

2018

Beijing Properties (Holdings) Limited
Corporate Social
Responsibility Report

Beijing Properties (Holdings) Limited

2018 Corporate Social Responsibility Report



About this Report

This report has been considered and approved by the Board of Directors (the “Board”). Beijing Properties (Holdings) Limited warrants that the information contained herein does not contain any false representation, misleading statement or material omission.

Reporting Period

The reporting period is from 1 January 2018 to 31 December 2018, with certain contents dating back to previous years or covering 2019.

Reporting Scope

This report covers Beijing Properties (Holdings) Limited and its subsidiaries and associates. For the convenience of expression, Beijing Properties (Holdings) Limited is hereinafter referred to as “BPHL”, the “Company” or “we”.

Reporting Cycle

This report is on an annual basis and is the fourth corporate social responsibility report released by Beijing Properties (Holdings) Limited.

Report Data

All the information and data contained herein are derived from our official documents, statistical reports and financial reports, and have been reviewed by relevant departments of the Company. In order to disclose environmental and social information more clearly, certain data and information in this report have been disclosed under the office segment, the property segment, the hotel segment, the shopping mall segment and the agricultural shopping mall segment, respectively.

Basis for Preparation

Environmental, Social and Governance Reporting Guide issued by the Hong Kong Stock Exchange
2030 Agenda for Sustainable Development issued by the United Nations (UN)
Guidance on Social Responsibility (ISO 26000: 2010) issued by the International Organization for Standardization (ISO)
GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB)

Report Version and Access

This report is available in both Chinese and English. In case of any inconsistency between the two versions, the Chinese version shall prevail.

This report is issued to the public in paper and electronic (PDF) editions. The electronic edition (PDF) is available for download on the official website of Beijing Properties (Holdings) Limited (<http://www.bphl.com.hk>).

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Chairman's Statement

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The year 2018 marked the start of a new era, in which BPHL achieved quality development. Strongly committed to our corporate culture of “Ambitions, Unity of Knowing and Doing, Steady Progress and Harmonious Prosperity” and followed the development strategy of “One Specialty, Diversified Development and Dual Drivers”, we actively responded to the challenging market trends by focusing on our core businesses, accelerating our business transformation process, and promoting operational efficiency. The Company has now commenced its internationalization process, and will gradually expand our business into the global economy through careful planning and utilization of capital reserves. We will keep abreast of global development trends, in an endeavor to achieve SDGs.

Driven by the huge logistics demand and favorable domestic policies, we have integrated resources and made innovative expansions to establish diversified principal activities and investment projects including high-end and modern general warehouses, cold-chain logistics warehouses, industrial properties, specialized wholesale markets, commercial properties and other value investments. We are committed to meeting the diversified demands of our customers by providing them quality products and services, to create

a win-win situation where our industrial chain boosts industry development, to align the Company's vision with our employees' values, to actively serve our community, and to establish a mutually beneficial business-community collaboration. While accelerating business growth, we have, at the same time, seriously implemented measures to meet China's environmental protection requirements, stringently fulfilled our principal environmental responsibilities, strongly promoted eco-friendly operation and clean production practices, and established green development and working models, in order to create a better environment for production and living, and to contribute to the building of an ecological civilization.

Beijing Properties (Holdings) Limited enters its 10th anniversary in 2019. In this new era, the Company is going to face new opportunities and challenges. Nevertheless, we will remain true to our original aspiration of achieving “harmonious prosperity” and will strive for quality development with the involvement of all partners. With refined management, more stable operation and services of higher quality, we will promote corporate growth and acquire new accomplishment.

Qian Xu

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CEO's Statement

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2018 marks the 40th anniversary of China's Reform and Opening Up. With a shift from speed of growth to quality of growth, China's economy brought about new opportunities and challenges for the development of the industry. While BPHL worked conscientiously on its core businesses and constantly lifted itself to higher levels to create economic values for its shareholders and investors, it also continued to invest more capital, resources and talent to fulfill its social responsibilities, to make contributions to social and environmental sustainability. We incorporated the social responsibility of “harmonious prosperity” into our development and operation processes, and continued to promote standardization and systemization of our CSR management, with an aim to increase our ability to create economic, social and environmental values in all respects, thereby contributing to the high-quality development of the Chinese economy.

High-Quality and Sound Operation. Committed to establishing an impartial and honest corporate culture, we strictly regulated the governance and operation of the Company. While promoting the refinement and stabilization of our management, and working conscientiously on our logistics property business, we actively responded to the “Belt and Road” Initiative by developing and expanding our overseas businesses, with the aim of creating returns from various areas for our shareholders with our professionalized and diversified businesses.

Working Together to Achieve Win-Win Results. We actively leveraged the strength of our primary business to seek for more balanced, inclusive and sustainable development of various business lines by upholding our principle of achieving a healthy and coordinated development within the industry.

We continued to create and optimize premium projects across major business segments, and maintained industrial sustainability with our suppliers and partners to achieve win-win results.

Co-existing Harmoniously with Nature. We put our vision of green development into thorough practice by fully implementing green operation, establishing a healthy environmental management system and a mechanism for compiling and monitoring environmental data, so as to reduce emissions, energy and resources. Advocating for a green culture, we developed green habits among employees to further contribute to the building of an ecological civilization.

Safeguard our Happiness and Health. Based on our concept of “shared growth”, we built a culture of caring for our employees by providing them diversified professional trainings and a wide scope for development, such that they could pursue a smooth career path and lead a happy life. Our active participation in charity events, and our contribution to the building and development of our society are ways to share the fruits of our success.

2019 is the 10th anniversary of BPHL. At a new beginning, we will remain committed to our corporate culture of “Ambitions, Unity of Knowing and Doing, Steady Progress and Harmonious Prosperity”, continue to further realize our responsibilities in the four aspects of “Steady Progress, Common Growth, Safety and Environmental Protection, and People-oriented Harmony”, to create greater economic, social and environmental values for our stakeholders.

Siu Kin Wai

”



Our First Decade

Ten Years of Reform: Developmental Milestones of the Company

2009

- July Changed its name from Peaktop International Holdings Limited to Beijing Properties (Holdings) Limited
- July Introduced Kerry Group as our strategic shareholder

2010

- January Acquired 60% interest of Tongcheng Properties (Owners' City) from Beijing Holdings Limited
- June Issued convertible bonds amounting to HK\$2 billion, of which HK\$1.5 billion was subscribed by BE Group
- September Established BE Real Estate through internal pooling of real estate resources of BPHL and BE Group

2011

- July Jointly established Beijing Inland Port Co., Ltd with Kerry Group and Beijing Lugang and commenced the Tongzhou Port project, of which BPHL held 76% equity interest
- November Completed the construction and sales of Owners' City, a residential project
- November Completed the acquisition of 82.24% equity interest in Beijing Lugang

2012


- March Disposed all interests in the Beijing Owners' City project
- May Established China Logistics Infrastructures (Holdings) Limited as the first professional management platform of the Group that engages in logistics property development

2013

- January Acquired the land use right of a land parcel with a site area of 57,040 square meters in Quzhou, Zhejiang
- March Acquired 70% equity interest in WSL Logistics Customs Warehouse and TYWL Port Warehouse
- August Acquired all equity interests in Waigaoqiao Bonded Logistics Center
- October Acquired 75% equity interest in Holiday Inn Downtown Beijing Company Limited
- November Acquired 60% equity interest in Tianjin Zhongyu Cold-chain
- December Completed the debt interest acquisition of Guangzhou Metro Mall

2014

- January Issued convertible bonds amounting to US\$80 million to PAG
- April Exercised the rights of the bonds of Guangzhou Metro Mall and acquired 99% equity interest in Guangzhou Metro Mall
- June Acquired approximately 20.86% of the issued share capital of Genvon Group Limited (Stock Code: 2389) and became its largest shareholder
- July Introduced Mitsui & Co., Ltd. and Mitsubishi Estate Company, Limited as our strategic shareholders through the infrastructure platform of China Logistics
- July Acquired the land use right of a land parcel with a site area of 227 thousand square meters in Quzhou, Zhejiang
- August Obtained a formal planning modification approval for the Tongzhou Port Economic Zone Project to significantly increase the gross floor area from 402.3 thousand square meters to approximately 628 thousand square meters
- September Signed the letter of intent on cooperation with Tianjin Port (Group) Co., Ltd. to achieve development of Beijing-Tianjin Logistics Industrial Park
- September TYWL Port Warehouse Project Phase I was completed, and was fully rented by SF Express (Tianjin) Limited
- December The main structure of Quzhou Agribusiness Complex Project Phase I was completed and the engineering structure of Tianjin Zhongyu Project Phase I was roofed
- December Acquired the remaining equity interests in Holiday Inn Downtown Beijing Company Limited, such that it became the first wholly-owned hotel of BPHL



2015

- June Established China Hui Ying Agribusiness (Holdings) Co., Limited as the management platform for the Group's Quzhou Agribusiness Complex Project
- August Opening ceremony of Phase I of the Quzhou Agribusiness Complex Project
- August Phase II of TYWL Port Warehouse commenced constructio
- September Acquired 80% equity interest in Hainan Datong E-commerce Logistics Industrial Park
- October Established China Logistics Warehouses (Holdings) Co., Ltd. as the second professional management platform of the Group that engages in logistics property developmen
- November BIPL successfully acquired the land parcel of Tongzhou Port Economic Zone with a total site area of 234 thousand square meters
- November Acquired 60% equity interest in Meishan Xunda Hongtong E-commerce Logistics Industrial Park and 80% equity interest in Xiamen Xunda Hongtong E-commerce Logistics Industrial Park
- November Acquired 80% equity interest in Jingchangshun Cold-chain Logistics
- November Completed the overseas issuing of bonds amounting to US\$0.3 billion

2016

- January Tianjin Zhongyu Cold-chain Project Phase I was completed
- March Tongzhou Port Economic Zone was listed as one of the 40 most important projects out of 235 major projects of Beijing
- June Guangzhou Metro Mall was named one of the "2015 Top Ten Shopping Malls in Guangzhou" by the Guangzhou General Chamber of Commerce
- July The fruit trading zone of Quzhou Agribusiness Complex Project Section 1 of Phase II, with a rentable area of 10,720 square meters, achieved full occupancy; its opening ceremony was held in September
- September Tongzhou Port Economic Zone officially commenced construction
- November TYWL Port Warehouse Project Phase II was completed and was fully leased to SF
- November Established China Industrial Properties (Holdings) Limited and signed a joint venture agreement with Singapore's Xin Zhong Lian Group (新中联集团), which marked BPHL's entry into the industrial property investment field, an extension from its existing investment in logistics property
- December Acquired 80% equity interest in Jingchangshun Cold-chain Logistics
- November China Logistics acquired 100% equity interest in Tianjin Port International Bonded Logistics Center

2017

- February Lot 1 of land parcel F19 of Tongzhou Port Project commenced construction
- March Issued bonds amounting to US\$0.3 billion in Hong Kong, which was oversubscribed 10 times, with the total subscription amount reaching US\$3 billion
- April China Warehouse acquired 100% equity interest in Tongliao Dahua Project Section 1 of and Tongliao Jide Projec
- May Obtained land parcel F14 for Tongzhou Port Project (the land certificate was obtained in October)
- June Fortune Land (Changshu) Project commenced construction
- June Lots I & II of Quzhou Agribusiness Complex Project Phase II commenced operation
- June The ground floor cold storage of Tianjin Zhongyu Cold-chain Phase I achieved full occupancy
- June Fortune Land Taicang Project was completed and achieved full occupancy by the end of the year
- August Acquired 60% equity interest in Zhong Jian Jin Bian Jing Ji Te Qu Ltd
- September Obtained the land parcel for Sin-Den Taicang Project (the land certificate was obtained in December)
- November Established China Qi Ming Investments (Holdings) Co., Ltd. as the management platform for the Sino-Cambodian SEZ project
- December Quzhou Agribusiness Complex Project was named the "Leading Provincial Agribusiness" in Zhejiang
- December Fortune Land (Jiaxing) Project commenced construction

2018

- January An industrial land of 133,181 square meters was obtained for the Sunan Zhicheng Project
- January Tianjin Zhongyu Cold-chain was qualified to be included in the Aquaculture Imports Database Qualifications
- January Established China Cold-chain Industry Investments (Group) Limited ("China Cold-chain") as the Group's professional management platform that integrates cold-chain assets with upstream and downstream services
- February Tianjin Zhongyu Cold-chain acceded to the China Chamber of Commerce of I/E of Foodstuffs, Native Produce and Animal By-products (CFNA)
- May Internal assets of Tianjin Zhongyu Cold-chain, Jingchangshun Cold-chain Logistics and Beijing-Tianjin Logistics Park were restructured and included into the China Cold-chain Industry segment
- May The opening ceremony of Zhong Jian Jin Bian Jing Ji Te Qu Ltd. was held in Phnom Penh, the capital of Cambodia, and was attended by representatives from the Cambodian government, the Beijing municipal government and BE Group
- June Tongzhou Port Project was listed as a "2018 major construction" by the Beijing municipal government
- August Lot 1 of land parcel F19 of Tongzhou Port Project was awarded the "Gold Award of Beijing Great Wall Cup for Building Structure 2017-2018"
- September Land parcel F15 of Tongzhou Port Project (approx. 167 thousand square meters) was officially completed and achieved full occupancy
- September Lot 1 of land parcel F19 of Tongzhou Port Project (approx. 98 thousand square meters) was completed and achieved full occupancy
- October 5,197 square meters of commercial land was obtained for Sunan Zhicheng Project
- December Quzhou Agribusiness Complex was named a "Provincial Charitable Agriproduct Market" by the Department of Commerce of Zhejiang Province

Responsibilities Over the Decade: CSR Achievement

2009~2015

- Worked conscientiously on our core businesses to create values for our shareholders and investors
- Committed to green office to contribute to the building of an ecological civilization
- Participated in charity events to enable common growth of the community

2016

- Prepared our first ESG Guidelines Introduction Handbook, to achieve systemization and standardization of the Company's CSR information collection system by following the ESG guidelines
- Issued our first ESG Report, which systematically disclosed the Company's vision, management, actions and performances in relation to our economic, social, and environmental responsibilities

2017

- Enhanced employee training in relation to ESG, raising their ability and awareness in fulfilling their social responsibilities
- Continued to increase the accuracy of our ESG data to meet the requirements of the ESG guidelines of HKEX, and expanded our scope of information disclosure
- Issued our 2016 ESG Report, which systematically disclosed the Company's CSR actions and key performances in the four aspects of "Steady Progress, Common Growth, Safety and Environmental Protection, and People-oriented Harmony"

2018

- Interviewed members of the Company's internal system, discovering and identifying key CSRs fulfilled by each system
- Refined and consolidated our content for information disclosure, and disclosed ESG information separately by major business segments of the Company
- Prepared our ESG Guidelines Introduction Handbook 2.0, and further incorporated the ESG requirements of the HKEX and stakeholders' expectations into our corporate management of ESG to enhance our ESG performance
- Issued our 2017 ESG Report, which systematically disclosed the Company's CSR actions and key performances in the four aspects of "Steady Progress, Common Growth, Green Growth, and People-oriented Harmony"

2019

- Conducted research on targeted advanced enterprises, and incorporated the relevant ESG requirements into our management and operation
- Continued to fulfill our CSRs in the economic, social, environmental and other aspects, to enhance our ESG performance
- Issued our 2018 ESG Report, which contained detailed disclosure of environmental information

About Us

Company Profile

Established in July 2009 by Beijing Enterprises Group Company Limited after its inception, Beijing Properties (Holdings) Limited is an overseas listed company mainly engaged in general real estate business. After its establishment, the Company successively invested in residential, commercial and logistics real estate projects in mainland China with funds raised from listing. In the process, it gradually established its development direction of focusing on logistics real estate investment and developed its corporate culture featuring "Ambitions, Unity of Knowing and Doing, Steady Progress and Harmonious Prosperity". In 2010, Beijing Properties (Holdings) Limited carried out reorganization with the domestic real estate segment of Beijing Properties (Holdings) Limited to establish Beijing Enterprises Real-Estate Group Limited ("BE Real Estate") which turns the Company into its listing vehicle. After years of development and active exploration, the Company has established a solid foundation in logistics property. In 2016, BPHL successfully captured development opportunities in the logistics industry, continued to consolidate its business foundation, maintained steady growth of core operations, expanded into the industrial property sector, and responded to the "Belt and Road" Initiative by participating in the development of the Sino-Cambodian Phnom Penh Special Economic Zone. In 2018, the Company established China Cold-chain Investment (Group) Co., Ltd. ("China Cold-chain"), as a professional management platform that integrates cold-chain assets with upstream and downstream services.

Holiday Inn Downtown Beijing Company Limited

Holiday Inn Downtown Beijing
Status: In operation.

Beijing Inland Port Co., Ltd.

Tongzhou Port Project
Status: Parcel F15 completed and delivered to client; Parcel F19 Section 1 completed and delivered to client, Section 2 & Section 3 under construction; Parcel F14 has been acquired; Other parcels are in the process of undergoing preliminary procedures.

Tongliao Dahua Logistics Limited

Tongliao Dahua Project
Status: In operation.

Tongliao Jide Warehouse Logistics Limited

Tongliao Jide Project
Status: The land has been acquired upon completion of the acquisition, pending construction.

Tianjin Transwell International Logistics Co., Ltd.

Transwell Customs Bonded Warehouse
Status: In operation.

Transwealth Logistics (Tianjin) Co., Ltd.

Transwealth Airport Warehouse
Status: In operation.

Tianjin Tong Da You Zhi Logistics Co., Ltd.

Tianjin Port International Bonded Logistics Center
Status: In operation.

Tianjin Beijing Inland Port Co., Ltd.

Beijing-Tianjin Logistics Park
Status: Under planning.

Tianjin Zhongyu Properties Co., Ltd.

Tianjin Zhongyu Cold Chain
Status: In operation.

Meishan Xunda Hongtong Warehouse Company Limited

Meishan Xunda Hongtong E-commerce Logistics Industrial Park
Status: In operation.

Zhong Jian Jin Bian Jing Ji Te Qu Ltd.

Status: Acquisition of the land for Phase I has been completed and acquisition of the remaining land lots will continue based on the situation of the project, with a total of 50 km² available for future development.

Hainan Datong Warehouse Company Limited

Hainan Datong E-commerce Logistics Industrial Park
Status: In operation.

Qingdao Jingchangshun Food Co., Ltd.

Jingchangshun Cold Chain Logistics
Status: In operation.

Beijing Properties (Shanghai) Warehousing Co., Ltd.

Waigaoqiao Bonded Logistics Center
Status: In operation.

Quzhou Tongcheng Agriculture Development Co., Ltd.

Quzhou Agribusiness Complex
Status: Phase I: in operation; Phase II: Section 1 & Section 2 in operation, Section 3 under planning.

Xiamen Xunda Hongtong Warehouse Company Limited

Xiamen Xunda Hongtong E-commerce Logistics Industrial Park
Status: In operation.

Guangzhou Guangming Real Estates Co., Ltd.

Guangzhou Metro Mall
Status: In operation.

Fortune Land Industrial Development (Taicang) Pte Ltd.

Fortune Land Taicang Project
Status: In operation.

Fortune Land Industrial Development (Changshu) Pte Ltd.

Fortune Land Changshu Project
Status: Under construction.

Fortune Land Industrial Development (Jiaxing) Pte Ltd.

Fortune Land Jiaxing Project
Status: Under construction.

Good Land Industrial Development Pte Ltd.

Good Land Suzhou Project
Status: Under construction.

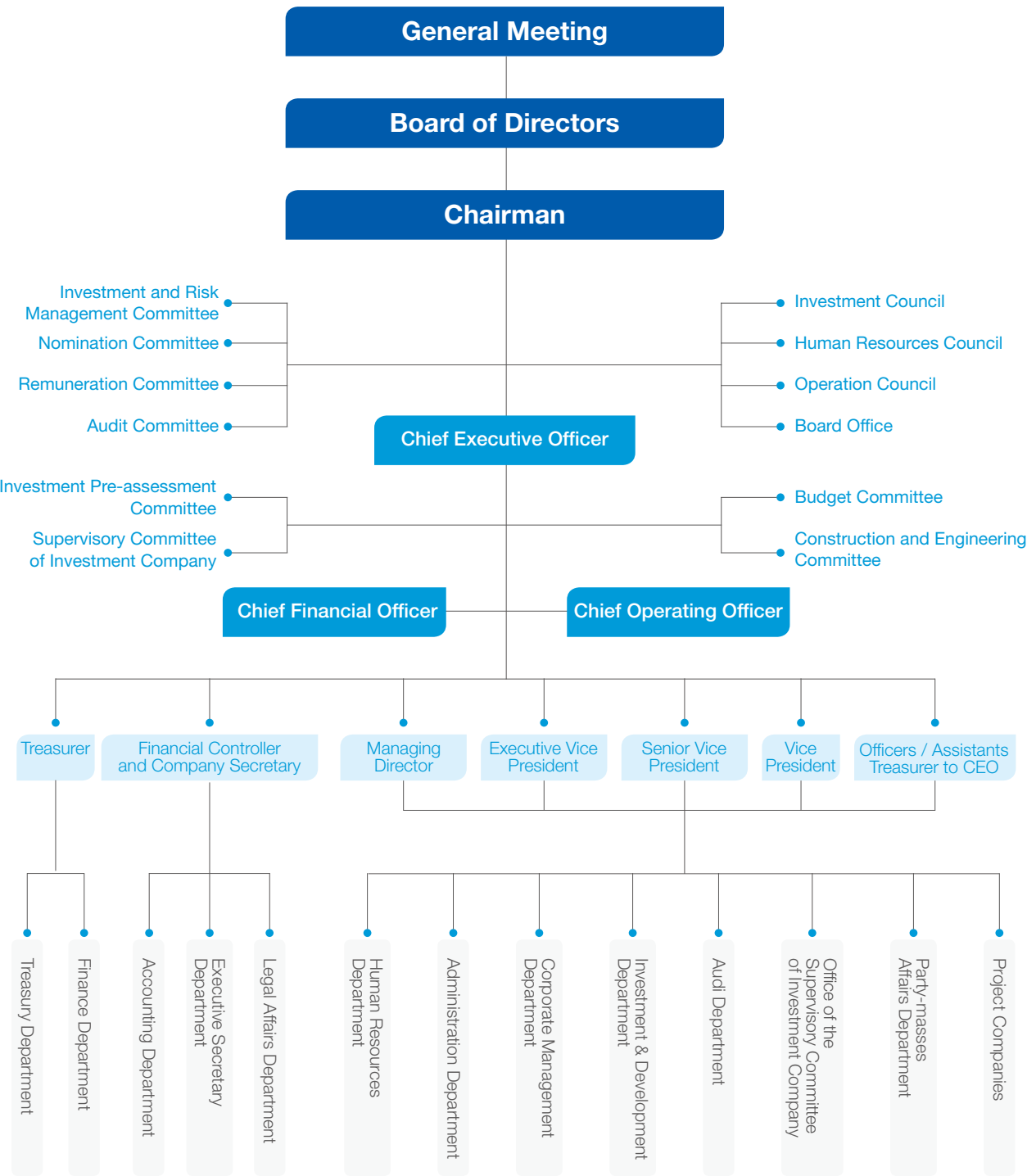
Sin-Den Logistics Development Pte Ltd.

Sin-Den Taicang Project
Status: Under construction.

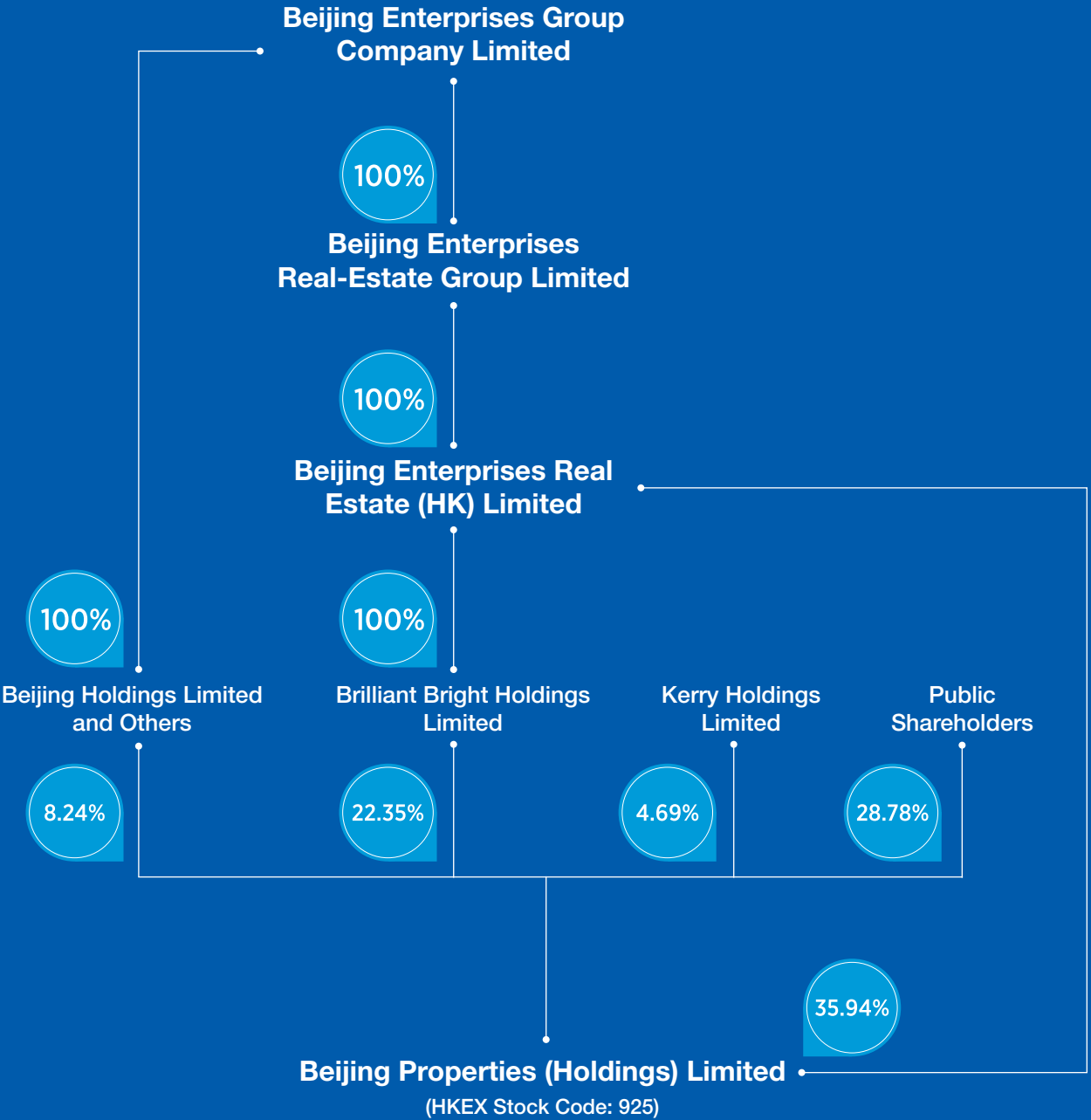
Jiangsu Sunan Zhicheng Technology Development Co., Ltd.

Sunan Zhicheng Project
Status:The land has been acquired, and the project is at the early stage of preparation.

Management Structure

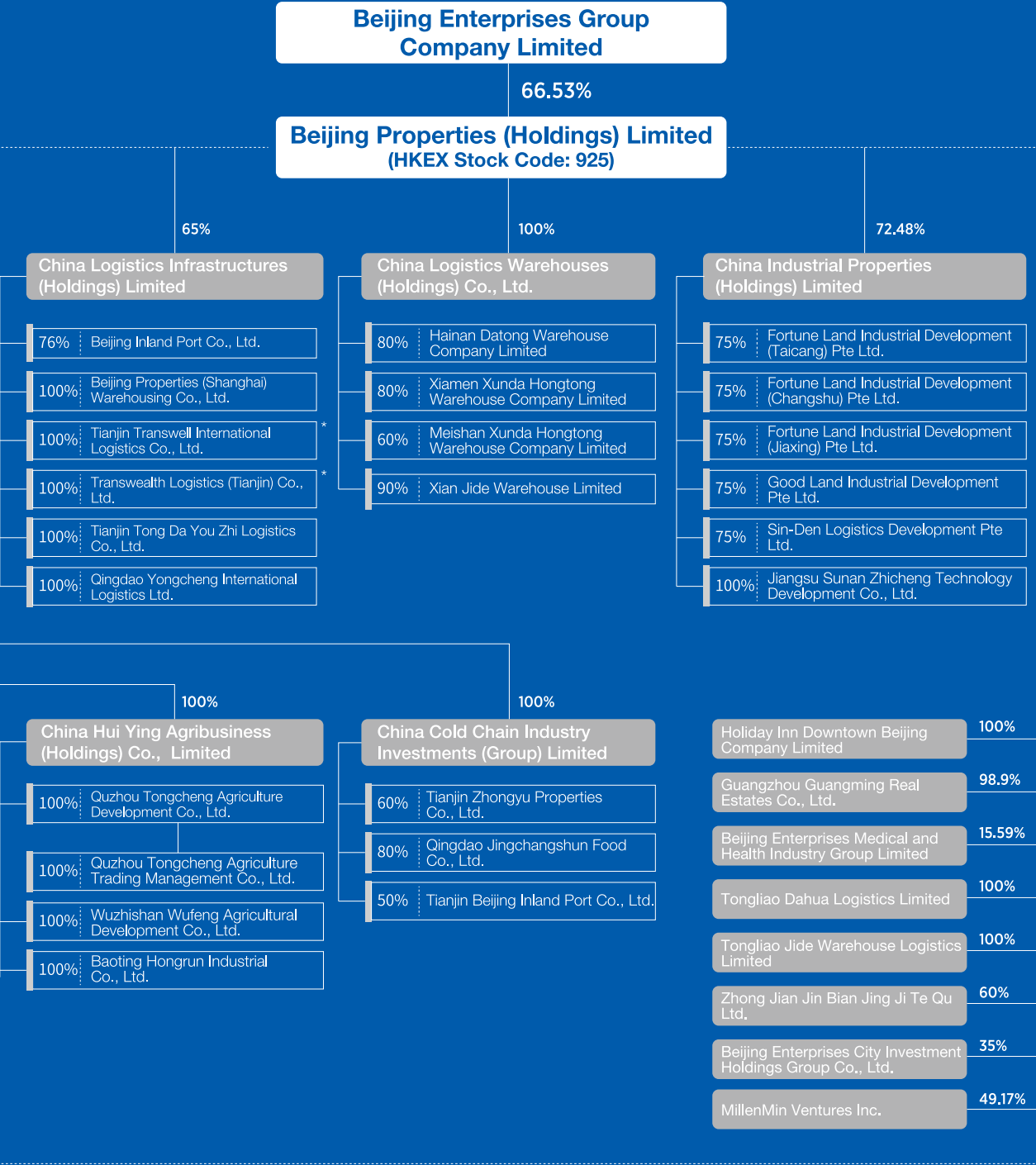


Shareholding Structure



(As at 31 December 2018, Beijing Enterprise Group Company Limited held a 66.53% equity of BPHL)

Asset Structure



* Out of 100% equity interest, 30% equity interest are held directly by BPHL and 70% equity interest are held by China Logistics Infrastructures (Holdings) Limited.

Responsibility Management

Responsibility Concept

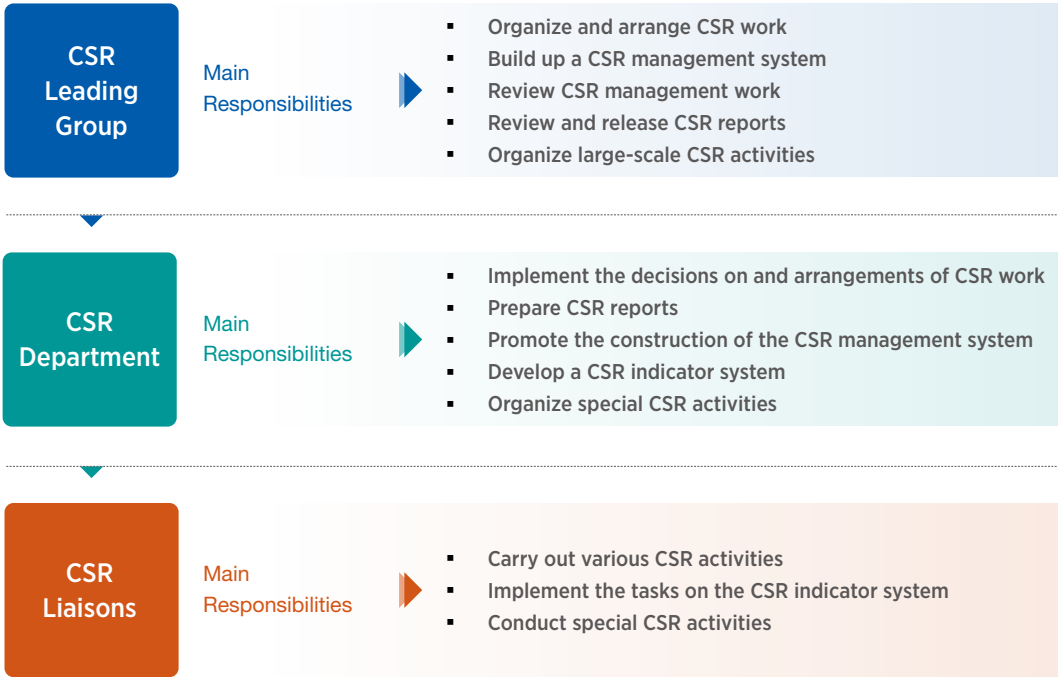
By upholding “harmonious prosperity” as its responsibility concept, BPHL is committed to promoting high-quality and sound operation of the Company, driving close-tied synergies with the Company’s stakeholders, building a green development model and a best possible environment for production and living, and achieving employee development and social happiness, aiming to promote sustainable development in all aspects of its business operation.

With the increasing global attention and demand towards sustainable development, we precisely address stakeholders’ concerns by aligning our core businesses and responsibilities with the 17 Sustainable Development Goals (SDGs) of the United Nations based on our current position. We hope to respond to every demand while achieving SDGs. By tackling global challenges together, we will make the world a better place.



Responsibility Promotion

BPHL integrates social responsibility into all areas of corporate management and operation. It combines its operation model with its development strategy and continues to improve its CSR management system. BPHL also strives to integrate social responsibility into its corporate philosophy, as well as every function, department and production process, so as to meet the expectations and demands of shareholders, the government, employers, workers, and other stakeholders in the community. We proactively promote CSR management work by establishing an effective CSR structure with a clear division of work, forming a CSR Leading Group led by our executive directors together with a CSR Department, and assigning CSR Liaisons to all units, to ensure an orderly process of our CSR scheme.



BPHL prioritizes the integration of social responsibility into day-to-day operations and issues CSR reports on a regular basis. In order to better fulfill the HKEX information disclosure requirements of listed companies and better respond to the concerns and demands of stakeholders towards the Company, we were continuously promoting to prepare and optimize the ESG Guidelines Introduction Handbook of Beijing Properties (Holdings) Ltd. in 2018 to further improve accuracy and integrity of information disclosure. We have also added CSR-related content, such as the standardization and strengthening of safety production and management procedures, in our Internal Control Handbook.

Responsibility Communication

Communication with employees, investors, tenants, customers, suppliers, regulatory authorities, the media, and other community representatives and participation therewith are crucial aspects of our day-to-day operation. We have developed channels and methods to communicate with our stakeholders, listened to their expectations and advice on our CSR performance, and actively responded to their opinions and demands, so as to create shared values with joined efforts.

Stakeholders' Participation

In order to fully understand stakeholders' expectations on BPHL and their advice, we proactively communicate with stakeholders to learn about their opinions and concerns. Besides listening to public advice regarding our economic, social and environmental performance, we have also established an internal panel to collect employees' opinions on the Company's sustainability, so as to address key issues with multiple approaches.

Levels of Participation of BPHL's Stakeholders:



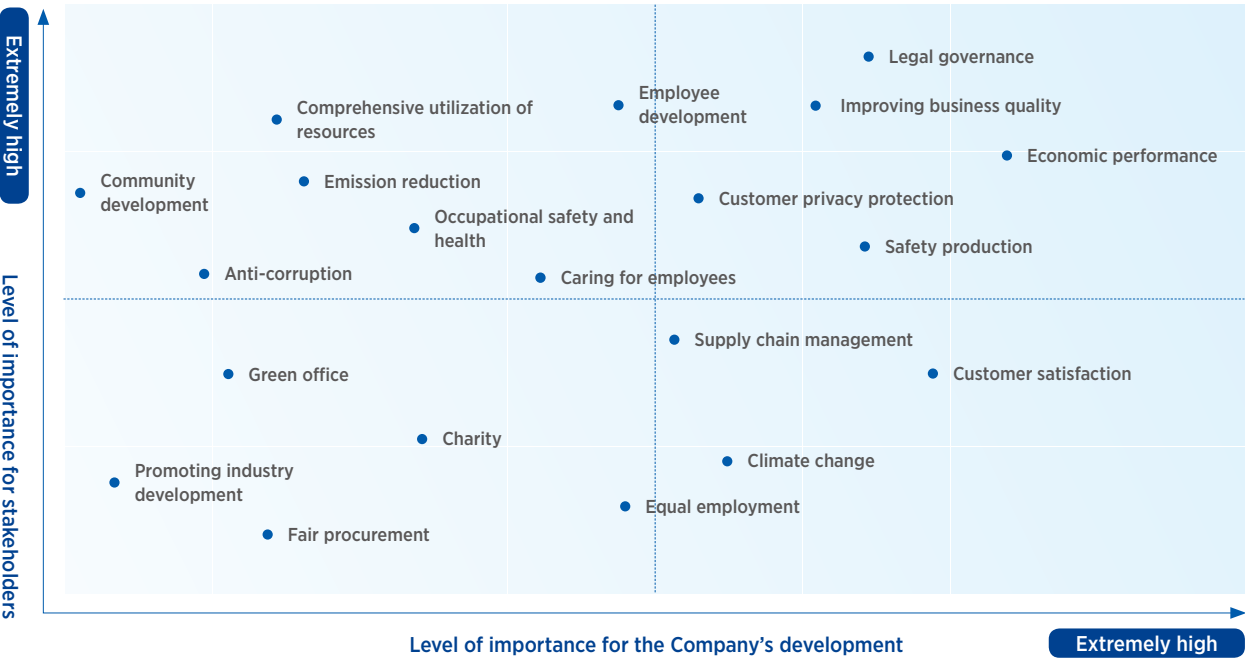
Substantial Analysis and Assessment

Pursuant to domestic and overseas CSR guidelines and based on the expectations of external stakeholders, its own strategy and ability to attain sustainable development, BPHL prioritized and selected substantial issues to be disclosed in this report from two dimensions: "level of importance for the Company's development" and "level of importance for stakeholders".

Identification of Key Issues



Importance Matrix



List of Important Aspects and Responses

Based on the substantial matrix analysis, we have listed and responded to issues in order of importance.








Legend

Sound operation

Common growth

Safety & environmental protection

People-oriented harmony

Important aspects identified	Impact and scope						
	 Government	 Shareholders and investors	 Community	 Employees	 Suppliers	 Customers	 Media
Legal governance	◎	◎		◎			◎
Improving business quality		◎			◎	◎	
Economic performance	◎	◎	◎	◎	◎	◎	◎
Employee development			◎	◎			
Customer privacy protection		◎	◎		◎	◎	
Safety production	◎	◎	◎	◎	◎	◎	◎
Customer satisfaction		◎			◎	◎	
Comprehensive utilization of resources	◎	◎	◎			◎	
Emission reduction	◎	◎	◎			◎	
Occupational safety and health		◎	◎	◎	◎	◎	
Caring for employees		◎	◎	◎	◎		
Supply chain management		◎			◎		
Climate change	◎	◎	◎			◎	◎
Community development	◎	◎	◎		◎	◎	◎
Anti-corruption	◎	◎		◎	◎	◎	◎
Green office		◎	◎				
Charity	◎	◎	◎			◎	◎
Equal employment	◎	◎	◎	◎	◎		
Promoting industry development		◎			◎		
Fair procurement	◎	◎			◎		



HIGH-QUALITY AND SOUND OPERATION

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Key Issues

Economic
performance

Legal
governance

Anti-corruption

Opportunities and Challenges

- The international capital market is actively concerned with the ESG performance of listed companies in the PRC, and considers such to be an important factor when making investment decisions.
- As China enters a new age with new trends, standardizing the Company's internal control, establishing a modern management system, and strengthening our foundation for development are important steps for the transformation and upgrading of the enterprise.
- Exposed to market fluctuations, personnel changes and other risk factors, we need to create a sound internal control environment and constantly make improvements to adapt to our ever-changing operational needs.

Major strategies

- Strictly abide by the relevant requirements of the Code of Corporate Governance for Listed Companies in China, and constantly improve the Company's management system, rules of procedures for Board meetings and other conventions.
- Strictly adhere to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Companies Ordinance, the Provisions on Information Disclosure Management and other relevant provisions, and provide timely, effective, complete and lawful disclosure of discloseable information and make voluntary disclosures.
- Strengthen legal governance and operation, enhance internal risk prevention, and intensify the building of a fine and clean Party culture and anti-corruption work
- Proactively negotiate for better business positions and capture market opportunities, to continue to maintain a steady growth.

Core Performance

General meeting

1

Board meetings were
convened this year

5

Annual total profit
amounted to

320 million (HK\$)

No inquiries, reports or penalties in relation to the non-compliance of anti-corruption, anti-extortion, anti-fraud or anti-money laundering laws and regulations was recorded at our places of operation in 2018

Regulate our Corporate Governance

BPHL considers itself responsible to all shareholders, hence it abides by the relevant requirements of the Code of Corporate Governance for Listed Companies in China, makes constant improvements to the Company's management system, and regulate and improve its control, so as to promote a sustained, stable, and healthy development of the Company in general.

Improving our Management System

BPHL makes constant improvements to its corporate governance framework, to increase its level of governance; and revisions to the rules of procedures for Board meetings and other conventions, to ensure having a regulated, scientific and systematic governance structure. The Board is comprised of 15 directors, including 10 executive directors and 5 independent non-executive directors. Independent directors represent 33.33% of the Board; they provide independent advice in relation to the Company's business strategies, results and management. The Board is mainly responsible for formulating the development strategies of the

Company, to ensure a high level of corporate governance. The Board holds regular meetings every year to approve the Company's acquisitions and related transactions, monitor its financial performance, so as to meet its strategic goals. The Audit Committee, Nomination Committee, Remuneration Committee and Investment and Risk Management Committee have been established under the Board, to ensure the effective maintenance of its corporate governance. In 2018, the Company convened 1 general meeting and 5 board meetings.

Regulating the Disclosure of Information

We strictly adhere to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Companies Ordinance, the Provisions on Information Disclosure Management and other relevant provisions, and provide timely, effective,

complete and lawful disclosure of discloseable information and make voluntary disclosures, to further protect the lawful interests of our shareholders, creditors and other stakeholders.

Strict and Legal Governance

BPHL strictly abides by the Company Law of the People's Republic of China and other laws and regulations, promotes legal governance and operation, enhances internal risk prevention, strengthens and monitors its accountability system, and continues to intensify the building of a fine Party culture and anti-corruption work, in order to provide strong warranty for the Company's quality development. In 2018, there were no inquiries, reports or penalties in relation to the non-compliance of anti-corruption, anti-extortion, anti-fraud or anti-money laundering laws and regulations at our places of operation.

Building a Fine and Clean Party Culture

BPHL fully implements the important decisions made by the Party, unswervingly upholds the Party's leadership, makes greater efforts to make Party-building its "root" and "soul", and constantly integrates into the comprehensive administration of the Party with strict discipline. With a focus on education, and a strong

regulation, the Company supports a parallel building of a fine and clean Party culture and reform and development of enterprises. By conducting internal inspection and supervision, the Company provides a strong guarantee for its healthy development.



Core aspects of the building of a fine and clean Party culture

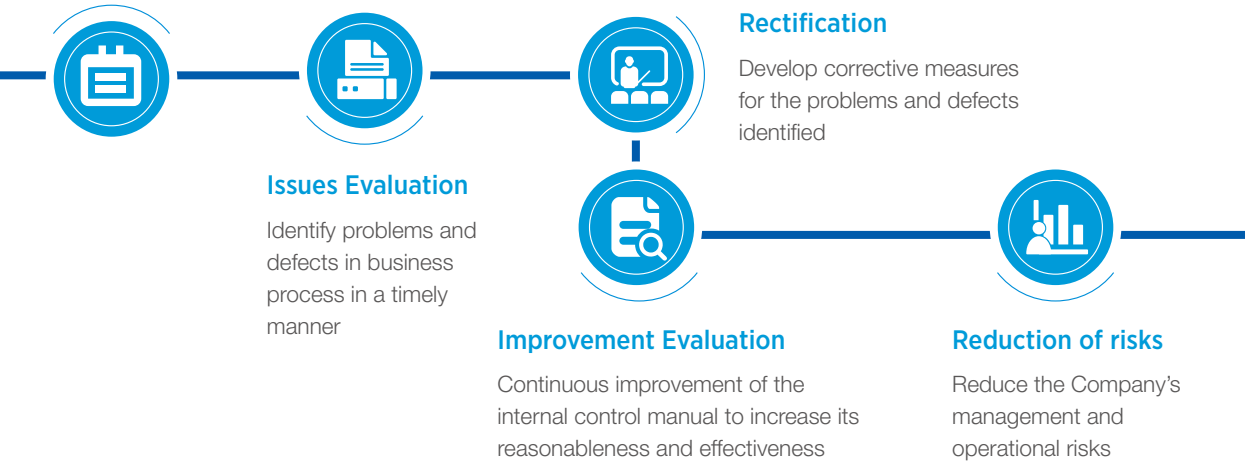
Standardized Operation

BPHL continually improves its internal control system and strengthens its internal control management to fully meet the corporate internal control requirements of the State-owned Assets Supervision and Administration Commission of Beijing Municipality, Group members, and the HKEX. It has therefore prepared and distributed the Internal Control Handbook. On the basis of improving the Company's internal control system, it has further

standardized its internal management and operation procedures; delegated responsibility to employees of all levels; managed its financial and legal risks; realized systematic management, clarity of a streamlined system, controllable risks, and maximized effectiveness. Thus, the Company has improved its risk prevention ability and enhanced its operating efficiency.

Evaluation

Evaluate each business process and key control points

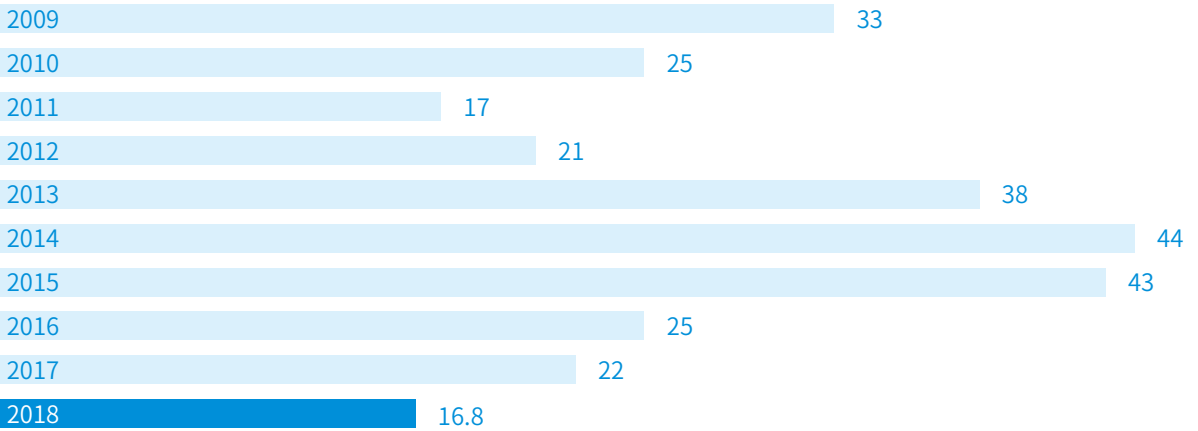


Achieve Steady Growth

BPHL proactively negotiates for better business positions, captures market opportunities, makes general arrangements to the logistics property industries, focuses on the construction of free and cold storages and expands its cold-chain business to upstream and downstream industries. It also proactively responds to the “Belt and Road” Initiative and brings the synergy effect of the industry and resources into full play. In 2018, the Company continued to maintain a steady growth.

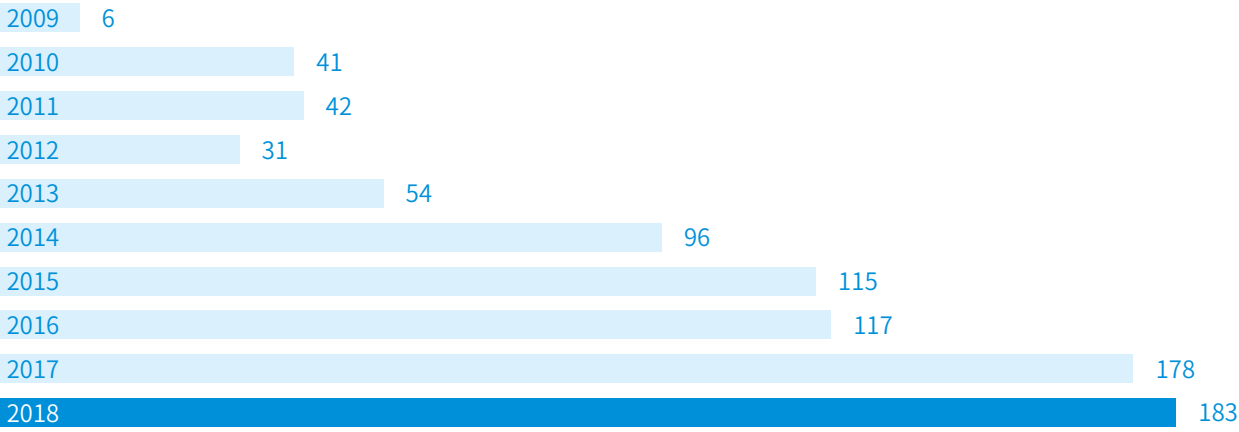
Market Value (Unit: HK\$100 million)

16.8



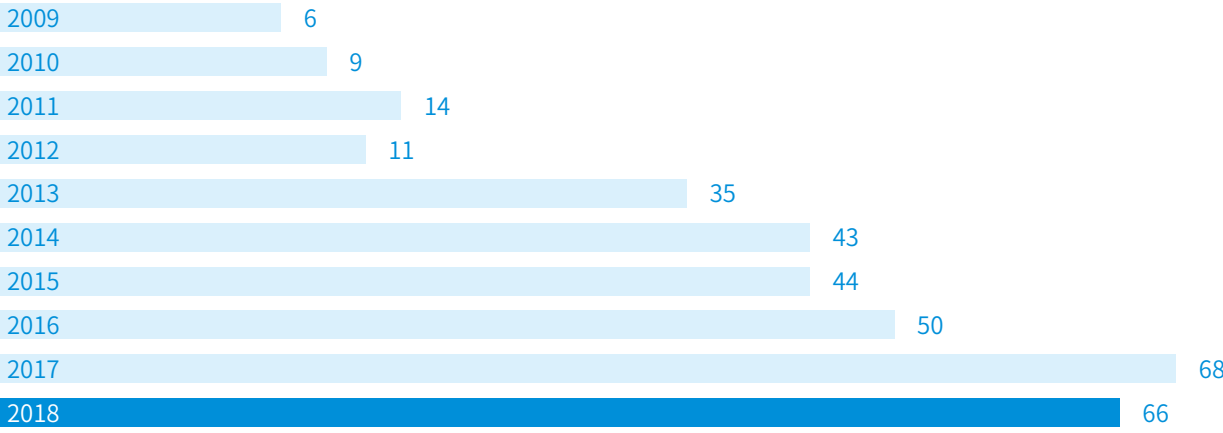
Total Assets (Unit: HK\$100 million)

183



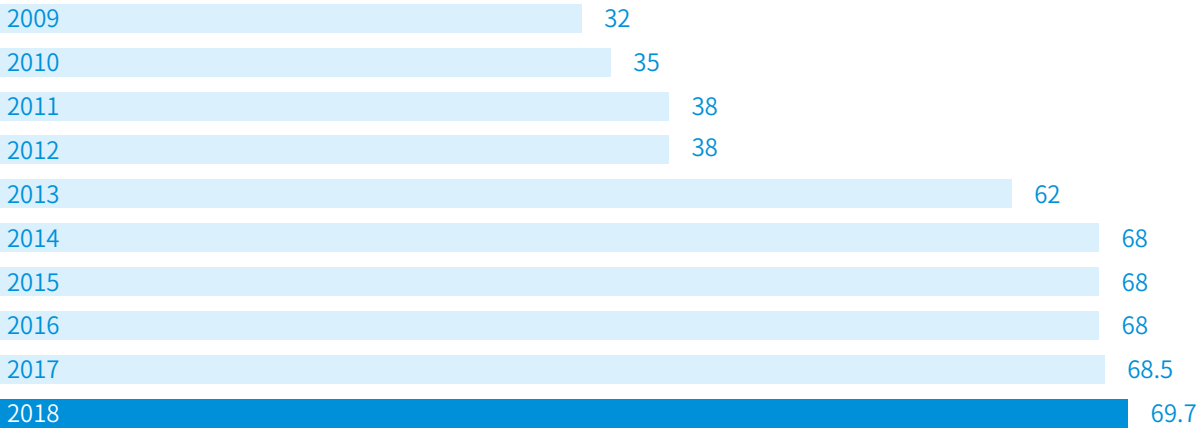
Net Assets (Unit: HK\$100 million)

66



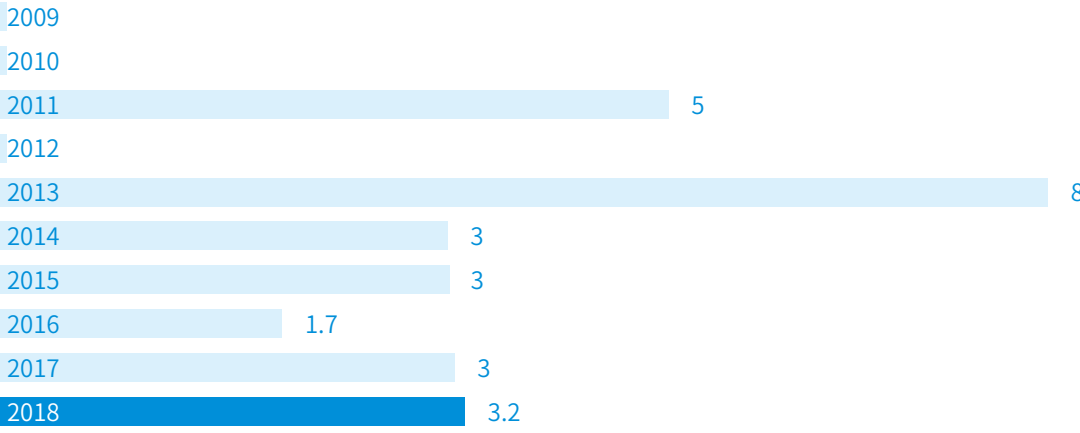
Total Issued Share Capital (Unit: 100 million shares)

69.7



Profit Before Taxation (Unit: HK\$100 million)

3.2



WORKING TOGETHER TO ACHIEVE WIN-WIN RESULTS

Key Issues



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



17 PARTNERSHIPS
FOR THE GOALS

Creating Excellent
Projects

Providing quality
service

Building a responsible
supply chain

Contributing to
industry development

Opportunities and Challenges

- China's economic shift from speed of growth to quality of growth allowed relevant industries to formulate plans for quality development. With favorable policies, the Company can formulate plans to increase its cost-effectiveness.
- Economic globalization provides a basis for global asset allocation. This speeds up the development of our general real estate business, thus allowing us to become a comprehensive real estate platform with diversified businesses.
- China has implemented a large-scale tax reduction scheme for the logistics industry, which is conducive to promoting the sustainable development of storage, logistics and other businesses. Meanwhile, the sustained development in the national economy has enabled Chinese consumers to engage in more advanced and sophisticated consumption patterns. This has created excellent opportunities for the logistics industry to develop.
- Affected by factors such as high-input and low-informatization, cold-chain is currently a slow-growing industry, which in turn creates opportunities for the Company to develop its cold-chain business.

Major strategies

- Establish business segments including high-end and modern general warehouses, cold-chain logistics warehouses, industrial properties, the “Belt and Road” Initiative, specialized wholesale markets, and commercial properties, with the purpose of creating a diversified and professional development structure.
- Standardize supplier management, reduce supplier management risks and build a responsible supply chain.
- Share insights in exchange activities to promote common growth and sustainable development of the industry.

Core Performance

Number of suppliers
in total reached

219

Suppliers meet social and environmental
requirements of the Company account for

48 %

Create Excellent Projects

Leveraging its industrial strengths, BPHL creates additional excellent projects by maximizing the integration and use of resources and implementing a segment development model. In 2018, the Company gradually and steadily established six major business segments including the office segment, industrial property segment, logistics and warehousing segment, hotel segment, shopping mall segment and agricultural shopping mall segment, with the purpose of building a diversified and professional development structure.

► High-end and Modern General Warehouses

To provide e-commerce and import and export business services, the Company has established a network of modern warehouses located in large cities such as Beijing, Shanghai, Tianjin, Xiamen, Chengdu, Haikou, Tongliao, Xi'an and Taicang. With a benign capital chain cycle, we aim to achieve sustainable business growth.

Majuqiao Logistics Park Project



Majuqiao Logistics Park Project

Majuqiao Logistics Park is the largest investment project developed and operated by the Company. Upon completion, it will become one of the largest comprehensive logistics parks in north China. By the end of 2018, the construction of Phases I and II of the project has been completed and delivered to the customer. All warehouse facilities have been leased out in advance. Upon full completion, its rentable area is expected to reach approximately 591,768 square meters.

Tianjin WSL Warehouse Project



Tianjin WSL Project

Situated in Tianjin Pilot Free Trade Zone, Tianjin WSL Logistics Customs Warehouse is the only bonded warehouse at Tianjin Binhai International Airport. The unique location allows the project to maintain an occupancy rate of over 88%.



Xunda Hongtong Project

Xiamen Xunda Hongtong Logistics Park Project

The Xiamen Xunda E-commerce Logistics Park has a total rentable area of approximately 92,450 square meters. Leased to three large e-commerce enterprises in China, it has been fully leased since May 2018.

► Cold-chain Logistics Warehouses

The rapid development of the economy and society significantly increased demands for quality food, and injected momentum into the development of the cold-chain industry. Building on the foundation of the cold-chain industry, the Company has created countrywide cold-chain logistics facilities, and based on the above, it has further expanded its cold-chain business to upstream and downstream industries, striving to establish the best comprehensive service platform for the cold-chain industry in China, and a complete cold-chain ecosystem.

Tianjin Cold-chain Warehouse Project



Tianjin Zhongyu Project

Tianjin Cold-chain Warehouse is a service platform for imported meat, which offers both storage and other value-adding services. Phase I of the project has an area of approximately 31,301 square meters, and another 54,337 square meters retained for future development. In addition to the cold-chain industry, Tianjin Zhongyu will include the semi-processing of food into its operation to further increase its occupancy rate.

Qingdao Cold-chain Warehouse.



Jingchangshun Cold-chain Project

Qingdao Cold-chain Warehouse is a storage facility located at Chengyang district of Qingdao and engaged in the operation of cold logistics. It covers approximately 6,785.84 square meters of land and has a storage capacity of approximately 8,000 tons. In 2018, its occupancy rate was slightly lowered due to the decrease in production volume of its major customers. Nevertheless, once the cold-chain business is ready, Qingdao Cold-chain Warehouse will commence its international trade cold storage service to diversify its customer base, and to expand and integrate new business models of online fresh food shops, such that its business risks can be mitigated and its carrying storage capacity can be increased.

Tianjin Port Project

The Tianjin Port Project is a joint-venture established between the Company and Tianjin Port Group, with planned constructions of warehouses of approximately 50,000 square meters, an office building of 6,000 square meters and a yard of 50,000 square meters. By the end of 2018, the Company has entered into a lease with its tenants in relation to the leasing of an area of 50,000 square meters.

► Industrial Properties



By virtue of the sustained rapid development of Shanghai, and the large number of production facilities established by Western enterprises in China, there is a great demand for industrial properties. BPHL develops an industrial property business model with four characteristics: having a large investment portfolio, enables quick startup, provides value-adding services, and seeks to achieve long-term steady returns. High-end plants are built in locations such as Taicang and Changshu to support the growing local demand for industrial properties.

► “Belt and Road” Initiative



The Company strongly supports the “Belt and Road” Initiative, hence it has developed the Sino-Cambodian SEZ Project in Kampong Chhnang Province, in the vicinity of Phnom Penh, the capital of Cambodia, so as to provide a collective and comprehensive industrial platform for Chinese enterprises along the “Belt and Road”. The target area of the planned project is 30,000,000 square meters, and currently, land certificate has been obtained for approximately 14,868,696 square meters thereof. In December 2018, a land acquisition agreement was signed between the project and an independent third party; pursuant to which, 1,130,208 square meters of land was further acquired. Currently, the delivery of the relevant land is pending for approval from government authorities. Upon the completion of the acquisition, land held under the project will further increase to 15,998,904 square meters. The Company will provide one-stop matching service for enterprises in the SEZ, and conduct grade one development and sales on SEZ land. It will also provide management services for the park, aiming to develop it into an integrated special zone covering finance, technology, processing, logistics, commerce, residence and tourism.

► Specialized Wholesale Markets

Leveraging its own strengths, the Company established business platforms for different business segments to enable economic development of various areas. Quzhou Tongcheng Project, a modern agricultural produce wholesale market, was jointly developed by the Company and the local government. It comprises an ancillary agricultural produce facility zone and comprehensive commercial ancillary facilities, serving approximately 30 million people. By the end of 2018, the rentable area of the market was 171,629 square meters.



Quzhou Agribusiness Complex Project

► Commercial properties

The Company actively expands itself to undertake the business of value investing, to achieve multi-functional, multi-directional and healthy sustainable development of its operation.



Guangzhou Metro Mall

Guangzhou Metro Mall Project

Guangzhou Metro Mall has a gross floor area of approximately 59,000 square meters and has 11 stories. It is a space for dining, shopping, entertainment, and cultural experiences. In 2018, the average occupancy rate was approximately 85.8%.



Holiday Inn Downtown Beijing

Holiday Inn Downtown Beijing Project

Holiday Inn Downtown Beijing Project is a four-star leisure hotel located at Beilishi Road, Beijing, with 333 nicely furnished rooms. In 2018, the average occupancy rate of the hotel was approximately 82.92%.

Provide Quality Service

BPHL is committed to providing better storage and logistics services and construction works of higher quality to its customers by strengthening procedural control measures to enhance the quality of business in all aspects. The Company expands its communication channels to deliver authentic customer support, and to provide customized storage and logistics services to diverse customers.

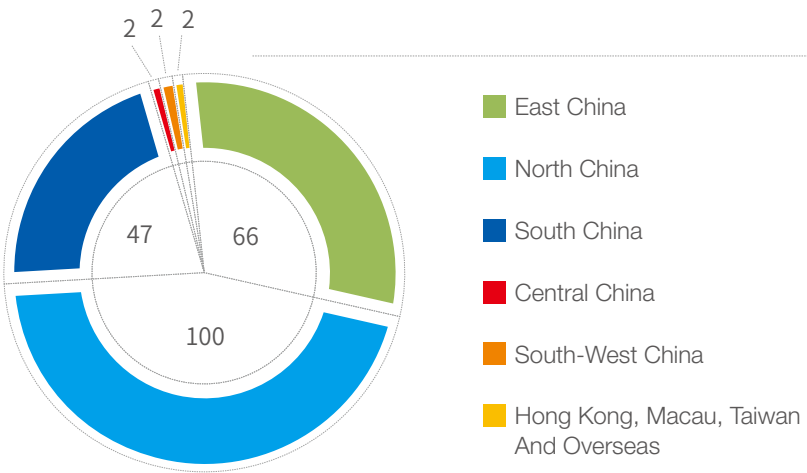
Strict Customer Privacy Policy

Case Study

To effectively protect client confidentiality, a two-way non-disclosure agreement was signed between BPHL and its clients, which imposes strict control of the dissemination of core information in a written manner, in order to avoid the provision of information to irrelevant third parties. To ensure proper treatment of information and events required to be disclosed by the law according to industry practice, the Company signs non-disclosure agreements with information recipients to control the scope of information dissemination.

Build a Responsible Supply Chain

To ensure equity, openness and fairness in its procurement procedures, BPHL established a number of supply chain management systems including the Bidding and Procurement Management System and the Supplier Management System to enable standardization of its supplier management and reduction of supplier management risks. The Company has scaled up its work on supplier management and training by carrying out qualification examination and on-site inspection to select suppliers with outstanding environmental and social performance as long-term partners. In 2018, 105 suppliers have met our environmental and social requirements, account for 48% of all our suppliers.



Contribute to Industry Development

BPHL strengthens exchanges with its industry peers. It actively shares its insights in exchange activities to promote sustainable development of the industry. In 2018, the Company expedited the building of a cold-chain platform, which drove further development of the cold-chain industry, the cold-chain financial service industry, the big data industry and other business segments.

BPHL contributes to the healthy development of the industry by respecting and actively protecting intellectual property rights. The Company has in place a system to prohibit plagiarizing and copying others' intellectual property rights, so as to regulate intellectual property protection.



CO-EXISTING HARMONIOUSLY WITH NATURE

Key Issues

Improving the environmental management system

Reducing emissions

Conserving energy resources

Adopting green office practices



Opportunities and Challenges

- China has clearly stipulated the requirement of “protecting the ecology and environment through a strictly enforced legal system”, requiring regulatory authorities to further improve their laws and regulations on the prevention of air, water, land and other kinds of pollution in accordance with stricter environmental protection standards.
- Opportunity has arrived for enterprises that place heavy emphasis on pollution prevention and energy reduction; the ability to adopt green principles has become a core competitive factor for determining the sustainability of enterprises.

Major strategies

- Strictly abide by state laws and regulations and industry practices; business segments ought to adhere to the relevant laws and regulations and constantly make improvements to their environmental protection systems.
- By adopting management measures and technologies, BPHL should continue to reduce exhaust emissions, greenhouse gases, hazardous waste, non-hazardous waste and other emissions; collect data on and monitor performance of emission reduction work on a regular basis, and make constant improvements.
- Adopt higher energy-saving standards and practice source reduction; increase energy efficiency with more efficient energy management strategies and the utilization of better energy-saving technologies.

Core Performance

Emission of Carbon dioxide amounted to

25,519.97 tons

Representing a year-over-year decrease of

3.91 %

Average intensity of gas consumed was

0.067 liters/square meter

Emission from waste fluorescent lamps recorded a year-over-year decrease of

15.56 %

The recycling rate of fluorescent lamps increased by approximately

8 times

Enhance Environmental Management

The Company has established a sound environmental management system. It strictly adheres to state laws and regulations as well as industrial practices, and continues to improve the relevant systems in relation to environmental protection such as the Hazardous Waste Management System and the Hazardous Solid Waste Collection Procedures. Grade two enterprises have strictly implemented the Company's management systems in relation to the environment, and are conscientiously carrying out their environmental protection work.

Emission management

- Practice waste separation regarding the waste produced at Company premises
- Compress general waste at refuse collection points before transporting them away
- Terminate earthworks and abolish works that could lead to dust pollution
- Strengthen the coverage of exhumed soil and the sprinkling of water for dust control

Energy resources management

- Increase collection and reuse of waste
- Perform centralized collection of non-exhaustive office supplies such as batteries
- Encourage the reuse of paper and card boxes and other green office practices
- Enhance internal publicity and training in relation to energy-saving



Major contents of the Company's environmental management

Promote Green Operation

The Company integrates its principle of “giving priority to the ecology” into its office work, operation, logistics, transport and other areas. According to the industrial practices and guidelines of the locations where it operates, it adopts energy-saving and emission reduction measures, to maximally reduce the adverse impact on the environment. Hence, the ability to adopt green principles has become a competitive factor for determining the sustainability of the Company.

Reducing Pollution and Emissions

The Company strictly abides by emission policies such as the Classification System for Municipal Solid Waste and the Reusage of Urban Sewage. By adopting management measures and technologies, the Company continues to reduce exhaust emissions, greenhouse gases, hazardous waste, non-hazardous waste and other emissions, and collects data on and monitors the performance of emission reduction work of its office and other grade two enterprises on a regular basis.

► Gas Emissions

Gas emissions produced by the business activities of the Company primarily consist of nitrous oxide, sulphur dioxide, and greenhouse gases (mainly carbon dioxide). The Company strengthens its adoption of energy-saving measures in relation to gas and diesel fuel, and reduces different kinds of gas emissions using professional measures. In 2018, the amount and intensity of gas emissions by the Company continued to decrease.

To better manage the Company's impact towards climate change, we calculate our amount of direct greenhouse gas emissions (scope 1) and indirect greenhouse gas emissions (scope 2) on an annual basis. In 2018, the amount of direct greenhouse gas emissions was 18.26 tons, while that of indirect greenhouse gas emissions was 25,504.41 tons.

Amount of greenhouse gas emissions and emission reduction of the Company in 2018			
Amount of gas emissions and emission reduction in 2018	Amount of nitrous oxide emissions(Tons)	Amount of sulphur dioxide emissions(Tons)	Amount of greenhouse gas emissions(Tons of carbon dioxide)
Amount of emissions in 2018	37.89	54.98	25,519.97
Amount of emissions in 2017	39.56	57.21	26,559.05
Amount of gas emissions reduced	1.67	2.23	1,039.08

Note: The scope of the above statistics covers the office segment, the property segment (including projects under construction, projects in operation, and management offices), the hotel segment, the shopping mall segment and the agricultural shopping mall segment.

Gas emission intensity of the Company in 2018			
Gas Emission intensity(based on gross floor area)	Emission intensity of nitrous oxide(kg/sqm)	Emission intensity of sulphur dioxide(kg/sqm)	Emission intensity of greenhouse gases(ton/sqm)
Value in 2017	0.0368	0.0438	0.0287
Value in 2018	0.0440	0.0639	0.0296

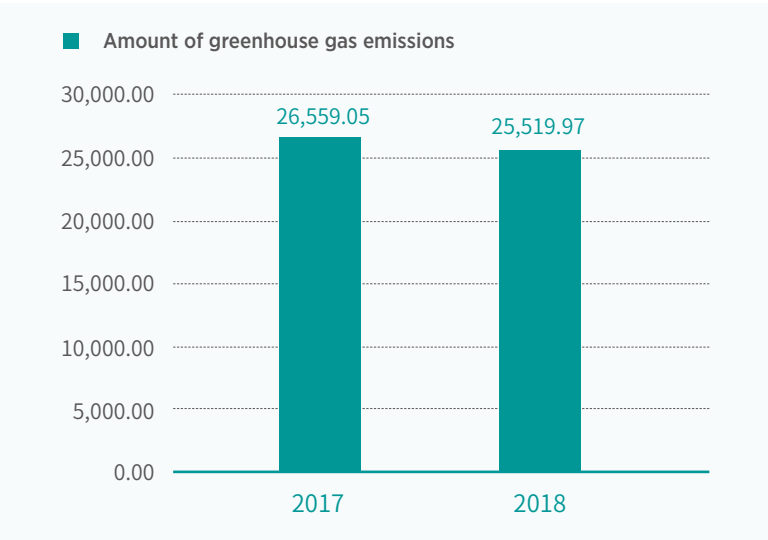
Note: As the gross floor area covers the office segment, the property segment (projects in operation and management offices), the hotel segment, the shopping mall segment and the agricultural shopping mall segment and excludes projects under construction of the property segment, in order to maintain the consistency of data, the gas emission intensity data was derived from the same scope.

In 2018, the amount of carbon dioxide emission was

25,519.97 tons

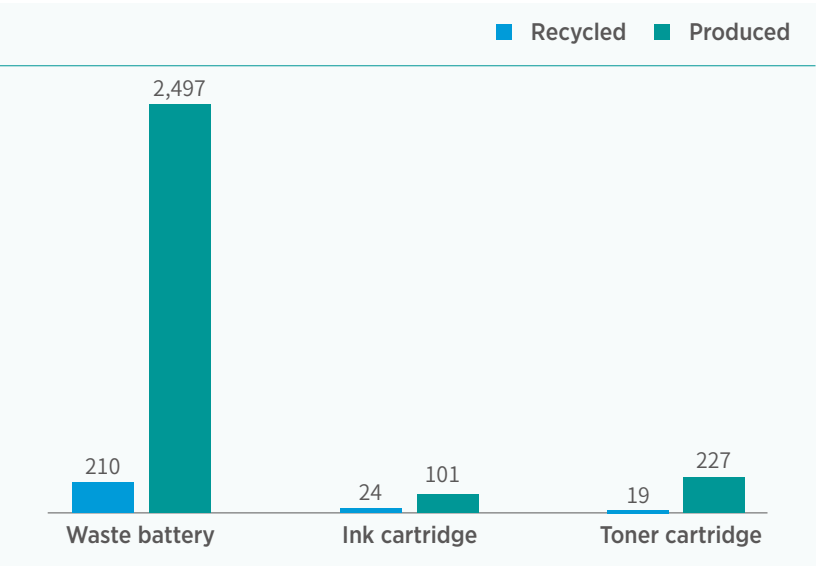
Representing a year-over-year decrease of

3.91 %



► Hazardous Waste

Hazardous waste produced by the Company's business activities are derived mainly from waste fluorescent lamps, batteries, toner cartridges and ink cartridges used in its offices. The Company separately collects and stores its hazardous waste, and engages a qualified third party to deposit such solid waste, in order to minimize the impact of the Company's operation on the environment. In 2018, the usage of ink cartridges and toner cartridges remain unchanged from 2017.



Production and recycling data of hazardous waste

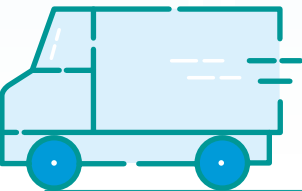
Effective Usage Helps Reduce Emission of Hazardous Waste

Case Study

While effectively collecting its hazardous waste, the Company also proactively adopts measures to reduce the production of such waste. When ink levels of ink and toner cartridges run low, they are used for printing less important documents, so as to maximize the usage of cartridges. As for rarely used electronic devices, batteries thereof are removed to lengthen their lifespan. The Company also uses rechargeable batteries when possible to reduce emissions from waste batteries. Quality fluorescent lamps that meet environmental protection standards are used, and our employees are well-adapted to the habit of switching off unused lights, so that the lifespan of the fluorescent lamps could be extended.

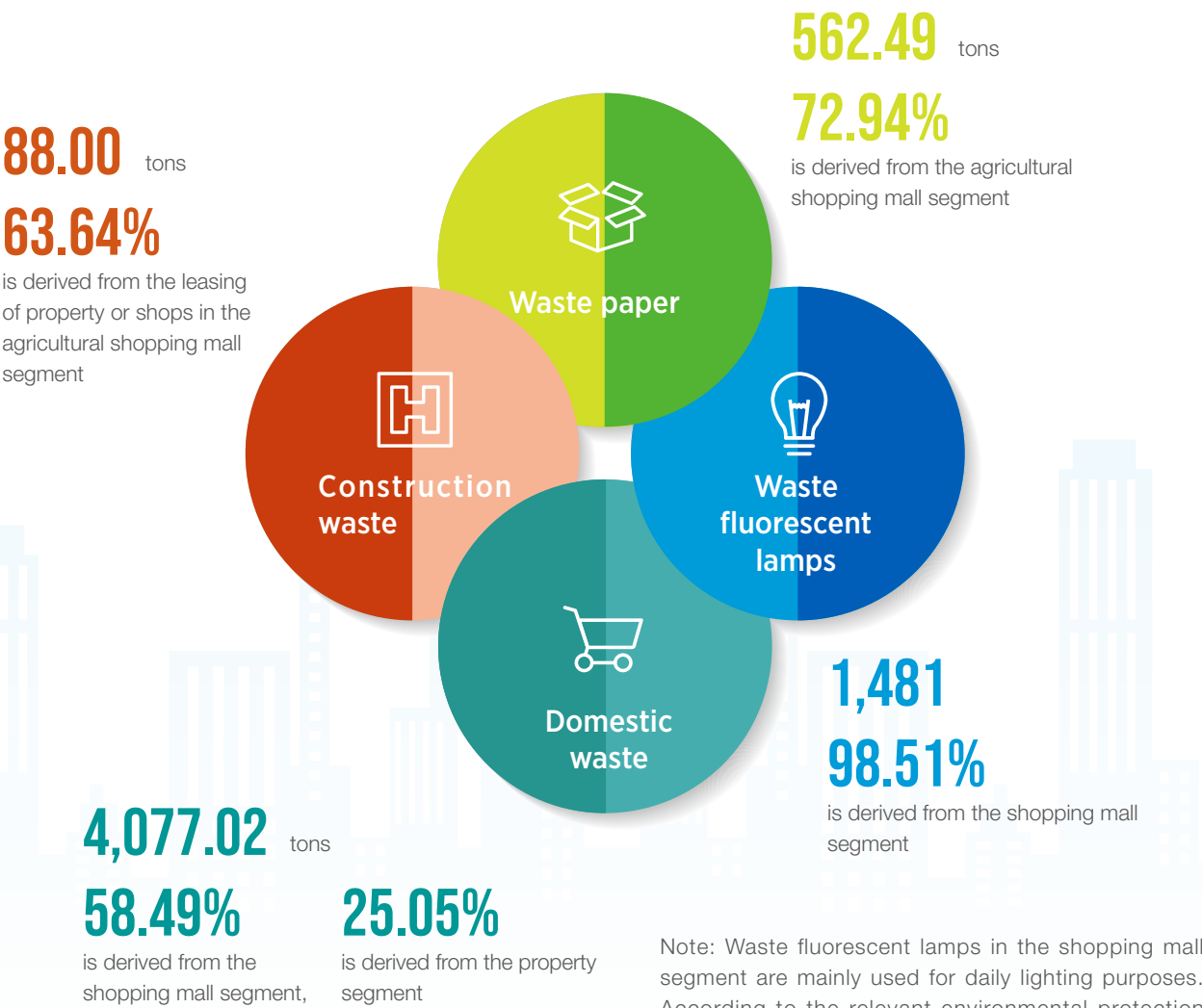


Centralized collection of hazardous waste



► Non-hazardous Waste

Non-hazardous waste produced by the Company primarily consists of waste paper, construction waste and domestic waste. The Company has established and strictly enforced standards for refuse collection. Waste cartons, foam boxes, plastic products and other recyclables are separately collected and delivered to refuse collection stations on a centralized basis for compression, before being delivered to waste disposal centers designated by the government. In 2018, the amount of domestic waste produced significantly increased, which was mainly due to the increase in occupancy rate of Guangzhou Metro Mall in the shopping mall segment, and the large increase in the number of clients in the catering industry. After putting more effort into advocating for the use of more energy-saving fluorescent lamps with longer lifespans, the number of waste fluorescent lamps recorded a 15.56% year-over-year decrease, and its recycling rate increased by approximately 8 times.



Note: Waste fluorescent lamps in the shopping mall segment are mainly used for daily lighting purposes. According to the relevant environmental protection requirements, they are considered general waste.

Conserving Energy

The Company insists on using higher energy-saving standards and practices source reduction, so as to increase its energy efficiency with more efficient energy management strategies and the utilization of better energy-saving technologies. Energy consumed during our operation primarily includes electricity and gas; diesel fuel is also consumed during the operation of certain segments. In 2018, the energy consumption of the Company amounted to 27.4197 million kWh; gas consumption amounted to 41.82 tons; average intensity of gas consumed was 0.067 liters/square meters; and diesel fuel consumed amounted to 2.5 tons, which was primarily used by the property segment for their generators in warehousing and logistics.

Shopping mall segment

44%

Property segment

28%

Hotel segment

10%

Agricultural shopping mall segment

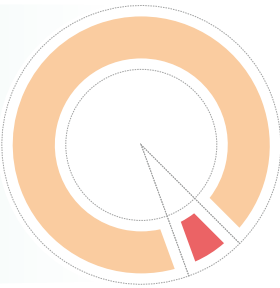
18%

Office segment

0%



Property segment



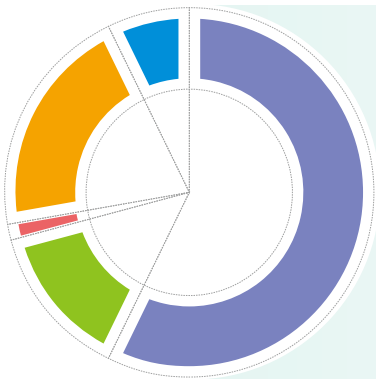
Projects in operation

26%

Projects under construction

2%

Energy consumption by Company segments in 2018 (Unit: 10 thousand kWh)



Shopping mall segment

0.6

Office segment

5.7

Property segment

24.01

Hotel segment

2.91

Agricultural shopping mall segment

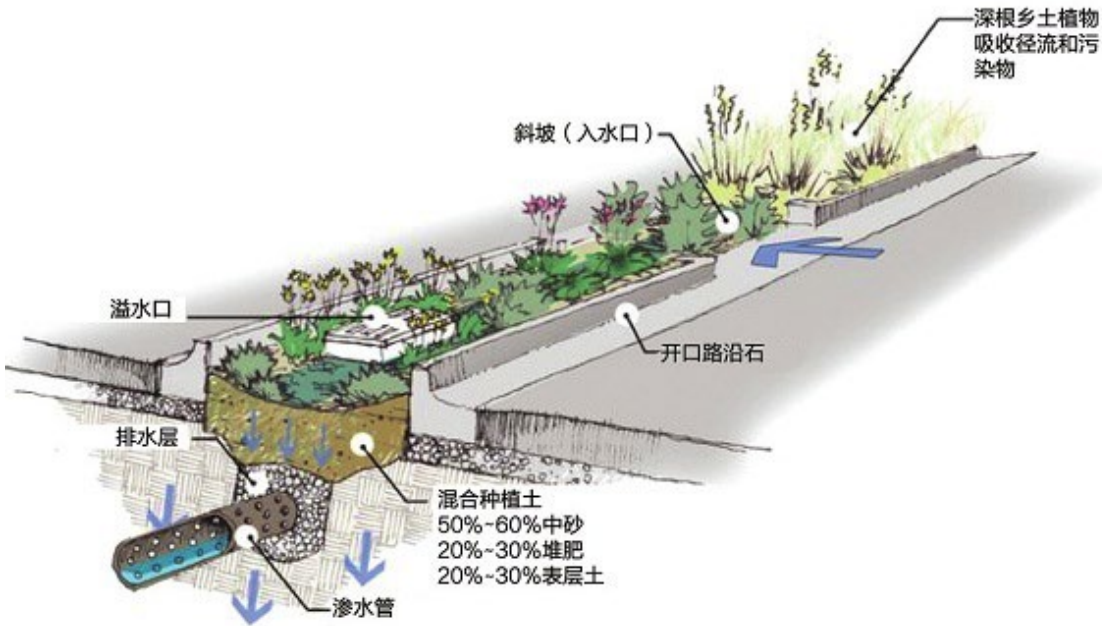
8.6

Gas consumption by Company segments in 2018 (Unit: tons)

Sponge Cities” – An Approach to Enhance Urban Energy-saving Levels

Case Study

Zhong Jian Jin Bian Jing Ji Te Qu Ltd. incorporates green, energy-saving concepts into the construction of its park in Cambodia. “Sponge city”, a world-leading concept is introduced to its building and planning stages, where appropriate green networks and drainage systems are designed to enhance urban energy-saving levels.



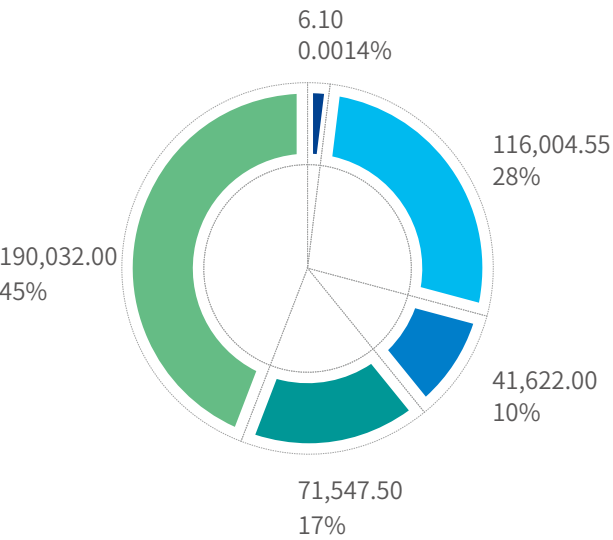
Concept map of a sponge city

Protecting Water Resources

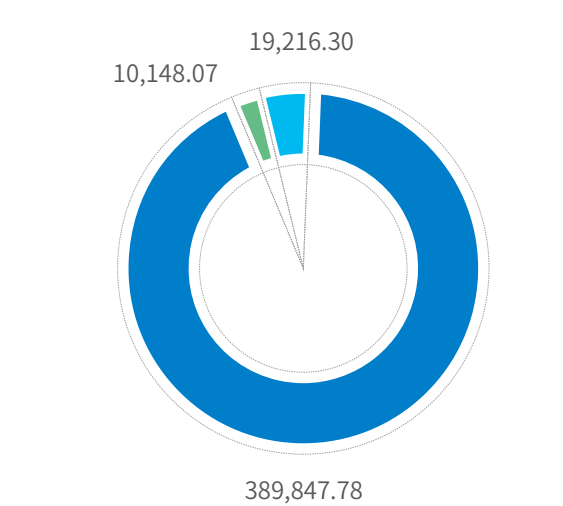
We put our concept of “saving every drop of water” into practice by encouraging water recycling, proactively discovering and promoting the application of water-saving technologies, as well as collecting data on and monitoring the effectiveness of our water-saving plan on a regular basis. In 2018, the total water consumption of the Company was 419,212.15 tons, of which approximately 93% was attributed to municipal water.

Other water sources mainly consisted of underground water. In 2018, Quzhou Tongcheng Agriculture Development Co., Ltd. consumed 5,000 tons of underground water to store fresh fish. Using municipal water in 2017, the survival rate of its fish was merely 15%. Thus for operational needs, Quzhou Tongcheng has switched to using underground water which enabled the fish survival rate to reach 98%.

Water consumption by business segments (Unit: ton)



Water consumption from different sources (Unit: ton)



- Office segment

Property segment

Hotel segment

Municipal water

Drinking water
- Agricultural shopping mall segment

Shopping mall segment

Other water sources

Recycling Domestic Sewage Through Adoption of Advanced Technology

Case Study

To further preserve precious water resources, Quzhou Agribusiness Complex comprehensively treats and recycles its domestic sewage with the A/O system, a mature and reliable technology. The quality of treated water meets the water-recycling standard in relation to urban greening works, as stipulated in GB/T 18920-2002 of the Water Quality Standard for Urban Miscellaneous Water Consumption.



The A/O sewage treatment technology

Practice Green Office

The Company fully integrates its green developmental concept into its daily office work by raising employees' awareness towards resources saving and energy reduction. Through the promotion of green commuting, paperless office, orderly recycling, usage of energy-saving products and other methods, the Company encourages its employees to adopt low-carbon, green office practices.

Raise awareness of all employees

- Educate employees on the requirements of environmental protection policies
- Discuss and suggest measures to reduce energy consumption from time to time

Conserve energy resources

- Adopt double-sided printing
- Purchase products with little packaging
- Encourage employees to reduce takeaway waste by dining at cafeterias
- Develop employees' habit of turning off unused taps
- Set office air-con to a reasonable temperature

- Practice car-sharing as much as possible
- Take low-emission transport
- Advocate for conference calls instead of face-to-face meetings

Promote low-carbon commuting

- Opt for electricity and resource saving products when purchasing new electronic devices
- Use LED energy-saving lamps
- Use motion sensor lights

Use green products

SAFEGUARD OUR HAPPINESS AND HEALTH



Opportunities and Challenges

- In the 19th National Congress, the Party stated that “improving people’s livelihood is the fundamental purpose of development. We should bring as much benefit as possible to the people, and resolve as many difficulties as possible for them”. Enterprises are required to enhance social justice and fairness during their development, to ensure that the fruits of shared growth through collaboration are enjoyed by all people, in order to continuously promote the all-rounded development of people.
- Safe production is the cornerstone for a company’s steady development, and the basic protection of its economic sustainability.
- “Development is our top priority, and talent is our top resource”. The premise of unlocking the creativity and potential of our talents is to build a top-quality team and to provide its members an inclusive working environment and rich opportunities for development.

Major strategies

- Strictly abide by the requirements of the laws and regulations of the Production Safety Law; fully implement standardization of safe production; continue to improve the occupational health and safety system.
- Provide equal employment and development opportunities for employees by building them a diversified and inclusive working environment, so as to increase their happiness.
- Actively participate in charity events and proactively organize volunteer services and charitable activities to help the underprivileged.

Core Performance

Average training hours per employee

24.28 hours

Average training coverage

86.36 %

Held volunteer activities

9 times

No material safety incidents was recorded in 2018, with the number of work-related deaths being 0

Key Issues

Safe production

Occupational safety and health

Equal employment opportunity

Employee development

Caring for employees

Community building

Welfare

Protect Safety and Health

BPHL places strong emphasis on the health and safety of its employees. It strictly enforces the laws and regulations of locations where it operates by establishing a healthy and safety production system and continuing to improve its occupational health and safety system, with an endeavor to build an intrinsically safe enterprise.

Strengthening Safe Production

Safe management is taken seriously at BPHL. We strictly adhere to the requirements of the Production Safety Law and other regulations, and we understand the importance of enforcing safe production red lines and baseline ideologies. A full implementation of standardized safe production work allows us to continuously raise the quality and effectiveness of our safety management and production measures.

Full Implementation of Standardized Management to Help Increase the Effectiveness of Safe Production

Case Study

Standardized management is fully implemented in BPHL to increase the standard performance and effectiveness of our work. For example, based on the analysis on the core work performed in relation to the Company's safe production management, Qingdao Jingchangshun Food Co., Ltd. (hereafter "Qingdao Jingchangshun") further defines the standardization of safe production as the standardization of laws and regulations and safety management system, the standardization of safe production education, the standardization of occupational health management and other aspects. Meanwhile, it clearly illustrates each system and rule, operating plan, detailed rules for performance examination and other requirements for compliance, and continues to track and manage various incidents, in order to achieve a higher quality closed loop management of all safe production standardization procedures.

Conduct Regular Fire Drills to Enhance the Company's Emergency Preparedness

Case Study

An enhanced emergency preparedness enables the Company to effectively protect the safety of its employees and customers during emergencies. The Company has conducted different types of safety drills, safety trainings and education events to increase the safety awareness, hazard prevention skills and emergency response capabilities of our employees. For example, Tianjin Zhongyu Properties Co., Ltd. conducted a fire safety training to increase the hazard prevention and emergency response skills of their employees; and Tianjin Tong Da You Zhi Logistics Co., Ltd. conducted a fire evacuation and first-aid training activity. By participating in these events, the Company is better prepared for emergencies and have enhanced its safety levels.



Tianjin Tong Da You Zhi Logistics Co., Ltd. conducting a fire drill



Tianjin Zhongyu Properties Co., Ltd. conducting a fire drill

Occupational Health and Safety

The Company strictly complies with the Law on the Prevention and Treatment of Occupational Diseases, the Production Safety Law, the Regulation on Work-Related Injury Insurances and other regulations, and has also established a comprehensive occupational health management system. It organizes and conducts regular occupational health check-ups and screenings for occupational hazards. Moreover, it obtained the Occupational Health Standardization Certification for Enterprises in 2018. The Company provides occupational health insurance for its employees, and enhances their knowledge of health through trainings, with an aim to increase their occupational health and safety levels.

Taking Multiple Measures to Protect the Occupational Health of Employees

Case Study

To effectively protect the occupational health of its employees, and to raise the society's overall awareness on occupational health prevention, Qingdao Jingchangshun Food Co., Ltd. conducts promotion and trainings in relation to occupational health through multiple channels, so as to ensure that their employees are well-aware of and well-equipped with knowledge about their occupational health. It organizes and conducts health knowledge trainings to educate employees about the types of occupational diseases and prevention against common occupational hazards, and to increase their understanding towards the basic content of the Law on the Prevention and Treatment of Occupational Diseases and their own rights. It also organizes health check-ups on a regular basis. In addition, it has signed the Notice of Occupational Hazards, and has invited external professionals to give talks on "Occupational Health, Emergency Responses and First Aid".



Conducting a talk on occupational health, emergency response and first-aid



Satisfy Work and Life

We strive to create a diversified and inclusive working environment for our employees, and provide them equal employment and development opportunities, with an endeavor to achieve common growth of the Company and our employees, thereby allowing us to share the fruit of our developmental success.

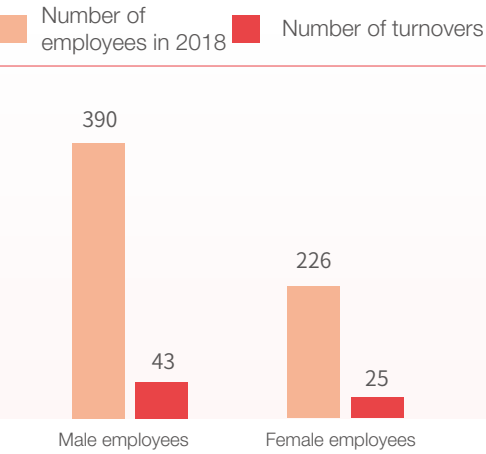
Protecting Basic Rights and Interests

Equal Employment Opportunities

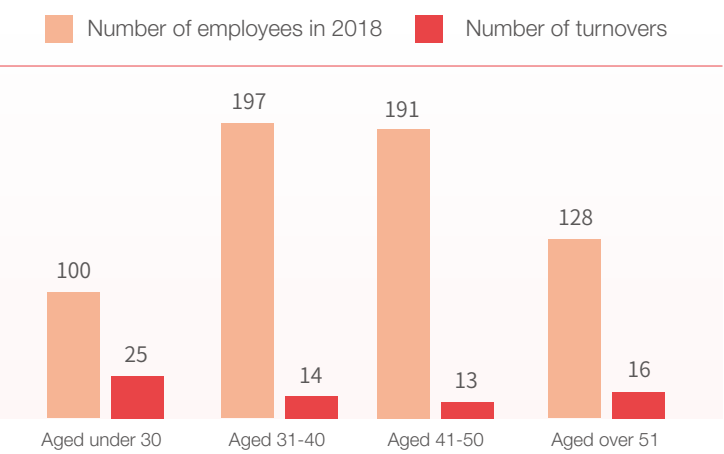
The Company pursues an open and equal employment policy and protects labor rights according to law. We are committed to upholding the principle of equal employment opportunity and eliminating employment and occupational discrimination. To this end, we strive to build a fair and lawful employment environment and constantly improve it. As at the end of 2018, the Company has a total of 616 employees.

We check the age of new employees in accordance with the requirements of the Employee Manual, regularly conduct spot checks on our labor and employment situation to timely identify any issues which may exist in labor and employment management, voluntarily accept monitoring and supervision by the labor administrative department, and eliminate the use of child labor or forced labor.

Number of employees and turnovers by gender



Number of employees and turnovers by age



Compensation and benefits

The Company develops and implements a unified enterprise annuity system and a supplementary medical insurance system according to law, and continually improves its multi-level, three-dimensional and integrated employee insurance system, so as to provide its employees with competitive remuneration and comprehensive benefits.

The Company further improves its employment management system and signs labor contracts with its employees. In order to promote harmonious and stable labor relations, the Company has established a sound social insurance management system, makes social insurance contributions for its employees, and safeguards their labor rights.

Promoting Individual Development

Through demand investigation, formulation of training schemes and the conclusion and evaluation of training effectiveness, the Company provides a comprehensive, scientific and diversified training system for its employees, where employee professionalism and skills are enhanced effectively through precise positioning. By constantly improving our promotion system, we offer employees a broad development platform to help them capture future opportunities.

Training objectives

Cultivate learning-oriented employees and build a learning-oriented enterprise



Training principles

Combining self-taught training with training sessions, theoretical knowledge with job skills training, internal training with external training

Internal training of each department

Professional training organized by each department

In-house training classes of BPHL

Training series covering all employees

Training by parent companies

Designate relevant employees to participate in training as required by any parent company

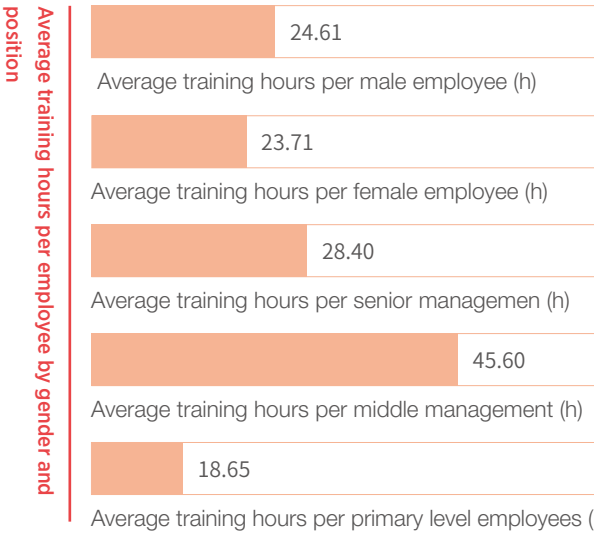
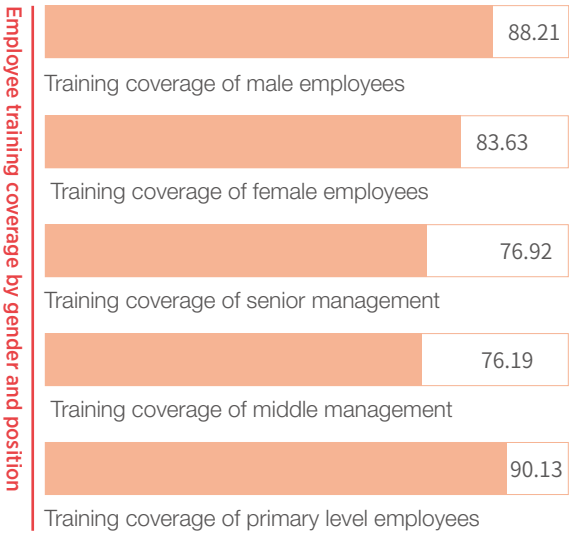


Orientation training

Training on job orientation, company profile and job knowledge for new employees

Individual continuing education

Employees take part in professional and skills training as they wish



Build a Beautiful Homeland

The Company's success depends on our employees. We care for their work and life, and keep ourselves informed of their opinions and needs. In addition, we actively organize a full range of leisure activities such as excursions and banquets to increase their happiness.



Organizing a Christmas banquet

Community Building and Welfare

It is our responsibility to dedicate our love to those in need. Besides its own healthy development, BPHL actively participates in charity events, and proactively organizes volunteer services and charitable activities to help the underprivileged, sending love and warmth to the society. In 2018, approximately HK\$60,000 was spent on charity, and 9 volunteer activities were held.

Our Poverty Alleviation Efforts

Poverty alleviation is the primary goal of the UN's 2030 Agenda for Sustainable Development. Leveraging its own strengths, the Company fulfills its CSR by caring for the underprivileged and devoting itself to improve the infrastructure and education environment of economically distressed regions.

Supporting Poverty Alleviation in Datong, Shanxi

Case Study

To carry out China's "Precise Poverty Alleviation" Policy and to fulfill its social responsibilities as a state-owned enterprise, the Company completed its donation in relation to the "Poverty Alleviation Supermarket" after liaising with the People's Political Consultative Conference Datong Committee of Shanxi, which was used for the construction of infrastructure in Sunjiadian Village, Salipu Township, Tianzhen County, Datong City. This included the installation of solar-powered street lights, the construction and maintenance of anti-leakage drainage pipes and landfills, and the whitewashing of exterior walls, so that people's livelihood in Sunjiadian Village could be improved.



The exterior wall of Sunjiadian Village, before and after whitewashing

Providing Proper Education for Children in Poor Mountainous Areas through the "One School, One Brand" Project

Case Study

The Company continued to help improve the education standards in poor mountainous areas. Since 2013, it has provided financial support needed for education in Jiang Jia Shan Xiang Zhong Xin Primary School by organizing cultural events, purchasing teaching equipment and other aspects. On 1 September 2018, focusing on the development of local education, the Company joined hands with Jiang Jia Shan Xiang Zhong Xin Primary School to create the "One School, One Brand" public welfare project, and help improve the education standards of students, so that children in poor mountainous areas can have equal chances of receiving quality education.



Our support for a material arts competition



Co-signing the "One School, One Brand" charity project cooperation plan

Participating in Charity Events

The Company contributes to the society whole-heartedly to aid community development through its participation in various kinds of volunteer and charity events. As such, it drives the development of public welfare and promotes social harmony.



MingXi Charity Foundation Association of the company carried out volunteer activities to visit the elderly

Responsibility Performance

Environmental performance		Unit	Year	
Office segment				
Indicator			2018	2017
Gross floor area	Square meter		2,313.70	2,313.70
Material				
Paper consumed	Ton		0.56	2.06
Toner cartridge	No.		16	15
Ink cartridge	No.		6	13
Energy consumption				
Total electricity usage	10 thousand kWh		4.1	4.1
Electricity intensity	kWh/sqm		19.29	19.29
Total gas consumption	Ton		5.7	5.7
Gas intensity	Ton/sqm		0.0027	0.0027
Greenhouse gas emissions				
Direct greenhouse gas emissions	CO ² e (ton)		2.4	2.4
Indirect greenhouse gas emissions	CO ² e (ton)		39.93	39.93
Greenhouse gas emission intensity	CO ² e (ton/sqm)		18.2974	18.2974
Waste				
Domestic waste	Ton		0.42	0.92
Waste fluorescent lamp	No.		6	6
Waste battery	No.		45	65
Total waste produced	Ton		0.98	2.98
Total waste recycled	Ton		0.2	0.2
Water				
Total water usage	Ton		6.1	6.1
Water usage intensity	Ton/sqm		0.0026	0.0029
Amount of recycled water	Ton		/	0
Recycle rate of water	%		/	0

Property segment			
Indicator		2018	2017
Gross floor area	Square meter	579,551.63	551,391.07
Material			
Paper consumed	Ton	73.81	5.74
Toner cartridge	No.	39	56
Ink cartridge	No.	61	31

Energy consumption			
Total electricity usage	10 thousand kWh	759.20	868.15
Electricity intensity	kWh/sqm	20.65	15.74
Total gas consumption	Ton	24.01	30.33
Gas intensity	Ton/sqm	0.00004	0.00006
Greenhouse gas emissions			
Direct greenhouse gas emissions	CO ² e (ton)	18.55	9.90
Indirect greenhouse gas emissions	CO ² e (ton)	6,733.29	6,914.18
Greenhouse gas emission intensity	CO ² e (ton/sqm)	11.7191	24.0474
Waste			
Domestic waste	Ton	1,020.93	965.20
Waste fluorescent lamp	No.	133	143
Waste battery	No.	296	250
Total waste produced	Ton	1,187.49	2,678.54
Total waste recycled	Ton	159.11	12.69
Water			
Total water usage	Ton	116,004.55	98,679.01
Water usage intensity	Ton/sqm	0.200	0.179
Amount of recycled water	Ton	634.80	1,230.10
Recycle rate of water	%	0.55%	1.25%

Hotel segment			
Indicator		2018	2017
Gross floor area	Square meter	26,997	26,700
Material			
Paper consumed	Ton	17.8	18.4
Toner cartridge	No.	164	150
Ink cartridge	No.	6	17
Energy consumption			
Total electricity usage	10 thousand kWh	283.41	282.57
Electricity intensity	kWh/sqm	104.98	105.83
Total gas consumption	Ton	2.91	3.29
Gas intensity	Ton/sqm	0.0001	0.0001
Greenhouse gas emissions			
Direct greenhouse gas emissions	CO ² e (ton)	2.4	2.4
Indirect greenhouse gas emissions	CO ² e (ton)	39.93	39.93
Greenhouse gas emission intensity	CO ² e (ton/sqm)	1.5681	1.5856

Waste			
Domestic waste	Ton	546.60	551.87
Waste fluorescent lamp	No.	2,300	1,841
Waste battery	No.	0	0
Total waste produced	Ton	564.40	570.27
Total waste recycled	Ton	0	0
Water			
Total water usage	Ton	41,622	41,763
Water usage intensity	Ton/sqm	1.54	1.56
Amount of recycled water	Ton	0	20,459
Recycle rate of water	%	0	48.99%

Agricultural shopping mall segment			
Indicator		2018	2017
Gross floor area	Square meter	190,000	168,904
Material			
Paper consumed	Ton	410.3	380.4
Toner cartridge	No.	6	1
Ink cartridge	No.	28	5
Energy consumption			
Total electricity usage	10 thousand kWh	492.57	320.47
Electricity intensity	kWh/sqm	29.16	18.97
Total gas consumption	Ton	8.6	5.7
Gas intensity	Ton/sqm	0.00004	0.00003
Greenhouse gas emissions			
Direct greenhouse gas emissions	CO ² e (ton)	3.62	2.40
Indirect greenhouse gas emissions	CO ² e (ton)	4,797.71	3,121.43
Greenhouse gas emission intensity	CO ² e (ton/sqm)	25.2702	18.4947
Waste			
Domestic waste	Ton	124	105
Waste fluorescent lamp	No.	630	320
Waste battery	No.	2,117	1,035
Total waste produced	Ton	590.3	700.4
Total waste recycled	Ton	160.1	98.3

Water			
Total water usage	Ton	71,547.5	76,634.0
Water usage intensity	Ton/sqm	0.3766	0.4537
Amount of recycled water	Ton	960	840
Recycle rate of water	%	1.34%	1.10%

Shopping mall segment			
Indicator		2018	2017
Gross floor area	Square meter	61,967.44	61,967.44
Material			
Paper consumed	Ton	0.3	0.5
Toner cartridge	No.	2	3
Ink cartridge	No.	0	18
Energy consumption			
Total electricity usage	10 thousand kWh	1,202.70	1,249.00
Electricity intensity	kWh/sqm	194.09	201.56
Total gas consumption	Ton	0.600	0.603
Gas intensity	Ton/sqm	0.00001	0.00001
Greenhouse gas emissions			
Direct greenhouse gas emissions	CO ² e (ton)	0.2526	0.4807
Indirect greenhouse gas emissions	CO ² e (ton)	11,714.50	12,165.47
Greenhouse gas emission intensity	CO ² e (ton/sqm)	189.0469	196.3281
Waste			
Domestic waste	Ton	915.2	1,469.4
Waste fluorescent lamp	No.	730	2,189
Waste battery	No.	39	64
Total waste produced	Ton	2,384.9	1,469.9
Total waste recycled	Ton	915.20	61.95
Water			
Total water usage	Ton	190,032	194,006
Water usage intensity	Ton/sqm	3.07	3.13
Amount of recycled water	Ton	21,433	25,000
Recycle rate of water	%	11.28%	12.89%

Social performance (Updated)		Unit	Year	
Employment				
Indicator			2018	2017
Total employees	No. of people		616	606
Male employees	No. of people		390	273
Female employees	No. of people		226	233
Employees aged 30 or below	No. of people		100	100
Employees aged 31-40 years old	No. of people		197	189
Employees aged 41-50 years old	No. of people		191	192
Employees aged 51or above	No. of people		128	125
Senior management	No. of people		65	71
Middle management	No. of people		105	88
Primary level employees	No. of people		446	447
Employee turnover	No. of people		68	65
Turnover of male employees	No. of people		43	45
Turnover of female employees	No. of people		25	20
Turnover of employees aged under 30	No. of people		25	30
Turnover of employees aged 30-40	No. of people		14	21
Turnover of employees aged 41-50	No. of people		13	14
Turnover of employees aged over 51	No. of people		16	0
Turnover of senior management	No. of people		3	/
Turnover of middle management	No. of people		8	/
Turnover of primary level employees	No. of people		57	/
Health and safety				
Days lost to work injuries	Day		104	338
No. of people lost to work related deaths	No. of people		0	0
Training and development				
Total employees trained	No. of people		532	440
Male employees trained	No. of people		344	274
Female employees trained	No. of people		188	166
Senior management trained	No. of people		50	50
Middle management trained	No. of people		80	68
Primary level employees trained	No. of people		402	323

Training and development			
Total employee training hours	Hour	11,954.5	19,331.0
Total male employee training hours	Hour	9,596	12,428
Total female employee training hours	Hour	5,358.5	6,903.0
Employee training coverage	%	86.36	69.60
Male employee training coverage	%	88.21	73.46
Female employee training coverage	%	83.19	71.24
Senior management training coverage	%	76.92	70.42
Middle management training coverage	%	76.19	77.27
Primary level employee training coverage	%	90.13	72.26
Average training hours per employee	Hour	24.28	31.90
Average training hours per male employee	Hour	24.61	45.36
Average training hours per female employee	Hour	23.71	41.58
Average training hours per senior management	Hour	28.40	40.96
Average training hours per middle management	Hour	45.60	67.35
Average training hours per primary level employee	Hour	18.65	39.35
Anti-corruption			
Filed and concluded litigation cases in relation to corruption	No. of cases	0	0
Anti-corruption training received	No. of attend	110	60
Supplier management			
Suppliers	No.	219	174
Suppliers in east China	No.	66	39
Suppliers in north China	No.	100	67
Suppliers in south China	No.	47	60
Suppliers in central China	No.	2	7
Suppliers in northwest China	No.	0	0
Suppliers in southwest China	No.	2	0
Suppliers in northeast China	No.	0	0
Suppliers in Hong Kong, Macau, Taiwan and overseas	No.	2	1
Community investment			
Charity donations	HK\$10 thousand	6.00	10.88
Voluntary service	Hour	32.5	/
Charity events organized	Time	9	9

Prospects

2019 is a vital year for the full implementation of the 13th Five Year Plan and the intensification of the supply-side structural reform. Through advanced integration with local governments, enterprises and the industry, BPHL has proactively driven the enforcement of its overall strategy, and established a business model comprising the “financing, investment, management and exit” stages, thereby laying a solid foundation for the sustainable development of the Company. Facing new challenges and opportunities upon entering a new era, we will stay committed to the development strategy of "One Specialty, Diversified Development and Dual Drivers". As such, we will create core businesses including logistics property and value-added logistics services with BPHL characteristics, discover new operation models under the logistics property and cold-chain businesses, and focus on improving the quality of our products and services. Thus, we can create and enjoy a beautiful life with all parties, and fully meet the expectations and demands of our shareholders, customers, employee, partners, the community, the environment, and other stakeholders.

We will accelerate the construction of our modern supplier chain system, boost economic development and increase our cost-effectiveness while improving quality, so as to attain high-quality development. Closely abiding by the “Belt and Road” Initiative, we help to achieve sustainability goals with the aim of keeping pace with global CSR trends. We will also make constant comprehensive improvements to our internal control system and the building of a fine and clean Party culture by fully implementing refinement and standardization management measures. Committed to creating a synergic development of a healthy industrial chain, we will strengthen internal business interactions and resource integration, proactively participate in industry exchange activities, and promote the comprehensive, convenient, high-quality and healthy development of the logistics property industry. In terms of the stringent fulfillment of our principal environmental responsibilities, we will constantly improve our safety performance through gradual implementation of each safety control system and requirement. Upholding our development philosophy of “lucid waters and lush mountains are invaluable assets”, we will strongly promote green construction management and clean production measures, perform solid energy-saving and emission reduction work, to aid the building of an ecological civilization and address global climate change issues. Moreover, we will provide an inclusive working environment and excellent career paths for our employees, align the Company’s vision with our employee’s values, and proactively participate in community building and charity events, so that we can all achieve shared growth.

Moving forward, we will move towards the target of quality development through the creation of a beautiful pattern of joint development and progress between the Company and the community where the fruits of our success are shared. By building an overall image as a socially responsible brand, we will accelerate the advent of becoming a world-leading enterprise.

Appendix

Index of KPIs

Category	Aspect	Key performance indicators	Disclosure status	Page
A Environ- mental	A1 Emissions	General Disclosure	Fully disclosed	P36-P37
		A1.1 The types of emissions and respective emissions data	Fully disclosed	P37-P40
		A1.2 Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Fully disclosed	P38
		A1.3 Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Fully disclosed (intensity not applicable)	P39
		A1.4 Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Fully disclosed (intensity not applicable)	P40
		A1.5 Description of measures to mitigate emissions and results achieved	Fully disclosed	P38/P41-P42/P44
		A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Fully disclosed	P39-P40
	A2 Use of Resources	General Disclosure	Fully disclosed	P41
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Fully disclosed	P41
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Fully disclosed	P43
		A2.3 Description of energy use efficiency initiatives and results achieved	Fully disclosed	P41-P42
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Fully disclosed	P43
		A2.5 Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced	Fully disclosed (intensity not applicable)	P39/P44
	A3 Environment and Natural Resources	General Disclosure	Fully disclosed	P44
		A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Fully disclosed	P44

B Social	B1 Employment	General Disclosure	Fully disclosed	P46/P49
		B1.1 Total workforce by gender, employment type, age group and geographical region	Fully disclosed	P49
		B1.2 Employee turnover rate by gender, age group and geographical region	Fully disclosed	P49
	B2 Health and Safety	General Disclosure	Fully disclosed	P46-P48
		B2.1 Number and rate of work-related fatalities	Fully disclosed	P46
		B2.2 Lost days due to work injury	Fully disclosed	P57
		B2.3 Describe the adopted occupational health and safety	Fully disclosed	P46-P48
	B3 Development and Training	General Disclosure	Fully disclosed	P46/P50
		B3.1 The percentage of employees trained by gender and employee category	Fully disclosed	P50
		B3.2 The average training hours completed per employee by gender and employee category	Fully disclosed	P50
	B4 Labour Standards	General Disclosure	Fully disclosed	P46/P49
		B4.1 Description of measures to review employment practices to avoid child and forced labor	Fully disclosed	P49
		B4.2 Description of steps taken to eliminate such practices when discovered	Fully disclosed	P49
	B5 Supply Chain Management	General Disclosure	Fully disclosed	P28/P33
		B5.1 Number of suppliers by geographical region	Fully disclosed	P33
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Fully disclosed	P33
	B6 Product Responsibility	General Disclosure	Partly disclosed	P28-P34
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable, as the Company's products have never been recalled for safety or health reasons	/
		B6.2 Number of products and service related complaints received and how they are dealt with	Fully disclosed	P33
		B6.3 Description of practices relating to observing and protecting intellectual property rights	Fully disclosed	P34
		B6.4 Description of quality assurance process and recall procedures	Partly disclosed, as the Company's products involve no recall procedures	/
		B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored	Partly disclosed, as there is no such monitoring yet	P33-P34
		B6.6 Description of consumer data protection and privacy policies, how they are implemented and monitored	Partly disclosed, as there is no such monitoring yet	P33-P34
	B7 Anti-corruption	General Disclosure	Fully disclosed	P22-P24
		B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Zero such case	P23-P24
		B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Fully disclosed	P23-P24
	B8 Community Investment	General Disclosure	Fully disclosed	P46/P51
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	Fully disclosed	P51-P52
		B8.2 Resources contributed (e.g. money or time) to the focus area	Fully disclosed	P51-P52

GRI Standards

Content		GRI Standards
About this Report		102-1/102-3/102-50/102-51/102-52/102-53/102-55
Chairman's Statement		102-7/102-14/102-15/102-16/102-29/201-1
CEO's Statement		102-7/102-14/102-15/102-16/102-29/201-1
Our First Decade		/
About Us	Company Profile	102-1/102-2/102-7
	Management Structure	102-18
	Shareholding Structure	102-6/102-7/02-18
	Asset Structure	102-45
Responsibility Management	Responsibility Concept	102-16
	Responsibility Promotion	102-18/102-22/102-23
	Responsibility Communication	102-29/102-40/102-43/102-44/102-46/102-47
High-Quality and Sound Operation	Regulate our Corporate Governance	103-1/103-2/103-3
	Strict and Legal Governance	103-1/103-2/103-3
	Achieve Steady Growth	201-1
Working Together to Achieve Win-Win Results	Create Excellent Projects	103-1/103-2/103-3/203-1/203-2
	Provide Quality Service	103-1/103-2/103-3
	Build a Responsible Supply Chain	103-1/103-2/103-3/102-9/205-1/205-2
	Contribute to Industry Development	103-1/103-2/203-1
Co-existing Harmoniously with Nature	Enhance Environmental Management	103-1/103-2/103-3
	Promote Green Operation	301-1 301-2 301-3 302-1 302-4 302-5 302-4 303-3 305-4 305-5 306-2
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Safeguard our Happiness and Health	Protect Safety and Health	103-1/103-2/403-1/403-4
	Satisfy Work and Life	103-1/103-2/103-3/102-35/202-1/401-3/404-1/404-2
	Community Building and Welfare	103-1/103-2/103-3/201-1/203-1/203-2/415-1
Responsibility Performance		201-1/203-1/302-2/305-1/305-5/305-7/401-1/401-2/404-1/405-1/415-1
Prospects		102-16/102-29/102-43/102-44
Report Preparation Process		102-19/102-20/102-21
Feedback Form		/

Report Preparation Process

In order to integrate CSR into enterprise operation, BPHL carried out whole lifecycle management over the preparation of CSR reports, which covers three phases, namely planning, engagement and preparation & release. In the process, we implemented dynamic monitoring, management and guidance of the identified key CSR indicators to substantially improve our sense of responsibility and ability to perform social responsibility.

The Planning Phase (December 2018 to January 2019)

Established a report preparation team

Established a report preparation team consisting of all the departments and project companies and led by the Administration and Secretary Department to coordinate all the work regarding the preparation of CSR report.

Organized training on report preparation

Organized a kick-off meeting for and training on CSR report preparation for study of the ESG Guide, report preparation procedures and methods and other considerations.

Communication with the stakeholders

Promoted regular communication between various departments and the stakeholders including shareholders, clients, suppliers, partners, employees, and communities.

The Engagement Phase (February 2019)

Blend in an ESG indicator system

Broke down the indicators under the ESG Guide and blend in the Company's ESG indicator to guide business operation according to the characteristics of various functional departments and project companies.

Tracked and assessed the indicators

Regularly reviewed and assessed implementation of the indicators by the departments and project companies, and gave guidance on the operational issues involved.

Served business development

Optimized internal management and improved operational transparency to the public by integrating ESG indicators into operation, so as to promote sustainable development of the Company.

The Preparation & Release Phase (March to July 2019)

Collected and collated information

Functional departments and project companies sorted out CSR-related information for the year based on the indicator system and the required file list, and submitted such information to the report preparation team.

Prepared and designed the report

Designed and drafted the outline and the report, and organized project communication and review meetings to determine report focuses, optimize report framework and improve report contents.

Released and circulated the report

Released the CSR report on CSR-related platforms including those of the Hong Kong Stock Exchange and the Company, and organized meetings to summarize the work on report preparation and arrange subsequent steps.

Feedback Form

Dear readers,

Hello!

Thank you for taking time to read this report. We are sincerely looking forward to your comments and valuable advices on this report which will help us improve our CSR work and enhance our capability to fulfill social responsibility.

Thank you very much!

Beijing Properties (Holdings) Limited
July 2019

Optional questions: (Please mark "√" on your answer)

1. Your general impression of the report is:

☐ Very good ☐ Good ☐ Mediocre ☐ Bad ☐ Very bad

2. What do you think of the quality of the CSR information disclosed in this report?

☐ Very high ☐ High ☐ Average ☐ Low ☐ Very low

3. What do you think of the report structure?

☐ Very reasonable ☐ Reasonable ☐ Mediocre ☐ Poor ☐ Very poor

4. What do you think of the layout design and forms of expression of this report?

☐ Wonderful ☐ Good ☐ Mediocre ☐ Poor ☐ Very poor

Open-ended question:

Do you have any valuable opinions or suggestions on the 2018 Corporate Social Responsibility Report of Beijing Properties (Holdings) Limited?

Please feel free to contact the preparation team of the 2018 Corporate Social Responsibility Report of Beijing Properties (Holdings) Limited by emailing us at ir@bphl.com.hk, calling us at (852) 2511 6016, or faxing this form to (852) 2598 6905. We will seriously consider your opinions and suggestions and undertake to properly protect your personal information set out above.