

# **Beijing Enterprises Holdings Limited**

## **Management Policy of Workers' Rights and Interests**

### **I. Background and Objectives**

Protection of workers' rights and interests is integral to the sustainable development of companies. Beijing Enterprises Holdings Limited (hereinafter referred to as "BEHL" or "the Company") adheres to the corporate philosophy of "integrity, innovation, pragmatism and inclusiveness", remains committed to eliminating all forms of discrimination and prejudice, and protects the legitimate rights and interests of its employees, workers in the supply chain, communities in which it operates and other stakeholders.

This Policy stipulates the commitment and responsibility of BEHL to employees' rights and interests, and declares that the Company will abide by and respect the laws concerning workers' rights and interests of the countries where it operates as well as the international conventions recognized by the Chinese government.

### **II. Scope of Application**

This Policy is applicable to Beijing Enterprises Holdings Limited and all its domestic and overseas subsidiaries, including all employees of BEHL. "Employee" as defined in this Policy refers to an employee who has signed a formal employment contract or service contract with BEHL. We require our business partners including suppliers and contractors to comply with this Policy.

### **III. Relevant Laws, Regulations and International Conventions**

This Policy has drawn upon a wide array of laws and regulations on the protection of workers' rights and interests of China, the United Nations and foreign countries in which BEHL operates such as Germany, the Netherlands and Luxembourg.

#### **1. Laws and Regulations in China**

*The Constitution of the People's Republic of China*

*The Labour Law of the People's Republic of China*

*The Labour Contract Law of the People's Republic of China*

*The Law of the People's Republic of China on the Protection of Women's Rights and Interests*

*The Employment Promotion Law of the People's Republic of China*

*The Law of the People's Republic of China on the Protection of Minors*

*The Trade Union Law of the People's Republic of China*

*The Provisions on the Prohibition of Child Labour*

*The Special Regulations on the Labour Protection of Women Workers*

#### **2. UN Conventions**

*The International Convention on the Elimination of All Forms of Racial Discrimination*

*The Convention on the Elimination of All Forms of Discrimination*

*Against Women*

*The Declaration of the International Labour Organization on  
Fundamental Principles and Rights at Work*

*The Convention Concerning Minimum Age for Admission to  
Employment*

*Employment Policy Convention*

*The 1958 Convention on the Elimination of Discrimination in  
Respect of Employment and Occupation*

*The Convention Concerning Equal Remuneration for Men and  
Women Workers for Work of Equal Value*

#### **IV. Commitments**

##### **1. Prohibition of forced labour and child labour**

In accordance with relevant laws and regulations, BEHL has formulated employee equal opportunity and employment protection policies such as the Labour Contract Management Measures for the Headquarters of Beijing Enterprises Holdings Limited, the Regulations on Recruitment Management of Beijing Enterprises Holdings Limited, and the Guidelines at Hong Kong Headquarters on Equal Opportunity and Privacy of Beijing Enterprises Holdings Limited. BEHL stands firmly against human trafficking and other crimes. It promises that its employees work within a statutory and reasonable time period, and forbids extorting employees or forcing them to work with threat or punishment. All staff

members of the Company must be employed on a voluntary basis. The Company shall not go against the will of employees when using their labour.

In addition, BEHL undertakes to prohibit the use of child labour at any stage and in any region where it provides services (the definition of child labour shall be subject to the laws and regulations of the country where the projects are located). In China, child labour is defined as a minor under the age of 16.

## **2. Avoidance of discrimination and harassment**

BEHL is committed to creating, promoting and maintaining a working environment that is free of harassment and discrimination and offers equal opportunities. When it comes to employment matters such as recruitment process, training and promotion opportunity, job assignment, salary and benefits, demotion or retirement, the Company ensures the protection of all its employees from discrimination or harassment due to gender, age, marital and childbearing status, sexual orientation, region, nationality, ethnicity, race, religious belief, and disease, etc.

BEHL has taken proactive steps to foster a pluralistic, harmonious and flexible working environment so that employees can make the most of their unique strengths and realize their self-worth. What matters most to BEHL is whether an employee is the most suitable person for the job with the right set of skills.

## **3. Equitable and reasonable remuneration and promotion**

BEHL attaches great importance to employees' career planning and further growth, improves the personnel training mechanism and setup of talent organizations, and offers a great variety of training courses, so that employees will become more competent and competitive at their work.

BEHL provides equitable and transparent career development channels and shapes a sound promotion mechanism. By carrying out scientific performance assessments, the Company can evaluate in an all-round way its employees' performance, capabilities and work outcomes to ensure mutually reinforcing performance between the Company and its employees. In addition, the Company has leveraged its market insights to recalibrate salaries to make them competitive. It has also set up incentive measures, which encourage employees to hone their professional skills with corresponding and proper rewards.

#### **4. Employees' right of adequate communication with the Company**

BEHL respects the rights of employees in accordance with the law, including their rights to establish or participate in organizations conforming to national laws and regulations, join or not join a trade union, attend the Workers' Congress and carry out collective bargaining. The Company seeks to ensure that employees can communicate with the management on working conditions and management matters in an equitable, just and transparent manner.

#### **5. Privacy protection**

BEHL fully respects and protects the privacy of employees. The Company forbids the disclosure of employees' personal information, in violation of laws and regulations, to any individual or unit, including educational background, age, residential address, work experience, contact information, health condition, marital status and salary; it bans the management and security guards from monitoring employees and eavesdropping on their conversations and communications. Opening employees' letters and parcels without their consent is also prohibited.

## **6. Employees' benefits**

BEHL, in accordance with the laws and regulations of communities in which it operates, offers a good benefit package for its employees, including the pension insurance, unemployment insurance, work-related injury insurance, medical and maternity insurance and housing provident fund as required by law in China, and formulates an internal welfare system in line with the actual conditions that covers all employees. The Company pools various resources to provide employees with accessible facilities and services, such as providing nursing rooms and other supporting facilities in the workplace to help employees who are nursing.

## **7. Safe and healthy working environment**

BEHL pays attention to the physical and mental health of employees. It ensures the sorting and recycling of the waste from construction, production and office work, so as to create safe, civilized and harmonious working and living conditions, and protect the occupational health and

safety of employees. Furthermore, the Company offers protective equipment against occupational diseases that meets the national standards for occupational health of local communities, therefore effectively preventing, controlling and eliminating occupational hazards, and protecting employees' health and related rights and interests.

## **8. Survey of employee satisfaction**

BEHL carries out an employee satisfaction survey every two years according to the Employee Satisfaction Survey Management System of Beijing Enterprises Holdings Limited. The survey includes corporate management, individual performance, teamwork and communication, training sessions and suggestions, performance management, remuneration and benefits. The Company will, based on survey results, take proactive measures to address the problems revealed and keep improving and implement the solutions.

## **9. Employee whistleblowing**

BEHL keeps improving the functions of the Labour Mediation Committee, and builds whistleblowing channels to encourage employees to report any law-breaking activity in time. If an employee feels being discriminated, harassed, slandered or singled out, or wishes to inquire about discrimination rules and regulations, report discriminatory practices or seek assistance, he or she can always turn to the union or the legal department of the Company for assistance and proper handling of the matter in question.

BEHL upholds the principle of confidentiality while dealing with employees' request for inquiry, reporting and assistance.

If an employee is found to have committed illegal acts, he or she will be subject to disciplinary action. In cases of more serious violations, the Company will terminate the employment relationship with the employee and the latter shall be held liable.

## **V. Supplementary Provisions**

BEHL will examine this Policy at least once a year, and make revisions pursuant to changes in national laws and regulations of countries where it operates and international conventions.