

Biodiversity Protection Management Measures of BEUR

Article 1 Background

“Biodiversity” refers to the ecological complex formed by organisms (animals, plants, microorganisms) and the environment and the sum of various ecological processes related to this, including three levels of ecosystem, species and genes. Biodiversity is the condition for human survival, the foundation of sustainable economic and social development, and the guarantee of ecological security and food safety.

At present, the declining trend of biodiversity in China has not been effectively curbed. Over-exploitation of resources, engineering construction, and climate change seriously affect the survival of species and the sustainable use of biological resources, and thus the serious loss of biological species resources has not been fundamentally changed.

To further strengthen China’s biodiversity protection and effectively cope with new problems and challenges faced by China’s biodiversity protection, the Ministry of Environmental Protection, together with other departments, units and institutions, have actively promoted the formulation and implementation of relevant laws and policies, scientific research achievements, plans and working mechanisms.

Beijing Enterprises Urban Resources Group Limited (“BEUR”, hereinafter collectively referred to as the “Group”) actively responds to the call of the country, highlights the responsibility of the enterprise, and promises to thoroughly implement the ecological civilization construction concept in corporate operations, and coordinate biodiversity protection and corporate economic development to achieve the protection and sustainable use of biodiversity. The goals are to share the benefits arising from the use of genetic resources in a fair and reasonable manner, to strengthen the construction of biodiversity protection systems and mechanisms, to strengthen the protection of ecosystems, biological species and genetic resources, to improve the awareness of protection and participation of whole staff, to promote the construction of ecological civilization, and to promote harmony between human beings and nature.

We mainly do the following:

1. Prioritize the protection of biodiversity in the economic development of enterprises, and take active measures to effectively protect important ecosystems, biological species and genetic resources to ensure ecological safety.
2. Prohibit the predatory exploitation of biological resources, promote the R&D and promotion of technologies for the sustainable use of biological resources, and use biological resources in a scientific, rational and orderly manner.
3. In the full life cycle construction and management of all projects, ecological restoration, conduct biodiversity/community impact assessment of newly built sites, internal identification of protected areas (ecologically sensitive areas) and biodiversity protection measures for the construction in protected areas.
4. Strengthen the publicity and education of biodiversity protection, actively guide the extensive participation of internal and external staff, strengthen information disclosure and supervision by public opinions, and establish an effective mechanism for enterprises and society to participate in biodiversity protection.
5. Actively participate in related scientific research and protection work, carry out innovative research on the protection and utilization of biodiversity, and promote the overall development of the industry.

Article 2 Purpose

To reflect the social responsibility of BEWG, realize the ecological and environmental

protection goals, and realize the ecological and social benefits of environmental protection projects, implement ecological protection and restoration work in all projects carried out by the company from the perspective of the entire life cycle of the projects.

Article 3 Scope of application

This policy is applicable to companies that are wholly owned, controlled or shared by BEWG. Overseas operations, guided by this Policy, shall comply with the local laws and regulations. Suppliers, contractors and business partners of the Group need to refer to this policy for implementation of cooperative projects.

Article 4 Primary strategies

1. The Sustainable Development Committee of the Company is responsible to oversee the biodiversity-related work. We give priority to biodiversity conservation in pursuing enterprise growth, take positive measures to protect important ecosystems, biological species and genetic resources, and work to ensure ecological security.
2. We pledge that all our projects aim to achieve sound ecological benefits. As such, we integrate biodiversity conservation into the design, construction, operation and maintenance stages of relevant projects in each business segment, conduct biodiversity assessment and information disclosure regularly, and accept the supervision of stakeholders.
3. We promise to refrain from any types of operation, exploration, exploitation and/or drilling at World Heritage Sites and Category I to IV reserves designated by the International Union for Conservation of Nature (IUCN).
4. Upholding the “net-zero loss” principle in project construction and business operations of the Company, we protect the natural environment such as forests, lakes and grasslands in project construction and business operation, and avoid or reduce damage and disruption to biodiversity and the habitats.
5. We prioritize the use of sustainably managed natural resources and raw materials, minimize the discharge of pollutants, and reduce the damage to the surrounding environment.
6. We respect the traditions of ethnic minorities and strive to avoid or reduce the adverse impact on local communities in project construction and business operation of the Company.
7. We actively carry out cooperation and research on biodiversity conservation with international conventions or organizations, industry associations, universities or research institutions, business partners, local residents and other types of stakeholders, so as to improve the environmental management of the Company and better conserve biodiversity in the country.
8. We raise the awareness of our employees, customers, suppliers and those who have business dealings with BEHL on biodiversity and conservation efforts, and offer training sessions regularly. We promise to avoid logging in natural forests as well as rampant deforestation, and maintain the diversity and integrity of the forest ecosystems in project construction and business operation of the Company.
9. Besides taking into account the impact of its own operations on the local ecology, the Company systemically consider threats to local biodiversity beyond commercial activities.
10. The Company strives to protect and accelerate the ecological recovery of forests and other terrestrial ecosystems. The Company pledges to end all deforestation in its project construction and business operations by 2030 and helping the Chinese government meet the goal to “halt and reverse forest loss and land degradation by 2030” in the Glasgow Leaders’ Declaration on Forest and Land Use of which China is a signatory.

Article 5 Primary strategies

1. Incorporate the conservation of biodiversity into the group's policy strategy, and the formulation of various policies and systems shall consider this.
2. Establish a working mechanism to conduct a biodiversity survey and assessment of all project areas under the framework of national and local regulations and standards, and develop protection, monitoring, restoration and operation measures for the entire project cycle based on the survey results. The work duties include assessing the protected area and drawing up a biodiversity management plan according to the different site conditions of the project (such as conditions of national or world-class biodiversity conservation areas, etc.).
3. Strengthen internal training and education internally, increase awareness and initiative of internal personnel on environmental protection, strengthen environmental protection education externally, open communication channels, and obtain public supervision information.
4. Carry out special research on biodiversity and cooperate with national departments and professional institutions to promote the special development of industries and enterprises.

Article 6 Organizations and duties

The management of the Group President's office also serves as a special management work leading group, responsible for leading and promoting the implementation of biodiversity conservation and management related work. The specific work involved in this guide is undertaken by the biodiversity management team established by the Group, with the participation of all functional departments of the Group.

The implementation of this guide involves the three departments of technology, construction, and operation. Their main responsibilities are as follows:

1. Technology line

The technology line refers to the department responsible for the planning, review and implementation of technical schemes, which is mainly responsible for the management related to the project design.

- (1) Responsible for the cooperation and exchange of relevant technical research and topics, and conduct relevant training and publicity for corporate personnel.
- (2) Responsible for the formulation of specific policies and mechanisms at the project design stage.
- (3) Responsible for the implementation of specific technical content at the project design stage.
- (4) Responsible for the supervision and implementation of relevant system measures at the project design stage.
- (5) Assist the construction department in the development of policies and mechanisms during the construction phase.
- (6) Assist the construction department to inspect and supervise the construction and implementation of relevant construction content.
- (7) Assist the construction department to inspect and supervise the implementation of relevant systems and measures.
- (8) Assist the operation department in the formulation of policies and mechanisms during the operation phase.
- (9) Assist the operation department in the technical post-assessment of relevant operation content during the operation phase.

2. Construction line

The construction line refers to the construction supervision and management department, which is mainly responsible for the management related to the construction phase of the project.

- (1) Responsible for the development of specific policies and mechanisms during project construction.
- (2) Responsible for the implementation of specific project construction in the project construction phase.
- (3) Responsible for the supervision and implementation of relevant systems and measures in the project construction phase.
- (4) Assist the technical department in the development of policies and mechanisms at the design stage.
- (5) Assist the technical department to review the design results of related technical content.
- (6) Assist the technical department to inspect and supervise the implementation of relevant systems and measures.
- (7) Assist the operation department in the formulation of policies and mechanisms during the operation phase.
- (8) Assist the operation department in the inspection and acceptance of relevant operation contents during the operation phase.

3. Operation lines

The operation line refers to the department of operation, maintenance and management, which is mainly responsible for the management work related to the operation phase of the project

- (1) Responsible for the development of specific policies and mechanisms during project operation.
- (2) Responsible for the implementation of specific operational content during the operation phase of the project.
- (3) Responsible for the supervision and implementation of relevant systems and measures during the operation phase of the project.
- (4) Assist the technical department in the development of policies and mechanisms at the design stage.
- (5) Assist the technical department to review the design results of related technical content.
- (6) Assist the technical department to inspect and supervise the implementation of relevant systems and measures.
- (7) Assist the construction department in the development of policies and mechanisms during the construction phase.
- (8) Assist the construction department to inspect and supervise the construction and implementation of relevant construction content.
- (9) Assist the construction department to inspect and supervise the implementation of relevant systems and measures.

Article 7 References

Environmental Protection Law of the People's Republic of China

Law of the People's Republic of China on Environmental Impact Assessment

Regulations on Environmental Protection Management for Construction Projects

Measures for Public Participation in Environmental Impact Assessment

Green Construction Guideline

Convention on Biological Diversity

China National Biodiversity Conservation Strategy and Action Plan (2011-2030)

Construction Plan of National Ecological Environment

*Outlines for National Ecological Environmental Protection***Article 8 Rules for Implementation**

In order to achieve good ecological and social benefits, a management and control mechanism need to be developed for all projects and measures shall be implemented during its life cycle, which shall be implemented from the following four aspects: improve management system and policies, technical plan stage, construction and implementation stage, operation and maintenance stage.

1. Improve management system and policies

(1) *Strictly abide by the relevant stipulations specified in the “Article 6 References” hereof*

(2) *Publish* and continuously update group-level policies and management system documents

(3) For projects that require biodiversity conservation, establish a special management working team to supervise and implement the implementation effects of each stage

2. Close integration of technical solution design process

(1) Review and implementation of preliminary project approval documents

If the *Environmental Impact Assessment Report* approved in the early stage of the project involves biodiversity protection, it is necessary to carry out ecological base investigation in the early stage of the technical plan, assess the ecological environment impact, and draw up corresponding protection and restoration guidance plans, which will be submitted to the competent government department for review after being approved by the Group’s technical committee, and will be supervised and implemented by the special management working team after obtaining the government's approval document.

If the *Social Stability Risk Assessment* approved in the early stage of the project involves large-scale demolition and land acquisition, it is necessary to coordinate the preparation of relevant publicity materials and the preparation and implementation of the acquisition and demolition plan during the technical plan design stage. Specific assessment content includes environmental impact assessment, energy conservation assessment, water resource assessment, community impact assessment, construction impact assessment, etc., and corresponding treatment measures shall be worked at the same time.

(2) Continuous supervision and communication of the program design process

According to the guidance plan for ecological environment protection and restoration, the relevant content of the design specification shall be clarified, strictly implemented in the design plan, and the design contents that do not meet the requirements are corrected through internal audit work. The corresponding contents of the scheme design results shall be reviewed and approved by the special management working team before carrying out further detailed design work.

The site selection of the project shall be strictly implemented according to the scope of expropriation and demolition published and approved by the government department, and the scheme design shall be carried out according to the red line approved by the government. If the red line of the design must be adjusted due to objective conditions, the adjustment shall be made only after the competent government department fully communicates with the relevant parties and reaches an agreement.

In the project design, ecological reserve areas such as original vegetation, wetland, mountain and water source protection areas (including quasi-protection zones) shall be delimited to avoid construction disturbance, and local plants shall be selected in the construction area for landscaping and restoration of ecological areas. The habitat and migration functions of native organisms should be considered, and corresponding protection measures such as corresponding areas, channels and facilities should be specially designed.

(3) Implementation of special measures and engineering cost reservations in the detailed

design stage of the plan

According to the design plan passed by the internal audit at the previous stage, in the preliminary design of the corresponding professional content and the construction drawing design process, the necessary engineering measures, process methods, emergency plans, etc. shall be fully considered, necessary budget estimates and budget expenses shall be fully reserved, and shall be submitted to the government for examination and approval and execution after being reviewed and approved by the special management working team.

(4) Evaluation and publicity after the project design are completed

After the project plan is completed, a community impact assessment shall be carried out to evaluate the community impact and make amendments to the plan.

After the project plan is completed, the plan shall be publicized, communication channels for community residents shall be established, feedback from community residents shall be collected in time, and corresponding measures shall be worked out.

3. Deepening the implementation of the project construction process

(1) External publicity and introduction of construction projects

External display and publicity facilities such as construction enclosures and project announcements shall be furnished with corresponding chapters to focus on biodiversity conservation and land use.

(2) Design of construction plan

Before construction, according to the guidance plan for ecological environmental protection and restoration, the expert consulting team, design team and construction unit shall be organized to make full technical disclosure, and the corresponding construction organization plan shall be reviewed and approved by the special management working team.

The construction organization plan shall fully consider the biodiversity conservation goals, implement the environmental assessment opinions, draw up necessary process and result protection measures, and conduct regular monitoring.

(3) Continuous monitoring and tracking of the construction process

Before entering the site, conduct a second investigation and through research on the key protected areas, carry out targeted protection measures for the important part of the site's ecological base, and make records and restore timely.

During the construction process, regular monitoring is carried out according to the guidance plan for ecological environment protection and restoration, and emergency situations need to be reported to the special management team in time, and handled according to the emergency plan.

For expropriation and demolition work, it shall cooperate with the local competent authorities to prepare meticulous and feasible humanized demolition and demolition plans, and publicize it to obtain recognition and support, and keep a record.

(4) Construction quality management

Ecological restoration involved in the project shall be carried out with high quality, the construction content with important ecological benefits shall be completed with high quality, and the effect should be paid attention to in real time.

In the process of project construction, it is necessary to hire a full-time protection supervisor, strictly implement the environmental supervision system, do a good job of supervision and recording, and promptly raise and correct problems.

In the construction process, the measures to prevent light pollution, noise pollution, environmental pollution, traffic impact and other factors that have an impact on the surrounding areas should be mainly implemented.

4. Continuous management of project operation and maintenance process

- (1) Integrate with the Smart management system to establish an information platform and problem feedback mechanism.
- (2) In the operation of the project, an information release section shall be established to release regional ecological information in real time.
- (3) The environmental monitoring system shall be established during the operation of the project, and the local ecological indicators and special animal and plant information shall be monitored in real time, recorded, and the risk identification and emergency treatment mechanism shall be developed.
- (4) There should be a special chapter on ecological protection measures and maintenance in the operation and maintenance manual, and regular maintenance shall be done for the ecological facilities built in the area.
- (5) In the early stage of project operation, planned ecological restoration of the areas affected by the construction process shall be carried out, and ecological maintenance shall be done in the middle and late stages of operation.
- (6) The living habits and lifestyles of local residents shall be taken into account during project operation for work arrangement, a work system that is integrated with local culture shall be developed to reduce community interference.
- (7) Ecological conservation and protection areas shall be delimited within the scope of project operation, and key protection and monitoring shall be implemented.
- (8) Carry out environmental protection education on a regular basis based on the project content.

Article 9 Supplementary Provisions

The Group will check the implementation once a year, and revise it 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)