

Whistleblowing Management System of Beijing Enterprises Holdings Limited

Chapter I General Provisions

Article 1 To regulate whistleblowing of Beijing Enterprises Holdings Limited (hereinafter referred to as “the Company”) and protect the lawful rights and interests of whistleblowers, these Regulations are formulated in line with the actual situations of the Company. The Hong Kong headquarters shall consider local market practices when implementing this System.

Article 2 The term “whistleblowing” in these Regulations refers to a situation where citizens, legal persons or other organizations file reports or lodge complaints about the Company’s employees’ violation of laws, regulations and relevant rules and policies through correspondence, fax, phone calls, visits and Internet, among other means, which are dealt with by the Company according to law.

A citizen, legal person or any organization that gives information, makes suggestions or comments or lodges complaints by such means as prescribed in the preceding paragraph is defined as a whistleblower.

Article 3 The work regarding whistleblowing acceptance and management shall be done in a fact-based, people-centered, and categorized manner in adherence to the principles of solving problems lawfully, timely and on the spot, with the combination of prevention at source, multi-channel resolution, persuasion, and education.

Chapter II Organization of Whistleblowing Work and the Scope of Responsibilities

Article 4 The Whistleblowing Management Department is responsible for guiding, coordinating, and managing the day-to-day whistleblowing work that falls within its scope of supervision. Relevant business divisions shall handle the whistleblowing matters which fall within the scope of their functions and duties in accordance with the provisions specified in these Regulations.

The Whistleblowing Management Department of the Company shall assign sufficient staff to provide essential material and security protection for whistleblowing acceptance.

Article 5 The Whistleblowing Management Department performs the following duties:

- (1) To accept the reported matters presented by whistleblowers, then transfer or assign them to other departments;
- (2) To handle the reported matters assigned or transferred by higher-level institutions;
- (3) To reply to the whistleblower on reported matters;
- (4) To publicize the regulations on whistleblowing, guide whistleblowers to report matters in accordance with the law and regulations;
- (5) To conduct investigations and make suggestions for improvement.

Article 6 The Company's relevant business divisions should, under the coordination of the Whistleblowing Management Department, handle

the reported matters conscientiously, give feedback on the progress and results timely, assist in receiving visitors actively, and provide professional advice and written responses related to the reported matters.

Article 7 The Whistleblowing Management Department shall clarify the responsibilities of the handling persons and set forth standardized procedures. The delay in processing or obviously improper handling shall be criticized, while those who cause serious consequences shall be held accountable in accordance with the regulations.

Chapter III Submission of the Whistleblowing Matters

Article 8 The Company accepts and handles the following reporting matters:

- (1) Matters related to the company's business;
- (2) Violations of discipline and laws and regulations related to the Company's employees.

For reported matters that shall be handled according to law through litigation, arbitration or other statutory means, the whistleblowers shall present them to the relevant authorities according to the procedures as stipulated by the relevant laws and regulations.

Article 9 The Company should make the whistleblowing channels publicly available to facilitate whistleblowers' understanding.

Article 10 The reported matters raised by the whistleblowers shall be objective and truthful, while the whistleblowers shall be responsible for the authenticity of the content of the materials provided, and must not

fabricate or distort the facts, and must not falsely accuse or frame others.

Article 11 The whistleblowers shall withdraw the reported matters through written reports, phone calls or other means. The Whistleblowing Management Department shall terminate the whistleblowing process after verifying the information.

Article 12 The Whistleblowing Management Department shall designate responsible persons to open, read, number, register and archive reported matters presented through letters, fax and Internet.

Other departments shall promptly transfer the whistleblowing materials submitted to them to the Whistleblowing Management Department.

Article 13 If the whistleblower makes a report by telephone, the interviewers should keep an accurate record of the name (title), contact information, requests of the whistleblowers and the facts, reasons, and other claims they stated. If necessary, the phone call shall be recorded after informing the relevant whistleblowers.

Article 14 When the whistleblowers visit the reception place, interviewers should first verify their identity. If necessary, the whistleblowing process shall be videotaped or recorded after informing the relevant whistleblowers.

Article 15 For reported matters with strong business and policy nature, the Whistleblowing Management Department shall consult with the relevant departments of the Company to cooperate in the interview work.

Article 16 When the whistleblowers fall under any of the following circumstances, interviewers shall suspend the meeting, persuade, and educate the whistleblower and notify the security personnel to strengthen security. When the persuasion and education are ineffective, interviewers shall notify the relevant government departments:

(1) Those who refuse to present reported matters in the designated reception place or entering offices without permit;

(2) Those who illegally assemble around offices, encircle or attack the office, damage the Company's properties, intercept the company's vehicles, or jam and obstruct traffic;

(3) Those who carry dangerous articles or controlled instruments;

(4) Those who insult, assault, threaten, blackmail staffs of the Company, or illegally restrict other people's personal freedom;

(5) Those who loiter and cause disturbance at the reception place, or leave the individuals who are unable to look after themselves at such places;

(6) Those who incite, collude with, coerce, or entice others with valuables, or manipulate others behind-the-scenes to blow the whistle or take advantage of whistleblowing to accumulate wealth;

(7) Those who commit suicide, threaten to commit suicide, self-mutilation or other aggressive behaviors;

(8) Those who commit other acts that disrupt public order or undermine national or public security.

Chapter IV Acceptance of the Whistleblowing Matters

Article 17 Where, upon receiving a reported matter, if the Whistleblowing Management Department can decide whether to accept it on the spot, the said department shall accept it on the spot. If such decision cannot be made on the spot, the said department shall register the matter and inform the relevant whistleblowers in writing or through phone calls, unless the name (title) or contact information of the whistleblowers is unclear or false, or the whistleblowers clearly state that no reply is needed.

Before the reported matters are accepted, the whistleblowers raise a new complaint, the Whistleblowing Management Department shall handle the previous and new matters together.

Where the materials provided by the whistleblowers are incomplete and the decision on whether they are acceptable cannot be made, the Whistleblowing Management Department shall require the whistleblowers to submit supplementary evidence.

Article 18 The following reported matters would not be accepted if they:

- (1) Beyond the scope of supervision of the Company;
- (2) Have already been resolved or should be resolved through litigation, arbitration and other legal means;
- (3) Have already been accepted or are being processed, but the whistleblowers lodge the same complaints without any new factual reasons;

(4) Have already been replied or been processing by the Company, but the whistleblowers lodge the repeated complaints based on the same facts and reasons.

Article 19 The Whistleblowing Management Department shall transfer the reported matters to the departments concerned based on the nature, type of the matters and the scope of authority of the departments concerned.

Article 20 The staff members of the Whistleblowing Management Department shall not divulge or transfer the personal information of the whistleblowers, the materials submitted, or the handling instructions from leaders to the targeted individuals; neither shall they conceal, destroy or forge whistleblowing materials.

Chapter V Handling of the Whistleblowing Matters

Article 21 The Whistleblowing Management Department should register the reported matters one by one and handle them separately in the following ways:

(1) The comments or suggestions made by whistleblowers on the Company shall be conscientiously studied and analyzed. Comments or suggestions which are beneficial to improvement of the work and healthy growth of the Company should be adopted.

(2) The complaints and requests with clear facts should be investigated and verified in accordance with the relevant laws and regulations, the Company's business rules and the actual situations;

(3) The complaints which are not based on facts or do not conform to laws, regulations, the Company's business rules or other provisions shall be rejected.

(4) The reported matters which constitute suspected violations of the national laws and rules or the Company's business rules shall be handed over to the departments concerned or government departments.

Chapter VI Supplementary Provisions

Article 22 Matters not covered by this System shall be handled in accordance with relevant national laws and regulations and relevant rules and regulations of the Company.

Article 23 The System shall come into force as of the date of issuing.