

Statement of Employee Rights and Benefits of BEUR

Contents

| | |
|--|---|
| I. Overview of the Statement of Employee Rights and Benefits..... | 3 |
| 1. Purpose..... | 3 |
| 2. Laws and conventions involved | 3 |
| 3. Scope of application | 3 |
| II. Commitment on Employee Rights and Benefits and Related Issues..... | 4 |
| 1. Prohibition of forced or compulsory labor..... | 4 |
| 2. Prohibition of using child labor..... | 4 |
| 3. Respect employment diversity and oppose discrimination..... | 4 |
| 4. Protection of female employees and juvenile workers..... | 5 |
| 5. Freedom of association..... | 6 |
| 6. Safe and healthy working environment..... | 6 |
| 7. Fair and favorable working conditions..... | 7 |
| 8. The rights of being respected in different regions..... | 7 |
| 9. Maintain zero-tolerance for corruption | 7 |
| 10. Communication with government departments | 8 |
| 11. Privacy protection | 8 |
| 12. Whistleblower protection | 8 |
| III. Supplementary Provisions..... | 9 |

I. Overview of the Statement of Employee Rights and Benefits

1. Purpose

This policy has stipulated the commitments and responsibilities of Beijing Enterprises Urban Resources Group Limited (“BEUR”, hereinafter collectively referred to as the “Group”) to the rights and interests of all employees, especially applicable to business activities and related activities of Group operations.

The Group abides by and respects the standards and laws on the statement of employee rights and benefits of the country when carrying out business transaction, and complies with the employee rights and benefits standards which are the same as that of the contractors, suppliers and business partners. For the environment affected by conflicts and the high-risk environment, the Group will pay more attention to the importance of employee rights and benefits.

The Group has clearly recognized that employee rights and benefits are very important to our employees, stakeholders, customers, consumers, communities where we operate, and the civil society groups. Therefore, it is very important to guarantee the operation and value chain of the Group, and comply with the regulations on employee rights and benefits, irrespective of business and ethics.

2. Laws and conventions involved

The Group will do its best to respect the international conventions on employee rights under the premise of complying with the laws of the country where it operates.

2.1 For domestic laws, please refer to: *the Constitution of the People’s Republic of China; Labor Law of the People’s Republic of China; Labor Contract Law of the People’s Republic of China; Law of the People’s Republic of China on the Protection of Women’s Rights and Interests; Employment Promotion Law of the People’s Republic of China; Law of the People’s Republic of China on the Protection of Minors; Trade Union Law of the People’s Republic of China; Provisions on the Prohibition of Using Child Labor; Special Provisions on Labor Protection of Female Employees, etc.*

2.2 Reference to UN conventions and declarations: the Universal Declaration of Human Rights; Declaration on the Protection of Human Rights; the United Nations Declaration on the Elimination of All Forms of Racial Discrimination; The Convention on the Elimination of All Forms of Discrimination Against Women; ILO Declaration on Fundamental Principles and Rights at Work; Convention concerning Minimum Age for Admission to Employment; Employment Policy Convention; Discrimination (Employment and Occupation) Convention; Convention concerning Equal Remuneration for Men and Women Workers for Work of Equal Value, etc.

3. Scope of application

This system is applicable to all employees of BEUR.

We require our business partners including suppliers and contractors to comply with this Policy

II. Commitment on Employee Rights and Benefits and Related Issues

1. Prohibition of forced or compulsory labor

1.1 The Group will be committed to prohibiting exploitation of the interests of the laborer and forcing the employees to work under the threat of punishment. All employees must be hired by the Group based on the principle of willingness, any compulsive behavior is not allowed, and it is forbidden to deceive and lure the employees to work in the Group. Meanwhile, the Group shall not receive deposit, security deposit or take away their ID cards and other legal documents for forced use of labor against their will.

1.2 During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions: *Labor Law of the People's Republic of China* (Article 3, Article 32, Article 96); *ILO Declaration on Fundamental Principles and Rights, etc.* If this is the case, internally, it shall be handled according to the company's internal reward and punishment system; externally, it shall be transferred to relevant government agencies for handling as appropriate. In addition, the employees of the Group at all levels shall be trained to strengthen relevant training and awareness education for employees at all levels of the Group.

2. Prohibition of using child labor

2.1 The Group promises to prohibit the use of child labor at all stages of service provision. "Child labor" refers to the persons who are under the age of 16, or under the age of completing compulsory education, or the persons who are employed under the minimum employment age specified by the state (child labor if meeting any of these criteria). All employees under the age of 18 shall not engage in the work that is likely to endanger the health or safety of the minors.

2.2 During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions: *Labor Law of the People's Republic of China* (Article 15), *Law of the People's Republic of China on the Protection of Minors* (Article 61), *Provisions on the Prohibition of Using Child Labor* (Decree of the State Council, No. 364), *ILO Declaration on Fundamental Principles and Rights at Work* (effective abolition of child labor), *Convention concerning Minimum Age for Admission to Employment* and relevant laws and regulations. If this is the case, internally, it shall be handled according to the company's internal reward and punishment system; externally, it shall be transferred to relevant government agencies for handling as appropriate. In addition, the employees of the Group at all levels shall be trained to strengthen relevant training and awareness education for employees at all levels of the Group.

3. Respect employment diversity and oppose discrimination

3.1 The Group is committed to creating, promoting and maintaining a working environment that is free of harassment and discrimination and offers fair and reasonable job opportunities, and making decisions based on personal working ability

and job demands of the Group instead of such factors as race, nationality, religion, disability, social class, gender orientation, age, marital and childbearing status, union membership and government relations when deciding on employment, remuneration, training, promotion, demotion, retirement, etc. The Group commits to equal pay for equal work and gender pay equity. The Group also promises to protect its employees from harassment and illegal discrimination. The Group shall not force employees or prospective employees to undergo discriminatory medical examinations.

3.2 During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions: the *Constitution of the People's Republic of China* (Article 48), *Labor Law of the People's Republic of China* (Article 12, Article 13), *Law of the People's Republic of China on the Protection of Women's Rights and Interests* (Chapter 5), *Employment Promotion Law of the People's Republic of China* (Article 3), *Employment Promotion Law of the People's Republic of China* (Chapter 3), *ILO Declaration on Fundamental Principles and Rights at Work*, *United Nations Declaration on the Elimination of All Forms of Racial Discrimination* (Article 3), *Employment Policy Convention; Discrimination (Employment and Occupation) Convention*, *Convention concerning Equal Remuneration for Men and Women Workers for Work of Equal Value* and relevant laws and regulations.

3.3 The Group management is responsible for taking proactive steps to foster a diverse, harmonious and flexible working environment so that employees can make the most of their unique strengths and realize their self-worth. The group regularly conducts training for all staff on diversity, inclusivity in the workplace, and behaviors related to discrimination and harassment.

4. Protection of female employees and juvenile workers

4.1 The Group is committed to ensuring that female workers and underage workers (referring to the workers who have reached the age of 16 but have not yet reached the age of 18) receive due special protection. The Group is devoted to reducing and solving the special difficulties of female employees in work caused by physiological characteristics and protecting the health of female employees. Meanwhile, the Group shall protect the safety and health of women at work, and shall not arrange the work or labor unsuitable for women.

4.2 During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions: *Labor Law of the People's Republic of China* (Chapter 7), *Special Provisions on Labor Protection of Female Employees* (Decree of the State Council, No. 619), *Law of the People's Republic of China on the Protection of Women's Rights and Interests* (Chapter 5) and relevant laws and regulations.

5. Freedom of association and employees' right of adequate communication with the Group

5.1 Open and direct communication between employees and management layer is one of the effective ways to solve workplace and salary issues. The Group is committed to respecting the rights of employees in accordance with the law, including the rights to associate freely, join or not join trade unions, seek representatives, participate in the congress of workers and staff, etc. The employees should be able to communicate with the management layer about the working conditions and management issues without worrying about retaliation, threat or harassment in an equitable, just and transparent manner.

5.2 During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions: *the Constitution of the People's Republic of China* (Article 35), *Labor Law of the People's Republic of China* (Article 7, Article 8), *Labor Contract Law of the People's Republic of China* (Article 4), *Trade Union Law of the People's Republic of China* and relevant laws and regulations.

6. Safe and healthy working environment

6.1 The Group is committed to putting people first, paying attention to the physical and mental health of employees, and ensuring classified management and recovery of the construction, production and office wastes to create safe, civilized and harmonious working, living conditions and cultural environment for employees, and guarantee the occupational health and safety of employees.

6.2 The Group is committed to continuously improving service quality and keep improving to reach the national and local standards. We will take efforts to continue to improve the environment, create better and civilized ecological environment, build the company's core competitiveness in terms of quality, environment, occupational health and safety, and create the first-class excellent brand.

6.3 During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions to guarantee the occupational health and safety protection of employees: *Law of the*

People's Republic of China on Work Safety (Chapter 2, Chapter 3), *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* (Chapter 2, Chapter 3, Chapter 4), *Labor Law of the People's Republic of China* (Chapter 6), *Labor Contract Law of the People's Republic of China* (Article 32) and relevant laws and regulations.

6.4 During actual implementation, the Group has formulated the *Regulations on HSE Comprehensive Management, Occupational Health Management System, Personal Labor Protection Articles Management System, etc.* to clarify the responsibilities and requirements of the Group's occupational health management, strengthen the management and control of occupational hazards in the workplace, and provide employees with occupational disease protection articles that meet the national occupational health standards to effectively prevent, control and eliminate the occupational hazards and protect the health and related rights and interests of employees.

7. Fair and favorable working conditions

7.1 The Group is committed to respecting the personality and dignity of employees, and restriction of personal freedom and forced labor of employees by means of violence, threat or other means are strictly forbidden. It is strictly prohibited to humiliate, give corporal punishment, beat, illegally search or detain laborers. The Group adopts an open and fair punishment procedure to educate the employees. The punishment provisions shall be open to the employees. All departments shall not punish the employees physically or mentally for errors in their work, because it may cause mental stress to them.

7.2 Working time of the Group office: work 8 hours a day from Monday to Friday, and have every Saturday and Sunday off. During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions: the *Constitution of the People's Republic of China* (Article 38), *Labor Law of the People's Republic of China* (Chapter 4).

7.3 Wages and benefits: The Group implements a salary positioning higher than the market average according to the leading talent strategy, and continuously corrects the consistency of salary positioning and strategic positioning of talents through regular market insight. The wages paid to the employees by the Group shall comply with all applicable wage laws, including the laws concerning minimum wages, overtime hours and statutory benefits. The Group shall promptly issue the wage payment receipts to the employees through salary sheet or other similar documents. During actual implementation, the Group will strictly comply with the requirements of the following laws and conventions: *the Constitution of the People's Republic of China* (Article 38), *Labor Law of the People's Republic of China* (Chapter 4, Chapter 5).

7.4 Promotion and development: The Group shall provide employees with sufficient promotion opportunities, continuously improve the employee evaluation system, and always evaluate employee performance based on the principle of "fairness, openness and justice". The Group shall establish an employee promotion system, and strive to maintain sufficient development space for employees.

8. The rights of being respected in different regions

The Group is committed to respecting the rights of the region of subordinate units, and contributing to the realization of these rights through such activities as promoting regional development. In this regard, the Group pays special attention to the most vulnerable and difficult regions, such as remote mountainous region. The Group will bring benefit to these regions by carrying out projects that promote local development.

9. Maintain zero-tolerance for corruption

9.1 Corruption is one of the factors that undermine institutions and democracy, moral values and justice, as well as social welfare and development, and the Group is committed to rejecting all forms of direct and indirect corruptions. During actual implementation, the Group strictly abides by the *Criminal Law of the People's Republic of China*, the *Supervision Law of the People's Republic of China*, the *Company Law of the*

People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and other laws and regulations, and comply with the United Nations Convention against Corruption, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and agreements related to business ethics to form an anti-corruption prevention and supervision system covering the whole Group and all employees.

9.2 As a special agency for discipline inspection and supervision, the Audit and supervision center of the Group has deepened the anti-corruption work in an all-round way, and fulfilled the responsibility of supervision, discipline and accountability. The Group has set up Audit and supervision center to improve the channels for anti-corruption reporting, deal with the anti-corruption clues according to laws and regulations, and strive to protect the security of the whistleblower and the reported information. The Group has established an anti-corruption system to improve the anti-corruption mechanism, and formulated and issued the Anti-Fraud Management System, Complaints and reporting management measures, conflict of interest declaration system and other systems to strengthen institutional guarantee of anti-bribery and anti-corruption. The Group has continuously deepened the construction of integrity culture, deepened integrity compliance education for all employees in all regions and business areas, built a strong line of discipline, and strengthened the prevention and control of integrity risks in advance in many ways to effectively curb the behavior of violating employees' rights and guarantee more effective protection of employees' rights.

10. Communication with government departments

The Group is committed to ensuring that true, valid and accurate information is provided to the government or regulatory officials by its employees, and ensuring that the legitimate business interests of the Group are protected in this process. This provision applies to all contacts between the employees and the government officials at work. In addition, this provision is also applicable to the information provided to the government or regulatory authorities by the employees for inquiry or investigation.

11. Privacy protection

The Group respects the confidentiality and privacy of its stakeholders, and is committed to properly using the information and data they have provided to us.

12. Survey of employee satisfaction

The Group carries out an employee satisfaction survey every year. The survey includes corporate management, individual performance, teamwork and communication, training sessions and suggestions, performance management, remuneration and benefits. The Group will, based on survey results, take proactive measures to address the problems revealed and keep improving and implement the solutions.

This statement accepts employee participation and feedback, and The Group actively

implements improvements.

13. Employee whistleblowing

The Group 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.

BEUR 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.

14. Whistleblower protection

The Group promises to protect the lawful rights and interests of the whistleblower, support and protect the units or individuals to report the violations of regulations, disciplines and laws according to law; it is strictly prohibited for any unit or individual to retaliate against the whistleblower in any form; for specific measures and procedures of whistleblower protection.

III. Supplementary Provisions

The Group will check the implementation once a year, and revise it once a year according to the laws, relevant international conventions and changes in facts.

(The English translation of the system is for reference only and the Chinese version shall prevail in case of any inconsistency between the Chinese version and English translation thereof)