



HKT TRUST

*(A TRUST CONSTITUTED ON 7 NOVEMBER 2011 UNDER THE LAWS OF HONG KONG
AND MANAGED BY HKT MANAGEMENT LIMITED)*

AND

HKT LIMITED

*(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)
(STOCK CODE: 6823)*

Supplier Code of Conduct

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HKT - a PCCW Group member

Purpose	The purpose of this Supplier Code of Conduct is to establish and facilitate a common standard of ethical conduct to be adopted by the suppliers, contractors, subcontractors, service providers, agents and intermediaries (the “ Suppliers ”) of HKT Limited and its subsidiaries in Hong Kong and internationally (collectively, the “ Group ”).
Scope	This Supplier Code of Conduct: <ul style="list-style-type: none">(a) provides human rights and labour guidance, occupational health and safety requirements, and environmental best practices;(b) calls for compliance by the Suppliers. Whenever possible, the Group obligates all of its Suppliers to observe this Supplier Code of Conduct and favours working with environment-friendly and socially responsible suppliers; and(c) is encouraged to be extended to encompass all levels of the Suppliers’ supply chain.
Legal and Regulatory Compliance	While performing a contract with the Group, Suppliers shall comply with all applicable laws and regulations, including but not limited to those relating to data privacy, anti- bribery and corruption, export controls, and sanctions regulations.
Anti-Bribery and Corruption	<p>The Group is committed to dealing legally and ethically with governments worldwide. We require all of our Suppliers to comply with all applicable anti-bribery and anti- corruption laws, including but not limited to the Hong Kong Prevention of Bribery Ordinance.</p> <p>All Suppliers acting on our behalf or in connection with our business are prohibited from giving or receiving cash, cash equivalents, including gift cards, loans, any item that obligates the receiver/giver to provide something in return, an item that is excessively valuable, or anything illegal. This prohibition includes the provision of facilitating or expediting payments (also known as “grease payments”) to government officials, either directly or indirectly, in order to expedite any official service or function.</p> <p>The Group’s policy prohibits any funds provided to or spent on behalf of government officials or private entities without authorization. This includes any funds spent by our Suppliers such as gifts, donations, sponsorships, lecture fees or other payments, as well as meals, travel, entertainment or other items of value. If Suppliers anticipate that they are going to make any such expenditure on behalf of the Group or in connection with a business undertaking of the Group, the Suppliers shall provide advance notice to the Group in order to obtain the required approval.</p>
Labour	<p>Suppliers shall commit to upholding human rights principles of its workers and workers employed by agencies, as set out in the United Nations Universal Declaration of Human Rights and defined by the United Nations, including but not limited to the following:</p> <p>Forced Labour (a) not using forced labour;</p> <p>Child Labour (b) not employing any person known to be below the applicable legal working age;</p> <p>Working Hours (c) setting working hours that comply with applicable laws, and regulations, ensuring the health, safety and welfare of workers;</p>

Wages and Benefits	(d) paying employees at least the minimum wage and provide benefits as required by local laws;
	(e) allowing work performed to be compensated on the basis of a recognised employment relationship established in compliance with applicable laws and regulations;
Discrimination and Rights	(f) not having any kind of discrimination, harassment and abusive behaviour in relation to age, gender, ethnic origin, hiring, promotion, remuneration, termination, disciplinary action or other conditions recognised by law;
	(g) respecting equal opportunities in terms of recruitment, compensation, access to training, promotion, termination or retirement;
	(h) treating workers with dignity and respect;
Freedom of Association	(i) not interfering with, obstructing or preventing workers from joining or forming trade unions of their own choosing, without prior authorisation from management;
	(j) not discriminating against or otherwise penalising worker representatives or trade union members because of their membership in or affiliation with a trade union, or their legitimate trade union activity.

Occupational Health and Safety

Suppliers shall establish and follow a clear set of procedures regulating occupational health and safety, and provide a safe and healthy work environment that is in compliance with all applicable laws and regulations including:

- (a) the provision of safe and clean conditions in all work and residential facilities, where applicable; and
 - (b) the prevention of accidents and injury to health arising out of or occurring in the course of work.
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Conflict of Interest

The Group is transparent in conducting business dealings and avoid situations putting individual interests in conflict with those of the Group or leading others to question the Group's business objectivity. As a Supplier to the Group, any conduct or relationship that may present an actual or perceived conflict with the Group's interests should be disclosed to the Group. A conflict of interest includes, but is not limited to:

- (a) a Supplier offering the Group's employee a consultancy, directorship, freelance commercial opportunity, or other financial or professional opportunities; or
 - (b) a Supplier's employment of or close connections to a government official who has influence over matters that could reasonably be expected to affect the Group's business.
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- (c) a significant financial interest is any economic interest, including any interest as an owner, partner, stockholder, or holder of debt that may influence or appear to influence judgment.
 - (d) any form of anti-competition or anti-competitive behaviours banned under applicable anti-competition laws and regulations.
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Environment

Suppliers shall maintain a commitment to improve environmental sustainability by adopting the following:

- (a) obtain, maintain and keep current all required environmental permits (e.g. discharge monitoring) and registrations inclusive of following their operational and reporting requirements;
 - (b) waste of all types, including water and energy, shall be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials;
 - (c) monitor, control and treat wastewater and solid waste generated from operations, industrial processes and sanitation facilities as required prior to discharge or disposal;
 - (d) minimise Greenhouse gas (“GHG”) emissions in their value chain;
 - (e) chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse or disposal;
 - (f) air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterised, monitored, controlled and treated as required prior to discharge. This includes adopting technology used to comply with industry energy efficiency standards including energy ratings where appropriate;
 - (g) electrical products designed for consumer use that comply with applicable local safety requirements and environmental permits;
 - (h) use green packaging materials made from biodegradable and recyclable content and manufactured with technologies that can reduce energy use and the harmful impact of packaging on the environment; excessive and unnecessary packaging shall be discouraged and eliminated as much as possible; and
 - (i) efforts should be made, to the extent practicable, to avoid biodiversity loss, prevent land degradation, and mitigate deforestation whenever applicable.
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Supplier Diversity

The Group recognises the value of a diverse supply chain. Suppliers shall support the Group’s supplier diversity initiative and adopt a similar approach with their own suppliers. Suppliers shall also ensure that their own suppliers have a fair opportunity to bid and acquire contracts.

Engagement with HKT Group Strategic Purchasing

Suppliers must be mindful that despite their interaction with various members of HKT staff to provide support for ongoing projects and services, HKT Group Strategic Purchasing (“GSP”) shall ultimately manage the budget, terms negotiation and engagements with Suppliers. As such, Suppliers shall engage GSP as the first point of contact for all new and potential business or any related activity.

Evidence Suppliers shall, upon request, provide the Group with evidence of policies, procedures, management systems and compliance mechanisms to demonstrate their compliance with this Supplier Code of Conduct. The Group shall be entitled, by itself or through a third party auditor nominated by it, to audit Suppliers and their subcontractors, in order to ascertain the compliance with this Supplier Code of Conduct.

Review The Group may amend this Supplier Code of Conduct from time to time to remain relevant and in line with the Hong Kong Prevention of Bribery Ordinance or other relevant laws and regulations.

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