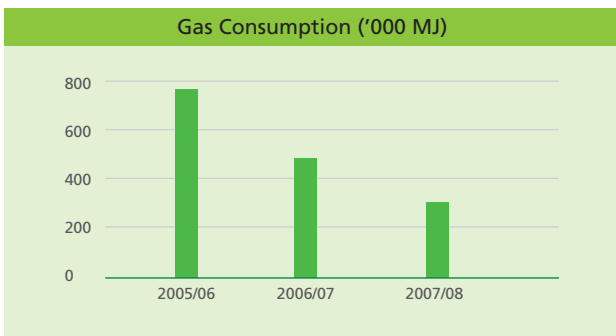




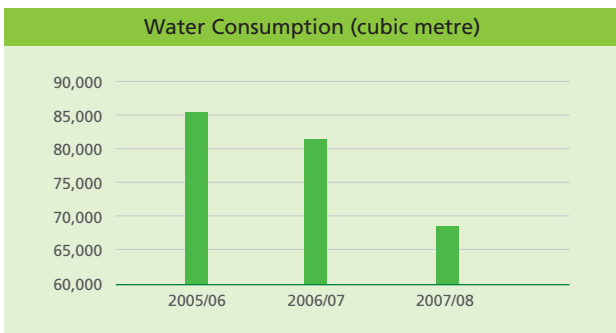
Gas

Towngas used to be the major fuel for hot water supply in the former Caroline Hill headquarters and the Kowloon workshop. There was a drop in the towngas consumption in 2006/07 after relocation of the headquarters to Kowloon Bay as the new headquarters use a mix of heat pumps, electric boilers and solar water heating system for water heating. The Caroline Hill workshop is the remaining major venue using towngas for water heating. The consumption has continued to decline to around 317,000 MJ in 2007/08 with the stepping up of housekeeping measures.



Water

Water is mainly consumed for air-conditioning, gardening, drinking and cleaning. The overall consumption was around 69,000 m³ in 2007/08 covering major venues including Caroline Hill workshop and headquarters at Kowloon Bay, representing a decrease of about 18% compared with that of the previous year. The reduction was attributable to a number of factors, including the cessation of short term usage of the former Caroline Hill headquarters by a few other departments, use of recycled grey water for gardening at Kowloon Bay headquarters, and so on.



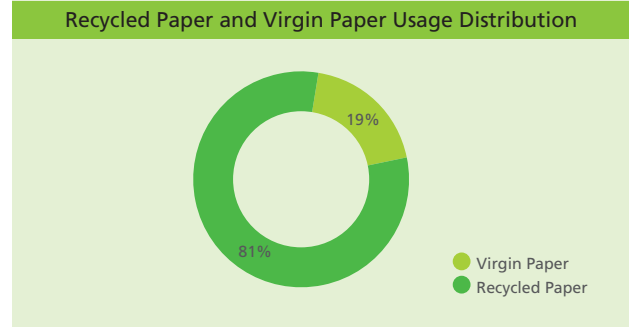
Materials

Materials Used in Offices

Paper

Paper is mainly used for photocopying and printing. We make every effort to reduce our paper consumption,

such as the use of an electronic Document Management System. In 2007/08, paper consumption dropped by 4% on the consumption in 2006/07. Since 2001, we have adopted the extensive use of environment-friendly recycled paper made from recycled fibre. In 2007/08, 81% of our total paper consumption was recycled paper. Use of virgin paper was limited to external documents only and is avoided as much as practicable.



Toner Cartridges

We purchased some 2,800 toner cartridges in 2007/08 and we have followed government initiatives to recycle all used toner cartridges since 2005/06.

Materials Used in Workshops

We recognise that the materials, parts and products used in our everyday operations impact the environment in different ways through their production, use and ultimate disposal. EMSD will work to reduce the use of materials, recondition and re-use them whenever possible in order to sustain resources over the long term. For details of our performance in industrial materials consumption, please refer to the section "Summary of Statistics".

Emissions, Effluents and Wastes

We are aware that our operations produce waste and impact the environment. Our waste management strategy is to maximise material recycling and minimise unavoidable waste generation. Waste is primarily generated from two sources – offices and workshops. The following sections detail our progress in the past 12 months.

Emission factors used in this report
(unless specified otherwise):-

- CO₂ emission factor for electricity = 0.7 kg/kWh
- CO₂ emission factor for gasoline = 2.4 kg/litre
- CO₂ emission factor for diesel = 2.7 kg/litre
- SO_x emission factor for electricity = 2.1 g/kWh
- NO_x emission factor for electricity = 1.3 g/kWh