

# **Beijing Enterprises Holdings Limited**

## **Policy of Climate Change Response**

### **I. Background**

Beijing Enterprises Holdings Limited (hereinafter referred to as “BEHL” or “the Company”) is deeply aware of the risks and opportunities from climate change to the business. BEHL has incorporated the response to climate change into its operations and management and views it as an important part of the Company’s sustainable development.

Deeply mindful of the impact of climate change, BEHL has established a Sustainable Development Committee under the Board of Directors, which propels all subsidiaries to save energy and reduce carbon emissions in a top-down manner and strives to strike a balance between operation of the Company and the response to climate change.

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

These Policies are applicable to BEHL and all its domestic and overseas subsidiaries. BEHL encourages its business partners to comply with these Policies.

### **III. Commitments**

BEHL is committed to:

#### **Mitigation<sup>1</sup>**

1. Setting scientific greenhouse gas reduction targets, and monitoring and reporting on the progress towards achieving the targets to reduce greenhouse gas emissions and increase energy utilization ratio.
2. Complying with all applicable legal and regulatory requirements and incorporating industry policies and measures to mitigate climate change into the Company's operations to the largest extent possible.
3. Increasing the use of renewable energy through developing renewable energy projects, purchasing renewable energy and other feasible methods in business operations.
4. Encouraging employees, suppliers, and customers to minimize carbon emissions in their daily business activities.
5. Factoring climate change considerations into the procurement process and encouraging the use of low-carbon or zero-carbon and energy-efficient products and materials.

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<sup>1</sup> Mitigation: A human intervention to reduce the sources or enhance the sinks of greenhouse gases. The Intergovernmental Panel on Climate Change, 2014.  
[https://www.ipcc-data.org/guidelines/pages/glossary/glossary\\_lm.html](https://www.ipcc-data.org/guidelines/pages/glossary/glossary_lm.html)

## **Adaption<sup>2</sup>**

6. Assessing financial and other risks and opportunities associated with climate change, and the impact of climate change on its operations.
7. Developing procedures and measures to prevent or minimize damage caused by climate change and to capitalize on opportunities that may arise.
8. Integrate climate-related risks into the planning the location and design of new projects and facilities.
9. Reporting on the climate risks and opportunities in accordance with the framework of the Task Force on Climate-related Financial Disclosures.

## **Adaptation Capacity<sup>3</sup>**

10. Integrating climate change and extreme weather events into the corporate risk management process and continuous business operation plans.
11. Making sure to obtain relevant information and resources to inform monitoring and regular review of the impact of climate

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<sup>2</sup> Adaptation: The process of adjustment to actual or expected climate and its effects. In human systems, adaptation seeks to moderate harm or exploit beneficial opportunities. In natural systems, human intervention may facilitate adjustment to expected climate and its effects. The Intergovernmental Panel on Climate Change. [https://www.ipccdata.org/guidelines/pages/glossary/glossary\\_lm.html](https://www.ipccdata.org/guidelines/pages/glossary/glossary_lm.html)

<sup>3</sup> Adaptation capacity: The ability of systems, institutions, humans, and other organisms to adjust to potential damage, to take advantage of opportunities, or to respond to consequences. The Intergovernmental Panel on Climate Change. [https://www.ipcc-data.org/guidelines/pages/glossary/glossary\\_lm.html](https://www.ipcc-data.org/guidelines/pages/glossary/glossary_lm.html)

change on its employees and business operations.

#### **IV. Supplementary Provisions**

The Sustainable Development Committee of BEHL is responsible for monitoring and reviewing the Company's performance in managing climate risks and reporting on and reviewing these Policies on a regular basis.