



2025

Sustainability Report

Air China Cargo Co., Ltd

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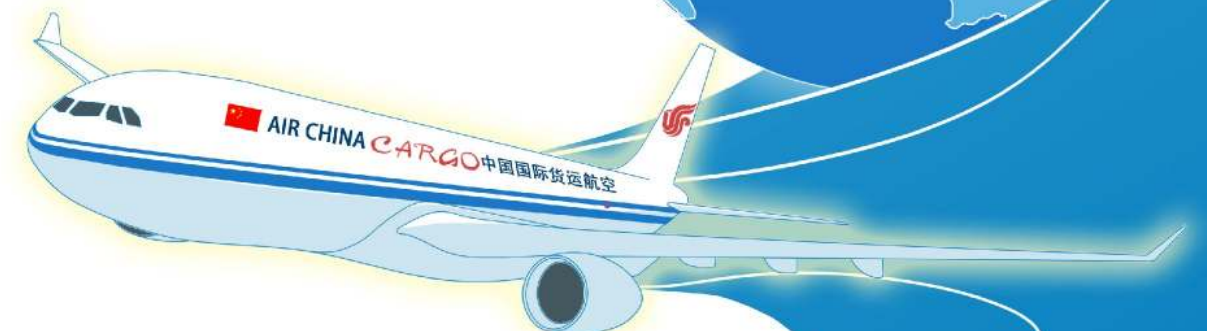
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About this Report

This is Air China Cargo Co., Ltd's second sustainability report, showcasing the company's environmental, social, and governance (ESG) practices in 2025. Prepared in accordance with the company's development strategy and business operations, this report provides valuable decision-making information for shareholders, investors, and other stakeholders.

Scope of Organization

This report covers Air China Cargo and its wholly-owned and holding subsidiaries, including subsidiaries such as Civil Aviation Express Co., Ltd. and Beijing Guofeng Aviation Tourism Service Co., Ltd.

Timeframe

This report covers the period from January 1, 2025 to December 31, 2025. Some sections have been appropriately extended to enhance the report's coherence and forward-looking perspective.

Report Terminology

For ease of expression and reading, in this report, "Air China Cargo", "the company", or "we" refers to Air China Cargo Co., Ltd.

Information Sources

All information in this report is derived from internal company data and publicly available information, and has undergone rigorous review and verification. Unless otherwise specified, all monetary amounts in this report are denominated in Renminbi (RMB). The company warrants that this report contains no false information or misleading statements, and that all information is based on the company's operations and related management measures to ensure its authenticity and reliability. This report has been reviewed and approved by the Board of Directors.

Basis for Compilation

United Nations Sustainable Development Goals (UN SDGs)

The Global Sustainability Standards Board (GSSB) *GRI Standards for Sustainability Reporting*

General Office of the State-owned Assets Supervision and Administration Commission of the State Council *Reference Index System for ESG Special Reports of Central Enterprise-Controlled Listed Companies*

Shenzhen Stock Exchange *Shenzhen Stock Exchange Guidelines for Self-Regulation of Listed Companies No. 17 – Sustainability Reporting (Trial)* and *Shenzhen Stock Exchange Guidelines for Self-Regulation of Listed Companies No. 3 – Sustainability Reporting Compilation*

Reporting Principles

This report adheres to internationally accepted reporting standards such as comprehensiveness, transparency, consistency, and reliability, and is committed to ensuring that all stakeholders understand the company's achievements and challenges in environmental, social, and governance aspects. The company will continuously optimize and improve the report content based on the latest trends in the global market and industry development.

Report Access

This report is published in both Chinese and English. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

You can obtain the electronic version of this report through Air China Cargo's official website, www.airchinacargo.com. For a hard copy of the report or any suggestions or comments, please contact us through the following methods:

Address: 1st to 9th Floors, Building 1, No. 29 Tianzhu Road, Shunyi District, Beijing

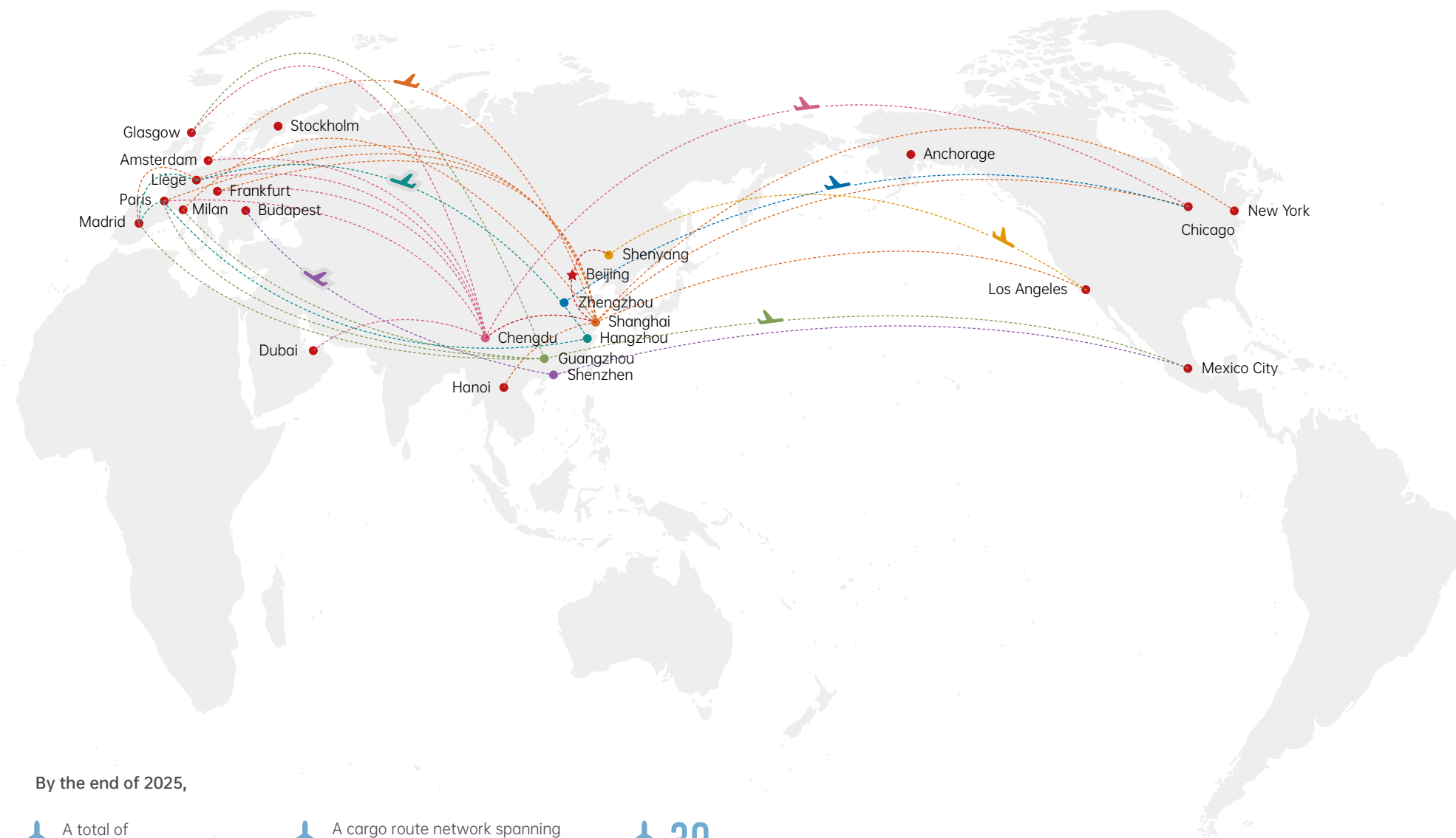
Contact Department: Board Office, Air China Cargo Limited

Tel: 010-61465888

Email: accdongmi@airchinacargo.com



About Air China Cargo



By the end of 2025,



A total of
28 all-cargo aircraft
with
23 currently in service



A cargo route network spanning
Europe, North America, and the Asia-Pacific, covering
24 major cities in **14** countries



30 cargo routes
Over **1,500**
trucking routes





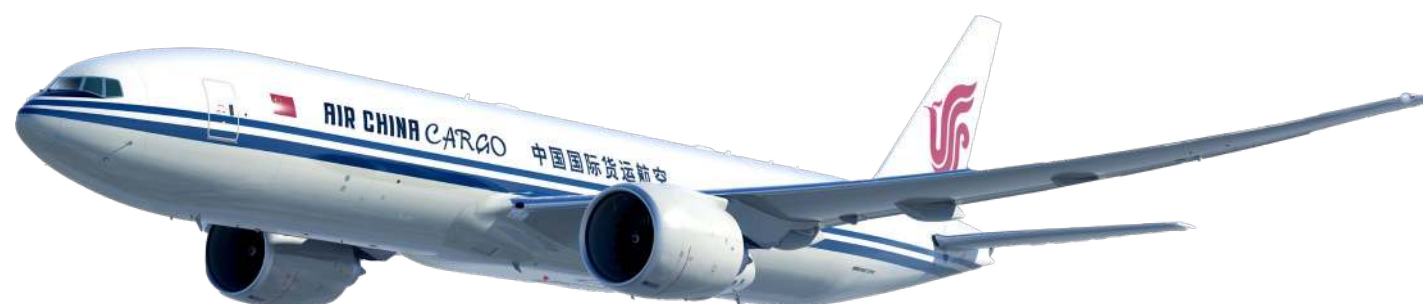
Mission

Philosophy

Business Strategies



Behavioral Guidelines



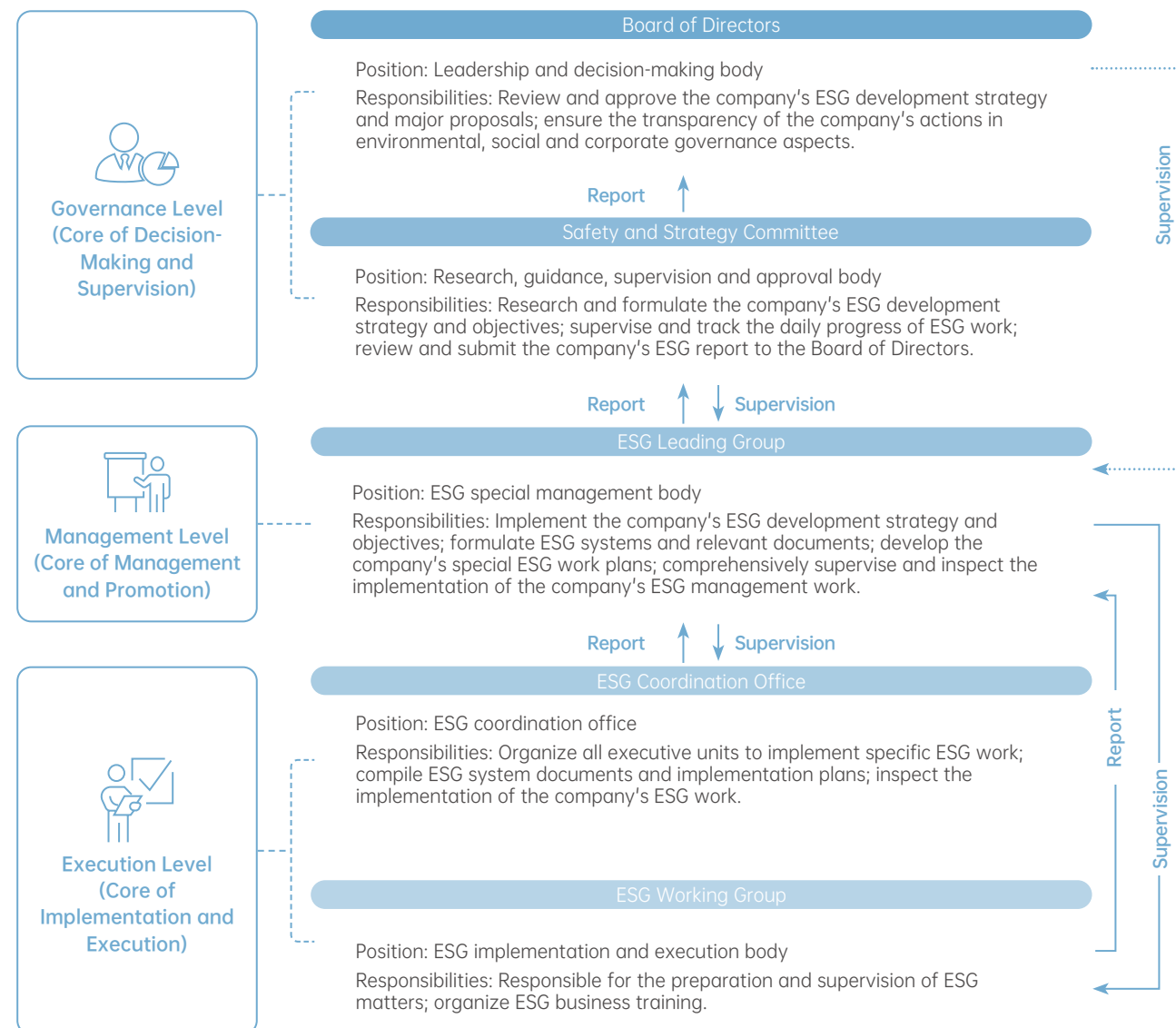
ESG Governance

ESG Governance Structure

Air China Cargo continues to strengthen its ESG governance capabilities by deeply integrating ESG principles into its corporate strategy and daily operations. The company has established a three-tier ESG governance structure comprising the governance, management, and operational levels, clearly defining the responsibilities of each tier to ensure the efficient implementation of ESG initiatives. At the same time, the company is working to incorporate ESG performance into the executive compensation evaluation system to ensure the effective achievement of sustainability goals.

As the highest decision-making body for ESG matters, the Board of Directors is responsible for reviewing and approving ESG strategies and objectives, overseeing the implementation of ESG management strategies and key initiatives, and reviewing the annual sustainability report. The Board has established a Safety and Strategy Committee, which is responsible for researching and formulating ESG strategies and objectives, monitoring the progress of daily ESG operations, and reporting to the Board.

The ESG Leading Group, acting as the management body, is responsible for implementing ESG strategies and objectives, drafting ESG policies and regulations, and formulating and overseeing the implementation of specific ESG work plans and management activities. The executive level consists of the ESG Coordination Office and the ESG Working Group. The ESG Coordination Office is responsible for organizing and implementing specific ESG tasks, drafting ESG policies and implementation plans, and inspecting the implementation of ESG work; the ESG Working Group is responsible for reporting and supervising ESG matters, as well as organizing and conducting ESG training.



In 2025, Air China Cargo continued to refine its ESG governance system and implemented a range of measures to enhance its sustainable development management. **At the strategic level**, the Board of Directors reviewed the annual sustainability report and organized strategic seminars to specifically study the ESG development paths and advanced management practices of peer companies, thereby clarifying the company's ESG direction. **At the organizational level**, company management reviewed the effectiveness of ESG initiatives at the semi-annual work conference, systematically analyzed issues in key ESG areas, and assigned specific tasks to ensure that strategic objectives were effectively communicated to dedicated working groups. **In terms of capacity building**, the ESG Coordination Office organizes ESG management training sessions and policy interpretation meetings for specialized ESG task forces to help participants understand regulatory policies, learn from industry best practices, and raise awareness of sustainability efforts. Additionally, through regular listed company management meetings, the office provides periodic reports to management on the implementation of ESG strategies, ensuring the orderly advancement of ESG initiatives.

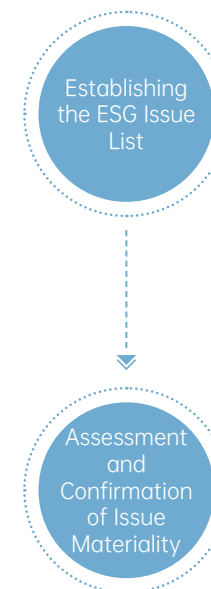


Company Director and President Li Jun (fourth from left), Independent Directors Zhang Xiaodong (third from left), Zhu Jigao (second from left), and Liu Hang (first from left) visited Mr. Huang Yiyang, Consul General of China in Frankfurt, to discuss in depth the trends of ESG management in Europe and how Chinese enterprises can better adapt to overseas ESG rules and showcase their sustainable development highlights in the process of "going global".

Identification and Analysis of Material Issues

By integrating global sustainability trends, industry characteristics, and our actual business operations, we systematically identified internal and external stakeholders and their key concerns, and compiled Air China Cargo's 2025 ESG Issue List. Building on this foundation, in accordance with the *Shenzhen Stock Exchange's Self-Regulatory Guidance No. 17 for Listed Companies—Sustainability Reporting (Trial)* and *Self-Regulatory Guide No. 3 for Listed Companies—Preparation of Sustainability Reports*, we conducted a dual materiality assessment based on financial materiality and impact materiality. This process established issue priorities, resulting in the 2025 Materiality Matrix, and we provide focused responses to the relevant issues in this report.

Process for Assessing Double Materiality Issues



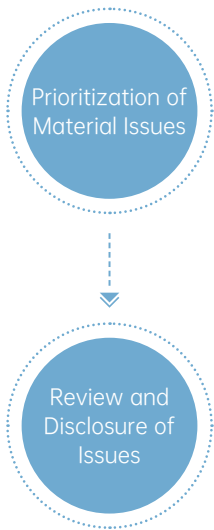
In accordance with the requirements of the *Shenzhen Stock Exchange's Guideline No. 17 on Self-Regulatory Supervision of Listed Companies—Sustainability Reporting (Trial)*, the company comprehensively considers macro policy trends, domestic and international ESG disclosure standards and rating requirements, industry characteristics, and best practices among peers to optimize and refine the list of issues. This process ultimately results in a list of 16 ESG issues spanning the three key areas of environment, social, and governance, thereby charting the course for the company's sustainability efforts.

Impact Materiality Assessment

Through questionnaire surveys and on-site interviews, we invited internal and external stakeholders to systematically assess the materiality of each ESG issue based on dimensions such as impact scale, scope, irreparability, and likelihood of occurrence. Based on 429 valid questionnaires collected, we prioritized the issue scores to form conclusions regarding impact materiality.

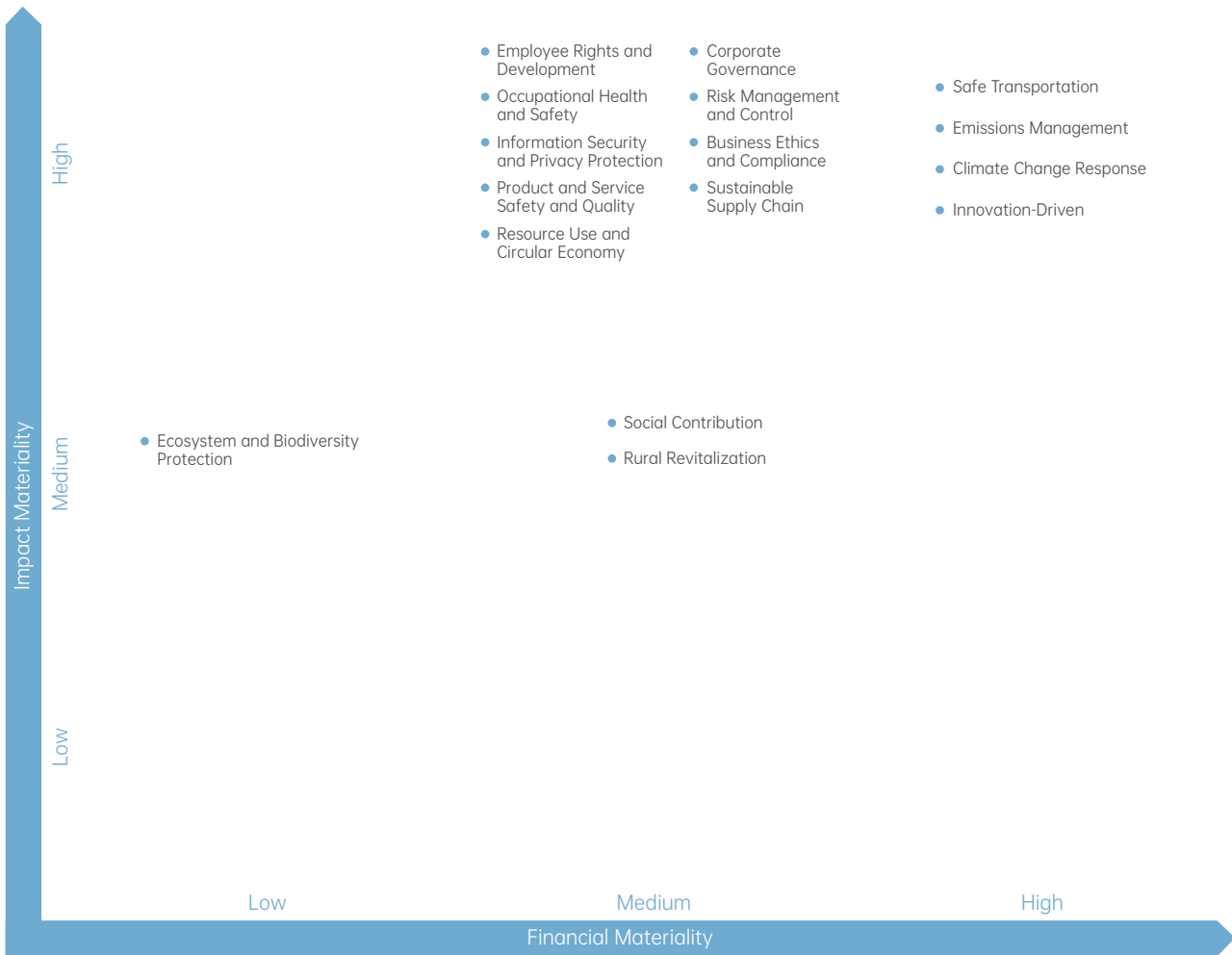
Financial Materiality Assessment

Through surveys of key department heads and under the guidance of external ESG experts, we identified the potential financial impacts of each ESG issue on the company's business operations, financial condition, operating results, and cash flow. We made a comprehensive judgment based on the likelihood and severity of these financial impacts, ultimately reaching conclusions regarding financial materiality.



Based on the results of the materiality assessment, issues were prioritized according to two dimensions: "impact materiality" and "financial materiality." The overall priority of each issue was presented in a matrix format to create Air China Cargo's 2025 ESG Double Materiality Matrix. Among these, safety in transportation, emissions management, climate change response, and innovation-driven initiatives are deemed to have double materiality.

The matrix of dual-materiality issues, reviewed and approved by the Board of Directors, is disclosed in this report. The company will provide detailed responses in this report to ESG issues of financial significance and will prioritize their management in future operations, using them as a key basis for formulating ESG strategies, setting targets, and disclosing information.



Air China Cargo's 2025 ESG Double Materiality Matrix

Stakeholder Engagement

Air China Cargo has established diverse and open communication channels to promptly and comprehensively disclose the company's progress, actively solicit feedback from all parties, and incorporate this input into its sustainability strategy. This approach aims to gain the understanding and support of stakeholders and lay a solid foundation for the company's sustainable development.

Stakeholders	Expectations and Demands	Communication and Response Channels
 government/regulatory authorities	- Operate in compliance with laws and regulations - Ensuring transportation safety for major events - Maintain the company's credibility	- Participation in policy discussions - Regular work reports - Acceptance of oversight and evaluation - Ensure compliance with information disclosure requirements
 shareholders	- Secure stable returns - Sustainable development - Transparent governance	- Shareholder meeting - Performance report - Investor relations activity - Company website
 customers	- Safe transportation - Ensure service quality - Protect customer privacy	- Customer satisfaction survey - Complaints handling mechanism - Optimize customer service
 employees	- Compensation and benefit - Career development - Occupational health and safety	- Employee email - Talent development system - Employee satisfaction survey - Employee care activity
 partners/suppliers	- Integrity - Sustainable supply chain - Win-win	- Coordination meetings - Routine communication - Improve procurement policy - Strengthen supplier management
 industry peers	- Industry progress - Maintain market equity	- Industry forum - Industry conference
 community	- Boost the local economy - Support rural revitalization - Support public welfare	- Complete significant transportation task - Welfare and charity - Volunteer service

01 Governance as the Compass

Charting a Course for Long-Term Development

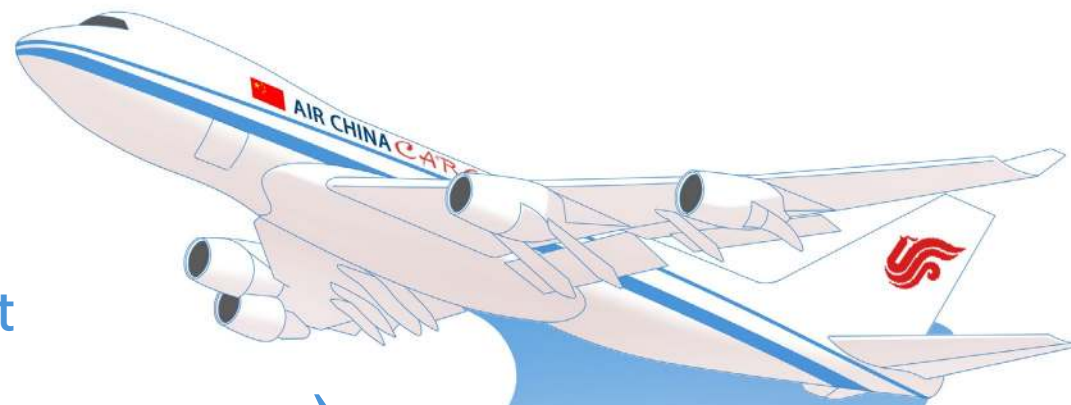
Key Performance Indicators

- The Party Committee Standing Committee studied **133** major matters.
- The Party Committee Standing Committee conducted preliminary research and discussions on **32** major business management matters.
- The Party Committee Theoretical Learning Center Group conducted **15** centralized learning sessions.
- Number of directors: **15**
- Female senior executives accounted for **22.22%** of the total.
- The Board of Directors and special committees held **30** meetings.
- Directors and senior executives received **30** hours/person of specialized compliance training for listed companies.
- 100%** coverage of anti-commercial bribery and anti-corruption training.

Our Actions

- Upholding the leadership of the Party
- Adhering to compliance standards
- Improving corporate governance
- Upholding business ethics

Responding to the SDGs



国货航上市周年主题图片展

政企联动 协同推进

国货航持续加强内外联动，政企联动，不断推动股东战略合作，发挥董事专项特长，促进公司高质量发展；不断深化与政府及企业的沟通协作，提升品牌影响力与行业认知度。

胸怀大

国货航胸怀
输保障任务




中国国际货运航空
AIR CHINA CARGO



Upholding the Leadership of the Party

The Party Committee of Air China Cargo has always prioritized the political development of the Party. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, it has thoroughly studied and implemented the spirit of the 20th National Congress of the Communist Party of China and all plenary sessions of the 20th Central Committee. The Committee has fully implemented the decisions and arrangements of the Party Leadership Group of China National Aviation Holding Company, resolutely integrated Party leadership into every aspect of corporate governance, and effectively fulfilled the Party Committee's core leadership role in "setting the direction, overseeing the overall situation, and ensuring implementation." Closely aligned with the objectives and tasks for the final year of the 14th Five-Year Plan, the company's Party Committee has insisted on using Party building to guide the overall reform and development, promoting the deep integration of Party building work with strategic execution, compliance management, and risk prevention and control, thereby providing a strong political guarantee for the enterprise's high-quality and sustainable development.

The company's Party Committee strictly implemented the "First Agenda Item" system, conducting 39 thematic study sessions throughout the year, reviewing 244 key documents and speeches, and identifying 93 priority tasks for follow-up to ensure the effective implementation of the Central Committee's decisions and policies. It also carried out in-depth education and training on thoroughly implementing the spirit of the Central Committee's Eight-Point Regulation, promoting the normalization and long-term effectiveness of work style improvement, thereby providing a strong institutional guarantee for the company's high-quality development.

The Party Committee's Theoretical Study Center Group conducted 15 sessions of concentrated study, organized rotational training programs for senior managers and above, and held capacity-building training for outstanding young cadres at the entry level. It also arranged for leading cadres to participate in the CNAH's joint study program on *Selected Economic Works of Xi Jinping*, steadily advanced the pilot implementation of the basic training mechanism, and further enhanced the political judgment, political insight, and political execution capabilities of leading Party members and cadres.

The Standing Committee of the Party Committee reviewed 133 major matters throughout the year, including 32 major operational and management issues that were discussed in advance. By deeply embedding Party leadership into key areas such as strategic planning, investment decisions, and resource allocation, the committee effectively leveraged the Party organization's role in guiding and setting the direction for major decisions, ensuring that the enterprise's reform and development consistently proceed steadily along the correct political path.

In 2025



conducting

39 thematic study sessions throughout the year

reviewing

244 key documents and speeches

identifying

93 priority tasks for follow-up

In 2025, the Party Committee of the company further promoted the deep integration of Party building with compliance, rule of law, and disciplinary oversight work.



The Party Committee of Air China Cargo held a meeting to summarize the in-depth study and education on implementing the spirit of the Central Committee's Eight-Point Regulation.



Members of the Communist Party and non-Party members of Air China Cargo visited the Anti-Japanese War Memorial Hall for study.

Improving Corporate Governance

Air China Cargo has consistently adhered to a philosophy of excellence in corporate governance, actively integrating sustainable development principles into its governance mechanisms, and continuously improving a modern corporate governance system characterized by clear delineation of responsibilities, efficient operations, and robust oversight. The company is committed to strengthening the Board of Directors, enhancing the scientific rigor and independence of decision-making, effectively safeguarding shareholder rights and interests, and accelerating the modernization of its governance capabilities, thereby providing a solid governance foundation for long-term, steady development and high-quality, sustainable growth.

Strengthen the Corporate Governance Structure

Air China Cargo strictly adheres to laws and regulations such as *the Company Law of the People's Republic of China*, *the Securities Law of the People's Republic of China*, and *the Guidelines on Corporate Governance for Listed Companies*, and continues to refine a modern corporate governance system characterized by clear delineation of responsibilities and efficient coordination.

In governance practices, the company has consistently adhered to laws and regulations, ensuring the deep integration of Party leadership with the governance of listed companies. We have clearly defined the statutory core position of the Party Committee within the governance structure and fully leveraged its role in "setting the direction, overseeing the overall situation, and ensuring implementation." All major issues strictly follow the Party Committee's prior review procedure to ensure that Party leadership is fully implemented in major decision-making. We have consolidated the Board of Directors' core functions of "setting strategy, making decisions, and managing risks," with a focus on strengthening the Board's top-level structure and fully tapping into governance effectiveness; We effectively oversee the executive management to ensure they fulfill their responsibilities of "planning operations, ensuring implementation, and strengthening management," driving coordinated efforts among all governance entities to enhance governance execution and organizational synergy.

In accordance with the latest requirements of *the Company Law*, and to fully implement regulatory rules such as the *Guidelines for Articles of Association of Listed Companies* as well as institutional reform requirements, the company has revised 16 fundamental governance systems—including *the Articles of Association*—in light of its actual circumstances. The Board's Audit and Risk Management Committee has proactively adapted to the requirements for functional adjustments, successfully assuming and effectively exercising the relevant supervisory duties previously held by the Supervisory Board. It has fulfilled its responsibilities in compliance with regulations regarding financial oversight and risk prevention, fully leveraging the advantages of integrating the dual functions of "decision-making and supervision."

At the same time, the company is earnestly implementing CNAH's latest round of comprehensive reform initiatives, continuing to advance the implementation of the "Double Hundred Initiative" to ensure tangible results, strengthening the monitoring of progress on key tasks and the supervision of task implementation, and promoting the simultaneous enhancement of market-oriented mechanisms and governance capabilities.





Enhancing Board Governance Capabilities

Air China Cargo continues to strengthen its board structure, striving to build a diverse, professional, and highly independent governance team. As of 2025, the company's board consists of 15 members, with external and independent directors accounting for 73% of the total, thereby establishing an effective system of checks and balances and oversight. Board members represent diverse fields including transportation, law, finance, and banking, and possess management experience from state-owned, foreign, and private enterprises, as well as academic backgrounds from universities. Through regular domestic and international research trips, specialized training sessions, and lecture forums for directors, the company continuously enhances directors' in-depth understanding of the company's business operations, strategic project collaborations, and the progress of major initiatives. This enables them to stay abreast of cutting-edge industry trends and advanced management practices, providing a solid foundation for the board's decision-making.

As of 2025



the company's board consists of

15 members

with external and independent directors accounting for

73% of the total

The company places great emphasis on leveraging the governance effectiveness of outside directors and specialized committees. By establishing a regular mechanism for thematic reporting, we strengthen coordination among specialized committees, management, functional departments, and external professional institutions. This ensures that directors fully consider professional assessments and review opinions before making decisions on major matters, thereby providing robust support for the Board's compliant decision-making and gradually fostering a culture of efficient collaboration within the Board. We continue to implement a follow-up mechanism for director recommendations, closely monitoring the execution of resolutions and the progress of follow-up tasks. We have established a duty log for external directors to comprehensively document their duties and on-site activities, thereby effectively ensuring the board of directors performs its duties in compliance with regulations.

In 2025, the Board of Directors held 11 meetings, reviewing 55 proposals; the various special committees held 19 meetings, reviewing 41 topics; and the independent directors held 4 special meetings, reviewing 5 matters. Focusing on important issues such as innovative R&D and digital construction, improving market capitalization management mechanisms, enhancing the efficiency of the use of raised funds, and strengthening strategic synergy with shareholders, the directors actively offered suggestions and put forward a number of professional and independent recommendations, effectively improving the quality of decision-making and the effectiveness of implementation.

Number of meetings of the Security and Strategy Committee	time	2
Number of meetings of the Audit and Risk Management Committee	time	8
Number of meetings of the Nomination Committee	time	4
Number of meetings of the Compensation and Assessment Committee	time	5
Percentage of independent directors on the Security and Strategy Committee	%	40
Percentage of independent directors on the Audit and Risk Management Committee	%	66.67
Percentage of independent directors on the Nomination Committee	%	66.67
Percentage of independent directors on the Compensation and Assessment Committee	%	66.67



Chairman Chen Song and his delegation from Air China Cargo visited Shenzhen International Holdings Co., Ltd. to conduct a special research visit, focusing on the construction of a modern logistics system, the application of digital technology, and industrial synergy.



In July 2025, independent directors Zhang Xiaodong (fourth from left), Zhu Jigao (third from left), Liu Hang (second from left), and others accompanied Director and President Li Jun (sixth from right) on a research trip to Frankfurt and Madrid to conduct on-site inspections of Air China Cargo's European operations, gain a firsthand understanding of the company's operations, and leverage the supervisory and decision-making support role of independent directors in corporate governance.



Air China Cargo's board of directors and management held a strategic seminar for 2025, where they conducted in-depth discussions and exchanges on topics such as the development trends of air logistics planning, changes in the international trade situation, ESG construction, and green logistics, injecting momentum into Air China Cargo's strategic development.

Safeguard Shareholder Interests

Air China Cargo consistently upholds the principle of prioritizing shareholder interests, legally safeguarding all shareholders' rights to information, participation, and returns, and continuously enhancing corporate transparency and investor confidence. The company actively responds to regulatory requirements by establishing and improving market capitalization management mechanisms. Throughout the year, it convened four special meetings on market capitalization management and formulated the "Market Capitalization Management Contingency Plan" and the "Special Public Opinion Contingency Plan" to strengthen its ability to respond to market fluctuations and promote a positive interaction between the company's intrinsic value and market performance.

The company actively builds a multi-tiered, diversified investor communication mechanism. Through earnings briefings, investor hotlines, the Interactive Easy platform, and reverse roadshows, it proactively addresses market concerns and enhances the effectiveness of two-way communication. In 2025, the company organized 14 on-site investor visits, hosting 69 institutions and 98 participants; it invited 22 institutions to participate in reverse roadshows; and it promptly addressed market concerns by responding to a total of 95 inquiries on the Interactive Easy platform. The quality and professionalism of its communications continued to improve, earning the company the "2024 Annual Report Earnings Briefing Excellence Award" from the China Listed Companies Association.

The company implements a prudent and sustainable profit distribution policy to actively reward shareholders for their long-term support. In 2025, the company successfully completed the 2024 equity distribution, effectively safeguarding shareholders' cash returns. Five shareholder meetings were held throughout the year to ensure shareholders' rights to participate in major decision-making in accordance with the law, thereby fostering a virtuous cycle between capital returns and corporate development.

In 2025

it convened

4 special meetings

the company organized

14 on-site investor visits

hosting

69 institutions

and

98 participants

it invited

22 institutions to participate in reverse roadshows

a total of

95 inquiries on the Interactive Easy platform

5

shareholder meetings were held



Case

Air China Cargo's First Reverse Roadshow Demonstrates Confidence in Future Growth



In October 2025, Air China Cargo successfully held its first reverse roadshow since going public, inviting investment firms and industry analysts to visit the Chengdu Cargo Terminal, the Chengdu Security Checkpoint, and the A330 modification site to gain firsthand insight into cargo terminal operations, intelligent security applications, and aircraft modification processes. Through this interactive approach of "inviting guests in for on-site visits," the company proactively strengthened engagement with institutions and investors, comprehensively showcasing its sound operations and growth potential, thereby boosting investor confidence and fostering a shared vision for development.



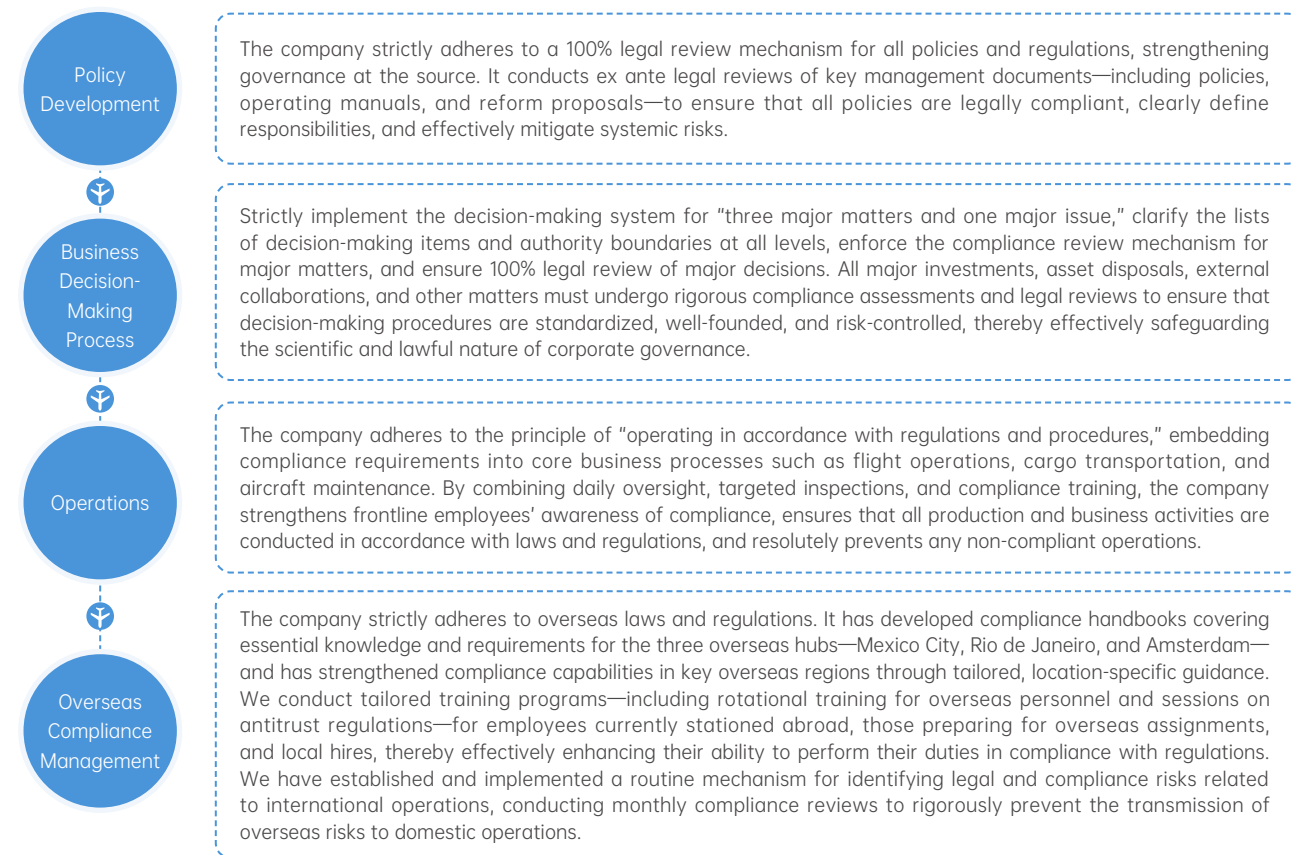


Adhering to Compliance Standards

Air China Cargo has always adhered to compliant operations and law-based corporate governance, and has continuously improved its comprehensive and efficient compliance management system. By strengthening internal controls, implementing strict risk prevention and control measures, and deepening internal audit oversight, we have established a closed-loop compliance governance system characterized by clear delineation of responsibilities and efficient coordination. This has effectively enhanced our ability to prevent systemic risks and provided a solid legal foundation for the company's high-quality and sustainable development.

Improve Compliance System

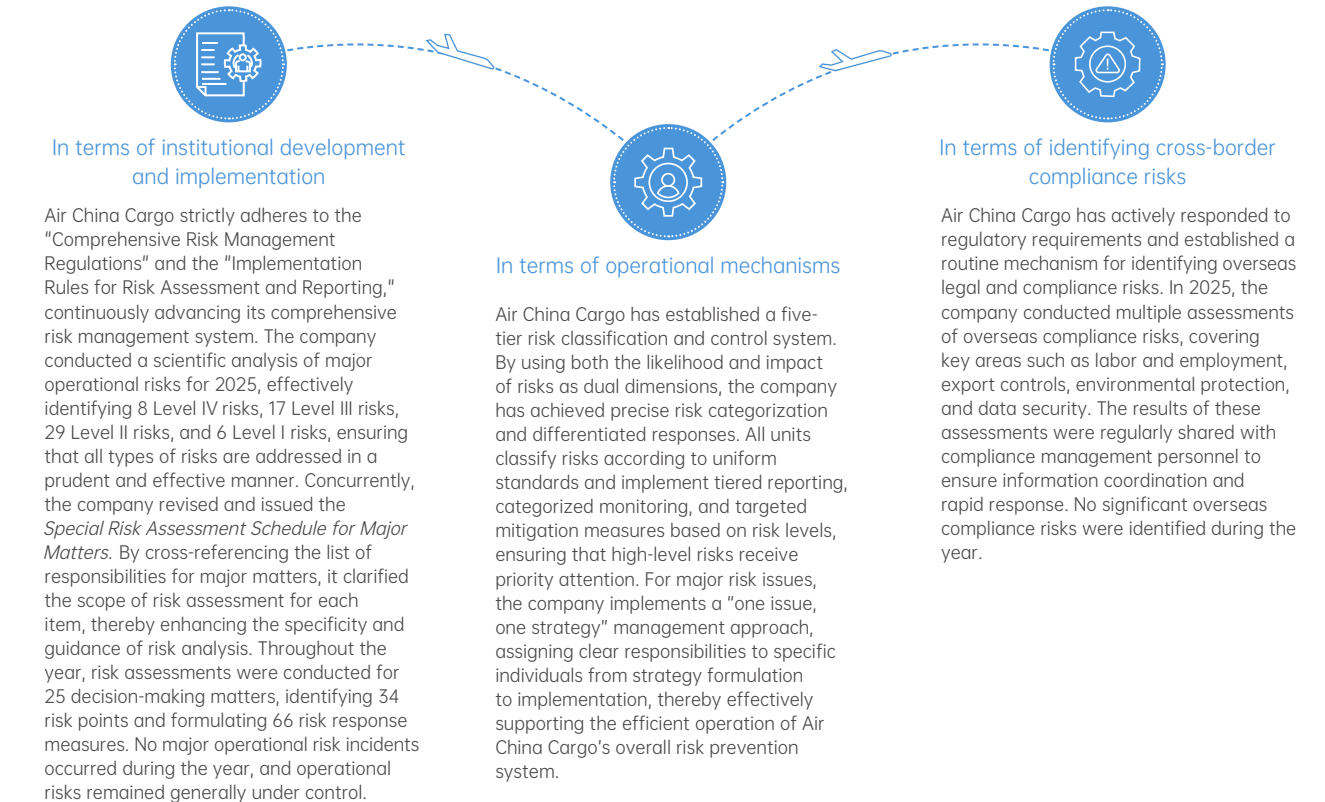
Air China Cargo has fully implemented the *Administrative Measures for Compliance Management of Central Enterprises* and formulated the *Regulations on Compliance Management*, the *Code of Conduct for Compliance*, and the *Implementation Rules for Overseas Compliance Management*. These documents clarify compliance management objectives, define responsibilities, and establish operational mechanisms, with a particular focus on strengthening compliance controls in high-risk areas such as overseas operations, trade controls, and labor practices, thereby ensuring that the company's operations are transparent, standardized, and well-managed.



To enhance compliance awareness among all employees, the company published a total of 30 articles in the “Essential Legal Knowledge for Rule of Law Development” series via online platforms throughout the year, and organized learning and Q&A sessions focused on laws and regulations such as the *Law of the People’s Republic of China on State-Owned Assets of Enterprises* and the *Patent Law of the People’s Republic of China*. In addition, leveraging “Compliance Awareness Month” and “Constitution Awareness Week” as opportunities, the company utilized digital platforms to facilitate the signing of compliance pledges by all employees, reaching over 5,700 employees and executives both domestically and internationally, thereby further solidifying the cultural foundation of “compliance by all, compliance in all matters.”

Strengthening Risk Management

Air China Cargo continues to advance the development of its comprehensive risk management system. Adhering to the principles of “prevention first, tiered control, and dynamic monitoring,” the company is continuously enhancing its capabilities in risk identification, assessment, and response to ensure sound operations in complex environments.



The company integrates sustainability risks into its comprehensive risk management system and continuously refines its due diligence mechanisms. Led by the ESG Working Group and in collaboration with key members from relevant departments, the company identifies and addresses sustainability-related negative impacts and risks, covering key areas such as climate change, environmental pollution, labor rights, and business ethics. By establishing a closed-loop process of “identification–assessment–response–monitoring,” the company conducts regular risk screenings and impact assessments. In 2025, the company conducted climate risk due diligence for key operational processes, assessed the potential impact of extreme weather on cargo transportation, and developed contingency plans. At the same time, it carried out specialized inspections on labor rights and environmental compliance for overseas operations to ensure that overseas operations comply with international standards and local regulations.

Conducting Internal Audits

Air China Cargo strictly adheres to its annual audit plan, organizing and conducting audits of senior management’s financial responsibilities during their tenure in a standardized and effective manner, with a focus on the fulfillment of such responsibilities. The company conducts special audits in areas such as the implementation of major policies and measures, key business operations, and high-risk sectors. It also continues to carry out internal control evaluations and internal control oversight evaluations of its subsidiaries, thereby continuously enhancing the independence, authority, and effectiveness of its audit oversight.

In 2025, the company carried out a total of 13 internal audit projects, including 5 economic responsibility audits of subsidiaries such as Civil Aviation Express. These audits focused on supervising and inspecting the authenticity of financial revenue and expenditure during the leadership’s tenure, asset quality, operating results, major business activities and decisions, and the legality and compliance of operations; Five special audits were conducted on areas such as Air China Cargo’s management of receivables and payables to identify management weaknesses and propose targeted improvement recommendations, thereby continuously enhancing the standardization and effectiveness of management; three internal control evaluations and supervisory assessments were carried out to improve the quality of the company’s internal control work and further refine the internal control system. We not only focus on financial compliance and asset security but also place greater emphasis on identifying areas for improvement from the perspectives of governance effectiveness, resource efficiency, environmental impact, and the fulfillment of social responsibilities, thereby effectively translating audit findings into concrete actions that drive improvements in ESG performance.



Upholding Business Ethics

Air China Cargo has always regarded integrity in business operations as the cornerstone of its corporate development. The company implements a management strategy centered on "system-driven leadership, risk prevention and control, oversight and accountability, and cultural immersion." By strictly adhering to relevant domestic and international laws and regulations, the company employs a multi-pronged approach—including establishing robust whistleblowing mechanisms, strengthening process oversight, and deepening employees' compliance awareness—to prevent corruption, fraud, and unfair competition. This approach fosters a long-term mechanism that ensures officials "dare not, cannot, and do not want to" engage in corruption, thereby solidifying the foundation of corporate integrity and enhancing business transparency.

Business Ethics Management System

The company strictly adheres to business ethics and resolutely prohibits illegal and non-compliant activities such as bribery, corruption, fraud, money laundering, and unfair competition, ensuring that all aspects of the company's operations and management are conducted in accordance with the law and regulations. The company strictly adheres to normative documents such as the *Compliance Management Measures for Central Enterprises* and has formulated and implemented the *Air China Cargo Discipline Inspection Work Manual (2025)*. It has further detailed the key tasks outlined in the Action Plan for the Standardization of Discipline Inspection and Supervision within the Group, thereby establishing a closed-loop system covering all business operations and positions.

At the level of oversight implementation, the company has strengthened the coordinated efforts of its oversight system, continuously building a "comprehensive oversight" framework that encompasses intra-Party oversight, disciplinary inspection oversight, audit oversight, and functional oversight. It issued the *Air China Cargo "Comprehensive Oversight" Work Manual*, formulated and completed annual inspection and assessment plans centered on core tasks, and continued to deepen the development of 10 mechanisms—including joint meetings, information sharing, referral of leads, and special rectification campaigns—to ensure the efficient operation of the oversight system and continuously enhance corporate governance capabilities. The company continued to advance the concretization, precision, and normalization of political oversight, establish a 2025 political oversight ledger, and ensure the effective implementation of nine key oversight tasks through list-based management. At the same time, it has optimized the tiered handling model for problem leads, standardized the entire process for handling public complaints and reports, and strengthened the management of personnel in key positions. Through measures such as conducting integrity interviews, establishing integrity files, and promoting reforms based on case studies, the company has continuously improved its anti-graft and anti-corruption management system. In 2025, the company had zero concluded embezzlement litigation cases, and the business ethics management system operated effectively.

Whistleblowing and Complaint Management

The company firmly opposes any form of bribery, corruption, unfair competition, or other violations of business ethics, and actively encourages employees, suppliers, partners, and other stakeholders to participate in oversight. The company has established a comprehensive reporting and investigation mechanism, including a dedicated platform for reporting violations, with the Legal Department serving as the central point for receiving reports. Upon receiving a report, the Legal Department forwards it to the relevant departments for handling in accordance with established authority. Supervisory departments such as the Discipline Inspection Commission Office and the Audit Department intervene in investigations as per their respective responsibilities to ensure that every report receives a response. Where violations are substantiated, the company imposes internal disciplinary actions on the individuals involved based on the severity of the offense; in cases of serious misconduct, the company will resolutely terminate employment and refer the matter to judicial authorities for further action.

The company strictly implements a whistleblower protection system, maintaining strict confidentiality of whistleblower information and related materials throughout the process. Appropriate rewards are provided to individuals whose reports are verified as accurate, and any form of retaliation is strictly prohibited. The company effectively safeguards the legitimate rights and interests of whistleblowers, fostering a positive environment where employees feel empowered to exercise oversight and uphold integrity and compliance.

Building a Culture of Integrity

Air China Cargo continues to deepen the construction of a culture of integrity in the workplace, employing multiple measures to enhance employees' business ethics and compliance awareness. It continuously improves its integrity risk prevention and control system. Focusing on key areas, key links, and key positions in the exercise of power, Air China Cargo organizes integrity risk point investigations, formulates a *List of Major Integrity Risks*, promotes the standardized operation of power, and prevents integrity risks at the source.

The company widely carries out various forms of integrity education activities to enhance the awareness of integrity among cadres and employees. It conducts special studies on Party conduct and integrity building through examinations, provides anti-monopoly compliance training for all employees, conducts typical case analysis and multiple warning education activities, and carries out a series of activities for the "Publicity and Education Month" on Party conduct and integrity building with the theme of "Building a Clean Family Style," improving employees' compliance awareness and enhancing their risk prevention and control capabilities.

In addition, the company closely monitors important holidays, promptly issuing integrity reminders to educate and guide Party members, cadres, and employees to build a strong ideological defense against corruption. Utilizing publicity platforms such as "Integrity Cargo," it conveys the concept of integrity from multiple dimensions, promoting compliance awareness to take root in people's hearts. In 2025, the company conducted anti-commercial bribery and anti-corruption training covering all employees.

In terms of building a discipline inspection team, we continuously improve the professional capabilities and work standardization of discipline inspection personnel by organizing participation in training programs organized by higher authorities, conducting internal special training, and using case studies as training.



Case

Building a Strong "Firewall" at Home and Fostering a Culture of Integrity—Air China Cargo Launches a Special Educational Campaign on Family Values



The Party Committee of Air China Cargo has launched its 2025 Integrity Awareness Month campaign with a focus on fostering positive family values. Through specialized study sessions, exchange forums, one-on-one discussions, micro-party lectures, and themed Party Day activities, the committee has organized Party members and cadres to thoroughly study and implement General Secretary Xi Jinping's important directives on family, family education, and family values. This initiative aims to extend a culture of integrity into the home and foster a political environment characterized by integrity and uprightness.



Antitrust and Fair Competition

The company continuously improves its antitrust and fair competition management system. We strictly adhere to *the Antimonopoly Law of the People's Republic of China*, *the Anti-Unfair Competition Law of the People's Republic of China*, and relevant laws and regulations in major operating regions such as the European Union, the United States, and Hong Kong. We have formulated and continuously optimized the Antitrust Policy and Code of Conduct and the Antitrust Code of Conduct, explicitly prohibiting monopolistic agreements, abuse of market dominance, and unapproved business combinations.

The company remains committed to upholding a fair competitive order, respecting market rules, and advocating for the joint creation of a healthy and orderly business ecosystem with industry partners. In its business operations, Air China Cargo strictly regulates employee conduct, strictly prohibits the collection or exchange of sensitive commercial information—such as pricing, capacity, and customer strategies—with competing airlines, and resolutely eliminates any form of collusive behavior to ensure that business decisions are independent, compliant, and transparent.

To strengthen front-end risk prevention and control, the company has fully integrated antitrust compliance requirements into its business processes. By refining compliance reviews at key stages, we accurately identify and effectively mitigate potential risks. Additionally, antitrust compliance is incorporated into training programs for expatriate staff and prospective assignees. We have established a regular assessment mechanism to dynamically optimize management measures and continuously enhance our antitrust compliance management capabilities. In 2025, Air China Cargo did not face any major legal litigation or regulatory penalties related to antitrust or unfair competition.



The company's general counsel leads the participation in anti-monopoly training organized by the State-owned Assets Supervision and Administration Commission of the State Council.

02 Safety as Our Wings

Building Trust

Key Performance Indicators

- 100,200 safe flight hours, a 47.12% increase compared to 2024
- 10,996 safe takeoffs and landings, a 43.81% increase compared to 2024
- Rated as a Grade 1 (Top-tier) cargo carrier in the Civil Aviation Safety Regulatory Differentiated Assessment for 4 consecutive years

Our Initiatives

- Ensuring Transportation Safety
- Strengthening Technological Innovation
- Enhancing the Customer Experience
- Safeguarding Information Security

Responding to the SDGs





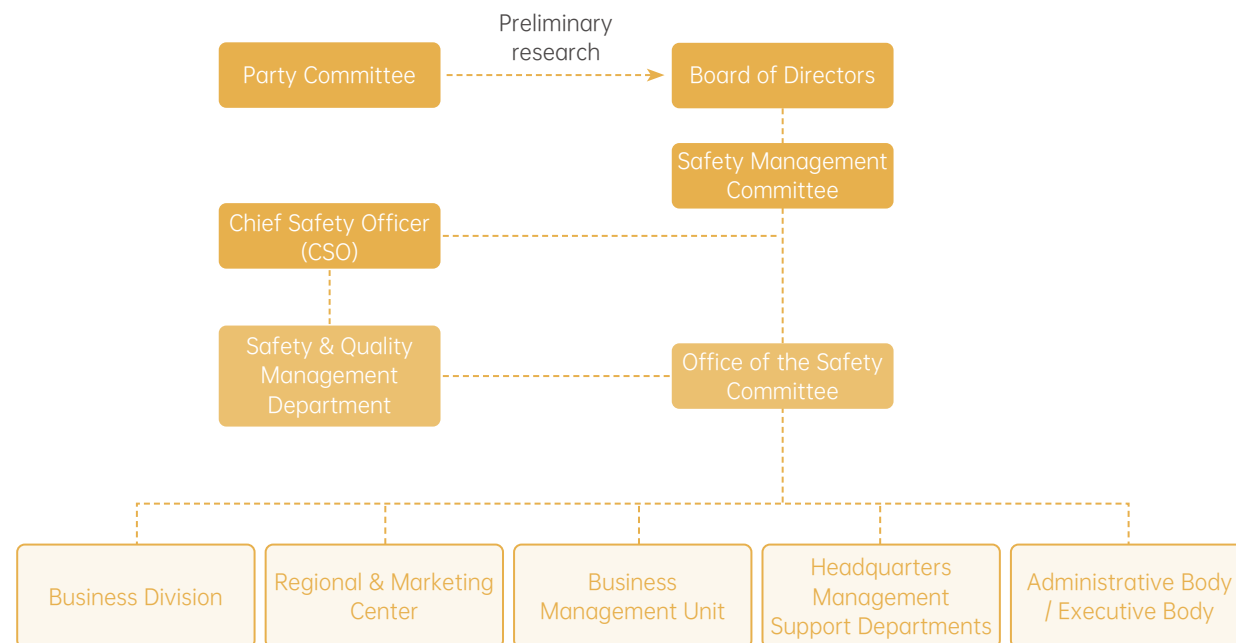
Safeguarding Transportation Safety

Air China Cargo has always regarded safety as the lifeline and fundamental guarantee of the company's development. Adhering to the principle of "safety first, prevention-oriented, and comprehensive management," the company continues to strengthen its safety management system and promote the transformation and upgrading of safety controls toward standardization and intelligent management. By ensuring the safe, efficient, and compliant transportation of cargo throughout the entire supply chain, the company is committed to providing customers with more reliable air logistics services, thereby demonstrating its strong commitment to safety. For four consecutive years, the company has maintained the highest rating among cargo airlines in the Civil Aviation Differentiated Safety Performance Evaluation, providing a solid safety foundation for the company's high-quality development.

Safety Management

The Company strictly complies with laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Civil Aviation Law of the People's Republic of China*. It fully implements regulatory requirements set forth by the Civil Aviation Administration of China, including the *Administrative Measures on the Implementation of Civil Aviation Safety Responsibilities* and the *Requirements for the Development of Safety Management Systems (SMS) for Air Operators*. The company has refined its *Safety Management Manual*, *Aviation Safety Management Manual*, and supporting procedural documents, established safety responsibility lists and quantitative assessment standards covering all employees and positions, and achieved a deep integration of safety responsibilities with the governance system. At the same time, the company has refined safety management standards in key areas to enhance the synergistic effectiveness of the safety management system and the dual-prevention mechanism; it has also promoted the development of a safety culture, integrating the "safety first" philosophy into the entire chain of corporate governance and production operations.

The company has established a top-down safety management organizational structure and accountability system with clearly defined responsibilities:



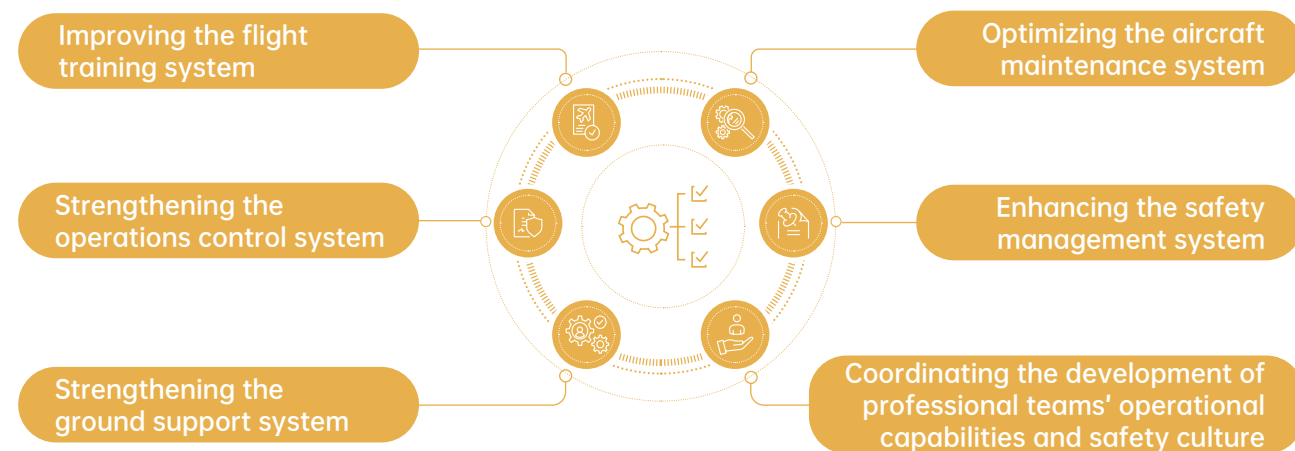
Air China Cargo Safety Management Organizational Structure

Accountability system	The company has implemented a work safety accountability system covering all employees, specifying the work safety responsibilities each employee must assume.
At the executive level	The company's Party Committee includes work safety in its annual agenda of key matters and conducts preliminary research on major issues related to work safety. The Board of Directors serves as the highest decision-making body for the company's safety management. It has established a Safety and Strategy Committee, chaired by the Chairman, which is primarily responsible for overseeing the company's safety management, providing support for the Board's safety-related decisions, ensuring that safety planning is coordinated and aligned with the company's development plan, and providing institutional safeguards for the integrated management of development and safety.
At the governance level	A Safety Management Committee is established to comprehensively coordinate work safety affairs, ensuring that daily work safety operations are conducted in accordance with laws and regulations and that risks are controllable; it studies and reviews major work safety matters and reports to the Safety and Strategy Committee and the Board of Directors in accordance with corporate governance guidelines.
Primary responsible persons	The Chairman and President of the company are the principal and primary responsible persons for the company's work safety. Each Vice President in charge of a specific business area, the Chief Flight Officer, and the Chief Engineer shall perform safety management duties within their respective areas of responsibility.
Chief Safety Officer (CSO)	A Chief Safety Officer is appointed to have overall responsibility for the establishment, implementation, and ongoing effectiveness of the safety management system, and reports to the Chairman and President.
Office of the Safety Committee	An Office is established under the Safety Management Committee to oversee and manage the company's safety work and ensure its concrete implementation.
Safety and Quality Management Department	The company's Safety and Quality Management Department serves as the lead department for safety management. It is responsible for organizing the implementation of safety management requirements, as well as coordinating, guiding, and overseeing the safety management work of all production units and administrative support departments.
Each functional management	Each functional management unit within the company shall, in accordance with its assigned responsibilities, diligently advance safety management tasks within its respective domain, thereby fostering a collaborative safety management effort characterized by horizontal coordination and vertical integration.
Each production unit shall	Each production unit, in accordance with its respective responsibilities, fulfill its primary responsibility for workplace safety.



Safety Management Strategy

The company is committed to balancing development and safety. Focusing on six key areas—including the enhancement of the safety management system—the company is improving its collaborative safety management capabilities and the overall competence of personnel in critical positions, while continuously advancing the transformation of safety management toward proactive prevention.



The company focuses on key areas such as aviation safety, ground safety, and specialized cargo transport safety. By adhering to a comprehensive approach that integrates human, physical, and technological safeguards, the company strengthens end-to-end safety management through proactive innovation and technology-driven solutions, thereby enhancing intrinsic safety levels and fortifying the safety defenses of its air cargo operations.

In 2025, the company formulated 31 key annual safety tasks and the "Implementation Plan for Effectively Strengthening Work Safety" with the goal of laying a solid foundation for work safety. The company detailed 176 specific implementation measures, implemented dynamic assessments and closed-loop management, and comprehensively reinforced safety accountability. The company continued to enhance competency in key positions and aircraft reliability management, improve capabilities in core areas such as flight training and maintenance, ensure the safe coordinated operation of its dual-aircraft fleet, strengthen security compliance and risk prevention for overseas operations, and continuously solidify the foundation of safe operations to fortify the company's safety defences.



Case Air China Cargo Develops Global Intelligent Loading Monitoring System to Strengthen Safety Measures Through Digitalization



To address potential issues such as missed loading, missed unloading, incorrect loading, and incorrect unloading during cargo handling operations at cargo terminals, Air China Cargo took the lead in the industry by developing the "Global Intelligent Loading Monitoring System." By assigning unique codes to cargo holds and containers, the system establishes a one-to-one matching mechanism. Combined with intelligent recognition and electronic scanning, it achieves 100% accurate verification of cargo loading and unloading, significantly enhancing operational safety and efficiency. Through real-time alerts and interventions triggered by anomaly detection, the system establishes a closed-loop management process to eliminate human error. Additionally, the system integrates core systems such as load planning, ground operations, and flight monitoring to enable real-time data synchronization, comprehensively enhancing collaborative capabilities.



Since its launch, the system has been deployed across all Air China Cargo terminals, becoming a core engine and benchmark project for advancing smart cargo operations. It supports the company's transition toward intelligent, low-carbon, and high-quality development.



Case Safe Operations—Air China Cargo Achieves Synergistic Operation of "Boeing + Airbus" Dual-Aircraft Fleet



In June 2025, it marked one year since Air China Cargo's first A330 freighter was successfully put into commercial service. Looking back over the past year, the company has achieved a strategic transition from operating a single Boeing fleet to a "Boeing + Airbus" dual-fleet operation, becoming a cargo airline with coordinated safety operations across both aircraft types. As of February 2026, the company's A330 fleet has steadily expanded to eight aircraft, accumulating 33,243 safe flight hours and completing 4,043 safe take-offs and landings.



Case Air China Cargo Develops Cargo Terminal Vehicle Monitoring System, Significantly Enhancing Ground Operations Safety



Air China Cargo's Cargo Terminal Division has implemented a vehicle monitoring system that utilizes GIS mapping and high-precision positioning to enable comprehensive, real-time visualization of vehicle movements. By leveraging AI to intelligently identify risky behaviors such as driver fatigue, the system facilitates real-time intervention and closed-loop management. This has established a data-driven management model centered on monitoring, early warning, response, and analysis, significantly enhancing the safety of ground operations.





Safety Risk Management

The company has always regarded safety risk management as the core of its safety management system. Adhering to the principles of “prevention first, tiered control, and dynamic monitoring,” it continuously enhances its capabilities in risk identification, assessment, and response.

The company focuses on safety risk management across the entire production process and all elements of personnel, machinery, environment, and management. It systematically identifies hazard sources, conducts risk assessments and controls, and uses safety assurance mechanisms to continuously monitor, audit, and improve the implementation of risk control measures, ensuring that safety control measures are effectively implemented. At the same time, through safety promotion initiatives, the company vigorously advances safety training, information exchange, and safety culture development, continuously strengthening the collective defense against safety risks.

Risk Identification



From a macro security perspective

The World is Undergoing Rapid Changes on a scale not seen in a century. Great power rivalry, unilateralism, anti-globalization trends, and geopolitical conflicts are creating significant uncertainty regarding the stability of the civil aviation supply chain and the safety of aviation operations; risks associated with environmental factors, such as severe weather and bird strikes, continue to rise; from the perspective of the cargo market, the global economic downturn, coupled with the impact of tariff policies, has significantly disrupted traditional dominant cargo route networks, leading to dynamic adjustments in the allocation of cargo aircraft capacity and route planning.

The company has refined its voluntary safety information reporting mechanism for all employees, expanded external information collection channels such as the Aviation Safety Network, scientifically assessed the impact of various hazard sources on aviation safety operations, optimized evaluation parameters and early warning rules for cargo aircraft operational quality, and improved specialized hazard identification guidelines and key risk control plans to comprehensively enhance the overall competence of key positions and the effectiveness of production organization.

Aviation Safety Risk Management



- **Continuously Improving Flight and Training Quality:** In response to increasing operational complexity, the company has optimized its flight training system. Taking into account changes in crew structure, we have revised the *Flight Training and Technical Standards Management Manual* and developed the *Crew Resource Management (CRM) Training Management Manual*. We have scientifically formulated training syllabi, refresher training modules, and instructor manuals, and systematically conducted various qualification-based training programs to achieve a 100% training completion rate, thereby continuously enhancing overall flight proficiency and operational support capabilities.
- **Continuously Improving Maintenance Quality:** We established a database of maintenance supervisors and quality control personnel along with qualification standards to enhance maintenance and oversight quality; improved cross-system preventive maintenance mechanisms and aircraft preventive maintenance and operational management measures; and, leveraging the Smart Maintenance Laboratory, continued to optimize the functions of the maintenance operations and technical control system to ensure aircraft availability.
- **Continuously improve operational organization capabilities:** Revise the *Flight Dispatcher Training Manual*; implement integrated training for dispatchers and flight crews to enhance situational awareness and response capabilities in critical roles; revise the *AOC Operations Manual* and procedures such as flight release to improve monitoring and response capabilities across the entire operational chain, ensuring that operations remain robust and orderly even under complex conditions and heavy workloads.

Ground Security Risk Management

The company has established a comprehensive, dynamic risk prevention and control system for ground security, as well as an interconnected intelligent ground monitoring network. Through digital transformation, we have strengthened security response across security screening, cargo terminals, and ground logistics.



Established a comprehensive, dynamic risk prevention and control system for ground security.

We have deployed a video surveillance system covering all operational areas within the air cargo zone, which is interconnected with airport systems to enable visual management of all ground operations and enhance overall security standards.



Strengthen risk prevention and control for ground security screening in key areas.

- We have innovatively developed customized AI recognition algorithms tailored for civil aviation cargo, which have been incorporated into the Civil Aviation Administration of China's "Phase II Pilot Program for AI Recognition in Civil Aviation Security Screening Equipment." This has significantly improved the efficiency of security screening quality control and detection capabilities.

Leveraging the smart security screening system to strengthen training, assessment, and authorization management; conducting comprehensive image reviews and routine inspections to effectively mitigate the risk of human error and ensure that the security screening process remains strictly controlled.



We have established a digital cargo terminal platform and refined our tiered emergency response mechanism.

Through this digital platform, the company ensures full traceability of cargo and mail operations, as well as early warning and rapid response to abnormal situations. Additionally, we have developed and refined 63 emergency response plans, organized 26 emergency training sessions, and conducted 42 emergency drills. By combining digital empowerment with practical drills, we provide a solid foundation for the safe operation of air cargo services.

Safety Culture Development

The company is coordinating efforts to advance the development of safety culture and safety conduct, formulating plans for safety culture and conduct development as well as safety education and outreach. It has prioritized the improvement of safety conduct as a key focus of its rectification and reform initiatives, continuously refining a collaborative framework where Party, government, labor union, and youth league bodies work together in unison. The company regularly evaluates the effectiveness of these initiatives to promote the integration of the core values of civil aviation safety culture in the new era into daily operations.

Air China Cargo has diversified its educational formats and platforms, integrating safety education and assessment into daily operations to make them routine practices. This approach continuously enhances employees' awareness of regulations and sense of responsibility, thereby strengthening the foundation of safety. By drawing on typical cases and the current safety landscape, the company dynamically updates warning materials for safety conduct development and refines mechanisms for fostering safety conduct in core positions such as flight crews; it enhances the effectiveness of the "Work Safety Month" campaign and continuously improves the safety literacy of all staff through specialized educational videos, themed essay contests, and campaigns to identify safety hazards in the workplace.



Case Air China Cargo Organizes "Work Safety Month" Themed Activities

In June 2025, Air China Cargo launched an in-depth "Work Safety Month" campaign under the theme "Everyone Talks About Safety, Everyone Knows How to Respond to Emergencies—Identifying Safety Hazards Around Us." During the campaign, all units closely integrated their efforts with the company's actual work on production safety, the three-year action plan for addressing the root causes of safety issues, the development of safety culture and work practices, safety education and training, the "Ankang Cup" initiative, and the company's annual key safety tasks. They responded proactively, made meticulous arrangements, organized activities with great care, and ensured full participation, thereby sparking a wave of safety initiatives characterized by diverse formats and substantive content. This fostered a positive safety atmosphere and effectively solidified the firm foundation for the company's safe development.



Air China Cargo's Subsidiary, Civil Aviation Express, Conducts Safety Education Promotion Activities



Air China Cargo's Beijing Cargo Terminal Business Unit launched the "I Find Safety Hazards" campaign



Air China Cargo's North China Regional Marketing Center held a safety production month knowledge competition



Air China Cargo's South China Region Launches Safety Production Month Knowledge Competition



Air China Cargo's Southwest Region Conducts Safety Etiquette Promotion Activities



Air China Cargo's Tianjin Cargo Terminal held a themed event for Agent Safety Awareness Day

Case Air China Cargo Organizes "Work Safety Month" Themed Activities



Air China Cargo's subsidiary, Civil Aviation Express, conducted fire safety themed activities for the 2025 Safety Production Month



Air China Cargo's Maintenance Engineering Department conducts typhoon mooring drill



Air China Cargo's Operations Monitoring and Dispatch Center Conducts A330 Cargo Hold Depressurization Emergency Drill



The Party Branch of Air China Cargo Chengdu Security Checkpoint and the Party Branch of the Emergency Medical Station of Shuangliu Airport jointly carried out a themed Party Day activity entitled "Party Building Leads the Safety Chain, Air-Ground Collaboration Builds a Defense Line" for emergency rescue

Indicators and Objectives

Air China Cargo has established a performance indicator system covering the entire process of safe operation, and continuously promotes the improvement of safety management efficiency through quantitative assessment and dynamic monitoring.

As of the end of 2025

100,200
safe flight hours

a 47.12% increase
compared to 2024

10,996
safe takeoffs and landings

a 43.81% increase
compared to 2024

37.7743
million pieces of
cargo and mail inspected

Detected the illegal transportation of
dangerous goods and prohibited items
338,338 items

Air China Cargo's Freight Incident
Rate (per 10,000 hrs): 0

the company conducted a total of
3,097 training sessions

amounting to 45,161
total training hours

achieving full coverage of
safety training for all employees
and providing targeted skill
development for key positions.



Enhancing the Service Experience

Air China Cargo adheres to a philosophy of high-quality operations, continuously cultivating professional service capabilities and innovating business development models. By providing high-quality, diversified services, the company builds long-term, stable partnerships based on mutual trust and mutual benefit, and fulfills its corporate social responsibilities through concrete actions.

Quality Service

The company strictly adheres to the requirements of Civil Aviation Administration regulations, such as the *Regulations on the Administration of Civil Air Cargo Transportation*, continuously improves its quality management system, maintains a customer-centered approach, and implements a range of measures to enhance service quality across its three core business segments: air cargo transportation, air cargo terminal services, and comprehensive logistics solutions.

External Recognition



Chengdu Tianfu Airport Cargo Terminal Business Unit was awarded "Advanced Unit of 2025" by the Chengdu Tianfu Airport Cargo Terminal Operation Environment Management Committee



Chongqing Cargo Terminal Business Unit was awarded "Advanced Work Unit" for dangerous goods management in the Chongqing area of the Civil Aviation Administration of China in 2025



Customs and Airlines Classification Management of Hangzhou Xiaoshan Airport "Trustworthy Class A Enterprise"



"Best Partner Award" of Shanghai Airport



Chongqing Cargo Terminal Business Unit was awarded "Excellent Support Unit of 2025"



Air China Cargo's South China Region received client appreciation for its cultural relics transportation services

Air Freight Services

With a focus on safety, compliance, and service quality improvement, the company ensures service timeliness and safety by refining its standards system, strengthening operational capabilities, and advancing digital transformation.

Refining the Standards System

We revised and published seven company-level manuals, including the *Cargo Loading Manual* and the *Dangerous Goods Safety Management Procedures*, as well as 16 operational management procedures. We also issued 29 documents covering various operational regulations, transport restrictions, and operational warnings, thereby establishing a standardized operational system that encompasses the entire process from pickup and collection to palletization and loading.

Strengthen Specialized Support

Deepen cooperation between universities and enterprises, as well as among enterprises, to enhance our capacity to handle specialized cargo; actively pursue IATA³ CEIV⁴ Lithium Battery certification; successfully complete the ground support requirements for the CCAR-121-R8⁵ supplemental type certificate; and participate in the passenger and cargo cabin design for the C929 joint development project to support the advancement of China's large aircraft industry.

Empowering Smart Operations

- Global Intelligent Loading Monitoring System: The system has been deployed at 20 cargo terminals worldwide, with a 100% flight completion rate. Through real-time data verification, the system effectively prevents missed or misplaced cargo and ensures the accuracy of aircraft weight and balance.
- Improve operational efficiency: Develop a flight monitoring module for the load-balance system to prevent flight delays caused by delays in processing load data; promote a paperless cockpit, implement EFB⁶ electronic balance manifests, and enhance flight operational efficiency.

Optimizing the Network Layout

New international cargo routes have been launched, including "Chengdu-Amsterdam," "Guangzhou-Glasgow," "Chengdu-Glasgow," and "Shanghai-Hanoi." These initiatives strengthen hub functions, provide robust support for the stability of global industrial and supply chains, and effectively enhance the connectivity of regional air logistics.



Air China Cargo has a global route network and industry-leading capabilities for transporting special goods. It successfully transported the vehicles used for the first F1 race in China, demonstrating its outstanding resource allocation and execution capabilities.

Air China Cargo successfully completed 25 major transportation tasks such as rescue charter flights, panda transportation, and transportation of returned cultural relics, effectively fulfilling the corporate responsibility of meeting social public needs, and demonstrating the responsibility and commitment of the flag carrier cargo airline.

Through repeated assistance to the Ministry of Foreign Affairs' Logistics Service Center in resolving issues related to diplomatic credit, the transportation of supplies, and logistical support, we received letters of appreciation from the Ministry of Foreign Affairs and the Service Center for Overseas Missions.

³ IATA: International Air Transport Association.

⁴ CEIV: The IATA CEIV Lithium Battery certification is a specialized certification standard established by IATA for the air transport of lithium batteries. It is designed to ensure that the entire supply chain meets the world's most stringent safety and compliance requirements in all aspects of operations, packaging, storage, and transportation.

⁵ CCAR-121-R8: The eighth revision of the *Rules for the Airworthiness Certification of Public Air Transport Operators of Large Aircraft* by Civil Aviation Regulations of China.

⁶ EFB: Electronic Flight Bag - Load & Balance Sheet.



Case Hanoi-Shanghai-Chicago Cross-Border Connecting Service

In June 2025, the company successfully completed the "Hanoi – Shanghai Pudong – Chicago" cross-border connecting flight service. As a newly launched international route, this service provided customized charter flights for high-end electronic products, involving cross-border transfers, multi-party coordination, and changes in operating agents. It placed high demands on operational organization, timing coordination, and operational standards. During implementation, the company collaborated with multiple teams and, through several rounds of detailed communication, finalized a comprehensive service plan covering booking and manifesting, information transfer, and transfer coordination. This ensured the smooth execution of the cross-border connecting service and enhanced the company's capabilities in overall coordination and operational support for complex international route operations.



Case Air China Cargo Launches "Chengdu-Glasgow" All-Cargo Route, Establishing a New Logistics Corridor Connecting Southwest China to Europe

In November 2025, the company successfully launched its "Chengdu-Glasgow" all-cargo route, establishing a vital logistics corridor linking Southwest China with Northern England. This initiative has effectively expanded air cargo channels between China and the UK, directly serving Scotland and Northwest England while diverting cargo volumes from the UK's interior. It has created a convenient air corridor for Scottish salmon, whisky and other specialty products to enter the Chinese market, while also providing more timely and stable transportation support for industries such as cross-border e-commerce, electronics, and high-end equipment manufacturing looking to expand overseas, effectively boosting the export-oriented economic development of Southwest China. Leveraging this route, Air China Cargo has established a multi-directional network at the Chengdu hub that "connects Europe, North America, and the Middle East," further enhancing the strategic functions and hub capabilities of Chengdu's air freight network.



Case Air China Cargo Safely Escorts Giant Pandas "Hefeng" and "Lanyun" to Vienna

In April 2025, Air China Cargo swiftly established a dedicated task force. Leveraging a 24-hour cross-time-zone communication mechanism, the team efficiently coordinated domestic and international resources to successfully complete the international transport mission for giant pandas "Hefeng" and "Lanyun" from Chengdu to Vienna.

The company's Chengdu Cargo Terminal activated its "premium-level" support mechanism, establishing dedicated lanes and temperature-controlled zones, while scientifically optimizing loading positions to ensure uninterrupted oxygen supply and convenient feeding. The European regional team achieved an "ultra-fast handover" —reducing the time from unloading to warehousing to just three minutes—by quickly adjusting parking bays and streamlining customs clearance procedures. Seamless coordination throughout every stage of the journey created a safe and comfortable "first-class" transport environment for the giant pandas, demonstrating the company's professional capabilities in the field of special cargo transportation.



Case Air China Cargo successfully completed the national key cultural relics repatriation transportation support mission.

Air China Cargo successfully completed the transportation of rare cultural relics, including a wooden Guanyin statue repatriated from Germany and terracotta figurines and reliefs repatriated from Turkey, becoming the most reliable air guardian on the "journey home" of national cultural relics. Focusing on the safety goals of "zero errors, zero delays, and zero damage," the company has built a full-chain support system from overseas terminals to the Beijing apron:



Strict Overseas Control

Experienced staff were selected to rigorously control every step of security checks, warehousing, and loading, implementing customized management for each item;

In-flight Security

A "dedicated container, single loading, multiple reinforcements" solution was adopted to create a "mobile vault" at 10,000 meters altitude for the cultural relics;

Rapid Arrival

Considering the characteristic of flights arriving in Beijing at night, personnel and vehicles were deployed in advance to ensure seamless unloading and transfer, ensuring the cultural relics "return home immediately upon arrival."



Air Cargo Terminal Services

By standardizing operational procedures, optimizing resource allocation, strengthening supervision and inspection, and fostering innovative partnerships, the company is committed to providing efficient and safe cargo terminal operations and support services to customers worldwide.

Systematic Management



We have established internal service quality policies, including the *Cargo Terminal Division Service Quality Prevention and Corrective Action Management Procedure*, to unify operational standards across all cargo terminals and warehouses, thereby further enhancing operational compliance.

Hub-Based Layout



Deeply integrated into core economic regions such as the Beijing-Tianjin-Hebei, Yangtze River Delta, and Chengdu-Chongqing economic zones, and closely aligned with the company's aviation hub development, we have established six major cargo terminals to form a comprehensive service capability that integrates air and ground operations. We continue to expand warehouse capacity, with a total operational area now exceeding 250,000 square meters to accommodate growing service demands.

Specialized Operations



We continuously refine our certification management system and hold specialized operating certifications for hazardous materials, cold-chain products, and oversized/irregular cargo. Equipped with a professional service team and state-of-the-art facilities and equipment, we provide a solid foundation for the safe and efficient transportation of all types of cargo.

Digital Transformation



Through an integrated digital platform covering all cargo terminals, we enhance internal information consistency while improving service quality and efficiency. Notably, the Beijing Cargo Terminal is leveraging this new digital platform to establish a 12,000-square-meter smart supervision warehouse, which will enable the sorting and retrieval of inbound international cargo and full-process intelligent supervision.

Customized Comprehensive Logistics Solutions

The company integrates resources in air freight, ground distribution, and supply chain management to provide clients with multi-tiered, customized comprehensive logistics solutions and a wide range of value-added services. The company's subsidiary, Civil Aviation Express, has obtained ISO 9001 quality management system certification, ensuring reliable and consistent service quality.



The company's subsidiary, Civil Aviation Express, has obtained ISO 9001 quality management system certification.

Standards development

We have established internal regulations such as the *Standard Operating Procedures Manual*, *International Air Cargo Transportation Process*, *International Air Cargo Transportation Operational Procedures*, *Procedures for the Use and Control of Service Logos*, *Regulations on Cargo Packaging Management*, *Management Procedures for Key Project Cargo Transportation Processes*, and *SOP for the New Civil Aviation Express System* to standardize operational norms across all stages, including acceptance, transportation, and delivery.

Specialized Services

For special categories such as pharmaceuticals, high-value goods, and cross-border e-commerce, we have established specialized service standards and promoted the use of lightweight cushioning materials like bubble wrap and gusseted film, significantly reducing the risk of cargo damage. This year, Civil Aviation Express, a subsidiary of the company, received the National Standard Compliance Certificate for *Operational Specifications for Pharmaceutical Cold Chain Logistics*, marking authoritative recognition of its professional capabilities.

Digital and Intelligent Capabilities

Through a next-generation operating system, the entire order and dispatch process has been digitized. The driver app provides operational instructions covering 58 items, using technology to reduce human error and ensure service consistency.

Service Efficiency

We successfully conducted a pilot test of the "Guangzhou-Pudong-Paris" air-to-air transfer "9610 End-to-End" solution, significantly reducing cargo clearance time and improving cross-border logistics efficiency.

Service Quality

Our subsidiary, Civil Aviation Express, operates with a customer satisfaction-oriented approach. During the reporting period, there were no major complaints, and the satisfaction rate reached 96.5%. The KPI achievement rate for key project clients remained excellent.

Accidents and Errors

The company has established a robust service quality control system, formulating and implementing policies such as the *Procedure for the Management of Preventive and Corrective Actions* and the *Procedure for the Assessment and Management of Freight Transport Service Quality*. These policies clearly define the responsibilities of each department for controlling service quality errors, systematically conduct error statistics and analysis, and establish mechanisms for prevention, correction, and continuous improvement, thereby effectively mitigating service quality risks at their source. Building on this foundation, the company has strengthened process evaluations and established long-term management mechanisms. It conducts monthly assessments of key indicators such as booking rates, tracks corrective actions, and issues risk alerts to drive the refinement and deepening of quality management across the entire network.

Regarding service quality issues that have occurred, the company strictly adheres to relevant compensation policies to respond promptly and resolve matters appropriately, effectively safeguarding customer rights through measures such as redelivery and reasonable compensation. During the reporting period, the company did not experience any major safety or quality incidents related to its products or services.

Customer Feedback and Service Optimization

Air China Cargo continues to improve its customer service system by formulating and implementing policies such as the *Customer Inquiry Management Procedure*, *Complaint Management Procedure*, and *Cargo Compensation Management Procedure*. The company has established customer communication channels, including hotlines and email addresses, to provide comprehensive services such as cargo tracking, complaint handling, and compensation processing. In terms of responsible marketing, the company has refined its channel management policies and regulations. It has formulated the *Air China Cargo Sales Agent Security Breach Handling Measures*, revised the *Domestic Regional Sales Agent Management Procedures*, and issued the *Air Cargo International/Domestic Transportation Sales Agency Agreement*, thereby effectively mitigating channel security risks.

The company has established a routine mechanism for customer communication and feedback, conducting regular satisfaction surveys. In 2025, the company's customer satisfaction score was 95.92, an increase of 0.01 points compared to 2024. For survey items with low satisfaction scores, the company conducted in-depth analyses and urged relevant departments to take targeted measures to improve service quality. The marketing team visits agents and e-commerce clients on a quarterly and monthly basis to collect feedback, review the history of cooperation, and explore future collaboration opportunities.

In response to customer complaints and cargo anomalies, the company strictly enforces reporting procedures for abnormal cargo transport incidents and a performance evaluation system for damage claims, ensuring timely identification of issues and driving closed-loop resolution. In 2025, the company received a total of 34 complaints regarding products and services, including 28 from the air cargo division, 2 from the cargo terminal division, and 4 from the integrated logistics division. The complaint resolution rate was 100%, with no major customer complaints reported. Driven by customer feedback, the company continues to advance the standardization of service standards, refine operational procedures, strengthen staff training, and optimize process coordination and resource allocation to achieve dual improvements in service quality and operational efficiency. In 2025, the company received multiple letters of commendation, trophies, and certificates of recognition from customers.

Case Air China Cargo Holds Client Appreciation Event to Deepen Win-Win Partnerships

In March 2025, Air China Cargo hosted its 2025 Global Client Appreciation Event in Guangzhou under the theme "Co-Creating a Bright Future, Mastering the Skies for Mutual Success." This marked the company's first client appreciation event since its successful IPO. The event focused on product and service innovation as well as the deepening of strategic partnerships, featuring in-depth discussions on how to enhance the quality of air logistics services amid a complex and ever-changing market environment. Through face-to-face exchanges, the company shared its future development strategy and market plans with partners, effectively boosting clients' confidence in the company's growth.



Customer Complaint Channels

Telephone:
10100999

Email:
ts.callcenter@airchinacargo.com

Strengthening Scientific and Technological Innovation

Air China Cargo remains committed to independent innovation as the key to enhancing its competitiveness. The company continues to refine its R&D and innovation management system, focusing on digital transformation and smart operations, expanding its portfolio of innovation projects, and laying a solid foundation for high-quality development.

Governance

Air China Cargo continues to improve its innovation governance mechanisms. In line with the requirements of innovation-driven development, the company is continuously refining its innovation management system and implementation mechanisms. Adhering to the principle of "centralized planning and tiered management," the company has established a three-tier innovation management framework comprising the Innovation Management Leading Group, the Innovation Management Office, and the Innovation Laboratory, thereby creating an innovation governance system characterized by clearly defined responsibilities, coordinated division of labor, and orderly operations.

Innovation Management Organization Structure



Innovation Management Leading Group

In particular, the company's Innovation Management Leading Group, serving as the decision-making body for innovation management, is responsible for implementing the deployment requirements regarding innovation and development issued by the state, the industry, and higher-level authorities; reviewing the company's strategic plans for innovation and development, annual innovation work plans, lists of major innovation projects, and budget proposals for special research and innovation funds; determining the direction of the company's innovation and development; and making decisions on, coordinating, and supervising key matters related to innovation management.



Innovation Management Office

The Innovation Management Office, located within the Strategic Planning Department, is responsible for the day-to-day coordination of the company's innovation management. It oversees the establishment and optimization of the innovation work system, organizes the formulation of innovation development plans and annual work plans, coordinates the advancement of key innovation initiatives and projects, manages special funds for scientific research and innovation, and organizes the initiation, implementation, acceptance evaluation, commercialization, and promotion of innovation projects. Additionally, it refines relevant innovation management systems and mechanisms, and coordinates the appraisal of innovation achievements, award applications, scientific and technological exchange and sharing, and research collaborations.



Innovation Laboratory

As the primary entities responsible for implementing innovation initiatives, innovation laboratories are tasked with implementing the company's innovation management requirements and innovation development plans; formulating annual work plans and budget allocations; organizing the application, implementation, and process management of innovation projects; assisting in project acceptance, technology transfer, and commercialization; actively applying for innovation projects and awards at all levels; proposing recommendations on innovation directions; and regularly reporting on innovation activities, project progress, R&D investments, and the utilization of special funds.

Building on this governance framework, the company has gradually established a closed-loop management system covering the entire innovation process—from strategic planning and project initiation to implementation, monitoring and inspection, acceptance and evaluation, commercialization of results, and reporting—thereby continuously enhancing the standardization, systematization, and effectiveness of its innovation efforts.

To incentivize innovation, the company has formulated the *Implementation Plan for Incentives and Support for Scientific and Technological Innovation*. This plan includes measures such as establishing a mechanism for recognizing and rewarding innovation, prioritizing performance evaluations, and implementing diverse incentive methods. These initiatives reinforce the value orientation that "innovation is rewarded and contributions are recognized," thereby effectively enhancing employees' enthusiasm and initiative in participating in scientific, technological, and management innovation.



Strategy

In line with the development needs of its core air cargo business, the company adheres to an innovation-driven development strategy and has established an innovation system that is “sustainable, scalable, and effective.” By focusing on digital transformation, smart operations, and intelligent upgrades, and by leveraging emerging technologies such as artificial intelligence and big data, the company has refined its innovation implementation strategy—which is guided by business scenarios, advanced through project initiation, supported by laboratory platforms, and focused on the commercialization of results. This approach continuously directs innovation resources toward key areas such as customer service, production operations, safety assurance, and cargo terminal operations. This has gradually formed an innovation framework centered on key projects as the driving force, innovation platforms as the vehicle, and the commercialization of results as the goal, thereby enabling technological innovation to better serve the company’s high-quality development.

In 2025, based on the challenges and pain points of existing operations and the direction of new technology development, the company further clarified the implementation path for its innovation initiatives, focusing on advancing project planning in areas such as the intelligent transformation of existing business scenarios, intelligent safety operations, and intelligent freight yard operations. A total of 11 innovation projects were launched throughout the year, and a new Freight Yard Innovation Laboratory was established to drive innovation efforts from isolated project exploration toward a more systematic and scenario-based approach.

The company is committed to building a self-motivated team of innovative talent, emphasizing the strengthening of the talent base for scientific and technological innovation. By using key projects as a platform, it fosters the growth of talent through practical experience, thereby providing a solid talent foundation and intellectual support for the company’s sustainable, innovation-driven development.

Risk Management

The company is vigilant regarding risks associated with technological innovation, maintaining a constant focus on intellectual property protection, technology application management, and data security risk management, while strengthening process control over innovation projects.



Intellectual Property Risk Prevention and Control

In compliance with relevant laws and regulations, including the *Patent Law of the People’s Republic of China*, the *Trademark Law of the People’s Republic of China*, and the *Regulations on the Protection of Computer Software*, the Company is comprehensively advancing the development of its intellectual property system. We focus on reviewing clauses related to intellectual property in legal documents such as innovation project contracts, carry out intellectual property registration in accordance with established plans, and effectively safeguard the legitimate rights and interests of the Company’s innovation achievements. By refining institutional frameworks and management processes, Air China Cargo not only strengthens the protection of its proprietary technological innovations and consolidates its core competitive advantages but also strictly mitigates the risk of infringing on others’ intellectual property rights, thereby ensuring the lawful, secure, and sustainable development of its innovation activities.



Risk Management in Technology Applications

In the process of applying new technologies such as artificial intelligence, the company places a strong emphasis on assessing technological maturity and implementing risk prevention and control measures. For example, the AI image recognition technology used in X-ray security screening of air cargo not only enhances screening efficiency but has also established a database of millions of images of hazardous and prohibited items. Through continuous algorithm optimization and a manual review mechanism, this technology effectively mitigates the risk of missed detections. This achievement was successfully selected as an application demonstration unit for the “Integrated Key Technologies for High-Speed Intelligent Logistics Security Inspection Standard Testing and Certification” project of the National Science and Technology Department.



Data Security Risk Management

The company strictly adheres to data security management requirements and has established a mechanism for classifying and protecting data. In projects such as data governance for marketing, sales, and production operations, as well as system integration with major clients, the company ensures that core business data remains secure and under control throughout the sharing and integration processes.



Risk Management Throughout the Innovation Project Lifecycle

The company implements comprehensive risk monitoring throughout the entire lifecycle of key projects. It has established a phased evaluation mechanism covering project initiation, implementation, and completion to promptly identify and address potential risks related to technical approaches, resource allocation, and the commercialization of results, thereby ensuring that innovation projects proceed steadily and achieve tangible results.

Indicators and Objectives

The company continues to refine its system of science and technology innovation indicators and objectives in areas such as the development of innovation platforms, end-to-end project management, the commercialization and application of research outcomes, and the cultivation of innovation capabilities. This effort aims to shift the focus of innovation work from a fragmented, project-based approach to one that equally emphasizes platform-based support, process-oriented management, and the practical application of results.

In terms of building innovation capabilities, the company has continued to develop reserves of new technologies such as artificial intelligence, completed the setup of a local knowledge base environment and RPA tools, and initiated integration testing with AVIC Group’s “AI+ Intelligent Agent” platform.

Regarding the cultivation of innovation talent, the company organized three batches of participants—totaling seven individuals—to attend the Group’s “AI Empowerment Boot Camp,” continuously enhancing the technical application and practical capabilities of its innovation teams.

In 2025, regarding innovation platform development, the company established a new freight station innovation laboratory to further expand the network of innovation laboratories and enhance the capacity of innovation efforts to support freight station operations. Regarding project implementation and process management, the company will continue to strengthen end-to-end control over innovation projects, organize periodic reviews of annual innovation projects, and promote dynamic project optimization and more precise and efficient resource allocation.

The company established a “project initiation—implementation—review—commercialization” management mechanism to continuously improve the quality of innovation project execution and the efficiency of resource utilization, while reinforcing the results-oriented approach to innovation investment. By the end of 2025, the company had conducted centralized reviews of 11 innovation projects.

Regarding the commercialization of results, the company adhered to an application-effectiveness-oriented approach, accelerating the integration of mature innovation outcomes into production and operations to enhance the role of technological innovation in supporting business development, management improvement, and digital transformation.

In terms of building innovation capabilities, the company has continued to strengthen its capabilities in new technologies such as artificial intelligence, completed the setup of a local knowledge base environment and RPA tools, and initiated integration testing with CNAH’s “AI+ Intelligent Agent” platform.

Regarding cultivating innovative talent, the company organized three batches of participants—totaling seven individuals—to attend CNAH’s “AI Empowerment Boot Camp,” thereby continuously enhancing the innovation team’s technical application and practical capabilities.



Case Innovative Exploration and Implementation of AI Applications at the Laboratory Level



- Smart E-commerce Marketing Project:** Leveraging large-scale model technology, this project establishes a 24/7 intelligent customer service and precision recommendation system to enhance the e-commerce customer experience and conversion rates;
- Smart Voice Robot Project for Cargo Terminals:** Through workflow orchestration and voice model training, this project automates outbound calls for arrival notifications, thereby improving operational efficiency and reducing labor costs.



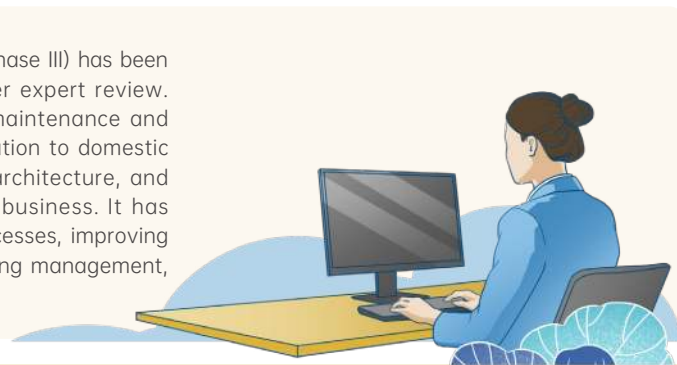
Case Pioneering Application of AI Image Recognition Technology for Civil Aviation Cargo X-ray Security Screening

To effectively address the industry-wide challenges of "low efficiency and high rates of missed detection" inherent in traditional manual cargo and mail security screening, Air China Cargo collaborated with partner companies to tackle technical challenges. Focusing on improving the accuracy and speed of image recognition, they built a database containing millions of images of dangerous goods and prohibited items. The project innovatively introduced an AI-assisted full-image re-inspection function, becoming the first AI-powered smart security inspection system to achieve large-scale application in China's civil aviation cargo sector. This achievement was successfully selected for the Ministry of Science and Technology's "Pilot Demonstration Project for the Application of High-Speed Smart Logistics Security Inspection Technology."



Case Continuous Development of Sales Bidding System Enhances Bidding Management Efficiency.

The Air China Cargo Sales Bidding System Project (Phase III) has been completed and put into production operation after expert review. The project has further improved its operation, maintenance and management mechanisms, accelerated the adaptation to domestic IT innovation and the upgrading of its technical architecture, and deepened the linkage between the system and business. It has achieved significant results in optimizing sales processes, improving business efficiency, strengthening pricing and bidding management, and creating operating benefits.



In 2025

the company's investment in scientific and technological innovation and research and development amounted to

RMB **24.3732** million

and the number of R&D personnel was

133

Ensuring Information Security

Air China Cargo strictly complies with laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *General Data Protection Regulation (GDPR)*. The company has established workflows for information security and confidentiality management, classified information security incidents (including data security incidents) into five levels, and defined emergency response and handling requirements for each level, thereby forming a closed-loop management process that covers prevention, monitoring, response, and improvement. In 2025, the company successfully obtained ISO 27001 Information Security Management System certification, and no cybersecurity incidents or data breaches occurred throughout the year.

In 2025



no cybersecurity incidents or data breaches occurred throughout the year

The company successfully obtained ISO 27001 Information Security Management System certification



In terms of governance structure, the organizational framework, division of responsibilities, and decision-making mechanisms for cybersecurity and data security have been clearly defined to provide a solid organizational foundation for information security management. The company has established a Cybersecurity Management Committee to oversee the overall cybersecurity management efforts; an Office of the Cybersecurity Management Committee has been set up to organize and carry out day-to-day cybersecurity management tasks; and all units adhere to the principle that "whoever oversees is responsible, whoever operates is responsible, and whoever uses is responsible" to ensure that cybersecurity responsibilities are effectively fulfilled.

In terms of technical protection and operational capabilities, the company routinely conducts cybersecurity operations monitoring and management to enhance overall protection capabilities and response efficiency. For critical information systems, the company adheres to the *Detailed Rules for Data Backup Management* to establish comprehensive data backup and disaster recovery mechanisms, and regularly performs backup environment updates and system upgrades. A tiered backup strategy of "daily incremental + weekly full backups" is implemented for core business systems to ensure the validity and availability of backup data. In 2025, the company completed Grade Protection assessments for seven systems, participated in one national-level cybersecurity attack-defense exercise and two group-level attack-defense exercises, and continuously tested and enhanced its practical response capabilities.

With regard to privacy protection, the company strictly adheres to the requirements of nine policies and regulations related to personal information processing, including the *Air China Cargo Personal Data Protection Guidelines* and the *Internal Data Processing Policy*, to ensure the proper collection, use, and protection of personal data. Additionally, the company has signed data-sharing agreements with Beijing Capital International Airport Co., Ltd. and the Information Center of the Civil Aviation Administration of China to ensure that data exchanges are conducted securely and in compliance with regulations, with clear delineation of rights and responsibilities.

To raise employee awareness, the company has continued to strengthen cybersecurity education for all staff. In 2025, it organized cybersecurity awareness training for the entire workforce, with a cumulative total of over 5,000 employees completing the training and passing the exam. In response to the new *Cybersecurity Law*, the company has conducted internal briefings and specialized training sessions, while regularly carrying out phishing email tests to enhance employees' ability to identify and prevent cyber threats. Additionally, the company has organized specialized drills on data backup and recovery to effectively improve emergency response and handling capabilities, thereby strengthening the human defense line of information security management.



03 Green Aviation

Towards Net-Zero Emissions

Key Performance Indicators



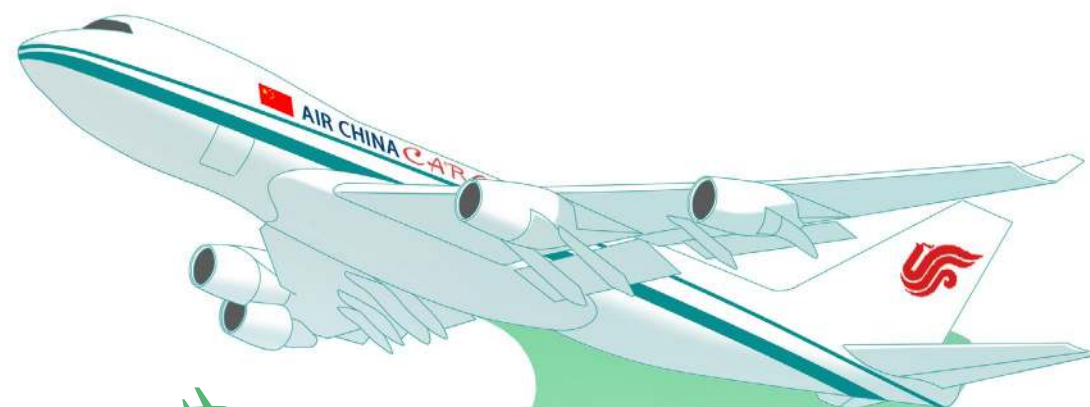
- Environmental protection investment: RMB **36,655,100**
- Greenhouse gas emissions (Scope I and Scope II): **2,293,215.84** tons of CO₂ equivalent
- Cumulative savings of approximately **4,338.40** tons of aviation fuel through the implementation of fuel-saving measures
- Reducing CO₂ emission **13,665.96** tons
- Cumulative use of APU replacement facilities: **916** times, **3,828** hours, resulting in fuel savings of approximately **1,016.36** tons and a reduction in CO₂ emissions of **3,201.53** tons
- Ordering of **285** tons of biodegradable plastic film
- Cumulative deployment of **10,800** recyclable collection bags and ordering of **18,180** rolls of "slimmed-down" tape, reducing plastic consumption by **16,362** square meters

Our Initiatives



- Addressing Climate Change
- Reducing Pollutant Emissions
- Protecting Natural Ecosystems
- Strengthening Environmental Management
- Improving Resource Efficiency

Responding to the SDGs



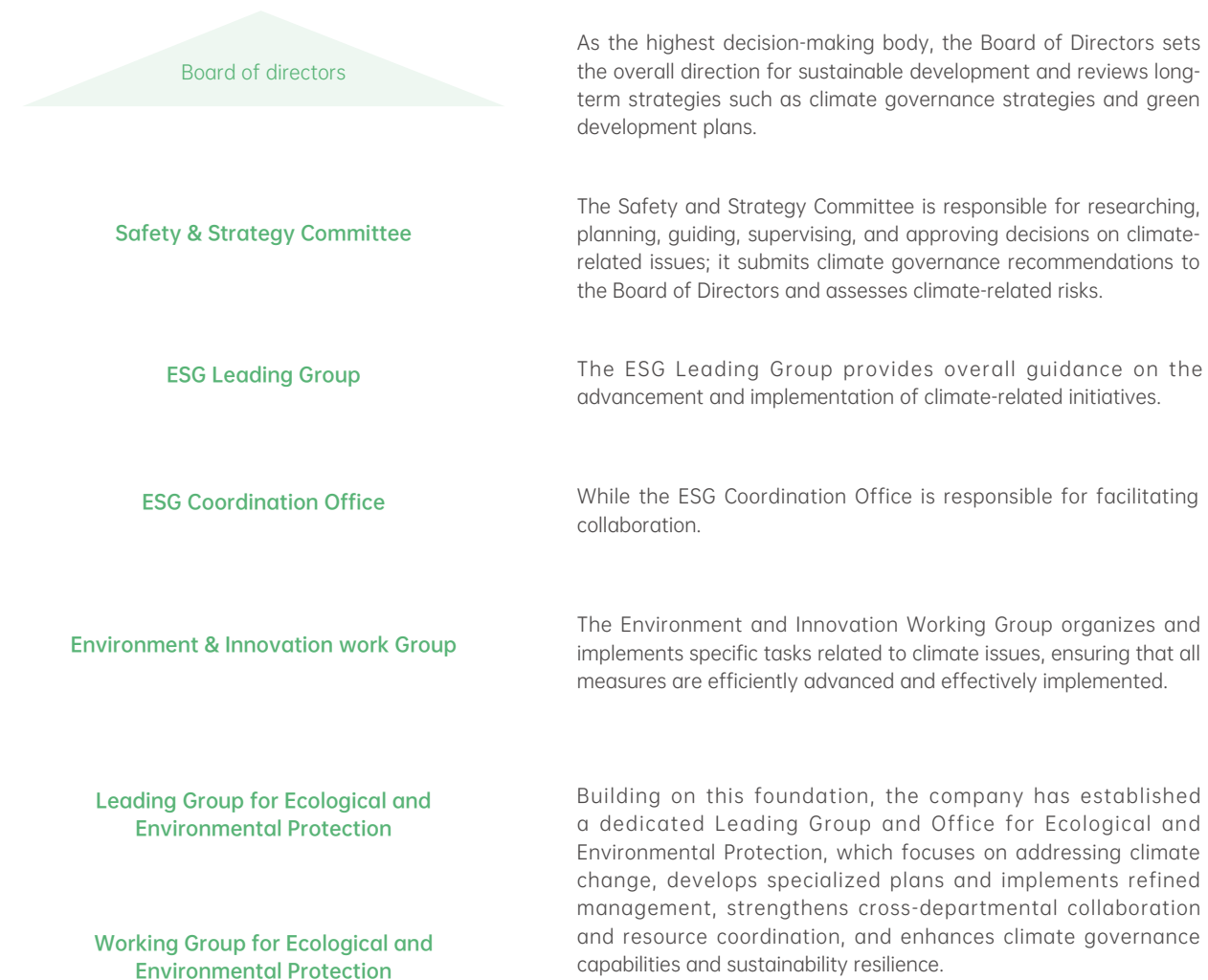


Addressing Climate Change

Air China Cargo fully recognizes the strategic significance of climate issues and has incorporated them into the core agenda of corporate governance and sustainable development. In accordance with the "IFRS S2—Climate-related Disclosures" standard issued by the International Sustainability Standards Board (ISSB). The company systematically identifies and assesses climate risks and opportunities. It continues to advance carbon reduction initiatives in key areas such as greenhouse gas accounting, energy efficiency improvements, and the use of sustainable aviation fuels, thereby effectively reducing carbon emission intensity. Through robust green and low-carbon practices, Air China Cargo actively supports the national strategic goals of "carbon peaking and carbon neutrality," driving the company's green transformation and sustainable development through concrete actions.

Governance

Air China Cargo places a high priority on addressing climate change and has established a top-down environmental management organizational structure:

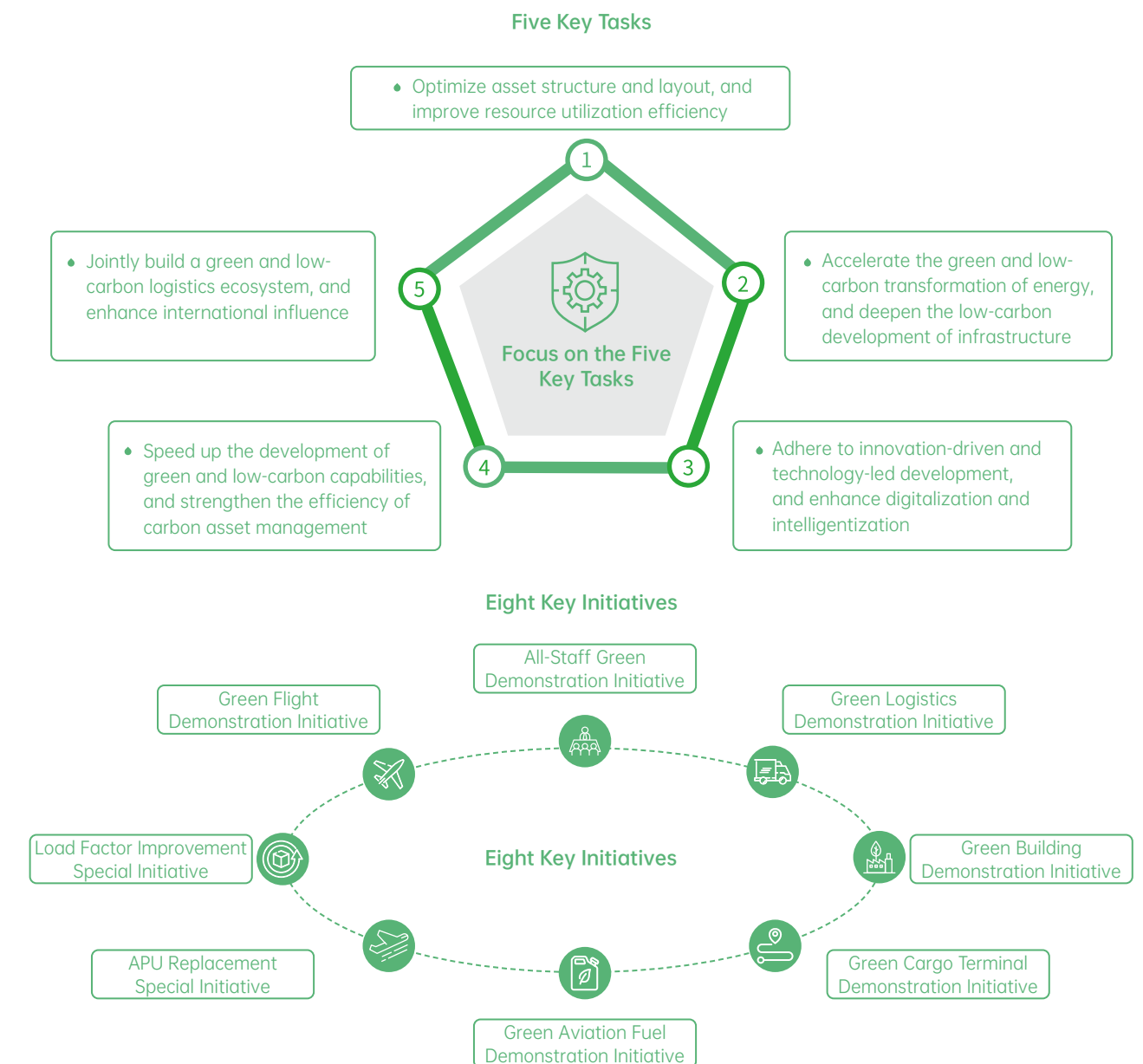


Climate Change Governance Organizational Structure

Strategy

Air China Cargo has integrated "green operations and sustainable development" into its corporate strategy, coordinating efforts to build climate resilience and advance low-carbon transformation. The company systematically assesses climate-related risks and opportunities, incorporating physical risks such as extreme weather, as well as transition risks including stricter carbon regulations and technological changes, into the entire process of corporate governance, business model optimization, and value chain management. It formulates forward-looking and actionable response strategies to comprehensively enhance climate resilience and risk prevention capabilities, ensure safe and stable operations, and actively respond to the requirements of the national "Dual Carbon" strategy.

The company has formulated the *Air China Cargo Carbon Peaking Action Plan*, which outlines five key tasks and eight key initiatives, sets phased objectives, and systematically maps out a path for green and low-carbon transformation. We are effectively integrating climate action into every aspect of production and operations. By establishing dedicated task ledgers, we break down objectives and tasks step-by-step to relevant departments and positions. We have also introduced corresponding performance evaluation and management mechanisms to strengthen goal-driven implementation and process oversight, ensuring that all measures are effectively implemented and yield tangible results.

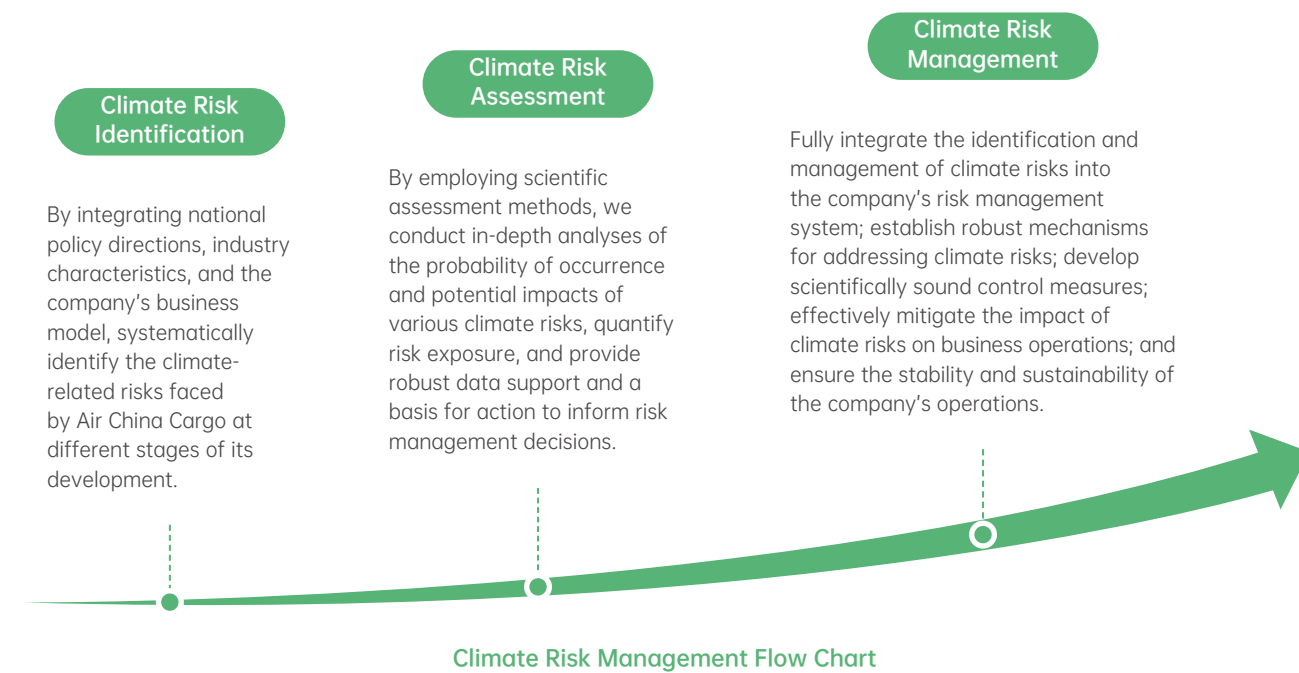




Impact, Risk, and Opportunity Management

In response to the challenges of global climate change and the demands of green development, Air China Cargo has actively implemented processes for identifying, assessing, and addressing climate risks. The company dynamically adjusts its climate risk and opportunity management strategies in light of changes in the internal and external environment, as well as its own business plans. By adopting a systematic approach to climate risk governance and opportunity planning, Air China Cargo is committed to building a safe, efficient, and green modern aviation logistics system.

In developing its risk management system, Air China Cargo has fully considered the impact of climate risks on the company's operations and sustainable development. It has comprehensively integrated the identification, assessment, and management of climate risks into its overall risk management framework, implementing effective controls through the classification and prioritization of climate risks.



Identification and Response to Physical Risks of Climate Change

Types of risks	Time scope ⁷	Specific Risk	Financial Impact	Measures
Physical risk				
acute risk	short-term	Extreme weather events (such as heavy rain, hurricanes, and blizzards) can cause flight delays and cancellations, affecting flight safety and operational efficiency.	Reduced revenue	- Strengthen meteorological monitoring and early warning systems, and work closely with meteorological authorities; - Develop contingency plans and adjust flight schedules appropriately; - Enhance aircraft maintenance and inspections to ensure equipment operates normally under extreme weather conditions;
Chronic risk	Mid and long term	Changes in flight path conditions caused by climate change increase the risk of turbulence and flight path uncertainty, affecting flight safety while also leading to reduced fuel efficiency and increased carbon emissions.	increased operating cost	- Collaborate closely with air traffic control authorities to monitor real-time changes in airspace conditions; - Optimize flight path planning and adjust flight strategies based on weather changes; - Continuously evaluate aircraft performance and upgrade equipment as needed to adapt to changing conditions.

⁷ The time frame is divided into three phases: the short term (0 to 3 years), the medium term (3 to 5 years), and the long term (5 years or more).





Identification and Response to Climate Change Transformation Risks

Types of risks	Time scope ⁸	Specific Risk	Financial Impact	Measures
Transition risk				
Policy risk	short term, mid and long term	The European Union's implementation of the Carbon Border Adjustment Mechanism and the inclusion of the aviation industry in the Emissions Trading System require airlines to calculate and purchase carbon allowances, thereby increasing operating costs, limiting flight numbers, and impacting Air China Cargo's business expansion in the European market.	Increased fulfillment cost	- Conduct in-depth research on EU carbon emission policies and develop response plans in advance; - Participate in environmental policy exchange activities in the aviation sector between China and the EU, and actively articulate Air China Cargo's position; - Collaborate with EU-accredited enterprises on emission reduction technologies and operational models.
	short term	The national carbon market may gradually expand to include the civil aviation sector; stricter regulatory requirements and adjustments to the scope of coverage will impact Air China Cargo's carbon management efforts.	Increased fulfillment cost	- Strengthen the refined management of aviation fuel consumption and ground energy usage data, and advance the development of intelligent carbon emissions data systems; - Improve cross-departmental data reconciliation and coordination mechanisms, and conduct multi-scenario simulation calculations to enhance agility and adaptability in responding to policy changes.
Regulations risk	mid and long term	Global environmental regulations are becoming stricter, with the International Civil Aviation Organization (ICAO) and various countries gradually raising certification standards for aircraft engine emissions and noise. This forces airlines to accelerate the renewal of their aging fleets, increasing capital expenditures and pressure to adapt to new technologies.	Impairment of existing assets Increase in operating costs	- Monitor regulatory developments and promptly update aircraft equipment to ensure compliance with the latest regulations; - Strengthen communication with regulatory authorities to secure policy support.
Technology risk	mid and long term	The slow development of new energy technologies fails to meet Air China Cargo's green transition needs.	Increased investment in technology development	- Collaborate with the industrial chain to conduct pilot applications of Sustainable Aviation Fuel (SAF), participate in industry technology alliances, and drive breakthroughs on the supply side; - Explore opportunities to integrate Air China Cargo's operations with new energy technologies
Market risk	mid and long term	As customer environmental awareness grows, customers are increasingly inclined to choose green airlines, which affects Air China Cargo's market share.	Due to shifting consumer preferences, demand for goods and services has declined, resulting in lower revenue	- Strengthen brand promotion to highlight Air China Cargo's environmental initiatives and achievements; - Launch eco-friendly flight products and services to attract environmentally conscious customers.
Reputation risk	short term, mid and long term	Inadequate handling of climate change-related issues could trigger negative public sentiment, impacting brand value and stakeholder trust.	reduced revenue	- Establish a comprehensive public opinion monitoring mechanism to promptly address public concerns and enhance transparency and credibility; - Actively participate in charitable activities to foster a positive corporate image.

⁸ SAF: Sustainable Aviation Fuel.

Identification and Response to Climate Change Opportunities

Type	Opportunities	Financial impact	Measures
Technical innovation opportunity	- SAF technology is maturing, and the use of SAF can significantly reduce carbon emissions, making it a promising candidate to become the primary fuel for future aviation. - Improve fuel efficiency and reduce energy consumption per unit of cargo turnover.	- Reduce operating cost - Increase investment returns by lower emission technology	- Steadily advance the deployment of Sustainable Aviation Fuel (SAF) by participating in pilot projects and expanding resource partnership channels to gradually increase the proportion of SAF in the overall fuel mix. - Continuously optimize fleet energy efficiency and improve flight operations management, implementing multiple measures to reduce energy consumption per unit of cargo turnover.
Digital transformation opportunity	- Digital technologies such as big data, artificial intelligence, and the Internet of Things are profoundly reshaping aviation logistics operations. - Applications such as intelligent route planning, precise load balancing, and predictive engine maintenance can effectively reduce fuel consumption and carbon emissions while enhancing operational safety and efficiency.	Reduce operating cost	- Accelerate the use of digital technology to empower green transformation, promote data-driven precision management, and enhance resource utilization efficiency. - Advance the development of a digital carbon management platform to enable automatic collection, real-time monitoring, and visual analysis of carbon emissions data.
Market development opportunity	- Domestic and international customer demand for green aviation is increasing, with customers showing a greater preference for airlines with lower carbon emissions. - As the e-commerce industry grows and demand for air cargo increases, Air China Cargo can use this opportunity to promote its green logistics services.	Increase revenue due to increased demand for lower emission product and service	Build the "Green Air Logistics" brand image by systematically promoting the company's achievements in energy conservation, emissions reduction, and green operations through channels such as the official website, social media, and customer communications.
Policy support opportunity	- To promote the development of green aviation, governments around the world have introduced policies such as subsidies and tax incentives; - Organizations such as the International Civil Aviation Organization (ICAO) are also working to establish a globally unified carbon reduction mechanism and a system of green standards.	Receive incentives and rewards for green and low-carbon initiatives, and reduce operating costs	- Monitor domestic and international policy developments and provide timely analysis of key policy points; - Actively apply for government subsidies and tax incentives to reduce operating costs through policy benefits; - Optimize the company's operational processes and management systems in accordance with the standards and regulations of international aviation organizations.
Industry cooperation opportunity	Addressing climate change requires coordinated efforts across the entire industry chain.	Integrate the entire industrial chain to ensure sound business operations and thereby increase revenue	- Actively participate in technical exchanges and joint research projects organized by industry associations, and share energy-saving and emissions-reduction technologies and operational experience with peers; - Deepen cooperation with upstream and downstream enterprises in areas such as green packaging materials, new energy station equipment, and low-carbon ground support services; - Promote the joint development of green standards and resource sharing to jointly build a comprehensive, end-to-end green aviation logistics system covering both "air and ground" operations.



Air China Cargo is actively addressing the risks associated with industry transformation. In light of increasingly stringent regulatory trends in the international carbon market, the company is systematically conducting multi-scenario assessments of emissions and carbon costs. It is focusing on improving fleet energy efficiency, optimizing operations, and promoting green energy, while proactively implementing emission reduction measures such as fuel-efficient operations and the use of Sustainable Aviation Fuel (SAF). These initiatives serve as the company's core strategic approach for hedging against rising carbon costs and reducing external dependencies in the medium to long term, thereby strengthening the resilience of its green operations and solidifying its core capabilities for sustainable development.

Indicators and Targets

In the face of the challenges and opportunities for transformation brought about by global climate change, Air China Cargo remains committed to strategic leadership and has proactively established a systematic response framework that encompasses technological innovation, market responsiveness, policy alignment, and industry collaboration. By setting phased objectives, the company has deeply integrated green and low-carbon requirements into its corporate development strategy and operational systems, driving climate action from concept to practice.

In response to the expanding domestic and international carbon markets and increasingly stringent regulatory requirements, the company is accelerating the development of a systematic and digital carbon management system. We are optimizing data flows, cross-departmental collaboration, and scenario analysis mechanisms to enhance the precision of carbon asset management, thereby laying a solid foundation for successfully aligning with national carbon market reforms and achieving low-carbon sustainable development.

Since joining the Beijing Carbon Emission Trading Pilot Program, Air China Cargo has consistently fulfilled its responsibilities as an emitting entity and strictly adhered to carbon emission management requirements. The company has continuously conducted monitoring, reporting, and verification activities in a standardized manner, successfully completing data submissions and compliance obligations to a high standard each year, thereby demonstrating a solid foundation of compliance and professional management capabilities.

Air China Cargo complies with the EU's RefuelEU⁹ Regulation and blended 2% Sustainable Aviation Fuel (SAF) into fuel for flights departing from the EU starting in 2025. We have strengthened management of EU ETS compliance, refining the entire process of MRV data collection, verification, reporting, and settlement. In response to the gradual phase-out of free allowances, we proactively conducted rolling projections of allowance shortfalls and costs, advanced the selection of trading counterparties, developed procurement plans, and implemented price risk controls. As a result, we successfully procured 8,000 metric tons of EU carbon allowances within the year and fulfilled our compliance obligations on schedule.

To support the implementation of its green strategy, Air China Cargo has established a comprehensive carbon emissions monitoring and reporting mechanism covering both Scope 1 and Scope 2 emissions, ensuring that data is accurate, traceable, and verifiable. By leveraging data-driven analysis, the company precisely identifies high-emission processes, uncovers opportunities for energy conservation and carbon reduction, and drives technological upgrades, process optimization, and management improvements. This has created a closed-loop mechanism of "monitoring—analysis—improvement," steadily advancing emissions reductions across the entire supply chain and contributing to the achievement of sustainable development goals.

⁹ RefuelEU: Short for RefuelEU Aviation, this is a mandatory regulation proposed by the European Commission aimed at promoting the aviation industry's transition to sustainable aviation fuel (SAF) through legislative measures.

- With the goal of "reducing annual carbon dioxide emissions intensity year-over-year and continuously minimizing our environmental impact," we are committed to continuously reducing our environmental footprint.

- Using greenhouse gas emissions as a key performance indicator, we will implement routine monitoring and dynamic management.

Total greenhouse gas emissions (Scopes 1 and 2) ¹⁰	ton of carbon dioxide equivalent	2,293,215.84
Greenhouse gas emissions intensity (Scopes 1 and 2)	ton of carbon dioxide equivalent per million in revenue	100.24
Direct greenhouse gas emissions (Scope 1)	ton of carbon dioxide equivalent	2,278,865.55
- Emissions from stationary sources	ton of carbon dioxide equivalent	1535.62
- Emissions from mobile sources	ton of carbon dioxide equivalent	2,277,329.92
- fugitive emissions	ton of carbon dioxide equivalent	/
Indirect greenhouse gas emissions (Scope 2)	ton of carbon dioxide equivalent	14,350.29
Amount of investment in environmental protection	ten thousand Yuan	3,665.51
Investment in greenhouse gas emission reduction	ten thousand Yuan	2,177.03

¹⁰ The calculation standards for aviation fuel emissions are based on the civil aviation carbon emissions management regulations, specifically the *Interim Measures for the Monitoring, Reporting, and Verification of Carbon Dioxide Emissions from Civil Aviation Flight Activities* (Civil Aviation Regulation [2018] No. 3). The calculation standards for ground energy emissions are based on data from SASAC's Comprehensive Low-Carbon and Environmental Protection Management System, including the Ministry of Ecology and Environment's 2022 national average emission factor for the power grid of 0.5703 tCO₂/MWh. Scope 1 covers carbon dioxide emissions from the combustion of fossil fuels, while Scope 2 covers carbon dioxide emissions resulting from the use of electricity and heat.



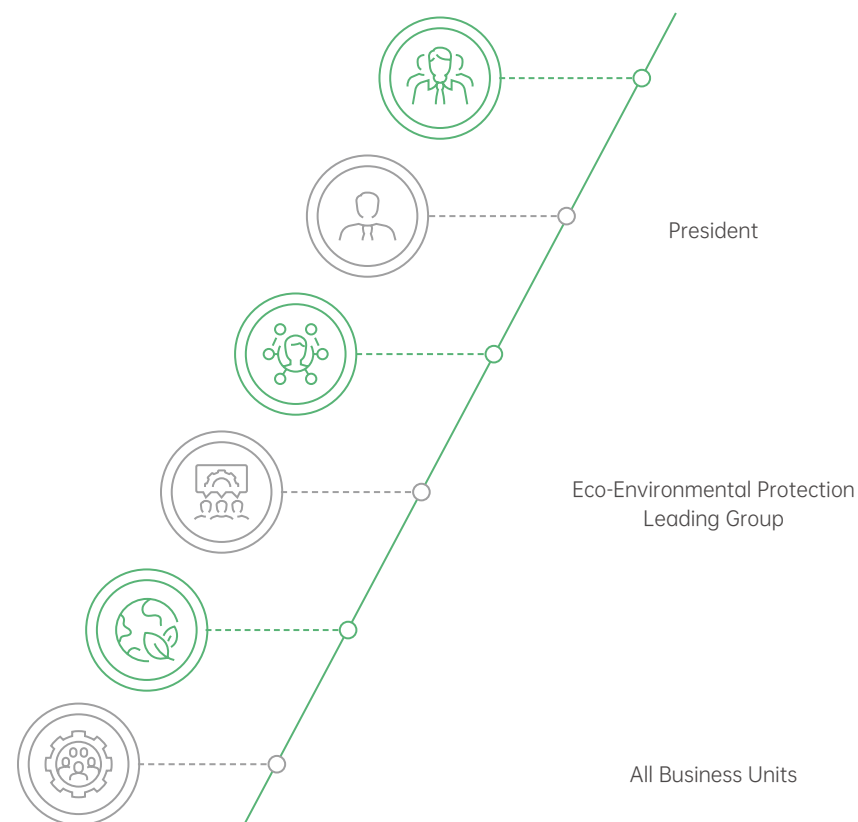
Strengthening Environmental Management

Air China Cargo places great emphasis on environmental management, adheres to the concept of green development, is committed to establishing a scientific and comprehensive environmental management system, comprehensively promotes energy conservation, emissions reduction, and pollution prevention and control, and continuously enhances its capacity for sustainable development.

Environmental Management System

Air China Cargo strictly complies with national laws and regulations, including the *Environmental Protection Law of the People's Republic of China*, the *Emergency Response Law of the People's Republic of China*, the *Air Pollution Prevention and Control Law of the People's Republic of China*, and the *Water Pollution Prevention and Control Law of the People's Republic of China*. The company has formulated the *Environmental Management Manual*, established environmental management policies, objectives, and control standards, strengthened top-level design, and continuously improved its environmental management system. Concurrently, the company is advancing the implementation of the *2025 Air China Cargo Comprehensive Environmental Management Performance Evaluation Plan*. By scientifically defining evaluation indicators, scoring rules, and annual targets for each unit, and integrating environmental management responsibilities into the performance evaluation system, the company is effectively ensuring that all initiatives are implemented and produce tangible results, thereby establishing a closed-loop management system.

The company has established a Leading Group for Ecological and Environmental Protection, headed by the Party Secretary and the President, to provide overall guidance on the implementation of the green development strategy. A dedicated Office for Ecological and Environmental Protection has been set up under this group to handle day-to-day coordination and implementation. Based on each unit's business nature, energy consumption, and pollutant emission levels, they are categorized into "key," "monitored," and "general" groups. Through categorized management and targeted measures, the company ensures that energy conservation and environmental protection responsibilities are firmly enforced at every level, builds an environmental management network covering the entire supply chain and all organizational tiers, and comprehensively enhances its capacity for sustainable development.



Air China Cargo's Environment Management Structure

In 2025, the company did not experience any major environmental violations or non-compliance incidents, and both Air China Cargo and its subsidiary Civil Aviation Express obtained ISO 14001 Environmental Management System certification. By identifying environmental factors and establishing control measures, compiling relevant environmental laws and regulations and conducting compliance assessments, inspecting the implementation of the system in accordance with procedural documents, and advancing special initiatives such as "fuel-to-electricity conversion," "APU replacement," and plastic pollution control, the company completed a series of audit activities—including internal audits, management reviews, and external audits of the environmental management system—to ensure the continued validity of its certification and the effectiveness of the environmental management system.



Air China Cargo and its subordinate civil aviation express environmental management system certification certificate.

Environmental Risk Management

The Air China Cargo system has established a control mechanism that emphasizes both prevention and emergency response. It has formulated and implemented internal management systems such as the *General Emergency Response Plan* and the *Emergency Response Plan for Environmental Incidents*, conducts quarterly self-inspections of ecological and environmental pollution risks, and continuously strengthens risk identification and source control.

In terms of risk prevention, each unit conducts in-depth environmental risk assessments tailored to its specific operations, comprehensively identifies potential risk factors, and implements registration, dynamic monitoring, and closed-loop management for major environmental risk sources. For different types of sudden environmental incidents—such as those involving air, water, and soil—specialized emergency response plans are developed by category to ensure that response measures are scientific, precise, and actionable.

Environmental Training and Awareness Campaigns

Air China Cargo places great emphasis on fostering and promoting environmental awareness. We have established a robust, routine training mechanism that provides tiered and categorized training sessions for managers at all levels and frontline employees. These sessions cover topics such as environmental laws and regulations, environmental risk prevention and control, energy conservation and emissions reduction practices, and emergency response plans, ensuring that environmental protection principles are deeply ingrained and effectively implemented.

Through a combination of online and offline methods, the company fully utilizes internal learning platforms, promotional columns, and other channels to widely disseminate national environmental policies, corporate environmental responsibilities, and best practice case studies, thereby enhancing the ecological and environmental awareness and sense of responsibility among all employees.

In 2025, the company organized training for internal auditors of the environmental management system, aiming to deepen management personnel and key operational staff's understanding of environmental management system standards and the company's *Environmental Management Manual*, while strengthening their awareness of environmental compliance and risk identification capabilities.

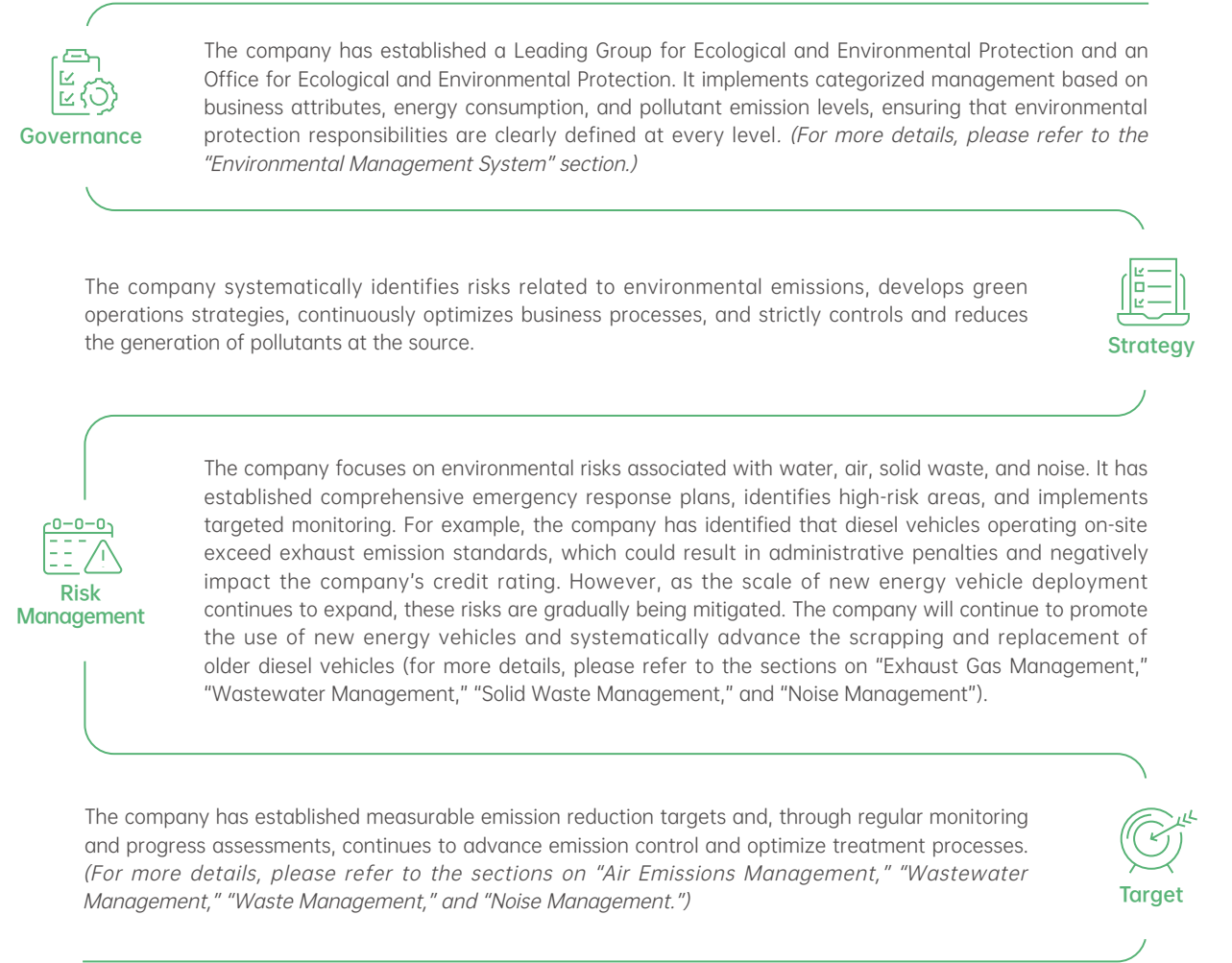


The company actively responded to the call of the National Energy Conservation Awareness Week and held an environmental protection signature event entitled "Green Commitment, Jointly Writing a New Chapter".



Reducing Pollutant Emissions

Air China Cargo continues to optimize its management strategies, implementing meticulous, end-to-end control over pollutants—including wastewater, exhaust gases, waste materials, and noise—from source prevention to end-of-pipe treatment. By effectively minimizing environmental impact, the company is fully committed to building a green air cargo enterprise and contributing to the improvement of the ecological environment.



Air Emissions Management

Air China Cargo strictly adheres to national and local environmental regulations, including the *Law of the People's Republic of China on the Prevention and Control of Air Pollution* and the *Comprehensive Emission Standards for Air Pollutants*. The company continuously strengthens the standardized management of air emissions, earnestly fulfills its corporate environmental responsibilities, and promotes the effective implementation of green operations. The company has formulated and implemented the *Exhaust Gas Emission Management Procedure*, which clearly defines the responsibilities and divisions of labor among various units. It sets forth specific control requirements for exhaust gases from different sources, such as vehicle emissions, boiler flue gas, and kitchen fumes, thereby establishing an exhaust gas management system that covers the entire business chain. With the goal of "zero atmospheric pollution incidents," we are fully committed to preventing and eliminating all types of environmental risks related to atmospheric pollution control.

All subsidiaries of the company have obtained emission permits and emission permit registration forms in accordance with regulations and strictly manage exhaust gas emissions in compliance with the permit requirements. Each year, the company commissions a third-party professional organization to conduct exhaust gas emission testing, and the test results consistently meet the relevant standards.

Types of exhaust gas	Management requirement	Key measures and effects in 2025
Canteen Kitchen Exhaust Ventilation	Cooking fumes are discharged after being treated by a separation system. Relevant units conduct regular inspections and maintenance of the separation system, chimney, and flue, and dispose of the waste oil as food waste.	All cafeterias are equipped with high-efficiency grease exhaust filters, and the exhaust ducts are cleaned regularly to ensure that grease emissions meet regulatory standards.
Boiler exhaust gases	Comply with the requirements of the pollutant discharge permit.	The gas-fired boilers at the Beijing freight station have undergone low-nitrogen combustion retrofits, and exhaust gas tests are conducted monthly during the heating season; all emission results have met the standards.
Emissions from aircraft and various types of vehicles	Use clean energy sources, perform regular maintenance, all diesel vehicles are equipped with DPF¹² exhaust purification systems, which are cleaned and maintained on a regular basis. ensure complete combustion, and control fugitive emissions;	The Beijing freight terminal is equipped with the same exhaust emission testers used by law enforcement agencies, enabling routine self-inspections of exhaust emissions; as of 2025, there have been no penalties for exceeding emission standards.

Waste Water Management

Air China Cargo's wastewater discharge primarily includes rainwater runoff, domestic sewage, oil-containing wastewater from the cafeteria, and boiler concentrate. The company strictly complies with national and local environmental laws and regulations, including the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Comprehensive Emission Standards for Water Pollutants*, and the *Regulations on Urban Drainage and Sewage Treatment*. It fully implements the requirements of the pollutant discharge permit system and has obtained the *Permit for Discharge of Urban Sewage into Drainage Networks*, ensuring that all discharges are conducted in accordance with the permit and in compliance with regulations.

The company has formulated and implemented the *Wastewater Discharge Management Procedure*, which clearly defines the responsibilities of each department and the management processes, systematically standardizing the collection, treatment, monitoring, and discharge requirements for all types of wastewater. Each year, the management units of buildings and sites in various areas commission qualified third-party environmental testing agencies to conduct inspections of wastewater discharge outlets to ensure water quality consistently meets standards. At the same time, the company regularly organizes inspections and maintenance of stormwater and domestic wastewater pipelines to strictly prevent leaks, seepage, and the mixing of stormwater and wastewater, thereby ensuring the safe operation of the drainage system.

To continuously improve wastewater management, the company regularly inspects, maintains, and upgrades treatment equipment; establishes a rigorous monitoring and control system to track multiple indicators; and develops and conducts drills for emergency response plans.

Waste Management

Air China Cargo strictly adheres to laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Technical Policy on the Prevention and Control of Hazardous Waste Pollution*, and the *Beijing Municipal Regulations on the Prevention and Control of Environmental Pollution by Hazardous Waste*, and has systematically established a waste management system. The company has formulated and implemented internal regulations such as the *Solid Waste Management Procedures* and the *Notice on the Standardized Disposal of Solid Waste Including Used Toner Cartridges and Ink Cartridges*. With waste reduction at the source and compliant disposal as core objectives, the company has defined the key stages of waste management and continues to advance the refinement of waste classification, the standardization of management, and the legality of disposal.

¹² DPF: Diesel Particulate Filter.

In 2025



Air China Cargo strictly implemented all management requirements, ensuring that all pollutant emissions met relevant national and local standards, and achieved

100% compliant wastewater discharge.

Hazardous Waste Management



The company primarily handles hazardous wastes such as waste organic solvents, waste packaging containing organic solvents, and radioactive waste. All departments strictly adhere to regulations by sorting and collecting hazardous wastes, properly labeling them, and storing them uniformly in designated temporary storage areas for hazardous wastes. Waste-generating units enter into service agreements with third-party organizations possessing the appropriate qualifications to carry out hazardous waste disposal, strictly adhering to the requirements for hazardous waste transfer manifests and relevant approval procedures. The company periodically verifies the qualifications of waste disposal contractors and their compliance with agreements as part of its annual environmental management system internal audits or compliance evaluation mechanisms, ensuring that partners maintain valid qualifications and operate in compliance with regulations, thereby continuously meeting regulatory requirements.

Non-hazardous Waste Management



The types of non-hazardous waste primarily handled by the company include recyclables such as waste paper and plastic, as well as non-recyclable waste such as household waste and construction debris. The management units responsible for buildings and sites in each area of the company are tasked with organizing the sorting, collection, and proper storage of waste. Recyclables are handed over to qualified resource recovery companies for recycling; household waste is uniformly processed by specialized waste collection and disposal companies; and construction waste must be handed over by contractors to qualified entities for collection and disposal in accordance with the law.

Total volume of non-hazardous waste	ton	3,687.98
- Household waste	ton	3,379.30
- Food waste	ton	307.79
- Volume of discarded cardboard boxes	ton	0.89
Recycled volume of non-hazardous waster	ton	0.24

Disposal volume of non-hazardous waste	ton	2,629.65
- Incineration (with energy recovery)	ton	0
- Incineration (without energy recovery)	ton	2,383.00
- Landfill	ton	0
- Sold	ton	0.65
- Comprehensive Utilization (Ash/Slag/Gypsum/Activated Carbon)	ton	246.00
Density of non-hazardous waste	ton per million revenue	0.16
Total volume of hazardous waste	ton	7.96
- Used toner cartridges / Used ink cartridges	ton	0.62
- Medical waste	ton	0.07
- Other categories	ton	7.27
Density of hazardous waste	ton per million in revenue	0.0003

Noise Management

Air China Cargo strictly complies with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution* and fully implements relevant technical requirements, including the *Environmental Standards for Aircraft Noise in Areas Surrounding Airports*. Taking into account the characteristics of the air cargo business and the actual operational conditions of each cargo terminal, the company has established a noise prevention and control mechanism with the goal of meeting noise emission standards. It conducts regular noise monitoring at its cargo terminals, focusing on high-activity zones and sensitive points along the perimeter. The company scientifically assesses noise emission levels, continuously optimizes operational procedures and equipment operation methods, and effectively controls noise pollution.

Through management measures such as rational planning of operational time slots, selection of low-noise equipment, enhanced maintenance of vehicles and machinery, and optimization of cargo loading and unloading scheduling, the company employs various approaches to reduce the impact of noise propagation, effectively minimizing the impact of noise on the surrounding environment, residents' lives, and the health and safety of employees.



Improving Resource Efficiency

Air China Cargo adheres to the principles of systematic governance and meticulous management, focusing on optimizing resources throughout their entire lifecycle. By continuously improving resource utilization efficiency and promoting a closed-loop management system that spans from source reduction and process recycling to end-of-life control, the company creates greater operational value with fewer resources, thereby helping to establish a green development model that is resource-efficient and environmentally friendly.

Energy Management

Air China Cargo strictly complies with laws and regulations such as the *Energy Conservation Law of the People's Republic of China* and the *Renewable Energy Law of the People's Republic of China*. The company places equal emphasis on source control and process optimization. Through measures such as manufacturing process improvements, enhanced equipment energy efficiency, and refined operational management, it aims to comprehensively improve energy utilization efficiency and integrates the principles of energy conservation and emissions reduction into every aspect of its production and operations. Based on the characteristics of the air cargo business, the company continuously explores energy-saving potential across the entire supply chain, actively promotes the optimization of its energy structure, gradually reduces reliance on fossil fuels, and explores applications of clean energy such as solar power and new energy vehicles to accelerate the deployment of green energy. By 2025, the company had established clear energy-saving and carbon reduction targets, and has largely achieved its total carbon emissions reduction targets.

Section

Energy-Saving Initiatives



Fleet upgrade

- By purchasing **6** Airbus A350F freighters, it has become the first airline in mainland China to order this model, which is expected to reduce fuel consumption and carbon emissions by approximately **20%**.



- Continuously advancing the optimization of long-haul flight routes, implementing secondary clearance strategies to improve route utilization efficiency and reduce detours and holding patterns;



- Uniformly enforcing a 5% contingency fuel policy, scientifically reducing planned fuel margins to avoid over-fueling, and achieving operational fuel savings of approximately **4,338.40** metric tons by 2025.



- Implementing single-engine shutdown after landing during taxiing to reduce fuel consumption during the ground taxiing phase;
- Promoting cost-index-optimized operations by dynamically adjusting flight speed and altitude to achieve economical cruising;
- Implementing precise load planning and center of gravity control to improve loading efficiency and flight stability;
- Strengthening residual fuel management upon landing to promote precise and standardized fuel usage for flights.

Section

Energy-Saving Initiatives



Energy Efficiency in Aviation



- Extensively utilize Electronic Flight Bags (EFBs) and automated functions of the Flight Management Computer to assist flight crews in real-time optimization of flight paths and fuel plans.



- The Beijing Freight Yard has replaced the motors in **63** smoke exhaust skylights, improving the energy efficiency of the ventilation system;



- Continued efforts to update and replace vehicles with electric models at freight terminals. By 2025, Beijing Freight Terminal deployed **54** electric tractors, Chengdu Freight Terminal deployed **17** new energy vehicles, and Chongqing Freight Terminal deployed **16** new energy vehicles. The overall electrification rate currently stands at **59%**, with Beijing Freight Terminal achieving **100%** new energy use for all newly added and updated equipment.



Reduce energy consumption



- The "APU Alternative Facility Management Procedures" were revised to include new provisions prohibiting excessive usage and criteria for determining dual-engine operation, further standardizing operational processes. In 2025, APU alternative facilities were used a cumulative **914** times, totaling **3,828** hours of operation, resulting in fuel savings of approximately **1,016.36** tons and a reduction of **3,201.52** tons of carbon dioxide emissions.



- We implemented the "centralized container consolidation" and "multi-flight task consolidation and assignment" models, consolidating cargo from multiple flights into a single container and combining towing tasks. This reduced the frequency of truck trips and empty-run mileage. On average, **180** container consolidations were performed monthly, saving approximately **60** trips and effectively reducing carbon emissions.



Case

Air China Cargo Introduces the A350F, Pioneering New Green and Low-Carbon Practices

In October 2025, Air China Cargo became the first customer in mainland China to operate the A350F freighter. With a payload capacity of up to 111 tons and a range of 4,700 nautical miles (8,700 kilometers), this aircraft further reduces fuel consumption and carbon emissions, setting industry benchmarks in range, fuel efficiency, environmental performance, and smart technology. The A350F is also the only freighter that fully complies with the International Civil Aviation Organization's (ICAO) carbon dioxide emission standards set to take effect in 2027. Upon entry into service, it will be capable of operating on 50% Sustainable Aviation Fuel (SAF), and its technical characteristics align closely with Air China Cargo's goals for high-quality development and its transition toward a green, low-carbon future.



Total energy consumption	ton of coal equivalent	1,068,002.87
Steam consumption	ton of coal equivalent	71.02
Gas consumption	10,000 standard cubic meters	7,350.03
Purchased heat	million KJ	11,794.74
Gasoline consumption	liter	317.32
Diesel consumption	liter	1,452.02
Aviation kerosene	ton	721,240.13
Electricity consumption	kilowatt-hour	21,074,629.92
Energy consumption intensity	ton of coal equivalent per million in revenue	46.68

Water Resource Management

Air China Cargo strictly complies with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Water Pollution* and the *Water Law of the People's Republic of China*. The company continuously implements water-saving process upgrades and innovations to enhance water resource utilization efficiency and management standards. At the same time, it actively promotes water conservation through educational campaigns, placing water-saving signs near faucets to raise employee awareness and foster a company-wide culture of water conservation.

Total water withdrawal	ton	294,072.77
Freshwater withdrawal	ton	249,517.77
Density of fresh water	ton per million in revenue	10.91
Other water (reclaimed water) intake volume	ton	44,555.00

Circular Economy

Air China Cargo has deeply integrated the principles of the circular economy into every stage of its air cargo operations, adhering to the principles of reduction, recyclability, and low pollution, and implementing multiple measures to enhance resource utilization efficiency.

Green Transition of Packaging Materials

Actively promoting the green transition of packaging materials, the company has replaced traditional single-use tarps with biodegradable plastic tarps. By 2025, it had cumulatively procured **285** tons of biodegradable plastic tarps, achieving a replacement rate of **20.08%**. Using the Beijing Cargo Terminal as a pilot site, the company completed the procurement of the first batch of **2,000** reusable tarps for use in protecting general cargo trailers from rain and snow.

Green Packaging Reduction

The company continues to advance packaging reduction and recycling by promoting reusable consolidation bags, eco-friendly boxes, and "slim" packing tape to reduce the use of single-use plastics. In 2025, a cumulative total of **10,800** consolidated shipping bags were deployed and **18,180** rolls of "slim" packing tape were ordered, reducing plastic consumption by **16,362** square meters.

Promotion of Reusable Pallets

Scale up the use of reusable pallets to replace single-use packaging carriers, driving the reduction and recycling of packaging materials and improving resource recycling efficiency.



Case

Electronic Waybills Enable Low-Carbon, High-Efficiency Operations

Air China Cargo continues to advance the green transformation of its operational processes. By focusing on system development, the company has reduced the use of paper documents, optimized data flow, and improved operational efficiency. In 2025, the company achieved significant results in the rollout of electronic waybills, expanding coverage to 18 new locations. Overall electronic waybill coverage increased from 79% to 83%, effectively reducing paper consumption and manual processing costs.



Packaging material consumption	ton	296.04
Packaging material recycled volume	ton	6.08
Density of packaging material used	ton per million in revenue	0.01

Green Office Practices

Air China Cargo actively encourages employees to embrace green and low-carbon office practices, vigorously promotes environmentally friendly behaviors such as conserving electricity and water and reducing plastic use, continuously raises energy-saving and environmental awareness among all staff, and works together to create a green, low-carbon, civilized, and efficient office environment.



Energy Conservation

The company issued the "Notice on Strengthening Electricity Management in Conference Rooms," scientifically formulating electricity usage plans, promoting energy-saving technical upgrades for electrical equipment and the replacement of high-energy-consumption devices, and establishing scientific standards for air conditioning temperature control—setting the cooling temperature to no lower than 26°C in summer and the heating temperature to no higher than 20°C in winter.



Green Meetings

Disposable paper cups are no longer provided during meetings; employees are encouraged to bring their own water cups or use reusable drinking vessels.



Green Cafeteria

Non-biodegradable single-use plastic items, including meal containers, cutlery, and packaging bags, have been completely phased out in the cafeteria area and are being gradually replaced with biodegradable or reusable eco-friendly materials.



Paperless Office

We have strengthened the development and application of online information management platforms, fully implemented electronic workflows, and reduced the circulation of paper documents. We advocate measures such as double-sided printing and reusing draft paper to effectively reduce paper consumption.



Water Conservation

Use recycled water to irrigate the campus green belts, effectively reducing fresh water consumption and improving water resource recycling rates. Strengthen water conservation awareness campaigns among employees to enhance water-saving consciousness across the entire workforce.

Protecting the Natural Ecosystem

Air China Cargo strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Wildlife Protection Law of the People's Republic of China*. We actively respond to national initiatives for ecological civilization, fully integrate the concept of ecological conservation into every aspect of our daily operations, and are committed to achieving harmonious coexistence between corporate growth and nature.

In our business practices, we strictly implement the requirements of ecological protection red lines, environmental quality bottom lines, and resource utilization ceilings, ensuring that all operational activities comply with the provisions of the environmental access negative list. By continuously advancing green operation initiatives, optimizing operational management, and strengthening environmental risk prevention and control, we effectively reduce the impact of production and operations on natural ecosystems. As of the end of the reporting period, no incidents related to biodiversity damage have occurred within the company's operational scope, and we have taken concrete actions to fortify the ecological security barrier.

We have compiled and published the *Notice to Stakeholders on the Civil Aviation Express Management System*, clearly communicating our green cooperation philosophy and compliance requirements to all suppliers, customers, and other business partners. We have incorporated the provision "to comply with national and local laws and regulations regarding biodiversity" into the core terms of our supply chain management. This provision integrates biodiversity conservation into the core requirements of supply chain management, establishing it as a key prerequisite for stakeholder admission and cooperation. This approach drives the entire industry chain to jointly fulfill ecological protection responsibilities and enhances the company's capacity for sustainable development governance.

Case Air China Cargo Completes Transport Mission for the Red Kestrel, a Class II Nationally Protected Species

Air China Cargo established a dedicated support team, formulated and implemented a comprehensive optimization plan for the entire transport chain of raptors, and successfully completed the transport mission for the red kestrel, a Class II nationally protected species, ensuring safe, efficient, and professional wildlife conservation transport.



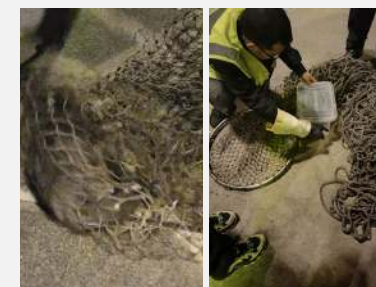
Case Air China Cargo Organizes a Public Welfare Tree-Planting Event

Air China Cargo organized a public welfare tree-planting event titled "Planting the Air China Cargo Forest, Building an Ecological Barrier Together," resulting in the creation of the "Air China Cargo Ecological Forest," which covers an area of over 500 square meters. The company has incorporated the development of this ecological forest into its annual public welfare plan and will continue to advance tree maintenance and forest expansion efforts to further strengthen its commitment to ecological conservation.



Case Air China Cargo Employee Successfully Handles Wildlife Intrusion

During operations, an Air China Cargo employee promptly discovered and safely captured a Chinese badger—a nationally protected species—that had strayed into the apron area. The animal was quickly handed over to the relevant authorities for handling. This action ensured flight safety while effectively safeguarding the wildlife. The company regularly conducts safety and ecological conservation training to continuously improve frontline employees' ability to identify risks and respond to emergencies. It has successfully addressed wildlife intrusions, such as bird strikes and rodent infestations, on multiple occasions.



04 Win-Win Collaboration

Building an Ecosystem of Shared Prosperity

Key Performance Indicators



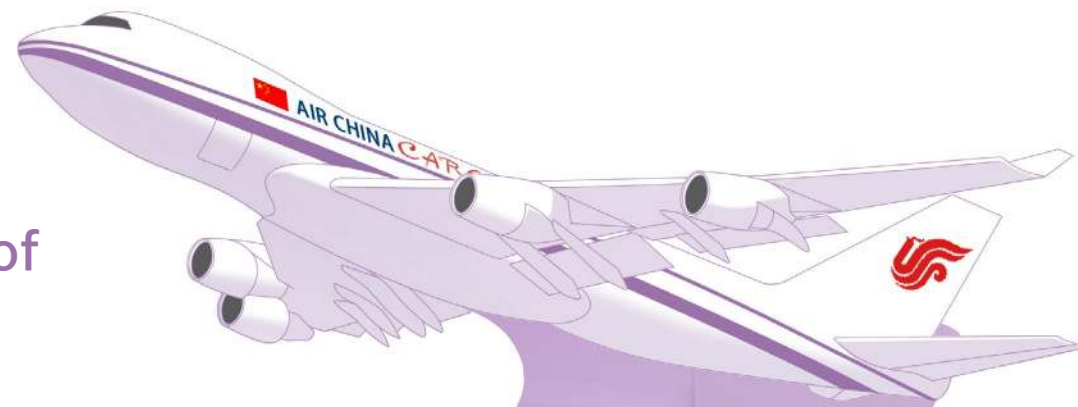
- Total number of employees: **5,779**
- Percentage of female employees: **32.19%**
- Total number of training sessions attended: **34,304**
- Funding allocated to rural revitalization: **6.43** million yuan

Our Initiatives



- Protecting Employee Rights
- Caring for Employee Well-being
- Building a Harmonious Community
- Supporting Employee Growth
- Collaborating with Partners for Mutual Success

Responding to the SDGs



联想扬起智慧帆





Safeguarding Employee Rights

Air China Cargo adheres to a people-oriented philosophy, viewing "creating opportunities for employees" as one of its core missions. The company regards the protection of employees' lawful rights and interests as a vital foundation for its healthy development and a fundamental responsibility. It upholds a talent management strategy, actively promotes employees' civic awareness, adherence to professional ethics, and the cultivation of family values, while encouraging them to lead fulfilling lives. Air China Cargo continuously refines its talent recruitment system, optimizes employee employment management, and improves institutional mechanisms related to compensation and benefits, career development, labor protection, and democratic communication. The company is committed to providing a diverse, inclusive, and equitable work environment, fostering a workplace atmosphere imbued with humanistic care, and effectively enhancing employees' sense of belonging and well-being. Together with its employees, the company strives to grow and share the fruits of its development.

Compliant Employment

Air China Cargo strictly adheres to laws and regulations such as *the Labor Law of the People's Republic of China* to comprehensively safeguard the legitimate rights and interests of its employees. Through rigorous recruitment screening procedures, we resolutely prohibit the use of child labor and forced labor.

In terms of talent acquisition, the company adheres to a talent management strategy that involves attracting and nurturing top talent to empower our workforce. We support the company's high-quality development with a highly skilled workforce, continuously optimize our recruitment mechanisms, and balance diversity with professional expertise in our talent acquisition processes.

In campus recruitment, the company continues to deepen its efforts to attract talent from universities, actively broadening recruitment channels and participating in job fairs. We continuously refine selection criteria to improve the quality of young talent recruitment, strengthen the development of talent pipelines, and continuously inject new momentum into the company's growth.

In terms of external recruitment, the company focuses on core positions and hard-to-find talent, intensifying efforts to recruit experienced professionals to continuously enhance the team's professional capabilities.

Regarding pilot recruitment, leveraging the agreement with CNAH, the company has achieved large-scale, standardized recruitment, effectively ensuring the stable development of the flight crew.


Case

Air China Cargo Participates in a Job Fair for College Graduates

Air China Cargo has launched its 2025 campus recruitment drive for college graduates, openly recruiting recent graduates for positions in Party and Mass Work, Marketing, Human Resources, and Financial Management. The program covers a wide range of academic backgrounds and emphasizes candidates' overall qualities and potential for development. The standardized recruitment process includes online registration, written exams, interviews, medical examinations, and public announcements. The company is promoting the initiative extensively through its official website and information sessions to strengthen connections with university talent, demonstrate a professional and institutionalized talent acquisition mechanism, and support the company's sustainable development.



Air China Cargo places great importance on the employment environment in the regions where it operates. The company actively integrates into regional development, supports talent recruitment and employment promotion efforts in each city where it operates, and contributes to the stability and prosperity of local labor markets.

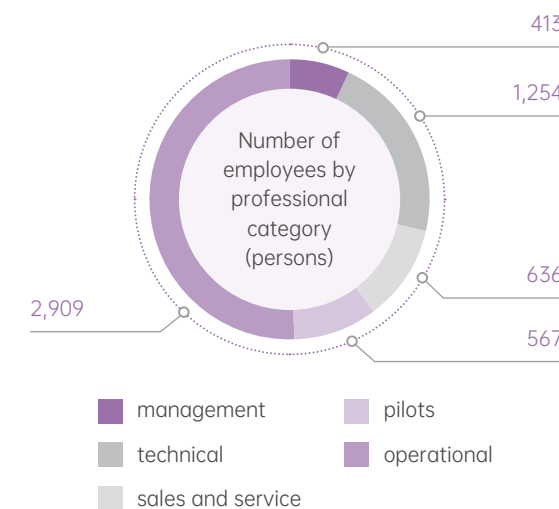
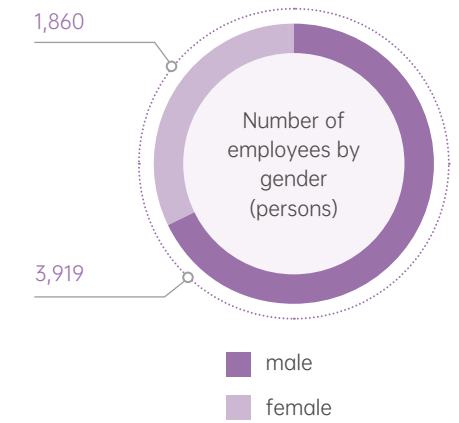
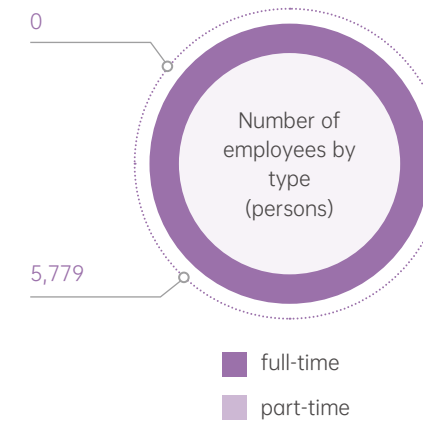
As of 2025

the company's total workforce stood at

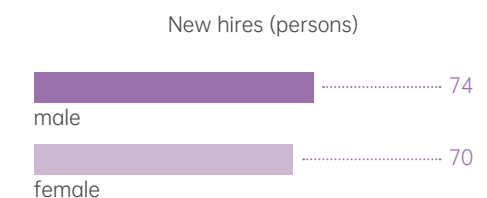
5,779 employees



Employee key data



New hires
144 persons





Diversity and Inclusion

Air China Cargo is committed to fostering a diverse, equitable, and inclusive workplace environment, respecting and valuing the unique contributions of employees from all nationalities, ethnicities, ages, genders, faiths, and cultural backgrounds. The company has established internal policies such as the *Regulations on Open Recruitment Management* and the *Procedures for Open Recruitment* to systematically standardize the hiring process. We eliminate all forms of discriminatory behavior and bias, rigorously review each stage of recruitment, ensure that job seekers compete in a fair and impartial environment, and foster a harmonious and inclusive work atmosphere.

We continuously focus on the career development of diverse groups, actively recruiting members of ethnic minorities, women, people with disabilities, and veterans, and providing broad development opportunities for talent with varying educational levels and professional backgrounds. The company cares deeply for its female employees. The labor union, on behalf of all female staff, has signed the "Special Collective Agreement on the Protection of Female Employees' Rights," legally ensuring equal pay for equal work between men and women. The agreement also clearly stipulates benefits and protections during special life stages such as menstruation, pregnancy, childbirth, and lactation, comprehensively strengthening care for female employees.

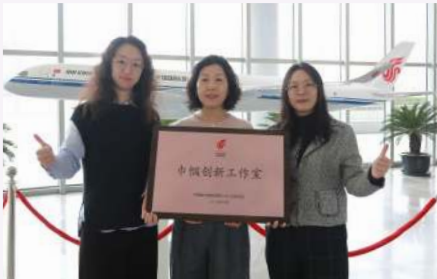


Case

Women's Innovation, Smart Safeguards for Air Cargo Security



Air China Cargo encourages technological innovation by women and supported the all-female "Zhi'anyuanchuang Studio" in independently developing the SafeDG system for end-to-end risk management of dangerous goods. The studio was successfully selected as one of the first "Women's Innovation Studios" by CNAH. The system enables one-click traceability of dangerous goods information, reducing emergency response times from 30 minutes to 3 minutes, and has successfully integrated data from the new cargo terminal with multi-environment emergency guidelines. The project has been recognized by the Civil Aviation Administration of China and selected as a model case for smart logistics, demonstrating Air China Cargo's firm commitment to incentivizing and supporting the use of women's innovative capabilities to drive the smart and safe development of the industry.





Case

Air China Cargo Conducts Various Activities to Care for Female Employees





Air China Cargo's Security Inspection Station organized a spring outing for its female employees, allowing them to stroll in the spring sunshine, get close to nature, relax, and strengthen friendships, showcasing the charm and vitality of women.



Trade Union organized an EAP¹⁵ event titled "Aromatherapy for Stress Relief and Emotional Well-being," featuring aromatherapy workshops, scent-based meditation, and hands-on essential oil crafting sessions to help female employees relieve stress and soothe their emotions.



The union organized a "Fragrant Flowers Welcome Spring" flower-giving event and took employees on spring outings to Ditan Park and the Beijing Zoo, aiming to enhance their sense of belonging and well-being by capitalizing on the festive atmosphere.

The company encourages employees from diverse cultural backgrounds to enhance communication and collaboration, places emphasis on fostering cultural sensitivity and a spirit of inclusivity among employees, and promotes the continuous development of a corporate culture that embraces diversity and inclusivity. Provided that candidates meet the job requirements, the company actively fulfills its social responsibilities by creating more employment opportunities for socially disadvantaged groups.

¹⁵ EAP: Employee Assistance Program.

Compensation and Benefit

Air China Cargo continues to refine its compensation and performance management system. It has formulated and implemented a series of regulations, including the *Management Measures for the Term-Based and Contract-Based Management of Executives*, the *Management Measures for Employee Position Performance (Trial)*, the *Regulations on Compensation and Benefits Management for Ground Staff*, and the *Regulations on Compensation and Benefits Management for Flight Personnel*. These regulations cover professional managers, contract-based management, ground staff, flight personnel, and other positions, promoting a categorized and differentiated compensation and performance management mechanism. At the same time, the company is accelerating the digital transformation of its human resources management, comprehensively optimizing the compensation management functions of its Human Capital Management (HCM) system, and building an information-based compensation supervision platform that covers all employees and spans all organizational levels, thereby effectively enhancing the standardization, transparency, and risk control capabilities of compensation management.

To establish and improve a long-term incentive and constraint mechanism, Air China Cargo has implemented an employee stock ownership plan for core management and technical personnel. As of the end of 2025, 214 employees participated in the plan, with a cumulative total of 249 participation instances. Through the employee stock ownership platform, these employees held 106,895,300 shares of the company, representing 0.88% of the total share capital.

The company strictly complies with laws and regulations, ensuring timely and full payment of social insurance and housing provident fund contributions for employees to effectively safeguard their fundamental rights and interests. The company continuously improves its multi-tiered employee welfare system by establishing internal regulations such as the *Management Regulations for the Comprehensive Medical Insurance Plan* and the *Implementation Rules for the Corporate Pension Plan*. It provides employees with diversified benefits, including supplemental medical insurance, corporate pensions, and various allowances and subsidies, effectively enhancing their sense of fulfillment and belonging.

As of the end of 2025



Democratic Management

Air China Cargo has consistently adhered to democratic management and corporate governance in accordance with the law. We have continuously improved our democratic management system, with the Staff Congress serving as its fundamental form. We legally safeguard employees' rights to information, participation, expression, and oversight; ensure open channels for soliciting feedback, communication, consultation, and democratic oversight; and widely harness the wisdom and strength of our employees. These efforts promote more scientific and transparent corporate decision-making, as well as more standardized and efficient management, thereby fostering the shared development of the company and its employees.

The company has established regulations such as the *Administrative Measures for the Work of the Employee Representative Assembly* and the *List of Matters to Be Deliberated by the Joint Meeting of the Employee Representative Assembly and Delegation Leaders*, which clearly define the scope of authority, organizational structure, operational procedures, and the rights and obligations of employee representatives. These measures promote the standardized and institutionalized operation of democratic management. The company strictly implements the Staff Congress system, conducting deliberations and votes on major matters affecting employees' immediate interests. It fully respects employees' central role in corporate governance and ensures the democratic and scientific nature of decision-making. The management and employee sides have signed a *Collective Agreement* through collective bargaining, reaching consensus on core rights and interests such as compensation and benefits, as well as working conditions, thereby fostering harmonious and stable labor relations.

The main provisions of Air China Cargo's Collective Agreement include:

Wages and compensation

Insurance and benefits

The conclusion, renewal, amendment, termination, and rescission of employment contracts

Working hours

Rest periods and leave

Vocational skills training

Rules, regulations, and disciplinary measures

Resolution of labor disputes

We uphold the principle of open communication and value every employee's complaints and suggestions. Based on internal policies such as the *Employee Conduct Management Measures (Trial)*, we have established diverse channels for complaints and suggestions, including confidential interviews and hotlines. We encourage employees to voice their opinions on work assignments, management decisions, and other matters, and ensure they receive timely and effective feedback, thereby fostering an organizational culture of candor, mutual trust, and two-way communication.

The company conducts annual employee satisfaction surveys and implements closed-loop management of collected feedback in accordance with the *Regulations on the Collection and Follow-up of Employee Suggestions*. By clearly assigning responsible departments, tracking progress on corrective actions, and verifying the effectiveness of implementation, we ensure that every piece of employee feedback receives a response and every issue is resolved, thereby tangibly enhancing employees' sense of fulfillment. In 2025, the company organized a satisfaction survey involving 5,374 employees, covering aspects such as values, management environment, career development, compensation and benefits, collaboration, and departmental experience. The overall employee satisfaction score reached 88.58 points, an increase of 0.35 points year-over-year.



Case "Serving the People" Initiative



Air China Cargo has established a routine mechanism for soliciting feedback. Through written submissions, focus group discussions, and field research at the grassroots level, the company collects employee suggestions on a monthly basis, gathering a total of 129 suggestions throughout the year. A dedicated department has been set up to categorize and organize these suggestions and oversee their implementation, employing a closed-loop management process that includes project initiation, assignment, feedback, follow-up, reporting, and closure. As of now, 98 items have been completed, and the remaining items are progressing in an orderly manner.

Employee Care

We prioritize our employees' work-life balance by organizing holiday celebrations and outreach visits, providing birthday benefits, and demonstrating the company's commitment to employee well-being—all of which help foster a sense of belonging and fulfillment among our staff. We also participate in the CNAH's Employee Major Illness Mutual Aid Fund to provide targeted support to employees facing financial hardship. Through these and other thoughtful initiatives, we actively address employee needs and resolve practical challenges.

In 2025, eight employees applied for the serious illness mutual aid fund and received a total of 160,000 Yuan in assistance and condolence payments. In 2025, 3,725 employees joined the serious illness mutual aid fund, raising a total of 372,700 Yuan. A total of 1,799 female employees participated in the serious illness mutual aid program, raising 140,700 Yuan. No female employees applied for the serious illness mutual aid fund in 2025.



Case 2025 "Trade Union Summer Relief" Campaign



From May to September 2025, the company's trade union launched the "Trade Union Summer Relief" campaign, focusing on providing support to frontline employees receiving high-temperature allowances, those working outdoors, and those involved in summer transportation operations. The union allocated special funds in batches to purchase heatstroke prevention and cooling supplies. Trade unions at all levels went deep into the grassroots to improve employees' rest, drinking water, and dining conditions. They provided emergency supplies such as cooling kits and medications, and conducted "Cooling Micro-Classes" to promote health education and enhance employees' self-protection capabilities.



Case 2025 New Year's Day and Spring Festival Celebration and Welfare Activities

During the 2025 holiday season, the company and its various units organized a wide range of festive cultural activities. Company management visited units and departments across Beijing, engaging in cordial conversations with unit leaders and employees to extend sincere greetings and warm New Year's blessings to all staff members; Production units conducted internal visits and outreach activities, delivering care packages and Spring Festival "Fu" characters to frontline employees; all units hosted garden parties, tea gatherings, traditional New Year games, "Fu" character calligraphy sessions, and dumpling-making events to welcome good fortune, allowing employees to experience the festive atmosphere and the warmth of home.





To enrich employees' cultural and recreational lives and promote their physical and mental well-being, the company actively organizes sports and cultural activities such as soccer and badminton, while continuing to develop its "Employee Home" initiative. By the end of 2025, Air China Cargo had established seven sports and cultural associations and set up seven employee fitness centers, providing employees with diverse spaces for activities and platforms for interaction. These efforts have effectively enhanced employees' sense of belonging and team vitality, fostering a positive, healthy, and harmonious corporate culture.

Physical activity

Air China Cargo participates in the CNAH's "Revitalization Cup" Youth Football Tournament



Air China Cargo Held a Badminton Match



Air China Cargo held a fun sports meet



Air China Cargo Staff Home

Festival activity



Air China Cargo launches May Fourth-themed reading day activities



Air China Cargo participates in the "Dragon Soars Over ICBC, Zongzi Loves Shunyi" Dragon Boat Race.



Air China Cargo launches summer parent-child study tour



Supporting Employee Growth

Air China Cargo continues to advance its talent development strategy, focusing on enhancing employee capabilities and fostering career growth. By establishing a comprehensive, diverse training system that covers all employees, the company implements targeted course designs and practical training tailored to different levels and categories. Through the full-scale implementation of skill enhancement programs, the company helps employees broaden their professional horizons and strengthen their overall competencies, creating opportunities for personal development and building momentum for the company's progress.

Talent Development

Air China Cargo has established a scientific and standardized position management system to promote employee career development. The company has formulated four foundational regulations, including the *Regulations on Position Categories and Grade Management (Trial)* and the *Regulations on Position Quota Management (Trial)*, which clearly define position classifications, the grade system, and promotion mechanisms. In 2025, the company issued two regulatory documents: the *Notice on Further Improving the Management of Staffing Quotas for Professional, Technical, and Skilled Positions* and the *Notice on Adjusting Qualification Requirements for Management Support Positions*, further refining its talent development mechanisms.

Air China Cargo places great emphasis on building a strong cadre of leaders and ensuring clear career advancement pathways for employees. In 2025, the company systematically reviewed the current status of its professional, technical, and skilled talent pools, scientifically determined staffing quotas for each position level, optimized the promotion mechanism, and established company-level and administrative-level position qualification review committees to standardize the review process. By refining the qualification standards for the management support track and clarifying development paths and competency requirements, Air China Cargo has provided employees with clear and diverse career growth pathways.

Talent Cultivation

Air China Cargo continues to strengthen its talent pool and refine its talent development mechanisms. In 2025, the company revised regulatory documents such as the *Training Management Manual* to establish a training system that covers all employees and is organized by level and category. By promoting a dual-track development model that combines research projects for young talent with executive education and training, the company aligns with employees' career growth needs and reinforces the development of talent pipelines.

The company's training system encompasses general, certification and licensing, job qualification, on-the-job, and management training to ensure continuous improvement of competencies across all positions. Training is conducted by both full-time and part-time instructors, with the entire process documented in the Training Management Manual to ensure compliance and traceability. The company implements training programs for mid-to-senior management and young cadres, focusing on enhancing political literacy and management capabilities to strengthen leadership development. In 2025, a new overseas staff rotation program was introduced to broaden the international perspective of our talent and enhance cross-functional collaboration capabilities.



Qualification training for professionals in aviation safety, flight operations, flight dispatch, engineering and technology, security screening, and cargo operations, as well as certification training for load and balance and dangerous goods transport, to fully meet the entry requirements for specialized positions.

General knowledge and skills training aimed at enhancing the foundational competencies of all employees, including new employee onboarding training.

Systematic training in specialized fields designed to ensure job competency, equipping employees with the professional capabilities necessary to perform their duties.

Training programs for managers at all levels to enhance self-management, personnel management, and team collaboration skills, covering leadership development for senior managers and managers, as well as specialized training for team leaders.

Based on job responsibility analysis, we identify knowledge and skill requirements and develop a corresponding "Job Course Catalog." We then organize and implement training in a systematic and planned manner to continuously improve employees' job competency.

Case Cultivating Specialized Talent in Dangerous Goods

Air China Cargo continues to deepen its efforts in building a Dangerous Goods Safety Management System (SMS-DG), meticulously establishing a systematic and effective training framework for dangerous goods, developing a comprehensive risk control system covering the entire dangerous goods process, and fostering a talent pipeline of dangerous goods specialists to ensure air cargo safety. Dai Zheng, a Dangerous Goods Safety Management Support Specialist at Air China Cargo's Cargo Terminal Division, achieved first place in the individual comprehensive category at the inaugural 2024 China Civil Aviation Cargo Handler Vocational Skills Competition. He was awarded the title of "National Civil Aviation Gold Medal Employee" and, in 2025, was honored with the "Blue Sky Medal" by the Civil Aviation Administration of China.



Case Air China Cargo's 2025 New Employee Training

In August 2025, Air China Cargo organized its 2025 new employee training program for 85 new hires. The training consisted of two phases: the first phase was an internal onboarding program covering corporate culture, policies, and regulations; the second phase was the "Phoenix Soaring Through the Skies" training camp, conducted in collaboration with Air China's Training Department, designed to strengthen team cohesion and professional competence. Accommodation, meals, and instruction were centrally arranged during the training period. The curriculum included fundamentals of air transportation, job role orientation, and on-site visits, with a strong emphasis on practical application and performance evaluation. Through this standardized training system, the company helped new employees quickly adapt to job requirements while enhancing their professional capabilities and organizational commitment.



Case Air China Cargo 2025 Rotational Training Program for Senior Managers and Above

To strengthen the development of a high-quality, professional management team, Air China Cargo held two sessions of a rotational training program for senior managers and above from May to June 2025. The training centered on four major modules: political theory, reform and innovation, and the enhancement of management and professional competencies. It included courses on the spirit of the Central Committee's Eight-Point Decision, Party regulations and discipline, economic situation analysis, and leadership. Utilizing a combination of thematic lectures, case studies, and group discussions, the program comprehensively improved the cadres' political literacy, strategic thinking, and job performance capabilities. Company leaders participated throughout the program and emphasized the integration of knowledge and action, driving the transformation of learning outcomes into practical work efficiency.





Case Air China Cargo Conducts Team-Building Activities



In 2025, the Beijing Cargo Station Department of Air China Cargo and the Settlement Department of China Airlines' Commercial Committee jointly conducted an experience exchange on team building. The regional managers of the international storage area of Beijing Cargo Station gave on-site explanations of the cargo transportation operation procedures, emergency response mechanisms, and the characteristics and guarantee features of special goods.

In addition, more than ten team leaders and key representatives from the five locations and six cargo stations of Air China Cargo Station Department participated in an exchange activity at Chongqing Cargo Station. Centered around the theme of "Passionate Heritage Promotes Improvement, Lean Innovation Sets Standards", they explored the path of team building, strengthened the foundation of grassroots management, and promoted the high-quality development of the Cargo Station Department.

The company encourages its employees to pursue self-development, supports them in enhancing their academic qualifications and professional skills, and organizes various forms of training and promotional activities.



The company uses job appointment criteria to guide employees in obtaining higher degrees and professional titles, treating these as key factors in promotion decisions. At the same time, the labor union awards bonuses to employees who obtain professional certifications during the year, fostering a positive atmosphere that encourages professional growth.

Employee training coverage rate	%	95.45
Number of training sessions conducted	time	1,001
Total number of employees trained	person	34,304
Total training hours	hour	286,371
Average training hours per employee	hour	49.55
Annual training expenditure	ten thousand Yuan	701.70

Caring for Employee Health

Air China Cargo places a high priority on employee occupational health and safety. It has established occupational health and safety objectives to "eliminate fatal accidents attributable to employee negligence" and to "eliminate major accidents attributable to employee negligence—such as traffic, equipment, and fire incidents—and reduce general negligence-related accidents." The company is implementing a range of measures to improve employee health management and ensure the effective implementation of these management objectives.

Occupational Health and Safety Management

Air China Cargo strictly complies with national laws and regulations, including the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Administrative Measures for the Occupational Health of Radiation Workers*. The company earnestly fulfills its primary responsibility for occupational health management, establishes and improves occupational health management systems, continuously optimizes protective measures, and ensures that employees work in a safe and healthy environment. In 2025, the company decided to engage a professional third-party organization to assist in the planning, development, and operational guidance of its occupational health and safety management system in accordance with the ISO 45001 standard, laying the groundwork for subsequent initial certification. Its subsidiary, Civil Aviation Express, obtained ISO 45001 certification for its occupational health and safety management system.



Civil Aviation Express obtained ISO 45001 Occupational Health and Safety Management System Certificate

The company has incorporated occupational health and safety performance into the performance evaluation system for senior management, assigning appropriate weightings and integrating it with key indicators such as workplace safety and compliance management. This coordinated approach ensures that the philosophy of safe development is embedded throughout the entire business management process, effectively reinforcing the implementation of safety management responsibilities and helping to establish a long-term, institutionalized health and safety management system. In 2025, the company continued to conduct educational campaigns on health risk prevention and health promotion to continuously enhance employees' awareness of health management.

The company places a high priority on the prevention and control of occupational health hazards, with a particular focus on employees in specialized positions exposed to occupational hazards such as radiation. We continuously strengthen the classification-based management of occupational health and systematically advance health examination programs. The medical examination program comprehensively covers all mandatory items related to radiation work, ensuring compliance with national technical specifications. In-service medical examinations are conducted every two years to maintain the continuity and effectiveness of health monitoring. Additionally, in accordance with laws and regulations, pre-employment and post-employment occupational health examinations are organized based on changes in job assignments, achieving full-process coverage of occupational health management for radiation-related positions.

Furthermore, the company regularly conducts radiation monitoring in the workplace and completes the required filings to ensure that the working environment complies with national standards. The company provides necessary personal protective equipment to employees in relevant positions and arranges professional institutions to test and evaluate protective gear, ensuring that protective equipment remains effective and reliable at all times.

The company strictly adheres to all requirements of the Civil Aviation Administration of China's aviation health regulations and rules, continuously improves its aviation health and safety management system, and strengthens the health and safety defenses for flight operations. In 2025, the company successfully completed the CCAR-121R8 supplemental operational certification process, promoting the deep integration of aviation health management into the company's safety management system. The company continuously optimizes the health management mechanism for flight crew, clarifies the responsibilities of pilots as the primary parties responsible for their own health, continuously improves pre-flight medical examination procedures, strengthens health risk control for flight crew, ensures that all types of medical examination and certification tasks proceed "efficiently and smoothly," and maintains a high pass rate for flight crew medical examinations.





Number of workdays lost due to work-related injuries	Days	1,183.5
Amount spent on workers' compensation insurance	Ten Thousand Yuan	949.6
Workers' compensation insurance coverage rate	%	100

Flight Crew Health Management

Air China Cargo has fully implemented health and safety management for the flight crew throughout the entire process. It strictly follows the aviation hygiene regulations and rules of the Civil Aviation Administration of China and the company's safety management system requirements, systematically promoting various aviation hygiene safety management tasks.

In 2025, the company continuously optimized the health management mechanism for flight crew members, clearly defining pilots as the primary responsible persons for health, and establishing mechanisms such as pre-flight physical examinations, health classification management, flight resumption and suspension, and health promotion. We strengthened the prevention and control of health risks for flight crew members, safely completed the health examination and assessment tasks, and maintained a high level of health examination pass rate for flight crew members.

In addition, the company organized the identification of health risk factors for the crew and the control of operational safety and health risks, strengthened daily health monitoring and management. We established a mechanism for pursuing and feedback of aviation hygiene unsafe events, trained event investigators and participated in investigations, and proposed improvement suggestions. We continuously conducted safety hazard inspections for aviation hygiene, promoted health and safety culture construction and performance evaluation, prevented and controlled the occurrence of health unsafe events for flight crews, and effectively ensured flight operation safety.

Air China Cargo focuses on the physical and mental health management of flight crew members, building a full-chain guarantee system covering prevention, monitoring, intervention, and rehabilitation to ensure that flight crew members are in good condition for operation.

Improve the health management system and implement tiered and categorized management

The company implements tiered health management and disease risk assessments for flight crew members based on their operational characteristics. Using indicators such as gender, age, weight, blood pressure, blood lipids, blood glucose, and smoking status—in conjunction with clinical manifestations and medical examination findings—the company establishes and maintains long-term health records. The focus is on conducting risk assessments and preventive management for cardiovascular and cerebrovascular diseases, central nervous system disorders, and metabolic diseases.

Establish medical observation records for individuals under close observation and develop personalized health promotion plans, including behavioral interventions, risk factor management, disease treatment, and health care measures. Conduct regular follow-ups to monitor new cases of illness, medical treatment, and living conditions, ensuring that health status remains under dynamic control.

Conduct dynamic monitoring of key populations and implement personalized intervention measures

Strictly enforce flight suspension and resumption procedures to ensure operational safety

When the health condition of the flight crew does not meet the corresponding medical standards for the medical certificate, the aviation physician shall promptly issue the "Temporary Flight Suspension Notice for Flight Crew", informing the flight and operation departments not to arrange for them to participate in operations. After confirming that the physical condition of the flight crew has recovered and can meet the corresponding medical standards of the issued medical certificate, the "Resumption of Flight Notice" shall be issued. It can only be resumed after being confirmed and signed by the flight management department. It is strictly prohibited for the temporarily suspended flight crew to perform their duties within the prescribed time limit. At the same time, the aviation physician shall review and manage the medication situation of the flight crew to avoid using drugs that may affect flight safety.

The company has established a regular recuperation program for flight crew members, combining health recuperation with rehabilitation based on flight type, health status, and flight hours. By 2025, the company had completed health recuperation programs for all pilots and organized a group of high-risk pilots, led by aviation physicians, to undergo rehabilitation in Zhaoping, Guangxi. This initiative effectively alleviated flight fatigue, facilitated the management of chronic conditions, and improved physical fitness, thereby tangibly enhancing flight quality and operational efficiency.

Improving the Convalescence System to Promote Physical and Mental Recovery

Strengthening Health Education and Training to Enhance Risk Prevention Awareness

The company regularly organizes training sessions on aviation health regulations and aviation medicine, provides health guidance, and helps flight crew understand the effects of adverse factors during flight on the human body. This helps them master preventive measures, improve their ability to adapt to in-flight conditions, and enhance their awareness of health and safety. It also reinforces the concept of integrity to ensure that regulatory requirements are incorporated into daily practices.



Case

Mental Health Training on "Stress Management and Response to Unusual Flight Events"



Air China Cargo conducted a mental health training session titled "Stress Management and Response to Unusual Flight Events." The company invited professional counselors to lead the session, which utilized methods such as "attention training," "emotional regulation techniques," "practical simulation exercises," and "one-on-one Q&A sessions" to help pilots enhance their psychological resilience and emergency response capabilities.





Building a Culture of Occupational Health and Safety

Air China Cargo continues to enhance its employees' occupational health and safety literacy. Tailored to the specific characteristics of different positions, the company conducts specialized training at various levels and across different categories to comprehensively strengthen employees' safety awareness and emergency response capabilities.

Regarding occupational health training for radiation-related positions

the company annually commissions professional occupational health training institutions to organize specialized training sessions. These sessions cover foundational knowledge of radiation in non-medical settings, occupational health protection, occupational health surveillance for radiation workers, and radiation protection, all in accordance with relevant national laws and regulations. This approach effectively enhances radiation-related employees' understanding of radiation hazards and their protective capabilities.

Regarding health and safety training for pilots

with the help of digital platforms such as Air China Wings, the Health Management System (HMS), and the Preparation Network, aviation physicians provide all pilots with training on aviation health regulations and aviation medical knowledge through flexible and diverse methods—including personalized guidance for key groups, expert lectures, informational bulletin boards, and health handbooks. This helps pilots understand the impact of various adverse factors during flight on the human body, strengthens their awareness of health, safety, and integrity, equips them with scientific prevention methods, and continuously improves their flight adaptability.

Case Special Lecture and Free Clinic on Respiratory Allergic Diseases

Air China Cargo organized a special health lecture and free medical consultation event titled "Focus on Respiratory Health, Enhance Occupational Health Management Capabilities" to address common respiratory allergic diseases among employees. The event invited experts from the Department of Respiratory Medicine at the Civil Aviation General Hospital. Through a "lecture + consultation" format, the experts systematically explained the prevention and management of allergic respiratory diseases and provided lung function tests, exhaled nitric oxide (FeNO) testing, and one-on-one health consultations. Employees participated enthusiastically on-site, with high demand for consultations and screenings. The event effectively raised employees' awareness of respiratory diseases and their self-protection practices, helped identify potential health risks, and promoted early detection and intervention.



Air China Cargo organizes CPR training



Training hours on occupational health and safety	hour	7,020
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Promoting Mental Well-being

Air China Cargo places a high priority on the mental well-being and welfare of its employees. We are actively building a supportive and robust mental health support system, monitoring employees' physical and mental well-being through various channels, providing professional counseling and compassionate care, alleviating stress, and promoting mental health awareness. We help employees master self-regulation techniques to enhance their psychological resilience, foster a work environment characterized by understanding, respect, and inclusivity, and effectively safeguard their mental well-being—enabling them to work with confidence and lead healthy lives in a positive and energetic state.

Case The EAP "Happiness•Mind Initiative"

The Air China Cargo Trade Union continues to advance the EAP "Happiness•Mind Initiative," building a mental health support system that covers all employees. Through a combination of in-person and online services, the program offers a 24/7 mental health hotline, on-site counseling, online video consultations, specialized lectures, group counseling, and new employee training. The program uses mental health assessments to establish individual profiles, implements risk monitoring and crisis intervention, promotes mental health awareness through outreach activities, and leverages the Smart Mental Health Platform and the "Air China Staff Home" WeChat official account to reach all employees, thereby enhancing their psychological resilience and sense of well-being.





Partnering for Mutual Success

Air China Cargo has always adhered to the philosophy of "open cooperation and mutual benefit," and is committed to establishing long-term, stable partnerships with industry partners, upstream and downstream supply chain stakeholders, and all sectors of society. By advancing industry standards, deepening diverse strategic collaborations, and building a responsible supply chain system, we work together to address industry challenges and achieve sustainable development.

Industry Communication and Collaboration

Air China Cargo actively participates in industry communication and standard-setting efforts, driving the transformation of the air cargo industry toward digitalization and intelligent operations.

Case Supporting the Rule of Law and Advancing the Modernization of Civil Aviation Governance

In 2025, drawing on its professional expertise, the company conducted research on various laws and regulations, including the *Regulations on the Administration of Civil Airports*, the *Measures for the Implementation of Administrative Penalties in Civil Aviation*, the *Draft Law on Transport*, and the *Draft Civil Aviation Law*, and provided feedback on these documents. As a key industry stakeholder, the company actively promoted the synergistic development of the legal system and the industry, thereby contributing to the modernization of the civil aviation governance system.



Case Air China Cargo Showcases Two Innovative Achievements at Civil Aviation Exhibition, Driving Transformation and Upgrading Through Technological Innovation

In May 2025, at the Third Civil Aviation Science, Education, and Innovation Exhibition, Air China Cargo showcased two major projects: "AI Image Recognition Technology for Civil Aviation Cargo X-ray Security Screening" and the "Global Intelligent Loading Monitoring System." These projects highlighted the company's latest achievements in promoting the deep integration of technology and business operations.

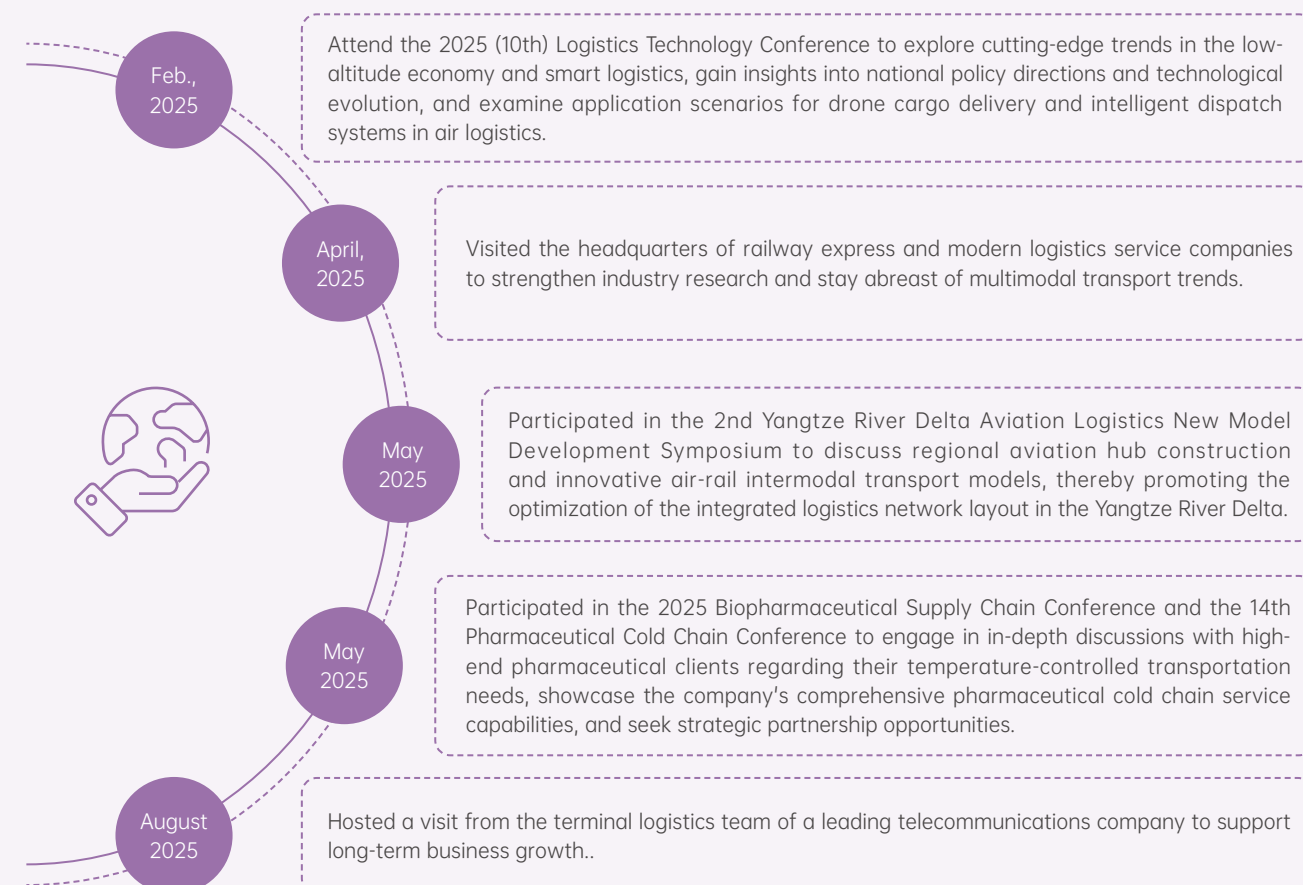


Case Air China Cargo Showcases Its Capabilities at the 2025 Munich Air Cargo Show to Deepen International Industry Exchange

In June 2025, Air China Cargo participated in the Munich Air Cargo Show in Germany, engaging in in-depth exchanges with the global air logistics industry. The company showcased its core competitive strengths, including its all-cargo fleet, global hub network, and customized solutions, and held business discussions with over 100 international companies. During the event, Air China Cargo actively participated in discussions on cutting-edge topics such as the digital transformation of air cargo and carbon neutrality. By gaining in-depth insights into new European regulations and carbon emission standards, the company laid the groundwork for optimizing overseas terminal operations and mitigating compliance risks. Additionally, the company reached several agreements with leading industry suppliers, further expanding its international network of partners. This exhibition fully demonstrated Air China Cargo's open approach to integrating into the global industrial chain and its resolute strides toward achieving its strategic goal of becoming a "comprehensive air logistics service provider."



To further deepen industry collaboration and stay abreast of development trends, our subsidiary, Civil Aviation Express, has continued to strengthen its regular communication channels with industry associations, leading enterprises, and research institutions. In 2025, the company participated in 20 key industry events, including the Logistics Technology Conference, the Pharmaceutical Supply Chain Annual Conference, and the International Freight Forwarding Forum. These events covered a wide range of topics, such as policy analysis, technological innovation, customer insights, and multimodal transport cooperation, as the company actively works to build an open and collaborative industry ecosystem.





Deepening Diversified Cooperation

Air China Cargo continues to deepen strategic collaboration with domestic and international partners to build a stable and efficient international air cargo logistics value chain.

Expansion of the International Network

The company is actively expanding its international routes to further enhance the professional reputation of "Air China Cargo." In collaboration with the British Embassy in China and Glasgow Airport, it has successively launched the "Guangzhou-Glasgow" and "Chengdu-Glasgow" all-cargo routes. These initiatives strengthen industrial and supply chain links between China and the UK as well as between China and Europe, promote the upgrading of bilateral trade and economic exchanges, and establish an efficient air bridge for the integration of China's southwestern region into the global supply chain. Air China Cargo held high-level talks with Singapore's SIA Group, engaging in in-depth discussions on global strategic cooperation, ground services, and digital applications to jointly address industry challenges.



Cross-sector supply chain collaboration

Air China Cargo and Dingdong Maicai have signed a cooperation agreement to jointly establish a model partnership between a state-owned enterprise and an on-demand retail platform. Leveraging the advantages of air cargo, high-quality agricultural products such as Boston lobsters and Thai durians will reach Chinese dining tables faster and with greater freshness. At the same time, over 4,000 carefully selected fresh products from Dingdong Maicai will be made available on Air China Cargo's fresh produce mini-program, "Phoenix YouGou," further enriching the platform's product offerings and enhancing public service capabilities.



Collaboration and Efficiency Improvements

To optimize resource allocation and enhance procurement efficiency, the company is actively promoting the integration of internal procurement plans and strengthening joint procurement and the sharing of results with CNAH in areas such as aviation fuel and employee services, thereby leveraging the benefits of centralized procurement. At the same time, the company is vigorously promoting the use of CNAH's e-commerce platform to standardize procurement processes for office supplies, union welfare and other materials, and continuously optimize the procurement experience and efficiency by compiling platform usage analysis reports and collecting user feedback.

Sustainable Supply Chain

Air China Cargo is committed to building a safe, stable, and sustainable supply chain system, deeply integrating ESG principles into the entire supplier management process. The company strictly adheres to the *Procurement Management Procedures of Air China Cargo* and the *Supplier Management Regulations*, establishing a comprehensive control mechanism that covers supplier sourcing, qualification review, approval for access, performance evaluation, and blacklist management. The company continues to refine its procurement management system. In 2025, it revised and issued several specialized documents, including the *Procurement Procedures for Team Accommodation Hotels* and the *Procurement Procedures for Aviation Fuel*, to further standardize procurement practices and strengthen risk prevention and control. At the same time, the company is advancing the development of a qualification system for procurement personnel to enhance the team's professional capabilities and ensure a talent pool for sustainable procurement practices.

In 2025

Air China Cargo had a total of **506** suppliers, including **453** from mainland China and **53** from Hong Kong, Macao, Taiwan, and overseas.

Process

key measures and progress



- Fully implement ESG requirements in the supplier qualification review process.
- All qualified suppliers have submitted the "Supplier Social Standards Compliance Self-Assessment Questionnaire" as required and signed the "Supplier Anti-Commercial Bribery Commitment Letter."
- Establish a systematic supplier performance evaluation system. In 2025, performance evaluations were conducted for suppliers with contracts valued at 50,000 yuan or more who have engaged in actual cooperation, covering **1,073** suppliers and involving **1,710** contracts.
- The evaluations are led by the departments responsible for the contracts and involve a comprehensive scoring based on daily performance, feedback from user departments, service quality, and ESG performance. Suppliers are then rated following a multi-level review process.
- Daily performance scores are fully integrated into the annual evaluation system. For suppliers with scores below 75, corrective action requirements have been issued, and their implementation is being monitored.
- Strictly enforce the *Supplier Management Procedures*; for suppliers that fail to meet performance standards, engage in misconduct, or violate business ethics, take appropriate actions in accordance with the regulations, including conducting interviews, requiring corrective actions within a specified timeframe, restricting transactions, or even terminating the business relationship.



Air China Cargo has deeply integrated ESG principles into its supply chain management and is actively building a responsible supply chain system.

Procurement Integrity Management

The company adheres to compliant procurement practices, requiring all suppliers to sign the *Supplier Anti-Commercial Bribery Commitment* and provide a *Written Declaration of No Major Violations in Business Operations Over the Past Three Years*. Commercial bribery is strictly prohibited; violators will be blacklisted and held accountable.

Development of a Digital Procurement Platform

In 2025, the company officially launched its procurement management platform, achieving full-process digitization from planning and submission to contract management. This has significantly enhanced procurement transparency and management efficiency, providing strong support for the construction of a green and efficient supply chain system.

Further Advance Centralized Procurement

Through the in-depth advancement of first- and second-tier centralized procurement, 158 centralized procurement projects were launched throughout the year, accounting for approximately 21% of the total project count. The Cargo Terminal Business Division completed the centralized integration of procurement across five cargo terminals, and the Civil Aviation Express Headquarters also significantly streamlined its procurement units. The implementation of centralized procurement not only strengthened resource coordination capabilities but also helped reduce redundant investments and enhance sustainable operational levels.

Green Procurement

The company prioritizes the use of environmentally friendly, low-carbon, and recyclable products. By revising the *Notice to Interested Parties Regarding the Civil Aviation Express Management System*, it explicitly requires suppliers to use energy-efficient materials, compliant vehicles, and new energy vehicle models; Concurrently, the *Logistics Division Procurement System Optimization Plan* was issued to advance the *separation of procurement and management*. Additionally, the *Detailed Rules for Daily Supplier Performance Evaluation* were established to create a closed-loop management mechanism driven by both institutional frameworks and digital platforms, ensuring that the procurement process is open, fair, and compliant, and continuously enhancing the sustainability of the supply chain. Furthermore, the company actively collaborates with AVIC to promote joint procurement and the sharing of results in areas such as aviation fuel, employee safety equipment, and welfare supplies, thereby expanding the scope of resource reuse and effectively reducing environmental impact. Procurement plans are subject to refined, dynamic management; adjustment approval processes are strictly enforced, and implementation is regularly monitored to ensure that sustainable goals, including green procurement, are effectively implemented and yield tangible results.

Treating Small and Medium-Sized Enterprises Equitably

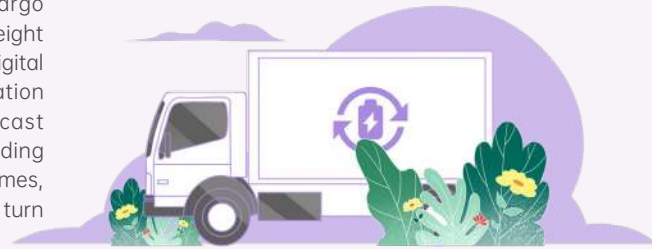
We strictly implement the decisions, directives, and work arrangements issued by the central government and CNAH regarding the settlement of overdue payments to enterprises, ensuring timely and full payment to small and medium-sized enterprises and effectively safeguarding their legitimate rights and interests. In 2025, the company did not have any instances of overdue payments to small and medium-sized enterprises.


Case

Collaborative Carbon Reduction Across the Supply Chain



Air China Cargo actively collaborates with upstream and downstream enterprises in the supply chain. At cargo terminals, the company works with client airlines, freight forwarders, and ground service partners to leverage digital systems to promote transparency and standardization in operational workflows. By sharing cargo forecast information, they coordinate to optimize flight loading and cargo flow rhythms, thereby reducing waiting times, redundant operations, and idle equipment, which in turn lowers carbon emissions.



Building Harmonious Communities

Air China Cargo is committed to deeply integrating social responsibility into its corporate development strategy. We are dedicated to fostering rural prosperity through targeted industrial assistance, participating in global humanitarian efforts through efficient emergency response, and promoting community development through systematic volunteer services, thereby continuously creating long-term, comprehensive value that extends beyond our commercial operations.

Rural Revitalization

Air China Cargo actively fulfills its responsibilities as a central state-owned enterprise and continues to deepen its distinctive "Aviation+" assistance model. In 2025, through a multi-faceted approach, including optimizing logistics support, expanding e-commerce channels, increasing consumption-based assistance, and conducting volunteer services, significant achievements have been made in assisting industrial development and improving people's livelihoods in areas such as Zhaoping County in Guangxi and Sunite Right Banner in Inner Mongolia.



Logistics Support

- Leveraging our own air freight capacity, we provide comprehensive logistics solutions for enterprises in Zhaoping County, Guangxi—a key target for our assistance efforts.
- By deepening cooperation with leading logistics companies and enhancing coordination at both ends of the supply chain, we transport Zhaoping's specialty agricultural products—such as tea, honey, wood ear mushrooms, and partridge—to Nanning, Guilin, Guangzhou, Shenzhen, and other locations, further expanding into domestic and overseas markets. This effectively improves the circulation efficiency and market reach of local products.
- Throughout the year, we transported 36 shipments of local specialty tea totaling 25.5 tons for enterprises in our designated assistance area, utilizing logistics services such as 2D18¹⁵ and 48-hour delivery routes covering the Nanning to Beijing corridor.

¹⁵ "2D18" means delivery to the recipient by 6:00 PM the following day. "48H" means that the entire process, from receipt of the shipment from the sender to delivery to the recipient, takes no more than 48 hours.



E-Commerce Assistance

- Leveraging the "Phoenix YouGou" e-commerce platform, we have continued to deepen our e-commerce assistance efforts. As of December 2025, the company had successfully attracted 17 assisted enterprises to join the platform, listed a total of 194 assisted products, published 69 promotional posts, and generated 319 orders, thereby increasing the online visibility and sales conversion of these products.
- We have strengthened collaboration with the assisted enterprises, organizing staff to conduct on-site visits and surveys in designated assistance areas, holding discussions with local enterprises, reviewing issues and shortcomings, and proposing recommendations for improvement.
- Through internal coordination mechanisms within CNAH, we have continuously expanded the platform's influence and promoted the sales of assisted products through both internal and external channels within CNAH.



Case Air China Cargo Supports Rural Revitalization Through Multiple Channels

Air China Cargo visited several representative local enterprises in Sunite Right Banner, including those in the livestock, leather, dairy, textile, and agricultural sectors, to further advance the role of the "Phoenix YouGou" e-commerce platform in empowering local industrial development. The company organized two offline "Charity Assistance" product fairs, precisely matching high-quality local products and cultural resources from its designated assistance areas in Sunite Right Banner, Inner Mongolia, and Zhaoping County, Guangxi. These events showcased a collection of carefully refined specialty products from enterprises in both regions, bridging the gap toward rural revitalization and promoting the organic integration of economic and social benefits.



Consumption-Based Poverty Alleviation

- We will continue to advance consumption-based poverty alleviation by incorporating the procurement of poverty-alleviation products into the trade union's routine work. In 2025, in conjunction with the "Warmth Delivery" and "Cooling Relief" campaigns, we will organize the procurement of agricultural products from Zhaoping, Guangxi, and Sunite Right Banner, Inner Mongolia. The total value of the agreements reached over 6.43 million yuan, including 3.1942 million yuan for Zhaoping and 3.2444 million yuan for Sunite Right Banner, effectively boosting the income of local farmers.
- Closely integrating with Party-mass work, we organized three offline charity events to support farmers in designated assistance areas, helping to promote local brands and achieving positive social benefits.



Mission and Responsibility

Air China Cargo actively undertakes the transportation of relief supplies. In response to emergency support missions in multiple countries, the company has consistently acted upon orders and rapidly mobilized its transport resources. In 2025, the company carried out a total of 17 relief charter flights to countries including Cuba, Vanuatu, Myanmar, Afghanistan, Pakistan, and Sri Lanka. In the cross-regional and cross-border transport of emergency supplies, it has consistently played the role of a "national team" and "main force," demonstrating through concrete actions the mission and responsibility of a flag-carrying cargo airline.

Case Delivering "Chinese Warmth" to Disaster-Stricken Areas in Myanmar

In March 2025, Myanmar was struck by severe natural disasters. Air China Cargo swiftly activated its emergency transport response mechanism, immediately establishing a dedicated support team to meticulously coordinate all operational aspects. The company detected seven chartered flights loaded with tents, blankets, first-aid kits, bottled water, and other relief supplies to the disaster-stricken areas in Myanmar via seven chartered flights, delivering "Chinese warmth." This demonstrated the sense of responsibility of state-owned central enterprises and the professional capabilities of air cargo emergency transport, and served as a vivid embodiment of Air China Cargo's ongoing commitment to the humanitarian spirit of "unity and mutual support."



Public Welfare and Charity

To systematically advance volunteer service efforts, Air China Cargo has formulated the *Implementation Plan for Further Strengthening Volunteer Service Work*. Focusing on six key areas—organizational leadership, project branding, team building, service effectiveness, cultural atmosphere, and support mechanisms—the company is committed to establishing a scientific, standardized, and effective long-term volunteer service mechanism.

In 2025, Air China Cargo actively promoted internal and external volunteer assistance plans, intensified publicity efforts for volunteer services, and highlighted inspiring stories such as volunteer teaching initiatives. The company encouraged young employees to deeply engage in volunteer activities, fostering a positive atmosphere where all staff actively contribute to rural revitalization. At the same time, the company continuously strengthened the management of volunteer activities, providing thorough training, guidance, and support to volunteers, thereby comprehensively enhancing the professionalism and participation levels of volunteer service work.



Air China Cargo dispatched one young employee to Sunite Right Banner in Inner Mongolia for a short-term teaching assignment, one to Batang Middle School for volunteer teaching.





Air China Cargo organized a total of 34 people to participate in volunteer services at the Capital Airport's T3 terminal. 15 people participated in the volunteer services at Guangzhou Baiyun Airport's terminal, and 3 people participated in the volunteer services at Chengdu Shuangliu Airport's T2 terminal service.



The Cargo Terminal Division of Air China Cargo assisted CNAH in organizing the "Swift Wings" summer camp visit, hosting a unique aviation-themed educational activity for more than 50 high school students from Hebei Province.



Air China Cargo's East China Regional Volunteer Team actively responded to the Lin Kong Park's themed campaign, "Volunteer Sparks Illuminate Lin Kong, Building a New Chapter of Civilization Together," and joined forces with several enterprises and public institutions to carry out five volunteer initiatives, including traffic guidance, shared bicycle management, and roadside litter cleanup.



In 2025



Volunteer services carried out throughout the year

14 sessions

Volunteers involved throughout the year

105 persons

Volunteer hours

305 hours



Appendix

Appendix I Key Performance Indicators

Greenhouse gas	Total greenhouse gas emissions (Scope 1 and Scope 2)	ton of carbon dioxide equivalent	2,293,215.84
	- Greenhouse gas emissions (Scope 1)	ton of carbon dioxide equivalent	2,278,865.55
	- Greenhouse gas emissions (Scope 2 location-based)	ton of carbon dioxide equivalent	14,350.29
	Greenhouse gas emissions intensity (Scope 1, Scope 2)	ton of carbon dioxide equivalent per million in revenue	100.24
	- Greenhouse gas emissions intensity (Scope 1)	ton of carbon dioxide equivalent per million in revenue	99.61
	- Greenhouse gas emissions intensity (Scope 2)	ton of carbon dioxide equivalent per million in revenue	0.63
	- Greenhouse gas emissions directly reduced through the redesign of production processes	ton of carbon dioxide equivalent	13,675.69
	Volume of carbon emissions trading	ton	8,000
Emissions ¹⁵	NO _x emissions	ton	70,204.03
	SO _x emissions	ton	33.57
	Particulate matter emissions	ton	6,940.61
Resource usage	Total energy consumption	ton of standard coal	1,068,002.87
	Energy consumption intensity	ton of standard coal per million in revenue	46.68
	Gas consumption	10,000 standard cubic meters	71.02
	Purchased thermal energy - steam	million KJ	7,350.03
	Purchased thermal energy – heating	million KJ	11,794.74
	Gasoline consumption	ton	317.32
	Diesel consumption	ton	1,452.02
	Aviation kerosene	ton	721,240.13
	Electricity consumption	kWh	21,074,629.92
	Electricity intensity	kWh per million in revenue	916.34
	Purchased electricity	kWh	21,074,629.92

¹⁵ The Company's 2025 emissions reporting scope covers nitrogen oxides (NO_x), sulfur oxides (SO_x), and particulate matter (PM) directly generated by the operation of its owned vehicles during ground operations.

Water resource management	Total water withdrawal	ton	294,072.77
	Freshwater withdrawal	ton	249,517.77
	Density of fresh water	ton per million in revenue	10.91
	Other types of water withdrawal	ton	44,555.00
Waste	Total volume of non-hazardous waste	ton	3,687.98
	- Household waste	ton	3,379.30
	- Food waste	ton	307.79
	- Volume of discarded cardboard boxes	ton	0.89
	Density of non-hazardous waste	ton per million revenue	0.16
	Recycled volume of non-hazardous waster	ton	0.24
	Disposal volume of non-hazardous waste	ton	2,629.65
	- Incineration (without energy recovery)	ton	2,383.00
	- Incineration (with energy recovery)	ton	0
	- Landfill	ton	0
	- Sold	ton	0.65
	- Comprehensive Utilization (Ash/Slag/Gypsum/Activated Carbon)	ton	246.00
	Total volume of hazardous waste	ton	7.96
	- Used toner cartridges / Used ink cartridges	ton	0.62
	- Medical waster	ton	0.07
	- Other categories (please specify the categories and the total volume of hazardous waste for each category)	ton	7.27
	Density of hazardous waste	ton per million in revenue	0.0003
Packaging material	Total volume of hazardous waste disposed of	ton	6.23
	- Incineration (with energy recovery)	ton	6.23
	Packaging material consumption	ton	296.04
	- Plastics consumption	ton	11.04
	Packaging material consumption intensity	ton per million in revenue	0.01
	Recycled volume of packaging material	ton	6.08



Others	Investment in environmental protection		ten thousand Yuan	3,665.51
	Investment in reducing greenhouse gas emission		ten thousand Yuan	0.22
	Number of environmental incidents or administrative penalties related to the environment		time	0
Employees	Total number of employees		person	5,779
	Types	Full-time	person	5,779
		Part-time	person	0
	By levels	Senior management	person	9
		Mid-level management	person	194
		General management	person	586
		Regular employees	person	4,990
	By gender	Male employees	person	3,919
		Female employees	person	1,860
	Percentage of female employees		%	32.19
	By education	Vocational high school or lower	person	629
		Associate's degree	person	1,076
		Bachelor's degree	person	3,727
		Master's degree or above	person	347
	By age	30 or below	person	979
		Between 31 and 50	person	3,949
		51 or above	person	851
	By region	Mainland china	person	5,716
		HK/Macao/TW	person	31
		Overseas	person	32
	Number of employees by professional category	Management	person	413
		Technical staff	person	1,254
		Sales and service staff	person	636
		Pilots	person	567
		Operational staff	person	2,909
	By ethnicity	Han	person	5,651
		Ethnic minorities	person	128

Employees	Labor contract signing rate		%	100
	Total number of disabled employees hired		person	5
	Total number of veterans hired		person	173
	Job created (Number of new hires)		person	144
	Number of new hires	Male	person	74
		Female	person	70
	Average length of service of employees at the company	Male	year	12
		Female	year	12
Employee turnover	Employee turnover/number of resignations		person	66
	Turnover rate		%	1.14
	By gender	Male	%	1.12
		Female	%	1.18
	By age	30 or below	%	3.68
		Between 31 and 50	%	0.61
		51 and above	%	0.71
	By region	Mainland	%	1.15
		HK/Macao/TW	%	0
		Overseas	%	0
Occupational health and safety	Strike/stoppage		case	0
	New employees with occupational diseases		person	0
	Employee		%	100
	Number of work-related deaths		person	1
	Number of workdays lost due to a work-related injury		day	1,183.5
	Workdays lost due to workplace injuries per million in revenue		day per million in revenue	0.05
	Work injury insurance contribution amount		ten thousand Yuan	949.6
	Work injury insurance coverage rate		%	100
	Number of workplace accidents involving employees		case	0
	Incident rate among employees in the workplace		%	0



Occupational health and safety	Total occupational health and safety training hours		hour	7,020
	Employee training coverage		%	95.45
Employee training and development	Number of employee training sessions		time	1,001
	Total number of people trained		person	34,304
	Total employee training hours		hour	286,371
	Training hours per person		hour	49.55
	Annual training expenses		ten thousand Yuan	701.70
Labor rights	Employee training investment per million in revenue		ten thousand Yuan per million in revenue	0.03
	Number of labor disputes		case	17
	Percentage of employees covered by the collective bargaining agreement		%	100
	Employee Satisfaction Survey	Total number of full-time employees who participated in the employee satisfaction survey	person	5,374
Safe transportation	Employee satisfaction		case	88.58
	Safe flight		ten thousand hours	10.02
	Safe departure and landing		number of flights	10,996
	Total volume of cargo and mail screened		ten thousand piece	3,777.43
	Seizure of dangerous goods and prohibited items transported in violation of regulations		case/item	338/338
Product quality and service	Air China Cargo Freighter Operation Incident Rate per 10,000 Hours		-	0
	Major safety and quality incidents related to products and services		case/item	0
	Complaints received about product and service		case	34
	Complaints processing rate		%	100
Information security and data protection	Clients satisfaction		%	95.97
	Number of information safety training sessions		time	4
	Number of employees participated in the information safety training		number of people	5,000
	Percentage of employees covered by information security training		%	90
	Frequency of internal information security audits		time per year	1
	Frequency of third-party information security audits		time per year	4
	Number of incidents involving breaches of customer privacy and information security		number	0
	Monetary value involved in incidents of customer privacy and information security breaches		Yuan	0
	Percentage of facilities or systems certified under ISO 27001, NIST, or similar information security management standards		%	100

Research & Development	R&D investment (innovation-related)		ten thousand Yuan	2,437.32
	Percentage of R&D vs. operating income		%	0.11
	R&D	Total employees	person	133
		Percentage	%	2.30
Supply chain management	Number of invention patents applied to core business operations		number	0
	Total number of suppliers		number	506
	Based on region	Mainland china	number	453
		HK/Macau/TW	number	1
		Overseas	number	52
Business ethics and anti-corruption	Number of suppliers assessed against environmental and social standards		number	453
	Signing rate of the "Integrity Agreement" among suppliers		number	100
	Percentage of employees who have participated in anti-corruption training		number	100
	Number of embezzlement cases that have been concluded		case	0
Welfare and charity	Amount involved in cases resulting from the company's unfair competition practices		ten thousand Yuan	0
	Total investment in rural revitalization		ten shousand Yuan	643
	Total number of participants in volunteer activities		number of people	105
Economic performance	Total hours spent on volunteer activities		hour	305
	Operating revenue		100 million Yuan	228.78
Directors, Supervisors, and Senior Executives	Percentage of female directors		%	6.67
	Number of meetings of the Safety and Strategy Committee		time	2
	Number of meetings of the Audit and Risk Management Committee		time	8
	Number of meetings of the Nominating Committee		time	4
	Number of meetings of the Compensation and Evaluation Committee		time	5
	Percentage of independent directors on the Safety and Strategy Committee		%	40
	Percentage of independent directors on the Audit and Risk Management Committee		%	66.67
	Percentage of independent directors on the Nominating Committee		%	66.67
	Percentage of independent directors on the Compensation and Evaluation Committee		%	66.67



Appendix II Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation) Index

Environment	1	Climate Change Response	Articles 21 to 28	Climate Change Response
	2	Pollutant Emissions	Article 30	Reducing Pollutant Emissions
	3	Waste Treatment	Article 31	Reducing Pollutant Emissions
	4	Ecosystem and Biodiversity Protection	Article 32	Protecting Natural Ecology
	5	Environmental Compliance Management	Article 33	Strengthening Environmental Management
	6	Energy Utilization	Article 35	Enhancing Resource Efficiency
	7	Water Resource Utilization	Article 36	Enhancing Resource Efficiency
	8	Circular Economy	Article 37	Enhancing Resource Efficiency
Society	9	Rural Revitalization	Article 39	Building Harmonious Communities
	10	Social Contribution	Article 40	Building Harmonious Communities
	11	Innovation-Driven Development	Article 42	Strengthening Technological Innovation
	12	Technology Ethics	Article 43	Not Applicable
	13	Supply Chain Security	Article 45	Achieving Win-Win with Partners
	14	Equal Treatment of Small and Medium-Sized Enterprises	Article 46	Achieving Win-Win with Partners
	15	Product and Service Safety and Quality	Article 47	Safeguarding Aviation Safety Enhancing Service Experience
	16	Data Security and Customer Privacy Protection	Article 48	Ensuring Information Security
	17	Employees	Article 50	Safeguarding Aviation Safety Protecting Employee Rights and Interests Supporting Employee Growth Caring for Employee Health
Sustainability-Related Governance	18	Due Diligence	Article 52	Strengthening Risk Management
	19	Stakeholder Communication	Article 53	Stakeholder Communication
	20	Anti-Bribery and Anti-Corruption	Article 55	Upholding Business Ethics
	21	Anti-Unfair Competition	Article 56	Upholding Business Ethics

Appendix III Abbreviations

S/N	Abbreviations	Full Name
1	Air China Cargo, the Company, we	Air China Cargo Co., Ltd.
2	CNAH	China National Aviation Holding Corporation Limited
3	Air China	Air China Co., Ltd.
4	Cathay Pacific Cargo	CATHAY PACIFIC CHINA CARGO HOLDINGS LIMITED
5	Cainiao Network	Cainiao Network Technology Co., Ltd.
6	Shenzhen International	Shenzhen International Holdings Limited
7	Civil Aviation Express	Civil Aviation Express Co., Ltd.
8	Beijing Guofeng	Beijing Guofeng Aviation Tourism Service Co., Ltd.
9	Ministry of Foreign Affairs	Ministry of Foreign Affairs of the People's Republic of China
10	Ministry of Science and Technology	Ministry of Science and Technology of the People's Republic of China
11	SASAC	State-owned Assets Supervision and Administration Commission of the State Council
12	Civil Aviation Administration of China	Civil Aviation Administration of China
13	Shenzhen Stock Exchange	Shenzhen Stock Exchange

Appendix IV Independent Assurance Statement



Bureau Veritas Certification

INDEPENDENT ASSURANCE STATEMENT

Objectives of Work

Bureau Veritas Certification (Beijing) Co., LTD ("BUREAU VERITAS") has been engaged by Air China Cargo Co., Ltd to conduct an independent Assurance of its 2025 Sustainability Report (the "Report"). This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the report are the sole responsibility of the management of Air China Cargo Co., Ltd. Our sole responsibility was to provide independent assurance on the accuracy and reliability of information included, and on the underlying systems and processes used to collect, analyse and review it.

Scope of work

Air China Cargo Co., Ltd requested Bureau Veritas to verify the accuracy and reliability of the following:

- Data and information included in the Report for the 2025.1.1-2025.12.31.

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;
- Positional statements (expressions of opinion, belief, aim or future intention by Air China Cargo Co., Ltd) and statements of future commitment;
- Financial data and information that has been audited by a third party.

Level of assurance: reasonable assurance level

Assurance standard

- International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)"), developed by the International Auditing and Assurance Standards Board
- GRI Sustainability Reporting Standards, published by the Global Reporting Initiative

Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

- Interviews with relevant personnel of Air China Cargo Co., Ltd;
- Review of documentary evidence produced by Air China Cargo Co., Ltd;
- Evaluation of information against Global Reporting Initiative (GRI) principles of Materiality, Accuracy, Completeness, Balance, Clarity and Comparability;
- Audit of performance data, tracing and checking the sample data according to the sampling principle;
- Review of Air China Cargo Co., Ltd data and information systems for collection, aggregation and analysis;



Bureau Veritas Certification

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Non-financial Reports, based on current best practice in independent assurance. The work was planned, carried out and concluded based on reasonable, rather than absolute assurance, as determined by Bureau Veritas.

Assurance Conclusion

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement;
- The information is presented in a clear, understandable and accessible manner;
- The information of the Report provides a fair and balanced representation of related ESG management activities during the period from 2025.1.1-2025.12.31;
- Air China Cargo Co., Ltd has established appropriate systems for the collection, aggregation and analysis of relevant information. The performance data for 2025 has been disclosed with Comparability.

Accuracy

The information and data disclosed in the report are objective and reliable. Air China Cargo Co., Ltd has established appropriate systems for the collection and disposal of quantitative data on organizational governance, environment and social management. Through on-site assurance, the evidence provided by Air China Cargo Co., Ltd is relatively reliable and the report is of objectivity.

Materiality

Air China Cargo Co., Ltd identified and disclosed material ESG issues and related information in accordance with the GRI Sustainability Reporting Standard.

Completeness

The report of Air China Cargo Co., Ltd focuses on the aspects of "Sustainability governance", "Environmental responsibility", "Social responsibility". The report discloses data and information related to product responsibility, social responsibility, environmental responsibility, and employee responsibility, which are of concern to the stakeholders of Air China Cargo Co., Ltd. The disclosed is of relative Completeness.

Based on the work conducted, we recommend Air China Cargo Co., Ltd to consider the following:

It is recommended that the company employ intuitive formats such as charts, statistical tables, and goal progress tracking to systematically compare the ESG performance data with that of previous years, thereby further enhancing data comparability.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Environmental and Occupational Health and Safety, Social Responsibility with more than 190 years history in providing independent assurance services. Members of the assurance team have no interests or conflicts of relationship with Air China Cargo Co., Ltd. We have conducted this Assurance independently and impartially. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities.

