



北京建設 BPHL

BEIJING PROPERTIES (HOLDINGS) LTD

(Incorporated in Bermuda with limited liability)

Stock Code: 925



2022

Beijing Properties (Holdings) Limited

Sustainable
Development 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 2022 to 31 December 2022, with certain contents dating back to previous years or covering 2023.

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 “Group”, the “Company” or “we”.

REPORTING CYCLE

This report is on an annual basis and is the eighth corporate sustainable development report released by Beijing Properties (Holdings) Limited.

DESCRIPTION OF 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, social and governance information more clearly, data and information in this report remain consistent with the respective platforms and subsidiaries stated in the sustainability framework, including our 11 major business platforms, namely, Logistics Assets Operation and Management Center, China Industrial Properties Platform, China Cold Chain Platform, Quzhou Agribusiness Complex, Guangzhou Guangming Real Estates, Hong Kong headquarters, Beijing Office, Jade (Shanghai) Office, Tongliao Dahua Logistics, Qingdao Yongcheng International Logistics and Sino-Cambodian Phnom Penh Special Economic Zone, among which, Tianjin Tong Da You Zhi Logistics Co., Ltd., Beijing Properties (Shanghai) Warehouse Company Limited, Tianjin Transwell International Logistics Co., Ltd. and Transwealth Logistics (TianJin) Co., Ltd. are put under the management of the Logistics Assets Operation and Management Center for information disclosure.

BASIS FOR PREPARATION OF REPORT

The Environmental, Social and Governance Reporting Guide (the “Guide”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

REPORT VERSION AND ACCESS

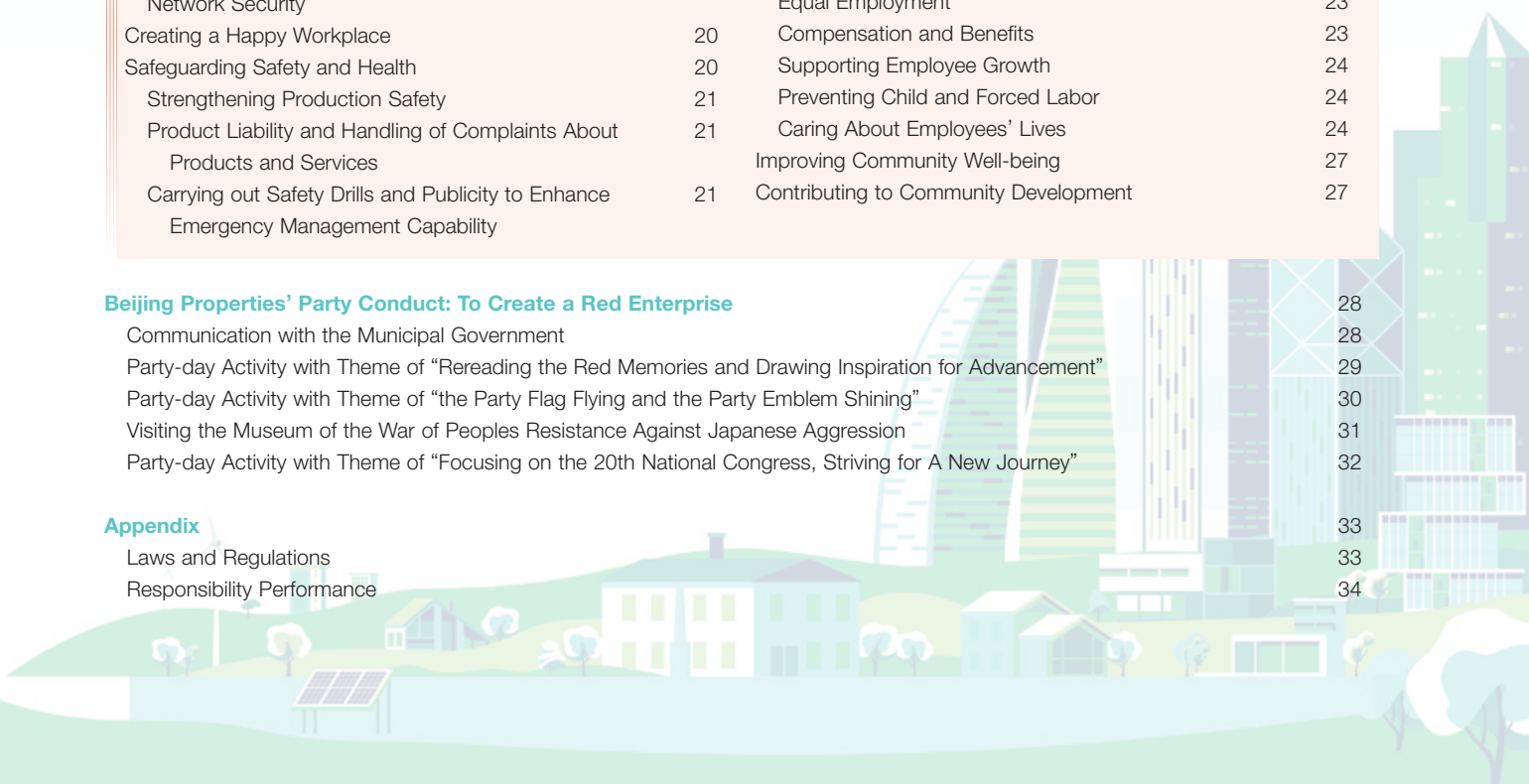
This report is available in both Chinese and English versions. In case of any inconsistency between the two versions, the Chinese version shall prevail. This report is issued to the public in paper and electronic (PDF) editions. The electronic edition (PDF) is available for download on the official website of Beijing Properties (Holdings) Limited (<http://www.bphl.com.hk>).

CONTACT INFORMATION

Company: Beijing Properties (Holdings) Limited
Address: 66/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
Tel: (852) 2511 6016
Fax: (852) 2598 6905
Email: ir@bphl.com.hk

Contents

Chairman's Statement	2	Maintaining Stable Operation to Promote Quality Development	10
Statement of the Board of Directors	3	Improving Corporate Governance	10
Sustainable Development Management	5	Providing Quality Services	12
Sustainable Development Strategies	5	Prompting the Sound and Stable Development	12
Concept of Sustainable Development	5		
Strengthening Supervision of ESG Work	5	Prioritizing Ecological Protection to Create a Beautiful Living Environment	13
Sustainability Governance	5	Improving Green Management	13
Improving the Sustainable Development Management System	5	Practicing Green Operation	13
Structure of the sustainable development work	6	Increasing Energy Efficiency	13
Sustainable Development Committee	7	Protecting Water Resources	15
Sustainable Development Working Group	7	Addressing Climate Change and Climate Information Disclosure	15
ESG Executive Team	7	Waste Management	16
Driving ESG Implementation	8	Disposal of Non-hazardous Waste	16
Communication and Participation of Stakeholders	8	Disposal of Hazardous Waste	16
Stakeholders' Participation	8	Promoting Green Lifestyle	16
Materiality Issues Analysis and Assessment	9	Going Green in the Office	17
Evaluation, Review and Confirmation of the Issues	9	Participating in Environmental Protection Charity Events	17
Taking the People-oriented Approach and Building a Harmonious Society Together	18		
Win-win Cooperation with Partners	18	Safeguarding Occupational Health and Safety	22
Supply Chain Management	18	Establishing the Health Surveillance Files to Protect the Occupational Health of Workers	23
Industry Cooperation	19	Good Work and Life	23
Protecting Intellectual Property Rights and Maintaining Network Security	19	Equal Employment	23
Creating a Happy Workplace	20	Compensation and Benefits	23
Safeguarding Safety and Health	20	Supporting Employee Growth	24
Strengthening Production Safety	21	Preventing Child and Forced Labor	24
Product Liability and Handling of Complaints About Products and Services	21	Caring About Employees' Lives	24
Carrying out Safety Drills and Publicity to Enhance Emergency Management Capability	21	Improving Community Well-being	27
		Contributing to Community Development	27
Beijing Properties' Party Conduct: To Create a Red Enterprise	28		
Communication with the Municipal Government	28		
Party-day Activity with Theme of "Rereading the Red Memories and Drawing Inspiration for Advancement"	29		
Party-day Activity with Theme of "the Party Flag Flying and the Party Emblem Shining"	30		
Visiting the Museum of the War of Peoples Resistance Against Japanese Aggression	31		
Party-day Activity with Theme of "Focusing on the 20th National Congress, Striving for A New Journey"	32		
Appendix	33		
Laws and Regulations	33		
Responsibility Performance	34		



Chairman's Statement

Amid global economic downturn and uncertainties in this challenging but meaningful year of 2022, BPHL carried on its unyielding efforts to pursue sustainable development while striving to cope with various risks and challenges brought about by shrinking demand and making every effort to standardize and systematize its sustainable development management, with the aim of creating sound and long-term value for its shareholders, business partners, investors, employees and communities. Sustainable development is one of our core business areas, and we will continue to optimize our sustainable development strategies and improve performance based on feedback from stakeholders and take responsibility for sustainability, in a bid to build a sustainable future.

The Company fully supports the national goals of carbon emission peak by 2030 and carbon neutrality by 2060. At the 20th CPC National Congress in 2022, the CPC put forward the new philosophy of innovative, coordinated, green, open and shared development and the new way of green and low-carbon recycling economic development and called for efforts to establish a comprehensive ecological civilization system and build a Beautiful China. Standing at the new starting point of economic and social development, the Company will further seize opportunities for green development, follow the pace of national development, lead the sustainable development of the industry, and continue to create greater economic, social, and environmental value for stakeholders. We have installed PV systems on some platforms and planned to introduce more energy-saving and renewable energy equipment to achieve healthy and sustainable development. We began in-depth research into potential impact of climate change (including physical and transition risks) on business operations this year to facilitate the development of appropriate emergency plans in the future. Going forward, we will set targets and monitor the full spectrum of climate. We also formulated the anti-bribery and anti-corruption policies, whistle-blowing policies, management measures for low-carbon operation, equal opportunities and privacy code, and planned to adopt them in 2023. The development of relevant policies will further direct employees' attention to ESG issues and improve the Company's ESG performance.

Since 2019, the Company has been gradually implementing business transformation – gradually reducing its reliance on pan-property development business and further initiating the development of supply chain industry, especially the cold chain platform. We strictly comply with the cold chain industry standards issued by local governments this year to provide strong protection for people's food safety. In our supply chain management, we select suppliers based on the criterion of environmental protection, suppliers are required to provide relevant qualifications if there are special requirements, and a risk control scoring sheet is in place for the management and other stakeholders to learn about the key indicators of suppliers' status. We are also building a win-win industry chain to help the industry develop. In particular, we organized the Third 828 Exchange Festival of the Frozen Products consecutively to provide comprehensive services throughout the industry chain for SMEs in the industry of frozen products to bring the industry online and drive the industry transformation.

We would like to express our sincere gratitude to the stakeholders for their continuous support. Looking forward, we will steadfastly implement sustainable development strategies, actively respond to climate change, and effectively engage all stakeholders to build a sustainable world in the future.



Statement of the Board of Directors

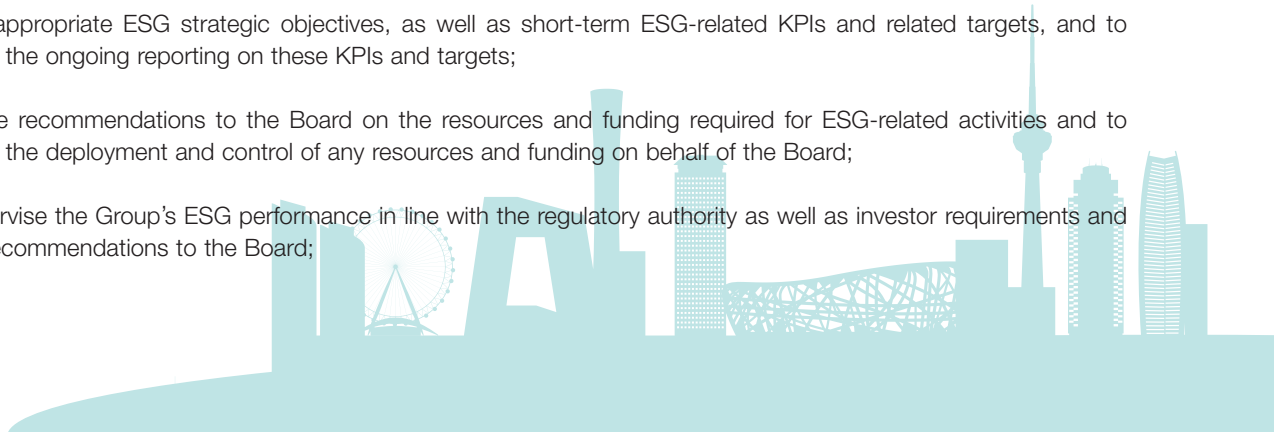
The Board of BPHL is responsible for determining and leading the sustainability strategies of the Company. A Sustainable Development Committee was established under the Board and is responsible for reviewing and auditing the sustainability work plans, policies and other significant matters of the Company and overseeing the implementation of the plans. The Sustainable Development Working Group and ESG Executive Team are responsible for the promotion of day-to-day ESG work.

The Board shall take a leading role and be accountable for the following aspects:

- Formulating our ESG management policy, strategy and objectives and establishing the terms of reference of the Sustainable Development Committee of the Group (including membership, permission, scope of work and resources);
- Overseeing the Company's assessment of the environmental and social impact;
- Understanding the potential impact of ESG issues on the Company's business model and the associated risks;
- Aligning with investors' and regulatory authorities' expectations and requirements;
- Enhancing the materiality assessment and reporting process to ensure the accurate and consistent implementation and enforcement of policies;
- Promoting a top-down culture to ensure the incorporation of ESG considerations into the business decision-making process; and
- Reviewing and approving the disclosures in the Company's ESG report.

The main responsibilities of the ESG Executive Team under the Board are:

- To formulate and review the statement of the Board of Directors on ESG for the Board's approval, including (i) the Board's supervisory role in ESG issues; (ii) the process used to identify, evaluate and manage key ESG issues; and (iii) how the Board review the progress according to ESG-related objectives;
- To review material ESG issues that may affect the Company's operations and/or its strategy, such as relevant international standards and legislative requirements, assess the impact of these issues on the Company's strategy operations and reputation, and determine whether and how they should be incorporated or reflected in the Company's ESG policy;
- To work with the Risk Committee to assess ESG, verify relevant ESG risks and opportunities identified, make recommendations on risks with strategic significance to the Company, and provide anticipation and mitigation plans;
- To set appropriate ESG strategic objectives, as well as short-term ESG-related KPIs and related targets, and to oversee the ongoing reporting on these KPIs and targets;
- To make recommendations to the Board on the resources and funding required for ESG-related activities and to oversee the deployment and control of any resources and funding on behalf of the Board;
- To supervise the Group's ESG performance in line with the regulatory authority as well as investor requirements and make recommendations to the Board;



Statement of the Board of Directors

- To review the Company's annual ESG report to ensure that the Company includes in its summary financial report (if any) and annual report, or publishes separately, the environmental, social and governance report prepared by the Board in accordance with the disclosure requirements of the Listing Rules, the Corporate Governance Code (as set out in Appendix 14 of the Listing Rules) and the Environmental, Social and Governance Reporting Guide (as set out in Appendix 27 of the Listing Rules);
- To review the terms of reference of the ESG Committee in a timely manner to ensure compliance with Appendix 27 of the Listing Rules as amended from time to time; and
- To collaborate and liaise with all other Board Committees as necessary.

In 2022, the Board mainly reviewed the following:

- Sustainable Development Management: In accordance with the Management Measures for Social Responsibility Work of Beijing Properties (Holdings) Limited to assess and review the importance of ESG issues as a means to clarify the annual work priorities.
- Corporate Governance: Improve the corporate governance structure and meanwhile make information disclosure in a timely manner, revise and improve internal control management system and promote anticorruption.
- Customer Responsibility: Create quality projects in the business areas of property development, logistics property, industrial property, cold-chain logistics and land development, and provide quality services to different customers.
- Environmental Protection: Promote a comprehensive environmental protection system within various platforms and subsidiaries, monitor the implementation of management on resources, water resources, greenhouse gas and wastes, and promote energy conservation and emission reduction.
- Employee Responsibility: Protect employee's rights and occupational health and safety, build a professional, diverse and inclusive working environment, offering competitive remuneration packages and training opportunities.
- Community Engagement: Leverage our professional advantages to cope with the impact brought by the economic downturn, support the development of the education industry, enhance communication with community and community engagement.

The management and progress on the above works and other ESG issues carried out by the Company as disclosed in this report was considered and approved by the Board.



Sustainable Development Management

SUSTAINABLE DEVELOPMENT STRATEGIES

Concept of Sustainable Development

BPHL values “harmonious prosperity” as its responsibility and is committed to driving the sustainable development in all aspects of its business operations by putting into practice the following responsibility guidelines i.e. “maintaining stable operation to promote quality development; joining hands with our partners to promote the sustainable development of the industry; advocating green development to minimize the impact on the environment; taking the people-oriented approach to grow strong with our employees and sincerely reward the community”.

We believe that the pursuit of profit is only one part of the corporate goal. In addition to obtaining returns for Shareholders, our operations must also strike a balance among environment, ecology, energy use and efficiency, and employee development, in order to become a respectable enterprise that operates in harmony with our country.

Strengthening Supervision of ESG Work

We actively optimize the “Rules of Board Meeting Agenda of Beijing Properties (Holdings) Limited” in order to clearly define the responsibilities of the Board in promoting the sustainable development of the Company, which includes: making decisions on and leading the strategic direction of the Company’s sustainable development; approving its plan for, annual report on and other important policies and regulations related to its sustainable development; making arrangements for and carrying out the Company’s major tasks in relation to its sustainable development; and supervising the implementation of plans by each department and subsidiary of the Company.

The Company has established the Sustainable Development Committee, with the Sustainable Development Working Group to regularly collect information about and report on the progress of our ESG-related objectives as well as the implementation of matters authorized by the Sustainable Development Committee, and report on the progress of related work in writing. At the same time, the ESG report, as a major reporting matter of the Company, is to be reviewed by the Board and members of the Sustainable Development Committee.

In 2022, we formulated the anti-bribery and anti-corruption policies, whistle-blowing policies, management measures for low-carbon operation, equal opportunities and privacy code, and planned to adopt them in 2023. The formulation of relevant policies will further increase employees’ attention to ESG issues and improve the Company’s supervision effectiveness in the ESG.

SUSTAINABILITY GOVERNANCE

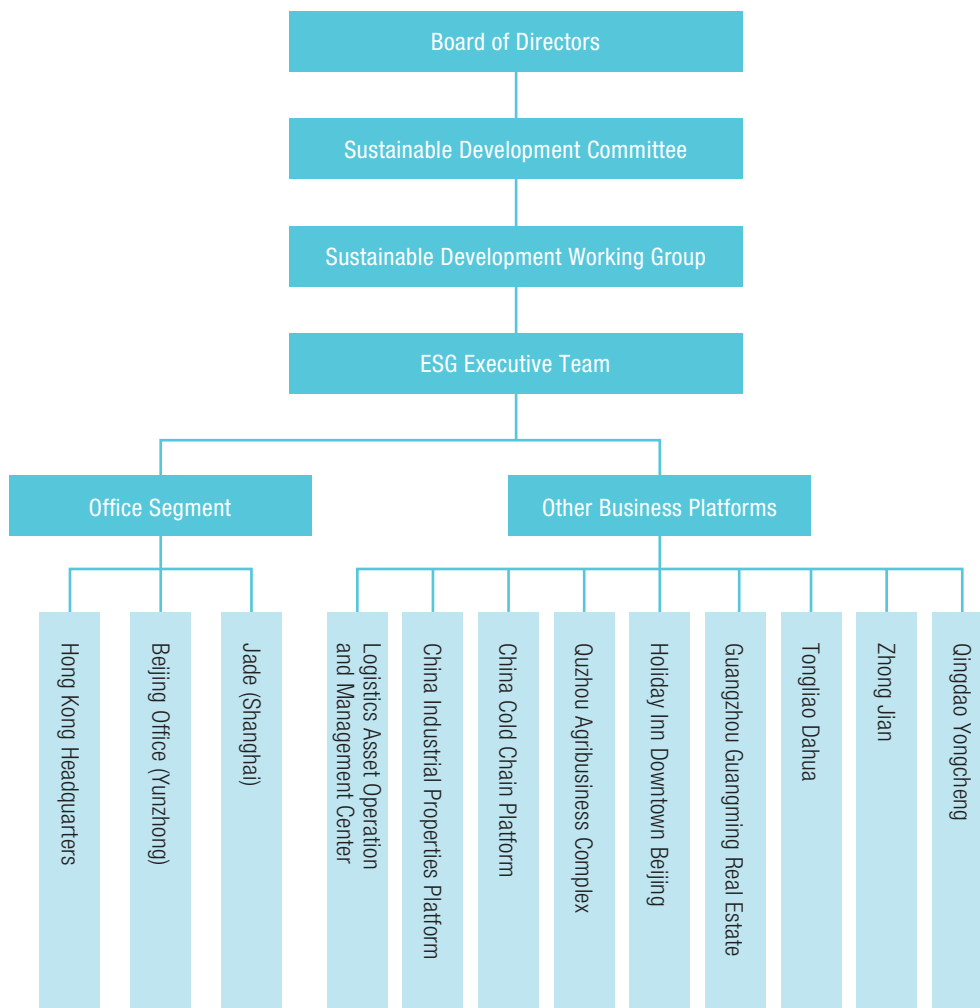
Improving the Sustainable Development Management System

In order to promote sustainable development in all aspects of its operation, the Company has issued the Notice on the Establishment of the Sustainable Development Committee of Beijing Properties (Holdings) Limited to clarify the composition of the Sustainable Development Committee, the Sustainable Development Working Group and the ESG Executive Team and their main responsibilities in promoting sustainable development of the Company.

In particular, Chairman and the three members of the Sustainable Development Committee are to be appointed by the Board and responsible for implementing the decisions on the sustainability matters. Where appropriate, the Sustainable Development Committee may invite Chairman of the Board, General Manager, Chief Financial Officer, and other directors to attend the meeting to discuss all or part of the agenda. The Sustainable Development Committee has a Sustainable Development Working Group and an ESG Executive Team under it, which are responsible for the day-to-day management of the ESG issues. The ESG Executive Team is comprised of social responsibility liaison staff from the headquarters and each of our business platform. By building an organizational structure for sustainable development with clear division of labor and efficient operation, a solid foundation has been laid for systematically promoting sustainable development of the Group.

Sustainable Development Management

Structure of the sustainable development work



Note: The Logistics Asset Operation and Management Center includes Hainan Datong Warehouse Company Limited, Xiamen Xunda Hongtong Warehouse Company Limited, Meishan Xunda Hongtong Warehouse Company Limited, Tianjin Tong Da You Zhi Logistics Co., Ltd., Beijing Properties (Shanghai) Warehousing Co., Ltd., Tianjin Transwell International Logistics Co., Ltd. and Transweath Logistics (Tianjin) Co., Ltd.



Sustainable Development Management

Sustainable Development Committee

- Convene regular meetings of the Sustainable Development Committee
- Review the rules and regulations related to the sustainable development management of the Company
- Review the annual plans and progress of the sustainable development work of each business segment and its affiliates
- Review the Company's annual sustainable development report
- Review, examine and respond to emerging sustainable development issues and make recommendations for improvement

Sustainable Development Working Group

- Research and make recommendations on the Company's long-term development plan and sustainable development policy
- Research and make recommendations on key stakeholder voices
- Coordinate the preparation of annual sustainable development reports
- Propose improvements in social responsibility management to the Sustainable Development Committee

ESG Executive Team

- Collect and sort out information on compliance and submit it to the Sustainable Development Working Group on a regular basis
- Promote regular communication between various departments and stakeholders
- Provide timely feedback on production safety and environmental testing results
- Manage and coordinate the Company's relationship with its investors and regulatory authorities, and obtain relevant information in a timely manner

Under the leadership of the Party and the Board, the Company is united and diligent. We always put national interests first in the pursuit of profitability, and are committed to building an environment-friendly, low-carbon, efficient, honest, ambitious and responsible enterprise, to seek well-being for the vast number of compatriots, and jointly create a better life.



Sustainable Development Management

DRIVING ESG IMPLEMENTATION

BPHL sincerely integrates its social responsibility into its daily operation and management, and has been issuing CSR reports for six consecutive years. In order to improve the overall social responsibility management level of the Company, in 2020, we compiled and issued the “Management Measures for Social Responsibility Work of Beijing Properties (Holdings) Limited” in accordance with the latest requirements for ESG information disclosure of the Hong Kong Stock Exchange, which further clarifies the social responsibility management policy, objectives, contents and mechanism for improvement of the Company and provides comprehensive guidance for the achievement of sustainable development goals. We will review and update the “Administrative Measures” regularly, in order to be closer to the specific implementation requirements and recommendations of national and international ESG aspects, and to improve the reporting standard of ESG matters continuously.

COMMUNICATION AND PARTICIPATION OF STAKEHOLDERS

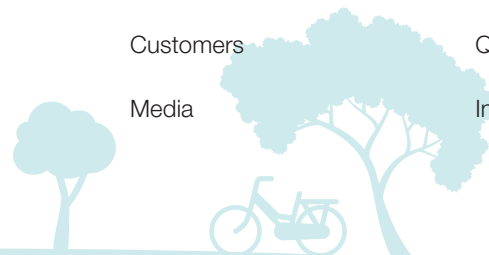
In order to fully understand the relationship and nature of various stakeholders with the Group, communication with employees, investors, tenants, customers, suppliers, regulatory authorities, the media, and other community representatives and participation therewith are crucial aspects of our day-to-day operation. We have established a Sustainable Development Working Group and an ESG Executive Team led by an executive director, with members comprising all the department heads at the headquarters and directors of the business platforms. The Sustainable Development Working Group is responsible for researching and making recommendations on the voices of key stakeholders of the Company while the ESG Executive Team is to actively respond to the opinions and demands of stakeholders by making full use of stakeholder communication channels and methods, to prevent and control possible ESG risks in a timely manner, and create shared values with joined efforts.

Stakeholders' Participation

In order to fully understand our stakeholders' expectations and suggestions on the fulfillment of BPHL's responsibilities, our executive directors, heads of the departments and ESG Executive Team members actively communicate and exchange thoughts with our stakeholders and listen carefully to their opinions and concerns. Externally, we listen to the public's suggestions on the economic, social and environmental aspects of the Company, and internally, we have set up a special group to collect our employees' opinions on the sustainable development of the Company, aiming to respond to the key issues in a multi-pronged manner.

Ways of BPHL Stakeholder Participation:

Government	Joint projects; work committee and consultations; interviews
Shareholders and investors	Interviews and meetings; investor activities
Community	Community activities; joint projects; work committee; conferences/seminars
Employees	Interviews; internal forums and company meetings; training programmes; competitions and team events
Partners	Supplier selection and assessment; joint projects; questionnaires
Customers	Questionnaires; community activities; joint projects; conferences/seminars
Media	Interviews; opinions and responses to newspapers



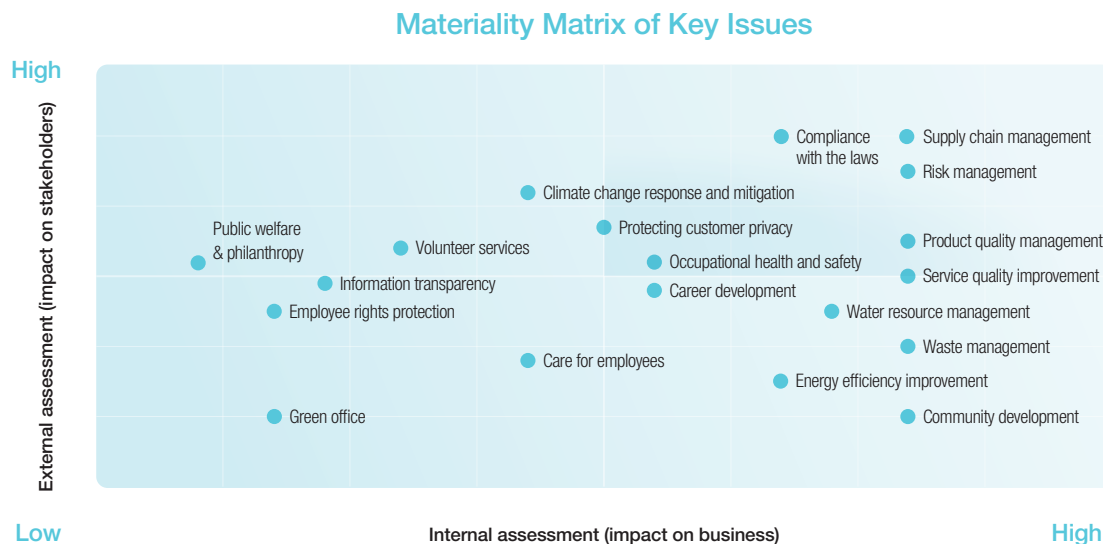
Sustainable Development Management

MATERIALITY ISSUES ANALYSIS AND ASSESSMENT

In order to precisely comprehend the expectations and demands of our stakeholders and enhance the relevance and materiality of our report, we follow the materiality issues analysis process, aiming to screen out material issues and disclose them in the report, so as to continuously improve our social responsibility management. With a full understanding and key discussions of the issues most relevant to the Group, both internally and externally, we can focus on the topics that can most effectively improve the ESG performance of the Group with limited resources and time, and can quickly benefit the groups closest to the Group.

Evaluation, Review and Confirmation of the Issues

We prioritized the issues by the “importance to the Company’s business development” and the “importance to the stakeholders”, and screened out the material issues to both the Company and the stakeholders to focus on and respond to in our report, with the screening and analysis results to be reviewed by both our internal management and external experts, the results of which were as follows:



Maintaining Stable Operation to Promote Quality Development

IMPROVING CORPORATE GOVERNANCE

Based on a sound governance structure, BPHL has established a sturdy internal control management system to promote the streamlined operation and standardization of its management, and accelerate the formation of an operational mechanism of corporate governance with clear definition of responsibilities and authorities, hierarchical decision-making, and effective checks and balances. In accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Company constantly improves its governance system with regulated information disclosure, aiming to create value for its shareholders and investors.

Governance mechanism

We make constant efforts to improve our governance structure for legal persons, hold sound general meetings, establish and enhance the Board and managing authorities led by the Board, enhance our corporate governance standards, to build a better regulated, more scientific and efficient governance mechanism. The Board currently consists of 14 directors, including 9 executive directors and 5 independent non-executive directors. Independent directors represent 35.71% of the Board, and are responsible for providing independent advice on our business strategy, result and management. The Company regulates the duties and scope of work of each governing body in accordance with the law. Under the Board, we have established the Nomination Committee, Remuneration Committee, Sustainability Development Committee, Human Resource Council, Audit Committee and Operation/Business Council. Board meetings are held regularly every year to approve our acquisition and related transactions, and to monitor our financial performance so that our strategic goals are achieved. In 2022, 4 shareholders' general meetings and 2 Board meetings were convened. For details, please refer to the relevant information in the Group's annual report.

Disclosure of Information

We strengthen communication with our investors and continuously enhance the level of transparency of our operation. By strictly adhering to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Memorandum and Articles of Association of the Company, the Provisions on Information Disclosure Management and other relevant provisions, we provide truthful, accurate, complete and timely disclosure of relevant information through multiple channels such as the Company's website, investors' meetings, telephone and email, in order to protect the rights relating to awareness and participation of shareholders, debtors, and other stakeholders in regards to significant matters of the Company.

Compliant Operation

We systematically sort out the existing systems and business processes, so as to strengthen compliant operation, improve and update relevant systems regularly, and promote the systematic construction of our regulation system and the standardization of our management processes. In 2022, 49 new and revised systems were promulgated and updated, e.g. the "Administrative Measures on Regulating the Market Value Management of the Listed Company and Relevant Securities Transaction Conduct", and the "Administrative Measures on Implementation of Security and Safeguarding and Anti-terrorist Work", etc. Meanwhile, in conjunction with its Internal Control Manual, the Company refined the workflow of each stage of financing, investment, cultivation, and disposal, and strengthened the approval procedures to reduce the management risks and ensure the safety of our corporate assets and operational efficiency.



Maintaining Stable Operation to Promote Quality Development

Anti-corruption

We strengthen the political responsibility in the management of the Party members, implement the integrity accountability at each level, with which we have developed a full-coverage work pattern with supervision of implementation at each level. We focus on strengthening the integrity of our staff in the engineering field, and rely on the implementation of the rules and regulations to promote the management on the risk prevention and control of integrity throughout the whole process. We actively advance the promotion of a clean and transparent working style by holding special meetings and educational sessions as well as watching training videos regularly on integrity and anti-corruption campaign, etc. Besides, we require our employees to sign the Statement of Undertaking in Relation to Clean and Honest Conduct, to convey the spirit of Party Integrity Construction in a timely manner and enhance all employees' awareness of integrity and self-discipline, to protect the interest of the Company and to promote the development of the Company.

In the Hong Kong Office, the Employee Handbook stipulates that all fraud, cheat or disloyalty are prohibited, and employees are prohibited from using the Company's name for non-official purposes, from disclosing trade secrets, from seeking personal interests by improper means, etc., and employee shall maintain good business ethics and integrity. All employees shall not ask for or receive any personal benefits and gifts by taking advantage of the Company's work, and their positions or identities, such as kickbacks, private commissions and cash. The Company also provided anti-corruption training to directors and employees online and offline, which further strengthened the compliance awareness of directors and employees and promoted its compliance and anti-corruption culture, including but not limited to special training on anti-commercial bribery and topics such as how to prevent illegal fund-raising. The Company also disclosed the whistle-blowing channels to employees to strengthen the corporate governance and internal control and safeguard the legitimate rights and interests of the Company and its shareholders. If an employee suspects an improper behavior, he/she must report such improper behavior to his/her superior, the department head or the human resources department.

In mainland China, during the year, the Company organized all employees, affiliated enterprises and the heads of various sectors to hold a conference on Party style and integrity, and watch an educational film on integrity warning. In addition, the Company held important post talks with department managers and higher-level leaders before the festival, and also published articles on integrity in the WeChat official account.

In 2022, the Company recorded zero incidents of disciplinary violations with a total of 216 directors and employees in Hong Kong and mainland China attending anti-corruption trainings and the total training hours reaching 668 training.



Maintaining Stable Operation to Promote Quality Development

PROVIDING QUALITY SERVICES

BPHL is committed to providing convenient and high-quality services to its customers by making every effort to help customers solve problems with its own resources, providing customized storage and logistics services to customers of various types and from different service areas, to enhance the quality of business in all aspects. Upon fully understanding the problems, our customer service personnel would carry out the problem-solving process immediately, to ensure that appropriate and timely response and assistance are available to the customers.

In addition, in the information era, ensuring the security of enterprise information is indeed the top priority of operations. In order to protect the security of customer privacy, we developed privacy policy and stimulated the rules for dealing with personal information of customer. The Company strictly abides by the laws and regulations related to information protection and has set up a data room for storing important confidential documents and documents involving consumer privacy. The data room is managed by dedicated personnel and has a security lock code to avoid leakage of customer information. In case of any leakage of information occurred, we have an internal response mechanism in place, which will be activated immediately to prevent the leakage from expanding as soon as possible. At the same time, we will determine the information that may have been leaked to make a remedial plan and report it to the relevant public security units.

PROMPTING THE SOUND AND STABLE DEVELOPMENT

The Company has gradually implemented the transformation of two businesses since 2019. Firstly, the Company gradually weakened its dependence on the pan-real estate development business, and continued to promote the asset disposal of mature projects to achieve multiple goals such as recovering funds, realizing profits and reducing liabilities. In addition, the Company further started the development of the supply chain industry to develop into a food supply chain service provider by relying on the existing cold storage resources and Internet platform. The Company also won the award of “Pioneer Company in Transformation of the Year” in the “Jinge Award” of GuruClub-the selection of outstanding listed companies in Greater China in 2022, commending the Company’s efforts to create real value in transformation, maintain innovation vitality, and have a positive impact on industrial changes.

The Company actively responded to the “Belt and Road” Initiative of China, developed and expanded our overseas businesses, and moved towards to professional and diversified development so as to bring value returns to shareholders in various aspects.



Prioritizing Ecological Protection to Create a Beautiful Living Environment

IMPROVING GREEN MANAGEMENT

Upholding its concept of “green growth”, BPHL follows strictly the requirements of national environmental protection laws and regulations, and promotes its subsidiaries to constantly improve their environmental protection management systems to ensure effective implementation of environmental management. The Company has formulated the Environmental Protection Management System for its subsidiaries, which stipulates the regulatory requirements for the discharge, waste, noise management and sanitation of the construction site. Before the construction of a project, the Company will carry out an environmental impact assessment, implement the “Three Simultaneities” system (simultaneous design, simultaneous construction and simultaneous production and use) in the project construction, and cover the remaining soil, sprinkle water to reduce dust, wash incoming and outgoing vehicles, reduce vehicle use, and recommend green travel during the construction process.

On 27 February 2023, the Company formulated and implemented the Management Measures for Low-carbon Operation and other internal systems, set a baseline and set targets for reducing emissions, and adhered to the philosophy of people-oriented and green development in the protection work.

PRACTICING GREEN OPERATION

BPHL has integrated the concept of ecological and environmental protection into its business operations, continued to deeply manage environmental issues such as energy, water resources, greenhouse gases and waste, and enhanced the Company’s competitiveness in green development.

INCREASING ENERGY EFFICIENCY

Energy consumed during our operation primarily includes electricity, gasoline and diesel fuel. In 2022, the total electricity consumption of the Company amounted to 42,579.74 MWh; gasoline and diesel fuel consumption amounted to 12,579.3 liters.¹

The Company continuously improves its energy management strategy, regularly compiles and monitors the energy usage of each platform and subsidiary, as well as promotes the efficient use of energy, energy-saving and emission reduction practices. Guangming Square, located in Guangzhou City, Guangdong Province, has transformed lighting equipment in time, used energy-saving lamps and time-controlled switches to reduce the waste of electricity. Guangming Square also adjusted the cooling capacity of central air conditioning to reduce the power consumption of air conditioning.

¹ The statistical range covers our 11 business platforms, such as our Hong Kong headquarters, our Beijing Office, Jade (Shanghai) Office, Logistics Assets Operation and Management Center, China Industrial Properties Platform, Quzhou Agribusiness Complex, China Cold Chain Platform, Guangzhou Guangming Real Estates, Tongliao Dahua Logistics, Sino-Cambodian Phnom Penh Special Economic Zone, Qingdao Yongcheng International Logistics, etc. Holiday Inn Downtown Beijing was under the management of our partner from this year, therefore the Group were not responsible for matters relating to the energy use and emission.



Prioritizing Ecological Protection to Create a Beautiful Living Environment

For a project with large total energy consumption, we will make corresponding economic and technical analysis based on the project's own conditions, and explore the feasibility of realizing clean energy such as photovoltaic power generation, wind power generation and clean heating, so as to reduce primary energy consumption and corresponding carbon emissions. Photovoltaic equipment have been installed at the high-rise buildings of the park of China Industrial Properties Platform. The photovoltaic equipment used local abundant solar energy resources and combine with building roofs to build a distributed photovoltaic power generation system, which can meet some energy demands of users, adjust and improve the energy structure of users, improve the reliability of power supply in the park, and bring good economic benefits and social value to users.



Photovoltaic equipment on the high-level of the park of the China Industrial Properties Platform

The warehousing, transportation and other links of the cold chain business consumed a lot of electricity. In order to achieve the goals of carbon emission peak by 2030 and carbon neutrality by 2060, the Company will consider and plan to implement measures to reduce the refrigerant emission, and will introduce more energy-saving and renewable energy equipment to achieve healthy and sustainable development in 2023.



Prioritizing Ecological Protection to Create a Beautiful Living Environment

PROTECTING WATER RESOURCES

The Company did not encounter any difficulties in obtaining water resources. In 2022, the total water consumption of the Company amounted to 341,653.96 cubic meters. The Company sticks to using water resources in a responsible manner, regularly compiles and monitors the effectiveness of the water conservation plans of each platform; actively promotes the adoption of water-saving appliances, energy-saving valves and water faucet and organizes water-saving publicity; puts up notice of resource conservation in office area and living area. For domestic water, the Company adopts induction flush measure and repairs the damaged water valve in a timely manner to avoid wasting. At the same time, the Company adjusted the frequency of use of air conditioning cooling tower to reduce the water consumption caused by heat dissipation of the central air-conditioning. For concrete curing, Qingdao Yongcheng Logistics uses curing membrane to replace watering, the washing machinery and vehicle is concerned about water conservation, and the washing water will be recycled and reused through desilter.

The Company is also concerned about the impact of water use on the environment during the operation period. For example, Quzhou Agribusiness Complex regularly examined the equipment and discharge water quality of the sewage treatment center to ensure that the equipment and discharged sewage met the standards and did not pollute the water quality. The restaurant wastewater in Guangming Square was discharged to the sewage treatment room on the underground second floor in a centralized manner. The wastewater, after treated by the sewage treatment equipment to meet the standards, was discharged, and the waste residue generated was packaged and transported by a professional environmental protection company for centralized treatment.

The Company is concerned about the recycling and collection of wastewater and rainwater and keeps improving the efficiency of water resource. For example, during the rainy season in Zhejiang, Quzhou Agribusiness Complex can collect about 30 tons of rainwater every year for cleaning the ground and watering green plants. In the future, we will plan to continually invest in improving the recycling of water resources.

ADDRESSING CLIMATE CHANGE AND CLIMATE INFORMATION DISCLOSURE

The issue of global climate change is closely linked with the challenges we encounter in sustainable development. Climate change not only affects the ecological environment, but also may pose a threat to the human health and even life safety. In 2022, BPHL began to further study the potential impact of climate change on business operations, so that it can respond to the impact of extreme weather more quickly by formulating appropriate emergency plans in the future, such as typhoons, rainstorms, energy structure and even temperature changes.

After the preliminary climate risk identification, in terms of physical risks, we have identified that the Company's warehousing and warehouses will be affected by extreme climate, and the risk of building damage will increase. Heavy rain will cause water leakage. In case of water leakage, we will immediately hire maintenance personnel to repair the water leakage, so as to reduce the subsequent impact caused by water leakage.

In terms of transitional risk, the Company's main business is in Chinese mainland, and China has announced the goal of achieving carbon neutrality in 2060. Policies such as optimizing and adjusting the energy structure, increasing gas emission control, and green building goals will all affect the Company's future business development.

In the future, we will set targets for climate and conduct supervision in all aspects. At the same time, we will also carry out some evaluation methods at the project level, and consider the physical risks that may be caused by extreme weather such as water pressure, hurricanes and floods to the stability of the Company's assets, business and supply chain, as well as the transitional risks brought about by market reactions and national policies in the process of bidding, construction, design and operation of projects.



Prioritizing Ecological Protection to Create a Beautiful Living Environment

WASTE MANAGEMENT

In accordance with the principles of “collecting waste by category, storing waste by warehouse, and transporting waste separately”, we dispose of construction waste and domestic waste separately and strengthen the management of hazardous waste to minimize the generation of waste in each sector. Guangzhou Guangming Real Estates has entered into a Waste Removal Contract with the local community; it has agreed with the property owners and contractors that all construction waste will be handled by qualified companies engaged by the construction company itself.

Disposal of Non-hazardous Waste

Non-hazardous waste produced by the Company primarily consists of waste paper, kitchen waste, horticultural wastes and construction waste; the total amount disposed in 2022 was 2.8 tons, 8.2 tons, 2 tons and 7 tons respectively.

For recyclable waste arising from our operation such as waste cartons, foam boxes and plastic products, we collect and dispose of them separately; waste paper is reused as much as possible. The Company has set a number of waste paper collection sites in the office to carry out recycling of environmentally-friendly paper, and at the same time employed a professional company to recycle a large number of offices waste paper and newspapers for environmental protection. In general, construction waste is initially classified by the construction unit to separate out the items that can be recycled and realized, such as metals, plastics and waste paper. The Company also requires the construction unit to separate the recyclable wastes such as metal, glass and plastic from the garbage sludge as far as possible to reduce the amount of discarded garbage. Because some subsidiaries have staff canteens, which are open all year round and operate 24 hours a day, there is more kitchen garbage. We will use the part of kitchen garbage which is harmless and degradable as greening and fertilizing materials. For example, the harmless waste of Quzhou Agribusiness Complex consists of rotten vegetables and fruits, some of which are buried with organic fertilizers, and some of which are sent to professional garbage incineration for power generation. Nearby farmers also come to pick up swill to feed poultry. Non-recyclable waste is compressed by the garbage disposal station and transported out to the government’s designated place, and kitchen waste, domestic waste and construction waste are handed over to professionals or qualified companies for centralized treatment.

Disposal of Hazardous Waste

Hazardous waste primarily consists of waste fluorescent lamps, batteries, toner cartridges and ink cartridges arising from the Company’s daily office work; the total amount disposed was 0.64 ton. The Company collects and stores hazardous waste in a centralized and safe manner, sets recycling boxes for carbon powder boxes, batteries and CDs in the office, and entrusts a local qualified professional third party to handle them. At the same time, the Company tries to reduce the amount of waste, such as reducing the generation of ink cartridges by using filling toner. Qingdao Jingchangshun Food Co., Ltd., a subsidiary of China Cold Chain Platform, has formulated the Hazardous Waste Management System, which strictly regulates the collection and disposal process of hazardous solid waste and hazardous liquid waste, and requires separate collection and storage of the waste in a centralized manner and delivery of the waste to companies with environmental protection qualification for disposal.

PROMOTING GREEN LIFESTYLE

BPHL advocates a civilized, healthy, low-carbon and environmentally friendly lifestyle by proactively promoting a green office, organizing and carrying out environmental protection charity events, and motivating everyone to participate in green businesses.



Prioritizing Ecological Protection to Create a Beautiful Living Environment

GOING GREEN IN THE OFFICE

The Company has formulated the Relevant Requirements on the Cultivation of Good Office Resource Management Practices to facilitate employees to develop environmentally friendly habits in their daily work and create a green and comfortable office environment.

Conserving water

- Advocate water conservation through signs
- Replace water-saving faucets
- Inspect water equipment for leaks on a regular basis
- Collect overnight water and tea water into waste water buckets for plants watering

Conserving energy

- Choose public transportation as a priority for business trips
- Hold video teleconferencing to reduce business trips
- Deploy vehicle resources reasonably in accordance with the official vehicle management system to reduce gasoline consumption
- Advocate power conservation through signs
- Set the minimum temperature for air conditioners in summer and clean the dust net at the end of the air conditioner regularly
- Use of LED energy-saving lamps

Conserving material

- Establish a registration system for the receipt of items to reduce the consumption of office supplies
- Reduce plastic product purchases and the usage of one-off paper cups and cutlery
- Adopt a paperless office as far as possible and promote the use of both sides of paper
- Recycle office waste paper by category

PARTICIPATING IN ENVIRONMENTAL PROTECTION CHARITY EVENTS

The Company organizes employees to carry out environmental protection publicity and volunteer services such as energy conservation and emission reduction, garbage classification, etc., so as to make a contribution to the maintenance of green ecological environment.



Taking the People-oriented Approach and Building a Harmonious Society Together

WIN-WIN COOPERATION WITH PARTNERS

BPHL has long insisted on maintaining good and stable cooperation and communication with suppliers and industry partners, and actively participated in the construction of sustainable industry chains and supply chains covering logistics, cold chain and commercial properties to facilitate the robust development of the industry.

SUPPLY CHAIN MANAGEMENT

The Company has adhered to clean procurement, formulated and constantly improved a series of supply chain management systems, such as the “Tendering and Procurement Management System”, the “Supplier Management System” and the “Management Method for Selection of Outsourcing Service Suppliers”, to establish a supplier management system suitable for the Company’s operation characteristics.

The Company attaches great importance to the identification and management of the environmental and social risks associated with its suppliers, and adheres to the principles of openness, fairness and justice. It regularly conducts qualification reviews and on-site inspections on its suppliers, carries out hierarchical evaluation and management of its suppliers through procurement evaluation, performance evaluation and maintenance evaluation, and cultivates the selected suppliers with outstanding environmental and social performance as its long-term partners.

In addition, certain platforms will also set requirements for supplier to meet their business needs. For example, the China Industrial Properties Platform has its own criteria for selecting suppliers based on environmental considerations, which will be required to provide relevant qualifications if the platform has special requirements for them. The China Cold Chain Platform also has a special risk control scorecard that provides the management and other stakeholders with key indicators of supplier performance.

Responsible supply chains



System building

Formulate, improve and strictly implement a series of policy documents, such as the “Supplier Management System”, the “Tendering and Procurement Management System” and the “Management Method for Selection of Outsourcing Service Suppliers”



Risk control

Conduct clean procurement to treat each supplier fairly; improve the bulk goods procurement management system; regularly assess and identify the environmental and social risks associated with suppliers, and carry out hierarchical management of suppliers



Supplier cultivation

Strengthen communication and exchange with suppliers in respect of products, environmental and social impacts; improve the responsibility awareness of suppliers, and encourage them to use environmentally friendly products and conduct services industry cooperation



Taking the People-oriented Approach and Building a Harmonious Society Together

INDUSTRY COOPERATION

The Company paid attention to exchange and cooperation with its peers, actively shared its experience with them in industry activities, and promoted the sustainable development of the industry with its corporate peers.



828 Exchange Festival of Frozen Products

China Cold Chain Platform has been holding the “828 Exchange Festival of Frozen Products” offline and online for the third year in a row, with a large flock of suppliers, member customers, industrial peers, experts, as well as embassies and national industry associations in China visiting the fair. Under the theme of “Industry Interconnection, Ecological Synergy”, exhibitors were able to demonstrate their products and services by means of video presentations this year, which were watched online by users from many places across China, and attracted viewers from 17 countries and regions around the world. The “828 Exchange Festival of Frozen Products” provided comprehensive services along the whole industry chain for small and medium-sized enterprises in the frozen products industry, carrying the industry into the world of the Internet and driving its transformation.

PROTECTING INTELLECTUAL PROPERTY RIGHTS AND MAINTAINING NETWORK SECURITY

The Company complies with the trademark law and patent law of the country, and respects, protects and safeguards intellectual property rights by establishing a management system that prohibits copying and reproduction of the other parties’ intellectual property rights, and requires that all the computer software, books and video materials that involve intellectual property rights must be genuine.

The Company’s network security management follows the principles of “safety first, prevention prioritized” and “whoever in charge is accountable; whoever operating is accountable; and whoever using is accountable”. BPHL revised its Regulations on Network Security and Information System Management in accordance with the Network Security Law of the People’s Republic of China, Regulations on Computer Information System Security Protection of the People’s Republic of China, Information Security Level Protection & Management Methods, Basic Requirements for Network Security Level Protection with Information Security Technologies and such other relevant laws and regulations, with the evolution of network security taken into account, aiming to build up its network security protection capability, establish and improve its network security management system, implement network security responsibilities, and keep the network security risks under control.

Meanwhile, the Company requires its divisions and branches to set up Network Security and Informatization Leading Groups as the highest decision-making body for network security in that department or branch, which is fully responsible for their network security management. The Network Security and Informatization Leading Group should set up an office under itself to designate the department and personnel responsible for network security, who are responsible for the daily network security management of that division or branch.



Taking the People-oriented Approach and Building a Harmonious Society Together

The following are the organizations in the Company related to network security and their detailed responsibilities:

Network Security and Informatization Leading Group
<ul style="list-style-type: none">• The highest decision-making body• Directing and supervising the implementation of network security system• Responsible for making decisions on major issues in respect of network security• Responsible for leading the emergency handling in case of network security incidents
Administration Department
<ul style="list-style-type: none">• The department responsible for centralized network security management• Directing, supervising and assessing the network security and information system management of all the units in the Company• Organizing network security risk assessments of BPHL regularly• Maintaining the normal operation of the computer networks, e-mail systems, shared disks and servers, etc.• Management of virus and authorization of various application software

CREATING A HAPPY WORKPLACE

In adhering to the “people-oriented” concept, BPHL strengthened the establishment of the employees’ rights and interests system, paid attention to the safety and occupational health of employees, cared about employees’ lives, and strove to foster a safe, harmonious, friendly and inclusive working atmosphere and created a happy workplace for employees.

SAFEGUARDING SAFETY AND HEALTH

Whether inside the Company’s premises (e.g. the Company’s properties) or outside (e.g. during staff travels), we are constantly monitoring the risks of work-related injuries to ensure that our staff can come to work happily and go home safely as far as possible. The Company is continuously improving its production safety management system and strengthening its safety and production capacity to ensure smooth and safe production and operation and to safeguard the occupational health and safety of its employees.

The Company has no systemic major work safety hazards. At the same time, the Company has also continued to strengthen staff safety training and proactively manage risks. There were no work-related casualties in 2022 and therefore there were no work-related days lost.



Taking the People-oriented Approach and Building a Harmonious Society Together

Strengthening Production Safety

The Company adhered to the concept of “safety first, prevention crucial”, focusing on epidemic prevention and control on the one hand, and strengthening production safety on the other hand. It continuously improved the production safety management system, actively implemented various work requirements of the three-year rectification action for production safety, strictly discharged the responsibilities at the stage of comprehensive inspection and rectification for production safety, and promoted safety publicity and safety inspections on the projects of relevant departments, so as to implement safety management work to ensure that there was no occurrence of production liability accidents.

China Cold Chain Platform exercises risk control in accordance with the standards of the cold chain industry, and ensures that the refrigerants used in the cold storage are liquid ammonia and carbon dioxide, so as to prevent leakage. It has also formulated a comprehensive safety management system and a manual for the whole process, established contingency plans for emergencies, and designated people responsible safety at each level which are to report upwards according to the risk level.

Product liability and handling of complaints about products and services

The Company did not recall any products during the year. As for complaints, the China Cold Chain Platform received 10 complaints during the year, which were mainly related to the customers’ use of the platform to place orders and the subsequent logistics issues, and all complaints have been followed up and responded to. No complaints were received for other businesses.

Carrying out safety drills and publicity to enhance emergency management capability

In order to improve its emergency management expertise, the Company actively organized fire safety drills, training publicity activities, taking multiple measures to improve employees’ safety awareness, accident prevention capability and emergency response skills. For example, the fire safety drill and training held regularly every year and the regular special fire training conducted by firefighters enable employees master the skills to respond to disaster accidents and take right actions while they were happened; Qingdao Jingchangshun Food Co., Ltd. formulated a safety education and training management system, and systematically conducted the three-level safety education and training for employees and the training completion assessments, so as to enhance their emergency response awareness and capability, and promote the improvement in safety level.



Taking the People-oriented Approach and Building a Harmonious Society Together

Safeguarding Occupational Health and Safety

The Company has strictly complied with various laws and regulations including the “Occupational Disease Prevention Law”, the “Production Safety Law” and the “Work Injury Insurance Regulations”. In accordance with the national standards on occupational health management, it has established and improved the occupational health management system. It regularly organized occupational health examinations, standardized and created the employees’ occupational health files, purchased supplementary medical insurance and labor safety supplies for employees and required employees to wear them properly when they went to work. It also regularly held occupational health knowledge training and arranged a health examination for each employee every two years in order to detect potential diseases as early as possible and treat them in a timely manner, so as to ensure its employees’ occupational health and safety. In recent three years, neither there was serious violation of the standards, rules and regulations regarding the health and safety of its employees, nor was there any incidents of death due to work.



Know More about Occupational Health

In December 2022, our Hong Kong Office invited a spine health care expert to give a lecture known as “Know More about Occupational Health”, aiming to help our employees better understand the correct postures of their heads, necks, waists, wrists and feet when sitting in the office, so as to avoid damage to their spines.



Taking the People-oriented Approach and Building a Harmonious Society Together

Establishing the health surveillance files to protect the occupational health of workers

Qingdao Jingchangshun Food Co., Ltd. has formulated the “Occupational Health Surveillance Files for Workers Exposed to Hazardous Factors of Occupational Diseases”, recorded the information on the workers exposed to the hazardous factors of occupational disease, and conducted annual occupational health inspections for the workers exposed to the hazardous factors of occupational disease at a specific position. The basic information and the occupational disease exposure history of workers were recorded in detail in the health surveillance files. In this way, we strove to ensure that the workers at a special position can avoid occupational hazards to the greatest extent possible, and that our workers can work safely and healthily.

GOOD WORK AND LIFE

The Company attached importance to the protection of employees’ rights and interests and cherished the value of each employee, being committed to creating a professional, diverse and inclusive working environment for employees. It encouraged and helped employees improve their capabilities, and enhanced their sense of belonging and happiness in workplace.

Equal Employment

The Company has strictly complied with the relevant laws and regulations including the Company Law of the People’s Republic of China and the Labor Law of the People’s Republic of China, to safeguard the basic rights of its employees. We signed labor contracts in accordance with the law to safeguard the remuneration and welfare and various basic rights of employees; and insisting on equal employment opportunities, we provided equal employment and promotion opportunities for all employees without regarding to their genders, ages, religions and places of ancestry. We readily gathered basic information of the applicants to identify their ages and identity, and accepted the supervision and guidance of the labor administrative department to avoid hiring child labor or forced labor. In 2022, the Company had a total of 525 employees. There was no violation of relevant standards, rules and regulations in relation to child labor and forced labor. For a detailed breakdown of the number of employees, please refer to the Social Key Performance Indicators set out in the Appendix.

Compensation and Benefits

The Company has constantly improved its employment management system, established sound remuneration and welfare systems for its employees, and provided competitive remuneration packages for its employees. In accordance with the law, it has also provided social insurance for its employees, implemented a unified corporate annuity system and a supplementary medical insurance system and safeguarded labor rights of its employees. Through a multi-level, dimensional, and all-round insurance system, it has created a decent working experience for its employees, promoted the harmony and stability of labor-management relations, and effectively improved the quality of work and life of its employees.



Taking the People-oriented Approach and Building a Harmonious Society Together

Supporting Employee Growth

The Company has organized training sessions for its employees to assist them in recognizing their work goals, acknowledging the development and operation goals of the Company and understanding their work contents and responsibilities. We provided study opportunities for employees to increase their knowledge and skills, promote work efficiency and improve work quality. The training contents included work skills improvement, skills competition training, health and pandemic prevention, general professional quality, occupational guidance, work injury prevention, production safety and other aspects. The Company arranged necessary sessions in accordance with the overall goals and the need of business development, while employees could also apply for relevant training courses in relation to their work according to the work needs and training policies of the Company. If approved by the leaders of the Company, the Company may subsidize the fees of employees' training programs.

The Company has built a strong learning culture to foster mutual growth of the Company and its employees. In 2022, our employees received 21.1 hours of training on average, with an average coverage of 97.3%. For detailed data, please refer to the Social Key Performance Indicators under the Responsibility Performance set out in the appendix.

Preventing child and forced labor

Our Hong Kong Headquarters has reviewed their recruitment practices with reference to the Recruitment Management System, Article 1, Chapter 7 of the Compilation of Corporate Governance Systems to avoid child and forced labor. The business platform in China has complied with the Law of the People's Republic of China on the Protection of Minors, the Regulations of the People's Republic of China on Prohibiting the Use of Child Labor and other laws and regulations on forced labor, to avoid child or forced labor. While in the process of recruitment, the primary condition of the Human Resources Department was that applicants shall fill in the basic information collection form. After completing and hiring the applicants, the original identification documents to the Human Resources Department for registration on the first day of employment, to identify ages and identity as well as avoiding child force. In the event of non-compliance, the Company will immediately terminate the employment process and send the minor to a professional institution for a medical examination to ensure that no physical harm has been caused. The company will then contact the legal guardian or community committee to take the minor back to their place of residence and complete the necessary registration procedures. We do not employ forced labor or prison labor and ensure that all employment conditions are voluntary.

We also require that suppliers and customers prevent the use of child labor in their operations and supply chains, and take measures that promote the best interests of children if they are found to be employing child labor.

Simultaneously, the Company conducted spot checks on the implementation of labor employment through carrying out labor employment supervision and inspection system, to find out deficiencies in the labor employment in a timely manner. We readily accepted the supervision and guidance of the labor administrative department. In 2022, the Company had no serious violation of relevant standards, rules and regulations in relation to child labor and forced labor.

Caring About Employees' Lives

Employees are the cornerstone of the Company's high-quality development. The Company cared about its employees' work and enriched their lives after work. In 2022, the Company paid attention to and protected the health of employees, got to know their difficulty in working online timely, helped them relieve the pressure, enhanced communication among them, improved their sense of belonging and cohesion, and helped them balance their work and life at the special time.



Taking the People-oriented Approach and Building a Harmonious Society Together

The Company also organises staff activities on special festivals and other working days to enhance their sense of belonging and happiness in workplace.



On 8 March, the International Women's Day, Yunzhong Labor Union Committee organized a "DIY" activity of painting glass cups, in which all female employees participated and expressed that the activity was very interesting. The activity not only improved their handicraft skills but also enriched their spiritual and cultural life. This activity fully played the leading role of party building work, enhanced the cohesion of female employees, and effectively increased their enthusiasm and initiative to participate in activities.



To celebrate the Mid-Autumn Festival, the Yunzhong Labor Union Committee organized a lantern-making activity for all union members with the theme of "Mid-Autumn Festival, the Joy of Family Reunion" on the afternoon of 8 September 2022. During the activity, everyone learned the process of making lanterns, exchanged and shared techniques and methods of making lanterns, successfully completed their handmade lanterns, and showcased their works. The activity promoted everyone's love for traditional culture, strengthened interaction and communication among colleagues, and created a civilized and harmonious festive atmosphere.

Taking the People-oriented Approach and Building a Harmonious Society Together



On 22 October 2022, the Company organized its employees to watch the patriotic movie “Home Coming (萬里歸途)”. The film is based on a true story and tells the story of a former diplomat and employees of the Ministry of Foreign Affairs who were ordered to assist in the evacuation of overseas Chinese. After watching the movie, the employees were deeply moved and expressed that only a strong motherland can protect the safety of every compatriot in a foreign country.



Taking the People-oriented Approach and Building a Harmonious Society Together

IMPROVING COMMUNITY WELL-BEING

Becoming an excellent corporate citizen is the goal pursued by BPHL and its important value concept. In the process of business development, we actively participated in social welfare activities, helped disadvantaged groups, harmoniously integrated into and developed together with communities, and continuously improved the well-being of communities.

CONTRIBUTING TO COMMUNITY DEVELOPMENT

The Company paid attention to the development of the communities where it operates, actively participated in community communication and construction, various voluntary and charity activities, promoted the development of public welfare undertakings, and built and shared beautiful homes with local communities.



Volunteer Service Activity for Administration & Communication Card Upgrade

China Cold Chain launched a volunteer service activity for Administration & Communication Card upgrade, promoting relevant content of the Beijing Administration & Communication Card upgrade service to passengers and assisting them in completing the related upgrading operational procedures.



Beijing Properties' Party Conduct: To Create a Red Enterprise

COMMUNICATION WITH THE MUNICIPAL GOVERNMENT

In July 2022, several leaders from BPHL were invited by the Tongliao Municipal Bureau of Commerce (通遼市商務局) to visit Tongliao and attend a forum with the local government. Accompanied by the director of the Tongliao Municipal Bureau of Commerce, Bao Fengying (包鳳英), the BPHL delegation conducted a comprehensive on-site inspection of the distribution of the cold chain logistics industry in Tongliao, as well as a study tour of the Khorchin beef cattle industry. During the two-day visit, the BPHL delegation was impressed by the excellent business environment and investment policies of Tongliao City Government and looked forward to cooperating with Tongliao City Government in more aspects and at a deeper level in the future. The Tongliao Municipal Government also indicated that it would fully implement the project stewardship system, fully guarantee the services of the project, with practical measures, to promote the early commencement of construction of BPHL's investment projects in Tongliao.



Beijing Properties' Party Conduct: To Create a Red Enterprise

PARTY-DAY ACTIVITY WITH THEME OF “REREADING THE RED MEMORIES AND DRAWING INSPIRATION FOR ADVANCEMENT”

On the afternoon of 14 January 2022, the Yunzhong Party branch organized 12 party members, activists, and employee representatives to watch the patriotic movie “Crossing the Yalu River” to promote the spirit of the great fight US aggression and aid Korea and further inspire the patriotism of cadres and employees. Through this movie-watching activity, every reread the red history, reminisced about the revolutionary martyrs and boosted our spiritual strength. After the movie, everyone expressed their determination to remember history and be grateful, deeply learn from the heroic deeds and revolutionary spirit of the Volunteer Army. With a strong sense of mission and responsibility, they will contribute to the prosperity and strength of the country and the great rejuvenation of the nation, and greet the successful convening of the 20th Party Congress with excellent achievements.



Beijing Properties' Party Conduct: To Create a Red Enterprise

PARTY-DAY ACTIVITY WITH THEME OF "THE PARTY FLAG FLYING AND THE PARTY EMBLEM SHINING"

On 5 August 2022, the Beijing Yunzhong Party Branch organised a visit to the Museum of the Communist Party of China for party members and activists. The Museum showcased the glorious history of the Communist Party of China over the past 100 years through precious historical artifacts, photographs, letters, oil paintings, Chinese paintings, and modern audio-visual technology in an all-round, comprehensive, panoramic and epic manner. The party members and activists all expressed their admiration for the tremendous changes that have taken place over the past century, and recognized the great achievements of the Party. As the gold lettering on the entrance gate reads, they must not forget their original aspirations and keep their mission in mind.



Beijing Properties' Party Conduct: To Create a Red Enterprise

VISITING THE MUSEUM OF THE WAR OF PEOPLES RESISTANCE AGAINST JAPANESE AGGRESSION

On 2 September 2022, the Yunzhong Party Branch held a party day activity with the theme of “Commemorating the 77th Anniversary of the Great Victory of the War of Chinese People’s Resistance Against Japan Aggression and the World Anti-Fascist War” and visited the “Museum of the War of Peoples Resistance Against Japanese Aggression” with its staff. The “Museum of the War of Peoples Resistance Against Japanese Aggression” is the only large-scale comprehensive thematic memorial museum that comprehensively reflects the history of the Chinese people’s war of resistance against Japan aggression. It is a national first-class museum, a national AAAA-level tourist attraction, and a national exemplary base for patriotic education. The vivid numbers of casualties and deaths in the war made the employees feel the cruelty of the war, reminding us to remember history, cherish peace, and create a better future.



Beijing Properties' Party Conduct: To Create a Red Enterprise

PARTY-DAY ACTIVITY WITH THEME OF "FOCUSING ON THE 20TH NATIONAL CONGRESS, STRIVING FOR A NEW JOURNEY"

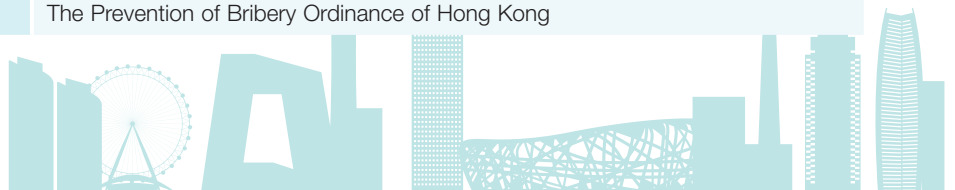
On 3 November 2022, the Yunzhong Party Branch organised a party-day activity with the theme of "Focusing on the 20th National Congress, Striving for a New Journey" to convey the relevant requirements of the Central Government, BE Group and BE Development (北控發展) Party Committee on studying, promoting and implementing the spirit of the 20th National Congress of the Party, and to watch a video on the interpretation of the report of the 20th National Congress of the Party.



Appendix

LAWS AND REGULATIONS

ESG Scope	Laws and regulations/policies that have been complied with
Environment	<p>The Directory of National Hazardous Wastes</p> <p>The Law of the People's Republic of China on the Prevention and Control of Air Pollution</p> <p>The Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes</p> <p>The Environmental Protection Law of the People's Republic of China</p> <p>The Appraising of Environmental Impacts Law of the People's Republic of China</p> <p>The Energy Conservation Law of the People's Republic of China</p>
Employment	<p>The Labor Law of the People's Republic of China</p> <p>The Labor Contract Law of the People's Republic of China</p> <p>The Employment Promotion Law of the People's Republic of China</p> <p>The Social Insurance Law of the People's Republic of China</p> <p>The Regulations of the People's Republic of China on Prohibiting the Use of Child Labor</p> <p>The Law of the People's Republic of China on the Protection of Minors</p>
Health and Safety	<p>The Labor Law of the People's Republic of China</p> <p>The Fire Protection Law of the People's Republic of China</p> <p>The Production Safety Law of the People's Republic of China</p> <p>The Occupational Disease Prevention Law of the People's Republic of China</p> <p>The Work Injury Insurance Regulations</p> <p>The Safety Production License Regulations</p> <p>The Regulations on the Supervision and Administration of Workplace Occupational Health</p> <p>The Production Safety Accident Report, Investigation and Handling Regulations</p>
Supply Chain Management	The Bidding Law of the People's Republic of China
Product Responsibility	<p>The Trademark Law of the People's Republic of China</p> <p>The Advertising Law of the People's Republic of China</p> <p>The Patent Law of the People's Republic of China</p> <p>The Fire Protection Law of the People's Republic of China</p> <p>The Product Quality Law of the People's Republic of China</p> <p>The Protection of Consumer Rights and Interests of the People's Republic of China</p>
Anti-corruption	<p>The Company Law of the People's Republic of China</p> <p>The Anti-Money Laundering Law of the People's Republic of China</p> <p>The Anti-Monopoly Law of the People's Republic of China</p> <p>The Anti-Unfair Competition Law of the People's Republic of China</p> <p>The Prevention of Bribery Ordinance of Hong Kong</p>



Appendix

RESPONSIBILITY PERFORMANCE

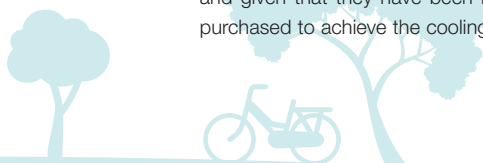
Environmental Key Performance Indicator		Unit	2021 ⁽¹⁾⁽³⁾	2022 ⁽²⁾⁽³⁾
A1.1	The types of emissions and respective emissions data			
	NO _x	Kg	895.87	341.65
	SO _x	Kg	30.18	19.32
	PM	Kg	57.71	23.90
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity			
	Scope 1 – Direct greenhouse gas emissions and removals	Ton	67.65	4,965.74 ⁽⁴⁾
	Scope 2 – Energy indirect greenhouse gas emissions	Ton	25,912.79	22,588.53
	Scope 1 and 2	Ton	25,980.44	27,554.27
	Scope 3 – Other indirect greenhouse gas emissions	Ton	227.32	212.95
	Scope 1 to 3	Ton	26,207.75	27,762.22
	Intensity	Ton/HKD'000 revenue	0.04	0.02
A1.3	Total hazardous waste produced and intensity			
	Weight	Ton	0.59	0.64
	Intensity	Ton/HKD'000 revenue	0.00000082	0.00000049

⁽¹⁾ The environmental key performance indicator for 2021 covers 12 major business platforms, namely, China Logistics Platform, Logistics Assets Operation and Management Center, China Industrial Properties Platform, China Cold Chain Platform, Quzhou Agribusiness Complex, Holiday Inn Downtown Beijing, Guangzhou Guangming Real Estates, our Hong Kong headquarters, our Beijing Office (Yunzhong), Jade (Shanghai), Tongliao Dahua, and Zhong Jian, with a total of 12 items fall within the scope of disclosure.

⁽²⁾ The environmental key performance indicator for 2022 covers 11 business platforms, namely, Logistics Assets Operation and Management Center, China Industrial Properties Platform, China Cold Chain Platform, Quzhou Agribusiness Complex, Guangzhou Guangming Real Estates, our Hong Kong headquarters, our Beijing Office, Jade (Shanghai) Office, Tongliao Dahua Logistics, Qingdao Yongcheng International Logistics and Sino-Cambodian Phnom Penh Special Economic Zone.

⁽³⁾ During the Year, the Group has applied the revised "How to Prepare an ESG Report –Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange in March 2022. The data conversion methods and coefficients mainly refer to the revised "Appendix II: Reporting Guidance on Environmental KPIs", the energy data manual issued by the Ministry of Ecology and Environment of the People's Republic of China and the International Energy Agency, and the Greenhouse Gas Emission Factors Inventory of the US Energy Information Administration and United States Environment Protection Agency. We have used more accurate data conversion methods and coefficients in the Year, and have adjusted the figures for 2021 to align with those for 2022, in order to enable meaningful comparisons to be made between the figures across different time periods.

⁽⁴⁾ The increase in "direct greenhouse gas emissions and removals" for the Year is mainly due to the large-scale replacement of refrigerants at Quzhou Agribusiness Complex. Quzhou Agribusiness Complex is a market for agricultural and commercial products, with refrigerated storage facilities for agricultural products. In 2022, the refrigerated storage facilities experienced equipment failures and refrigerant leaks, and given that they have been in operation for six years at Quzhou Agribusiness Complex, a large volume of refrigerants needed to be purchased to achieve the cooling effect for the refrigerated storage facilities.



Appendix

Environmental Key Performance Indicator		Unit	2021 ⁽¹⁾⁽³⁾	2022 ⁽²⁾⁽³⁾
A1.4	Total non-hazardous waste produced and intensity⁽⁵⁾			
	Weight	Ton	15.77	17.33
	Intensity	Ton/HKD'000 revenue	0.000022	0.00001
A2.1	Direct and/or indirect energy consumption by type in total			
	Transportation (gasoline and diesel fuel)	MWh	204.70	77.61
	Fuel combustion in stationary source	MWh	33.47	72.74
	Purchased electricity	MWh	44,593.06	42,579.74
	Purchased gas	MWh	70.72	6.86
	Total consumption	MWh	44,901.95	42,736.96
	Intensity	MWh/HKD'000 revenue	0.063	0.03
A2.2	Water consumption in total and intensity⁽⁶⁾			
	Water consumption	Cubic meter	368,093.56	341,653.96
	Intensity	Cubic meter/HKD'000 revenue	0.52	0.26
A2.5	The total amount and density of packaging materials used for finished products	Ton	Both total and percentage are trace amounts	Both total and percentage are trace amounts

⁽⁵⁾ The Company's non-hazardous waste mainly comes from the staff canteen. In particular, the food waste from the Quzhou Agribusiness Complex is collected daily by nearby farmers and used as feed for poultry.

⁽⁶⁾ The Group did not encounter any difficulties in obtaining water resources.



Appendix

Environmental Key Performance Indicator		Unit	2021 ⁽¹⁾⁽³⁾	2022 ⁽²⁾⁽³⁾
B1.1	Total workforce by gender, employment type, age group and geographical region			
	Total workforce of the Group	No. of people	567	525
	By gender			
	Male	No. of people	370	334
	Female	No. of people	197	191
	By rank			
	Junior employees	No. of people	417	483
	Middle management	No. of people	88	28
	Senior management	No. of people	62	14
	By age group (No. of people)			
	Below 30	No. of people	61	63
	31 to 40	No. of people	215	178
	41 to 50	No. of people	160	150
	51 or above	No. of people	131	134
	By region (No. of people)			
	China	No. of people	541	499
	Hong Kong	No. of people	13	13
	Overseas	No. of people	13	13
B1.2	Employee turnover rate by gender, age group and geographical region			
	Overall employee turnover rate (%)	%	18.90%	22.90%
	By gender (%)			
	Male	%	18.40%	21.56%
	Female	%	19.80%	22.51%
	By age group (%)			
	Below 30	%	39.30%	34.92%
	31 to 40	%	15.30%	22.47%
	41 to 50	%	12.50%	17.33%
	51 or above	%	22.90%	20.15%
	By region (%)			
	Mainland China	%	19.80%	23.05%
	Hong Kong	%	0%	0%
	Overseas	%	0%	0%
B2.1	Number and rate of work-related fatalities in the past three years (including the reporting year)	No. of people	0 for this year and the past two years	0 for this year and the past two years
B2.2	Days lost to work injuries	Day	0	0



Appendix

Environmental Key Performance Indicator		Unit	2021 ^{(1)/(3)}	2022 ^{(2)/(3)}
B3.1	Percentage of trained employees by gender and employment type			
	Overall percentage of trained employees (%) and No. of people	% (No. of people)	78.50% (445)	97.33% (511)
	By gender (%)			
	Male	% (No. of people)	65.40% (291)	64.58% (330)
	Female	% (No. of people)	34.60% (154)	35.42% (181)
	By rank (%)			
	Junior employees	% (No. of people)	65.17% (290)	74.56% (381)
	Middle management	% (No. of people)	22.92% (102)	18.00% (92)
	Senior management	% (No. of people)	11.91% (53)	7.44% (38)
B3.2	The average number of hours of training completed per employee by gender and employment type			
	Overall average number of hours of training (Hour/person)	Hour/person	22.37	21.11
	By gender (Hour/person)			
	Male	Hour/person	22.45	21.90
	Female	Hour/person	22.22	19.72
	By rank (Hour/person)			
	Junior employees	Hour/person	20.46	17.07
	Middle management	Hour/person	34	72.54
	Senior management	Hour/person	18.69	57.54
B6.1	Percentage of products subject to recalls for safety and health reasons	%	0	0
B6.2	Number of complaints received about products and services	Times	0	10



Appendix

B5.1 Number of suppliers by geographical region		
Country	Region	Number of suppliers (No.)
China	Guangdong	76
	Tianjin	70
	Shandong	70
	Jiangsu	69
	Shanghai	49
	Zhejiang	49
	Beijing	48
	Suzhou	36
	Hebei	18
	Henan	7
	Anhui	6
	Liaoning	5
	Fujian	4
	Hubei	3
	Shanxi	1
	Guangxi	1
	Shaanxi	1
	Sichuan	1
	Yunnan	1
	Hong Kong	1
Australia		11
New Zealand		10
Brazil		4
Ecuador		3
United States		3
Switzerland		1
Denmark		1
Uruguay		1
France		1
Argentina		1
Bolivia		1
Netherlands		1
Total		554





北京建設 BPHL
BEIJING PROPERTIES (HOLDINGS) LTD