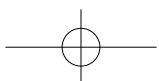


A Decade of Shared Opportunities Responsibilities and Values

2023 AVIC INTL Overseas Social Responsibility Report for A BRI Decade

AVIC INTERNATIONAL HOLDING CORPORATION



Interpretation

About the Report

This is the first report of AVIC International Holding Corporation (AVIC INTL) summarizing its performance of overseas social responsibilities for a decade of BRI development (a BRI decade). The report is an express, objective and complete record about the Company's performance of its overseas social responsibilities by highlighting its practices in performing its management, economic, social and environmental responsibilities from the year 2013 through 2023. Data about certain cases are beyond this time span. This Report is available in both English and Chinese. If there is any ambiguity between these two versions, the Chinese version shall prevail.

Quality Assurance

The Board of Directors of the Company (the Board) undertakes to oversee the contents of the report to ensure it is free of any false information, misleading statement or material omission. Financial data contained in the report are for reference only. Specific financial data are provided in the Company's annual reports. Unless otherwise specified, any amount disclosed in the reports are in RMB. Any and all case study and/or data contained in the report are from AVIC International Holding Corporation and organizations subject to and/or invested by it.

References

- *GRI Sustainability Reporting Standard* (GRI Standard), Global Sustainability Standards Board (GSSB)
- UN Sustainable Development Goals (SDGs)
- *Chinese Corporate Social Responsibility Report Preparation Guide* (CASS-CSR4.0), Chinese Academy of Social Sciences
- *Chinese Corporate Social Responsibility Report Preparation Guide* (CASS-ESG5.0), Chinese Academy of Social Sciences
- *Guidelines on Corporate Social Responsibility of Central Companies*, State-owned Assets Supervision and Administration Commission (SASAC) of the State Council

Notes on Appellation

To facilitate expression, AVIC International Holding Corporation is referred to in the report as "AVIC INTL", "the Company", and "we".

How to obtain the report

Electronic format of the report is available for download at the website of AVIC International Holding Corporation (www.avic-intl.cn).

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Message from the Management

In 2013, President Xi Jinping proposed the Belt and Road Initiative (the BRI) with a purpose of promoting global cooperation, common development and prosperity. The year 2023 celebrates the 45th anniversary of China's reform and opening-up and the 10th anniversary of the BRI. Over this decade, AVIC INTL, as one of the leading forces of China's going global enterprises and carrying the mission of bringing China's aviation industry to the world, has launched high-standard, sustainable projects in countries involved in the BRI (BRI countries) to improve local people's well-being and explore into new paths and new modes for win-win international cooperation.

Over this decade, the BRI, an epoch-making initiative, rewarded us with a leap-forward in economic growth. Guided by the "Air Silk Road" action plan of Aviation Industry Corporation of China (AVIC) and centered on the development of overseas public utility and aviation infrastructure, we made practical efforts to expand overseas markets and secure operation stability and reported much greater percentage of international businesses. Referring to top standards, we spared no efforts to achieve high-quality development in core businesses such as airport facility construction, vocational education, cement projects, overseas power projects and transportation. So far, AVIC INTL has organizations in 58 foreign countries/regions and serves customers from over a hundred countries/regions. As a pragmatic player in BRI development, we are doing our part in boosting the high-quality economic growth of BRI countries.

Over this decade, we were committed to the connectivity between BRI countries. Since AVIC launched the Air Silk Road plan, we focused on the development of aviation infrastructure by kicking off over 300 transportation projects and projects for public well-being in more than 20 BRI countries. The 154km "Northern Theater A09 Highway Project" delivered in 2013 opened up the north-south traffic artery in Sri Lanka. The A4 Road project in Kenya, put into operation in July 2022, shortened the journey from three to 1.5 hours, along which large-scale settlements and bazaars were formed in Posta, Suguta and Kisima towns, significantly smoothing the export and transportation of local livestock (cattle and sheep) and agricultural products.

Over this decade, we brought multiple benefits to residents of BRI countries and achieved win-win results. AVIC INTL takes high-quality projects as the hard support and local talent training as the soft support. So far, it has built or upgraded 180 occupational schools in countries including Kenya, Ghana and Gabon that foster over 20,000 teachers and students a year. The employment rate of technical talents from the schools reached higher than 80%. The Africa Tech Challenge (ATC) has been successfully held for eight sessions. Through the training-competition operation, technical talents specializing in regular machine work, digital machine work, reinforcing steel bar and concrete are selected. This program effectively improves local young people's occupational skills, setting a new mode for Chinese central enterprises to perform their corporate social responsibility (CSR) abroad.

Over this decade, we were committed to low-carbon development in BRI countries. We established the mechanism for comprehensive environmental protection, the leading group for energy efficiency and environmental protection, as well as corresponding management organizations to define specific responsibilities to this regard. We adopted streamlined management and waste-reduction management, enhanced identification of contamination factors, and introduced advanced production equipment to minimize waste water, waste gas and discards and help mitigate local environmental pollution. We adhered to safeguarding local eco-environment and practicing philanthropic programs in order to help achieve harmony between human and nature.

Moving ahead against all challenges. Pursuant to the BRI, we will continue to adhere to the development philosophy of "digitalization, marketization, internationalization, and rule of law", spare no efforts to boost high-quality development and economic growth, and make greater contributions to the economic development and public well-being in BRI countries/regions. Keeping pace with China's going global strategy, we will give full play to our advantages in the aviation sector to support the connectivity campaign and serve the people involved in this belt of development and road to happiness.

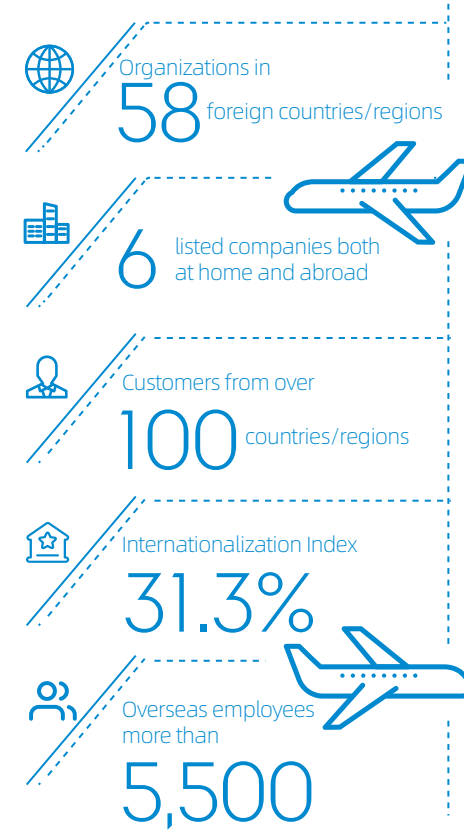
About Us

AVIC INTL

AVIC International Holding Corporation (AVIC INTL) is a global shareholding enterprise affiliated with the Aviation Industry Corporation of China (AVIC). Its main business involves four segments: aviation business, high-end manufacturing, overseas public service, and service & trade.

With aviation as its core business, AVIC INTL focuses on the development of integrated aviation supply chain service systems. Its business scope covers supply chain integration services, aviation industry networking and industrial data platforms, international aviation technology cooperation, integrated services for aviation standard parts and products, aviation operations and support, tendering services, and more.

The year 2023 celebrates the 10th anniversary of the BRI. Over the decade, we upheld the mission of "Go beyond Commerce for a Better World" and added new genetic elements including innovation and entrepreneurship, marketization and globalization. We also took advantage of global networks and platforms and actively participated in the BRI development. Focusing on priority sectors, we engaged in project planning, project finance management, export of electromechanical products, general contracting, operation and maintenance of overseas engineering projects. We have six listed companies both at home and abroad, and have organizations in 58 foreign countries/regions. The Company serves as a leader in building national brands and is committed to enhancing the presence of "Made in China" and Chinese brands worldwide.



Overseas business layout system

Corporate Culture

AVIC INTL Mission

go beyond commerce for a better world

AVIC INTL Vision

to foster a first-class enterprise group and to become a world-leading enterprise loved by its employees, praised by its customers and respected by the society

AVIC INTL Values

people-oriented, responsibility, partnership, innovation, the unity of knowing and doing



New Chapter of CSR Fulfillment

Ethiopia | The largest five-star hotel in Africa

Case

On May 5, 2023, Ethiopian Skylight Hotel phase II constructed by China National Aero-Technology International Engineering Corporation held grand opening ceremony, marking that the largest five-star hotel in Africa was put into use. The project, covering a floor space of about 80,600 square meters, includes 287 queen-size bed rooms, 287 double rooms, 26 suites, 26 two-room apartments, 11 three-room apartments, a 1,200 m² banquet hall, a 12,000 m² underground parking area, and supporting facilities, which, together with the 373 rooms delivered in Phase I on January 1, 2019, makes Ethiopian Skylight Hotel the largest five-star hotel complex in Africa.

The expansion and upgraded service facilities of the hotel would further uplift Ethiopia's service level, create more local jobs, and attract more international tourists to boom local tourism.



▲ Ethiopian Skylight Hotel Phase II

Zimbabwe | Urban Grid Phase II

Case

In 2022, AVIC INTL delivered to Zimbabwe Electricity Authority 1,560 transformers at one time. This largest transformer order of Zimbabwe was seller-financed, which helped relieve the buyer's financial burden, supported the country's electricity networking in rural areas, and significantly improved the living conditions in rural Zimbabwe.



▲ Urban Grid Phase II

Uganda | Technical training and engineering machinery project

案例

This project, financed by the Export-Import Bank of China and undertaken by AVIC-INTL Project Engineering Company, involves the design, construction, and equipment (including engineering machinery and other machinery equipment) of a technical incubation center and design, construction, equipment, faculty training, and after-sale maintenance (covering seven disciplines, including machining, electrical and electronic engineering) of a skill development center. After its completion, the project will remarkably facilitate technical training in Uganda's capital and western region and foster up to 1,500 skilled talents per year, to relieve local employment pressure and provide great support for local talent training and technical development.



▲ The incubation center

Laos | Modern agricultural park project

Case

The project, co-developed by AVIC INTL Beijing and partners together with the Ministry of Agriculture and Forestry of Laos, serves as a comprehensive state-level modern agricultural park carrying such functions as a national grain reserve, national agricultural product distribution center, agricultural research and training, agricultural processing and storage, logistics and transportation, and agricultural product and machinery display and trade.

The agricultural part will be connected with the China-Laos Railway via a dedicated railway for direct cargo transport. As the China-Laos Railway has been put into operation, the park will stand as one of the first key demonstrative parks of China-Laos modern agricultural cooperation, as well as Laos' agricultural product export base and an inland port of the Southeast Asian agricultural product logistic hub, bearing vital significance to Laos' agricultural modernization in the future.



▲ An aerial view of the agricultural park

Kenya | The National Youth Service Phase II

Case

Funded by concessional loans from the Chinese government, the project provided the National Youth Service with 289 sets of 33 types of large-scale Chinese engineering equipment and vehicles, as well as specialized technical services, skills training, operational support and other professional assistance, with a focus on further elevating skills training for Kenya's younger generation. Through the project, the National Youth Service undertook construction of multiple roads, housing, dams and border facilities across Kenya, assisting the Kenyan government in carrying out diverse infrastructure projects throughout the country. This helped reinforce Kenya's "hematopoietic capacity" and elevated the country's level of skilled talents.



▲ Large-scale engineering equipment and vehicles

Tanzania | Dodoma transport infrastructure

Case

The project is co-financed by the African Development Bank and the government of Tanzania, and AVIC-INTL Project Engineering Company undertakes 60 km section out of the total 112 km road. As one of the largest highway projects in Central and East Africa, the project is expected to remarkably facilitate regional transportation, boost trading and production of agricultural and industrial products, and improve local living standards.

During his visit to the project, Godfrey M Kasekenya, Deputy Minister for Works and Transport of Tanzania, praised the project team for the high-quality mobilization of staff, equipment, and materials, and extended appreciation to AVIC INTL for employing and training local residents and helping fix roads for local villagers.



Deputy Minister for Works and Transport of Tanzania visited the project ▶

Zambia | Ndola International Airport project

Case

This stands as an instrumental cooperation project between the Zambian and Chinese governments under the BRI framework. AVIC-INTL Project Engineering Company serves as the general contractor of design and construction. The construction includes a 3,500-meter code E runway, a 12,000-square-meter modern terminal, and supporting facilities. After its completion, the airport will be able to receive large passenger aircraft, such as Boeing 777, and launch flights to large hub airports in Dubai and Istanbul.

Execution of the airport project will greatly improve Zambia's air transport capacity, boost its economy, and accelerate its industrialization and modernization. In addition, the delivery of the project uplifts Zambia to a higher position in the international aviation sector and releases far-reaching impetus on the bilateral relations between China and Zambia as well as the all-round cooperation between China and African countries.



Ndola International Airport ▶

CSR Report

10th Anniversary of BRI: A Decade Journey

We've concluded a decade journey since the BRI was proposed. In active response to the initiative, AVIC INTL carried out cooperation programs in fields such as technical innovation, economic development, public wellbeing, talent training and environmental protection to power up local countries' sustainable development.

BRI Milestones by country





We are convinced that Chinese standards, Chinese wisdom and Chinese solutions will continue to benefit the world with more development opportunities and common prosperity. In response to the 10th anniversary of the BRI, AVIC INTL will start a new journey and make more contributions to the success of the great initiative.



CSR Report

ATC: Lighting up Young Africans' Dreams

"I want to influence young women in Kenya through my hard work, improve the social self-confidence of women, and give full play to their social value."

"ATC is the closest place to my dream. I want to be an excellent teacher, teaching more young people advanced machining technology and facilitating the sustainable development of the country's industry."

Grace from the Kenya Polytechnic University and Teddy from Uganda are talking about their dreams at Africa Tech Challenge (ATC).



▲ Grace discusses technical solutions with team members.



▲ Teddy shows his ATC souvenir bracelet.

On the African continent, a special and warmhearted contest, Africa Tech Challenge, or ATC in short, is lighting up countless young dreams. In May 2014, Premier Li Keqiang inscribed "The hope of a country relies on the employment of its youth." ATC is an active response to and implementation of the appeal.

Skill trainings light up young African dreams

ATC is one of the series of activities themed “Love Kenya” supported by the Embassy of the People’s Republic of China in the Republic of Kenya and Economic and Commercial Office. It is an overseas CSR activity initiated and fully funded by AVIC INTL, and jointly hosted with the Ministry of Education of Kenya. The annual event has been held eight times successfully since 2014. It covers vocational skills in several professional fields. Excellent students with prominent performances in the contests are rewarded with chances to study in China. Winning institutions are awarded with “orders from China” to upgrade the integration of teaching and industrial chains and realize the vision of “Made in Africa” .



▲ Orders from China are signed.

Aiming to skill training, ATC targets the problems that African governments concerned about such as the lack of vocational skills and high unemployment rate of the youth. By means of hosting vocational skill training and competition, ATC aims to improve the skills of local young people and promote the integration of teaching and industrial chains. This could help alleviate unemployment-driven poverty and other social problems, and help African countries improve living standards in a long run. In addition, ATC creates a new model for Chinese enterprises to perform corporate social responsibilities in foreign countries.

▼ An ATC training course



With its expanding influence in African countries, ATC is seeking self innovation. The focus of ATC transitioned from traditional machinery (session 1) to IT (session 2) and internationalization (session 3)... Every ATC event has distinctive highlights and features. ATC keeps expanding the scope of competition and breaks language obstacles, extending its influence all the way to French-speaking countries in West Africa. All these well explain the principle of ATC, i.e. To light up young Africans' dreams and promote vocational education.



▲ A group photo of participants to ATC session 1



▲ A group photo of participants to ATC session 2



▲ A group photo of participants to ATC session 3



▲ A group photo of participants to ATC session 4



▲ A group photo of participants to ATC session 5



▲ A group photo of participants to ATC session 6



▲ A group photo of participants of ATC session 7

Paul was a technical worker on a tea farm before joining the first ATC in 2014. Participating in ATC training and competitions after quitting his job changed the course of his career. ATC awarded him an opportunity to study in Beihang University in China, where he received a master's degree. "Studying in China has broadened my horizons and brought me closer to global trends," said Paul, "It gave me confidence that I could easily adapt to working anywhere in the world by experiencing different cultures."

Kingsley from Ghana was the youngest challenger at ATC session 7 in 2022. Kingsley wasn't feeling well after a 18-hour trip to Kenya. However, he insisted on attending the first training day after the staff confirmed with him for several times. At break times, young Kingsley always went to discussion with the team leader on the lectures. His face showed desire for knowledge.



▲ Kingsley from Ghana

Innovation supports cultural and educational exchanges between China and Africa

ATC provides young Africans with a stage to join the world, and lays a solid foundation for China-Africa cultural and educational exchanges.

The 8th ATC focused on the field of mechanical engineering and showcased many highlights. Compared with previous competitions, the 8th ATC had both online and offline competitions running in parallel. The CNC machining training and competition were held offline at the Technical University of Kenya, while the mechanical drafting and CAD application design training and competition were held online through the AVIC INTL Vocational Training Online Platform. This online platform enabled functions such as remote live training, recorded training, assignments, exams, and competitions, allowing students from different countries and cities to participate in the training simultaneously, enabling more students to benefit.

As of the 8th competition, 1,292 teachers and students from 10 countries - Kenya, Cote d'Ivoire, Egypt, Ethiopia, Tanzania, Uganda, Gabon, Ghana, Zambia and Zimbabwe - have participated in ATC's skills training and competitions. ATC provides opportunities for students to receive scholarships to study in China. So far, 24 students have received this honor.

In addition to trainings and competition, the ATC organized several activities to promote China-Africa cultural exchange. Moreover, two ATC talks were held during ATC session 7. A GTC tour in Kenya and interviews and exchanges with local architects were arranged to help the trainees better understand the applications of the skills they had learned and broaden their views. To promote China-Africa cultural exchange, the ATC, in cooperation with the Confucius Institute at the University of Nairobi, organized events on Chinese culture, where students experienced Chinese tea culture, Chinese Zither (musical instrument), facial makeup in operas, calligraphy, letter press and xylograph.

ATC not only echoes the appeal "The hope of a country relies on the employment of its youth", but also demonstrates Chinese enterprises' responsibility "go beyond commerce for a better world". Remaining true to its founding aspiration and the expectations upon it, AVIC INTL will continue its efforts to explore new ways of overseas CSR fulfillment, provide young Africans with opportunities to learn occupational skills, platforms to open their views and ways to apply the skills they had learned, so as to foster new technical talents for the vast Africa continent in a new era. AVIC INTL's efforts on ATC will bring long benefits. The program will continue to light up young Africans' dreams and showcase AVIC INTL's outstanding contribution in terms of overseas social responsibility.



▲ Online opening of ATC session 8



▲ Officials give speeches virtually at the opening of ATC session 8

Both China and Africa recognize AVIC INTL's contribution to African young people, African economic growth and China-Africa cooperation, and expect more benefits from this program.

"Remaining committed to the cooperation principle of goodwill and good faith, the Export-Import Bank of China will support series of projects in fields of education equipment, teaching equipment, faculty training and technical cooperation to deepen the pragmatic cooperation in vocational education sector, facilitate the implementation of the "capacity building project" of the "nine projects", promote China-Kenya economic and trade cooperation, and play its part in building the China-Africa community with shared interests and a shared future."

——Wu Qijin, Chief Representative for Southern and Eastern Africa, Export-Import Bank of China

"Young people are the foundation for a strong country. ATC, based on skill training, aims to improve young people's occupational skills through training and competition, so as to improve the employment rate of young Africans. It is a good example for Chinese enterprises to fulfill their corporate social responsibility overseas. The embassy will give continuous supports to improve the level of occupational skill in Africa and promote China-Africa cooperation."

——Zhou Meifen, counselor at the Chinese Embassy in Kenya

"One condition of the vocational education system is meeting the occupational standards required by enterprises. I'm pleased to tell you that ATC uses the competency model as a blueprint, requiring competitors to use machinery and hand tools to develop products."

——Dr. Margaret Mwakima, Principal Secretary of the Ministry of Education, Kenya

"I hope ATC continue and include more professions and benefit more countries. The Ministry of Education of Kenya will continue its efforts to improve local young people's occupational skills, create jobs, and make contributions in all aspects of national economic development."

——Ezekiel Machogu, Minister of Education of Kenya



Compliance Strategies in Support of Effective Governance

Lead

During our overseas development, we have established a rigid CSR management system. The system involves our internal organizational structure, division of responsibilities, management policies and office procedures to ensure each business process are in line with the sustainable development principle. Through overall risk evaluation, monitoring and feedback mechanism, we keep elevating our CSR management level and actively seek engagement with stakeholders.

SDGs concerned in this chapter



Build systems to open a new chapter of management

Over the decade, AVIC INTL stuck to the sustainable development concept, actively performed its CSR, and got along well with local people. It keeps perfecting its CSR management system and business operation modes to add fuel to the common development of BRI countries.

CSR Concept

In an effort to achieve corporate development, we also actively serve and repay communities, create shared values for all parties, and eventually realize harmonious development between enterprise and its employees and between enterprise and communities.



CSR management system

Department	Duty
Administration Div.	Office support, administration, safe production, security & emergency response
Strategic Planning & Development Div.	Planning management, investment management
Human Resources Div.	HR planning & management, organizational perfection, team building, talent development & management
Financial Management Div.	Financial planning & overall budget management, financing & resource allocation
Business Management Div.	Operation process management, digitalization, technological management and innovation, qualification, energy efficiency & environmental protection
International Business Development & Management Div.	Promoting international business development, overseas organization management, international brand building
Audit & Legal Affairs Div.	Internal audit & management, compliance management, legal risk prevention
Corporate Culture & Publicity Div.	Corporate culture, publicity, mass solidarity, brand management, CSR
Capital Operation Div.	Listed company compliance, information disclosure & shareholders affairs, comprehensive reform

Identify topics to outline responsibilities

Active interaction and effective cooperation with stakeholders are vital to sustainable development. We are committed to shaping transparent, fair and equal partnerships, listening and responding to stakeholders' concerns and expectations, and actively identifying sustainability topics for the purpose of common development.

Communications with Stakeholders

During our overseas development, we are keen to local stakeholders' expectations and demands on our CSR fulfillment, and strive to effectively respond to and satisfy stakeholders while improving our sustainability management.

Type of Stakeholder	Appeals & Expectations	Mode of Communications
Foreign government organs	<ul style="list-style-type: none"> • Implement local macro policies • Promote local employment • Good faith and compliance in operation • Drive local economic development • Pay taxes according to law 	<ul style="list-style-type: none"> • Work report • Supervision and inspection • Attend meetings • Information provision
Shareholders & investors	<ul style="list-style-type: none"> • Good operating results • Lower operating risk • Asset value preservation and appreciation • Protection of shareholders' rights and interests • Information disclosure in compliance with laws 	<ul style="list-style-type: none"> • Periodical reports and announcements • Meetings with investors • Results releases • Communication and report • Shareholders' Meeting
Customers	<ul style="list-style-type: none"> • Perform agreements • Provision of high-quality services • Product quality and safety • Protect customers' privacy 	<ul style="list-style-type: none"> • Visit customers • Telephone, email, letter and online feedback • Survey of customer satisfaction
Employees	<ul style="list-style-type: none"> • Protect the rights & interests of employees • Assurance for salary and benefits • Assurance for career development • Enhance management of overseas employees • Care for the life of employees 	<ul style="list-style-type: none"> • Workers and employees' congress • Training and education of employees • Daily communication • Symposiums
Suppliers	<ul style="list-style-type: none"> • Good faith and compliance • Support supplier development • Transparent procurement • Information confidentiality 	<ul style="list-style-type: none"> • Open bidding • Cooperation • Industrial exchanges and communication
Partners	<ul style="list-style-type: none"> • Good faith and compliance • Compliance with commercial ethics • Win-win Cooperation 	<ul style="list-style-type: none"> • High-level exchange visits • Regular exchanges and communication • Perform contracts and agreements
Industry	<ul style="list-style-type: none"> • Fair competition • Technical innovation and R&D • Promote industrial progress 	<ul style="list-style-type: none"> • Intensify exchanges with peers • Attend industrial forums • Survey and exchange visit

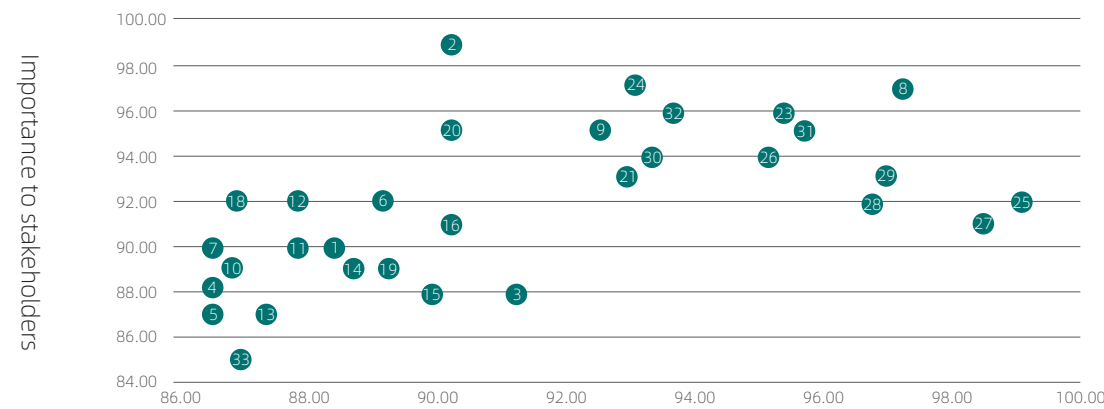
Continuation table

Type of Stakeholder	Appeals & Expectations	Mode of Communications
 Environment	<ul style="list-style-type: none"> Observe laws and regulations Save resources Practice energy conservation and emission reduction Raise environmental awareness 	<ul style="list-style-type: none"> Apply environment-friendly technology Publicize environmental protection Disclose environment-related information
 Community & Public	<ul style="list-style-type: none"> Participate in local community building Philanthropic services for local communities 	<ul style="list-style-type: none"> Communication and publicity in local communities Carry out charitable activities overseas

Identification of Substantive Topics

We analyzed substantive topics in the light of the Company's development strategy and stakeholders' concerns. We assessed and made comparative analysis on the 33 substantive sustainable development topics to tell their respective impacts on stakeholders and significance to the Company's development, based on which a two-dimension matrix was established to identify the substantive topics for specific information disclosure.

Analysis of Substantive Topics from AVIC INTL ESG Report 2022



Importance to AVIC INTL

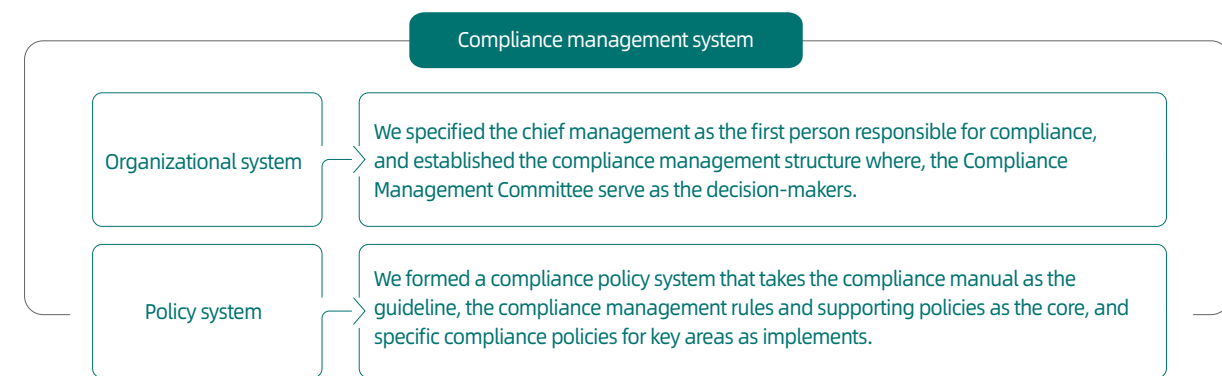
1. Optimizing governance mechanism	2. Protecting shareholders' rights and interests	3. Information disclosure	4. Compliance management
5. Risk management	6. Business ethics	7. Anti-corruption	8. Employee turnover
9. Democratic staff management	10. Remuneration and benefits	11. Occupational health and safety	12. Employee training and development
13. Product quality and safety	14. Information safety and privacy	15. Quality service and complain settlement	16. Compliance publicity
17. Intellectual property right (IPR) management	18. Innovation and development	19. Supply chain responsibility	20. Assisting industrial development
21. Anti-monopoly and fair competition	22. Community engagement and development	23. Public welfare	24. Handling public crisis
25. Use of resources	26. Use of energy	27. Waste water management	28. Waste gas management
29. Waste management	30. Energy-saving & environment-friendly product R&D	31. Greenhouse gas emission	32. Emission reduction
33. ESG management			

Compliant operation features accountability

Compliance operation is the cornerstone for a successful enterprise, while good faith is our core value that helps us win global faith and reputation. Upholding and practicing the good faith principle, we therefore reinforced internal compliance awareness, established and refined internal management mechanisms, and secured close cooperation with stakeholders to jointly create a business climate that values compliance and good faith.

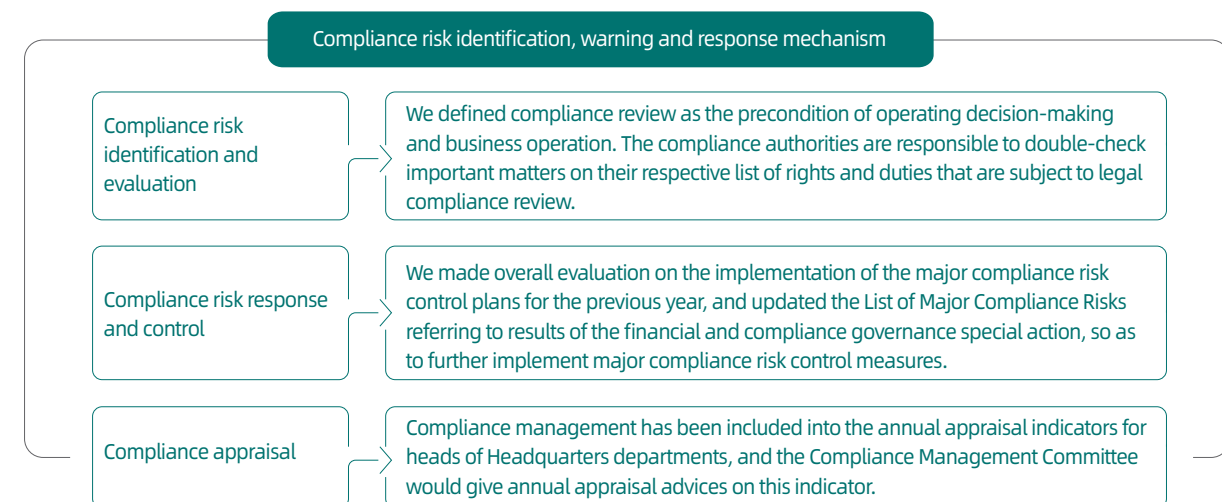
Establish compliance management system

To fulfill its overseas social responsibilities, AVIC INTL kept perfecting its compliance management structure to consolidate the basis of compliance policies and improve the compliance management system.



Optimize risk warning mechanism

To timely discover and handle potential compliance risks, AVIC INTL established and optimized the compliance risk identification, warning and response mechanism to ensure stable business operation within the compliance framework. To enhance employees' compliance awareness, we had all employees signed the Letter of Compliance Commitment, and carried out both online and off-line trainings to define individual responsibilities and obligations to this regard.



Integration & Growth Drive Excellent Operation

Lead

The 10th anniversary of the BRI is a milestone of the global partnership between China and BRI countries. Over the decade, AVIC INTL always adhered to the principle of extensive consultation, joint contribution and shared benefits. While doing business overseas, it stayed committed to promoting economic development, create jobs for local communities, and implemented series of projects benefiting local communities and local people, so as to boost local economic development and people's livelihood.

SDGs concerned in this chapter

8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	17 PARTNERSHIPS FOR THE GOALS 
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Quality first, highly effective management

The BRI decade has seen AVIC INTL's quality-driven development and innovation-backed achievements. In the decade, the Company kept reinforcing its product quality management and brand building for high-quality development of core businesses. Centering on customers, while strengthening protection of customers' rights and interests, it kept improving services, products and processes to not only meet customers' demands but also offer more than they expected.

Improve management system to consolidate quality standards

Over the decade, AVIC INTL gave high priority to its quality management system building. It made overall evaluation on the management system's suitability, adequacy and effectiveness to discover weaknesses, identify causes and make improvements, so as to ensure the effective operation and continuous improvement of the quality system. Over the decade, we strictly abode by local product quality management laws and regulations and the QEHS Management Manual, and rigidly standardized and refined product, service and customer management systems. We perfected internal and external communication mechanisms to timely report QEHS indicator performances. We formulated the Rectification Measures Control Procedures for sound prevention and rectification of quality problems. We also continuously improved product quality through technical innovations to provide customers with better products.

Uzbekistan | 7500TPD clinker cement production line EPC project

The contract on 7500TPD clinker cement production line EPC project was signed in March 2022 with a contract value of USD 250 million. The project reflected the vigorous development of China-Uzbekistan pragmatic cooperation and inaugurated overseas cooperation between AVIC INTL Beijing and Chinese large cement groups. The project was widely reported by Uzbekistan national TV's 24 Hour program and Samarkand state TV, praised as a great contribution to the friendship between the two countries as well as local economic development, people's livelihood and employment.



▲ The commissioning of 7500TPD clinker cement production line

Egypt | 10th of Ramadan City railway project

On July 3, 2022, the 10th of Ramadan City railway, jointly undertaken by AVIC INTL and China Railway Group Limited, was commissioned. Egyptian president Abdel Fattah al-Sisi, prime minister Mostafa Madbouli and Chinese ambassador to Egypt Liao Liqiang attended the ceremony. The landmark BRI project runs about 70km through 12 stations to serve about 5 million people in the old town of Cairo and the new capital with convenient commute transport.



▲ The opening of the 10th of Ramadan City railway

Sri Lanka | South Sri Lanka expressway extension Lot I

Undertaken by China National Aero-Technology International Engineering Corporation, the South Sri Lanka expressway extension Lot I is a key project of China-Sri Lanka pragmatic cooperation and the BRI development, and interprets Chinese quality and Chinese speed.

Having successfully operated, the expressway remarkably shortens the journey from Colombo to Hambantota in the south, facilitates business flow and logistics between the ports and the trade zone to boost the country's economic growth.



▲ South Sri Lanka expressway extension Lot I

Kenya | Consolidate local automobile assembly and manufacturing capacity Case



AVIC INTL Beijing (E.A.) Co., Ltd. is committed to bringing Chinese quality engineering machinery and vehicles to Kenyan market. Its core businesses in Kenya include duty-free import and bonded warehousing, assembly of CKD parts, vehicle modifications and bodywork manufacturing, marketing network operations, and brand integration. It has fostered more than 500 local vehicle assembly, machining, sales and after-sale service professionals in total, in an effort to constantly consolidate and improve local automobile assembly and manufacturing capacity, and product quality.

▲ Consolidate local automobile assembly and manufacturing capacity

Kenya | Nairobi Jomo Kenyatta International Airport (JKIA) Case

The Jomo Kenyatta International Airport (JKIA) Phases II and III reconstruction and expansion projects in Nairobi, undertaken by China National Aero-Technology International Engineering Corporation (KENYA), have increased the annual passenger throughput of the airport from 2.5 million to 9.3 million and the number of aircraft parking spaces from 26 to 45, making it the most important aviation hub of Kenya and the busiest airport in East Africa.



Nairobi Jomo Kenyatta International Airport (JKIA)

Introduce Chinese standard, share the BRI benefits

Over the decade, AVIC INTL was involved in the "six corridors, six types of routes, multiple countries, and multiple ports" programs defined in the BRI by undertaking infrastructure and talent training programs in several countries to foster local technicians and create jobs, help improve living conditions, add new momentums to local economic development, and build up the trustworthy, lovable and respectable image of China.

Djibouti | Comprehensive hospital project Case

The comprehensive hospital project undertaken by AVIC INTL Beijing was located in Djibouti, the logistic center in the Horn of Africa and a portal of the 21st Century Maritime Silk Road. The hospital covers an area of 30,000 square meters and a floor space of 23,000 square meters, and has 151 beds. It is a comprehensive hospital capable of internal medicine, surgery, ophthalmology, otolaryngology, pediatrics, gynecology and obstetrics, neurology and laboratory. After completion, it will be the largest hospital in Djibouti with the highest level of medical service and most complete high-end medical equipment, and will sharply improve the medical service level in the country. Capable to receive 200,000 patients a year, the hospital will remarkably mitigate Djibouti's shortage of medical resources, and local residents won't have to seek medical treatment in other countries. The hospital will significantly improve local living conditions. This project of Djibouti's national health care strategy included in its 2035 Vision is commended the "crown" of the public health system by president Ismail Omar Guelleh.



▲ The comprehensive hospital

Turkey | Hunutlu 2*660 MW coal-fired power plant project

Case

The Hunutlu coal-fired power plant project, jointly invested and built by AVIC INTL Project Engineering Company and SPIC Shanghai Electric Power Co., Ltd., boasts the largest installed capacity, the most advanced technology and good operation so far in Turkey. The plant well demonstrates Chinese enterprises' expertise and professional abilities in the power sector and their experiences and advantages regarding full lifespan management of power plant construction and international engineering management. Though having been hit by two severe earthquakes in February 2023, the plant stands firm and operates stably to voice the Chinese quality.



▲ The aerial view of the Hunutlu coal-fired power plant

Kenya | AVIC INTL Global Trade Center (GTC)

Case

The project is located in Westlands, a core business district in Nairobi. It occupies an area of 30,000 square meters and the construction area reaches 300,000 square meters. GTC is an urban complex comprising a luxurious five-star international hotel, an AAA-level super high-rise office tower, executive apartments, and a boutique mall.

The office building, which is 184 meters high and has 42 floors, is expected to be an office cluster of Fortune Global 500 companies in Kenya, develop into Nairobi's new hub of finance, information and talent, and inject fresh vitality into the economic growth of the country. The JW Marriott Hotel tower, which is 145 meters high and has 35 floors with 317 guest rooms and 51 apartments featuring luxury service, will be the most luxurious hotel in Kenya and elevate the country's tourism infrastructure. The four high-end executive apartment buildings, each with 28 to 32 floors, include four commercial floors as an integral commercial facility of the complex. As a high-end investment project of AVIC INTL in East Africa, GTC also represents the business model combining investment with operation initiated by a Chinese company in East Africa. Its development and operation have created more than 4,000 jobs for Kenyan people, attracted foreign capital, created business opportunities, and improved the business landscape and economic development in the country.



▲ AVIC INTL Global Trade Center (GTC)

Create values, shape industrial modes

Over the decade, we were committed to creating shared values, imposing favorable impacts on each part of supply chain and value chain, building sustainable supply chain system, and working with all stakeholders to shape sustainable industrial modes.

Achieve coordinative development, build responsible supply chain

AVIC INTL actively builds responsible supply chain, perfects relevant policies and appraisal mechanisms to ensure the supply chain management system is adaptive and forward-looking, and specifies the development direction of modern supply chain management and services to give shape to a safe, independent and controllable supply chain system. We standardized procurement management and rigidly enforced supplier access and appraisal to help them grow. We rigorously implemented green procurement to disseminate the values of environmental protection and sustainable development, and practically engaged in the Green Silk Road program and reported excellent results.

Perfect supply chain management system

- Improve and revise relevant management policies
- Improve supplier appraisal mechanism
- Expert teams as think tank

Secure supply chain safety and stability

- Stick to major responsibilities and businesses, reinforce supply capacity
- Online-offline integrated business development mode
- Prevent/mitigate risks, enhance resilience and competitiveness

Drive coordinated development of supply chains

- Formulate negative lists & organize communication meetings
- Formulate plans to improve core suppliers' performance
- Adaptive readjustment of service contents

Promote green development of supply chains

- Rigidly control to ensure purchased materials are environment-friendly and compliant
- Supplier green certification, performance management and targeted assistance



▲ 10th of Ramadan City railway project

Kenya | Joint investment and development of flagship project

Case

China National Aero-Technology International Engineering Corporation (KENYA) has proactively explored new business arenas and industrial ecosystems, and explored an investment-construction-operation business model through cooperation with other Chinese enterprises. It has established investment joint venture with leading Kenyan enterprise and conducted close collaboration with South African capital to produce more economic benefits for Chinese enterprises' outbound direct investment projects, and deepen their localized operation and influence.

Since 2013, the Company has worked with Kenya's largest listed company Centum and Chinese company Jiangxi Water & Hydropower Construction Group Co., Ltd. to jointly invest in, construct and operate the Two Rivers urban complex. Covering 102 acres in the core diplomatic area of Nairobi, the Two Rivers urban complex project is just 5 kilometers from the United Nations Office and many embassies, and 30-minute drive from downtown Nairobi. The project, the largest urban complex in East Africa, integrates theme parks, shopping plazas, cinemas, hotels, banks, apartments and office buildings. The shopping mall covers an area of about 60,000 square meters, and a large number of local and international brands, such as Carrefour, Burger King, and LC WAIKIKI, have settled in. The commercial office building, with an area of about 20,000 square meters, is home to a number of foreign embassies and consulates and well-known investment companies.



▲ Shopping mall



▲ Theme park

Timely respond appeals, secure customers' rights and interests

During its overseas development, AVIC INTL strictly abides by local laws and regulations, carefully secures customers' general rights and interests, honestly discloses necessary product information, and stays away from fraudulent marketing. In an era of digital transformation, the Company stands against privacy risks and challenges. It reinforced customers' information security to give them better sense of safety, constantly improved customer service mechanism by establishing complain response mechanism, and swiftly responded to customer appeals to improve customer satisfaction. In recent years, many investment companies of AVIC INTL reported their customer satisfaction kept improving to over 90%.

Practice innovation, share opportunities in the era

AVIC INTL believes innovation is the driver for development. Seizing the important development opportunities in a digital era, it constantly improved its technical innovation management mechanism to generate innovation capability adaptive to the market and technological development, in order to power up its growth.

Innovation-oriented, consolidate research foundations

Innovation is an important driver for development, and technical innovation and cooperation are the essence and important engine for the innovative development of the BRI. Over the decade, AVIC INTL always gave high priority to technological research and kept improving its technical innovation management system and mechanism as strong institutional and procedural support for technical innovation. In the decade, it continuously increased R&D input to support technical innovation with adequate funds, talents and platforms.

Coordinated innovation promotes result application

AVIC INTL actively studies policies and dynamics concerning technical innovation throughout the world and conducts exchanges with enterprises, colleges, research institutions and external model enterprises, in order to boost effective application of research results through profound industry-college-research integration and achieve new improvements of product and service quality. Through persistent study and technical research, its technicians have broken through many technical bottlenecks and reported splendid hi-tech achievements in many fields.



▲ Students of the 6th ATC listened attentively to the lecture

Kenya | Karimenu water supply project

Case

The Karimenu II dam water supply project is a flagship project of Kenya Vision 2030, including a 59-meter-high clay core rockfill dam, a 70,000 m3 water treatment plant, and the design, procurement, and construction of the water pipes from the plant to Nairobi and surrounding cities.



▲ A panorama view of the dam project

▲ Reservoir area of the dam

The project marks the implementation of China's BRI strategy in Kenya and serves as a driver for the export of Chinese equipment and technology. By hiring local employees and procuring local materials, the project creates many jobs for local residents while stimulating the economic growth of neighboring counties. Furthermore, it lays the foundations for Kenya's "four major programs," namely the development of its manufacturing industry, health care, food safety, and housing.

The project has entered the conclusion stage and begun to supply water. It significantly improves the water supply for Nairobi, the capital city, and its surrounding cities, benefiting more than a million residents. Widely covered by various media, the dam project reported the best progress of the Kenyan Ministry of Water, Sanitation, and Irrigation, receiving a high degree of good attention and commendation from the top level of the Kenyan government.



A panorama view of the water plant project ▶

Egypt | Digital technology builds a paragon of the railway project

Case

The 10th of Ramadan City railway project was constructed in strict compliance with European and other international standards. Besides, it was an important step towards applying Chinese design, Chinese plan, Chinese equipment and Chinese technology to international standards and international project management procedures. Based on several CFD argumentation and simulation, our technicians built a set of ventilation system for public areas in railway stations, which is energy-saving, highly efficient and adaptive to local features and practices. The project for the first time adopted centralized mechanical and electrical control, which applies internationally advanced face recognition and smart test functions to the video surveillance system and was recognized by Egyptian safety authorities. It was also the first application of European standard for dual UPS, dual busbar centralized weak current power supply system in a BRI transportation project.



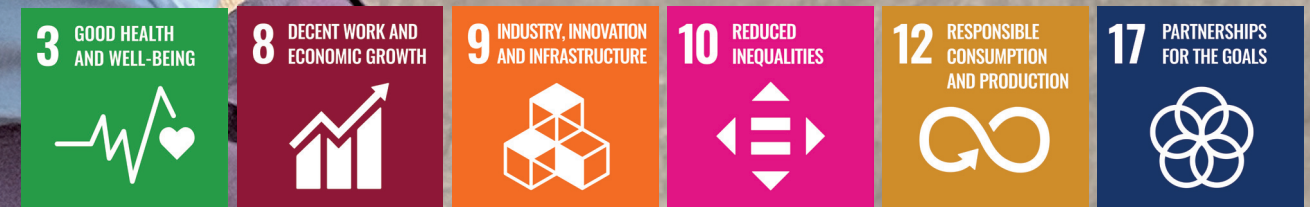
▲ Digital technology builds a paragon of the railway project

Philanthropy and Social Responsibilities Performance

Lead

Over the BRI decade, AVIC INTL upheld the win-win concept that the BRI is from China while bringing opportunities and benefits to the entire world. It shared Chinese benevolence with more people on this globe and exhibited Chinese enterprises' humanity and sense of responsibility. Adhering to the value "go beyond commerce for a better world", the Company has been providing its employees with broad arena for long-term career development and achieving self-values. Stressing the security and reliability of industrial chains and supply chains, it prioritized employees' safety and work safety during production. It employed local people to create jobs and actively engaged in public welfare programs to demonstrate AVIC INTL's power of love, care about communities and help improve living conditions.

SDGs concerned in this chapter



Put people at the first place

During its overseas development, AVIC INTL always put people at the first place. It made efforts to safeguard employees' lawful rights and interests, create good working climate, promote mutual understanding and respect between different ethnic groups, religions, languages and traditions, and advocate blending of diverse cultures.

Care about employees and help them grow

Over the BRI decade, to perfect its strategic talent training, AVIC INTL launched a number of programs to foster talents in various fields. It developed the talent backup system centering on two core talent teams, i.e. comprehensive leaders and professional leaders. It showed respect to individual development and spared no efforts to provide all employees with equal and friendly working conditions and development opportunities. In cooperation projects, AVIC INTL heightened the working mechanism of Chinese management and technical staff, such as project managers, technicians and sections chiefs, in teaching, assisting and apprenticing local employees. It expanded career development paths through internal training and the promotion mechanism. Many basic-level employees have been promoted to mid-level management staff through trainings and appraisals, and local employees got more job opportunities and upgraded their professional levels.

Kenya | Stories of local employees

Case

Ingrid Moraa joined AVIC INTL four years ago. As an administrative worker, she has been highly motivated by the active and enterprising spirit within the company and fully adapt to the close and trustful collaboration between Kenyan and Chinese employees. She has written articles on her work experiences, which won the "Best Personal Story Award" in a composition competition held by the Kenya-China Economic and Trade Association.

Harrison Maina Wambui has worked for AVIC INTL in several different positions, including administration, human resources and legal counseling, for over a decade. He has received all-round training in human resources, administrative management, external liaison and legal consulting services, and become a experienced consultant in legal compliance and human resources.



▲ Ingrid Moraa won the "Best Personal Story Award" in a composition competition held by the Kenya-China Economic and Trade Association

Fair employment to protect the rights & interests of employees

Over the decade, AVIC INTL constantly optimized its talent induction and management standards. It also strengthened remuneration management and highlighted market orientation to reflect post values. The Company strictly abode by local laws and regulations and firmly eliminated implicit discriminative rules and policies. Employees of different countries, ethnic groups, genders, ages and religious and cultural backgrounds were treated fairly. In 2022, AVIC INTL's overseas employees totaled about 5,500. Woman employees accounted for about 50%, indicating the "she" potentials and values were adequately respected.

Promote cultural blending

The BRI is an important bond between civilizations and outlines a splendid picture of cultural diversity and innovation. Over the decade in the continuous process of international operation, we gave full respect to local social customs and cultural traditions, and actively bridged cross-culture exchanges to facilitate cultural blending.



▲ The athletics competition of the China-Sri Lanka Friendship Sports Meeting

Kenya | The Mid-Autumn Festival

Case

On September 11, 2022, AVIC INTL held a moon cake making and tasting activity in Nairobi, and invited Kenyan employees and partners to celebrate the traditional Chinese Mid-Autumn Festival. At the event, Chinese chefs taught local employees how to make moon cakes, and group competitions were held to encourage DIY. The moment highlighted not only Chinese traditional festive atmosphere but also implications of moon cakes -- solidarity and love from Chinese friends.



African friends are learning how to make moon cakes ▶



▲ Group competitions of making moon cakes

Mutually beneficial cooperation in safe production

We always give top priority to safety production in overseas projects. We took multiple measures, including formulating safe operation specifications, enhancing safety training, regular equipment checking and maintenance, and implementing risk control, to establish and enforce rational safety management system and safeguard life and health of employees and stakeholders.

Perfect normalized emergency response mechanism for safe production

Over the decade, AVIC INTL constantly reinforced emergency management in production safety, and continued to perfect safety management system to elevate safe production management level. It formulated and improved the Risk Appraisal and Control Procedures for Hazard Identification and the Safe Production Control Procedures to help in risk screening and safe production control. It also developed the Emergency Preparedness and Response Procedures to stay prepared for unexpected events and disasters and minimize possible casualty and property loss.



▲ Site of Bandaranaike Airport runway project, Sri Lanka

Put people first, raise employees' safe production awareness

For a decade, AVIC INTL has been committed to the value "People-oriented, Responsibility, Partnership, Innovation, The unity of knowing and doing". It put employees' health and safety at the first place to build a "Happiness Station" for them.

In terms of safe production training, AVIC INTL overseas subsidiaries introduced an all-round occupational training program to project development processes. In addition to regular technical trainings and one-on-one assistance, they also organized lectures and trainings on safe production, occupational health and management ability. During the construction of the RWC264 Road project, a comprehensive vocational skill training plan was introduced, which has fostered a group of engineering technicians of international level. Highlighting occupational safety and health awareness, the company has effectively prevented safety accidents and casualties, and safeguarded the safety and health of local employees.



▲ Safe production training

Public welfare programs benefit local communities

Over the decade, AVIC INTL actively engaged in local communities. Making full use of local resources, it was committed to localized employment to upgrade local residents' employability and offer them competitive and sustainable jobs. The Company actively involved in overseas public welfare programs and focused on local community development and people's wellbeing, making great contributions to the sustainable development under BRI framework.

Promote vocational education to make dreams come true

Carrying the Chinese wisdom "teaching people how to fish rather than giving them fish", AVIC INTL built up the brand of ATC to help long-term comprehensive development of local talents, giving hope to local youth that "skill changes fate" and bringing every capable talent opportunities and possibilities. Vocational education programs kept expanding. More than 180 vocational schools have been built or renovated to foster 20,000 teachers and students. The employment rate of graduates of high-level trainings reached over 80%.

Cote d'Ivoire | Seven vocational training schools

Case

The Cote d'Ivoire vocational training school project was designed, constructed and equipped by AVIC-INTL Project Engineering Company, who also assisted in school operation. Under the project, seven vocational training schools have been built in seven major cities to offer courses of 14 categories, including machining, electronics and electrotechnics, and automobile repair. The schools are capable to train about 6,000 students a year, which would help improve the country's vocational education in a long run, and provides a talent reserve for the country's economic development.



▲ Berrybon Campus

Gabon | "The vocational training center is an icon"

Case

Starting in 2011, AVIC INTL, backed by the massive quality vocational education resources in China, worked with the Ministry of Employment, Public Service, Labor, and Vocational Training of Gabon to design and implement a vocational training project adapted to local features, covering 12 disciplines, i.e., machining, electrical and electronic engineering, auto repair, welding, iron works, refrigeration, civil engineering, engineering machinery operation and maintenance, agricultural machinery operation and maintenance, carpentry, IT, and aviation service.

So far, the vocational training project in Gabon has registered over 1,000 in-school students and fostered over 60 local teachers in total. The project not only functions as an effective solution for Gabon's intense social conflicts due to the shortage of talent and the high unemployment rate among young Gabonese but also injects driving momentum into the country's modern industrial development. Gabonese president HE Ali Ben Bongo Ondimba has restated on social media that "This is an important approach to our industrial development. The vocational training center is an icon."

▼ Nkok campus



★ Ghana | A Model of China-Ghana Cooperation in Vocational Education Case

The vocational education project in Ghana upgraded and transformed 23 local colleges and polytechnics, providing a full range of services including master planning, curriculum design, laboratory and training facility construction, equipment provision, teacher training, and after-sales support. This covered five disciplines: electronics and electrical engineering, mechanical machining, civil engineering, automotive repair, and welding. The project has the capacity to train about 30,000 people annually.

In November 2019, the Vice Premier of China's State Council attended the project's commencement ceremony and remarked: "China-Ghana educational cooperation has achieved remarkable results. Developing vocational education in Africa, providing vocational skills training for African youth, and cultivating high-caliber workers and technical professionals for African countries, not only helps resolve employment issues but also enables them to make greater contributions to social development, which is of tremendous significance."



▲ Automotive Repair Instructor Training



▲ Welding Instructor Training



▲ Commencement Ceremony



▲ CNC Lathe Instructor Training

★ The Jin Yetao Scholarship | "My love remains unchanged overseas" Case

Jin Yetao joined AVIC INTL in 2011. He spared no efforts in implementing the Belt and Road Initiative with practical actions, innovative thinking and brave exploration. Jin took charge of the Kenya College and Technical School Upgrading Project, which is dedicated to training Kenyan vocational and technical talents, facilitate Kenya's industrialization progress, and strengthen China-Africa people-to-people exchanges and cooperation. On March 10, 2019, Jin died on his way to Kenya for the execution of the next phase of the project. Jin devoted his whole life to his beloved career of vocational education in Africa where he strenuously worked.

The Jin Yetao Scholarship was established spontaneously by employees of AVIC-INTL Project Engineering Company on January 25, 2021, in memory of Mr Jin Yetao. In 2022, it started to donate Ksh 1 million (about USD 10,000) annually to Hospital Hill Secondary School on Red Hill Road, Nairobi, to support 10 to 20 students who excel academically and face financial challenges. By providing financial aid, the scholarship helps these students continue their studies and provides them with the opportunity to change their futures.



▲ The endowment ceremony of the Jin Yetao Scholarship

Intensify employment of local communities

Over the decade, AVIC INTL was committed to boosting all-round local development throughout project processes. Through localized operation and project management, it appropriately coped with cross-culture challenges to overseas project operation and created many local jobs.

The project team of south Sri Lanka expressway extension Lot I consisted of over 700 Chinese managers and over 4,400 local employees, the latter accounting for about 87%. According to available data, the project, since the mobilization phase, has created 33,912 jobs, of which 14,204 were direct and 19,708 were indirect employment opportunities. Besides, the project has trained a large number of management and technical talents for Sri Lanka, including a total of 728 excellent local engineers and managers and 7,722 local technical workers. Most of the local engineers and managers have been reemployed in port city, central expressway and other large projects.

China National Aero-Technology International Engineering Corporation (KENYA) registered over 90% of local employees in road and bridge projects. For example, the RWC264 highway project (under construction) has 165 local and only six Chinese employees (28:1), indicating a localization rate of 96%. Undertaken by China National Aero-technology International Engineering Corporation, the Dr. Antonio Agostinho-Neto International Airport (Luanda New International Airport) hired about 1,600 local constructors, technical managers and interpreters, and would hire more as the project progress.



▲ The project team of south Sri Lanka expressway extension Lot I

Nepal | China Aid school project

Case

"You give my dad a job, so he won't have to work far away from mom and me. I can see him every day. Thanks to the Chinese company that makes my home better and better. I'm grateful to the Chinese uncles, big brothers and sisters. Every day when I walk by the new school, I think it will be so nice studying there. The new school is beautiful and huge. I will work hard and will contribute to my country like the uncles, big brothers and sisters are doing."

—A Nepalese child



The project was undertaken by China National Aero Technology International Engineering Corporation Nepal Branch Office. It brought local villagers new jobs and gave local children a brand new learning environment. Nepalese children told Zhang Lifang, a post-90s employee, that they were grateful to the Chinese enterprise and were expecting the new school.

◀ A group photo of lovely Nepalese children and Zhang Lifang

So far, the project had 200 local workers at peak time, averaging at 150. The project offered not only jobs but also opportunities to learn from Chinese technicians. In the future the skills they've learned will provide their family a better life.



▲ A group photo of Chinese staff and Nepalese villagers

Kenya | Localized recruitment strategy deepens

Case

AVIC INTL Beijing (E.A.) implemented localized operation and development strategy. It had 85 local employees, accounting for 90% of the total. Open competitive recruitment process encouraged local employees to compete for the leadership positions. The company has had a number of local management talents, including sales supervisors, technical supervisors and service supervisors.

At the end of 2017, China National Aero-Technology International Engineering Corporation (KENYA) attended a job fair targeted at Kenya university students, which was organized by the Confucius Institute at the University of Nairobi and co-hosted by KCETA and Kenya China Chamber of Commerce, seeking to recruit talents in fields of civil engineering, survey measurement, laboratory test, HR management, marketing, administrative assistant, legal affairs and interpretation. The company received more than 300 CVs, and over 20 passed the preliminary selection.



▲ The job fair at the University of Nairobi

Kenya | Rebuilt Mathari primary school to ensure educational opportunities for children

Case

In 2015, China National Aero-Technology International Engineering Corporation (KENYA) undertook the zero-profit expansion project of Mathari primary school in Nairobi. The existing school buildings were renovated, and two three-story teaching buildings and a playground, as well as a series of facilities such as 32 classrooms, offices, assembly halls, basketball courts, canteens, kitchens, and washing rooms were built. The project received high attention from local residents and social media during the construction. The company completed the project and delivered the beautiful, well-equipped and child-friendly school in 2017. The new school provided educational opportunities for 1,000 additional children as well as employment opportunities for eight teachers, winning high praises from the local communities.



▲ Staff and students of Mathari primary school

Engagement in Public Benefit Undertakings

Over the decade, AVIC INTL has consistently upheld its corporate social responsibilities wherever it undertook projects, and did everything it could to help local governments and local people. Over the BRI decade, AVIC INTL demonstrated the social responsibilities of a Chinese central enterprise overseas through practical philanthropic programs.

China National Aero-Technology International Engineering Corporation (Sri Lanka) has held the China-Sri Lanka Friendship Sports Meeting for seven consecutive years, donated to Laureys Girls' Orphanage for six years in a row, and offered help to charity organization for visual impaired, special education schools, schools for the poor and nursing homes. The company's employees helped local residents dig wells, donated medical equipment and supplies to local medical institutions, veterans and residents, and assisted the international rescue team of the Red Cross Society of China in disaster-stricken regions.



▲ Visiting orphanage and brought new year greetings and new stationery to the children

Kenya | Disaster relief

Case

On August 7, 2013, a fire broke out in the terminal building of the international airport in the capital city of Kenya. The staff of China National Aero-Technology International Engineering Corporation (KENYA) as the undertaker immediately dispatched all available water trucks and machines for rescue. The company conducted temporary decoration in the parking building free of charge and transformed it into a arrival terminal which served for two years. It also offered prefabricated houses for the airport to service departure passengers. All these cost the company over USD 1 million. The then Kenyan President Uhuru Kenyatta said "this is the best gift for Kenyan people from AVIC INTL."



▲ Organized firefighting efforts

On December 11, 2019, important traffic lines near the A4 Road project were cut off due to sudden floods caused by days of heavy rains. In active response to the rescue request of local communities, China National Aero-Technology International Engineering Corporation (KENYA) dispatched large excavators and other professional equipment for emergency rescue, and restored the traffic blocked by the flood disaster.



▲ Help local flood rescue and restore traffic



At the daybreak of February 18, 2022, a fire broke out in Suguta, a town near the site of the A4 Road project. Water trucks and operators were sent out by the company to help. They managed to prevent the fire from spreading and protected local residents from possible losses of life and property, winning wide praise from local communities.

◀ Participated in rescue at the fire scene

Kenya | Donation to orphanages

Case

AVIC INTL visited an orphanage in Nairobi on July 10, 2022. Foods and clothes were brought to the children to cope with the forthcoming cold winter amid rising prices as part of the company's efforts to fulfill its corporate social responsibilities.



▲ Sent essential supplies to the children at the orphanage

On December 9, 2022, solar panels donated by AVIC INTL were put into operation at Shiphrah Center in Nairobi, bringing light and hope to more than 60 orphans and abandoned children.



▲ Donated solar panels

A Zero-carbon Future of Harmonious Development

Lead

As a player in the BRI development, we strictly abode by local ecological and environmental protection policies during our overseas development, actively involved in global climate governance, and has established a complete green management system to ensure our business operation comply with environmental protection. We adopted environment-friendly technologies and innovative processes to minimize resource consumption and waste discharge, and actively carried out ecological protection programs towards human-nature coexistence.

SDGs concerned in this chapter



Promoting green development, implementing sustainable concepts

Over the decade, AVIC INTL abode by the green Silk Road concept and actively responded to the carbon neutrality and carbon peaking strategy. It continuously improved its environmental protection system, expanded its green management team and enhanced its green management ability to consolidate the foundation for energy saving and emission reduction. At the same time, the Company actively took part in discussions on green strategy implementing paths and constantly intensified environment-friendly technical innovation and application to build up AVIC INTL's low-carbon image and green, responsible brand, in order to boost the green development of the BRI.

Perfect administrative system, strengthen risk prevention and control

AVIC INTL pays high attention to the impacts of its development and operation decisions on communities and environment of BRI countries. To ensure the sustainability of green management, the Company strictly complied with local environmental protection laws and regulations, formulated series of green management strategies and environmental protection rules, and applied the concept of environmental protection to its business activities.

To intensify environmental emergency management and establish the environment warning and emergency response mechanism, the Company developed, improved and rigidly complied with the Environment Emergency Response Plan of AVIC International Holding Corporation as well as other rules, and gradually perfected its environmental risk management system, which enabled it to effectively control and mitigate damages of emergencies to environment, community and the Company's property, setting a strong shield for the Company's green development.

Explore into environment-friendly technologies, increase inputs into environmental protection

During its overseas development, AVIC INTL gave continuous input into R&D and innovation of environment-friendly technologies to promote application of green technologies and inject technological impetus for green development. It has launched green projects one after another. In 2022, AVIC INTL invested RMB 153 million in energy conservation and environmental protection, and provided 113 training courses on environmental protection totaling 270 hours and covering 10,649 person-times.



▲ Hunutlu coal-fired power plant

Angola | Dr. Antonio Agostinho Neto International Airport

Case

Dr. Antonio Agostinho Neto International Airport is the largest international airport project with the most complete functionalities constructed overseas by a Chinese enterprise. The terminal buildings applied mature energy-saving technology and advanced BIM technology to reduce energy consumption, making the IT-based airport safe, green and energy efficient. Buildings in the airport can fully take in natural lights. The screen walls and windows are made of hollowed LOW-E glasses, the exterior walls are applied with thermal isolation materials, and the lighting system uses LED light sources and highly energy conserving products. All these help lower energy consumption to a large extent. Hot waters are exclusively provided by solar power and air-source heat pumps, and waste waters are transformed by advanced sewage and solid waste treatment equipment into reclaimed water for irrigation purpose.



▲ Dr. Antonio Agostinho Neto International Airport

Low-carbon solutions for co-existence

Climatic change is a challenge to all human, and AVIC INTL believes coping with climatic change is part of its responsibilities. We adhered to energy conservation and emission reduction, advocated green operation, and minimized use of resources and waste discharge to lower negative impact on environment.

Promote energy conservation management towards carbon peaking and carbon neutrality

AVIC INTL continuously strives to integrate the fulfillment of corporate social responsibilities into all aspects of its production and operational management. A mature implementation model has taken shape, spearheaded by the leadership and actualized through cross-departmental and cross-business collaboration. This consolidated approach lends robust support towards methodically advancing AVIC INTL's social responsibility initiatives, ensuring the company's strategies and operations satisfy sustainable development imperatives.

AVIC INTL has included restrictive energy conservation indicators into its operating performance appraisal system for all member companies and organizations to establish a long-term energy conservation and environmental protection management mechanism featuring supervision, appraisal and incentives. To this regard, it has set up an internal leading group and management organization to identify responsibilities, so as to build an up-down organizational management system, and honestly perform environmental responsibilities. It also took multiple measures to seal green endorsement on the BRI and give sustained support to carbon peaking and carbon neutrality objectives.

UAE | JSW waste heat power generation project

Case

Undertaken by AVIC INTL Beijing, UAE JSW waste heat power generation project includes building a 15MW waste heat power generation system to make use of the waste heat from the client's 4,000TPD and 5,000TPD cement clinker lines. The project adopts a green energy-saving system that directly recovers waste heat from the cement factory for power generation. It doesn't consume additional fuel, and lowers the cement factory's power consumption by 35%, save 40,000 tons of standard coal per year, reduce CO2 emission by 90,000 tons per year, settle down over 90% of dusts during clinker production. Its economic and environmental benefits highly agreed with UAE's 2050 carbon neutrality objective.



▲ Site of JSW waste heat power generation project

Advocate environment-friendly concept, implement green offices

In upholding the concept of green office practices, AVIC INTL has accelerated equipment upgrades and information system integration while continuing to drive digital and information-based transformation. Paperless processes have become a pivotal characteristic of the company's smart manufacturing capabilities. Additionally, the company vigorously conducts environmental awareness campaigns and initiatives to disseminate the ethos of an eco-friendly and resource-conscious enterprise.



Ecological protection for harmonious development

Protecting environment and promoting sustainable development are important factors for the BRI common prosperity. AVIC INTL plays an active role in environmental protection. Through careful planning for ecological restoration projects and stressing biodiversity protection, it strives to contribute to the stability of ecosystem.

Care about ecological restoration, safeguard beautiful landscapes

To harmonize the relation between its projects and local environmental protection, tourism development and ecological conservation, AVIC INTL actively explored into effective ways to both green development and ecological conservation, and applied the concepts of energy conservation, ecological and environmental protection to its planning, design, regional construction and operation processes.

Sri Lanka | South Sri Lanka expressway extension Lot I

Sri Lanka gives high priority to natural ecology and environmental protection. Its people care much about their ecological and environmental rights. As a genuine "made in China" project, the project, from approval to completion, aimed at harmonious development objectives of "green, ecological and environmental protection", and gave high priority to protection of the country's wildlife and natural environment by making careful planning according to local geography and wildlife habitats and migration. It took "four measures", set several animal paths in the 13.27-km forest reserve to minimize its impact on wildlife nearby the expressway, and ensured the stability of the original ecosystem to the largest extent.



▲ Animal path of the expressway

Existing rivers and ditches beside the expressway are preserved, which reduces the expressway's flood detention effect and minimize ecological impact.

In flooding areas and soft roadbed areas, viaducts are used instead of earthworks and refilled roadbed. Viaducts take few lands and are ecology-friendly, and reduce earthwork-caused landslide, damage to vegetation and loss of soil.

Four measures for environmental protection

Safety nets are set all along the expressway and animal paths are built in the forest reserve to shield off wildlife from construction sites and ensure animal immigration.

All embankments, cuttings and median strips are 100% covered by vegetation, and vegetations on dump yards and lands occupied during construction are restored, making the expressway a picturesque horizon in Sri Lanka.

Protect biodiversity and ecological equilibrium

AVIC INTL highly approves of and adheres to the *Convention on Biological Diversity (CBD)*, and takes such measures as ecological restoration and surveying habitats to develop target strategies on protecting indigenous fauna and flora. We actively communicated with local environment authorities, and encouraged our employees to take part in environmental protection activities to raise their environment awareness and capacity.

Kenya | Elephant rescue

On March 1, 2022, an elephant in the local Mugie Conservancy stumbled into a swamp puddle, and fell into a critical condition. At the requests of local authorities, the Conservancy and wildlife protection association, AVIC INTL immediately dispatched professional equipment for rescue. After hours of intense work, the trapped elephant was finally out of danger. The practice was a reflection of the corporate social responsibility of the Company as a Chinese enterprise, and brought it an excellent reputation and good social benefits in the local area.



▲ Elephant rescue



Outlook

The year 2023 marks the 10th anniversary of the BRI, and is key to realizing high-quality development of AVIC and AVIC INTL's "soar again" strategy. AVIC INTL will continue to promote high-quality development, optimize its management structure and industrial structure, implement the global sustainable development initiative, and perform its overseas social responsibilities.

We will further expand the width and depth of integrated aviation supply chain service and do our best to secure supply. As the BRI development progress, the demand for air transportation will further grow. AVIC INTL will further strengthen connectivity with partners, upgrade its supply chain integration ability, ensure smooth project implementation, and provide reliable supports for the economic development of all countries.

We will go on performing our overseas social responsibilities and actively supporting social development. AVIC INTL will as always invest huge funds and resources to support overseas infrastructure development, vocational education, medical and charity causes, and will work with local government organs, official institution and NGOs to help improve living standards in local communities and power up the sustainable development of public wellbeing.

We will constantly explore into environment-friendly technologies to promote sustainable development. AVIC INTL will hold high the green development philosophy, continuously uplift its green management level, actively implement the carbon peaking and carbon neutrality arrangement, and drive the green and low-carbon transformation of industrial structure. We will implement AVIC's energy efficiency guideline, stress pollution prevention and control, and do our due part in coping with climatic change and achieving sustainable operation.

AVIC INTL will actively respond to SDGs, give continuous support to the BRI development, and start a new journey towards another decade.

Annexes

Indicator Index

Heading level 1	Heading level 2	CASS-CSR4.0	GRI	SDGs
Interpretation		P1.1, P1.2, P1.3	GRI 2	/
Message from the Management		P2.1, P2.2	GRI 2	/
About Us		P4.1, P4.2, P4.3, G1.1	GRI 2	/
CSR Report: 10th Anniversary of BRI: A Decade Journey		P3.1, P3.2	/	/
CSR Report: ATC: Light up Young Africans' Dreams		P3.1, P3.2	/	/
Compliance strategies in support of effective governance	Build systems to open a new chapter of management	G1.2, G2.1, G3.1 G3.2, G3.		SDGs9 SDGs12 SDGs17
	Identify topics to outline responsibilities	G2.1, G4.2, G6.1	GRI 3	
	Compliant operation features accountability	M1.1, M1.4, S1.1, S1.2 S3.1, S3.2, S3.3		
Integration & Growth Drive Excellent Operation	Quality first, highly effective management	M2.1, M2.2	GRI 203	SDGs8 SDGs9 SDGs11 SDGs12 SDGs17
	Create values, shape industrial modes	M2.11, M2.18, M3.6	GRI 203	
	Practice innovation, share opportunities in the era	M2.4, M2.5, M2.7		
Philanthropy and Social responsibilities	Put people at the first place	S2.1, S2.2, S2.8, S2.13 S2.14, S2.15, S2.16 S2.17, S2.18, S2.19	GRI 401, GRI 402 GRI 403, GRI 404 GRI 405, GRI 406	SDGs3 SDGs8 SDGs9 SDGs10 SDGs12 SDGs17
	Mutually beneficial cooperation in safe production	S3.1, S3.2, S3.3, S3.4	GRI 410	
	Public welfare programs benefit local communities	S1.5, S1.6, S4.1, S4.2, S4.3, S4.4, S4.9	GRI 203, GRI 413, GRI 415	
Zero-carbon Future	Green management for sustainable operation	E1.1, E1.2, E1.3, E1.6, E2.1, E2.2, E2.3, E2.4	GRI 302 GRI 303	SDGs7 SDGs9 SDGs11 SDGs12 SDGs13
	Net zero emission for co-existence	E1.9, E1.10, E2.1 E2.3, E2.4, E2.12 E2.18, E2.25	GRI 302 GRI 305	
	Ecological protection and positive interaction	E1.3, E2.1, E3.3 E3.4, E3.6	GRI 304	
Outlook		A1	/	/
Indicator Index		A5	/	/
Feedback		A6	/	/

Feedback

Dear Readers,

Thank you for taking time on the 2023 AVIC INTL Overseas Social Responsibility Report for A BRI Decade. We are looking forward to your suggestions and opinions that will help us better perform the overseas social responsibilities of AVIC INTL. Please reply to the following:

Closed questions: (please tick "√" in front of your answer)

1. What is your overall view of the Report:

Excellent Good Average Below average Poor

2. In your opinion, does the Report reflect the Company's major impact on management, economy, community and environment:

Yes Fair No

3. In your opinion, to what extent does the Report clearly, accurately and completely disclose information, data and indicators:

Very high High Average Below average Poor

4. What do you think of the structure of this report?

Excellent Good Average Below average Poor

5. What do you think of the layout and presentation of this report?

Excellent Good Average Below average Poor

Open questions: (please provide your answer on the underline)

1. Which part of the Report are you satisfied with?

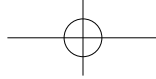
2. Do you expect further information from the Report?

3. Do you have any comment or opinion regarding AVIC INTL's fulfillment of its overseas social responsibilities?

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