

2015

Beijing Properties (Holdings) Limited

Corporate Social Responsibility Report



北京建設 BPHL
BEIJING PROPERTIES(HOLDINGS) LTD

CONTENT

About this 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 in this report does not contain any false representation, misleading statement or material omission.

Reporting Period

The reporting period is from 1 January 2015 to 31 December 2015 with certain contents dating back to previous years.

Reporting Scope

The 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".

Release Cycle

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

Report Data

All the information and data contained here in are derived from our official documents, statistical reports and financial reports, and have been reviewed by relevant departments of the Company.

Preparation Basis

Environmental, Social and Governance Reporting Guide issued by the Hong Kong Stock Exchange

Sustainability Reporting Guidelines (G4) issued by the Global Reporting Initiative (GRI)

Guidance on Social Responsibility (ISO 26000: 2010) issued by the International Organization for Standardization (ISO)

Guidelines on Preparation of CSR Reports of Chinese Enterprises (CASS-CSR3.0) issued by the Chinese Academy of Social Sciences

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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 both paper and electronic (PDF) editions. The electronic edition (PDF) is available for download on the website of Beijing Properties (Holdings) Limited (<http://www.bphl.com.hk>).

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Statements of Leaders

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Chairman's Statement

Beijing Properties (Holdings) Limited is a listed company mainly engaged in general logistics real estate business. We uphold the strategy of "One Specialty, Diversified Development and Dual Drivers", which refers to specializing in logistics real estate and value-added logistics services as core business while developing commercial real estate and other real estate-related business and carrying out effective asset operation and capital operation, in an endeavor to become a leading enterprise in China's logistics industry and create comprehensive values for economy, environment and society.

The transformation of consumption pattern in China fuels the rapid development of e-commerce and poses higher requirements on logistics facilities and services. We have made in-depth research and judgment on the demand for logistics from China's economic and social development, and actively extended our logistics infrastructure footprints so as to satisfy the growing logistics needs of clients and consumers. Faced with the severe challenges of global climate change and environmental pollution, we actively practise clean development and endeavor to reduce the negative impact of our whole business process on environment, thereby contributing to the vision to a "Beautiful China".

We integrate social responsibility into our development, pay close attention to and respond to the appeals and expectations from all sectors of society, and do our utmost to achieve win-win development with the stakeholders including investors, clients, employees and community residents. We value communication with investors and information disclosure and safeguard their legitimate rights and interests; we provide clients with better products and services; we care about the growth and development of employees and strive to create a harmonious and warm workplace; we vigorously give back to society and share our development fruits with the public.

Looking into the future, we will keep moving forward and endeavor to realize leap-forward development in our business, in an ambition to become a leading logistics enterprise in China, achieve long-term and healthy development and cater for the growing logistics needs.

Yu Li

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Message from Chief Executive Officer

This is the first CSR report released by Beijing Properties (Holdings) Limited. We hope that this report may serve as a bridge of communication with the stakeholders and disclose our social responsibility concept, activities and performance to the stakeholders. In 2015, BPHL made progress in fulfilling social responsibility as follows.

Regulated operation and management and laid a solid foundation for development. As our business expansion poses higher requirements on corporate governance, we improved internal rules and systems, innovated in management mechanism, optimized management process and developed an effective management model, so as to promote business development through refined and standardized management. In 2015, BPHL recorded operating income of HK\$297 million with a year-on-year increase of 46.11% and net profit of HK\$256 million with a year-on-year increase of 8.21%. Meanwhile, we set up a three-level social responsibility management system and constantly improved the social responsibility management and communication mechanism, laying a solid foundation for our sustainable development.

Aligned closely with market needs and created diversified values. Based on market development needs, we took advantage of available investment and financing platforms and strengthened resource integration to satisfy clients' demands for logistics infrastructure and relevant services. We mobilized suppliers, clients and other partners to jointly fulfill social responsibility and actively participate in industry exchange activities in an effort to contribute to healthy industry development and achieve win-win cooperation.

Protected eco-environment and achieved green development. China's environmental problems call for our concerted efforts for improvement. In order to jointly fight against climate change and play an active part in resolving environmental pollution problems, we integrated the concept of green development into the whole process of projects, and kept reducing greenhouse gas and pollutant emissions during operation and through green office.

Cared for employees' well-being and contributed to social development. We concerned ourselves with the health and safety of employees and built a platform for their development to make their work and life happier and more colorful. Meanwhile, we listened to the voices of communities for development, carried out various community activities, and took an active part in public welfare and charity activities, so as to realize common prosperity with local communities.

We are well aware that there is still much room for improvement in honoring social responsibility. In the future, we will continue to improve our social responsibility management system, enhance communication and exchanges with the stakeholders and strengthen our capability to fulfill social responsibility, striving to become a leading logistics enterprise in China and make contributions to sustainable economic and social development.

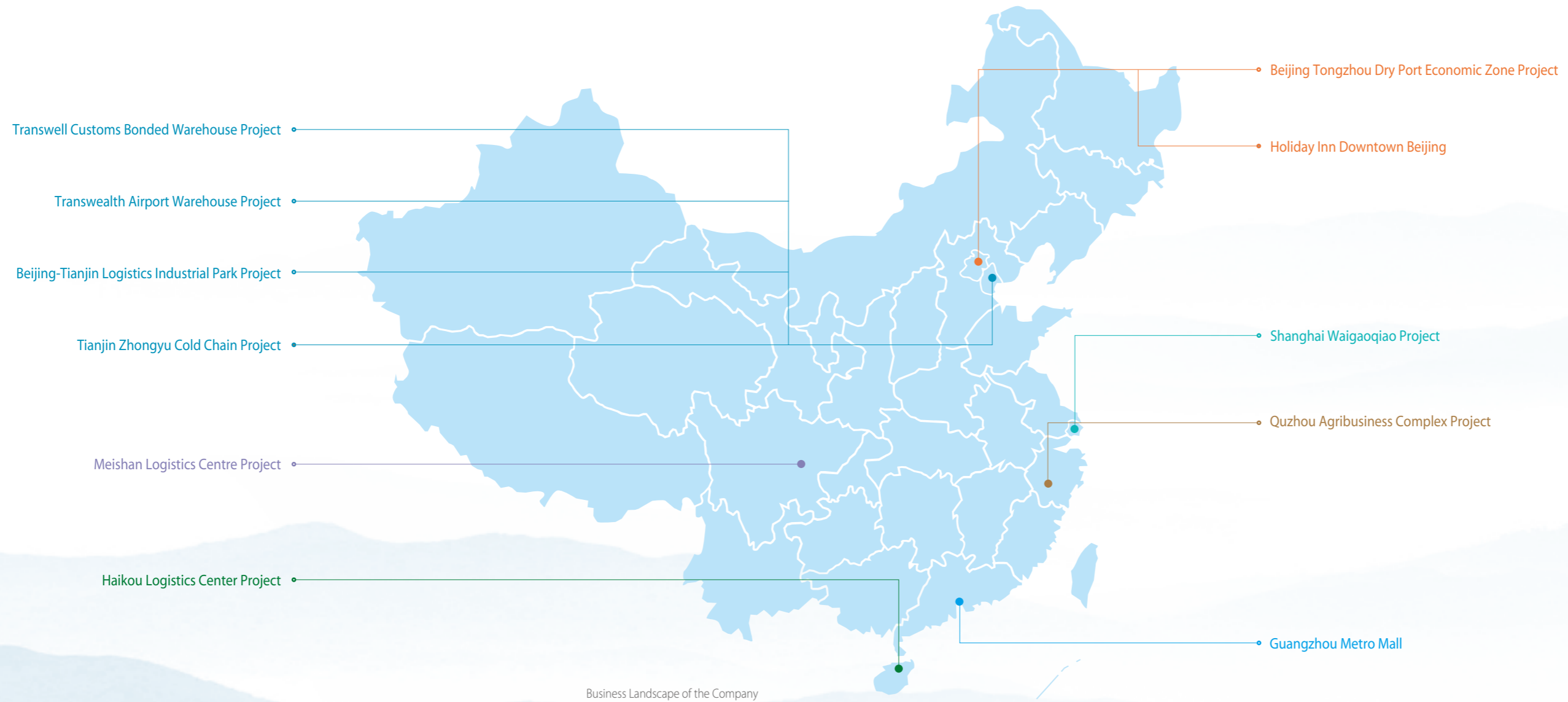
Qian Xu

About Us

Company Profile

Incorporated in July 2009, Beijing Properties (Holdings) Limited (the "Company") is an overseas listed company mainly engaged in general real estate business as established by Beijing Enterprises Group Company Limited ("BE Group") after its inception. 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 determined 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, the Company carried out a reorganization with the domestic real estate segment of BE Group to establish Beijing Enterprises Group Real-Estate Co., Ltd. which turns the Company into its listing vehicle.



Development History

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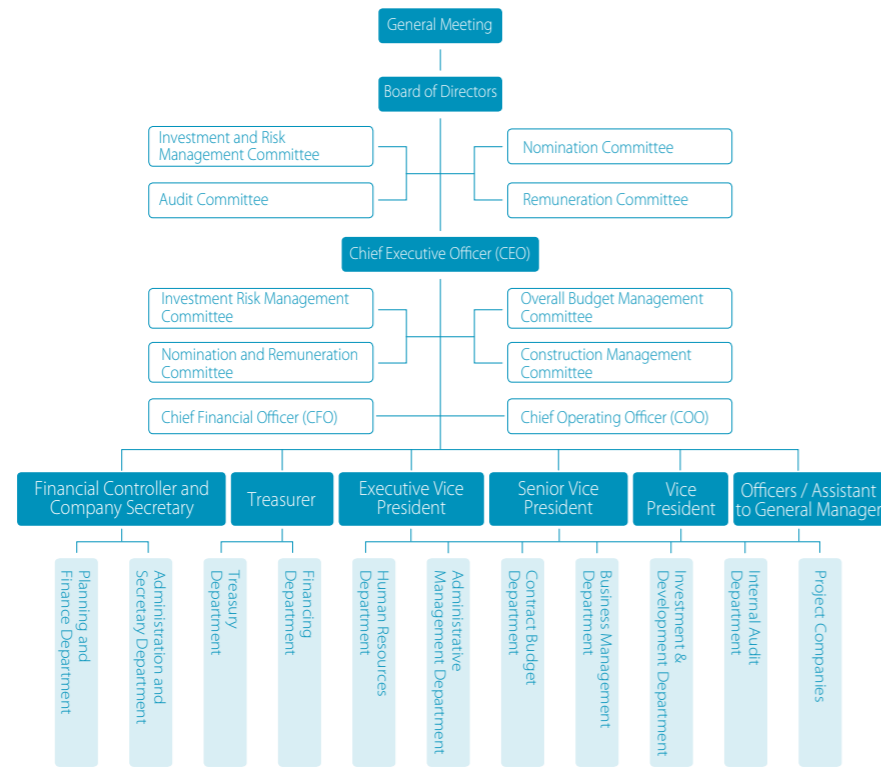


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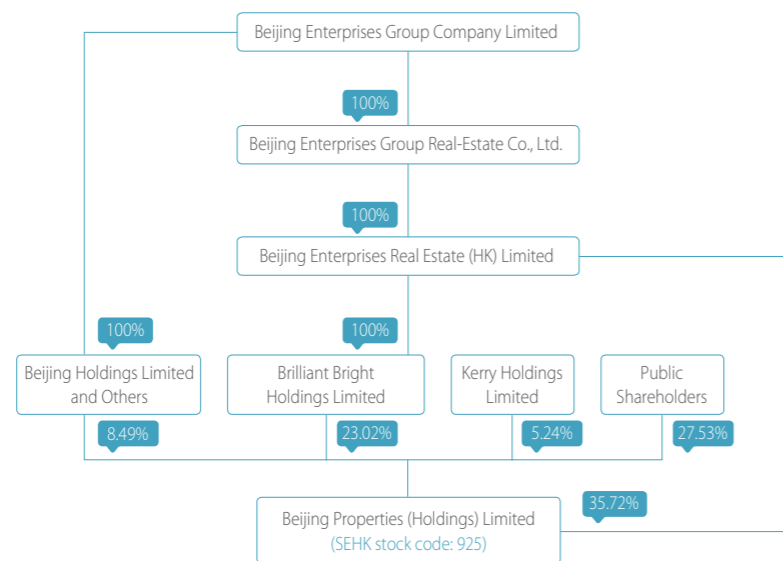


Organizational Structure

Management Structure

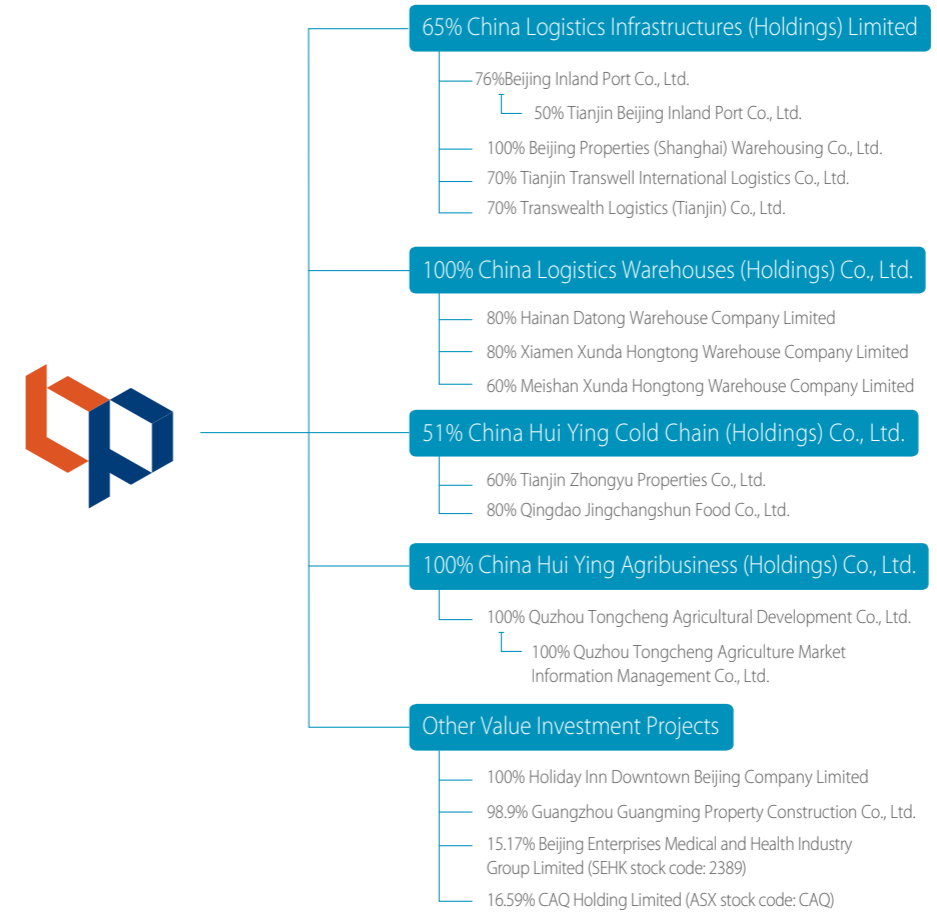


Shareholding Structure



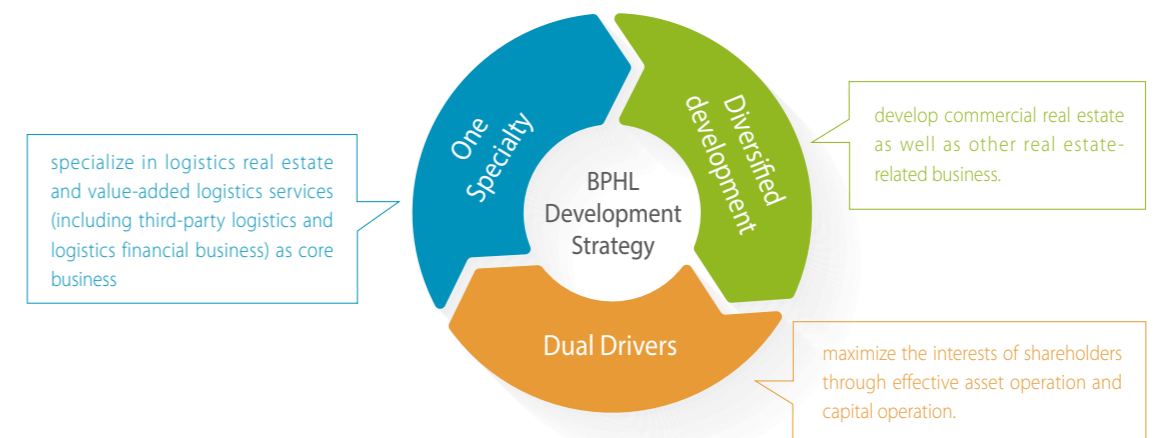
(As at 31 December 2015, Beijing Enterprise Group Company Limited held 67.23% equity interest in BPHL in total)

Asset Structure



Development Strategy

Since its inception in 2009, BPHL has aimed to become a leading enterprise in China's logistics industry and determined its development strategy of "One Specialty, Diversified Development and Dual Drivers".



Social Responsibility Management

Based on future development and focusing on social responsibility construction, BPHL constantly deepened responsibility concept building, improved responsibility management, and made steady progress in integrating social responsibility into its functional management and business operation. We also intensified communication and dialogues with stakeholders, enhanced operation transparency, and built a responsible brand so as to increase responsible competitiveness and promote harmonious and coordinated development among the Company, society and environment.

Responsibility Concept and Model

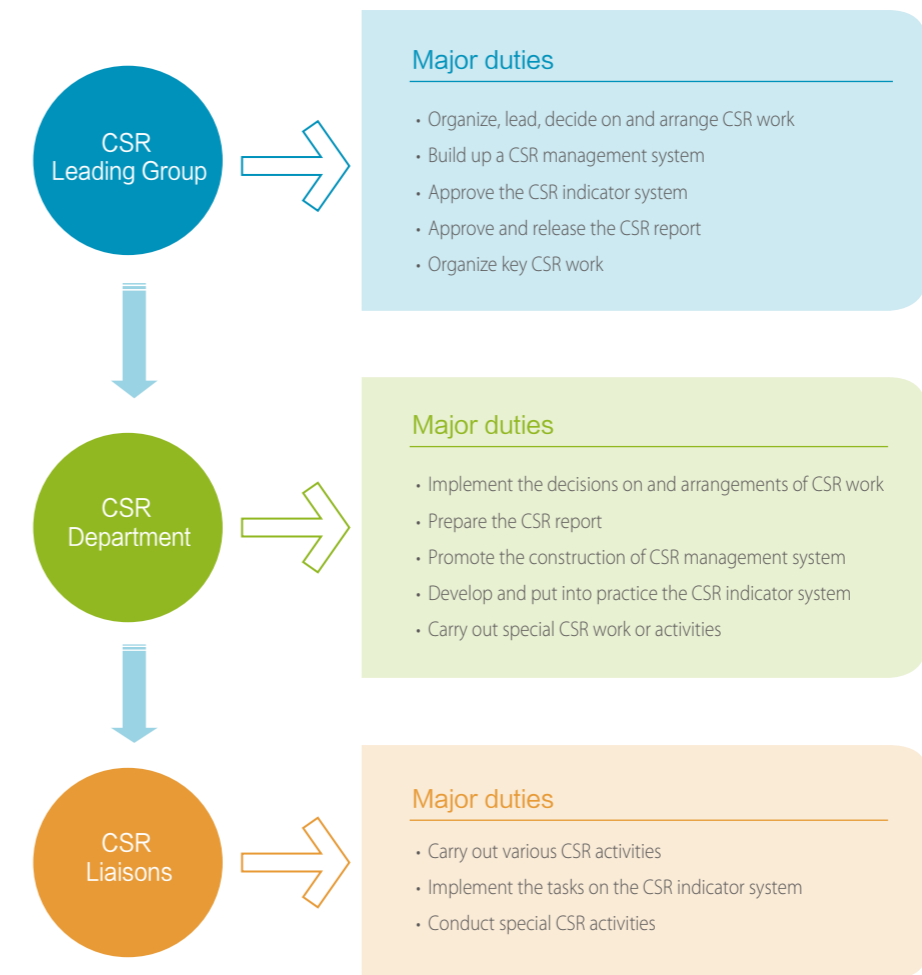
For businesses, fulfilling social responsibility is the only way to achieve sustainable economic, environmental and social development and an inevitable path to achieve their own sustainability; it is not only an objective requirement under the new normal of economic and social development but also a strategic need for businesses to transform their growth patterns and realize scientific development. As such, BPHL upholds the responsibility concept of harmony and common prosperity, enhances CSR awareness and capability, integrates CSR indicators into every aspect of business management and operation, and actively performs its responsibility for the stakeholders to promote harmonious development among the Company, society and environment.



▲ Social Responsibility Model

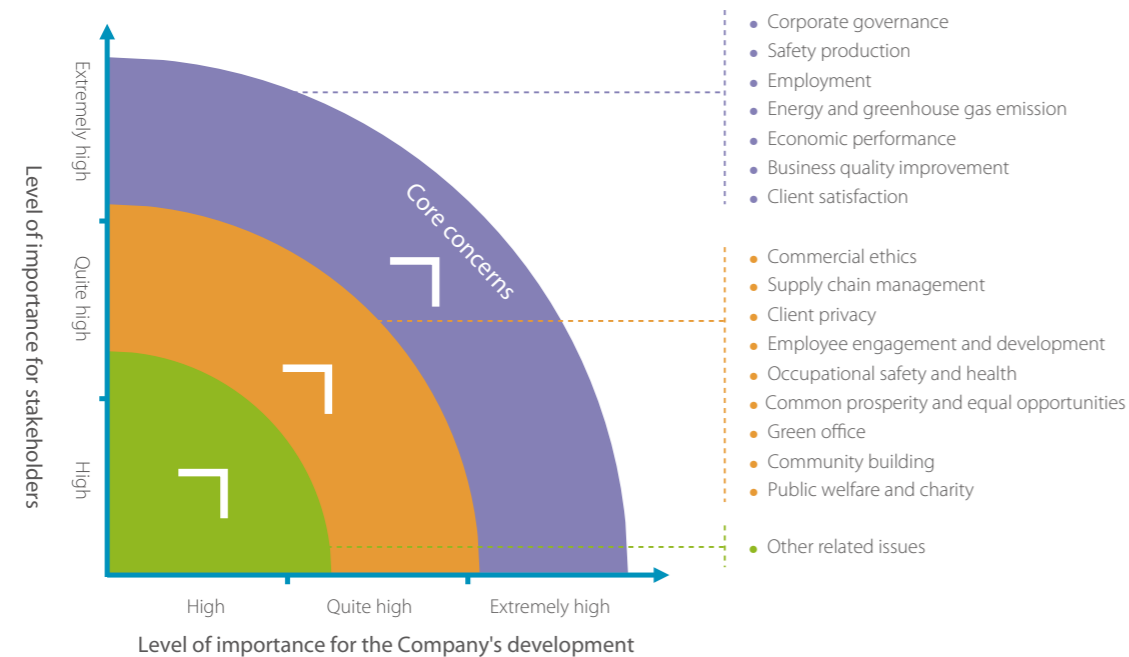
Responsibility Management

BPHL has set up a CSR leading group led by executive directors of the Company to take charge of the overall arrangements, planning and coordination of all the social responsibility work. The leading group directs a subordinate CSR department and has appointed liaison persons in all the project companies to take charge of the communication on, promotion and implementation of CSR practices of various departments and entities.



Identification of Substantial Issues

Based on the needs of the stakeholders and our own development, we conducted a substantial analysis of the sustainable development issue through research on and analysis of internal and external stakeholders and benchmarking against domestic and overseas CSR guides and guidelines, in order to accurately and comprehensively disclose information on operation and management.



Management of the Stakeholders

BPHL puts great emphasis on communication with the stakeholders. We learn the advanced experience of leading enterprises and promote our CSR idea, practices and achievements on various platforms. To respond to the reasonable appeals from stakeholders seriously in a timely manner, we also constantly expand communication channels, innovate in communication methods, increase communication frequency and enrich communication contents.

Stakeholders	Expectations and Requirements	Communication and Responses
<p>Shareholders and investors</p>	<ul style="list-style-type: none"> • Compliance with laws and regulations • Value preservation and appreciation of assets • Desirable return on investment • Truthful, accurate, timely and complete information disclosure 	<ul style="list-style-type: none"> • Improve the information disclosure system • Increase enterprise value • Regulate corporate governance • Improve the relations with investors
<p>Government</p>	<ul style="list-style-type: none"> • Implement national economic policies • Follow the government management requirements • Promote regional economic development 	<ul style="list-style-type: none"> • Comply with laws and regulations and operate in good faith • Pay taxes according to laws and provide employment opportunities • Adhere to fair competition and promote healthy industry development
<p>Clients</p>	<ul style="list-style-type: none"> • No fraudulent operation • High-quality products and services • Properly address the reasonable appeals from clients 	<ul style="list-style-type: none"> • Provide quality products and services • Improve quality management • Protect client privacy • Enrich the types and methods of services
<p>Suppliers and partners</p>	<ul style="list-style-type: none"> • Honest cooperation • Mutual benefits and win-win situation • Long-term partnership • Information resources sharing • Risk reduction 	<ul style="list-style-type: none"> • Honest operation • Transparent procurement • Build up a partnership mechanism • Build a supply chain honoring responsibility • Establish an effective communication and exchange mechanism
<p>Environment</p>	<ul style="list-style-type: none"> • Make good use of resources • Protect eco-environment • Reduce pollutant discharge • Green operation 	<ul style="list-style-type: none"> • Carry out energy conservation and emission reduction • Promote circular economy • Implement green design and green construction • Green office
<p>Employees</p>	<ul style="list-style-type: none"> • Safeguard the rights and interests of employees • Career development planning • Care for employees' health • Involvement in corporate management 	<ul style="list-style-type: none"> • Protect the rights and interests of employees according to laws and regulations • Improve the income distribution and security mechanism • Offer occupational training • Improve working conditions • Improve democratic management • Organize employee activities
<p>Communities</p>	<ul style="list-style-type: none"> • Community investment • Public welfare and charity activities 	<ul style="list-style-type: none"> • Participate in community building • Organize volunteer activities • Take an active part in external charity activities

01

PURSUE SUSTAINABLE DEVELOPMENT WITH STEADY PROGRESS

Well-established governance structure and standardized operation and management are the foundation for the Company's sound development. The ongoing business development, increasing managerial levels and diversifying shareholding structure concerning project companies pose higher requirements on our corporate management. BPHL continuously improves corporate governance structure and explores a management model suited to segmented development, so as to promote the Company's sustainable development and create long-term values for investors through refined and standardized management.



Improve Corporate Governance

To ensure the standardization and effectiveness of corporate governance and lay a solid foundation for its sound development, BPHL builds and improves corporate governance structure, enhances communication and exchanges with investors, and respects and protects investors' right to information.

Governance of the Board of Directors

BPHL strictly follows the requirements under laws, regulations and the Listing Rules of the Hong Kong Stock Exchange to improve corporate governance structure and governance mechanism in an ongoing effort to enhance corporate governance level. To strengthen corporate governance, four board committees are set up under the Board to perform duties according to their terms of reference, namely the Audit Committee, Remuneration Committee, Nomination Committee, and Investment and Risk Management Committee.

Pursuant to the requirements of the regulatory authorities, the Board currently consists of twelve directors, seven of whom are executive directors (Mr. Yu Li, Mr. Qian Xu, Mr. Xiao Jianwei, Mr. Jiang Xinhao, Mr. Yu Luning, Mr. Hong Renyi and Mr. Hu Yebi) and five are non-executive directors (Mr. Goh Gen Cheung, Mr. Zhu Wuxiang, Mr. James Chan, Mr. Song Lishui and Mr. Chan Yuk Cheung). Members of the Board hold master degree or above from renowned universities and have rich experience in logistics real estate, business management, financial management, merger & acquisition, restructuring, etc..

Investor Relations Management

BPHL attaches great importance to communication with investors. To enhance investors' understanding of the Company and ensure that they are informed of and involved in the Company's developments, we intensify analysis and study of capital markets and carry out all-round information communication with investors in various ways such as standardized information disclosure, results announcement, and one-to-one road shows. We also strengthen contact with investors via conference, phone, email or other channels and timely update the information in the column of "Investor Relations" on the Company's website. In 2015, BPHL held two general meetings in total.



Regulate Corporate Operation

The Company's ongoing business expansion, increasing managerial levels and more diversified shareholding structure call for greater standardization of operation and management. In order to promote long-term healthy development of the Company through refined and standardized management, we constantly explore on a management model suitable for segmental operations and build on our well-established corporate governance structure to innovate in management mechanism and optimize management processes.

Compliance

To ensure compliance with laws and regulations as well as regulatory rules and standards, BPHL has enhanced standardized management, formulated and improved an array of systems covering internal control, investment management, financial management and anti-corruption to regulate daily operation and management activities. In 2015, BPHL conducted an overall review of all departments' duties and supplemented and improved such duties according to newly emerged management issues. During the year, in an effort to improve standardized management systems, the Company amended six systems including the Regulations on Official Documents Processing and introduced four new systems including the Measures for Contract Management, thereby forming a complete set of management system documents covering all departments' duties, main responsibilities, systems and procedures. Moreover, we have set up a dedicated department to handle legal affairs, organized personnel training, actively participated in the training seminars held by the Hong Kong Stock Exchange, and hired a team of lawyers to provide professional legal advices for the Company.

Internal Control

To build up its internal control system, BPHL constantly improves control links and measures including internal organizations, division of labor, procedures, methods, standards, rules and regulations, supervises the finance, operation, compliance, risk management and other affairs, and regularly assesses and improves its internal control system. The Company also strengthens target management and process control, formulates responsibility assessment documents mainly covering major operating indicators, key tasks and internal control, and gathers information on daily operation and management of all subordinate companies to learn about the implementation of their responsibility indicators and key tasks in a timely manner. Moreover, the Company promptly deals with the factors that may affect the completion of the annual indicators and actively communicate with various segments to ensure smooth completion of the annual operating indicators.

Introduced counseling on construction costs to strengthen cost control

In 2015, according to the *Measures for Administration of Engaging Outsourcing Service Providers*, the Company engaged Tianzhi (Beijing) International Engineering Project Management Co., Ltd. to provide cost consultation services on construction in progress of the Company. As at the end of December 2015, Tianzhi had developed 23 cost indicators and 23 advisory opinions for six under-construction projects of the Company, greatly supporting our cost control.

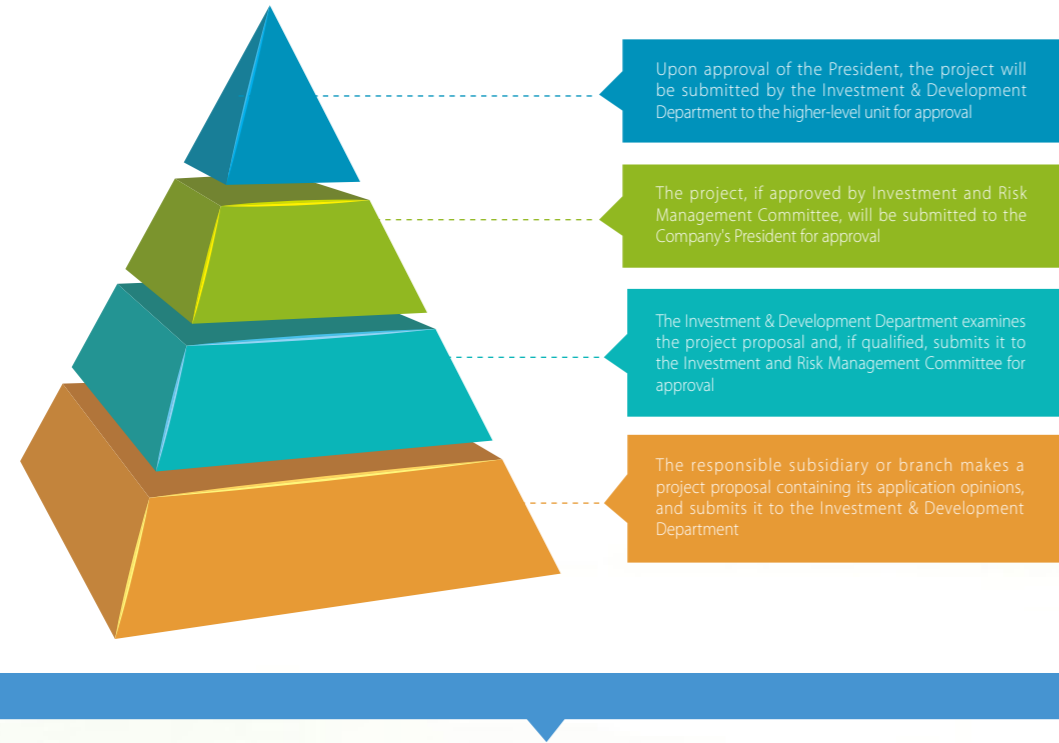
Financial Management

Sound financial management and well-established investment and financing system are the core components of business development. BPHL carries out comprehensive budget management, enhances financial accounting and financial control, and ensures effective capital management to guarantee sound development financially.

In 2015, in order to further improve corporate governance structure, BPHL set up the Internal Audit Department and built up and improved its internal audit systems including the newly-formulated *Rules of Internal Audit of Beijing Properties (Holdings) Limited* and the *Economic Responsibility Audit of Beijing Properties (Holdings) Limited*, thus laying a solid foundation for its compliance-based development.

Investment and Financing Management

In 2015, we further standardized investment and financing management to protect the legitimate rights and interests of investors. In order to guide and regulate investment practices of various segments and subordinate companies, we formulated the Measures for Investment Project Management according to laws, regulations and BE Group relevant systems and actual conditions, thereby forming a complete set of approval procedures for investment projects.



After all project approvals are obtained, the project preparation team starts project planning and carries out related work

Commercial Ethics

BPHL adheres to ethical operation and is resolutely against any breach of commercial ethics such as corruption and commercial bribery. In 2015, the Company formulated 25 anti-corruption documents and held 20 meetings on party conduct and honest administration. All middle and senior management members signed the responsibility statement on construction of party conduct and integrity while those below the middle management all signed the letter of commitment on integrity. As of now, all employees have signed and lived up to such statement or letter.

BHPL always attaches great importance to building systems for intellectual property rights and the security of client information and has established an effective assurance mechanism to promote business development. To this end, we amended the *Confidentiality System of Beijing Properties (Holdings) Limited* in November 2014 and the *Archives Management System of Beijing Properties (Holdings) Limited* in January 2015. In order to prevent divulgence of client information, Shanghai Warehousing introduced confidentiality provisions into its lease contracts, and has signed confidentiality agreements with the property management companies involved in its business transactions.

02

PUT CLIENTS FIRST TO CREATE SHARED BENEFITS

Sustainable development relies on common development with the stakeholders. Upholding the philosophy of "creating shared benefits", BPHL strives to create values for various stakeholders by treasuring the investments of shareholders, providing quality products and services for clients, and working with partners to jointly realize responsible development.



Operating Results

As a municipal state-owned enterprise under State-owned Assets Supervision and Administration Commission of Beijing Municipality and a Hong Kong-listed company, BPHL endeavors to make full use of its state-owned background and favorable conditions of listing in Hong Kong to promote client-oriented development of China's logistics real estate industry and guarantee value preservation and appreciation of state-owned assets while fulfilling its social responsibility, so as to maximize value creation for clients. In 2015, BPHL was included into constituents of HSCI-P&C, showcasing Hong Kong-based and international investors' recognition of and confidence in the Company's market capitalization and stock trading volume.

Operating Highlights of BPHL



Build Premium Projects

BPHL aligns itself closely with market needs, actively optimizes its business layout, innovates in management and service model, improves business quality, and extends service system to provide clients with better products and services.

Optimize Business Layout

Based on market needs, the Company draws on its investment and financing platforms and constantly enhances resources integration to promote its national business layout of three segments, namely China Logistics Infrastructure, Hui Ying Food and residential & commercial real estate, so as to improve its overall service capability and satisfy various needs of clients.

China Logistics Infrastructure Segment

In a bid to deepen its national network for logistics infrastructure business, BPHL has built warehousing facilities in line with international standards in pivotal locations based on sufficient market research and project assessment. In 2015, we built on the existing logistics real estate projects in Beijing, Tianjin, Yangtze River Delta and Pearl River Delta to successfully expand our logistics real estate projects to Wuhan, Xiamen, Meishan, Haikou, etc..

► Signiture Projects of Logistic Infrastructure Segment

Tongzhou Dry Port Economic Zone

Located in the Majuqiao Logistics Base in Tongzhou District, Beijing and with a total investment of over RMB4 billion, it is expected to be completed by the end of 2019 and will be the largest inland port and port economic zone in North China. Endowed with location advantage, the port features a diverse range of functions such as customs clearance & inspection, warehousing, distribution, bonded zone, processing, exhibition, sales and logistics services, and will be directly connected to the Tianjin Port. Accordingly, it will greatly boost the import and export tradings of Beijing and serves the daily needs of the capital's residents, thus facilitating steady economic development of Beijing.



Beijing-Tianjin Logistics Industrial Park

The Company and Tianjin Port (Group) Co., Ltd. signed a letter of intent in August 2014, pursuant to which the parties planned to integrate the Majuqiao Dry Port Project in Beijing and the Tianjin Port Dongjiang Project via cross-shareholding, so as to jointly explore an innovative model for synergy between the enterprises in Beijing and Tianjin and promote the synergic development of Beijing, Tianjin and Hebei.

BPHL WGQ Bonded Logistics Center

Located in China (Shanghai) Pilot Free Trade Zone, it adopts the advanced design of two-floor circular ramp and offers a variety of services including bonded warehouse leasing, Free Trade Zone office leasing and enterprise registration, thus attracting a flock of domestic and international first-class logistics companies.



Transweath Airport Warehouse

It is located in China (Tianjin) Pilot Free Trade Zone, neighboring Tianjin Binhai International Airport, adjacent to "Beijing-Harbin" railway artery and near the Beijing-Tianjin-Tanggu Expressway, Tianjin-Binhai Expressway and the outer-ring road. Boasting its convenient sea, land and air transportation, it is of vital significance for the Tianjin Airport to strengthen its role as a traffic hub and develop aviation logistics.



Tianjin Transwell Customs Bonded Warehouse

Located in the China (Tianjin) Pilot Free Trade Zone, it is the only customs bonded warehouse in the Airport Logistics Zone. It provides various services such as warehousing, office leasing and enterprise registration. Each year, such bonded warehouse handles over 60,000 tons of imported goods transported by air.



Xiamen Logistics Center

Located in the Tong'an Industrial Park, it is an e-commerce warehouse that meets the International Grade A Construction Standards. With strategic location and broad market prospect, it serves the needs of e-commerce for storage, sorting, packaging and distribution to create high added values for clients.



Haikou Logistics Center

Located within the Hainan (Chengmai) Jinma Modern Logistics Park, it is an e-commerce warehouse that meets the International Grade A Construction Standards. Adjacent to Haikou Free Trade Zone, the Jinma Avenue and the West-line Expressway, the center enjoys geographic advantage and promising market prospect and is able to serve the needs of e-commerce for storage, sorting, packaging and distribution.

Meishan Logistics Center

Located in the Meishan Economic Development Zone, Sichuan and to the west of S7 Chengdu-Leshan Expressway, it has strategic location with access to convenient transport. Constructed in accordance with the standards of "e-commerce logistics industrial park", it is a modern storage warehouse managed by computer networks and serves as Amazon's logistics center in southwest China.



Hui Ying Food Segment

As a supplier of cold-chain warehouse and wholesale produce market in China, BPHL seizes opportunities to speed up its development in the farm produce and cold-chain logistics industry and focuses on building a modern cold-chain logistics network covering production/import, transportation, storage and sale to final customers, so as to satisfy customer needs for fresh, safe and healthy agricultural products.

► Representative Projects of Hui Ying Food Segment

Quzhou Agribusiness Complex

It is constructed as a modern informationized agricultural products distribution and trade center covering cold-chain warehousing, distribution and trade, information services, inspection and testing, agricultural products e-commerce, agricultural products exhibition and promotion, and comprehensive supporting services. The project aims to build a Quzhou-based tier-one agricultural product wholesale market in Western Zhejiang with coverage over four provinces and nine prefecture-level cities.



Tianjin Zhongyu Cold Chain Aquatic Products Processing and Distribution Center

Situated in the Tianjin Central Fishing Port Economic Zone, it is positioned as a cold chain logistics and aquatic products processing and distribution center in Northern China and aimed at developing cold-chain logistics value-added services and creating multi-dimensional value space.

Qingdao Cold Chain Logistics

20 km away from Qingdao Port and intersecting with Jiaozhou-Jinan Railway, Jinan-Qingdao Expressway and Qingdao-Yinchuan Expressway, the project could draw on the distinctive geographic advantage of Qingdao Port to extend its reach to other countries such as South Korea, Japan, EU and Canada. It is expected to become a large comprehensive cold chain platform integrating import and export trade, manufacturing and processing, storage and distribution, and supply chain finance.



Residential and Commercial Real Estate Platform

In 2014, the Company officially set up its residential and commercial real estate platform to take full advantage of high returns on and short payback period of investment in residential and commercial properties, so as to obtain high value-added returns and offer clients better service experience.

► Representative Projects of Residential and Commercial Real Estate Platform

Holiday Inn Beijing Downtown

As a business and leisure hotel managed by InterContinental Hotels Group, its operating performance is among the top rank of holiday hotels in Beijing.



Metro Mall

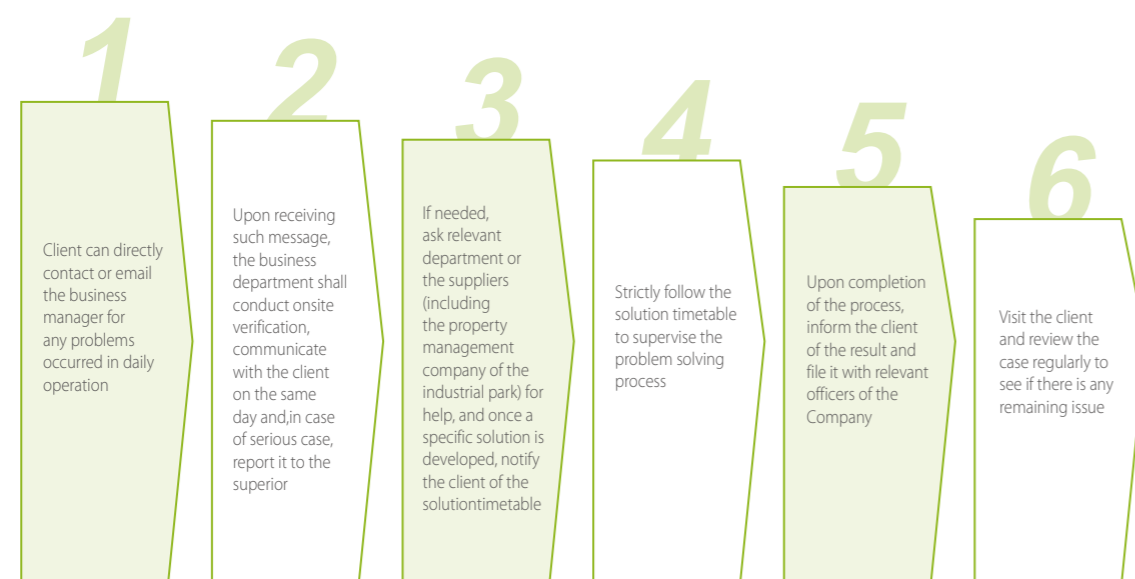
Located in the business zone of Beijing Road, Yuexiu District, Guangzhou, it serves as a comprehensive shopping mall to provide consumers with catering, shopping, entertainment, and cultural services.



Improve Business Quality

Dedicated to providing better services for clients, BPHL has formulated its management rules according to state laws and regulations as well as international quality management requirements, and implemented strict procedural management to guarantee the quality of products and services. The Company provides customized logistics warehousing services based on different client types and service areas, constantly optimizes industrial park management, and provides clients with value-added logistics services including property leasing, equipment leasing and inventory management.

We lay great emphasis on client experience and seek to get insight into clients' minds by various means such as daily communication, inspection tours and satisfaction surveys. We have developed channels and handling measures for client feedback to make quick responses to client complaints so as to improve clients' satisfaction. In 2015, 95% of the merchants stationed in the Quzhou Logistics Complex were satisfied with the Company's market management.



▲ Handling process for the issues and feedback from clients

Illustrative case

For better client experience

Beijing Properties (Shanghai) Warehousing Co., Ltd., a subsidiary of BPHL, formulated the *Measures for Administration of Client Services and Relations* with an aim to constantly improve client services. To provide innovative client services, its business department assists clients in completing various work after the execution of their lease contracts, including business registration, record filing with customs and system access, innovation in customs, inspection and quarantine procedures, and financial business innovation in Free Trade Zone, thereby deepening and broadening the services for leases and winning high praise from clients.

Win-win Cooperation

Our development relies on partners' support and the healthy development of the entire industry. We work with our partners to jointly build a responsible supply chain and play an active role in promoting the sustainable development of the industry.

Supply Chain Management

BPHL strengthens the construction of procurement transparency and practises "Sunshine Purchase" to regulate supply chain management. The Company has formulated a series of supply chain management systems such as the *Measures for Bidding and Procurement Management*, the *Measures for Supplier Management* and the *Measures for Administration of Engaging Outsourcing Service Providers* to strengthen the whole process management of suppliers, thus effectively reducing the risks of supply chain management.

The Construction Management Committee of the Company regularly reviews the construction projects of all business segments and its subordinate companies and updates the *Qualified Supplier List* after discussions. We carry out assessment of suppliers through qualification examination and onsite inspection on an annual basis. The qualification examination standards shall comply with relevant national policies and regulations as well as the specific qualification standards adopted by the Company, and satisfy such basic conditions as adequate licenses, good reputation for law-abiding operation, no serious quality or safety accident in the last three years, and no lawsuit against BE Group or its affiliated companies in the last three years. Meanwhile, we endeavor to build a responsible supply chain with preference for suppliers who are responsible for the environment and society, and strengthen educational training for suppliers to improve their social responsibility awareness and capability.

Illustrative case

Supply chain management is enhanced for Quzhou Agribusiness Complex Project

We strengthen the whole process management of suppliers for the Quzhou Agribusiness Complex Project, effectively reducing the risks in supply chain management. Specifically, we carry out supplier management in the process of bidding, procurement and contract management; collect and conduct preliminary review of the qualification information of recommended potential suppliers; organize inspection over each new supplier, prepare an inspection report and submit it to the Company for record; arrange the formulation of the governing documents on supplier management; organize responsible departments to make phased assessments of suppliers and submit the assessment results to the Company for record; and submit or approve the documents that need to be filed with or approved by the Company.

Synergic Industry development

To maintain and promote healthy and sustainable development of the industry, BPHL emphasizes communication and dialogues with peer companies and actively participates in industry seminars and experience sharing activities while firmly resisting unfair competition. We respect and protect intellectual property rights and expressly prohibit plagiarizing or reproducing products which fall into intellectual property rights owned by others. In 2015, BPHL attended a number of industry conferences such as the 10th Conference of China's Warehousing Industry to play an active role in promoting the industry development.

03

SAFETY AND ENVIRONMENT PROTECTION TO
GUARANTEE HEALTHY OPERATION



Strengthen Safety Production

Safety production is the lifeline of an enterprise. In order to safeguard employees' safety to the fullest extent, we firmly abide by the newly-promulgated Safety Production Law and relevant local laws and regulations, constantly improving employees' safety and responsibility awareness, and earnestly implement all the safety rules and regulations of the Company.

Safety Management

We continue to improve our safety management measures, strictly follow the safety philosophy of "Put Safety First and Focus on Prevention", implement the accountability system of safety management, stipulate that the head of each subordinate unit shall serve as the first person responsible, and fully enforce the Measures for Administration of Safety Production issued by BEGREC. All these efforts are intended to help all employees understand the importance and necessity of safety production and translate such understanding into strong vigilance during daily production, so as to create sound atmosphere throughout the Company where everyone takes safety seriously and safety concerns everyone.

Illustrative case

Guangzhou Metro Mall set up a three-level safety management accountability system

Guangzhou Metro Mall has set up a three-level safety management accountability system. The company has signed a safety responsibility statement with the local government and then with each department. The General Manager, department managers and department heads serve as the responsible persons of the company, its departments and department groups, respectively. Meanwhile, safety management measures and emergency plans specific to subcontractors have been formulated in respect of the public security management of Metro Mall.

Safety Actions for the Year (key data):

- Gather **20** rounds of experience feedback
- Come up with **20** experiential principles
- Invested RMB **2.1 million** in safety production
- No casualty from safety accidents
- Carried out **2** sessions of safety culture activities
- Formulated **5** contingency plans
- Organized **5** emergency drills
- 100%** coverage of safety protection kits for staff
- Carried out **20** equipment safety inspections
- Identified **36** potential safety weaknesses, **100%** of which were rectified.

Safety Actions

We actively carry out various safety actions in accordance with our safety management accountability system. In 2015, BPHL carried out an array of safety actions including safety inspections and food safety audits in all project companies, and achieved good results. Moreover, we gave full play to the guiding role of safety culture and organized various safety training and promotion activities, so as to improve employees' safety skills and awareness, help employees turn safety actions into conscious behavior, and enhance their safety capability.

Tianjin Transwell International Logistics Co., Ltd. strengthens safety management

Tianjin Trans-Well International Logistics Co., Ltd. has passed the national certification for "Safety Production Standardization Grade C Enterprises (commerce, warehousing, logistics)" and formulated standardized safety production management measures according to the requirements on such enterprises. Under the leadership of its Safety Production Committee, it follows its safety production management measures to carry out daily safety production work.

In 2015, in view of the warehouse staff's weak awareness of safety production in daily safety production work, we made the Warning Board of Major Hazard Sources in Transwell Customs Bonded Warehouse and put it up at the gate of the first floor of each office building to warn of the hazard sources in warehouse areas.

序号	危险源名称	危险源描述	危害后果	控制措施
1	人的不安全行为	不遵守守纪、不遵守操作规程、违反劳动纪律、违章冒险作业、违章指挥	伤人、伤己	违章守纪、遵守操作规程、不冒险作业、不违章指挥
2	台梯用电	私拉乱接电源线、线路老化、设备故障、无消防措施	触电、火灾	必须由专业电工进行线路铺设及检修工作，加强线路及设备检查维护，配备消防设施。
3	办公区用电	私拉乱接电源线、线路老化、用电设备设施故障、无消防措施	触电、火灾	必须由专业电工进行线路铺设及检修工作，加强线路及设备检查维护，配备消防设施。
4	电工作业	带电作业、违章作业、高处作业无安全防护措施	触电、高处坠落	严格遵守电工作业规程，高处作业做好安全防护措施，佩戴安全带。
5	叉车作业	车速过快、违章操作、货物超重	车辆伤害、物体打击	低速行驶，遵守操作规程，货物堆码平稳。
6	货物码放	码放超高超重、倒垛、堵塞消防通道或消防设施	物体打击、坍塌、高处坠落及火灾	堆码要规范，不超高超重，采取正确码放措施，不堵塞消防通道或消防设施。
7	叉车装卸货物	车速过快、违章操作、设备故障	车辆伤害、物体打击、起重伤害	低速行驶，遵守操作规程，货物堆码平稳，加强设备检查维护。

▲ Warning Board of Major Hazard Sources in Transwell Customs Bonded Warehouse

Illustrative case

Holiday Inn Beijing Downtown pays great attention to food safety audit

Holiday Inn Beijing Downtown attaches great importance to safety production and implements stringent safety management based on international hotel standards. The "food safety system audit" laid more stress on the management and control of food safety risks in daily operation and thus posed a tough challenge to this 25-year-old hotel. Nevertheless, the hotel successfully passed the 2015 food safety audit thanks to concerted efforts of its employees, which once again demonstrated its high requirements on production safety.



Illustrative case

Holiday Inn Beijing Downtown organizes fire safety training

Fire safety is a focus of hotel operation, and cultivating employees' fire safety awareness and emergency response capability is a priority of the hotel's management. The hotel organizes training on fire safety knowledge for employees each year and carries out fire drills on a semi-annual basis. The night before each drill, we will leave a notice in each hotel room to inform the guest of the drill and invite him/her to participate. In addition, each department has a safety administrator and holds monthly safety meeting for timely communication.



▲ A fire drill at Holiday Inn Beijing Downtown

Illustrative case

Guangzhou Metro Mall organized practice training on fire extinguishing

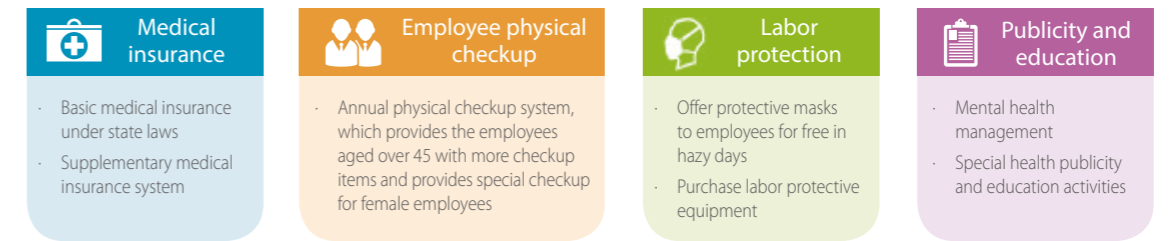
In the first half of 2015, Guangzhou Metro Mall organized practice training on fire extinguishing. This field training on firefighting jointly organized by the property management company, Mopark, Allstar Cinema and other businesses, especially the emergency response drill to fight fire in key places, has improved the property management company and all participants' safety awareness and vigilance in the case of fire alarm and fire disaster. The training promoted the idea of staying calm and steady in face of fire alarm and fire disaster, and specifically improved their capability of performing various emergency measures in an orderly and organized manner, so as to avoid or minimize personal or property losses in the mall.



▲ A practice training on fire extinguishing at Guangzhou Metro Mall

Occupational Health

It is our duty to provide a healthy and safe workplace for employees. The Company adheres to a people-oriented development path, creates a harmonious corporate environment, establishes and improves its labor safety and health system, strictly complies with the *Regulation on Work-Related Injury Insurance*, implements national rules and standards on labor safety and health, educates employees on labor safety and health, and provides them with a healthy and safe working and living environment, in order to prevent work-related accidents and reduce occupational hazards to the fullest extent. During the reporting period, there was no work-related injury or death of employees.



▲ Occupational Health Management System

Practise Green Development

Environment is the foundation for human survival and environmental protection is an effective guarantee of corporate sustainable development. We are committed to becoming a role model of environment-friendly enterprise by constantly reflecting on the impact on environment and making continuous efforts to reduce it. By organizing various environmental activities such as building a low carbon society, a circular society and symbiosis between human society and nature, we aim to reduce environmental burdens and seek for coexistence with the earth while creating value.

Green Development

Green development is essential for our goal of sustainable development. In the course of developing projects, we integrate the green concept into each stage of projects and strive to realize a harmonious unity of our own development and the environment.



▲ Green Development Management

Energy Conservation and Emission Reduction




In an effort to reduce energy consumption and pollutant discharge, we vigorously promote energy efficiency, constantly improve the management mechanism of energy conservation and emission reduction, and actively enhance the monitoring system for energy conservation and emission reduction.

Illustrative case

Energy conservation and emission reduction of Guangzhou Metro Mall

Guangzhou Metro Mall requires each catering tenant to install a cooking fume purifier before connecting it to the standpipe system of the mall for oil fume discharge. The discharges of the mall are in compliance with all requirements of the environmental protection authority and have incurred no punishment therefrom. As for wastewater discharge, we prioritize supervision and management of the maintenance company and carry out regular examinations for timely correction or maintenance of the fragile or damaged facilities.

Performance for the year

-  Wastewater discharge volume: **190,000 tons**
-  Water consumption: **200,000 tons**
-  Power consumption: **14,140,000 kWh**

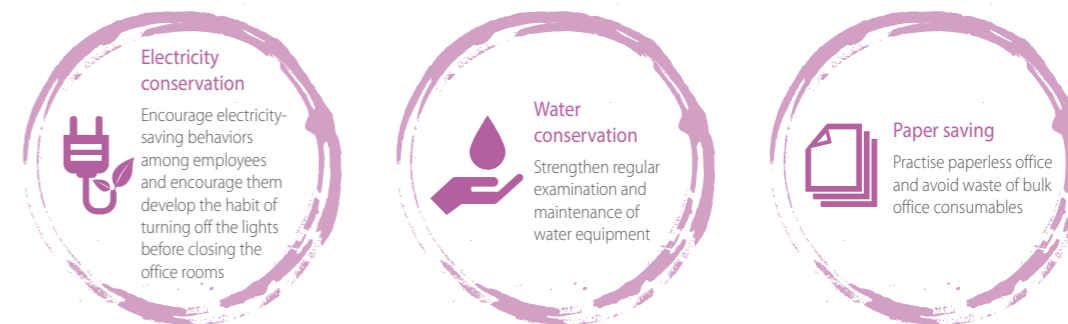
Illustrative case

Quzhou Company took actions to conserve energy and reduce emission

Quzhou Company put in place a sewage processing equipment in phase I operation, with 60% of the wastewater being recycled and mainly used to wash the floors and flush the toilets and the remaining 40% of wastewater being discharged to sewage pipes after reaching national discharge standards upon processing. The solid waste generated from operation mainly consist of vegetable leaves and small amounts of vegetable packaging. The vegetable leaves were turned into green organic fertilizer after proper treatment in the waste treatment center while the vegetable packaging was recycled selectively. During phase I operation, the comprehensive utilization rate of solid waste reached 80% and the remaining 20% was disposed by Quzhou Waste Disposal Center in accordance with national standards.

Green Office

BPHL and its project companies proactively promote green ideas such as green commuting and encourage employees to practise low carbon and environment-friendly lifestyle by saving electricity, paper, water and oil little by little. We also launched the paperless office campaign to build a green workplace in all aspects.



Illustrative case

Hong Kong office carries out resource recycling activities

Our Hong Kong office puts in place recycling bins of various types in the office building. The office has a number of waste paper collection bins to collect recyclable paper and professional companies are called in for bulk recycling of office waste paper and newspaper. Besides the waste paper, toner cartridges, batteries and CDs are also among its recycling list.



04

CREATE A PEOPLE-ORIENTED,
HARMONIOUS AND HAPPY SPACE



Create a Harmonious Workplace

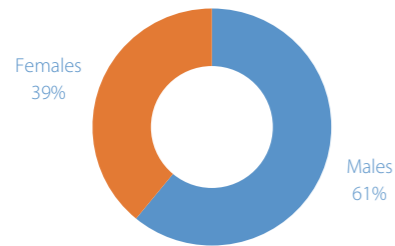
Regarding employees as the cornerstone for the Company's development, we always commit ourselves to cultivate specialized and high-caliber versatile talents and create a harmonious workplace for employees. In a relentless effort to create a harmonious environment for employees' growth, the Company follows the people-oriented principle, helps employees to balance work and life, provides desirable compensation and benefits, builds a diversified development platform for them, and care for their occupational health.

Equal Employment

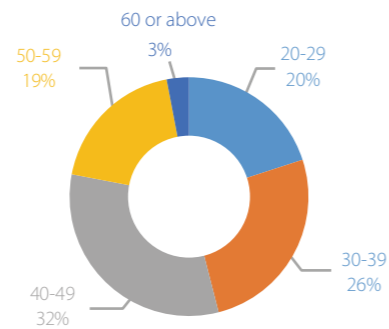
We are keenly aware that corporate development depends on the wisdom and contribution of employees. We always regard our staff as one of the most important stakeholders of the Company, respect their human rights, and endeavor to create a fair and legal employment environment. In strict compliance with local labor laws, regulations and policies, we adhere to equal employment by resolutely resisting child labor and forced labor and forbidding any discrimination with respect to wealth, social origin, age, sex, disability, pregnancy, religion, political beliefs, associations and marriage status in recruitment, personnel selection, promotion, punishment, staff development and benefits, labor contract termination, etc..

In 2015, the Company had 552 employees in total, 217 or 39% of whom were females. All of the regular employees have signed labor contracts and females accounted for 44% of the middle and senior management. The staff turnover was kept at 4.8% and there was no infringement of the employees' rights and interests in 2015.

Breakdown of employees by gender

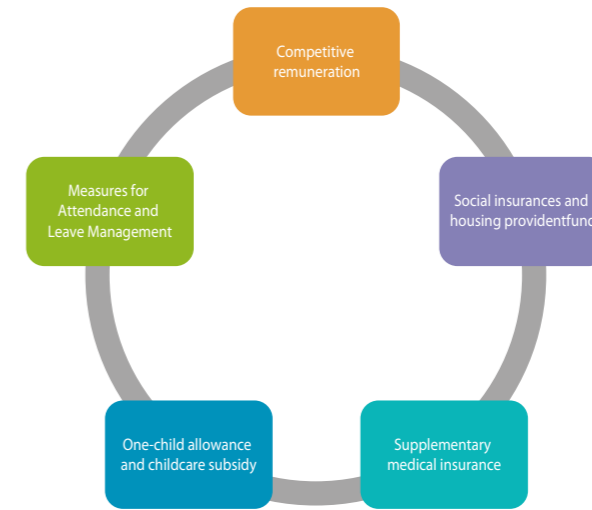


Breakdown of employees by age



Compensation and Benefits

- The Company provides employees with competitive remuneration and humanized benefits. When developing our compensation system, we give a lot of thought to its extendibility and continuity, rationally adjust the overall salary level and give full play to its incentive effect.
- The Company contributes fully to statutory social insurance programs and the housing provident fund in accordance with the laws and builds up a staff benefits system covering enterprise annuity, supplementary medical insurance, personal accident insurance, the one-child allowance and childcare subsidy. In 2015, the Company's social insurance contributions cover 100% of the employees, greatly improving their pension security level and their economic capacity to withstand accidental risks such as diseases.
- The Company has formulated the *Measures for Attendance and Leave Management* to regulate attendance management and the attendance records serve as a basis for determining salaries and benefits. Besides, the Company explicitly stipulates that all employees are entitled to paid leave, maternity leave and other statutory holidays. In 2015, there was no complaint filed by employees.
- In addition to our contributions to social insurances and the housing provident fund for employees in accordance with state regulations, we also provide them with supplementary medical insurance and improve the mechanism of helping needy employees. Each year, we offer the employees paid leaves, birthday parties and other benefits to safeguard their rights and interests.



▲ Benefits system of the Company

Democratic Management

We introduce a variety of democratic communication methods and build a dialogue platform connecting grass-root employees with the management. The heads of various departments are ready to listen to employees' voices at any time and offer them necessary support and emotional consolation. The party branch secretary of the Company has turned his cellphone number into a 24-hour hotline for employees to voice their opinions and advices. The trade union establishment rate at all levels of the Company is 50%, with 100% of the employees joining as members.

Recreational Activities

We care about employees' work-life balance, respect their family responsibilities, and constantly enrich their spare-time life by regularly organizing a variety of cultural, sports and social activities, so as to build a harmonious, warm and happy home for all employees and facilitate them to achieve mental relaxation and spiritual sublimation after work.



▲ Guangzhou Metro Mall organized employees to go hiking in Conghua

▲ "Transwell Cup" Badminton Game at Airport Logistics



▲ An outdoor activity of Yunzhong Company

Support and Help Needy Employees

We lay emphasis on humane care for employees and establish a long-term and responsible mechanism of helping employees in need. As such, we carry out a special campaign to offer aid to the families of those employees in an attempt to ease their life burdens and share their worries.

Illustrative case

Holiday Inn Downtown Beijing offers aids to employees in need

In 2015, as coordinated by the trade union, Holiday Inn Downtown Beijing went to visit and console its employees. Among them, two brothers who had their father passed away not long ago with their families falling in financial straitsearch applied for subsistence allowance to the hotel. After getting a clear picture of the situation and as approved by the hotel management, the trade union granted them a subsidy of RMB5,000 from trade union funds. Moreover, any employee who has a family member passed away will receive a consolation payment of RMB200.

Establish a Growth Platform for Employees

The Company's development is inseparable from employees' growth, which in turn relies on systematic training and sound career planning. In a great effort to build up a solid and extensive platform for career development of employees, we invest tremendous resources in providing multi-level and diversified personnel training and devising diverse career paths.

Personnel Training

In the principle of prioritizing training as the biggest benefit, the Company designs diverse career development paths for employees, constantly improves its training system and sets up a sound platform for employees' growth and development. We regularly organize employees to attend the Group's professional skill training courses and lecture series covering document writing, supplier management, human resource management, etc.

Illustrative case

BPHL organized a series of internal training lectures

In 2015, the Company organized a series of internal training lectures for the first time on various subjects such as construction of corporate culture, internal management system, enterprise annuity knowledge, the Company Law, Contract Law, calligraphy appreciation, etc. The lecturers all hold key positions in various departments. Such training not only improved employees' personal qualities and professional skills but also cultivated the Company's internal trainers, hence achieving the goal of overall optimization and improvement of the training system. In 2015, 100% of employees at all levels of the Company received such training.

Illustrative case

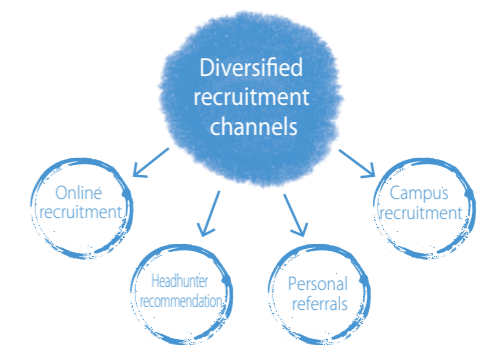
Quzhou Company organized external training courses

In 2015, Quzhou Company engaged an external professional training institution to offer all of its 60 employees a 20-day training session on department workflow, market branding, business etiquette, etc. The training was delivered by various means such as management training, slide presentations and simulation exercises, and was well recognized among employees. In 2015, the average training time of each employee in Quzhou Company reached 112 hours.



Career Development

To expand recruitment channels, BPHL has adopted a variety of market-oriented recruitment channels including online recruitment, headhunter recommendation and personal referrals to attract candidates with both integrity and ability. Meanwhile, the Company deepened university-enterprise cooperation and contacted prestigious universities to post recruitment information on their official websites and to public mailboxes of various faculties. These efforts expedited the industrialization of academic achievements while sharpening our brand.



Illustrative case

Theme practices for high-caliber talent cultivation

We keep advancing our theme activities on high-caliber talent cultivation to further improve management capability, innovation ability and position competence of employees of the Company and its subsidiaries. In 2015, in order to improve the theoretical and practical ability of directors and supervisors and facilitate the Company's senior executives to master the decision-making mechanism under our corporate governance structure and strengthen risk prevention and control, we organized employees to take part in all kinds of special training courses, which improved their professional level in management.



Devoted to Public Welfare Undertakings

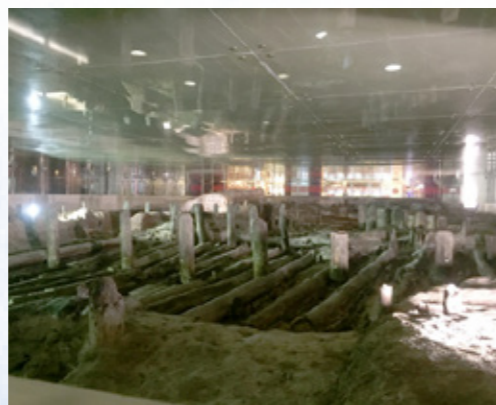
Dedication of love is a kind of social responsibility. While promoting healthy development, BPHL insists on contributing to society, actively fulfills its social responsibility, spreads charity ideas, promotes the development of public welfare undertakings and delivers compassion and warmth to the society.

Illustrative case

The Metro Mall established a museum of ancient ruins

The wooden water gate of Nanyue Kingdom, uncovered beneath Guangzhou Metro Mall in 2000, was the foundation of "Shuiguan" (i.e. water gate) in Han Dynasty. Researchers have identified it as the relic of a water conservancy project of Nanyue Kingdom in Western Han Dynasty, which is the oldest, largest and best-preserved wooden water gate relic in the world.

Metro Mall established a museum of ancient ruins in the central district of the first underground floor and invests over RMB1.1 million to maintain such cultural relics each year. On 25 May 2006, the museum was listed as one of the national key cultural relics protection units. The Guangzhou municipal government has applied for world cultural heritage listing of such relic together with the Nanyue Palace Relic and the Mausoleum of the Nanyue King. In December 2006, they were listed in the *Tentative List for UNESCO World Cultural Heritage Sites in China*. On 9 June 2007, the relic was open to the public and became the first protected cultural relic open in a public business area.



Illustrative case

Quzhou Company sponsored music education for left-behind children

In order to facilitate music education for rural children and promote the idea of "empower children to each master a musical instrument", we consulted with the Xiacun branch of Xinhua Primary School in Quzhou and decided to donate certain musical instruments to the school for students' music study, thereby building a broader stage for their development. We offered the students a total of over 100 musical instrument including saxophones, trombones and tri-drums, and formulated specific music teaching objectives for them, thus paving the way for the children to receive better music education.



Illustrative case

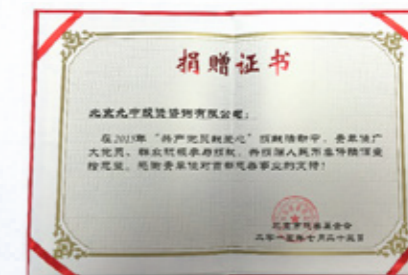
Holiday Inn Beijing Downtown organized a charity hike to donate money to a primary school in poor mountainous area

Each year, Holiday Inn Beijing Downtown participates in public welfare activities under the arrangements of InterContinental Hotels Group (IHG). In 2015, IHG organized a charity hike in the West Mountain National Forest Park. Led by the General Manager, Holiday Inn Beijing Downtown took an active part in the hike and donated RMB6,200 to a primary school in a poor mountainous area.

Illustrative case

The party branch of Yunzhong Company organized a donation event named "Devotion of Love by Party Members"

To carry forward traditional virtues of the Chinese nation and help the needy solve practical problems, the party branch of BEGREC organized the event of "Devotion of Love by Party Members" in July 2015 and donated RMB3,610 to Beijing Charity Foundation. The donation will mainly be used for aid programs in Beijing.



Outlook

We are confident in our future prospects.

In 2016, we will continue to practise CSR management throughout BPHL, review and re-interpret BPHL's values, development strategies and enterprise brand construction from the CSR perspective, and integrate CSR into our development, so as to forge BPHL into a responsible, competitive and outstanding enterprise.

In an ongoing effort to uphold the strategy of "One Specialty, Diversified Development and Dual Drivers", we will develop our distinctive core business of logistic real estate and value-added logistics services, explore commercial real estate and other real estate-related business, and actively carry out responsible asset and capital operations, so as to deliver on investors' expectations and requirements. Meanwhile, we will take an active part in industry dialogues to promote healthy development of the industry.

Focusing on safety projects and green campaigns, we will improve and strictly implement all the rules and regulations of safety production and constantly enhance the efficiency and quality of safety supervision; integrate green responsibility concept into every aspect of the Company's operation and management, strengthen the monitoring of greenhouse gas and hazardous pollutant emission, actively disclose relevant emission data, and work with various parties to address issues of climate change.

We will adhere to the philosophy of talent development, constantly improve our training system, offer diversified training programs, expand employees' development paths, strengthen corporate culture publicity and cultivation, carry out corporate cultural activities with clear themes, enrich employees' life and create a home-like atmosphere, striving to build an ideal development platform for them.

In 2016, we will keep pace with times to explore CSR values, give back to society through concrete actions and usher into a new era of harmonious development between the Company and society.



Index of CSR Report Indicators

General Disclosures and Key Performance Indicators		Relevant sections and data	
A. Environmental	General Disclosure	√	
	A1 Emissions	A1.1 The types of emissions and respective emissions data	√
		A1.2 Greenhouse gas emissions in total and, where appropriate, intensity	
		A1.3 Total hazardous waste produced and, where appropriate, intensity	
		A1.4 Total non-hazardous waste produced and, where appropriate, intensity	
		A1.5 Description of measures to mitigate emissions and results achieved	√
		A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	√
	A2 Use of Resources	General Disclosure	√
		A2.1 Direct and indirect energy consumption by type in total	
		A2.2 Water consumption in total and intensity	√
		A2.3 Description of energy use efficiency initiatives and results achieved	
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	√
	A3 Environment and Natural Resources	A2.5 Total packaging material used for finished products and, if applicable, with reference to per unit produced	
		General Disclosure	√
		A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	√
B. Social	B1 Employment	General Disclosure	√
		B1.1 Total workforce by gender, employment type, age group and geographical region	√
	B1.2 Employee turnover rate by gender, age group and geographical region	√	
	B2 Health and Safety	General Disclosure	√
		B2.1 Number and rate of work-related fatalities	√
		B2.2 Lost days due to work injury	√
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	√	

General Disclosures and Key Performance Indicators		Relevant sections and data	
B. Social	General Disclosure	√	
	B3 Development and Training	B3.1 The percentage of employees trained by gender and employee category	√
		B3.2 The average training hours completed per employee by gender and employee category	√
	B4 Labor Standards	General Disclosure	√
		B4.1 Description of measures to review employment practices to avoid child and forced labor	√
	B4.2 Description of steps taken to eliminate such practices when discovered	√	
	B5 Supply Chain Management	General Disclosure	√
		B5.1 Number of suppliers by region	
	B5.2 Description of practices relating to engaging supplies, number of suppliers where the practices are being implemented, how they are implemented and monitored	√	
	B6 Product Responsibility	General Disclosure	√
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	
		B6.2 Number of products and service related complaints received and how they are dealt with	√
		B6.3 Description of practices relating to observing and protecting intellectual property rights	
		B6.4 Description of quality assurance process and recall procedures	N/A
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored	√	
B7 Anti-corruption	General Disclosure	√	
	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		
B7.2 Description of preventive measures and whistleblowing procedures, how they are implemented and monitored			
B8 Community investment	General Disclosure	√	
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	√	
B8.2 Resources contributed (e.g. money or time) to the focus area	√		

Report Preparation Process

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

01 The Planning Phase

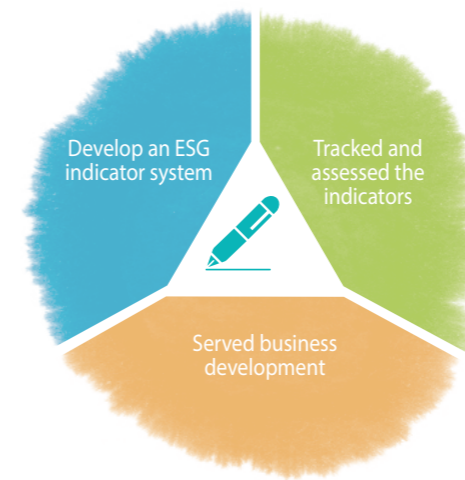
February 2015



- 1 Established a report preparation team**
Established a report preparation team consisting of all the departments and project companies and led by the administrative and secretary departments to coordinate all the work regarding the preparation of CSR report.
- 2 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.
- 3 Communicated with the stakeholders**
Promoted regular communication between various departments and the stakeholders including shareholders, clients, suppliers, partners, employees, and communities.

02 The Engagement Phase

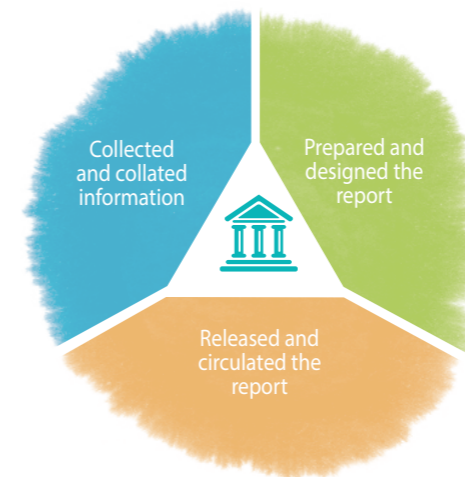
February 2015 to December 2015



- 1 Develop an ESG indicator system**
Decomposed the indicators under the ESG Guide and develop the Company's ESG indicator system to guide business operation according to characteristics of functional departments and project companies.
- 2 Tracked and assessed the indicators**
Regularly reviewed and assessed implementation of the indicators by departments and project companies, and gave guidance on the operational issues involved.
- 3 Served business development**
Optimized internal management and improved external operational transparency by integrating ESG indicators into operation, so as to promote sustainable development of the Company.

03 The Preparation & Release Phase

January 2016 to March 2016



- 1 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.
- 2 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.
- 3 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 next steps.

Reader Feedback Form

Dear readers,

Thank you for reading 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 2016

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Choice Questions: (check your choice)

1. Your general impression of this 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 question:

Do you have any valuable opinion and suggestion on the 2015 *Corporate Social Responsibility Report of Beijing Properties (Holdings) Limited*?

Welcome to contact the preparation team of *the 2015 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.



北京建設 BPHL
BEIJING PROPERTIES(HOLDINGS) LTD