信德集團
SHUN TAK HOLDINGS

## Sustainable Procurement Policy

Committed to sustainable development across all our businesses and operations, we take environmental and social factors, alongside financial factors, into considerations in our procurement decisions. Our objective is to identify, select and purchase products and services with low environmental impact and positive social outcomes. This Sustainable Procurement Policy and the accompanying Shun Tak Holdings Limited's ("STHL") Supplier Code of Conduct reflect our determination to create environmental and social benefits in our procurement activities and also to encourage our suppliers, both large and small, and their subcontractors and agents, to improve their sustainability practices.

All business units and supporting units are encouraged to follow this Policy where practicable, and to adopt additional guidelines to suit their specific business and operational needs.

## Sustainable Procurement Principles

- To comply with applicable laws and regulations
- To operate with the high standards of our business ethics
- To enable our people to adopt sustainability in the procurement processes
- To take into account environmental impacts throughout the product and service life cycle
- To ensure social aspects are considered and suppliers are encouraged to adopt socially responsible practices
- To engage and collaborate with our business partners and suppliers to enhance their sustainability performance

The following factors should be considered by business units and supporting units throughout the entire procurement process (from defining specifications for procuring products or services, selection of suppliers or service providers, to making decisions on contract awards and monitoring of suppliers' performance), where appropriate.

## Environmental Sustainability

The following factors should be considered by business units and supporting units throughout the

entire procurement process (from defining specifications for procuring products or services, selection of suppliers or service providers, to making decisions on contract awards and monitoring of suppliers' performance), where appropriate.

- Efficient use of resources, including energy and water
- Reduction and elimination of the use of toxic and environmentally harmful chemical and materials
- Selection of durable, reusable products rather than single-used disposable materials
- Use of products that are made of recycled, recyclable or biodegradable materials
- Minimal packaging
- Selection of products that are easy to disassemble and recycle at the end of their lives
- Giving preference to products with recognized environmental labels or certificates, whenever practicable
- Giving preference to locally-produced products to reduce transport-related carbon emissions, whenever practicable

**Social Sustainability**

- Engaging and collaborating with suppliers to adopt socially responsible business practices including but not limited to:
    - Operating with ethical, professional and legal standards
    - Respect of human rights
    - Respect of diversity and inclusion
    - Adherence to fair labour practices and standards
    - Provision of safe and healthy working environment
    - Working against corruption in all its forms, including extortion and bribery

- Factors to be considered in engaging suppliers and monitoring suppliers' performance as regards sustainability:
    - Including evaluation criteria on suppliers' environmental and social performance in the tender selection process, such as accreditations and certifications

- Compliance with STHL's Supplier Code of Conduct and applicable environmental and social regulations and laws
- Conducting periodic assessments of suppliers' sustainability performance

The following factors should be considered by business units and supporting units throughout the entire procurement process (from defining specifications for procuring products or services, selection of suppliers or service providers, to making decisions on contract awards and monitoring of suppliers' performance), where appropriate.