enterprises. In conjunction with the Tung Wah Group of Hospitals, we unveiled the first of its kind “COOK EASY” food pack delivery service in 2007. Based on special recipes created by our Towngas Cooking Centre, Tung Wah’s “Take a Break” catering service creates “COOK EASY” food packs for customers. The service provides employment opportunities for the mentally handicapped and others with special needs.

Further strengthening our ties with the community, we established “District Council Focus Team” in 2000. By participating in and organising activities in local districts, we are able to communicate directly with members of the community, enabling us to better understand their needs and provide more direct and thoughtful services.





  
港华燃气  
Towngas

  
港华燃气  
Towngas





## Utility Businesses in Mainland China

As its economy grows rapidly, mainland China faces an increasing need for clean energy. The Group entered the mainland market in 1994, establishing our first joint venture in Panyu, Guangzhou to operate a piped city-gas business. Our mainland operations are now spread across 21 provinces, municipalities and autonomous regions. The number of residential, commercial and industrial customers we serve has risen from less than 5,000 to 13.2 million at present, with annual gas sales exceeding 10.3 billion cubic metres and a supply network extending more than 55,000 km. The Group is now the largest city-gas enterprise on the mainland.



## Towngas China

In mainland China, we mainly invest and engage in piped city-gas projects. Our mainland gas business operates under Towngas China. We made our first foray into the mainland market in 1994, investing in several piped city-gas projects in southern China's Pearl River Delta region. With the launch of national clean energy policies favouring natural gas, the Group moved on to develop piped city-gas business in the Yangtze River Delta in eastern China, and later extended its reach to central, southwestern and northeastern China. The Group now has more than 100 city-gas joint ventures in cities including Nanjing, Wuhan, Xi'an, Jinan, Chengdu, Changchun and Shenzhen. Our operations spread across 21 provinces, municipalities and autonomous regions in eastern, central, northern, northeastern, northwestern, southwestern and southern China.

## Regular Safety Inspections

To promote safety across our mainland operations, the Group has developed and distributed Safety and Risk Management System Templates, Corporate Risk Management Guidelines for Mainland Joint Ventures, and Guidelines for Safe Operation in Confined Spaces. In addition, we have established regional safety committees in many regions and provinces, such as Sichuan, Shandong and northeastern China, enabling our joint ventures to work together to establish and implement safety and risk management systems and share information and experience. All-round safety and risk management audits are also regularly conducted, ensuring all joint ventures meet our stringent safety requirements.





Committed to ensuring continued customer safety and delivering quality after-sales and comprehensive maintenance services, Towngas China has implemented a Regular Safety Inspection programme for its joint ventures. Qualified gas technicians pay regular visits to customers' homes to check their gas appliances and pipes to ensure the gas facilities are operating properly. We also have a 24-hour emergency hotline. Our professional emergency teams are well trained and highly experienced. They are on call around the clock, and stand ready to reach a site within the shortest possible time to ensure customer safety.

Building on the Group's 150 years of experience in operating a gas business, Towngas China has established Grid Control Centres and Geographical Information System (GIS) at its joint ventures to ensure the safety of gas delivery; together with our regular inspections of customers' gas facilities and various forms of proactive safety education, we work ceaselessly to maintain our proven track record of world-class standards of gas supply safety and reliability.

Towngas employees' guiding principle is that "Customers Come First". In addition to regular customer surveys, our Customer Focus Teams meet customers periodically to seek their opinions on our products and services and promote gas safety in the community.

## Quality Products and Services

Towngas is committed to providing gas appliances that suit the most stylish lifestyles. In Hong Kong, we have launched our TGC and SIMPA brands, while our Bauhinia brand targets the mainland market. All our appliances feature modern, innovative functions and superior performance besides being energy-efficient. Our "Six-star Service" is all-inclusive and available around the clock. In addition to a 24-hour service hotline and same-day installation and maintenance services, our Customer Centres, Cooking Centre and Towngas Avenue will provide the latest information to help our customers use their appliances in creative and exciting ways that enhance quality of life.



Towngas China has established more than 110 Customer Centres across China. These one-stop-shop centres provide a full spectrum of services ranging from bill payment and account opening to selling gas appliances, technical consultations and after-sales services. We are the only gas supplier in China that sells both gas appliances and gas applications. The Customer Centres showcase a variety of multi-function gas appliances, modern water heaters and gas-fired heating systems. Visitors can experience comfortable, modern living environment through the use of gas.

We launched our Bauhinia gas appliance brand on the mainland in 2005, where it quickly became a leading appliance brand. In 2011 the brand's cumulative sales passed a million units. The Bauhinia line has been designed with the benefit of the Group's 150 years of experience in gas safety management and expertise. All products are inspected by both China's quality assurance authority and the Towngas Technology Centre, which adheres to international inspection standards. The government has regularly included Bauhinia appliances such as condensing gas water heaters in its procurement catalogue of energy-efficient products. Our appliances have also entered the list of leading energy-saving products. The brand's "inner-flame" series has proved extremely popular with customers, as it uses 15% less energy than ordinary gas appliances.

Drawing on the Group's extensive professional service resources, Bauhinia has also launched an industry-leading "one-stop" service system for mainland customers. Services include free consultations, free delivery and installation, free maintenance for three years, free regular safety inspections and professional repair services. Since their launch in 2005, the three-year free maintenance service and the free regular safety checks have remained unrivalled in the industry.

## Clean Energy

As a socially and environmentally responsible energy supplier, we are committed to protecting and improving the environment while promoting the sustainable development of our energy business and expanding our clean energy business. According to international research report, natural gas is the cleanest fossil fuel given its low emissions. By adopting natural gas for the majority of its piped city-gas projects, the Group has played, and continues to play a key role in China's transition from a coal-based economy to one relying increasingly on natural gas. We will continue to contribute to improving the quality of life in China's cities and supporting the pursuit of a higher standard of living while reducing the environmental impact of the country's vibrant economic activities. To cite just one example, Yixing, the city in Jiangsu province known as the "Pottery Capital of China" had long been known for its smog due to the use of coal in the city's thousands of pottery kilns. Since the establishment of Yixing Hong Kong and China Gas Company Limited in 2002 and the increase use of natural gas, the sky is once again blue over Yixing, a city with a priceless historic cultural and artistic heritage.

## Towngas China Volunteer Service Teams Care for the Communities

The Group has more than 80 joint-venture or wholly-owned enterprises on the mainland, and nearly three quarters of them have set up volunteer service teams. The teams, comprising several thousand members in total, reach out to their communities through services targeting groups such as the elderly, children and low-income families. The teams have volunteered more than 100,000 hours of service over the years, winning the appreciation of local communities for their caring actions. Many of the teams have also received awards from local governments.



Towngas China is dedicated to serving the communities in which we operate and contribute to each community's well-being. We have received numerous awards for our outstanding commitment to identifying and fulfilling our corporate social responsibilities. These include the "China's Outstanding Corporate Citizenship 2009 Award" from the China Association of Social Workers and the "2009 Harmony · Responsibility – Loving Brand Award" from Century Weekly.

## Hua Yan Water

In addition to investing in gas ventures, we are also involved in developing water infrastructure projects in mainland cities. We have established a subsidiary, Hong Kong & China Water Limited (Hua Yan Water), to manage our investments in the water business on the mainland. In 2005, to tap into synergies with our gas projects we established water businesses in Wujiang, Jiangsu province; Wuhu, Anhui province; and Suzhou Industrial Park in Jiangsu province, marking our initial forays into the mainland water sector. Hua Yan Water now owns four public water supply and wastewater treatment projects. It serves 840,000 customers and has a daily water supply capacity of 1.7 million tonnes. The quality of all raw water, processed water and piped water is stringently monitored and scientifically analysed to ensure that customers receive clean and hygienic tap water. The company's attentive customer service and emergency repair technology back up its commitment to ensuring the provision of quality water for residents and businesses in rapidly expanding mainland cities.



Joint ventures under Hua Yan Water have obtained ISO 9001:2008 quality management system certification, ISO 14001:2004 environmental management system certification, and OHSAS 18001:2007 occupational health and safety management system certification. These companies are dedicated to providing safe and reliable drinking water for customers, while improving and protecting the environment, fulfilling their corporate social responsibilities and contributing to—and thriving in tandem with—the country's socio-economic development.







## New Energy Business

Established in 2000, ECO Environmental Investments Limited (ECO), a wholly-owned subsidiary of Towngas, is engaged primarily in developing new energy business. Committed to protecting the environment, ECO is developing a wide range of green energy businesses and driving innovation in related technologies.

In support of China's energy policies and consolidation in the energy sector and in response to the rapid growth in global demand for energy and the challenges posed by climate change, ECO's business focus in China is the development of new energy projects that minimise emissions and pollution. These range from resource exploitation, coal chemicals and liquefaction of coalbed methane, to clean fuels for vehicles and marine vessels. In Hong Kong, ECO's businesses include liquefied petroleum gas (LPG) vehicular filling stations, landfill gas utilisation projects and an aviation fuel storage facility for Hong Kong International Airport.

ECO also collaborates with research institutions to develop clean energy technologies and extend their applications.

## Hong Kong Aviation Fuel Facility

In 2002, ECO signed a 40-year franchise agreement with the Airport Authority Hong Kong to design, construct and operate an Aviation Fuel Facility supplying fuel for aircraft at Hong Kong International Airport. The project consists of eight tanks with a gross aviation fuel storage capacity of 264,000 cubic metres and a jetty with two berths. Berth No.1 accommodates vessels from

10,000-80,000 dwt while Berth No.2 accommodates vessels from 10,000-50,000 dwt. The aviation fuel is transported from Tuen Mun to the island where the airport is located via two undersea pipelines. The project commenced operation in 2010 and is now a major logistics base for aviation fuel in Hong Kong.

## Landfill Gas Utilisation

When organic substances in landfills decompose, they produce significant amounts of landfill gas. If emitted directly into the air, landfill gas (in which methane is the major component), aggravates the greenhouse effect, which is already a serious environmental threat. Treated landfill gas, on the other hand, can be converted into clean energy and used as fuel to produce town gas. In 2004, ECO designed and constructed a landfill gas treatment plant at the North East New Territories Landfill.



By separating carbon dioxide from the landfill gas through Pressure Swing Absorption, the plant increases the proportion of methane in the landfill gas from 50% to 85%. The treated landfill gas, or synthetic natural gas, is transported to Towngas's production plant in Tai Po via a pipeline and used as fuel to produce town gas.

Commissioned in 2007, the treatment plant now supplies 7,000 cubic metres of landfill gas per hour, with a potential to peak at 15,000-20,000 cubic metres per hour.



## Liquefaction of Methane

Coalbed methane (CBM), predominantly composed of methane, exists in coal mines. The gas is formed when biochemical pyrogenation takes place in the coal under high temperatures and high pressure. By extracting CBM before mining activities commence we can help to prevent gas incidents, enhancing the safety of coal miners and also reducing pollution.

Using the latest cryogenic technology, the extracted CBM can be liquefied on site. Liquefied coalbed methane (LCBM) has a temperature of about  $-162^{\circ}\text{C}$  and the application of constant pressure reduces its volume to 1/625th of the original size. The resulting LCBM is a new form of safe, clean energy with high energy density that is easily transportable, cleaner burning and less expensive to produce.

Taking advantage of the abundant CBM supplies in Shanxi province, ECO, in cooperation with the Shanxi Jincheng Anthracite Mining Group, established a liquefaction plant in Jincheng, Shanxi province, to convert CBM into LCBM. In July 2009, Zhang Guobao, former Director of the National Energy Administration, officiated at the ceremony marking the commencement of operations. The plant is currently the largest CBM liquefaction plant on the mainland with an annual production capacity of 280 million cubic metres of LCBM. This project was not only a major milestone for ECO, it was also a pioneering initiative for the industry, as the first project on the mainland to not only utilise CBM on a commercial scale but also help satisfy energy needs in surrounding communities. Furthermore, the project provides an additional source of gas for the ongoing development of ECO's vehicular fuel supply network.



## Vehicular Fuel

In support of the HKSAR Government's initiative to improve air quality, ECO has designed, constructed and operated LPG filling stations in Hong Kong since 2000. The five LPG filling stations run by ECO provide 18,000 LPG taxis and most LPG minibuses in Hong Kong with 24-hour service. The stations sell approximately 65,000 tonnes of LPG a year, accounting for about 30% of Hong Kong's auto LPG market.



With a wealth of operational and safety management experience, technical expertise and a reputation for excellent customer service, ECO has extended its gas filling station business to the mainland market. In 2006, ECO started its compressed natural gas (CNG) filling business in Maanshan, Anhui province, where it now operates three gas filling stations, serving mainly buses and taxis in urban areas. In 2008, ECO commissioned a gas filling station for heavy trucks in Xianyang, Shaanxi province. The station can supply up to 40,000 cubic metres of gas per day, serving heavy trucks that transport domestic coal. The project was one of the first gas filling stations for heavy trucks on the mainland. In 2010, the Group commissioned its first LNG filling station in the Dalian Development Area, Liaoning province, serving urban vehicles. A mother CNG filling station in Dongping county, Taian, Shandong province and an LNG filling station for heavy trucks in Renping county, Liaocheng (also in Shandong), came on stream in 2011 and early 2012, respectively. A gas filling station for heavy trucks and other vehicles is scheduled to commence operation in Xinmi, Zhengzhou, Henan province at the end of 2012.

## Coal Chemicals

As China's domestic supply of petroleum and natural gas is insufficient to meet its needs, the country has to rely heavily on imported resources to meet demand arising from the rapid pace of development. However, given its abundant coal resources, China can compensate for the inadequate supply of petroleum and natural gas by speeding up the development of coal chemical technology, laying the foundation for the development of a petroleum-substitute fuel industry in the long term.

ECO is currently exploring coal resources and is engaged in a coal chemical project in Erdos, Inner Mongolia. The latter is a methanol production plant in Junger with an annual capacity of 200,000 tonnes. The methanol produced from coal resources has high economic value as it can be used as clean vehicular fuel and as a raw material for many chemical products.

ECO has also invested in a coal mining project and a coking project in Fengcheng, Jiangxi province and begun to study the feasibility of utilising tail gas emitted during the coking process as a feedstock for producing methanol.



## Coal Resources

ECO's two clean coal projects in Inner Mongolia, the Xiaoyugou coal mine and the Kejian open-pit coal mine, produce environmentally-friendly coal for consumer use and for electricity generation and in industrial boilers and other industrial uses. These projects also provide raw materials for the production of coal chemicals and supply fuel and raw materials for ECO's methanol production plant.

## Research and Development in Clean Energy Technologies

### ECO Environmental Energy Research Institute

Established in September 2009 in the Hong Kong Science Park, the ECO Environmental Energy Research Institute is ECO's research subsidiary. The institute underpins ECO's clean energy business development on the mainland and overseas by providing technological consultations and service support. It develops ECO's core technologies, technical feasibility analyses and technology development planning. With an open and innovative research model, the institute maintains close contact with domestic and foreign scientific research organisations and academic institutions, with which it cooperates extensively. The institute is engaged in several collaborative projects on the mainland and Hong Kong, involving clean energy, eco-friendly new energy and energy efficiency.







## Diversified Businesses

### Towngas Telecom

Towngas Telecommunications Company Limited (Towngas Telecom) provides high-end telecommunication infrastructure and network services for telecom carriers, service providers and large corporations. It utilises the existing gas network to build its optical fibre network using Glass-In-Gas and Glass-Along-Gas fibre-laying techniques, achieving synergies that enable it to offer cost-effective services.

In Hong Kong, the ever-growing demand for IT outsourcing and “cloud computing” has driven the rapid growth in Towngas Telecom’s data centre business. In 2011, the data centre business in Hong Kong recorded 100% growth over the previous year. In view of the increasing demand, we are building a world-class Internet application and data centre in Tseung Kwan O Industrial Estate. The 22,000-square-metre centre is expected to come into operation in the fourth quarter of 2012.

Towngas Telecom has also expanded its business into the mainland. It has established several joint ventures to provide superior telecommunications infrastructure and world-class data centre services to telecom operators and broadcasters. In addition to optical fibre projects in three provinces (Liaoning, Shandong and Jiangsu), we set up our first modern data centre in Jinan in 2006. Jinan Towngas Chibo Data Service Centre was officially launched in 2011 and has become one of the mainland’s leading data service providers.



expanded, and it now undertakes a variety of projects, including building services, liquefied petroleum gas projects, civil works, water works and other pipeline infrastructure projects. U-Tech’s customers include Hong Kong’s major utilities and property developers.

In 2011, U-Tech even secured a “hot tapping” contract from Water Supplies Department. “Hot tapping” enables the drilling of access holes on pressurised live water mains without needing to empty them. The Department’s leakage surveys can thus be conducted without disrupting water supply.



### M-Tech

Founded in October 2002, GH-Fusion Corporation Limited (GH-Fusion) is engaged primarily in producing polyethylene pipe fittings and welding equipment for gas and water pipelines. As the manufacturer and supplier of polyethylene products for the Group, GH-Fusion ensures that the products meet our stringent safety and quality requirements.

In 2011, we established M-Tech Metering Solutions Company Limited (M-Tech). The company applies a Micro-Electro-Mechanical System (MEMS) gas mass-flow measurement technology developed in Silicon Valley to design and produce advanced electronic gas meters. The electronic gas meters manufactured by M-Tech will offer more accurate, smart metering solutions for both the domestic and global gas industry.

### U-Tech

U-Tech Engineering Company Limited (U-Tech) employs mainly trenchless technology in its operations in Hong Kong. Since U-Tech does not need to excavate roads when laying underground pipelines, it greatly reduces the environmental impact and the inconvenience to the general public. The company’s business and areas of expertise have steadily



# Major Awards



## Business Management Awards

- Economic Digest: Towngas China was awarded Hong Kong Outstanding Enterprise Award (2011)
- Yazhou Zhoukan: 1000 Worldwide Chinese Companies (2010 and 2011)
- The Wall Street Journal: Asia 200: 8th in Top Hong Kong's Most-admired Companies (2010)
- Yazhou Zhoukan: 2009 Global Chinese Business 1000 – Hong Kong Top 20 Award (2009)
- Institution of Gas Engineers and Managers, United Kingdom: Company of the Year (1999 and 2006)

## Environmental Awards

- Wen Wei Po: Green China Environmental Achievement Award- Distinguished Enterprises (2011)
- Hong Kong Green Awards: Green Management Silver Award (Corporation) (2011)
- Hong Kong Green Awards: Green Purchaswi\$e Award – Platinum Category (2010)
- China Environment News: Towngas China was awarded The Best Enterprise for Corporate Social Responsibility Award (2010)
- China Environment News: Towngas China was awarded The Environmental Excellence Business Award (2009)
- Hong Kong Awards for Industries: Environmental Performance Grand Award (2004 and 2007)
- Hong Kong Eco-Business Grand Award: Green Office (Large Organisations) (2002)

## Social Service Awards

- The Home Affairs Bureau and the Social Enterprise Advisory Committee: 2011 Outstanding Friends of Social Enterprise (2011)
- Family Council: Distinguished Family-Friendly Employer Award (2011)
- Hong Kong Council of Social Service: Age Friendly Hong Kong Appreciation Scheme 2011 – Bronze Award (2011)
- Steering Committee on Promotion of Volunteer Service of the Social Welfare Department: Volunteers with 10,000 Service Hours Award (2011)





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1. Hong Kong Awards for Industries: Customer Service Grand Award (2009)
2. Federation of Hong Kong Industries: Hang Seng Pearl River Delta Environmental Awards – Grand Award, Category Awards under 'Energy Conservation' and "Others" (2010)
3. Hong Kong Awards for Industries: Productivity and Quality Grand Award (2008)
4. 2011 Golden Bauhinia Awards: Towngas China was awarded The Best Listed Company and The Most Valuable Listed Company during the Twelfth Five-Year Plan Award (2011)
5. The Hong Kong Council of Social Service: Caring Company – Total Caring Award (2008)
6. Social Welfare Department: Champion of Highest Service Hour Award (Private Organisations – Best Customer Participants) (2007-2011)
7. American Society for Training & Development: ASTD Best Award (2011)
8. Towngas China was awarded The Best Brand of Public Service Satisfaction among Public Utilities in China (2011)





Lighting the past, brightening the future.....

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