



Sailing from Baiyun
reaching out to the world




Guangzhou Baiyun International Airport Co., Ltd. 2023 Environmental, Social and Governance (ESG) Report



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Baiyun Airport

2023

**Environment, Social Responsibility and
Corporate Governance (ESG) Report**
Guangzhou Baiyun International
Airport Co., Ltd.

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Message from the Chairman

The great achievements over the past years wrote a splendid chapter in our history, and the promising journey ahead opens a new start for us. 2023 was the first year to fully implement the guiding principles of the 20th CPC National Congress, and also a key year for civil aviation to consolidate its strengths and restore its development. Over the past year, in the face of the complex environment and severe challenges, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, we have earnestly implemented the guiding principles of the 20th CPC National Congress and the important instructions conveyed by General Secretary Xi Jinping's important speeches during his inspection in Guangdong. We have also implemented the CPC Guangdong Provincial Committee's "1310" deployments. Under the strong leadership of the provincial party committee, provincial government, Civil Aviation Administration of China (CAAC) and the Group, we have worked towards the goal of being a world-class airport in solidarity and with practical actions. We rapidly resumed our production and business with operating benefits far exceeding expectations, and advanced all the work solidly and effectively, achieving remarkable results in high-quality development.



Upholding Party leadership for high-quality development as the engine.

We clarified the "1410" goal in the coming five years, accelerating the building of a world-class Baiyun Airport. We consolidated the outcomes of education campaigns, and continued to push forward the action of overcoming difficulties, promoting the high-quality development with high-quality Party building. Meanwhile, we developed a Party building brand with Baiyun Airport's characteristics - Sailing from Baiyun, to promote the implementation of the "1+5+5" Party building framework. *The Group's Party Committee add 'Red Momentum' to build Baiyun Airport into a World-class Hub Airport.* The Group's Party Committee was awarded the "Outstanding Party Building Cases of State-owned Enterprises" in Guangdong Province.

Focusing on the development of the core business to build a world-class hub airport.

We comprehensively enhanced the comprehensive transportation hub capabilities of Guangzhou as an international hub, promoted the completion of the Phase II expansion of aircraft parking stands, and realized the overall connection of Terminal 1 and 2, and the merged Baiyun Airport terminal becoming the largest single-terminal airport in the world. We also completed the addition, restoration, and increase the frequency of over 100 international and regional passenger routes. We served 456,100 flights, and transported 63.1735 million passengers in 2023, ranking first in China's airport passenger throughput for the fourth consecutive year among the

domestic airports.

Building a strong safety foundation to ensure smooth and orderly safety operations.

We complied with the new *Law of the People's Republic of China on Work Safety* in a comprehensive manner. Specifically, we further optimized the safety management system, improved the safety operation responsibility system for all personnel, and deepened the construction of the dual-prevention mechanism, statutory self-inspection management, and emergency management. We also successfully completed the major security tasks during major events, such as the FISU World University Games, the Asian Games, and the Belt and Road Forum, and have achieved 31 years of safety in a row. In the face of the most difficult airport expansion project in the history of civil aviation in China in terms of operational safety management, not a single incident affecting operational safety occurred.

Promoting "Cordial Service" to provide high-quality service for passengers.

We continued to strengthen the branding of the "Cordial Service". By preparing *Guangzhou Baiyun International Airport Service Quality Management System Manual*, we stepped up efforts to offer "satisfactory service," "fine service," and "heartwarming service" to passengers. We ranked first in the Global Airport Passenger Satisfaction Assessment of the Airports Council International (ACI) World and SKYTRAX China's Best Airport Award for the third consecutive year. We were also awarded the Excellent Airport Award for Customer Satisfaction with Over 10 Million Passengers per Year in the 2022 Civil Airport Service Quality Evaluation, and the CAPSE Best Airport Award for 2022.

Leveraging digital technology to empower a new benchmark for building an intelligent airport.

We vigorously promoted digital construction, strengthened the application of digital and artificial intelligent technologies in airport operation, security, service and other fields, and realized the employment of five digital employees named "Bai Xiaofei, Bai Xiaoyun, Yun Xiaobei, Yun Xiaowei, and Yun Xiaoxi". By the end of 2023, 17 domestic airlines in Terminal 1, except for Spring Airlines and 9 Air, had used RFID baggage system. Our scheduling system has been applied in 11 subsidiaries, such as the Security Check and Escort Department, the Aviation Transportation Service Branch

Company, the Ground Handling Service Company, etc., in the scenarios of personnel scheduling, vehicle scheduling, and task dispatch, empowering the construction of a world-class hub airport with digital transformation.

Implementing low-carbon development to speed up green airport transformation.

We promoted the implementation of the strategic plan for the construction of green airports during the "14th Five-Year Plan" period, and established a green airport operation management system that integrates energy, environment, and carbon emissions. We took active response to climate change and thoroughly explored our potential for energy conservation and emission reduction. We have continuously obtained Level 1, Level 2 and Level 3 accreditation of Airport Carbon Accreditation from the ACI, becoming the first airport in Chinese mainland to obtain Level 3 accreditation. Meanwhile, we actively managed the environmental impact of our operations and strived to build an eco-friendly and beautiful airport.

Fulfilling our social responsibility and joining hands with all parties to build a harmonious society.

We adhere to people-oriented approach and strive to create a workplace of equality, respect, inclusion and diversity, setting up a broad stage for the growth of our employees. To advocate win-win cooperation, we join hands with partners to build a sustainable supply chain, participate in industry exchanges and cooperation, and construct a sustainable ecosystem. We stick to shared development, actively support rural vitalization, and leverage our own strengths in volunteer service and public welfare activities, practicing our corporate social responsibility with our actions.

We set sail for a new journey and continue our efforts to set off again. 2024 marks the 75th anniversary of the founding of People's Republic of China. It is an important year to comprehensively implement the "1410" goals set on the second Party congress of the Company, as well as the first year to start a new round of journey after the Company's 20th anniversary of listing. Based on the new development stage, we will go with the trend and continue our efforts with the enterprising spirit to head on a new journey. We will leverage our airport expertise to contribute to Guangdong's share of Chinese Path to Modernization!

About Us

Company Profile

Guangzhou Baiyun International Airport Co., Ltd. (hereinafter referred to as "Baiyun Airport Co., Ltd.") is a key listed enterprise under Guangdong Airport Authority. It was established on September 19th, 2000 and listed on the Shanghai Stock Exchange on April 28th, 2003. As the management and operation entity of Guangzhou Baiyun International Airport ("Baiyun Airport" for short), Baiyun Airport Co., Ltd. is mainly engaged in the provision of aviation services such as aircraft taking off, landing and parking, comprehensive passenger services, security inspection and aviation ground support, and aviation extension services such as commercial venue rental services, franchise services, ground transportation services, advertising services, hotel services for aircraft, passengers, cargo and mail.

Baiyun Airport, built in the 1930s, is one of the most important international aviation hubs of the Belt and Road Initiative and the Air Silk Road, and the core hub airport of the Guangdong-Hong Kong-Macao Greater Bay Area. Since relocating to its present site in 2004, Baiyun Airport has seen rapid development in various businesses, continuous improvement in infrastructure construction and steady progress in building an international aviation hub.

There are two terminals and three runways at Baiyun Airport with 4F standard flight area level, providing 271 standard parking places (including FBO). In September 2020, the construction of Baiyun Airport's Phase III expansion project was officially commenced. In December 2023, the East Four International Concourse and West Four Domestic and International Concourse was completed, achieving the connectivity of the original T1 and T2 terminals, making it the largest single terminal in the world at present. Upon completion, Baiyun Airport will operate with three terminals and five runways.

In 2019, Baiyun Airport achieved a breakthrough of over 73 million passenger throughput and nearly 500,000 aircraft movements. Departing from Baiyun Airport, the air route network covers more than 230 destinations around the world. In 2020, under the special circumstances of the global public health event, Baiyun Airport transported a total of 43.768 million passengers throughout the year, ranking first in global passenger traffic. In 2023, with 456,100 aircraft movements and a cumulative passenger throughput of 63.1735 million, it achieved a "four-peat" in annual passenger volume among the domestic airports. Baiyun Airport successfully obtained the hosting rights for the 2025 ACI World Customer Experience Summit & Exhibition

and the China Civil Airports Association Airport Services Conference; the innovative achievements of the Cordial Service brand won more than 70 awards, including CAPSE, Quality Innovation, and Brand Story Competition, for three consecutive years, it was awarded "Best Global Airport Service Quality Satisfaction" by ACI and "Best Airport in China" by SKYTRAX; it was also rated as an excellent airport in the 2022 civil airport service quality evaluation for the 10 million-plus passenger satisfaction category and received the CAPSE 2022 Best Airport Award.



456,100

Aircraft movements

71.06%

year-on-year growth

63.1735 million

Passenger throughput

141.95%

year-on-year growth

2.0311 million tons

Cargo and mail throughput

7.78%

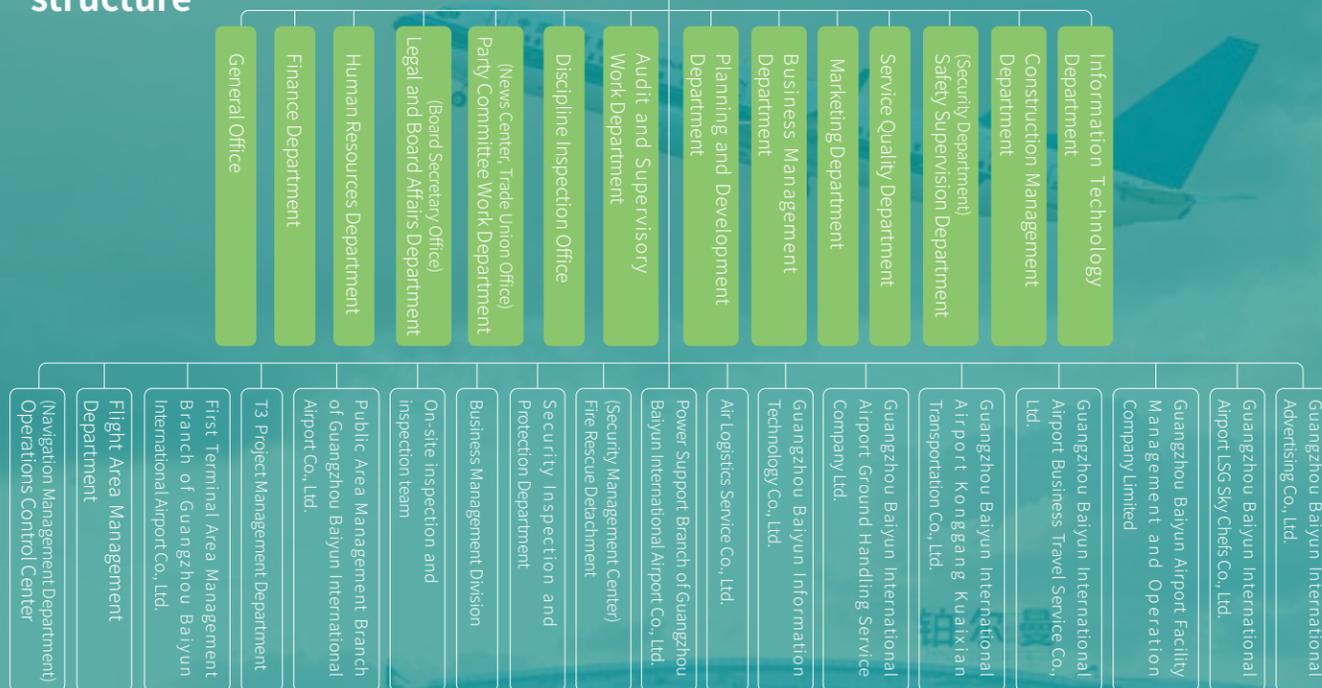
year-on-year growth

From 2020 to 2023, Achieved the national first place in annual passenger throughput for four consecutive years



Organizational structure

Guangzhou Baiyun International Airport Co., Ltd.



Core Concepts of Corporate Culture



Corporate Strategy

Baiyun Airport Co., Ltd. will take the promotion of high-quality development as its theme, fully, accurately, and comprehensively implement the new development philosophy, actively integrate into the country's major development strategies, serve the new development pattern, coordinate development with security, and implement the "1410" goal. With the goal of building a world-class Baiyun Airport, Baiyun Airport Co., Ltd. will continue to enhance Four Key Capabilities: first-class hub competitiveness, first-class brand influence, first-class systemic innovation and first-class platform synergy, and strive to achieve Ten Significant New Breakthroughs in party construction leadership, development and security, hub scale, network structure, operational efficiency, service quality, revenue contribution, brand value, reform and innovation, and harmony and cooperation, making every effort to promote the building of a world-class Baiyun Airport to a new stage.

CSR Performance in 2023



<p>Revenue</p> <p>RMB 6.431 billion</p>	<p>Aircraft takeoffs and landings</p> <p>456,100 flights</p>	<p>5</p> <p>new domestic passenger destinations introduced</p>
<p>Net profit</p> <p>RMB 0.481 billion</p>	<p>total members of Airport Pass</p> <p>13.86 million</p>	<p>9,878</p> <p>Total number of employees</p>
<p>Total assets</p> <p>RMB 26.19 billion</p>	<p>total passenger destinations</p> <p>236</p>	<p>R&D investment</p> <p>RMB 90,358,000</p>
<p>Annual passenger throughput</p> <p>63.1735 million</p> <p>ranking first in China for four consecutive years</p>	<p>100+</p> <p>international and regional passenger routes opened, resumed and increased their frequency</p>	<p>environmental protection investment</p> <p>RMB 27,820,000</p>
<p>Annual cargo and mail throughput</p> <p>2.0311 million tons</p>	<p>3</p> <p>new international passenger destinations introduced</p>	<p>work safety investment</p> <p>RMB 864,000,000</p>
<p>The average on-time departure rate</p> <p>88.37 %</p>	<p>7</p> <p>new domestic routes introduced</p>	

Corporate Awards

Issuer	Honor
SKYTRAX (Global Civil Aviation Transport Research and Certification Agency)	Ranked first with China's Best Airport Award for three consecutive years
Airports Council International (ACI)	Won the ACI award of the "Best Airport in the Asia-Pacific Region with Over 40 Million Passengers per Year"
Airports Council International (ACI)	Achieved Level 3 (Optimization) of the Airport Carbon Accreditation (ACA)
The General Office of the State-owned Assets Supervision and Administration Commission of the State Council	Awarded "Demonstration Business Dedicated to Building a World-Class Specialized and Sophisticated Enterprise".
Ministry of Transport, All-China Federation of Trade Unions, National Railway Administration, Civil Aviation Administration of China, State Post Bureau	The Company's Operations Control Center won "the 2023 Award of Outstanding Unit with Best Air Transport Performance during Spring Festival Travel Rush".
The State-owned Assets Supervision and Administration Commission of the State Council of China, All-China Federation of Industry and Commerce, Institute of Economics of Chinese Academy of Social Sciences, China Enterprise Reform and Development Society	Won the award of China Top 100 ESG Listed Companies (ranking 99th).
Shanghai Stock Exchange (SSE)	Awarded with Class A evaluation of information disclosure by Shanghai Stock Exchange in 2022. Baiyun Airport was awarded Class A evaluation of information disclosure by Shanghai Stock Exchange for ten consecutive years.
China Civil Airports Association, China Academy of Civil Aviation Science and Technology, and CAAC Newspaper Office.	Be rewarded as Civil Airport with Excellence Service Quality 2023
China Association for Quality	The works of Customer Service Center, Love Caresses You as Spring Breeze, won the Second Prize at the final of the 11th National Brand Story Competition.
China Securities Journal	Won the 2022 Golden Information Disclosure Award
China Civil Aviation Trade Unions	The Employee Lounge in the North Station Apron won the Demonstration Award for Civil Aviation Employee Lounge.
The Chinese Workers' Technical Association	The Cloud Bridge Comprehensive Equipment Management System won the Second Prize for 2023 Staff Technical Innovation.
Ecology and Environment Bureau of Guangzhou	The Airport Sewage Treatment Station was awarded the Environmental Integrity Enterprise of Guangzhou in 2022 (Green Label Enterprise).
Southern Journal of the Guangdong Provincial Committee of the Communist Party of China (Southern Think Tank for Party Building)	The Company's case of <i>Developing Party Building Brand "Sailing from Baiyun" to Add 'Red Momentum' to build Baiyun Airport into a World-class Hub Airport</i> was awarded the "Outstanding Party Building Cases of State-owned Enterprises" in the list of Guangdong's grassroots Party building innovation cases in 2023.
Guangdong Association for Quality	The project of Customer Service Center, <i>Lean Management for High-quality Development</i> , won the Third Prize at the 3rd Guangdong Quality Innovation and Quality Improvement Achievement Publishing Competition.
The Organizing Committee of CAPSE Civil Aviation Quality Improvement Practice Competition	The Case of Improving Passenger Service Satisfaction for On-site Claiming Lost Items won the First Prize at the 2023 CAPSE Civil Aviation Quality Improvement Practice Competition.
Carnoc.com (Civil Aviation Resource Net of China)	Won the Best Civil Aviation Employer of the Year (2022-2023)
China CSR 100 Forum	ESG Blue Book for State Holding Listed Companies (2023)



ESG Governance

Baiyun Airport actively practices the sustainability philosophy. We continuously promote the Company's environmental, social, and governance (ESG) management, strengthen stakeholder communication, and conduct ESG topic survey, to gradually improve our ESG management and ESG practices.

ESG Management

We attach great importance to the improvement of ESG management. We have established an ESG working organization system, deeply participated in by the management, and supported by cross-department/subsidiaries and top-to-bottom collaboration. Specifically, the ESG working group is coordinated by supported by all specialized departments and subsidiaries. It is responsible for comprehensively implementing ESG working deployment from top to bottom, and incorporating ESG affairs into the routine management of the Party Committee, the Board of Directors and the management, to promote the integration of ESG concepts into the entire routine operation process of the enterprise.

Meanwhile, in order to continuously raise the ESG awareness and improve ESG capability of the Company's leadership and all department heads, we take the opportunity of preparing ESG reports every year to engage third-party professional organizations to carry out ESG special training around ESG development trends, the Company's ESG rating, optimization and updating of ESG indicator systems, and report preparation requirements. In such way, we aim to help functional departments and subsidiaries timely grasp the latest ESG development trends and requirements, and gradually improve relevant management and practice.

Stakeholder Communication

We actively listen to the opinions, expectations, and demands of stakeholders through a regular communication mechanism, and strive for a more harmonious relationship with them through more channels and methods.

Stakeholders	Expectations and appeals		Communication and response	
Government and regulatory authorities	Adhere to the guidance of party building Operate safely and stably Preserve and increase the state-owned assets Drive local economic development	Serve society and people's livelihoods Build an aviation hub Stabilize social order	Working conference and reporting Business assessment Inspection tour Information disclosure	Government cooperation Supervision and inspection
Shareholders and Investors	Management benefit Corporate governance Protection of investor rights and interests	Transparency of information disclosure Stable and compliant operations	Improvement of the internal control system Regular announcements and reports e-interaction and Q&A	General Meeting of Shareholders, Board meeting, meetings of Board of Supervisors, etc. Performance briefing and other investor communication activities
Passengers	Travel safely, conveniently and efficiently Considerate services Smart services	Special passenger services Education and cultural promotion	Service hotline Complaint hotline Satisfaction survey	Official website/WeChat platform, etc. Passenger services
Partners/Suppliers	Transparent procurement Ethics and compliance	Contract fulfillment with integrity Sustainable supply chain	Day-to-day business communication Project cooperation	Business negotiations Audit and review
Employees	Safeguard employees' rights and interests Health and safety	Training and development Welfare and care	Workers congress Labor union	Compensation and benefits Training and promotion
Environment	Tackling climate changes Environmental impact management	Waste gas and air quality Save energy resources Protect biodiversity	Energy conservation and emission reduction Information disclosure	Supervision and inspection Working conference and reporting
Peers/Industry associations	Airport planning and construction International development	Communication and cooperation Industrial development	Project cooperation Industry exchange and cooperation	Assessment and supervision
Airline companies	Passenger services Safety and security Airport planning and construction	Intermodal transportation and accessibility Industrial development contribution	Day-to-day business communication Working conference and reporting	Industrial communication and exchanges Project cooperation
Operating merchants	Passenger services Safety and security	Coordinated development	Day-to-day business communication Working conference and reporting	Business negotiations
Community/The public	Charity Volunteering services Contribution to community development	Rural vitalization Education and cultural promotion	Volunteering services Public welfare activities	Social supervision Information disclosure

Substantive Issue Management

Baiyun Airport Co., Ltd. values the identification and management of sustainable development topics, strictly follow the materiality analysis procedures, conduct stakeholder surveys, and comprehensively grasp and collect feedback from government, shareholders, employees, customers and other parties, so as to identify important sustainability development issues and continuously improve the Company's sustainability management.

Topic identification

In accordance with the *GRI Standards* and with reference to ESG practices of peers, we sort out key sustainability issues of the Company, identify key topics, and form a issue library.

Topic survey and screening

By conducting questionnaire surveys covering internal and external stakeholders of Baiyun Airport, we collect their opinions and suggestions on topics, and conduct preliminary topic screening from two dimensions of "importance to the Company's sustainable development" and "importance to stakeholders".

Topic review and response

Through the review of the screening results by the Company's internal management and external experts, the top 30 substantive issues of concern to stakeholders were ultimately identified and highlighted in the report.

Highly important issues

- 1 Safe and efficient operation
- 2 Service quality
- 3 Customer safety and health
- 4 Information security and privacy protection
- 5 Greenhouse gas emission management
- 6 Energy management
- 13 Employee compensation and benefits
- 16 Occupational health and safety of employees
- 24 Standardized governance
- 25 Compliant operation
- 26 Anti-corruption and integrity
- 29 Technological innovation

Moderate important issues

- 7 Noise pollution
- 8 Addressing climate change
- 14 Diversity and equal opportunities
- 15 Employee Training and development
- 17 Employee care
- 20 Charity
- 21 Supporting community development
- 22 Promoting industry development
- 23 Supply chain management
- 27 Business ethics
- 28 Risk management

Generally important issues

- 9 Protecting biodiversity
- 10 Waste management
- 11 Water resources Management
- 12 Green office
- 18 Employee recruitment and team building
- 19 Prevention of child labor and forced labor
- 30 Transparency of Information disclosure



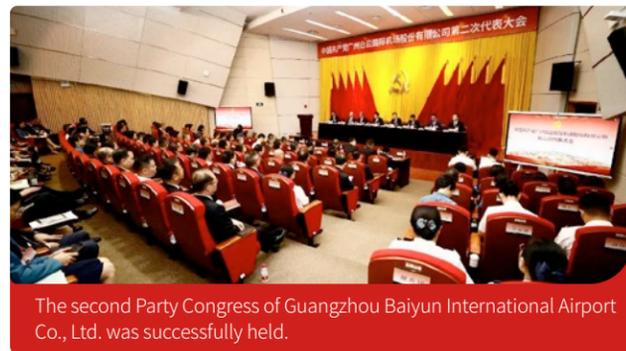


Upholding Party Building's Leading Role for High-quality Development as the Red Engine

We have earnestly implemented the guideline of the 20th National Congress of the Communist Party of China (CPC). In the education campaign on the study and implementation of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, with the theme of "High-quality Party Building Guides High-quality Development", we have earnestly transformed the Party's political and institutional advantages into the Company's competition and development strengths, adding Red Momentum to building Baiyun Airport into a world-class hub airport.

Enhancing political leadership to foster stronger loyalty

During our second Party Congress of the Company held in 2023, we clarified the "1410" goal in the coming five years, added Party building provisions into the Articles of Association, and comprehensively sorted out the major issues such as important appointments and removals, major projects and the use of large amounts of money to effectively improve the list and standardized decision-making rules. Furthermore, we revised the *Implementation Rules of Guangzhou Baiyun International Airport Co., Ltd. for the Party Committee Theoretical Study Central Group's Study Sessions* and implemented regular tracking management for key political issues, urging Party members to understand, take on and fulfill responsibilities in their work.



The second Party Congress of Guangzhou Baiyun International Airport Co., Ltd. was successfully held.

Conducting education campaigns to improve ideological perception

We have aligned the efforts of education campaigns with the efforts of implementing the guideline of the 20th CPC National Congress and those of promoting central work. To this end, we have enhanced theoretical study, conducted surveys and research, and carried out inspection and rectification of notable problems during the whole process of education campaigns, holding the rudder of thought firmly.

Theoretical study

We held a seven-day thematic education reading class to improve study and enhance consensus through combining personal self-study with concentrated learning, the study on "First Topic" of the Company's Party Committee with that of the theoretical study central group, study seminars and expert lectures, as well as special speeches with exchanges of experiences.

Surveys and research

Taking solving realistic problems as the ultimate goal, we conducted projects research and daily visiting research. In total, the leading group of the Company conducted over 50 researches, detected 51 problems, formed 45 pieces of achievements, and transformed 43 of them in application, contributing to solving the obstacles of development.

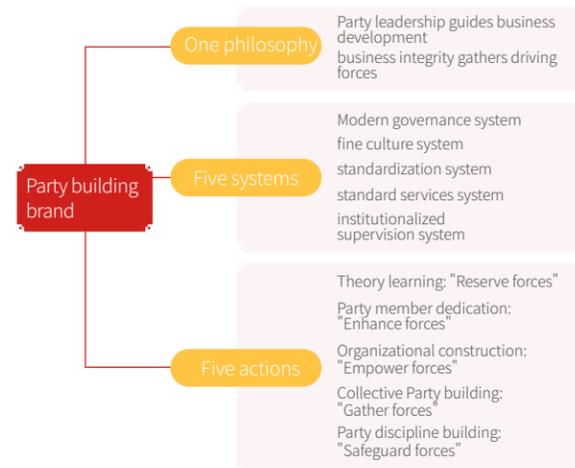
Inspection and rectification

We monitored "checklist-based" management updates to promote rectification and solved development obstacles through specific rectification efforts. Moreover, we carried out the special campaign on "shortening check-in time", "improving transfer service for connecting flights at Baiyun Airport", and P8 parking garage rectification.

Integrating Party building into business development to cement the foundation of development

In line with the goals of boosting high-quality development guided with high-quality Party building, we have developed a Party building brand with Baiyun Airport's characteristics - Sailing from Baiyun, to promote the implementation of the "1+5+5" Party building framework. As for major issues, major times, and major projects, we organize the activities of "Party Committee members to Party branches" and "Party members to teams". Moreover, a "Party member task force" was jointly established around the special project of "shortening check-in time" to effectively promote the integration of Party building and business development.

Party building brand- "Sailing from Baiyun"



Some of the Baiyun Airport flights have shortened the check-in time to 40 minutes.

The "1+5+5" Party building framework: "1 philosophy", "5 systems", "5 actions"



The Company's case of *Developing Party Building Brand "Sailing from Baiyun to Add 'Red Momentum' to build Baiyun Airport into a World-class Hub Airport"* was awarded the "Outstanding Party Building Cases of State-owned Enterprises" in the list of Guangdong's grassroots Party building innovation cases in 2023.

Exercising full and strict governance over the Party to build a embankment against corruption

We contribute our efforts to improve Party conduct and combat corruption, enhance political inspections and strengthen supervision in key areas. By resolutely implementing the spirit of the Central Committee's eight-point decision and the "three non-corruptions", we promote the wholesome Baiyun with Integrity atmosphere. Fighting corruption with "high-handed posture", the Company implements the special action of "Line of Clear Air", addresses issues the people are strongly concerned about, strengthens the Company's internal control, promotes the reform and governance with cases, and deepens the systematic governance. All these measures greatly reduce the risk of integrity and provide a strong guarantee for the Company's high-quality development.



Leveraging Technology to Empower a New Benchmark for Building a World-class Intelligent Airport



With the goal of building a world-class international hub airport, we have comprehensively promoted the construction of an intelligent airport. Proactive efforts are made in smart operation, smart security, smart services, smart business and other fields, empowering the construction of a world-class hub airport with digital transformation.

Collaborative innovation boosts smart operation efficiency

Based on the pilot work of joint operation scenarios, we have continued to promote the sharing of data resources among all parties, and further promoted the deep integration of operation mode, management mode and digital technology, so as to keep improving operational efficiency.



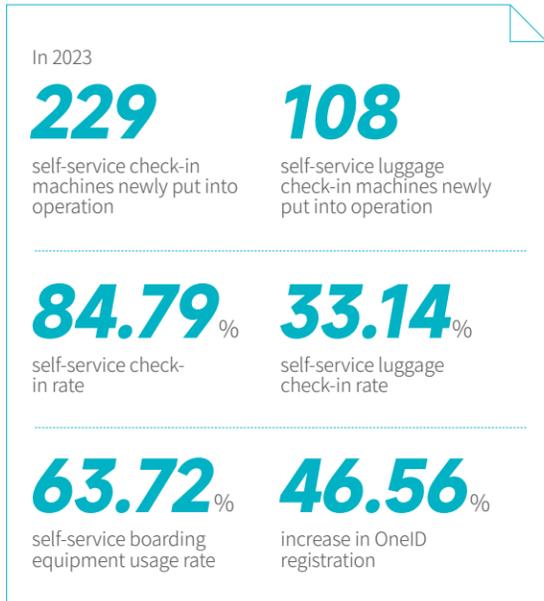
Scenario-based smart services offer more convenience

To meet the needs of our passengers, we have actively promoted the in-depth application of digital technology in specific service scenarios. At the same time, we have continuously upgraded the functions of "Airport Pass" and offered one-stop, scenario-based smart services to effectively improve passenger travel experience.

We continue to promote the application of the whole-process self-service, OneID, RFID and other systems. Through online registration and authentication, passengers can check in, go through security check, and board the plane by "scanning their face" (facial recognition).

We have launched smart luggage scales. The gadget can measure the size and weight of the luggage in three seconds, and automatically match the luggage limits of different airlines and flight classes.

Data exchange has been carried out to support the development of taxi functions in the comprehensive transportation sector of "Zhanghui Baiyun" and "Airport Pass". Through the platform, passengers can obtain dynamic traffic information such as the estimated taxi queue time.



Case | Smart luggage scales bring more convenience

The smart luggage scales independently developed by Baiyun Airport can automatically measure luggage size and weight, and can automatically match it with suitable airlines with different cabin luggage limits within three seconds at least. They can significantly improve the management efficiency of oversized, overweight and excessive luggage, improving the normal operation of airlines and the satisfaction rate of airline workers and tourists.



Case | Smart health station safeguards passenger health

On November 22, the health station was officially launched in the second terminal. It provides passengers with 24-hour free self-service health monitoring services and common hospital-based physical examination items. Passengers can consult designated hospital experts online for free. The health station offers a full range of "one-stop" medical services, including health consultation, health assessment, health checkup appointment, medication guidance, report interpretation, online prescription, and home delivery of medicine, etc., which helps safeguard passenger health.



Management upgrade realizes more reliability in smart security

We have continued to promote the construction of the Security Management System (SMS), completed the construction and application of a unified digital security management information platform, and realized secure and smart management through the digital construction of a series of management processes for security policies and annual safety plans.

Case | The first emergency response command platform was launched in civil aviation industry to ensure safe travels

The Airport Emergency Response Command Platform, independently developed by Guangdong Airport Baiyun Information Technology Co., Ltd., is the first of its kind in China's civil aviation industry. The platform substantially connects collaborative management of airport emergency response command and information technology, which realizes unified command and dispatch. It is equipped with whole-process emergency response command functions such as flexible editing of emergency response plans, one-click start of emergency response events, one-click group call for information sharing, one-click scheduling for collaborative guarantee, overall planning for archiving and review, and simulation drills, which effectively improves emergency response capabilities and reduces blind spots for collaborative handling. Given the platform's successful application at Baiyun Airport, it has been gradually put into operation in airports of Zhanjiang, Shaoguan and other places.



Note: In the picture is the analogue data.

Data drive fosters more accuracy in smart business

We are committed to building a cloud complex for smart business. In doing so, we have actively promoted the digitalization of commercial marketing and intelligent decision-making, improved brand services, and provided high-quality shopping experiences.

The one-stop commercial service platform

The platform provides the brands (operators) with basic services, decoration, operation, finance, marketing, data, work orders, brand introduction, and other services, which realizes online management of the whole brand lifecycle.

The digital and intelligent business management platform

The platform collects and records the whole-process business management information, ranging from planning, investment attraction, operation to settlement & clearing. It provides data support for planned investment attraction, on-site operation and decision-making of Baiyun Airport businesses, which improves the capability and efficiency of business operation and management.



Refined management makes smart energy conservation more environmentally friendly

Combined with the advanced technology and experience in the industry, we have explored system development in multiple fields such as energy management, comprehensive equipment management, intelligent vehicle monitoring, and operation management, promoting the construction of green airports with digital transformation.

The energy management information system

The system has three major functions: real-time monitoring of all types of energy data, unified integration of metering and billing, and platform-based operation of management system. It realizes active early warning of excessive standards, integrates system operation data of photovoltaics, charging piles, and APU alternatives, etc., and reshapes airport energy management processes with digital technology.

The integrated management system of cloud bridge equipment

Through AI algorithms, the average bridge docking time is shortened from 120 seconds to 85 seconds, saving about 25 kg of carbon emissions per flight. It can also calculate carbon emission reduction of each aircraft and draw the digital carbon footprint of an aircraft, saving boarding bridge time while accumulating a large number of carbon emission reduction data.

The intelligent vehicle monitoring and operation management system

The system realizes the real-time docking of ground support vehicles and flights, improves the accuracy and timeliness of ground support operations, and substantially reduces the zero-load driving time and energy consumption of vehicles.



In 2023, The Smart Energy Management Information System won the Third Prize of the 2021 China Air Transport Association (CATA) Civil Aviation Science and Technology Award.



Case | China's first flight-linked dimming system for high-mast lights was officially put into operation at Baiyun Airport

The flight-linked dimming system for high-mast lights was officially put into operation at Baiyun Airport in September 2023. The new system links the high-mast lights control system and flight information, and adjusts the output power and illuminance of the lighting in real time according to the use of seats and flights. It realizes accurate matching of security needs and services, and achieves the "intelligent + energy-saving" effect, which is the first of its kind in China.



Environmental

A True Follower of Green Development

In pursuit of resource-saving, environment-friendly and low-carbon development, while pursuing emission reduction and efficient operation, we are promoting the implementation of the strategic plan for the construction of green airports during the "14th Five-Year Plan" period and working to establish a sound environmental management system. We are actively responding to climate change and thoroughly exploring our potential for energy conservation and emission reduction. Our environmental impact management has been improved to contribute to the high-quality construction of a green airport.

Key topics

- Response to Climate Change
- Emissions Management
- Resource Utilization
- Biodiversity Conservation



Contributions to the UN SDGs

6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND
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Strategic Plan for a Green Airport

Green operations management system

- Integrating the green airport operations management system
- Accelerating the establishment of an intelligent energy management platform
- Establishing the green operations management assessment system



Eco-friendly environment

- Defending the blue sky
- Developing into a sponge airport
- Building a garden airport



Intensive and economical use of resources

- Intensive land use
- Energy conservation
- Optimized management of water conservation
- Rational use of materials



Low-carbon and efficient operations

- Optimizing aircraft routes
- Sharing idle resources within the area
- Launching an intelligent charging system for new energy vehicles
- Creating a comprehensive transportation network



Response to Climate Change

In the face of climate change issues of global concern, we are responding actively to the state's carbon peak and neutrality strategies, and implementing the *Opinions of the Central Committee of the Communist Party of China and the State Council on Completely, Accurately and Comprehensively Implementing the New Development Concept and Carrying out Carbon Peak and Carbon Neutrality, the Action Plan of the State Council for Carbon Peak by 2030* and the work requirements of governments at all levels and industry competent departments. We are also promoting the integrated management of energy consumption, pollutants and carbon emissions while conducting research on the implementation path of the 30·60 Decarbonization Goal.

Carbon emission management system

During the blue sky defense, Baiyun Airport established close cooperation with airlines and units based at the airport. In line with the requirements of the CAAC to win the blue sky defense and the carbon emission limits for international airports, we have strengthened the development of a carbon emission management system and formulated emission reduction plans for each unit, and set the operating standards for air conditioning and lighting systems of various buildings, taking into full consideration the environment, climate and personnel flow.. Supervision, inspections and internal training are being carried out to strengthen our ability to respond to climate change.

Broadening the scope of carbon emission management

The scope of carbon emission management is expanded to the entire airport area, including government departments, airlines, resident organizations, merchants and passengers. In addition, our management of daily airport operations, aircraft operations, and passenger transfers is also tightened, effectively achieving coordinated regional emission reduction. In 2020-2023, Baiyun Airport continuously obtained Level 1, Level 2 and Level 3 accreditation of Airport Carbon Accreditation, becoming the first airport in mainland China to obtain Level 3 accreditation. This honor conveys our energy-saving and emission reduction achievements to the world, and shows the actions and determination to protect the ecological environment.



The Company has continuously achieved Level 1, Level 2 and Level 3 accreditation of Airport Carbon Accreditation, becoming the first airport in mainland China to achieve Level 3 accreditation and setting a record for the fastest accreditation in the world.



Total GHG emissions

192,900 t CO₂e

Total GHG (Scope 2) emissions

174,521 t CO₂e

Total GHG (Scope 1) emissions

18,460 t CO₂e

GHG emission intensity

31 tons/10,000 passengers

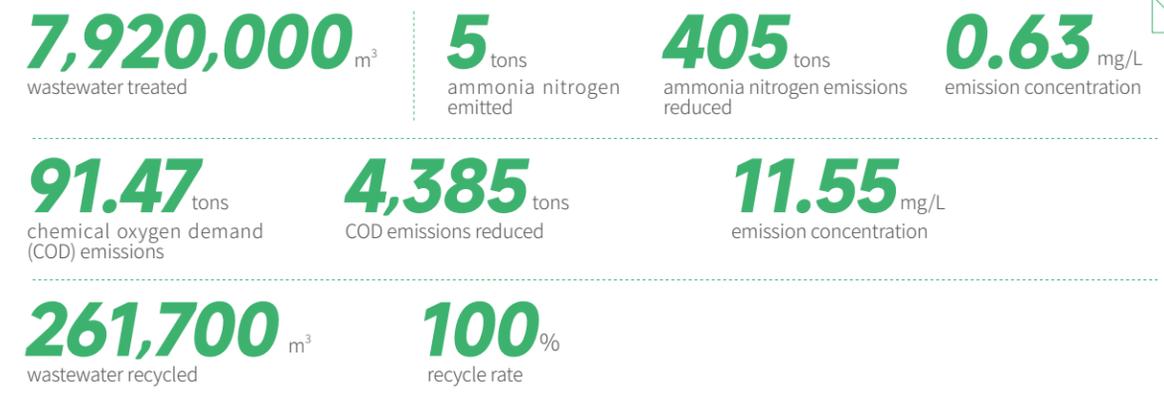
Note: The calculation method is based on the *Guidelines on Enterprise (Organization) Carbon Dioxide Emission Information Reporting in Guangdong Province (Revised in 2023)*.

Pollution Prevention and Control

With the management philosophy of "on-demand supply and compliant emissions", we fulfill our environmental protection obligations by strengthening the supervision and control of noise, solid waste, exhaust gas and wastewater to reduce the impact of operating activities on the environment. There were no illegal emissions in 2023.

Wastewater treatment

We strictly comply with relevant regulations such as the *Law of the People's Republic of China on Prevention and Control of Water Pollution* and the *Comprehensive Discharge Standards of Water Pollutants*. We have formulated the *Management Measures for Sewage Discharge from Pollutant Discharging Units at Guangzhou Baiyun International Airport* to ensure the compliant treatment of industrial and domestic wastewater and up-to-standard discharge. We regularly accept sampling inspections from the Guangzhou Municipal Ecological Environment Bureau and the Water Control Bureau. All emission indicators meet the national Level A standard and the stricter level of provincial standard. Approximately 7.92 million m³ of wastewater was treated in 2023.



Wastewater treatment project to improve water resource efficiency

We have built the Baiyun Airport Wastewater Treatment Plant, together with the supporting reclaimed water recycled system and the wastewater treatment system with a daily treatment capacity of 28,000 tons. The plant implements the national level A standard and the stricter level of the provincial standard. The treated water can be reused for plant production, airport landscaping and road cleaning, or discharged into the airport's scenic rivers and the Yayaoyong River, which effectively improving the efficiency of water resources and the ecological environment of the airport and surrounding rivers as well.



Maintenance and management of equipment to ensure normal operation

The WWTP formulates detailed equipment maintenance plans each year according to the actual situation. The maintenance of the plant's equipment is divided into monthly, quarterly, and annual maintenance according to the type and nature of each equipment. Personnel are strictly supervised to ensure that maintenance is carried out as planned.



Indicator monitoring to ensure stable and compliant water quality

Based on data such as water inflow, contaminant concentration and process stage, the plant's engineers can make timely and precise adjustments to key parameters, such as operating flow rates, to ensure stable operation of the wastewater treatment system.



Guangzhou Baiyun International Airport Co., Ltd. (Baiyun Airport Sewage Treatment Plant) was awarded the 2022 Guangzhou "Environmental Integrity Enterprise" (Green Label Enterprise)



Baiyun Airport Wastewater Treatment Plant

Case | The Standard for Information Model of Environmental Control System in Airport Terminals published

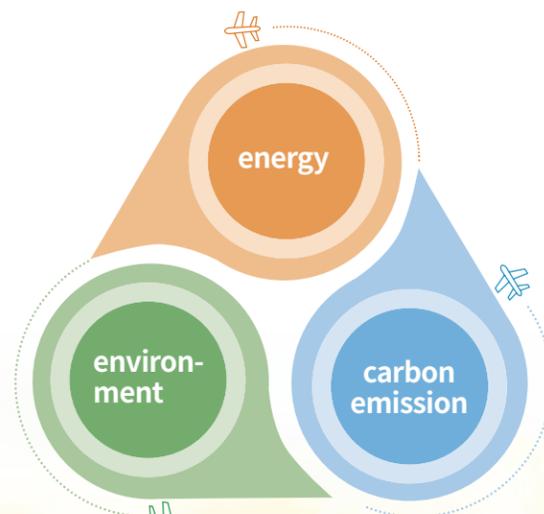
In November 2023, the *Standard for Information Model of Environmental Control System in Airport Terminals*, jointly issued by Baiyun Airport and Dalian University of Technology, was approved and released. It is the first group standard issued by Baiyun Airport in the field of carbon peak and neutrality.

The standard proposes innovative IT-based management and control platform architectures such as the information model of environmental control system in airport terminals, the environmental space unit, and the system control unit. It lays a solid foundation for the subsequent implantation of various algorithm models to create more greener scenarios for carbon peak and carbon neutrality.



Environmental Management

We strictly comply with laws and regulations related to environmental protection such as the *Environmental Protection Law of the People's Republic of China* and the *Environmental Impact Assessment Law of the People's Republic of China*. We have established a green airport operation management system that integrates energy, environment, and carbon emissions, and compiled and distributed a series of documents such as the *Green Airport Operation and Management Manual* and the *Emergency Plan for Sudden Environmental Events at Airport Sewage Treatment Stations*. Continuous efforts are also being made to promote the identification and assessment of environmental risks, and to organize management system certification and training activities, thus consolidating the foundation for the building and managing of a green airport.



The energy, environment and carbon emission management system

Waste gas treatment

In strict compliance with the *Integrated Emission Standard of Air Pollutants*, we promote the reduction and treatment of exhaust gas emissions from aircraft, ground vehicles and boilers, and ensure the timely treatment and compliance of exhaust gas emissions.



Aircraft emission reduction

- The use of APU (Aircraft Auxiliary Power Unit) replacement facilities has been promoted in parking stands to achieve 100% utilization of APU replacement facilities.
- The R&D on "fast and accessible air ducts" and "anti-detachment detection devices for air duct heads" enhanced the support capacity of APU alternative facilities.
- Through measures such as runway operation mode optimization, pre-managing flight take-offs, "same in, same out" apron taxiway optimization, and aircraft towing optimization, precise departure sequencing and air-ground collaborative release have been achieved to reduce aircraft ground taxiing time.



Vehicle exhaust control

- All newly added vehicles in the flight zone are 100% new energy ones except for special purpose vehicles.
- Vehicle exhaust modifications and exhaust emission access requirements are implemented to ensure 100% compliant emissions.
- Vehicle fuel consumption management is improved, and all units are required to use new energy vehicles in the first place.

Solid waste treatment

We have formulated the *Management Measures of Guangzhou Baiyun International Airport on Solid Waste* in accordance with the *Solid Waste Pollution Prevention and Control Law of the People's Republic of China* and the *Technical Policy for Hazardous Waste Pollution Prevention*. We conduct harmless treatment of hazardous waste and strengthen the waste sorting management of aviation waste and domestic waste in terminals to improve the overall resource efficiency and reduce the impact on environment.

Category	Types of waste	Reduced and harmless treatment
• General waste	• Kitchen waste • Residual waste	• Kitchen waste is collected and disposed of by government agencies • Residual waste was sent to the Guangzhou No. 5 Thermal Resources Power Plant for treatment
• Hazardous waste	• Lead-acid battery • Laboratory waste liquid, lubricating oil	• Lead-acid batteries, laboratory waste liquid, and lubricating oil are all disposed of by a qualified third party



Noise management

We strictly comply with relevant laws, regulations and standards such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution* and the *Environment Standard of Aircraft Noise Around Airport*. We have established an airport noise monitoring system, and set up noise monitoring points at the airport and surrounding villages and towns for real-time collection.

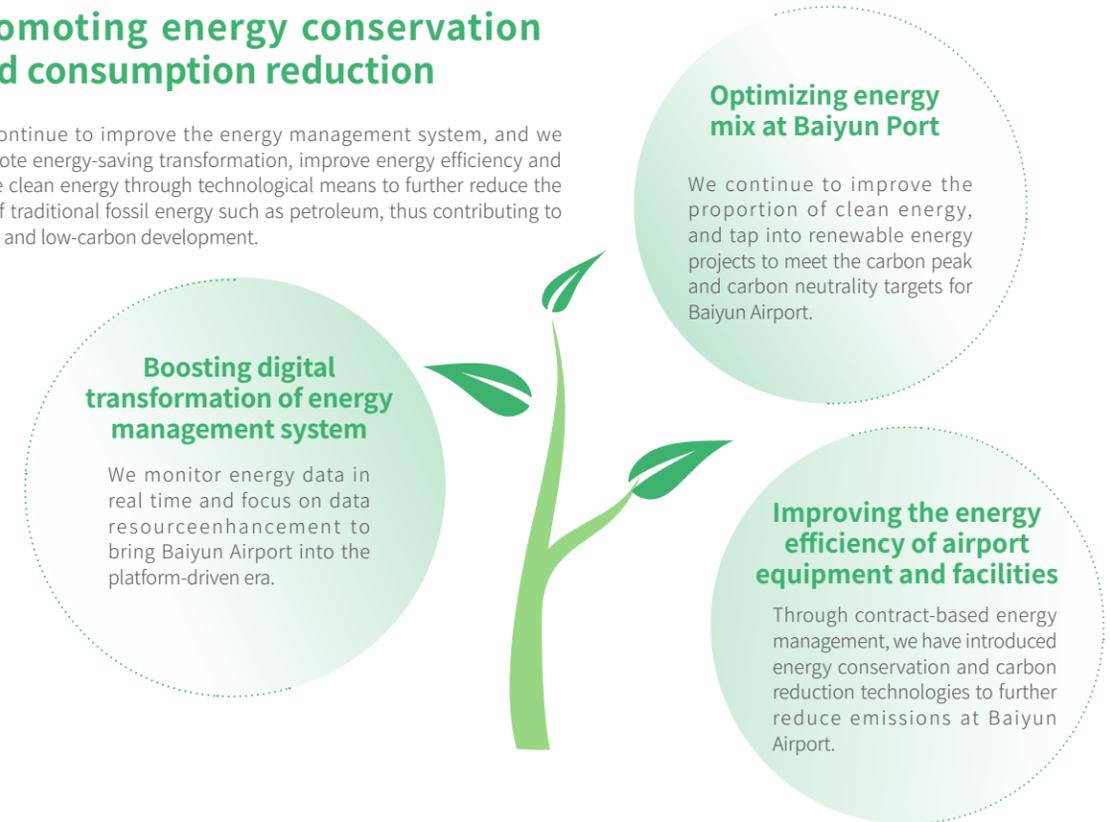
Optimization of Resource Utilization

We focus on resource conservation and energy efficiency improvement in all aspects of our operation, start with energy saving, water and material conservation, and strive to build a resource-conserving and environmentally friendly enterprise.

Use of resources in 2023	
Total annual energy consumption (tce)	42,952
Clean energy usage (tce)	274
Clean energy use ratio (%)	0.64
Total natural gas consumption (cubic meter)	735,323
Total purchased electricity consumption (GWh)	269.41
Total diesel consumption (ton)	4,814
Total gasoline consumption (ton)	466
Total fresh water consumption (10,000 cubic meters)	241
Fresh water consumption per unit product (cubic meter/ 10,000 persons)	381
Amount of paper consumed in office (piece)	422,500
Comprehensive energy consumption per unit of passenger and freight transportation (tce/10,000 persons)	6.8

Promoting energy conservation and consumption reduction

We continue to improve the energy management system, and we promote energy-saving transformation, improve energy efficiency and utilize clean energy through technological means to further reduce the use of traditional fossil energy such as petroleum, thus contributing to green and low-carbon development.



Case | Renovating apron high-mass lights to unleash the maximum airport potential

The apron high-mass lighting is a major energy consumer in the airfield area. Baiyun Port has adopted IoT intelligent illuminating technology in the systematic renovation of 178 high-mass lights, connecting the high-mass light control system with flight information, contributing to intelligent control and energy saving. The Phase I Comprehensive LED Renovation Project has significantly reduced the energy consumption at apron, reducing the annual power consumption of high-mass lights from 7.89 GWh to 2.37 GWh, with a comprehensive energy saving rate of 70%.



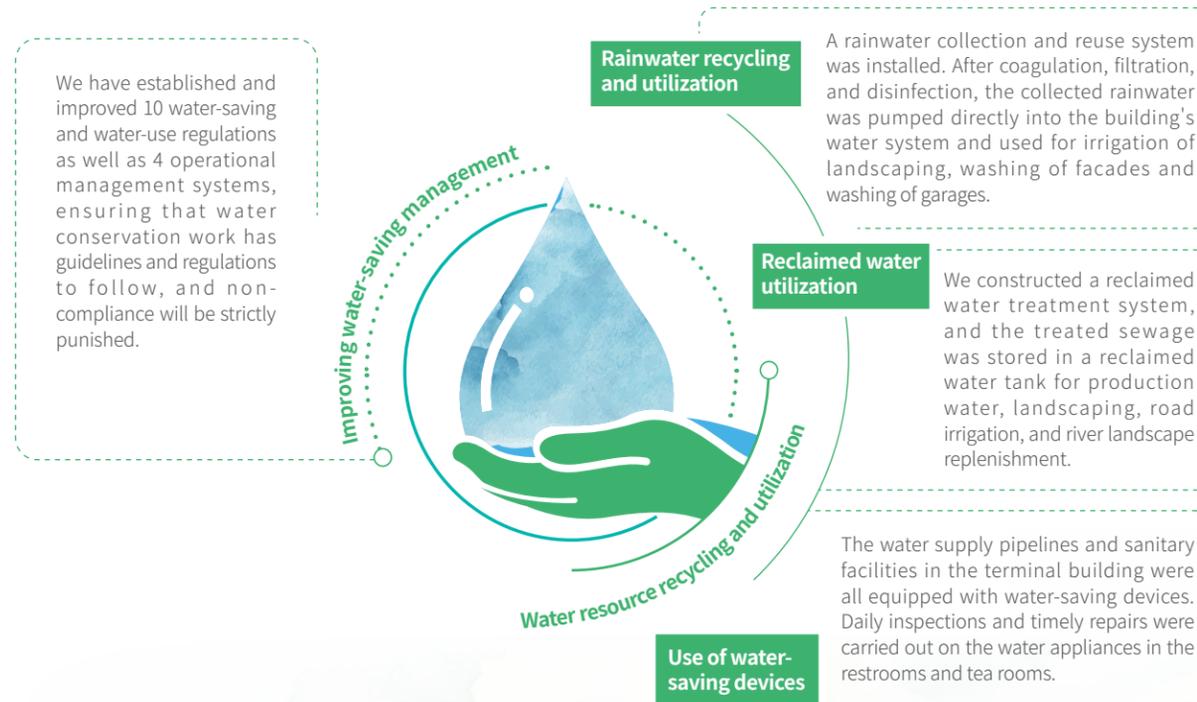
Developing and utilizing clean energy

We have further increased the utilization of clean energy, accelerated the conversion of fuel vehicles to electric vehicles and promoted the application of new energy vehicles within the airport. Besides, we have continuously improved the construction of charging infrastructure, increased the number of charging stations, and built photovoltaic vehicle sheds and charging stations to meet the charging demand of service vehicles and external vehicles on the airfield. In addition, we have utilized building roofs to further expand the installed capacity of solar photovoltaic panels, with the aim of offsetting carbon emissions from airport operations with renewable energy.



Improving water efficiency

We comply with laws and regulations such as the *Water Law of the People's Republic of China* and relevant standards from the CAAC to rationally use, conserve and protect water resources. We have also strengthened water management and improved the service efficiency and recycling rate of water resources.



Promoting biodegradable plastics

We actively implemented the requirements of *Guangdong Province's Work Plan of Plastic Pollution Control in Civil Aviation Industry (2021-2025)* and *Implementation Opinions on Further Strengthening the Control of Plastic Pollution*, and promoted biodegradable plastics in all airport locations such as terminal buildings, VIP lounges, parking lots, hotels, and staff canteens to achieve full coverage of all types of supplies and venues required for airport operations.

By the end of 2023, the terminal buildings, parking lots, and work areas, shops and hotels had been covered with biodegradable plastic substitutes, reducing the number of non-environmentally friendly plastic bags by approximately

11.48 million.



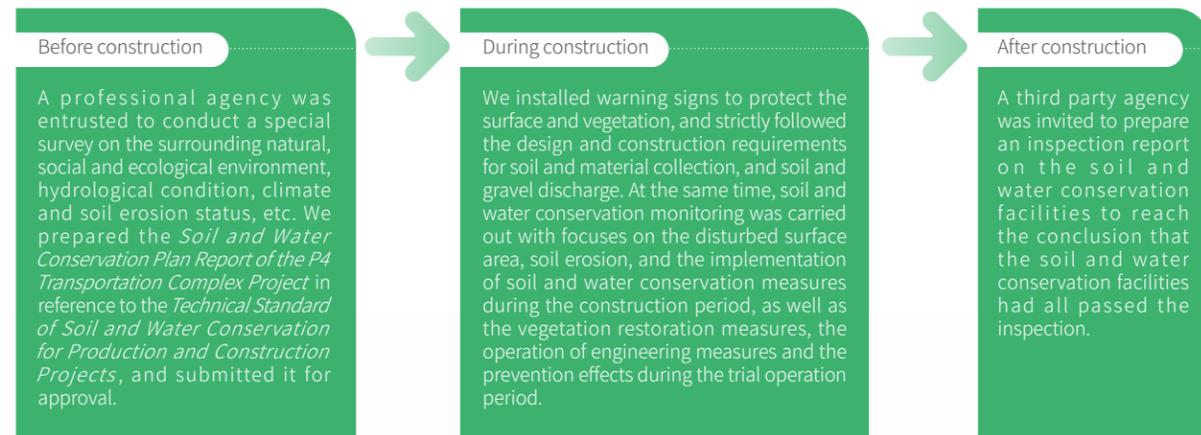
Ecological Governance

We strictly comply with the *Law of the People's Republic of China on Prevention and Control of Soil Contamination*, the *Law of the People's Republic of China on Soil and Water Conservation* and the *Soil Environment Quality Risk Control Standard for Soil Contamination of Development Land* etc. We respond actively to the call of the state for biodiversity conservation, insist on respecting nature, adapting to nature, and protecting nature, and strive to reduce the impact on the ecosystem in project construction and operation practices to build an environmentally friendly and beautiful airport.

Building garden airport

Green construction

The *Soil and Water Conservation Plan Report* was prepared for the Baiyun Airport P4 Transportation Complex Project to clarify the soil erosion prevention standards and objectives, scope of responsibilities and prevention measures, etc., so as to effectively control soil erosion caused by project construction and restore the natural environment of the project area to the greatest extent possible.



Green buildings

The "garden-style" comprehensive service building was designed and constructed according to the 3 Star Green Building Label.



Land greening

In strict compliance with the *Urban Greening Regulations of Guangdong Province* and the *Guangzhou City Greening Regulations*, the *Greening Management Measures* were formulated based on the actual greening management of Baiyun Airport. Adhering to the concept of "ecological optimization and cultural empowerment", we conducted green construction management to protect public green spaces. We carried out overpass greening, built rooftop gardens, and organized the "rain garden" development practices and voluntary tree planting activities. The total greening area reached 1,211,200 m², and the "carbon neutrality" ecological emission reduction has achieved remarkable results.



Protecting bird ecology

The risk of bird attacks is being reduced through the development of intelligent defensive bird repellents, the introduction of laser bird repellents, the installation of bird-blocking nets, etc.; experiments with bison grass and bird and insect control in flight areas have controlled bird food sources and reduced the number and frequency of bird activities.



Case | The "Video Exhibition of 12 White Dolphins in Eastern Guangdong", held to advocate the protection of "giant pandas in the sea"

From 7 to 10 December, Baiyun Airport, and 9air, etc. jointly organized the "Video Exhibition of 12 White Dolphins in Eastern Guangdong" at Baiyun Airport to draw attention to the living conditions of white dolphins. The White Dolphin Conservation Convention was signed.



Green Culture

By promoting environmental protection knowledge, we have spread the concepts of low carbon, energy efficiency and environmental protection within the company and among the general public, hoping to encourage more stakeholders to internalize the concepts and take concrete action to jointly build a green and low-carbon society.

Practicing green office



Concept of "cultivating morality through frugality" and cost control

We proposed and promoted the concepts of "eliminating all unnecessary waste" and "cultivating morality through frugality".



"Three savings" control measures

Based on the initiatives "saving one drop of water, one hour of electricity, and one piece of paper", we strictly controlled unnecessary water appliances to reduce water consumption; we controlled public lighting by zones and ensured that lights were turned off when leaving; we promoted a paperless office and optimized the allocation of toilet paper to save paper.



"Administrative work" cloud service model

We integrated and optimized 7 form-based administrative applications and launched WeChat mini-programs for administrative notification, such as "Baiyun Administration" and "Leadership Schedule", thus building a management model of cloud administration.

Conducting green publicity

We have actively carried out public welfare activities and education for environmental protection to promote the concept of environmental protection among the public and raise public awareness, so as to create a good social atmosphere of concern, support and participation in environmental protection.

National Ecology Day



On the first National Ecology Day, a National Ecology Day poster was displayed at the T2 terminal to promote ecological conservation, green lifestyles and joint efforts to protect the planet earth.

Waste sorting promotion



A waste sorting promotion event was held at Baiyun Airport under the theme "Waste Sorting Makes a Beautiful Baiyun Airport" to improve the airport's waste sorting compliance management.

Spring tree planting activity by the Youth League



League members are organized to jointly plant a batch of bougainvillea saplings to add a touch of green to the public area of Baiyun Airport.

Energy Conservation Promotion Week



In collaboration with China Southern Airlines, a carbon-neutrality themed flight was launched to promote the achievements of civil aviation's collective emissions reduction to passengers and staff.

Social

A Enabler for a Better Life

We value our customers' travel experience. By constantly strengthening safety management and improving service quality, we are working to provide first-class safety assurance and service to ensure passengers enjoy their journeys. At the same time, we see employees, partners, and the community as vital components of our sustainable development, and we actively fulfil our responsibilities and work together with more stakeholders for a better future.

Key topics

- Operation Safety
- Occupational Health and Safety
- Customer Service
- Privacy Protection
- Employee Rights and Interests
- Employee Career Development
- Community Engagement



Contribution to the UN SDGs

1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS

Safeguard for Safe Travel

Safety is the cornerstone of civil aviation. We strictly comply with the Law of the People's Republic of China on Work Safety and unswervingly uphold the principle of "safety first". We have zero tolerance for safety hazards and strive for comprehensive safety management coverage. By building an intrinsically safe enterprise, we are laying the safety foundation to build a world-class Baiyun Airport.

31

years of safety in a row

11,315

days of safe operation in a row

In the green section (scored above 90 out of 100) for the ability to guarantee operational safety for

2

consecutive assessment periods

Successfully completed the major security tasks during major events, such as the FISU World University Games, the Asian Games, the Mid-Autumn Festival and National Day, and the Third Belt and Road Forum for International Cooperation.

Strengthening safety management

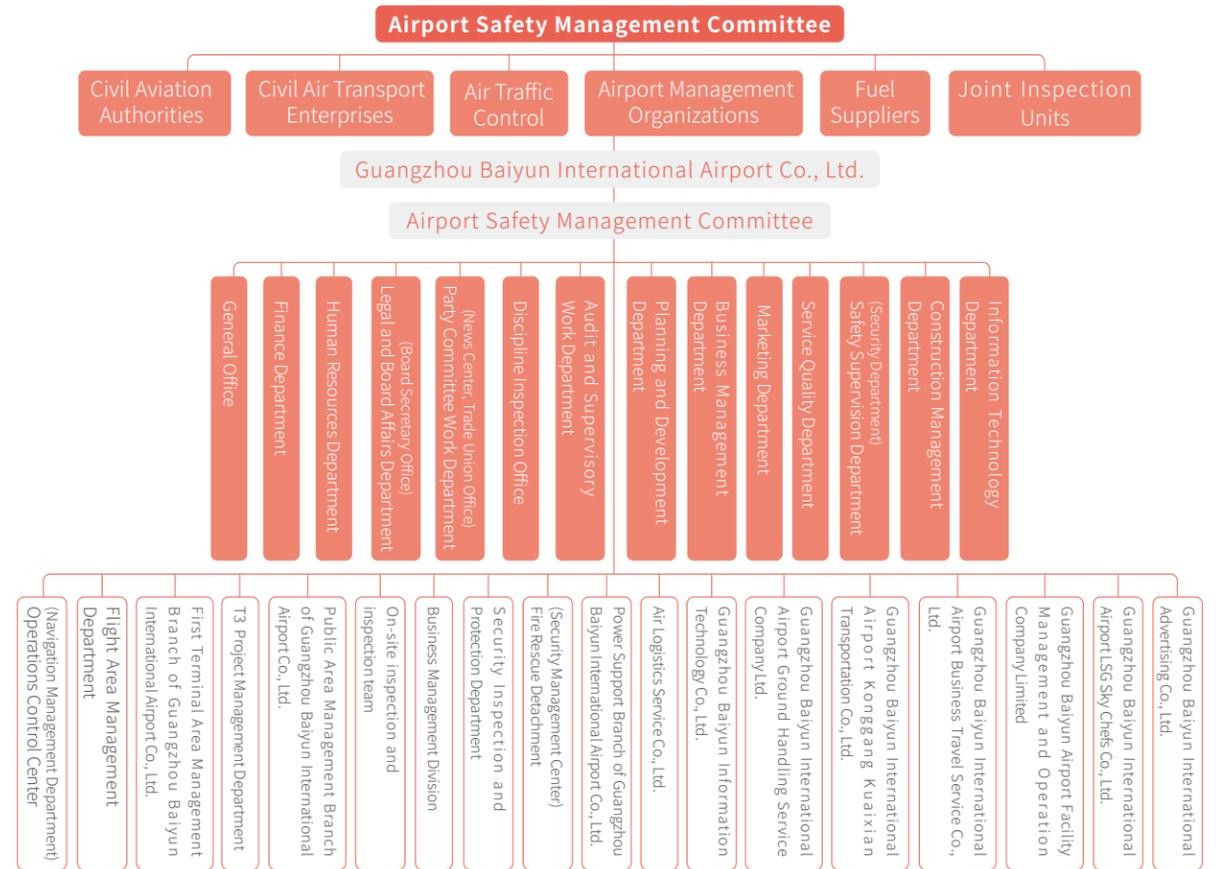
With two absolute safety standards as the bottom line and red line, we are further clarifying safety responsibilities, improving the establishment of management systems, and strengthening the safety management team building, thus improving our overall safety management.

Safety objectives and achievements in 2023

Safety indicators	Safety performance objectives	Completion rate
Number of major air transport accidents caused by airport responsible reasons	0	100%
Number of terrorist incidents (e.g. hijacking, bombing) or serious air defense accidents caused by airport responsible reasons	0	100%
Number of major aviation ground accidents and aviation maintenance accidents caused by airport responsible reasons	0	100%
Occurrence rate of major aviation ground accidents per 10,000 flights caused by airport responsible reasons	≤ 0.03	100%
Occurrence rate of accidents caused by airport reasons per 10000 flights	≤ 0.08	100%
Number of serious dishonest behaviors due to airport organizational management	0	100%

Implementing work safety responsibilities

To continuously improve the safety responsibility system, we have prepared a series of supporting regulations, such as the *Safety Management System Manual*, the *Safety Responsibility System*, the *Safety Assessment System*, and the *Safety Accountability Management System*, and formulated the *List of Primary Responsibilities for Work Safety* for all personnel. These documents enable all employees to know and implement their work safety responsibilities. At the same time, we incorporate work safety indicators into the annual comprehensive assessment of the management team and strictly implement the veto-based system of work safety and accountability system in accordance with the requirements of the *Letter of Work Safety Responsibility*. In the event of safety accidents, the safety responsibility department, the first safety responsible person, directly responsible person, and related responsible persons will be disqualified for various honors and commendations in the annual selection. Additionally, any outstanding ratings in the annual evaluation of corporate officials will be canceled, with corresponding performance deductions applied accordingly.



Improving safety system

We further improve the safety management system of Baiyun Airport, and consolidate the foundation of safety management by continuously perfecting the safety management system and revising seven policies, including the *Dual Prevention Mechanism for Hierarchical Control of Safety Risks and Hidden Danger Inspection*, the *Statutory System for Self-Inspection*, the *Safety Management System for Outsourcing*, the *Safety Management System Manual*, the *Baiyun Airport Aviation Security Defense Plan*, the *Handbook of Safety Management System of Dangerous Goods for Air Transport (SMS-DG)*, etc.

Expanding the safety management team

We continuously expand the safety management team with the appointment of 73 full-time safety management personnel. Furthermore, 156 full-time and part-time safety management personnel and members of the safety expert pool completed the annual training for civil aviation safety management personnel. 45 batches of more than 3,500 employees participated in apron operations safety training, effectively enhancing the professional skills of safety personnel.

Conducting safety hazard investigation

To proactively promote the special investigation and control of safety hazards, we formulated the *Baiyun Airport Major Safety Hazard Special Inspection and Rectification Action Plan for 2023* and compiled the *List of Major Safety Hazards*, which includes 42 items in 7 categories. This initiative has further advanced the major safety hazard investigation and rectification work of major safety hazard.



In 2023, the Baiyun Airport's major safety hazard investigation and rectification actions were recommended by the **CAAC Guangdong Safety Supervision and Management Administration** to the Guangdong Provincial Safety Committee by the CAAC Guangdong Safety Supervision and Management Administration as a representative of the industry within Guangdong Province.

Promoting the statutory self-inspection system

We have established a specialized statutory self-inspection team comprised of over 150 members, formed supporting work mechanisms and optimized statutory self-inspection plans and lists, thus effectively improving the efficiency of safety supervision. Our statutory self-inspection optimization project was awarded the title of Statutory Self-inspection Demonstration Project by the Civil Aviation Central and Southern Regional Administration.

Guaranteeing safe operation

We always follow the fundamental guidance of General Secretary Xi Jinping's important remarks on work safety and his significant instructions on civil aviation safety work. We prioritize the well-being and life of the people, making every effort to ensure the operational safety, air security, fire safety, and information security of Baiyun Airport.

Operational safety

We have conducted a special runway safety campaign that encompasses covering eight aspects, including prevention of runway incursions by vehicles and personnel, foreign object management, airfield area management, non-stop construction management, clearance management, and visual and navigational aids management. The objective is to prevent and mitigate operational risks at the aerodrome.



Based on the bird strike incidents that have occurred, we have organized a bird strike prevention study. By optimizing staff deployment, strengthening training inspections, and introducing new equipment, we aim to create a safety barrier to prevent bird strikes.

We have formulated the *Handbook of Safety Management System of Dangerous Goods for Air Transport (SMS-DG)* to specifically address the transportation of dangerous goods in the cargo hold and dangerous goods for outbound flights. We rigorously implement operational procedures and follow the safety operational requirements.



For the non-stop construction management of the Phase III expansion project, regular specialized risk assessments are conducted to identify potential risks and formulate specific measures to mitigate risks accordingly.



The cases of *Guangzhou Baiyun International Airport, Non-stop Construction Safety Management Model for Major Hub Airports and Risk Management of Personnel Injuries Caused by Aircraft Towing Operations*, were awarded the Excellent Award for Civil Airport Safety Management in 2023.

Aviation security

We organize 8 specialized assessments to enhance core risk management and control in aviation security. These assessments include guaranteeing the capability of the security inspection team, evaluating security inspection equipment, verifying security inspection capabilities, assessing access control systems, conducting explosives detection, implementing measures to prevent tailgating and intrusion at checkpoints, airspace control during non-stop construction, and assessing cargo security.

Fire safety

We are continuously improving our fire safety capabilities. We have revised the *Fire Safety Management Regulations* and the *Hot Work Management Regulations*, and strengthen both volunteer firefighter teams and full-time firefighting teams. Special campaigns such as "Winter-Spring Fire Prevention and Control" and "Fire Safety Standard Development" have been carried out to address specific issues. Fire safety training has become a regular practice, and fire emergency evacuation drills in terminal buildings and on runway areas have been organized.

Case | Firefighter skills competition enhances firefighting personnel's competence

On June 28, 2023, Baiyun Airport successfully hosted the first "Iron Army Cup" Firefighter Skills Competition, with over 80 participants after a rigorous selection process.

The competition consisted of six events, including individual firefighting techniques, firetruck maneuvering on the highway, and simulated aircraft cabin firefighting. The competition closely simulated real-life scenarios, effectively assessing the technical skills of the airport's firefighters and further enhancing the overall competence of the firefighting workforce.



Information security

To continuously enhance the network information security, we have developed version 1.0 of the statutory self-inspection information system, which includes a specialized security inspection module at the enterprise level to meet the inspection needs of different levels and scenarios. We have upgraded the application systems at Baiyun Airport and developed a mobile application to enhance the user interface (UI) experience of the information system on computer terminals, further improving the efficiency of self-inspection and achieving real-time monitoring of the system status. In 2023, we successfully completed two network security attack and defense exercises during the Guangdong Network Security Protection Action campaign, without any incidents of information system breaches. We also conducted 39,000 inspections, 618 maintenance activities, and 126 emergency drills for core production information systems. A total of 17,093 information system failures were handled in time, with an average resolution time of 0.97 hours. Overall, the operational and maintenance service indicators met the standards.



The Information Technology Department of Baiyun Airport was awarded the title of Advanced Collective in Network Security for Major Events in Local Region by the Central and Southern Regional Administration of CAAC.

Enhancing emergency management

We continuously improve the emergency management system and the establishment of the emergency response planning system at Baiyun Airport. We have formulated the *Measures for Emergency Management of Guangzhou Baiyun International Airport* to strengthen emergency organization management, enhance emergency planning and response, and deepen emergency inspections and supervision, thereby further enhancing our emergency response capabilities.

Establishment of emergency organizational structure

We have built established a three-tiered emergency organization mechanism of "management - decision-making level - execution level" and a three-tiered command mechanism of "general director - site general director - directors of each organization" and have to form established a comprehensive emergency response system and an emergency management structure that covers the entire process of emergency planning and response.



Improvement of emergency plan and disposal management

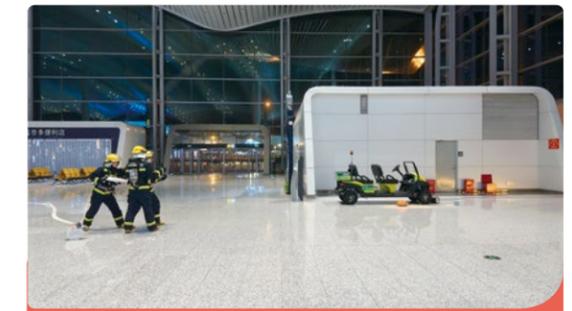
We have revised the *Emergency Plan Manual* by completing the revision of one comprehensive emergency plan, 21 specialized emergency plans, 20 specialized work guidelines, and 8 appendices. In addition, all of these will be incorporated into the *Emergency Plan Operations Manual*, making the emergency plan more workable and practical.

In-depth emergency inspection and monitoring

We conduct statutory self-inspections of emergency management and have organized 60 targeted drills linked with key businesses, risks, and processes. We also designate individuals responsible for reviewing drill plans, monitoring drill implementation, and providing oversight. These measures aim to strengthen our emergency response capabilities in handling critical emergency incidents.



"Baiyun Airport Aircraft Fire Incident" unannounced emergency exercise



Fire emergency drill at T2 Terminal

816

emergency drills conducted

236

emergency trainings held

157

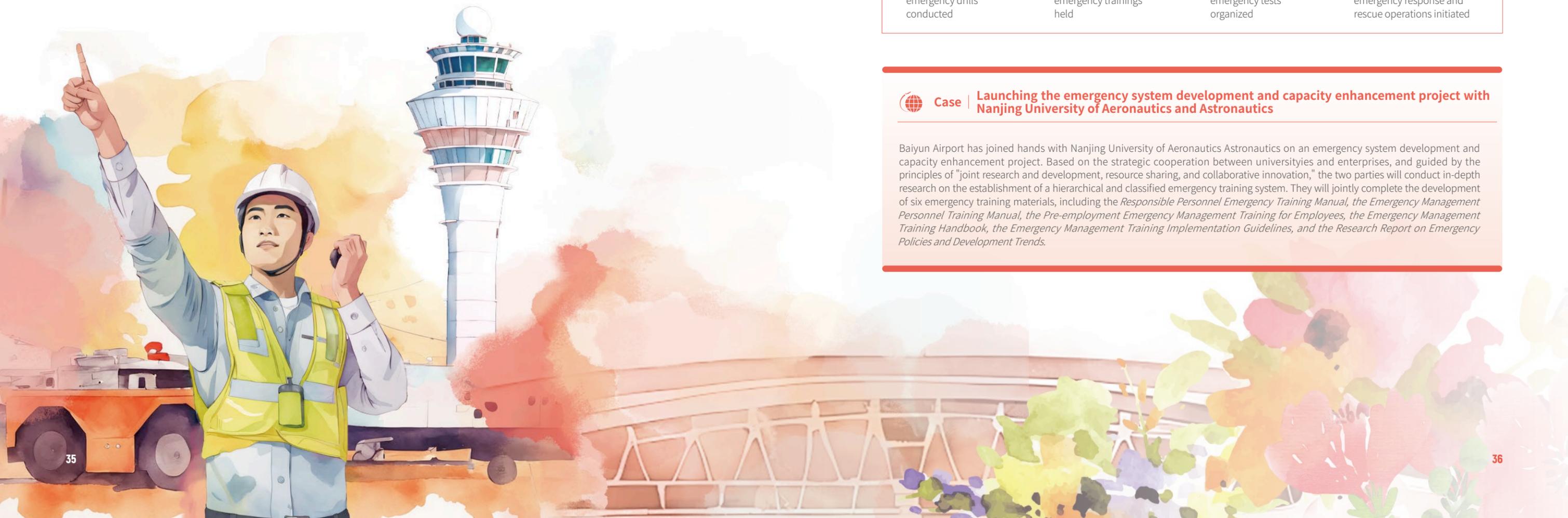
emergency tests organized

15

emergency response and rescue operations initiated

Case | Launching the emergency system development and capacity enhancement project with Nanjing University of Aeronautics and Astronautics

Baiyun Airport has joined hands with Nanjing University of Aeronautics Astronautics on an emergency system development and capacity enhancement project. Based on the strategic cooperation between universities and enterprises, and guided by the principles of "joint research and development, resource sharing, and collaborative innovation," the two parties will conduct in-depth research on the establishment of a hierarchical and classified emergency training system. They will jointly complete the development of six emergency training materials, including the *Responsible Personnel Emergency Training Manual*, the *Emergency Management Personnel Training Manual*, the *Pre-employment Emergency Management Training for Employees*, the *Emergency Management Training Handbook*, the *Emergency Management Training Implementation Guidelines*, and the *Research Report on Emergency Policies and Development Trends*.



Nurturing a culture of safety

We firmly adhere to the safety concept of "comprehensive management and zero tolerance of hazards". While intensifying our efforts on the "community level organizations, basic work and basic capacity" (the three foundations), we have established a solid safety training system, launched work safety activities in new ways and carried out extensive safety promotion and education. In collaboration with employees and on-site units, we aim to cultivate a healthy and sustainable culture of safety, conveying safety concepts to the public.



Strengthening the "three foundations"

In response to the requirement of strengthening the "three foundations" put forward by the CAAC, we have further advanced the "Safety Three-Person Group" activities to use "finger oral" in critical support positions. In 2023, a total of seven sessions of the Safety Three-Person Group Salon activities were held, where company executives held face-to-face discussions with frontline employees to study and resolve safety issues, encouraging frontline employees to proactively identify and address safety concerns.

A total of

1,758

safety hazards were identified in 2023 at

19

high-risk points in aircraft maintenance operations by using the "finger oral" method, effectively eliminating potential safety hazards that could affect aircraft flight.

We have developed the *Safety Training and Education System* and collaborate with professional training institutions to conduct safety training for company leaders, safety management personnel, and full-time staff, aiming to enhance their professional competence. We also provide mobile firefighting training sessions for on-site merchants and construction workers. A total of 6 sessions were held with 384 participants.



Promoting safety skills drill



Conducting "119" fire safety awareness campaign

We organize special training sessions for fire safety officers and fire safety management personnel to enhance their competences in fire safety management skills. To widely promote the fire safety knowledge, the "Thousands of Cities, Millions of Homes" screen lighting campaign is carried out, utilizing advertising boards and electronic display screens in terminals, public areas, and hotels to broadcast rolling videos and posters on fire safety.

We continue the "Whistleblower" campaign, with 2,166 valid reports received, facilitating continuous improvement of safety issues. We also adopt a new approach to organizing Work Safety Promotion and Consultation Day, with more than 10 on-site units signing the *Work Safety Initiative*, jointly carrying out the safety responsibilities.



Innovating in safety activities



Conducting diversified safety promotion

By broadcasting short safety videos and voice reminders in terminals and important production and workplaces, and utilizing the corporate WeChat official account, we promote safety and educational information from multiple levels and perspectives. Additionally, we organize various activities such as educational films on safety warnings, lectures on typical internal and external incident cases and the "I Know about Hot Work Operations" publicity campaign, with a total of 3,643 participants.

1,065

safety education and training sessions

8,970

hours of safety education and training

76,894

participants of safety education and training

100%

coverage of safety education and training

Safeguarding occupational health and safety

We value the physical and mental health of every employee. In accordance with laws and regulations such as the Labor Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, we strengthen employee occupational health management, and create a safe workplace.

100%

health examination coverage

40

sessions
Online psychological health cloud class themed "Heart Care, New Future"

5,334

Viewers in total

5

live lectures

3

sessions of Health Lecture

- ▶ Provide labor protection supplies/equipment according appropriate to job duties to prevent occupational injuries/accidents at work.
- ▶ Standardize work procedures for positions, implement safety protection systems, and conduct training drills; conduct heat stroke prevention and cooling emergency training and drills as required by the work environment to enhance employees' emergency response capabilities.
- ▶ Distribute cooling drinks to workers in summer to prevent heat stroke.
- ▶ Regularly conduct employee health check-ups to raise employees' awareness of disease prevention and control and overall general health levels.
- ▶ Organize health lectures to share health knowledge.
- ▶ Establish the Employee Health Center with initiatives such as psychological health cloud class themed the "Care for Hearts, Shape the Future", a 24/7 employee psychological health hotline, and "1-on-1" green channel consultations, and construct four labor union "Employee Love Stations" to enhance employee happiness.



Health Lecture Online Health Cloud Lecture

Case | Labor Union Caring Love Station" unveiled to provide "sunshade" for outdoor staff

The opening ceremony for the "Labor Union Love Station" was held at Baiyun Airport "on August 9. Four "Labor Union Love Stations" were officially opened, providing outdoor staff with "sunshades". The Love Station integrates a red station, a life station, a rest station, and a soul station. It is equipped with facilities and supplies such as water dispensers, air conditioners, refrigerators, microwaves, first aid kits, leisure tables and chairs, Party building books and periodicals, newspapers, and magazines, providing one-stop services covering work, life, and learning services. It fully meets the needs of outdoor staff for drinking, dining, resting, reading, and phone charging. Although the station is small, its thoughtfulness towards outdoor staff is evident in the details, showing warmth in every aspect. The Love Station not only provides a rest place to rest, but also a place to recharge cultural nourishment. Since its opening, it has become a "warm haven" for outdoor staff at Baiyun Airport.



Improvement of Hub Capacity

Improving hub construction

We are actively upgrading the airport infrastructure in line with high standards, vigorously promoting a series of supporting infrastructure projects for Guangzhou Baiyun International Airport, including the Phase III Expansion Project, the underground pedestrian tunnel project for Terminal 1, the overnight passenger accommodation project, the Automated People Mover (APM) system reservation project, the P4 transportation complex project, the expansion of aircraft parking stands, and the renovation of check-in islands. These projects are aimed at continuously enhancing the comprehensive transportation hub capabilities of Guangzhou as an international hub, and improving the overall support capacity and service of Baiyun Airport.

Case | The building of the world's largest single-terminal airport in Guangzhou

The East Four International Concourse and West Four Domestic and International Concourse within the Phase III expansion project of Baiyun Airport were officially completed on 31 December 31, 2023. They seamlessly connected with the existing T1 and T2 terminals, forming the integrated Baiyun Airport Terminal 1. Thus, the world's largest single-terminal airport emerged in Guangzhou.



With the inauguration of the two new concourses, Baiyun Airport added 35 new boarding gates and 25 contact stands. This has further expanded the available space and efficiency of the airport terminals, providing additional resources to ensure the safe operation of flights and accommodate the growing demand for air routes. It also promises passengers a more convenient, intelligent, and comfortable travel experience.

Optimizing comprehensive transportation

We are actively implementing the work plan of the Guangdong Provincial Development and Reform Commission on the *Overall Transportation Planning of Comprehensive Transportation Hub of Guangzhou Baiyun International Airport (Revision)*. Accordingly, we are promoting the introduction of high-speed railways, intercity railways, and urban rail transit into the airport, providing a faster and more convenient transportation network for connecting to various cities in the Greater Bay Area.

Bettering route network

We actively leverage our role as an aviation transportation hub and continuously enhance the coverage and accessibility of our air route network. We successfully facilitated the addition, restoration, and increase of over 100 international and regional passenger routes by airlines in 2023, resulting in over 1,000 weekly international and regional passenger flights. Concurrently, we vigorously explored the potential of the international freight market, facilitating the addition of 7 operators for international freight routes and the commencement of 15 international and regional all-cargo routes.



Launch of the "China-Africa Air Express"



China Southern Airlines Guangzhou to Christchurch route



Case | Constructing the Home of Guangzhou Airport Aviation Hub

The Home of Guangzhou Airport Aviation Hub was completed and put into operation in December 2023. We plan to establish a communication and exchange platform with airline partners through regular online and offline activities, thus promoting the construction of customer-friendly airports on an ongoing basis.



Quality service

We always adhere to the service concept that sincere service brings new experience, promote the "Cordial Service" brand and improve operational efficiency. Great efforts are also made to provide various and high-quality airport services for passengers, improving their travel experience and creating a model for humanistic airport services.

Guaranteeing efficient operational management of flights

We actively implemented the *Civil Aviation Administration of China's 2023 Flight Punctuality Assessment Indicators and Control Measures and Flight Operation Standards* and other regulations. We issued new versions of *Airport and Airport Operation Control Center Large-Scale Flight Delay Contingency Plan* and *Airport Operation Control Center Pre-Flight Coordination Mechanism for Flight Operations*. These efforts aim to further improve the flight operation management system, enhance flight operation efficiency, and ensure passengers travel as scheduled.



Supporting important flights

We strengthened operational support and offered substantial support for special flights and important flights during Spring Festival, Mid-Autumn Festival, National Day, the "Two Sessions" (National People's Congress and Chinese People's Political Consultative Conference), Hangzhou Asian Games, Asian Para Games, etc. As a result, we were awarded the title of Outstanding Collective in Integrated Transport Performance during 2023 Spring Festival season by the Ministry of Transport and other relevant departments.



Improving operational efficiency of flights

Intensifying supervisory management

We developed and issued annual special governance plans for improving operational efficiency and flight assessment plans, and supervised various units to complete their job duties through monthly assessments, delay cause analysis, and special working group meetings.

Proximity takeoff and landing procedure

Our initiative proximity takeoff and landing procedure, which has been promoted to the whole industry by CAAC, can effectively improve the air-ground operation efficiency. The flight airbridge usage has improved by 10% and stabilized at over 80%, which far exceeding the CAAC's requirement.

Consolidating handling capabilities of flight delay

We completely revised contingency plans for flight delay at airport-level and AOC-level. We also established early warning mechanisms and pre-operation coordination mechanisms, and shifted the focus to proactive handling. At the same time, we conducted timely analysis, review, and drills for flight delay handling to promote problem rectification.

Precising flight adjustments

We adjusted plans according to weather conditions, special activities, and other factors. In total, 57,224 flight plans were adjusted throughout the year, with a success rate of 84%.

Enhancing application of coordination mechanisms

We strengthened the coordination of short-term delay resolution and rapid transit support mechanisms. Throughout the year, a total of 832 fast transit flights were operated smoothly, with 59.4% of flights recovering departure punctuality and 89.3% of flights recovering dispatch punctuality.

Coordinated efforts and coordination

We strengthened coordination with authorities, air traffic control, and other external airport units regarding schedule adjustments, runway operation modes, traffic flow management strategies, and departure flow control restrictions. We increased the presence of the duty force of Baiyun Seat of Pearl River Delta Operation Coordination Management Committee and fully leveraged the regional coordination platform for diversion and slot replacement. We organized discussions on special governance for cargo flight schedules with 21 major cargo airlines, and formulated and implemented specific governance plans. We conducted specialized analysis on low on-time performance of foreign airlines and coordinated cause analysis of delays and solved delay problems.

Optimizing flight schedules

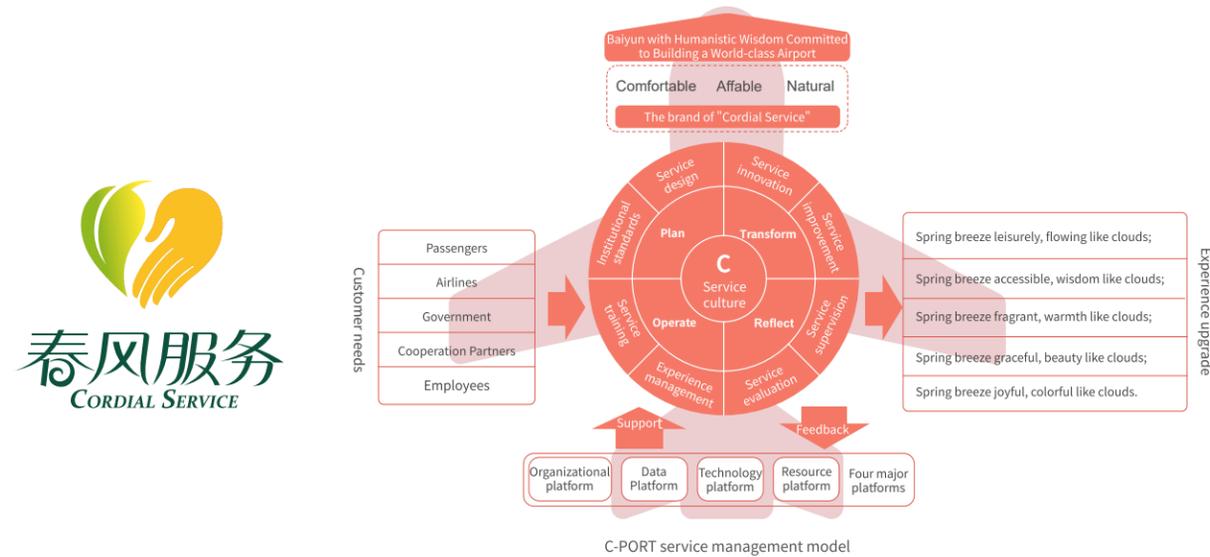
We took active part in consultation and seminar on schedule management reform held by the Civil Aviation Administration of China and secured an increase in peak-hour capacity of Baiyun Airport from 78 to 83 aircraft. We facilitated the opening, resuming, or increasing the frequency of Guangzhou-bound international passenger and cargo flight routes, obtaining temporary cargo flight slots for over 10 domestic and foreign airlines, and securing additional passenger flight slots for Gulf Air through coordination efforts. We increased international passenger and cargo flights at nighttime and encouraged airlines to operate additional scheduled passenger and cargo flights at night.

High-quality travel service

We continue to strengthen the branding of the "Cordial Service" and improve the service quality management system. We promote innovation in airport services and improve service experience management. We step up efforts to offer "satisfactory service," "fine service," and "heartwarming service" to passengers, aiming to offer better travel experiences to the general public.

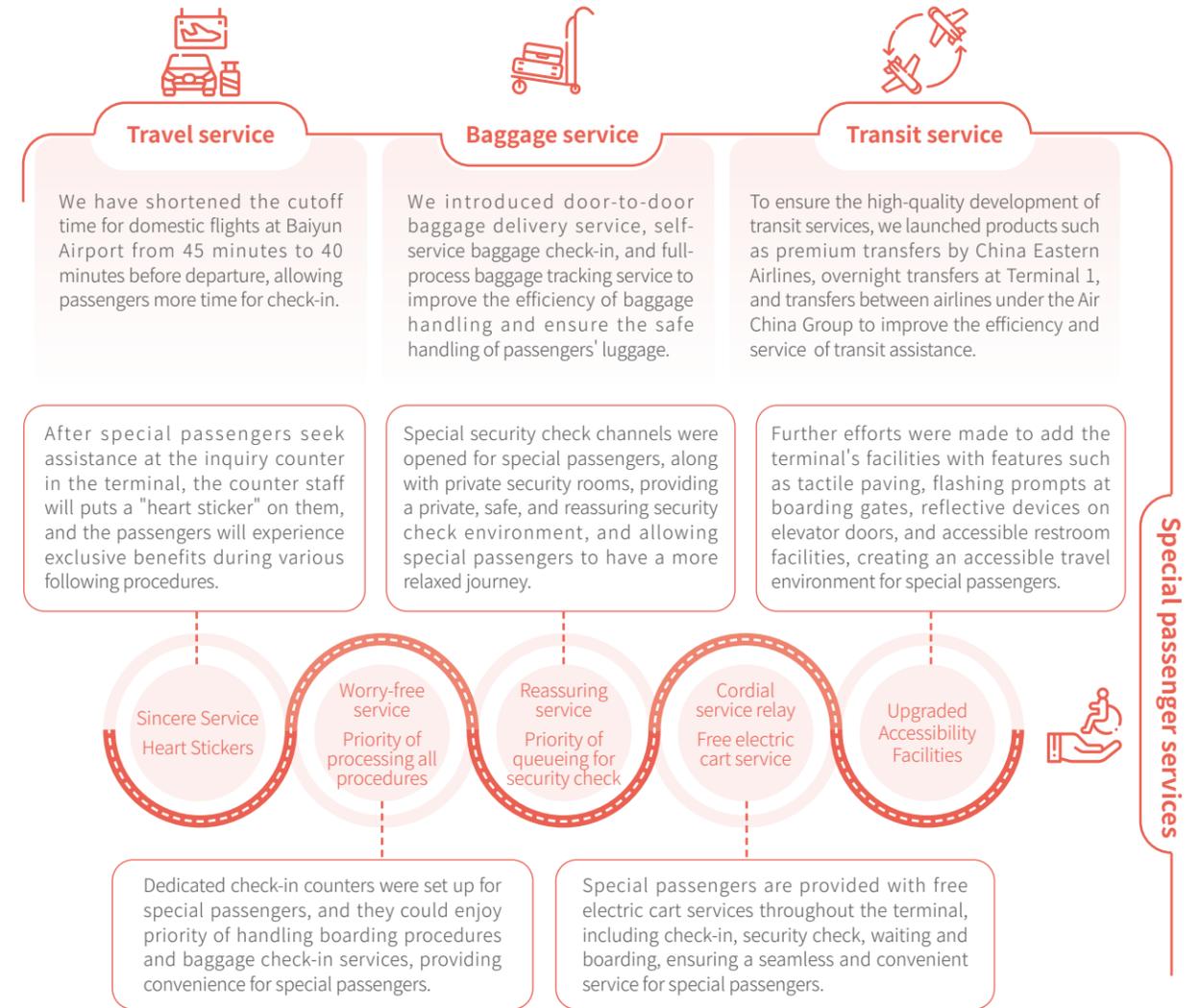
Promoting "Cordial Service"

We continue to meet the bottom-line requirements of sincere service advocated by the CAAC, enhance the building of the "Cordial Service" brand, and further promote the development of humanistic airports.



Improving passenger service experience

We maintain service from the heart and meet customer needs as our purpose to continuously improve the convenience and efficiency of passenger travel, providing passengers with more considerate and warm travel services.



Enhancing service quality management

We continuously upgrade our service management model. Based on the *Guidelines for the Construction of Quality Management System for Passenger Services in Public Aviation Transportation*, we prepared the *Guangzhou Baiyun International Airport Service Quality Management System Manual* to strengthen service quality management from post-management to proactive prevention and improve overall service quality management at Baiyun Airport.

Setting up sound organizational structure of service quality management

We established the Guangzhou Baiyun International Airport Passenger Service Enhancement Committee, providing strong organizational leadership to promote the smooth implementation of various service works.

Improving system and standard of service quality management

We developed regulations for service organization management, training management, product innovation management, supervision and inspection management, assessment management, customer feedback management, service personnel service standards, and service quality risk management, in order to promote standardization and systematization of service management.

Strengthening mechanism of service quality risk control

We established sound working mechanism and standards for grading and controlling service quality risk, promoting the transition of service quality management from post-management to pre-management and enhancing service quality.



Service for special passengers



Transit service

Case | Baiyun Airport Launched pick-up and drop-off service for first flight at city terminal

In order to provide more efficient and convenient services to the public, Baiyun Airport has designed the pick-up and drop-off service for first-time-passengers in terms of service object, service procedures, service product, etc., extending its services to the city terminal. By providing services starting from the passengers' home, Baiyun Airport ensures a worry-free travel experience for passengers to the greatest extent.

Service object

The service is aimed at passengers who are traveling through Baiyun Airport for the first time, as well as those special passengers who are unfamiliar with the airport, have language barriers, or have mobility difficulties.

Service process



Service mode

The paid value-added service needs to be extended to 37 city terminals in the Pearl River Delta region, including Guangzhou, Foshan, Dongguan, Zhongshan, Zhuhai, Huizhou, and other surrounding cities.

A total of **21,242** passengers were served in 2023.



Case | New baggage control method demonstrates wisdom of cordial service

Baiyun Airport has pioneered a new model of transporting overflow baggage from the boarding gates through nearby security checkpoints. Baiyun Airport taken multiple measures, including adding reminders for checked baggage at the check-in area, developing intelligent baggage measuring machines, assigning dedicated personnel for pre-security control, and introducing baggage security checks at the boarding gates, to control the entire process of handling oversized, excess, and overweight baggage. This has resulted in the overflow baggage arriving on the same aircraft, saving passengers an average waiting time of 90-150 minutes for their luggage. This not only improves the travel service experience for passengers but also ensures the smooth operation of flights. The initiative has received high praise from airlines and positive feedback from passengers.



Check-in guide

Protecting customer's rights and interests

We pay attention to the protection of customer's rights and interests as well as privacy. We listen to the voice of customers from multiple channels and constantly improve their sense of satisfaction.

Letting customers' feedbacks be heard

We continuously revise the *Company Customer Opinion Management Measures*, expedite the handling of customer complaint, and promptly resolve passenger service issues. Moreover, we monitor online customer service, Weibo, and email 24/7, and respond promptly to concerns of netizens. We strengthen cooperation with airlines and establish a regular mechanism for transferring and handling opinions with resident airlines, improving the efficiency of complaint handling.



Customer satisfaction

We adopted methods such as informal discussion and face-to-face interviews to conduct customer satisfaction surveys for ordinary passengers, VIP passengers, airlines, commercial tenants, etc.



Awarded "Best Airport by Size and Region 2022, over 40 million passengers per year in Asia-Pacific" by ACI.

Awarded "Excellent Airport in Passenger Satisfaction for Civil Airport Service Quality Evaluation, Over 10 Million Passengers in 2022" by the China Civil Airports Association.

Awarded the title of "China's Best Airport Award 2022 (among Annual passenger Volume above 10 Million)" by CAPSE.



Protecting customer privacy

We attach great importance to the protection of customer personal information, and adhere to the *Cybersecurity Law of the People's Republic of China*, the *Civil Code of the People's Republic of China*, and relevant aviation safety regulations. We collect and access to passenger personal information in compliance with laws and regulations, and continuously improve customer information protection management mechanisms to ensure the security of customer information.

Clarifying scope of information collection and usage

Mobile applications such as Airportpass and VIP Services all offer *User Privacy Protection Statements*. Users are reminded to read and authorize the statement during registration, login, and personal information collection processes. The statement clearly explains the usage methods, scope, protection measures, and rights of users regarding personal information, facilitating users' understanding and control of their rights.

Strengthening measures for data and information protection



Building business benchmark

We make every effort to build a unique airport industrial system, continuously optimize the business environment of the terminal building, and enhance the quality of commercial and advertising operations. By issuing investment promotion posters, setting up investment hotlines, and hosting investment promotion meetings, we strive to develop commercial resources in terminal buildings. Moreover, we actively introduce internationally renowned brands and strive to create high-quality airport commerce, thereby enhancing the passenger consumption experience.



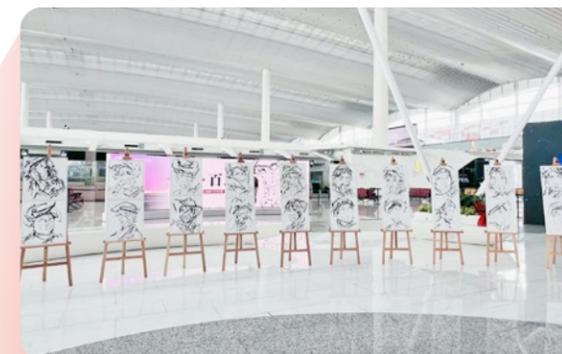
Promoting cultural exchange

We are committed to advancing the humanistic airport, focusing on the spiritual and cultural needs of passengers, activating the value of airport public spaces through a variety of cultural-themed activities, turning the airport into a display window for Chinese characteristic culture, and enriching the wonderful travel experience for passengers.

The first Culture and Arts Festival of Autumn Rhythm Cheongsam Exhibition in Baiyun Airport was held to bring diversified cultural enjoyment integrating appreciation, knowledge, artistry and humanistic nature for travelers.



The "Fragrance of Tea in Baiyun Airport" art exhibition was held to enable passengers to appreciate the charm of classical tea culture.



A series of art exhibitions including "Transcendence and Expression: Contemporary Chinese Paintings by Chen Lüe", "Sentiments of the Hometown: Contemporary Masterpieces of Fine Art", and "Ink Rainbow Bridge: 'China Calligraphy City · Wuhai,' National Top 100 Airport Summer Photography Exhibition" were launched to intersperse the journey with art.



The themed exhibition "Hidden Dinosaurs and Champsosaurus Breaking Out," in collaboration with the Gmns Grandview Museum of Natural Science showcased dinosaur-themed sculptures, fossils, and related products.

The distinctive sub-venue for the 2023 Southern Book Festival at Baiyun Airport integrating author sharing sessions, book exhibitions, and installation check-ins provided a convenient opportunity for passengers to "surf the sea of books" while waiting for their flights.



The 818 (August 18th) shopping festival of endless fun life, featuring themed areas such as gourmet food, cloud treasure cultural and creative products, and musical performances, created a fun-filled travel room for passengers to promote cultural tourism service consumption.



The "Cultural Construction of the Greater Bay Area, Creative Representation of Intangible Cultural Heritage" youth lion dance-themed painting exhibition and stone culture experiential flash mob activity with the Yangcheng Evening News promoted the unique culture of Lingnan.



Employee Empowerment

Talent is the core competitiveness of an enterprise. We adhere to the talent concept of "letting leaders take the lead and assisting practitioners," earnestly safeguard the legitimate rights and interests of employees, increase talent training efforts, reasonably balance staff work and life, and strive to create a fair, open, harmonious and inclusive working environment.

Attracting talents widely

Strictly adhering to laws and regulations such as the Labor Law of the People's Republic of China, we uphold diversified and equal employment to widely attract talents, effectively safeguard their basic rights, prioritize employee development and care, pursue mutual development with employees together, allowing leaders to take the lead and supporting practitioners along the way.

We strictly comply with laws and regulations such as the *Labor Law of the People's Republic of China* and international human rights norms recognized by organizations like the *International Labour Organization (ILO)*. We have established regulations such as the *Recruitment Management Regulations of Guangzhou Baiyun International Airport Co., Ltd.* We uphold the principle of non-discrimination in employment and create an equal, diverse, and inclusive work environment. We prohibit discrimination based on employees' gender, age, educational background, ethnicity, beliefs, marital status, etc. We do not differentiate based on the basis of factors such as the graduate school, domestic or international study experiences, or study mode (full-time or part-time), ensuring open, fair, and impartial recruitment practices.

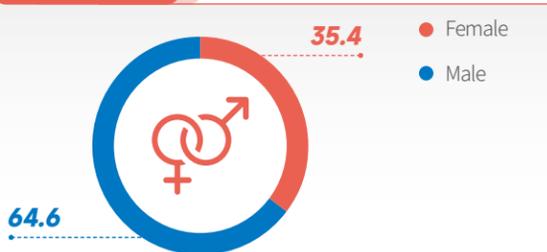


We are taking a fresh approach to recruiting management trainees for the class of 2024, introducing new initiatives such as the "Campus Recruitment Express Pass", "Senior Mentor Insights", "Celebrity Sharing", and other heart-warming interactive sessions to further enhance the employer brand. A total of 39 outstanding management trainee candidates were identified during the autumn recruitment.

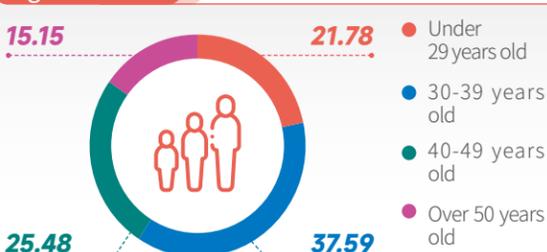
9,878
employees in total

328
new employees

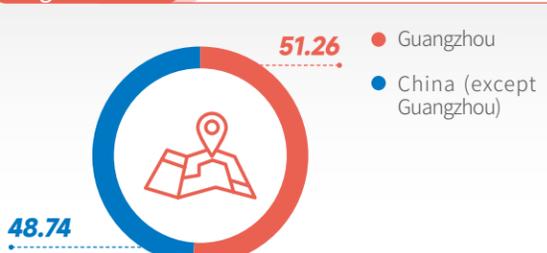
Gender (%)



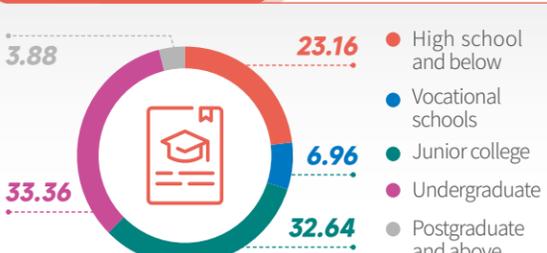
Age (%)



Region (%)



Academic Level (%)



Protecting employees' interests

Labor rights

In strict accordance to compliance with laws and regulations such as the *Labor Contract Law of the People's Republic of China* and the *Provisions on the Prohibition of Using Child Labour*. In crucial stages like recruitment and employment, we explicitly prohibit the use of child labor and forced labor and legally conduct background checks on employees to prevent the occurrence of child labor and forced labor situations.

Democratic management

We insist on the basic form of enterprise democratic management represented by the Workers' Congress, harnessing its crucial role in democratic governance. We shall strictly abide by the relevant regulations on enterprise democratic management, enhance the relevant systems of the Workers' Congress, clarify its responsibilities, establish a comprehensive management mechanism for the Workers' Congress, conduct elections of worker representatives effectively, and further improve the organizational structure of democratic management.

3 Workers' Congress meetings in 2023

100% Workers' Congress reporting rate

Remuneration and benefits

We strictly adhere to laws and regulations such as the *Labor Law of the People's Republic of China*, the *Guangdong Province Regulations on Wage Payment*, and the *Guangdong Province Measures for the Protection of Labor in High Temperature Weather*, as well as internal company policies on remuneration and benefits. We follow the principle of "increased more benefits, increased more wages; decreased benefits, decreased less wages" when conducting in salary distribution, actively promote diverse, multi-dimensional, and personalized compensation incentive models, continuously strengthen salary incentives for key positions, high-skilled and high-level talents, and link employee income with enterprise benefits and value creation. We carry out special incentives for performance improvement, conduct in-depth research on diversified incentive mechanisms, and utilize incentives to empower development, promoting the principle of "fair pay for work done".

Employee health examination, high-temperature subsidies, paid leave, timely and full payment of social insurance and housing provident fund, cafeteria, work meal subsidies, employee shuttle buses, etc.

We continue to improve the caring system for frontline employees, providing them with high-temperature allowances accordingly and systematically increase meal subsidies to meet their actual dining needs in different positions.

100% labor contract signing rate

100% social insurance coverage

Staff service

With the Employee Service Center APP platform, we aim to create a "self-service, intelligent, user-friendly and professional" service platform. We provide comprehensive basic services for employees, including handling entry and exit procedures, record managing files management, salary distribution, and processing social insurance and housing provident fund. We have also activated the "Employee Service" feature on our enterprise WeChat platform to provide convenient services for employees, ensuring the protection of their basic rights and interests.

Contributing to employee development

We value the growth and development of our employees, conducting training management in a meticulous manner, and provide employees with vocational training and guidance to enhance their professional skills. We scientifically organize expert teams and strengthen the construction of professional technical teams, laying a solid talent foundation for the high-quality development of the company.

Training Empowerment

We are continuously improving the talent development system and conducting a series of trainings for various types of employees such as the "Sailing Project" for cultivating outstanding talents, the "Achieving Excellence" series of trainings for management trainees, with the aim to enhance employee competitiveness. We also export training programs externally, promote cooperation between schools and enterprises, and deliver excellent talents to the industry.



"Sailing Project" Talent Training Camp



The Fourth Phase Talent Class Outbound Study Tour



Management Trainee Symposium



Management Trainees Visit Fire and Rescue Brigade

The "Sailing Project" Talent Development Programme

selects 30 candidates to participate in a one-year training program for reserve skilled talents.

The "Achieving Excellence" trainings

includes management trainee training, organizing small-scale, frequent symposiums to timely grasp the thoughts and work situations of management trainees, with a total of 422 participants.

Premium training programmes

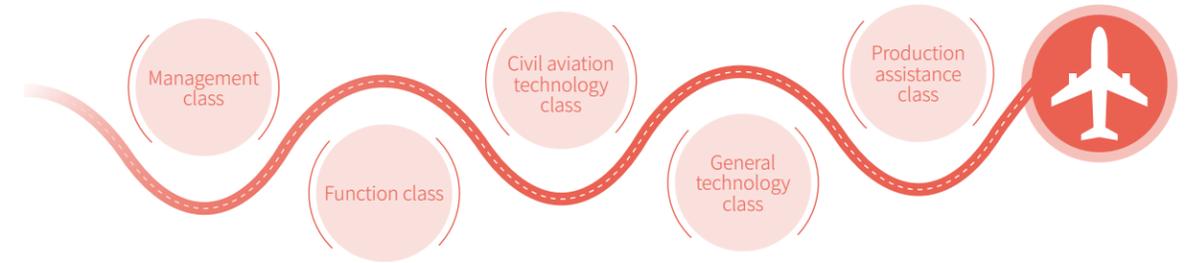
exported externally, effectively integrating resources, vigorously promoting school-business cooperation, with a total revenue of 1.5802 million yuan.

Employee training coverage rate	Total input in employee training	Total duration of employee training	Number of employee training sessions
100%	RMB 6.6994 million	10.40 hours	247,349 participants

Facilitating career development

We are continuously optimizing the career pathways with the concept of designing multi-directional and broad development. We establish a "dual-track" development channel for management talents and professional skills to provide employees with broad development platforms and spaces, facilitating their smooth career development paths.

Position sequence system of Baiyun Airport



Expanding technical professionals

By recruiting junior experts, refining the management and evaluation mechanisms for expert teams, and strengthening the construction of professional technical teams, we are gradually building a strong and capable team of professional technical talents. We are continuously improving the system of skill training materials, developing the job learning maps, and conducting training for course development to empower our technical professionals.

along with **829** persons with professional titles(excluding political and labor categories) and **722** internal trainers

3,263 highly-skilled talents



In the first Skills Competition for Globally Competitive Professionals, Zhou Ziyu won the "Second Prize for Comprehensive Individual Achievement" and was awarded the honorary titles of "National Civil Aviation Gold Medal Employee" and "National Civil Aviation Outstanding Young Talent".

Caring for Employees

We attach importance to employees' work-life-balance, provide assistance to employees, care for female workers, and pay attention to employees' physical and mental health. Additionally, we have set up various communication platforms to help solve urgent difficulties for employees, and show care for retired personnel, thus ensuring a great sense of happiness and belonging among employees.

Work-life balance

By organizing staff basketball, badminton, football match, "Little migratory bird" parent-child summer camps as well as other recreational and sports activities, we enrich employees' working lives and help them achieve a better work-life balance.



Football game



Badminton match



2023年广州白云国际机场职工篮球赛

2023年4月19日—26日
白云机场员工体育馆



长按识别二维码，观看现场照片直播

Basketball game



"Little migratory bird" parent-child summer camps

Assistance to special employees

We run the assistance programme for children of employees facing difficulties, providing subsidies totaling 62,500 yuan for 17 children of such employees. We also run the "Warm for Winter, Cool for Summer" campaign, focusing on the needs of employees and ensuring the labor protection of frontline workers.

Care for young employees

We are making every effort to create a youth-friendly enterprise by organizing activities such as the Young Singer Contest and "Youth Union Appointment." We have newly established one provincial-level Youth Civilization Unit, set up a youth talent pool, and created a platform for showcasing talents, innovation, efficiency, and socializing. These initiatives aim to inspire the enthusiasm and entrepreneurship among young employees.

Care for retirees

We formulated the *Guiding Opinion of Joint-stock Companies on Implementing Honor Retirement* to provide work guidance for various units. We successfully held the first retirement ceremony, enhancing retired staffs' sense of political honor, organizational belonging, and the ceremonial significance of retirement.

Care for female employees

We distribute sanitary hygiene products to female employees and organize a series of activities including International Women's Day, Rose Literature, and legal education. We also sign collective contracts with female employees.

Listening to employee voice

We have set up a multi-level "Union Chairman's Electronic Mailbox" for employees' feedback. We are conducting various activities under the "Happy e-Home" series, including "Companion for Travel", "Love Trusteeship", "Micro Pickup Orders", "Medical Treasure", and "Food Safety", to help solve urgent concerns of employees and enhance their sense of belonging.



"The Employee Children Holiday Care Programme" of Guangzhou Baiyun International Airport Co., Ltd. Trade Union Committee was selected as a demonstration for the Guangdong Trade Union's Love Care Programme in 2023.

Win-win Cooperation

Upholding the corporate values of "harmony and win-win", we continuously improve supply chain management, actively participate in industry exchanges and cooperation, and are committed to building a healthy industry ecosystem of win-win cooperation.

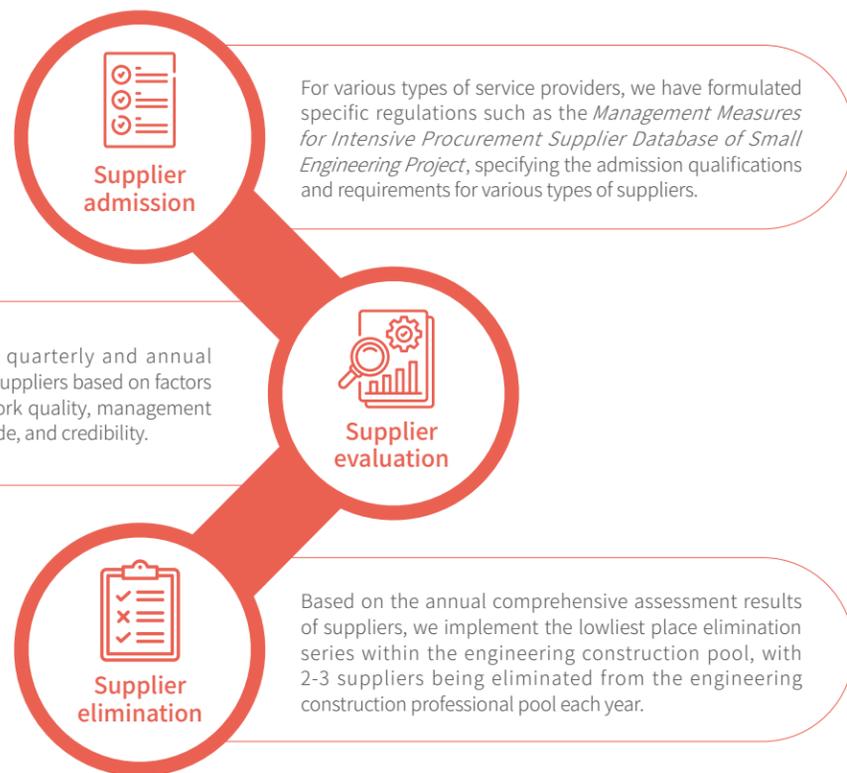
Building a responsible supply chain

We are building a management platform for transparent procurement, extending integrity management requirements to suppliers, further refining supply chain management processes, and actively practicing responsible procurement.

Transparent procurement

We have constructed a shared platform for procurement information and supplier resource management. We have successfully integrated data with the "Yuecai" platform, enabling full tracking and recording, achieving transparent, honest and efficient procurement. Simultaneously, we have issued the *Notice on Strengthening the Management of Ethical Risks in Joint-Stock Company Procurement Business*, created the general template of integrity contracts, and mandated that all units simultaneously sign an ethics agreement when signing project contracts. We are promoting the inclusion of integrity risk default clauses in schemes and documents related to investment solicitation, bidding, etc., to strengthen the integrity management of suppliers.

Supplier management process



Promoting industry development

We continuously deepen exchanges and cooperation with universities, peers, and cross-industry companies, contribute our expertise to the formulation of industry standards and working hand-in-hand with partners to jointly promote the industry development.

Participation in Industry Standards Compilation

We actively participated in the construction of group standards by the China Civil Airports Association. In 2023, we organized the compilation of three industry technical specifications and standards, including the *Technical Specifications for Self-service Baggage Check-in Systems*, the *Standards for Maintenance Services of Weak Electric Systems in Civil Airports*, and the *Specification for Digital Management and Operational Maturity Assessment of Civil Airport*.

Closer cooperation and exchanges

On 15 March, Mr. Yin Shijun, Chief Engineer of the Civil Aviation Administration of China (CAAC), led a research team on Smart Civil Aviation Construction to Baiyun Airport to conduct joint operational scenario investigations and pilot surveys on 5GAeroMACS. Subsequently, a discussion and exchange session followed.



On 30 August, Baiyun Airport and the Guangdong Fairs Organizers Association jointly signed a strategic cooperation memorandum, aiming to promote the high-quality development aviation exhibitions through cross-industry integration.

On 20 October, Baiyun Airport and Nanjing University of Aeronautics and Astronautics established an innovation consortium and jointly signed the *Innovation Cooperation Framework Agreement*.



Contribution to the Society

We continue to carry out volunteer services and community welfare activities, supporting rural vitalization in line with our business positioning. Through practical actions, we contribute to society and share the fruits of development with the community.

Engaging in community-based charity

We encourage and support employees to participate in social welfare activities by establishing the Baiyun Airport Volunteer Service Team and launching the "Cordial Service" volunteer service project. We actively participate in community welfare activities to join hands in building a better home.



"Cordial Service" – The Baiyun Airport Youth Volunteer Service Project was awarded the **Bronze Prize in the 6th China Youth Volunteer Service Project Competition**.

Case | Volunteer service in action with the spirit of Lei Feng

During the 60th Lei Feng Month nationwide, to further promote the spirit of Lei Feng and the volunteer spirit of "dedication, friendship, mutual assistance, and progress," the Spring Warmth and Sunshine Team of the Security Inspection and Guard Department carried out the "Learning from Lei Feng" volunteer activity. Through practical actions, they inherited the spirit of Lei Feng, identified passengers in need of assistance, and provided timely support, creating a warm and pleasant travel experience for passengers.



Case | Conducting public health education training to enhance emergency rescue abilities

On 7 June, Baiyun Airport, in cooperation with the Department of Medical Technology of Nanfang Hospital, Southern Medical University, held a public welfare training event entitled "Respecting Life, Taking Action for Health Education". This event focused on the use of Automated External Defibrillators (AEDs) and pre-hospital cardiopulmonary resuscitation (CPR). The aim was to spread knowledge of first aid, improve the rescue skills of employees and enhance passenger safety.



Case | Fire safety mobile classroom in community kindergarten

On the occasion of Youth Day on 4 May, the Baiyun Airport Fire Safety Mobile Classroom went out into the community to provide services. Chen Xiaodi, the captain of the Fire Rescue Brigade Monitoring Center, led four team members to bring the fire safety mobile classroom to the Yongxing Experimental Kindergarten in Baiyun District. They conducted theoretical lectures and practical training for the faculty and staff, and engaged in lively and interesting fire drills with the children. This effectively enhanced the fire safety awareness and response capabilities of the faculty and staff.



Supporting rural vitalization

We actively respond to national strategies and leverage our own business strengths to contribute to rural vitalization. By providing perfect logistics solutions, expand the sales channels of agricultural products, we make the circulation of agricultural products more efficient and promote more professional, promote local farmers to increase their incomes and efficient services to revitalize rural areas.

3.5696 million yuan
Procurement assistance for agricultural products in 2023

Case | Efficient cargo support helps fresh fruit transportation by air

A cargo of 27 tons of fresh fruit was transported by flight from Baiyun Airport to Nanjing on 22 June. To ensure efficient cargo support for inbound and outbound flights, Baiyun ground services conducted advance communication and tailored an individual cargo support plan in light of specific flight requirements. They promptly adjusted the allocation of flight support personnel and equipment and devised optimal ground transportation plans. This professional service not only supports economic and trade exchanges between the Guangdong-Hong Kong-Macao Greater Bay Area and the mainland but also facilitates the "Internet+" transportation of agricultural products from villages to cities, injecting new vitality into rural vitalization efforts.



Governance

Leading Standard Operations

Standardized corporate governance is the cornerstone of sustainable development. The Company continuously improves its governance mechanism to safeguard shareholder rights and interests, and has established a robust compliance management system (CMS) to tighten internal and risk control. While ensuring both steady and innovation-driven development, we fortify the defense against corruption to provide long-term value for stakeholders.

Key topics

- Standardized governance
- Compliance operation
- Risk management,
- Anti-corruption and integrity
- Business ethics
- Technological innovation
- Safeguarding shareholder rights and interests



Contribution to UN SDGs



Standardized Corporate Governance

We have established a standardized corporate governance mechanism in strict compliance with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Code of Corporate Governance for Listed Companies*, and other relevant laws and regulations issued by the China Securities Regulatory Commission and Shanghai Stock Exchange. We continuously deepen the reform of three systems, and standardize responsibilities at all levels to enhance governance effectiveness.

Governance structure

The Company has established a standard governance structure with clear division of work. It consists of Party Committee, General Meeting of Shareholders, Board of Directors and Board of Supervisors, and Management Team. Major matters must be deliberated by the Party Committee and decisions are then submitted to the General Meeting of Shareholders, Board of Directors, Chairman's Office Meeting, and General Manager's Office Meeting according to their decision-making authority.

Party Committee

It plays a leading role in setting right direction, keeping in mind the big picture, and ensuring the implementation. It also deliberates on and decides major corporate matters in accordance with regulations.

General Meeting of Shareholders

It is the highest authority of the Company. It legally determines the Company's business policies and investment plans, reviews and approves the reports of the Board of Directors, etc.

Board of Directors

It is responsible to the General Meeting of Shareholders, exercises decision-making power within the scope of authority granted by

the *Company Law of the People's Republic of China*, *Articles of Association*, and General Meeting of Shareholders.

Board of Supervisors

It is a standing supervisory body of the Company, which oversees the legality and compliance of the Company's finance, as well as the performance of duties by the directors and other senior executives to safeguard the lawful rights and interests of the Company and shareholders.

Management Team

It exercises decision-making power within the scope of authority granted by the *Company Law of the People's Republic of China*, *Articles of Association*, and other regulations, strictly implements the resolutions of the Board of Directors and General Meeting of Shareholders.

Appointment procedures and composition of directors, supervisors and senior managers

Directors and supervisors appointed from non-employee representatives are elected by the General Meeting of Shareholders. The employee representatives in the Board of Supervisors are elected by the Company's employees through the Workers Congress or other forms of democratic elections. The General Manager and Deputy General Managers are appointed by the Board of Directors in accordance with regulations. When selecting directors, supervisors and senior managers, we follow the principle of diversity and comprehensively assess them based on age, gender, educational background, professional experience, skill level and other factors.

As of December 31, 2023, the Company's Board of Directors consisted of eight members, including seven external directors, three non-independent directors, and five independent directors, accounting for over 60% of the board. These independent directors included experts in financial accounting, airport investment and operation management, law, macroeconomic management, and other fields. The Board of Directors has established four specialized committees, including the Audit Committee, the Compensation and Assessment Committee, the Investment Review Committee, and the Compliance Committee. The Chairman and key members of these committees were all appointed from among the independent directors, providing professional support for the Board's decision-making process.

Duty fulfillment mechanism

We have formulated the *Rules of Procedure for General Meetings* and the *Rules of Procedure for Board Meetings* and other regulations to standardize the functional division and communication reporting mechanisms among the General Meeting of Shareholders, Board of Directors, Board of Supervisors, and the Management Team. Moreover, proposals are discussed, approved, reviewed, and supervised in accordance with the rules of procedure to ensure the proper operation of the corporate governance mechanism and effective implementation of resolutions, thereby safeguarding the rights and interests of the Company, shareholders, and creditors.

3

General Meeting of Shareholders

9

Board meetings

62.5%

Proportion of independent directors of the Board of Directors



Compensation management

We have established the *Administrative Measures for the Compensation of Management Members* and other regulations to continuously improve the management of executive compensation. The compensation of the management team generally covers basic annual salary, performance-based annual salary, tenure incentives, and medium and long-term incentives. The annual compensation is determined by the Board of Directors based on factors such as job value, goal difficulty, and performance assessment results, with the 'One Position One Salary' policy in place and performance linked to compensation. The compensation plan for directors is pushed forward by the Compensation and Assessment Committee, approved by the Board of Directors, and can't be implemented without being reviewed and approved by the General Meeting of Shareholders. Moreover, we regularly disclose the annual compensation of directors, supervisors, and senior executives in accordance with relevant regulatory requirements and disclosure standards in the annual reports.

Protection of Investor Rights and Interests

Through standardized system, all shareholders of our company can fully exercise their legal rights. We also facilitate channels of communication by building a communication bridge with investors, and enhance the quality and transparency of information disclosure, protecting the rights and interests of investors.

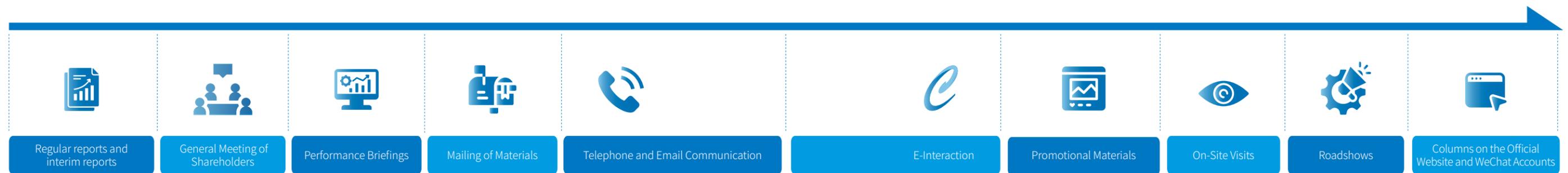
Protection of the rights and interests of Shareholders

In accordance with the *Code of Corporate Governance of Listed Companies, Rules for the General Meeting of Shareholders of Listed Companies*, and the *Articles of Association*, we have formulated the *Rules of Procedure for General Meeting of Shareholders* to regulate the procedures for convening, proposing, notifying, holding, voting, recording, and announcing shareholder meetings. We treat all shareholders equally, and take fully into account the time and place of the meetings, creating convenient conditions for the participation of small and medium-sized shareholders. All shareholders' rights to information and participation are safeguarded to ensure fair and transparent resolutions during General Meetings of Shareholders.

Management of investor relations

We have formulated the *Investor Relations Management System* to regulate investor relations management. The Company's Board Secretary serves as Head of Investor Relations Management, with the Legal and Board Affairs Department (Office of the Board Secretary) serving as the functional department for investor relations management, responsible for all matters of the Company's investor relations management. Concurrently, we strengthen information exchange between the Company and investors and enhance investors' understanding and recognition of the Company by improving a multi-channel, multi-level systems for investor communication. All these measures aim to protect the lawful rights and interests of investors, especially those of the general public.

Channels of investor communication



In the "Panoramic Investor Relations Golden Award," we won four awards: Outstanding IR Team, Excellent Small and Medium Investor Interaction Award, Excellent New Media Operation Award, and Outstanding Company Secretary Award.

3

performance briefings

28

responses on the SSE E-interactive platform

600

individuals participated in interactive communication with investors.

Case | Successful performance briefing

On May 25th, Baiyun Airport participated in the collective performance briefing organized by the Shanghai Stock Exchange for listed aviation companies on the main board. During the briefing, our company leaders engaged in interactive communication and discussion with investors through online text-based interactions. They provided specific information on the recovery of various business operations, the operational achievements, and financial metrics for the fiscal year 2022 and the first quarter of 2023. This event effectively enhanced investors' understanding of the Company.



Information disclosure

To ensure the timely, fair, truthful, accurate, and complete information disclosure, we have formulated the *Information Disclosure Management System* in accordance with the *Securities Law of the People's Republic of China*, the *Measures for the Administration of Information Disclosure by Listed Companies*, and other relevant laws and regulations. From various channels of information disclosure, we strictly comply with regulatory requirements and adhere to information disclosure standards and deadlines set by relevant laws and regulations to ensure timely disclosure of financial and non-financial information. The Board of Supervisors is responsible for supervising the performance of information disclosure obligations by the Company's directors and senior management. This ensures the effective implementation of the information disclosure management system and enhances the level and quality of information disclosure.

69

announcements disclosed

133

documents issued



A-level evaluation for information disclosure from the Shanghai Stock Exchange for 10 consecutive years

Won the 2022 Golden Bull Award - Golden Information Disclosure Award and the ESG New Star Enterprise award

Steady and Compliant Operations

We insist on steady operations, exerting our efforts in multiple areas, including compliance management, internal controls, and risk management. Through collaborative efforts, we safeguard the Company's business development.

Enhancement of compliance management

We have developed the *Compliance Management System* and the *Compliance Management Manual*. The Compliance Management Committee and the Compliance Manager, elected by the Board of Directors, have been established to lay the foundation for a multidimensional, comprehensive, and three-dimensional compliance management system. We have also established a compliance control mechanism that involves the participation of all employees to ensure the effective operation of the compliance management system.

Clear management responsibilities

We promote the implementation of the system of Primary Person Responsible for the Rule of Law, emphasizing and implementing the legal responsibility of the Company's key leaders in promoting the rule of law. We clearly stipulate that the responsibility to promote the rule of law by the key leaders of subsidiaries should be included in the year-end performance review and incorporated into the comprehensive assessment system for leadership personnel.



Better institutional development

We have newly revised multiple systems, made overall revisions to the *Company's Compliance Management Manual*, and added 12 sections, including business reception management. We have officially launched a mini program dedicated to corporate institutional development on the WeCom, allowing for the full implementation of electronic system management.



We adhere to the legal argumentation of major matters and make legal compliance reviews and significant risk assessments a mandatory prerequisite for major decision-making processes. We conduct compliance reviews for multiple service procurement, optimize the list of authorized management and improve the mechanisms for authorization and delegation of power. Regular evaluations of the implementation are carried out to ensure effective and standardized implementation of the authorization and delegation of power.

Compliant risk management and control



Through regular compliance training, we clarify the objectives of compliance management, strengthen the compliance concept of management personnel at all levels, and enhance the compliance awareness of all employees.

Enhanced compliance awareness

15

newly developed systems approved

18

systems revised in 2023

20

written opinions on special legal argumentation issued

Improvement of internal controls

We have formulated the *Implementation Measures for Establishment of Internal Control Systems* to improve our internal organizational structure and establish an effective internal control system. This system incorporates scientific decision-making, execution, and supervisory mechanisms to ensure the sound operation of our business activities.

Internal control framework

Board of Directors

It is responsible for the effectiveness of internal control work. The Board Chairman is the primary responsible person for the Company's internal control work and bears the main leadership responsibility for the effectiveness of the internal control system.

Leaders in charge of internal control work

They oversee the daily work of building the internal control system. Other senior executives are responsible for the internal control of their respective departments and business segments, as well as the corresponding management of significant risk control. Each specialized committee or leading team is responsible for the management of internal control and the corresponding professional risk control of the business or responsibilities under their jurisdiction.

Audit and Supervisory Work Department

The Leading Group for Internal Control sets up an office responsible for the day-to-day work of internal control under it.

Departments within the headquarters

They fulfill the internal control responsibilities related to their respective functions within the department. The heads of each department assume the primary responsibility for the internal control work within their departments. Each department designates a business backbone to concurrently serve as the internal control position, responsible for the day-to-day work of internal control within the department.

Internal control mechanism

We continuously optimize our corporate governance structure and business operations. We organize functional departments of the headquarters and various secondary subsidiaries to develop internal control system in accordance with the deployment and requirements. A handbook of internal control management is developed to ensure that all employees understand the internal organizational structure, job responsibilities, and business processes. The rights and responsibilities were clarified to ensure the proper exercise of authority. We fully leverage the supervisory and restraining role of internal functional departments in internal control management, forming an internal control system where departments coordinate and cooperate with each other. At the same time, in accordance with relevant regulatory requirements for listed companies, regular self-assessments of internal control are held among subsidiaries. Furthermore, every year, accounting firms are engaged to conduct internal control audits on all subsidiaries, ensuring the effectiveness of internal control operations.

Internal audit

We attach great importance to audit supervision. Accordingly, we have established an annual audit plan and regularly conduct various types of audits, including economic responsibility audits and special audits. We communicate audit findings with relevant functional departments, promote rectification of audit issues, and establish an effective closed-loop management system. We organize "Audit Lectures" to analyze common risks and typical issues, sharing common and noteworthy issues encountered in audits. The role of internal audit is fully leveraged in enterprise management.

Enterprise risk management

We have developed the *Evaluation Guidelines for Building the Risk Control System* to improve our enterprise risk management (ERM) system. In addition, we have established a robust and effective mechanism for risk management, including optimizing the control environment, promoting standardized construction, establishing information systems, and implementing strict reporting systems. These mechanisms aim to facilitate the sustainable and healthy development of the Company.

Risk reporting and management

We continuously improve our risk management reporting mechanism. Within the Company, it is the responsibility of each department of the headquarters and subsidiaries to report risk information. For significant risk information identified within their respective areas of responsibility, timely written warnings and risk alerts are issued within an appropriate scope. In accordance with the requirements of the Company's risk control functional departments, the status of specialized risk management are reported in writing.

Innovation-driven Development

We optimize the sci-tech innovation mechanism, improve the data governance and application level and enhance the protection of intellectual property rights to empower the construction of first-class smart airport.

Promoting sci-tech innovation

In 2023, we established the Research Center and formulated the *Management Measures of Technology Projects*. The center serves as an important managing role in technological innovation to facilitate technological innovation and data application, making innovation a driver for the high-quality development.

RMB
90,358,000
R&D Investment



Innovative Practices of Data Processing Model Based on Automated Application of Big Data won the second prize of Innovative Achievement Award.

The Data Governance Practice Case was listed *Typical Practice Cases of Data Governance for Intelligent Civil Aviation* Published by CAAC

Case | Breakthroughs in technologies ensure safe and efficient operation

In May, the *Key Technology and Application of Intelligent Cooperative Operation Based on Airport Map Database*, a project jointly declared by Baiyun Airport and Central and Southern Region, ATMB, CAAC, won the second prize of Science and Technology Award. The project made great progress in intelligent cooperative operation technology and achieved three major innovative results. Firstly, the project created the first digital map which supports the integration of airport operation. Secondly, it built the first set of intelligent cooperative operation management system for mega airports, which will significantly improve the safety operation level. Thirdly, the project effectively pushed forward the application of advanced scene guidance by the breakthrough in safety management and control technology based on the multi-party cooperative mode of airports.



Case | Industry-university integration enables more intelligent logistics security inspection business

In December 2023, "Intelligent Cargo Security Inspection System for Airport Aviation Logistics" developed by Baiyun Telecom and Civil Aviation University of China won the first prize of 2023 Workers' Technical Achievement set by the Chinese Workers' Technical Association (CWTA). For various problems in the traditional cargo security inspection, the project designed a set of full-process intelligent cargo security inspection system based on centralized pictorial identification and mobile package checking. It put forward a reinforced AI-assisted pictorial identification technology, which completely changed the traditional logistics security inspection mode and provided customers safer, smarter, and more efficient air cargo information services.



IPR protection

We have a strong commitment to intellectual property right (IPR) protection. We incorporate IPR management into the *Compliance Management Manual* to regulate the IPR protection, the use of third-party IPRs and the preservation of trade secrets. The implementation, transfer, license, disposal and management of IPRs of the Company are all compliant with the laws and regulations. The use of the third-party IPRs and trade secrets are all in accordance with laws, regulations and agreements.

12
New patent technologies

Construction of Strong Line of Integrity Defense

We continue to push forward the comprehensive and strict governance of the Party and promote the "three non-corruptions" with a systematic concept. We carry out the regular intra-Party supervision specifically and precisely with tangible actions and clear results. We resolutely implement eight-point decision on improving Party and government conduct and make consistent efforts to improve Party conduct. We maintain a high-pressure situation on anti-corruption and resolutely eradicate breeding grounds for corruption. We standardize the petition reporting management and the disposal of problem clues, and strictly enforce discipline and accountability. We carry out integrity risk prevention and control and promote reform and governance through the cases on a regular, long-term basis. We strengthen the clean culture construction, create "Baiyun with Integrity" cultural atmosphere and provide strong discipline guarantees for the company's high-quality development.

Strengthening Party governance and integrity

We have intensified efforts to improve Party conduct, ensure clean governance and raise integrity awareness through improving the system, elevating management and cultivating culture.

Deepening the "three non-corruptions"

- We value the issues strongly reflected by the public and carry a special action, Front-line Integrity, resolutely punished unethical practices and corruption around the public.
- We combed through the company's business areas and key aspects of integrity risk, revised the annual list of key issues of integrity risk prevention and control, and updated 109 prevention and control measures.
- We promoted reform and governance through the cases. We added integrity risks penalty clause to the bidding (investment, leasing) contract, supervised and urged the compilation and distribution of business, procurement business integrity risk management system.
- We organized disciplinary education activities, including warning and education conferences, seminars on integrity risk prevention and control, watching warning education films, visiting prisons and clean governance education bases, and listening to court hearings. We displayed public service announcements about integrity, including Integrity China, Guangdong with Integrity in the terminal, office buildings and other public areas.
- We continuously optimized the publicity and education function of the official accounts of "Baiyun with Integrity", and posted 301 articles about discipline law popularization, case notification, and pre-holiday reminders in 141 issues in 2023.



19 internal units and **40** external units, including airline companies, merchants and partners during the special action "Frontline Integrity", **81** issues rectified after visiting and investigating

156 anti-corruption training sessions conducted

6,321 participants

A discipline education and learning month event on the theme of "Studying and Applying Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era" held;

202 demonstration and warning education sessions organized.



Reporting and whistle-blower protection

We strictly implement Party regulations and national laws including *Rules for Discipline Inspection and Supervision Organs to Handle Prosecutions and Complaints and Rules for the Supervision and Enforcement of Discipline by Discipline Inspection Organs of the Communist Party of China*. We handle complaints and accusations in accordance with rules, regulations and laws, implement the requirement of confidentiality strictly, deal with the letters and reports and problem clues in a graded and hierarchical manner by special person in charge. We strictly control the scope of information and protect the privacy of whistle-blower.

Reporting approach

Correspondence address: Discipline Inspection Room, Office Building of Guangzhou Baiyun International Airport Co., Ltd. (Postal code: 510470)

Tel: 020-36067072

Response to interview: Room 112, Office Building of Guangzhou Baiyun International Airport Co., Ltd.



Advocating fair competition

Adhering to the principles of fairness and honesty, we firmly resist any form of unfair competition in business activities. Complying with laws and regulations including *Anti-monopoly Law of the People's Republic of China* and *Anti-Unfair Competition Law of the People's Republic of China*, we incorporate anti-fraud, anti-bribery, anti-monopoly, anti-unfair competition, price compliance and advertisement compliance into *Compliance Management Manual of Guangzhou Baiyun International Airport Company Limited*. All staff and cooperative partners work together to maintain a healthy and orderly market competition environment, shape a business ecosystem with fairness and mutual trust, and contribute to sustainable development of social economy.

Outlook 2024

It is the time to set sail and fight for the future with a favorable wind. In 2024, under the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, Baiyun Airport will continue to implement the instructions of the 20th National Congress, the Second Plenary Session of the 20th CPC Central Committee, the National Civil Aviation Conference and the Plenary Session of the CPC Guangdong Provincial Committee. We will adhere to the requirements of Guangdong Provincial Party Committee to pursue high-quality development, further advance modernization at a high level, play a leading role in transportation and promote the building of a province with great strength in transportation. We will further accelerate infrastructure construction and leverage our strength of being the first in scale to boost the development of passenger and freight transport. "Heartfelt Service" will be provided to airlines, passengers and cargo owners for a better, more convenient and efficient service experience. We will shoulder the mission and responsibility as the main force in building a world-class airport cluster, and continue to fuel the development of a world-class aviation hub from a new and higher starting point, contributing to the high-quality development of civil aviation with concrete actions.



ESG Key Performance Indicators

Indicator	Unit	2021	2022	2023
Environment				
Environmental protection training				
Input in environmental protection	RMB 10,000	3,211	3,140	2,782
Environmental protection training sessions	time	1	1	1
Environmental training duration	hour	24	16	16
Number of people covered by environmental protection training	headcount	37	46	40
Number of environmental protection activities	time	1	1	1
Emissions				
Total waste water treated	Cubic meter	7,048,000	7,213,100	7,919,300
Ammonia nitrogen emission	ton	2.67	4.34	5.00
Ammonia nitrogen emission reduction	ton	372	370	405
Chemical oxygen demand (COD) emissions	ton	88.63	86.73	91.47
Chemical oxygen demand (COD) emission reduction	ton	4,048	4,083	4,385
Waste water recycling usage	Cubic meter	252,060	261,431	261,700
Waste water recycling rate	%	100	100	100
General waste emissions	ton	1,990	1,950	3,733
Hazardous waste emissions ¹	ton	0.24	0.32	97.08
Scope 1 greenhouse gas emissions	10,000 tons CO ₂ e	1.97	1.43	1.85
Scope 2 greenhouse gas emissions	10,000 tons CO ₂ e	14.49	12.17	17.45
Use of resources				
Total annual energy consumption	tce	43,787	35,711	42,952
Clean energy usage ²	tce	303	282	274
Clean energy use ratio ²	%	0.69	0.79	0.64
Total annual natural gas consumption	Cubic meter	570,516	489,532	735,323
Total annual electricity consumption	10,000 kWh	27,482	23,095	26,941
Total annual diesel consumption	ton	5,417	3,817	4,814
Total annual gasoline consumption	ton	533	468	466
Total annual fresh water consumption	10,000 cubic meter	238	191	241
Fresh water consumption per unit product	Cubic meter / 10,000 persons	591	732	381
Amount of paper consumed in office	piece	7,571,080	6,154,300	422,500
Comprehensive energy consumption per unit of passenger and freight transportation	tce/10,000 persons	10.9	13.7	6.8
Social				
Development				
R&D input	RMB 10,000	4,020.8	4,598.2	9,035.8
Newly applied patents	item	11	19	12
ACI airport service quality assessment score	/	5	5	5
Number of signed strategic cooperation agreement	copy	4	0	3
Performance rate of economic contracts	%	100	100	100
Number of suppliers reviewed during the reporting period	/	837	810	388
Total tax payment	RMB million	2.5	2.6	2.8
Services				
Passenger throughput	10,000 persons	4,025.7	2,611	6,317.35
Total cargo throughput	10,000 persons	205	188	203
Aircraft movements	10,000 sorties	36.25	26.66	45.61
Punctuality of flight clearance	%	91.66	95.21	88.37
Passenger transfer volume	10,000 persons	109	96	622
Total membership of Airportpass	10,000 persons	557	1,003	1,386
Safety				
Work safety input ³	RMB 10,000	9,858	22,624	86,400
Safety hazard investigation	item	194	361	262
Rectification rate of safety hazards	%	100	100	100
Number of safety emergency drills	time	736	746	816

Note:

1. We replaced a batch of used batteries at Terminal T1 in 2023, so there is a relatively large increase in hazardous waste emissions.

2. Due to the changes in statistical range, we update the amount and percentage of clean energy used in the last three years. The current statistics for clean energy usage only include wind power, photovoltaic, and etc.

Emergency training	time	379	250	236
Number of participants in safety emergency drills	headcount	22,080	22,380	24,480
Continuous safe operation days	day	365	365	365
Number of major transportation and aviation accidents	time	0	0	0
Occurrence rate of below major aviation ground accidents per 10000 sorties	%	0	0	0
Number of safety accidents caused by responsible reasons	/	0	0	0
Occurrence rate of accidents caused by airport reasons per 10,000 sorties	%	0	0	0
Employment				
Total number of employees	headcount	10,434	10,168	9,878
Proportion of male employees	%	64.3	64.48	64.6
Proportion of female employees	%	35.7	35.52	35.4
Proportion of employees under 29 years old	%	28.2	24.16	21.78
Proportion of employees aged 30 to 39	%	38.14	37.83	37.59
Proportion of employees aged 40 to 49	%	22.33	24.13	25.48
Proportion of employees over 50 years old	%	11.33	13.88	15.15
Number of R&D staff	headcount	182	159	296
Proportion of employees with master's degree or higher	%	3.44	3.67	3.88
Proportion of employees with bachelor's degree	%	26.38	28.11	33.36
Proportion of employees with college degree	%	36.83	34.85	32.64
Proportion of employees graduated from vocational schools	%	8.19	8.47	6.96
Proportion of employees with high school degree and below	%	25.16	24.9	23.16
Proportion of female managers	%	34.48	34.32	34.91
Number of employees with disabilities	headcount	3	6	8
Number of new employees	headcount	857	745	328
Labor contract signing rate	%	100	100	100
Employee training coverage rate	%	100	100	100
Total input in employee training	RMB 10000	597.6	409	669.94
Total duration of employee training ⁴	hour	35,393	18,516	103,346
Training hours per employee ⁴	hour	3.39	1.82	10.4
Number of employee training sessions	/	1014	991	1193
Participants of employee training	headcount	314,771	360,787	247,349
Employee turnover rate	%	11.52	8.86	6.76
Male employee turnover rate	%	10.34	8.31	5.95
Female employee turnover rate	%	13.57	9.86	8.19
Turnover rate of employees under 29 years old	%	25.35	19.68	13.75
Turnover rate of employees between 30 and 39 years old	%	5.8	6.15	3.38
Turnover rate of employees aged 40 to 49	%	4.31	4.36	3.30
Turnover rate of employees over 50 years old	%	0.84	1.6	9.49
Social insurance coverage rate	%	100	100	100
Health checkup coverage rate	%	90.85	81.05	100
Work-related accidents	/	0	0	0
Number of employee casualties	headcount	1	0	0
Fatality rate per thousand people	%	0.095	0	0
Community investment				
Number of employee volunteers	headcount	8958	2799	1,717
Total duration of volunteer service	hour	36,053	10,880	6,524
Number of public welfare projects	/	28	11	10
Governance				
Anti-corruption⁴				
Anti-corruption training sessions	/	2	2	156
Anti-corruption training hours	hour	7	8	226
Participants of anti-corruption training	headcount	155	946	6,321
Compliance				
Legal and compliance training sessions	/	25	21	26
Participants of legal and compliance training	headcount	966	1,272	1,354

Note:

3. The data on safety inputs for 2023 include labor and depreciation costs, while the data for 2021 and 2022 do not. We will use this caliber of data in the future.

4. The range of statistics on employee training hours related data and anti-corruption related data in 2021 and 2022 is the headquarters of the Company, and the range of statistics in 2023 covers the Company and its subsidiaries.

ESG Index

Environmental		
Level-1 indicators	Level-2 indicators	Corresponding chapter
Resource consumption	Water resources	Optimization of Resource Utilization
	Material	ESG Key Performance Indicators
	Energy	Optimization of Resource Utilization
	Packing material	Optimization of Resource Utilization
Pollution prevention and control	Waste water	Pollution Prevention and Control
	Waste gas	Pollution Prevention and Control
	Solid waste	Pollution Prevention and Control
Climate change	Greenhouse gas emissions	Response to Climate Change
	Emission reduction management	Response to Climate Change Optimization of Resource Utilization
	Environmental equity transactions	/
	Climate risk management	/
Biodiversity	The impact of production, services, and products on biodiversity	Ecological Governance
Measures for resource and environmental management system	The formulation of low-carbon development goals and strategic measures	Strategic Plan for a Green Airport
	Resource management measures	Environmental Management, Optimization of Resource Utilization, Ecological Governance Green Culture
	Statistical Monitoring, Assessment, Reward and Punishment System for Energy and Carbon Reduction	/
	Environmental protection actions and measures	Optimization of Resource Utilization Ecological Governance, Green Culture
	Green and low-carbon certification	Response to Climate Change
	Legal and compliant in environmental field	Pollution Prevention and Control
Social		
Employee rights and interests	Recruitment and employment	Employee Empowerment
	Employee compensation and benefits	Employee Empowerment
	Employee health and safety	Employee Empowerment
	Employee development and training	Employee Empowerment
	Employee satisfaction	Employee Empowerment
Product and service management	Product safety and quality	Quality service
	Customer service and benefits	Quality service
	Innovative development	Innovation-driven Development
Supply chain safety and management	Supplier management	Win-win Cooperation
	Supply chain management	Win-win Cooperation
Social contribution	Tax payment	ESG Key Performance Indicators
	Community building	Contribution to the Society
	Public benefit activities	Contribution to the Society
	National strategic response	Contribution to the Society
Governance		
Governance strategy and organizational structure	Governance strategies and processes	Standardized Corporate Governance
	Organizational structure and functions	Standardized Corporate Governance
	Compensation management	Standardized Corporate Governance
Standardized governance	Internal controls	Steady and Compliant Operations
	Integrity	Construction of Strong Line of Integrity Defense
	Fair competition	Construction of Strong Line of Integrity Defense
Investor relationship management and shareholder equity	Investor relations management	Protection of Investor Rights and Interests
	Shareholders' equity	Protection of Investor Rights and Interests
	Creditor's rights and interests	/
Transparency of information disclosure	Information disclosure system	Protection of Investor Rights and Interests
	Quality of information disclosure	Protection of Investor Rights and Interests
Compliant operations and risk management	Compliant operations	Steady and Compliant Operations
	Risk management	Steady and Compliant Operations

About This Report

This is the 14th social responsibility report released by Guangzhou Baiyun International Airport Co., Ltd. This Report systematical discloses the Company's management philosophy and outstanding practices in environmental, social and governance fields. We hope to strengthen communication with stakeholders, gather consensus, and jointly promote sustainable development via this report.

Reporting Period

This is an annual report covering the period from January 1st to December 31st, 2023. Some contents are appropriately extended to the preceding and subsequent years to enhance the comparability and foresight of the report.

Reporting Scope

The Report covers Guangzhou Baiyun International Airport Co., Ltd. and its subsidiaries. For ease of expression, "Baiyun Airport", "the Company", or "we" are also used for representing Guangzhou Baiyun International Airport Co., Ltd. and its subsidiaries in the Report.

Reference Standards

- *The Guidelines to the State-owned Enterprises on Better Fulfilling Corporate Social Responsibilities* released by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC)
- *Reference of ESG Indicators System for ESG Reports of Listed Companies Controlled by Central State-owned Enterprises* issued by the SASAC
- *Guidelines on Preparation of CSR Reports* issued by the Shanghai Stock Exchange
- *Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises* issued by the Chinese Academy of Social Sciences
- *GB/T 36001-2015 Guidance on Social Responsibility Reporting* issued by the Standardization Administration of China
- *GRI Sustainability Reporting Standards*(GRI Standards) issued by the Global Sustainability Standards Board
- *United Nations Sustainable Development Goals* (SDGs)

Information Source

The data herein are from the Company's official documents, statistical reports or relevant public information.

Reliability Assurance

The Board of Directors and all directors of the Company assure that the report is free of false records, misleading statements or material omission, and are responsible for the authenticity, accuracy, and completeness of this report.

Access to the Report

The Report is published in Chinese and English. In case of any discrepancy, the Chinese version shall prevail. You can download the electronic version from the official website of Guangzhou Baiyun International Airport and the official website of Shanghai Stock Exchange, or contact us at 600004@gdairport.com to obtain the electronic version of the Report.

Feedback

To continuously improve our ESG management and understand material topics of interest to stakeholders, please scan the QR code on the right to leave your valuable comments.



Feedback Form



Questionnaire on Substantive Issues