

Sustainable Procurement Policy

We recognise that sustainable procurement is an opportunity to manage environmental and social risks in our supply chain, encourage innovation and strengthen relationships with our significant suppliers.

This Policy applies to HAECO Group companies in a way that is relevant to their respective businesses. Implementation of this Policy is the responsibility of the Management team of each group of operating companies. We also encourage our suppliers of goods and services (“suppliers”), contractors, business partners and other counterparties to follow the standards set out in this Policy.

This Policy should be read in conjunction with, where applicable, the procurement policy of the relevant group of operating companies, the HAECO [Supplier Code of Conduct](#) and Swire Pacific [Human Rights Policy](#).

We aim to:

- ensure all existing suppliers are provided with our Supplier Code of Conduct;
- identify significant suppliers through a systematic screening approach that encompasses factors such as procurement needs, commercial viability, quality of work, health and safety requirements and sustainability into our procurement decisions;
- adopt an appropriate due diligence process to monitor our suppliers’ performance and other relevant sustainability criteria;
- where necessary, require our suppliers to develop and adopt appropriate remedial measures; and
- encourage our suppliers to adopt a best practice approach on sustainability, health and safety, human rights, labour practices as well as business ethics and community engagement, and to adhere to the principles set out in this Policy. We encourage innovation and sustainable practices.

Where feasible, we incorporate relevant sustainability considerations into our supplier selection and contract renewal evaluation processes. When making our procurement decisions, we endeavour to, where appropriate, take into consideration a supplier’s commitment to the following:

- having a policy stating their sustainability values and commitments;
- having in place their own supplier code of conduct;
- tracking and reporting their Scope 1 and Scope 2 greenhouse gas emissions;
- setting decarbonisation targets or commitment to the Science Based Targets initiative;
- adopting internationally recognised management systems and guidance related to sustainability (e.g., ISO26000 Guidance on Social Responsibility, ISO 14001 Environmental Management Systems and ISO 45001 Occupational Health and Safety Management Systems); and
- providing products and services that can significantly contribute to our sustainable development objectives.

When sourcing goods or services, we may also consider any of the following, where

appropriate:

- environmental impact across the entire product or service lifecycle;
- inclusion of product carbon footprint information;
- extent to which virgin materials are used in the product;
- whether the product is reusable or recyclable;
- elimination or minimisation of packaging;
- reduction in energy and/or water consumption;
- the level of durability and reparability;
- potential impact on loss of biodiversity and degradation of the environment;
- support to the local economy and/or socially vulnerable groups; and
- environmental or ethical certifications that have been verified by a credible third party.

PUBLIC DISCLOSURE

Appropriate disclosure on matters relating to this Policy will be included in our sustainability reports.

REVIEW

We will review this Policy as appropriate and, in any event, once every three years.”