

China Gas Holdings Limited
(the “Company”)
Supplier Code of Conduct

China Gas Group, which comprises China Gas Holdings Limited and its subsidiaries and affiliates worldwide, requires its suppliers to abide by all applicable laws and regulations of the countries/regions where they operate as a condition of doing business with the Group.

This Code of Conduct (the “Code”) applies to all product and/or service providers of China Gas Group.

The Code consists of six sections: Employee Relationship, Health and Safety, Environmental Protection, Business Ethics, Supervision and Inspection, and Date of Adoption.

1. Employment Relationship

1.1. Suppliers must guarantee that all the employees are employed of their own free will. Suppliers shall prohibit employment discrimination on the basis of race, skin color, age, sex, sexual orientation, gender identity and gender preference, ethnic group, disability, pregnancy, religious faith, political faction, association membership, protected genetic information or marital status in aspect of employment, remuneration, promotion, awarding, training opportunity, layoff and so on.

1.2. Suppliers shall not restrict personal liberty, and shall not withhold any identity document.

1.3. Suppliers shall abide by applicable local and national laws and regulations in relation to the minimum working age, and child labour is forbidden.

1.4. Suppliers shall abide by applicable local and national laws and regulations in relation to voluntary employment, and forced labour is forbidden.

1.5. Suppliers shall abide by all applicable laws and regulations in relation to minimum wages, working hours and rest, the employees’ overtime shall be voluntary.

1.6. Suppliers shall abide by all applicable laws and regulations in relation to freedom of associations and collective bargaining, respect employees’ rights to participate in collective bargaining. Suppliers shall respect these rights. No harassment, intimidation, punishment, interference or retaliation is permitted for interference with these lawful acts.

2. Health and Safety

2.1. Suppliers shall provide work environments safe and clean. The working environment shall be free of any hazard that severely threatens safety or health, and prevent any huge fire or explosion accidents in the workplace, and fatal accidents at the operation site.

2.2. Suppliers shall obtain, maintain and renew all the necessary health and safety permits, and abide by related regulations that are applicable.

3. Environmental Protection

3.1. Suppliers shall acquire, maintain and renew all necessary environmental permits (e.g. the permit for emission monitoring), approval documents and registration certificates, and comply with the requirements on operation and reporting in this regard.

3.2. Suppliers shall comply with all the applicable laws and regulations and clients' requirements in relation to prohibited or restricted goods, take effective measures to prohibit or restrict the use of specific substances in product or/and manufacturing process. Suppliers shall comply with all the applicable laws and regulations in relation to pollutants (including sewage, exhausted gas, solid waste), including requirements of related manufacturing, transportation, storage, treatment and discharge requirements etc. to reduce or eliminate pollution from the source and to forbid illegal emission of toxic and hazardous pollutants and prevent noise pollution. Suppliers shall adopt preservation and replacing measures, reduce the consumption of energy, water, and nature resources to reduce greenhouse gas emissions.

3.3. Suppliers shall carry out or take part in public welfare projects such as those of biodiversity protection, river course cleaning, afforestation, protection of rare species etc., and follow the requirement of no deforestation, and plant grass and trees in soils suitable to be afforested to reduce the time during which soils are left as bare lands.

4. Business Ethics

4.1. Suppliers are required to formulate anti-corruption policies, and are prohibited from corruption or dishonesty and shall follow the principle of "no nepotism, no bribery, no replacing of high-quality goods with low-quality goods, no corner-cutting, no counterfeit, no commercial fraud, and no

default". Suppliers shall have programs to implement, monitor, review, update and revise the policies periodically.

4.2. Suppliers shall promote fair trade and competition for a healthy collaborative relationship.

5. Supervision and Inspection

5.1. Suppliers shall save relevant documents and records to the extent possible to ensure compliance with the Code and relevant laws, and at the request of China Gas Group, provide relevant documents for the Group or designated inspectors as evidences of compliance. If necessary, China Gas Group will visit the workplace and infrastructure of suppliers for compliance verification.

6. Date of Adoption

6.1. This policy was issued for implementation on 1 July 2012, and will be updated in due course.