



**CORPORATE  
SOCIAL  
RESPONSIBILITY  
REPORT  
2017**





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# About the Report

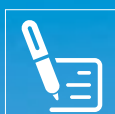
This report reflects Beijing Capital International Airport Co., Ltd. (BCIA)'s practice and performance in fulfilling its social responsibility in 2017. We hope to present, via this report, BCIA's ideas and practices in terms of corporate social responsibility, and in the meanwhile, communicate with stakeholders in an honest and transparent way to promote sustainable development of BCIA.

## Reporting Period



The reporting period spans the calendar year from January 1, 2017 to December 31, 2017, and also includes contents and data that predates the stated reporting period.

## Report Compilation Principles



This report has been prepared in accordance with the requirements of Hong Kong Stock Exchange's Environmental, Social and Governance Reporting Guidance (HK-ESG), the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (G4), UN Sustainable Development Goals, GB/T 36001 Guidance on Social Responsibility Reporting, and ISO26000 Guidance on Social Responsibility issued by International Organization for Standardization.

## Scope of Report



The main body of the report is Beijing Capital International Airport Co., Ltd., including all the management and supporting departments of the company.

## Reporting Release Cycle



This is an annual report, and is the 7th consecutive CSR report published by BCIA.

## Data Sources



The financial data of this report was extracted from the audited BCIA Annual Report. Other data comes from formal internal documents and statistics of BCIA.

## Reference



For the convenience of indication and reading, the "Beijing Capital International Airport Co., Ltd." in this report is also referred to as "We", "the Company" or "the Capital Airport". "Capital Airports Group" in the report refers to Capital Airports Holding Company and all companies under its full control or whose shares are held by it.

## Access to this Report



You can download the electronic version of the report from our website:  
<http://www.bcia.com.cn/investor/csr.shtml>

If you need the paper version or have any suggestions, please contact us.

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## Message from the Chairman

In 2017, the 19th National Congress of the Communist Party of China was held successfully, initiating a new era for national development, rejuvenation and the wellbeing of people. On February 23, 2017, President Xi Jinping inspected Beijing New Airport and made significant remarks. Since the foundation of new China, it is the first time that the top leader of the party and the state inspected an airport under construction, and also is a grand and joyful event to be listed in China's civil aviation history forever. During President Xi's visit, he emphasized that Beijing New Airport, as a new power source for national development, should be built into a "quality project, sample project, safety project and integrity project". President Xi specifically proposed three concerns, i.e. how to manage and operate Beijing New Airport, how to coordinate the two airports in Beijing, and how to develop airports in the Beijing-Tianjin-Hebei Region into a world-class airport cluster.

Throughout the year, we upheld our mission and fulfilled our social responsibilities. We have made unremitting efforts in consolidating foundation for safety and service, ensuring flight on-time performance, building hub airport and promoting science and technological innovations, and gained positive results and built up a responsible corporate image. In 2017, BCIA served 95.79 million passengers, providing them with safe and smooth, convenient and highly efficient, considerate and pleasant travel experience; we handled 2.03 million tons of cargo and airmail and 597,000 aircraft movements; our net profit was 46% higher year on year, making a new record; and the international passenger throughput and percentage were continuously increased, reaching the highest level during the most recent decade. BCIA was scored 4.98 in ACI's (Airports Council International) Airport Service Quality (ASQ) survey in 2017 and has won the ACI's Best Airport Awards 10 years in a row.

At present, BCIA is facing vast and unprecedented opportunities for development. These include a new historic juncture in China's development, new responsibilities brought by the new era, new requirements for building the country into a civil aviation powerhouse, new opportunities brought by the coordinated development of civil aviation in the Beijing-Tianjin-Hebei Region, and new driving power created by the deepening of corporate reform. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and based on the "1-2-3-3-4" overall work guideline of CAAC, Capital Airports Holding Company (CAH) formed the work thought of "4-3-4-1" for the new era, namely, providing "four services", i.e., serving national strategies, serving local development, serving passengers, and serving airlines; implementing "three strategies", i.e., new airport strategy, dual-hub strategy, airport cluster strategy; building "four airports", i.e., safe airport, green airport, smart airport, and human-oriented airport; and striving for "world-class level", i.e. building a world-class airport group with innovation capability and international competitiveness.

### First, providing "four services"

To serve national strategies, we need to serve the integrated development of the Beijing-Tianjin-Hebei Region and the mission to build a transportation and civil aviation powerhouse, and to implement President Xi Jinping's important instruction that Beijing New Airport shall be a new source of driving power for national development. To serve local development, we need to construct and operate member airports well, fully realize the airports' integrated functions as public infrastructure, and meet the needs of local economic and social development. To serve passengers, we need to practice the idea of development for people, uphold the bottom line of sincere service, take people as foremost, and provide passengers with safe, convenient and comfortable public service. To serve airlines, we need to transform our mindset, upgrade management into service, and provide better service to airlines and all the resident organizations, so as to better satisfy passengers' needs.

### Second, implementing "three strategies"

We need to further coordinate the dual task of the new airport's construction and operation preparation. In particular, we need to complete the main construction project of the new airport, form the top design of management, push forward the establishment of the new airport's management company, and guarantee the implementation of the aforementioned preparation work. We need to further speed up the implementation of "dual-hub strategy". Our priorities include completing the research on the overall strategic planning of dual hub; streamlining the non-international hub function of BCIA, pushing airlines to adjust domestic slots to international ones, and rationally streamlining regional flights; planning Beijing New Airport's hub development, accelerating the design to optimize international traffic rights' use, air routes, and slots, and ensuring the orderly transfer of flights during the transition period. We need to further coordinate the mutual development of airport cluster and various industries. Moreover, we need to improve the implementation plan for coordinated development of the Beijing-Tianjin-Hebei airport cluster, establish work mechanism for coordinated operation, and build joint marketing platform to promote aviation market; all member airports need to supplement their operational resources, push forward the construction of comprehensive transportation hubs, and form a development trend characterized by interdisciplinary cooperation, cohesion between upstream and downstream services, and efficient and convenient operation; and all professional companies need to transform their operational concepts, promote the integration of various business types, and steadily elevate operation efficiency and profitability.

## “Upholding Our Mission and Striving to Set Four Airport Benchmarks”

General Manager of Capital Airport Holding Company  
Chairman of Beijing Capital International Airport Co., Ltd

Liu Xuesong

### Third, striving to set four airport benchmarks

In order to build a safe airport, we adhere to the principle of "safety first". We need to deepen the long-term mechanism of "no tolerance of hidden safety hazards", consolidate the achievements of building "three foundations", formulate the guideline on the building of safe airport, improve flight punctuality rate and successfully accomplish all major transportation support tasks. In order to build a green airport, we stick to the idea of sustainable development. We need to improve the guideline on the building of green airport, formulate green airport indicator system-subdivide the green concept and implement it in the whole chain of airport construction, operation and management. In order to build a smart airport, we take the initiative to apply information technology, formulate the guideline on the building of smart airport and explore the construction of "a digitized group". In order to build a human-oriented airport, we stress the passengers' needs and sentiments. We need to formulate the guideline on the building of a human-oriented airport, deepen the long-term mechanism of "sincere service", and establish new standards of "sincere service", continuously making improvement in facets such as space, environment, culture and service so as to better meet people's ever-growing needs for pleasant travel.

### Fourth, building a world-class airport group

A world-class airport group should feature world-class safety management, world-class service quality, world-class social effects, and world-class operational benefits. It is the key to promote the cause of building China into a civil aviation powerhouse. Building "four airports" are the core targets of world-class airport group. Innovation capability and international competitiveness are basic requirements of world-class airport groups. In next phase, we will deepen reform in all respects to gain driving power, conduct benchmarking research on "world-class airport groups", implement relevant indicators and normalize management, and find the gap so as to benchmark and transcend world-class airport groups through innovation.

Standing at a new historic starting point, Beijing Capital International Airport will keep its missions in mind, strengthen the "Four consciousness" and strive to set benchmarks for the "four airports". In a new era, Capital Airports Group will initiate a new journey towards a world-class airport group with innovation capability and international competitiveness, endeavor to be a bellwether to promote high quality development of civil aviation, and make greater contributions to building China into a civil aviation powerhouse and realizing the Chinese Dream of national rejuvenation.

# Figures in 2017.

2017 is a fruitful year for BCIA. In 2017, BCIA adapted itself to the new era and seized new opportunities to build the “four benchmarks”– safe airport, green airport, smart airport and human-oriented airport, striving to become a world-class large-scale international hub. Throughout the year, BCIA handled 597,000 aircraft movements and 2.03 million tons of cargo and airmail, and served 95.79 million passengers, among which international passengers accounted for 22.7%.



## Safe airport

441

Successfully accomplished major transportation tasks and ensured 441 flights during the Belt and Road Forum for International Cooperation

376

376 flights to guarantee aviation transportation for the 19th CPC National Congress



11

Demarcated the safety responsibility with 11 professional companies

1690

Confirmed 1,690 safety responsibility interfaces



0

Zero aviation safety incidents caused by human factor throughout the year



Level 2

The first airport in Mainland China certified at Level 2 of ACA



0.33<sub>kg</sub>

Reduced carbon emissions per passenger



14593.01<sub>Tons</sub>

Reduced comprehensive energy consumptions



## Green airport



Held the innovation design competition

24

Collected 24 innovation designs of smart airports

44

BCIA accomplished 44 science and technology results accumulatively



## Smart airport

2 | 1

Obtained 2 patents and 1 software copyright

1

Won the third prize of the civil aviation science and technology awards issued by China Air Transport Association (CATA)



## Human-oriented airport



4.98

ACI passenger satisfaction degree reached 4.98 (The full mark is 5)



1.1%

The complaint rate per million passengers declined by 1.1% year on year



4479.5<sub>Hours</sub>

BCIA conducted community service for a total



# Prosperity In A New Era

*In 2017, BCIA took the initiative to adapt to the new normal of economic development, seized historic opportunities, and promoted work on safety, operation, service and environmental protection in an all-around way, gaining satisfactory results.*

## On February 17



BCIA passed through national civil aviation security audit organized by CAAC North China Regional Administration and won National Civil Aviation Security Audit Certificate.

## On March 25



The new operation control center was officially opened, providing important support for improving operation capability, efficiency and service.

## Between April 2 and April 26



BCIA conducted the third-phase overhaul of the middle runway and successfully completed the 25-day project three days ahead of schedule.

## From May 11 to May 17



BCIA ensured 441 flights for the Belt and Road Forum for International Cooperation.

## On September 6-7



BCIA held the 6th Beijing Global Friend Airports CEO Forum themed on "Build Consensus, Innovate Development", further enhancing its international influence.

## On May 22



BCIA, Air China Limited (Air China) and Frankfurt Airport Services World Wide (Frankfurt Airport) jointly launched the Air China Beijing-Frankfurt Easy Way.

## From December 4 to December 6



On the 3rd UN Environment Assembly, BCIA and the United Nations Environment Programme (UNEP) jointly released *Green Airport: Runway to Sustainable Development. Assessment Report on Beijing Capital International Airport*.

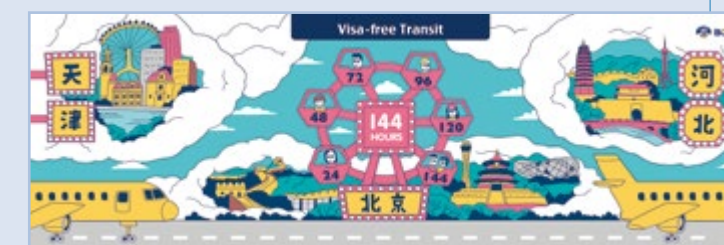
## On December 25



Beijing Airport Cluster Smart Operation Lab was certified as one of the first key civil aviation labs by CAAC and renamed as Key Lab of Civil Aviation Airport Cluster Smart Operation.

## On December 28

BCIA began to implement 144-hour visa-free transit in Beijing, Tianjin, and Hebei.





# Topic

## The guideline of the 19th CPC National Congress leads national gateway's development towards a new stage

*Thought guides direction. With a high sense of political responsibility, BCIA publicizes and implements the guideline of the 19th CPC National Congress and safeguards the authority of CPC Central Committee with Comrade Xi Jinping and its centralized and unified leadership. We consciously use President Xi's Thought on Socialism with Chinese Characteristics for a New Era to arm BCIA, guide our practice and push forward our work, sparing no effort to build a world-class large-scale international hub airport.*

### Learning and implementing the belief in the Communist Party of China (CPC)

BCIA organizes Party members, cadres and employees to learn the essence and connotations of the guideline of the 19th CPC National Congress, makes efforts in fully understanding and implementing the guideline of the 19th CPC National Congress, and holds trainings with full coverage, different forms and tiers to publicize the guideline of the 19th CPC National Congress in grassroots work groups and sites; BCIA strengthens the construction of publicity bases, gives play to the platform role of multimedia platforms covering company bulletins, journals, website and WeChat account. Through multi-tier news collecting and editing of "central kitchen", BCIA endeavors to publicize the guideline of the 19th CPC National Congress in all dimensions.

### Tapping potentials to consolidate organizational foundation

BCIA continuously enhance the "four consciousness" and consolidate organizational foundation. Taking into account the actual situation of BCIA, we formulated the overall work thought of "1-3-3-4". In 2017, we held a series of activities for Party members and cadres with the theme of "celebrating the 19th CPC National Congress" to improve their Party spirit.

Sent two groups of approximately 80 backbone employee to support the operational preparation work of the new airport.

Held the 2nd Party representative meeting at BCIA and enhanced the "sense of identity" of Party members.

Organized activities such as "100 Question Quiz for the 19th CPC National Congress" and "Party Work Knowledge Competition", to transform theoretical learning results into the source of ideas to promote corporate reform and development.

Renovated several functional rooms such as Party committee conference room and Party member activity room, to provide bases for Party activities.



Training on ideals and belief in Jinggangshan

### Deepening reform and sticking to institution building of the Party

BCIA gives full play to the "effect" of institutional building. We optimize the comprehensive assessment method for Party organization work and integrate the Party building control index into BCIA's KPI appraisal for the first time; we stick to both institutional building and audit and have revised Regulations on BCIA Party Committee Work and Corruption Risks Prevention and Control Manual, etc.; we have consolidated and implemented the Party Central Committee's eight-point decision on improving Party and government conduct, invited secretary of Discipline Committee to give lectures on anti-corruption and clean governance, and compiled the Collection of Discipline Inspection Work Systems to create a favorable political ecology.

### Paying close attention to employees and showing the strength of Labor Union

BCIA pays attention to employees, integrates employees' strength and regards employees' aspirations for a better life as the focus of our efforts. We continuously take "five considerate actions" to serve employees wholeheartedly. Giving full play to the role of Labor Union as a "big family", we strive to create an environment where new comers have dreams, retirees have honors, joys and sorrows are shared, and employees are happy and healthy, in order to enhance employees' senses of happiness and belonging.

### Establishing "Youth Party School"

Adhering by the principle of "the Party supervising the youth", BCIA built a youth cultivation system in which employees "begin the journey at BCIA with agreed expectations, guided by supervisors, grow at grassroots and build up one's soul in Party School". In August 2017, BCIA and Central School of Communist Youth League of China (CCYL) signed the strategic cooperation framework agreement to set up the research and practice base for ideological and political education, and established BCIA Party School. We aim to enhance youth cultivation in a new era and let young employees become the new force towards the new journey of BCIA.

### Remaining true to our original aspiration and bringing new advances for Party building

According to the report to the 19th CPC National Congress, China will build strength in transportation. Civil aviation is an indispensable part of building China into a transportation powerhouse. Beijing Capital International Airport Co., Ltd. stays true to its founding mission to uphold and strengthen the overall Party leadership and proactively implements the new mission assigned by civil aviation of China in a new era. BCIA fulfills the political responsibility as "China's No.1 Gateway", explores the new stage of Party building in SOEs, and writes a new chapter of building a world-class large-scale international hub airport.



# 01

## Building an International Hub Connecting the World

As an important window of China for external communication and exchanges, BCIA follows the global trend to pursue peace, development, cooperation and mutual benefits, gives full play to the advantages in resources, market and institutions, and continuously carries forward hub airport development. We join hands with partners to practice high quality development, build an international hub and steadily enhance our economic strength.





¥ 9.57

Operation revenue(billion)

9.7%

Year-on-year increase  
of operation revenue

2.6

Net profits(billion)

46%

Year-on-year increase  
of net profits

5.1

Aviation revenue(billion)

5.5%

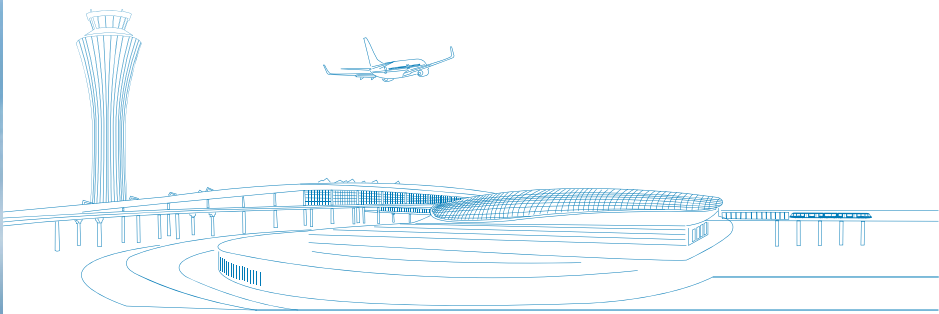
Year-on-year increase  
of aviation revenue

4.47

Non-aviation revenue(billion)

14.9%

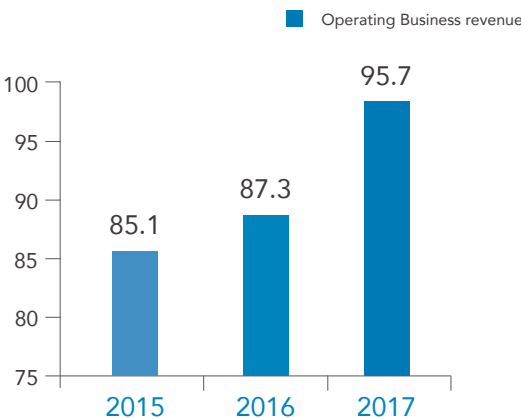
Year-on-year increase  
of non-aviation revenue



### Driving Economic Development

BCIA continuously deepens corporate reform and innovates in business operation modes to create values for shareholders and increase its market competitiveness in an all-around way. In 2017, while ensuring sound operation, we kept on improving operation quality and achieved impressive results. We realized operation revenue of RMB 9.57 billion, a year-on-year increase of 9.7%; net profits reached RMB 2.6 billion, a year-on-year increase of 46%. Embracing the airport charge reform of CAAC, we realized aviation revenue of RMB 5.1 billion, a year-on-year increase of 5.5%. The non-aviation revenue reached RMB 4.47 billion, a year-on-year increase of 14.9%, making up 46.7% of the total revenue.

BCIA's economic performance from 2015 to 2017



### Building an International Hub

BCIA has actively implemented the Regulation on the Administration of Civil Airports and Several Opinions of the State Council on Promoting Civil Aviation Development to promote integrated civil aviation development in Beijing-Tianjin-Hebei Region. We increasingly improve our route network, optimize customs procedures, and achieve practical effects in hub development, continuously improving BCIA's international influence.

### Deepening strategic research

In order to deepen and implement the "three strategies" and better build a world-class airport cluster in Beijing-Tianjin-Hebei Region, we take the initiative to complete projects including the Research on Hub Development and Driving Model of Beijing Capital International Airport, the international traffic rights resource allocation scheme for the prospective two-airport system, and international hub benchmarking. Moreover, we have formulated the plan to ensure BCIA's core transportation function and further specify our development path in future.

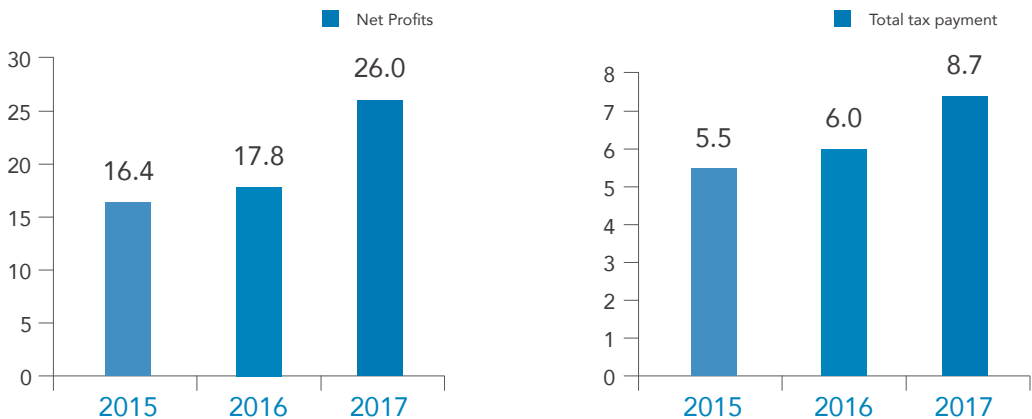
#### Research on Hub Development and Driving Model of Beijing Capital International Airport

Under the background of the integrated development of Beijing, Tianjin and Hebei and the strategic synergy of the prospective "two-airport system", in order to make full use of BCIA's strategic advantages and improve its international competitiveness, the research clarifies the vision, positioning, development goals and corresponding strategic measures of BCIA's hub strategy.

#### Research on the Planning to Ensure Core Functions of Beijing Capital International Airport

Further sorts out BCIA's resource short boards, fully taps its resource potential, and formulate a series of large-scale renovation plans, laying all-dimensional, systematic guidance on BCIA's mid- and long-term construction and operation.

Unit: RMB 100 million





## Improving route network

In order to improve international competitiveness, BCIA actively innovates its route products. We launched the Beijing-Frankfurt Easy Way, added new direct service and increased frequency on ten international destinations such as Los Angeles and Brisbane. We also released Incentive Scheme for Passenger Airlines Launching New Scheduled International Routes and Flights and encouraged carriers to adjust their business structure. By the end of 2017, there were 104 airlines operating commercial flights at BCIA, 35 of which were domestic airlines (including airlines from Hong Kong, Macao and Taiwan) and 69 of which were foreign airlines. Our route network connects 36 countries along the Belt and Road and the international flights make up 20.8% of the total flights, a year on year increase of 1.3%.

 **104**

Airlines operating commercial flights at BCIA

 **35**

Domestic airlines

 **69**

Foreign airlines



**36**

Along the Belt and Road, route network connects (countries)

**20.8%**

The international flights make up

**1.3%**

Year on year increase of international flights



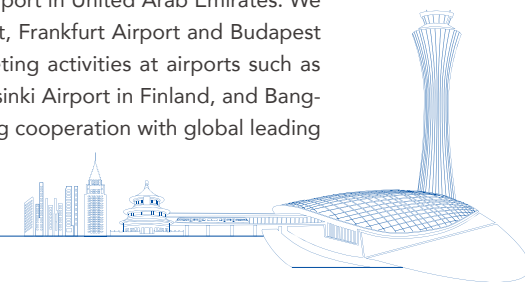
### Beijing-Frankfurt Easy Way officially launched

On May 22, BCIA, Air China and Frankfurt Airport jointly launched the Beijing-Frankfurt Easy Way product. As the first air express connecting China and Europe, the easy way pools advantageous resources from the three parties and provides customized travel experience for passengers through dedicated operation and service areas, so as to increase the convenience and attraction of connecting flights at BCIA and Frankfurt airport, and further enhances their brand influence and international competitiveness.



## Enhancing international influence

As a leading enterprise in civil aviation industry of China, we actively build exchange and cooperation platforms, deepen international and regional cooperation, and promote communication, exchange, cooperation and development in the industry. In 2017, BCIA established sister airport relationship with Edinburgh Airport in United Kingdom, Manas International Airport in Kyrgyzstan, and Abu Dhabi International Airport in United Arab Emirates. We hosted Photo Exhibitions for Chicago Airport, Frankfurt Airport and Budapest Airport, and conducted publicity and marketing activities at airports such as Washington Dulles International Airport, Helsinki Airport in Finland, and Bangkok Suvarnabhumi Airport, actively expanding cooperation with global leading airports to achieve win-win growth.



### The 6th Beijing Global Friend Airports CEO Forum

On September 6 -7, we held the 6th Beijing Global Friend Airports CEO Forum with the theme of "Build Consensus, Innovate Development". On the forum, participants shared their experience in improving global competitiveness of airport groups, increasing operation efficiency of hub airports, and building world-class international hubs. Moreover, they discussed how to promote cooperation and exchange between friendly airports and airport groups. The forum has built a bridge for airports and professional companies to communicate with international peers, contributing to the better development of airports across the world.





## Optimizing customs environment

 **144**  
Implement the visa-free transit policy in Beijing-Tianjin-Hebei Region(hour)

We constantly optimize transfer processes, and realized baggage through check-in service for Air China's flights from Europe and North America via BCIA to all the domestic destinations and Hainan Airlines' flights from 8 Mainland cities via BCIA to Berlin. We implement the 144-hour visa-free transit policy, which helps improve the proportion of our international flights and international transfer passengers and makes better use of the complementary advantages of the airport cluster and railways in Beijing-Tianjin-Hebei Region.



144-hour visa-free transit in Beijing-Tianjin-Hebei Region

## Responsible Supply Chain

**4,039**  
Suppliers in total

**32**  
Overseas suppliers

Suppliers are a key link in the value chain of BCIA. We require suppliers to comply with agreed principles, try to establish close and long-term cooperation with suppliers, and enhance suppliers' sustainability in order to jointly realize sustainable development. We strictly abide by domestic laws and regulations, continuously regulate procurement modes, and improve risk prevention and control in procurement. We have specified regulations on sourcing, access and annual assessment for suppliers and implement "strict access, quantitative assessment, and dynamic management" among suppliers. In 2017, BCIA accessed to 4,039 suppliers, 32 of which were overseas suppliers.

## Important measures of BCIA to enhance supplier management

Launch the "zero complaint" campaign and revise Regulations on Procurement Management to make the current system more rigorous and feasible.

Solicit public opinions on key technical indicators and threshold conditions to ensure that the procurement process is more rigorous and fair.

Launch the "E-procurement" management platform to carry out online comparison and competitive negotiation to effectively prevent and control project risks.



## Voice of Stakeholders

While operating a large-scale airport, BCIA is highly praised for its passenger service program in ACI's passenger satisfaction survey and continues to expand mutually beneficial exchanges with sister airports. Managing a large-scale airport whose passenger throughput is also among the top in the world, we admire BCIA's achievement.

---- Katsuji Doi, President and CEO of Tokyo International Air Terminal Corporation (TIAT)



# 02

## Gathering Strength to Build a Safe Airport

We always put safety first in all operations, deepen the construction of safety management system in all respects, and implement "zero tolerance of hidden safety hazards". Meanwhile, we enhance safety responsibility fulfillment, promote safety culture building and create a safe, orderly operational environment to see that passengers travel safely.





## Safety Management Mechanism

We focus on safety system management, safety responsibility management and hidden risk management, continuously consolidate safety foundation and empirical results, and form a long-term safety management mechanism. Throughout the year, we had zero aviation safety incident occurrence caused by default. We were successfully certified to implement the pilot programme of Safety Management System (SMS) of CAAC and steadily improved safety management capability.

### Revise safety management regulations



- Revise 10 regulations including the *Safety Management Regulation*
- Introduce the *Regulation on the Safety Management of Stakeholders and the Regulation on the Management of Safety Information*

### Improve the network of safety accountability



- Work out an accountability list of 1,690 items to improve the basis of holding those who fail to fulfill the responsibility account
- Map out 40 accountability lists; formulate and implement the overhaul actions
- Finish building the grid management and use it for daily monitoring



### Strengthen the risk and hazards management



- Actively eliminate hidden hazards and regulate the closed-loop risk management
- Identify risks in advance and put them under strict control
- Establish a long-acting zero-tolerance mechanism for safety hazards and revise the *Procedure of Hidden Danger Management*

## Safe Operation Environment

We strictly abide by relevant laws and regulations such as Production Safety Law, eliminate unsafe factors and enhance emergency management & control capability in aspects including operation safety, aviation security, fire safety, emergency drills and support for major events, striving to build a safe and orderly operation environment.

### Operation safety

While guaranteeing safe daily work, we constantly improve margin of safety. We jointly released and implemented Standardized Operation Manual of Aircraft Ground Handling with 18 resident organizations. No aircraft scratch incident occurred throughout the year; we implemented the monitoring and alarming equipment at the runway end and improved our capability to prevent and control runway incursions. We also built the "case-based" malfunction supervision model for the baggage systems and APM system, and continuously carried out special action rectifying APM arcing, reducing arcing malfunction rate by 23% year on year.



### Middle runway overhaul project

On April 26, the 25-day third-phase overhaul of the middle runway that began on April 2 was successfully completed. Through enhancing the organization and management of the construction, optimizing working procedures and improving construction efficiency, we concluded the project three days ahead of schedule. In the construction of this project, digital quality monitoring technology is applied innovating, and the application of new products and new technology is increased. In the material, warm mixing agent and Portland cement are added to the material for the first time, so that the strength of the pavement is greatly improved. The third-phase overhaul of the middle runway has effectively solved the hidden safety hazards resulted from the runway surface diseases and significantly increased BCIA's operation capability. The designed lifespan of the repaired middle runway is 15 years.



# 25

Cost(day)



# 15

The designed lifespan of the repaired middle runway (year)



## Aviation security

We successfully completed the 3-year construction of “safe civil aviation”. Through a series of measures such as institutional building, management innovation, systemic prevention and control, and cultural guidance, we comprehensively consolidated the foundation of aviation security and anti-terrorism work of BCIA. In 2017, by coordinating with Capital Airport Aviation Security Company, we effectively improved security check efficiency. The average queuing time of security check is reduced to three minutes and the longest queuing time is reduced to ten minutes. We also coordinated with Capital Airport Public Security Sub-Bureau to set up a leading group on anti-terrorism work at the airport, establish the anti-terrorism system and release *Regulations on Anti-Terrorism Work*.

## Fire safety

We constantly enhance fire control safety management capability, optimize emergency disposal process, and improve emergency response speed, in order to efficiently handle all possible contingencies. In 2017, BCIA received 68 alarm reports, including 40 fire alarms, 25 emergency rescues, and 3 social rescues. In response, BCIA dispatched 390 vehicles and 1,381 commanders.

68

Received alarm reports

25

Emergency rescues

3

Social rescues

390

Dispatched vehicles

1,381

Dispatched commanders  
(person-time)

21

Comprehensive drills(time)

15

Script-free firefighting and  
rescue drills(time)

Enhancing real fire drills and optimizing emergency disposal process. Based on newly launched real fire trainers and B747 aircraft trainers, we innovatively developed the rescue method integrating real fire rescue and cabin rescue. Throughout the year, we organized 21 comprehensive drills and 15 script-free firefighting and rescue drills.

93

Training in airports across  
the nation

194

Participants

Conducting trainings to improve fire-fighting capability. We compiled BCIA firefighting safety training outline and organized firefighting trainings for resident organizations including Air China, Hainan Airlines and Air Traffic Management Bureau (ATMB) of CAAC. Entrusted by ATMB, we held six sessions of qualification training courses for Civil Aviation Firefighting and Rescue Commanders, with 194 participants from 93 airports across the nation.

## Emergency drills

In order to improve emergency response capability, we take the initiative to conduct script-free drills, including explosion protection, management of T1 roof hidden hazards, and comprehensive emergency and rescue drills. In 2017, we organized over 70 times of trainings in singular form.



70

Trainings in singular  
form(time)



### Comprehensive drill for emergency rescue

BCIA organized a comprehensive drill for emergency rescue in 2017. The simulated scene was that the aircraft runs out of the runway after landing and the main landing gear wheels catch fire. The drill included quick response, initiation of emergency plan, on-site response, aircraft removal and temporary resettlement of passengers. Through the drill, BCIA enhances coordination between various emergency rescue parties and improves the integrated linkage mechanism, laying a more solid foundation for safety management of BCIA.





## Support for major events

BCIA has long been committed to fulfilling its missions and guaranteed aviation transportation for major events of the country. In 2017, BCIA successfully provided support for major events such as the "Two Sessions (NPC & CPPCC)", the Belt and Road Forum for International Cooperation and the 19th CPC National Congress, making contributions to building a harmonious society.



### BCIA successfully provides support for the Belt and Road Forum for International Cooperation

In order to guarantee transportation for the Belt and Road Forum for International Cooperation, BCIA made adequate preparations to ensure safe operation and service during the forum, from making plans in the preliminary stage to providing support in real practice. Based on the characteristics of the task, we made special operation support plans, identified over 30 hazard sources, specified over 80 management & control measures, and conducted 68 special drills and 79 special trainings. We provided support for the forum by guiding 46 important flights, inspecting the runway for 23 times and checked the taxiing and towing ways for 46 times. We guaranteed all links of safety management and realized our promise of "zero mistake, zero accident and zero complaint". BCIA won the award of Outstanding Contribution to Security by the security work group of the Preparatory Committee of the Belt and Road Forum for International Cooperation.



## Safety Culture Building

BCIA always sticks to fostering the cultural atmosphere advancing active safety. In 2017, we continuously conducted Version 2.5 safety culture campaign and several safety themed activities to advocate safety culture ideals where compliance, honesty and responsibility fulfillment by everyone, and jointly build a community with shared safety benefits for BCIA and its stakeholders.

# "2.5 Version"

Safety culture campaign

## Safety trainings

BCIA keeps enhancing safety capability training of all levels and actively improves safety awareness and safety capability building. In 2017, we conducted case study of the "8·12" safety incident, safety honesty and supervision training and safety supervisor qualification training, cooperated with seven organizations to develop 12 safety courses, and selected 137 supervisors from Security Committee for trainings, continuously improve our safety capability.

## Safety education

BCIA attaches great importance to safety education. In June 2017, the activities of the civil aviation safety and consultation day were held, and the information brochures of aviation safety knowledge were issued to passengers. The travel problems, such as "loss of documents," "aircraft parking and far machine", were paid more attention to, and the knowledge of safety was popularized and mutual understanding between airports and passengers was deepened.



# 2,200

Employees receiving training more than



# 47,892

Hours of training in total



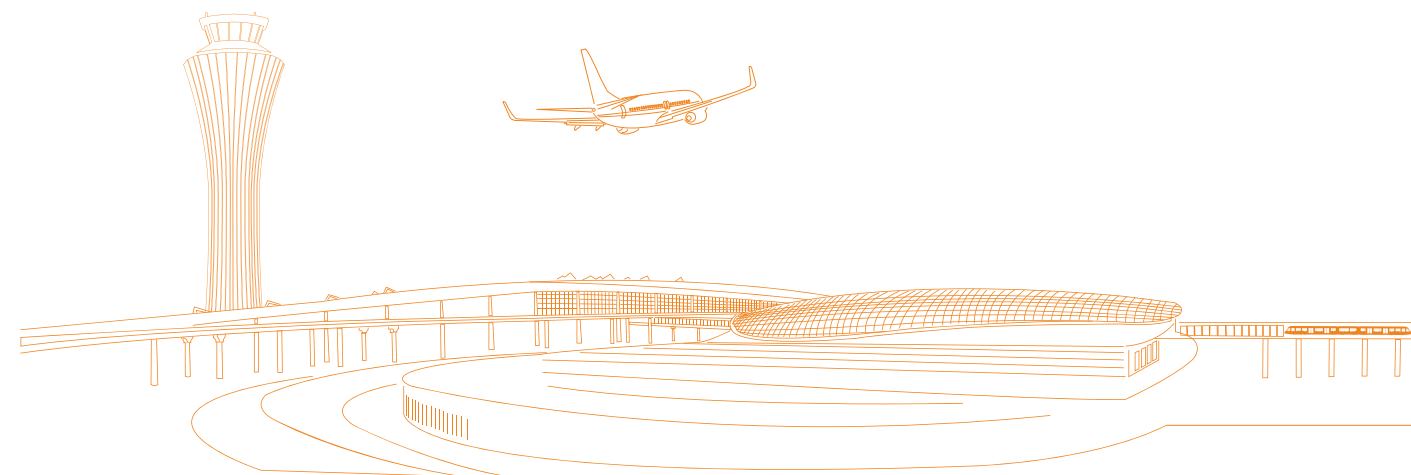
# 100 %

Coverage of the training



# 0.59

Invested in the training (million)





## Safety theme activities

Through conducting different types of safety themed activities, we continuously enhance our awareness of “active safety” and carry forward safety management culture. In 2017, we conducted activities such as “three innovations for three foundations, four implementations for safety management” and “cooperating with BCIA for mutual benefits of safety”, continuously carried out the theme activities such as “national gateway heroes”, “golden ideas of safety”, and “what should you do for safety” so as to enhance safety awareness.

Three innovations for three foundations, four implementations for safety management

Cooperating with BCIA for mutual benefits of safety



### The activity of “three innovations for three foundations, four implementations for safety management”

To promote safety culture building, BCIA meets specific requirements of establishing work groups with brilliant performance in three respects and implementing safety management through work groups. We formulated 14 work safety standards for work groups and implemented them in 71 work groups within BCIA, involving more than 1,000 frontline employees and promoting the standards in 16 member organizations. The activity helped BCIA establish the hidden risk database and improve regular safety work comment mechanism, effectively enhancing the safety awareness of frontline work groups.



BCIA selects and awards 40 national gateway heroes



BCIA accepts 43 golden ideas of national gateway safety

## Voice of Stakeholders

The 19th CPC National Congress was successfully held in October 2017 in Beijing. During the meeting, Beijing Capital International Airport upheld the consciousness of political integrity, overall situation, the core and conformity with the CPC Central Committee with Comrade Xi Jinping as the core, implemented the work principles of “simplicity, economy, safety and efficiency”, and provided warm and considerate services for the Congress. BCIA demonstrated high degree of political responsibility, sturdy work style and good spirituality, and made positive contributions to the successful completion of the general affairs of the Congress, winning the leaders’ recognition and wide praise.

---- General Affairs Office, Secretariat of the 19th CPC National Congress



# 03

## Building a Green Airport with Perseverance

Aiming to build a “green airport”, BCIA honors the obligation of protecting the environment in strict accordance with the Environmental Protection Law, constantly improves the low-carbon management system, promotes green transformation through energy conservation, pollution control and other measures, and joins hands with related parties to fulfill its environmental responsibility.





## Improving the Green System

Based on the systematic and standardized management system, and aiming to be certified by the international and professional carbon accreditation, BCIA clarifies its direction of green construction with the help of United Nations Environment Programme (UNEP), laying a solid foundation for sustainable development.



## Conducting the green airport assessment

*Green Airport: Runway to Sustainable Development. An Assessment Report on Beijing Capital International Airport* was launched by UNEP in December 2017 during the 2017 UN Environment Assembly. The report assesses the overall condition of BCIA's green airport construction from three perspectives: economic, social and environmental performance. It introduces BCIA's efforts and achievements in implementing the "green airport development strategy" and realizing the green transformation, demonstrates a good corporate image of BCIA to the international community, and provides official and authoritative guidance for BCIA to further its efforts on green airport construction.

### Contribution to Economic Performance and Regional Development

- Driving the development of upstream and downstream industry chain, and promoting the growth of GDP and employment in Beijing
- Connecting Beijing to 279 cities in the world, playing a major role in promoting the economic development in Beijing

### Airport Service and Social Responsibility

- Providing passengers with safe, diverse and people-oriented services
- Committed to cultivating "world-class airport management talents"
- Taking the lead in noise monitoring in China
- Fulfilling the long-term social responsibility of sewage treatment and solid waste collection and transportation in surrounding communities
- Making use of airport resources and influence for the social publicity and education
- Fully accepting social supervision

### Resource Efficiency and Environmental Impact

- Establishing the carbon management system
- Becoming the first airport in Mainland China to be certified at Level 2 of ACI Airport Carbon Accreditation
- A reduction of over 50,000 tons in total emissions or 15.93% between 2014 to 2016, revealing the state of "absolute decoupling" between carbon emissions and business growth
- Increasing the carbon sequestration capacity, which reaches 6.45 kg CO<sub>2</sub>/m<sup>2</sup> per year

12.19%

Year-on-year decline of comprehensive energy consumption in 2017

“

"As China's busiest airport, BCIA witnessed an increase of 20 million passengers between 2010 and 2016. Despite the increasing traffic, BCIA has achieved remarkable results in energy conservation and emission reduction through the active implementation of green transformation." "The overall carbon emissions were cut by almost 16% between 2014 and 2016. Performance in terms of indoor air quality and wastewater treatment is fully up to national standards, while innovative measures were taken to encourage garbage classification and recycling among passengers"

—GreenAirport: Runway to Sustainable Development. An Assessment Report on Beijing Capital International Airport

”

16%

Carbon emissions were cut between 2014 and 2016

## Carbon emission management

To effectively implement the concept of green airport throughout the entire operation process, BCIA completed the upgrade and revision of the *Environmental Management Regulations* in accordance with the requirements of the new ISO 14001 standards, issued the *Carbon Management Regulations*, and formulated the *Low Carbon Development Work Plan*. The Company's major emission reduction targets to 2020 and the implementation approach were set up, defining the direction for low-carbon sustainable development. The target of 2% reduction in carbon emissions per passenger was also set up for 2018.

As the end of 2017, BCIA had completed the examination, transaction and commitment of Beijing municipal carbon emission trading pilot project, and realized carbon quota surplus of 14,600 tons (the current market price is RMB 50 Yuan/ton). In September, 2017, BCIA was certified at Level 2 of the ACI Airport Carbon Accreditation (ACA), becoming the first airport in Mainland China to be certified at Level 2.



BCIA earns Level 2 of the ACI Airport Carbon Accreditation

“

Airport Carbon Accreditation is a certification developed by Airports Council International that assesses and recognizes airports' carbon management so as to help airports reduce carbon emissions. There are four different levels of accreditation: Level 1 (Mapping), Level 2 (Reduction), Level 3 (Optimization), and Level 3+ (Neutrality). Higher levels have higher requirements than lower ones.

”



## Realizing Energy Saving and Consumption Reduction

While ensuring sound operation and service, BCIA seeks to reduce energy consumption to the utmost and increase energy efficiency, mainly through systematic energy saving, technological electricity saving, green fuel saving and water recycling and saving, as well as measures including introduction of advanced technologies and replacement of old facilities.

### Systematic energy saving

To improve the energy-saving operation level of the terminals and effectively increase the energy efficiency, we have further strengthened the promotion and application of new technologies. In 2017, we completed the building energy management system (BEMS) in Terminal 3, added more than 3,000 collection points, improved over 100 types of system data charts, and realized functions including identification of abnormal energy consumption, energy statistics and analysis, and operation control and optimization.

3,000

Added collection points more than

100

Improved types of system data charts over

Case

### First civil aviation enterprise to win the Award of Best Practice of China Energy Management

At the International Workshop on Improving Green Consumption through Enhanced Energy Management and Energy Savings held on June 1st, 2017, BCIA won the Award of Best Practice of China Energy Management for its efforts in comprehensive energy saving and profound understanding of energy management system, which were fully acknowledged by assessment experts. BCIA was the only service-oriented enterprise and the first airport to win this reward, setting an excellent example of energy management in the civil aviation industry.



1.15

Cut electricity consumption in public areas(million kWh)

6.97%

Year-on-year decrease of electricity consumption in public areas

2.89%

The total electricity consumption of the three terminals fell

### Technological electricity saving

Besides using clean energy, we have tried other attempts to deepen energy conservation and emission reduction, including renovating old equipment, upgrading landside LED streetlights, and adopting new energy-efficient motors for the luggage systems. In 2017, we cut the total electricity consumption in public areas by 1.15 million kWh, a year-on-year decrease of 6.97%; the total electricity consumption of the three terminals in 2017 fell by 2.89%.



### Learning from international experience to renovate old equipment

BCIA started a pilot project on the main belt of the luggage system at Terminal 3. By using the high-efficiency energy-saving motor reducer, we reduced the existing 11 models of motors to 4 to 5 models. The renovation not only saves space and operational costs, but also cuts the electricity by 53,330 kilowatts and carbon emissions by 32,254 kg annually.



53,330

Cut the electricity (kw)



32,254

Cut carbon emissions(kg)

### Fuel saving

Strictly following the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, *Regulations of Beijing Municipality on Atmospheric Pollution Prevention and Control*, *Integrated Emission Standard of Air Pollutants* and other related laws and regulations, BCIA is vigorously promoting the fuel-to-electricity conversion program to improve the electrification level of vehicles, and replacing auxiliary power units (APUs) with ground power units (GPUs) to reduce fuel consumption and waste gas emissions. By the end of 2017, we have built 47 charging poles and owned 96 new energy vehicles.



96

New energy vehicles



47

Charging poles



A member of the BCIA ground crew is charging the electric vehicle





1.883

Used water(million ton)

180,000

Saved water (ton)

218,000

Used reclaimed water(ton)



## Water recycling and saving

In face with the water shortage in Beijing, we took various approaches in water saving and recycling to reduce waste and increase water utilization, including the reclaimed water treatment system at the West Aviation Water Purification Station, rainwater reclamation, micro-spraying hose upgrading, and water saving instrument replacement. In 2017, we used 1.883 million tons of water and saved 180,000 tons; the water usage per capita was 19.7 kg, a year-on-year decrease of 2.6%. The use of reclaimed water was 218,000 tons.



## Green building

In 2017, the new operation control center of BCIA was launched officially, which further improved the resource efficiency of the airport through joint operation and information sharing, and integrated the concepts of green airport, energy saving and environmental protection into its operation through technological approaches.



## New smart brain improving efficiency through joint operation

In March 2017, the operation control center of BCIA was transformed successfully, with the joint operation seats expanded from 18 to 62. Through the joint operation mode featuring centralized operation, collaborative decision-making and unified command, BCIA improved its co-processing efficiency, thus improving the overall operational quality. Meanwhile, the introduction of smart lighting control system enabled users to manually turn on the smart lights in a specific region independently through the iPad, and adjust the brightness at any time to meet environmental requirements that are green, energy-saving and user-friendly.



The new operation control center of BCIA was launched officially

## Improving Pollution Prevention and Treatment

BCIA has adhered to the environmental concept, and actively conducted plans and measures related to waste treatment, sewage treatment and noise abatement to reduce the impact on the surrounding environment and promote green operation of the airport.



## Waste treatment

We take the product life cycle into consideration during waste treatment. In purchase, we prefer environmentally-friendly products. When using products, we try to reduce energy and resource consumption, generate less waste, and standardize the classification of recyclable waste. For product disposal, non-hazardous waste is incinerated, while hazardous waste, such as obsolete lead storage, nickel-cadmium and mercuric oxide batteries and obsolete mercury-containing fluorescent tubes, is reclaimed for hazard-free treatment by cooperating with qualified hazardous waste treatment companies. In 2017, the total disposal of non-hazardous waste was 37,999 tons, including 28,300 tons of domestic waste and 9,699 tons of aviation waste in non-affected areas, and the per capita disposal was 396.69 grams, a year-on-year increase of 0.79%. The total disposal of hazardous waste was 31.12 tons, and the per capita disposal was 0.32 grams, a year-on-year increase of 22.51%.



37,999

Disposal of non-hazardous waste(ton)



31.12

Disposal of hazardous waste(ton)



## Sewage treatment

We conduct strict management and control of sewage discharge to reduce its impact on surrounding environment. The West Aviation Water Purification Station was built up to purify wastewater from the airport, and we worked with professional institutions to ensure 100% hazard-free treatment of sludge. In 2017, BCIA treated 7.143 million tons of water and 7,315.5 tons of sludge, reducing emissions of 863 tons of chemical oxygen demand (COD), 177 tons of ammonia nitrogen, and 37.6 tons of total phosphorus. After purification, all samples of the water reached the emission standards.



863

Reducing emissions of chemical oxygen demand (COD)(ton)



7,315.5

Treated sludge(ton)



## Noise control

Noise pollution is unavoidable for airports. We took the lead in establishing the automatic noise monitoring system for 24-hour monitoring of aircraft operations and noise as well as the mobile monitoring at sensitive sites. By the end of 2017, BCIA had been running 23 noise monitoring stations, including 22 fixed stations and 1 mobile station.



23

Running noise monitoring stations



Promoting Green Ecology

While promoting the green operation for green transformation, BCIA is committed to ecological and environmental protection, and strives to build a harmonious relationship between the airport and nature through creating a sound atmosphere for ecological protection and taking measures for ecological diversity protection.

Advocating green concept

The green concept is the top priority in building a green airport. Through a series of themed activities held by BCIA and relevant parties, we raise our employees, passengers, and stakeholders' awareness of the importance of environmental protection and ecological protection, and encourage them to practice environmental concepts.



Cooperating with UNEP to hold the "Beat Pollution" environmental campaign

On November 30, BCIA and UNEP jointly launched the theme picture exhibition of the 2017 UN Environment Assembly. Through photos and words, the pictures on exhibition demonstrated the impact of human life on the environment with concrete figures, which enhanced people's awareness of environmental protection and inspired them to actively participate in environmental protection, contributing their strength to the protection of the green planet.



Posters of the "Beat Pollution" campaign

Enhancing ecological protection

To effectively protect the surrounding biodiversity, we actively cooperate with UNEP, Beijing Wildlife Rescue and Rehabilitation Center, and many other professional environmental protection agencies to protect biological diversity in surrounding areas. We have established a bird strike prevention database and conducted prevention activities for key bird species. In 2017, we included the number of wild animals rescued into the performance evaluation of the bird strike prevention module to encourage our staff to rescue wild animals. Throughout the year, we rescued and set free wild animals for 126 times.



126  
rescued and set free  
wild animals(time)

Wild animal rescue at BCIA

Voice of Stakeholders

"Beijing Capital International Airport has shown strong commitment towards sustainability to ensure that its growth in air, cargo and passenger traffic is balanced with improved environmental performance. Through representative measures like converting to electric vehicles, usage of renewable energy and improved transport, BCIA will continue its leading role in environmental management."

---- Steven Stone, Chief of Resources & Markets Branch of UNEP



# 04

## Building a Smart Airport through Innovation

BCIA advocates technological innovation. We apply information technology in the airport construction and operations, propel the technology-driven innovation of business model and management model, and promote the construction of a smart airport in safety, operation, service, management and other dimensions, thus enhancing passengers' service experience and increasing our core competitiveness.





## Smart Operation System

Using advanced information technology, BCIA has built a smart operation system to strengthen the command management level of the integrated and coordinated operation between airport, air traffic control, airlines and ground service, realize system interconnection, information exchange, resource sharing and collaborative decision-making, and improve operation efficiency. In 2017, BCIA started developing a “smart operation management system for large-scale airports”. Based on the existing operation system, the new system integrated business processes and formed the integration with A-CDM, GIS platform, CCTV monitoring platform and application of Internet of Things, which realized whole-process data management, automated collaboration and smart operation management.

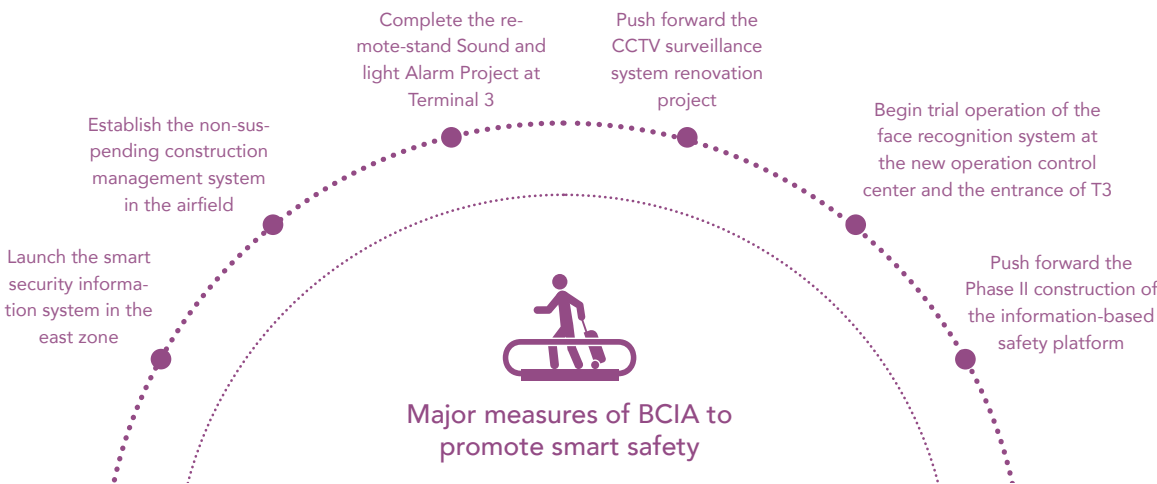


### Tips

The smart operation management system is an integrated platform centering on flight operation guarantee measures. It realizes functions including early-warning monitoring of operation processes, smart dispatching of operation guarantee tasks, digital delivery of operational instructions, rapid release of flight delay information, real-time monitoring of guarantee resources, and dynamic collection and automated statistical analysis of operational guarantee toll data, covering all processes of flight guarantee at BCIA. It was one of the major technological achievements of BCIA in building the A-CDM operation system in 2017.

## Smart Safety Management

BCIA focuses on all-aspect security protection, and pays constant attention to the development trend of safety technologies to promote application of new technologies and new products, and have launched and completed the transformation of multiple information systems, thus enhancing the safety level of the airport, improving the active safety ability, and deepening smart safety management.



### Smart security information system

The smart security information system installed at BCIA's east zone realizes the automated matching of passenger information during the security check in Terminal 3, which assists security personnel to make right decisions, achieve rapid and accurate check of people and certificates, and prevent outlaws from using counterfeits. Meanwhile, the self-service security check is now available at T3E, optimizing the security check process for international passengers, saving security posts and improving management efficiency.





## Upgraded Smart Service

Taking the passenger experience as its core, BCIA constantly innovates in personalized and smart services to realize whole-process and end-to-end services, meeting passengers' travel needs in every aspect. In 2017, we promoted the building of Wi-Fi at terminals, realized the online left luggage service, conducted trial use of face recognition and E-channel, and achieved online inquiry on airport bus routes, lost & found, and other information based on improved passenger service data.

### Whole-process self-service

To meet passengers' needs for fast travel, we have constantly improved the whole-process self-service facilities, and carried out pilot self-service in security check and boarding. After arrival at the airport, passengers can choose self-service procedures like check-in, baggage delivery, verification, ticket change and boarding, greatly improving the travel efficiency.



#### Tips

Taking advantage of biometric technologies, the self-service clearance system of BCIA completes the identity verification and verification of the passport in 6 to 10 seconds per person by comparing the biometric characteristics of the holder with the biometric information stored in the passport or filed with the border inspection station. It is nearly 3 times faster than manual check.



### 01 Transportation

Inquiry on airport shuttle routes, video guidance project at Parking Garage No. 2, "senseless payment" for parking

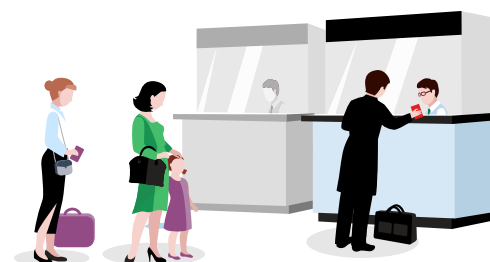
### 02 Waiting

Wi-Fi in terminals, flight information display system, real-time inquiry on lost & found and flight timetable



### 03 Check-in

Self-service printing of the boarding pass, check-in luggage



### BCIA Left Luggage mini-program

To simplify the luggage deposit process for passengers, we launched the WeChat mini-program "BCIA Left Luggage". After depositing their luggage at left-luggage counters, passengers can use the mini-program to bind the deposit receipt. Later they can show the corresponding QR code and the ID card to claim the luggage, which saves the trouble of preserving the paper receipt.

BCIA Left Luggage mini-program



### 05 Boarding

QR code scanning



### 04 Security check

Face recognition system, new security system





## Upgraded Smart Business

BCIA focuses on the smart business management model and continuously enhances its lean management. In 2017, BCIA carried out the upgrading and transformation project of the airport shopping and dining system, and realized functions including online payment for convenience services and “senseless payment” for parking services, improving the overall level of smart business management and passengers’ experience.

### Smart dining allowing passengers to experience the good taste

To improve the service quality and user experience of the airport dining, we try to implement a smart dining business model, which combines QR code ordering and online take-out, recommends customers with special dishes based on characteristics of airport restaurants, and carries out diversified marketing activities.

Smart Food Festival of BCIA



### “Senseless Payment” for parking

In October 2017, BCIA realized the “senseless payment” for parking. For owners who have bound license plates to Alipay accounts and enjoy password-free payment, the charging system automatically “deducts” the parking fee from the owner’s Alipay account, and pushes the billing information to the worker for confirmation. The new way of payment reduces the vehicle departure time to less than 2 seconds, greatly improving the traffic efficiency.

## Smart Operations Management

BCIA uses smart technologies to continuously strengthen lean and digitized operations and management and promote the establishment of a fixed assets investment management system. We have developed mobile office management functions to advance the third phase of the HR system, create a smart Party building system, and enlarge the support of technology for businesses.

## Fixed assets investment management system to improve project management

In line with the “flowing + rolling” project management concept, we have put the new fixed assets investment management system into use. This system develops functions of the dynamic tracking of project progress and the structuring of project data, improves the perspectiveness and completeness of project management from project approval, necessity review, feasibility review, project progress to final accounting, and realizes whole-chain management, thus enhancing the lean management.

### Smart Party building system to create a new state of Party building

To earnestly implement the spirits of the 19th CPC National Congress, we give full play to the advantages of information technology to establish a smart party building system and a project life cycle management system, so as to realize the whole-process project control and build a mobile, user-friendly, integrated and smart operations management model. We also have developed the evaluation function on WeChat for the first time, opening up the new model of “Internet + grass-roots party building” at BCIA.



### BCIA joins hands with IBM to create a smart HR management platform

To cope with the complexity of airport operations and the variability of management processes, BCIA and IBM have jointly developed a smart HR management platform, which leads the digital transformation of business management and improves lean management through application of cutting-edge technologies such as big data, artificial intelligence, and platform model. In 2017, BCIA further integrated human resources with core businesses of airport operations, services and safety, promoted standardization of HR-related data through data sharing, and established an open and integrated platform which is user-friendly and smart. With the help of the smart HR resource management platform, BCIA realizes the transformation from “human management” to “resource management” in its HR management. Through the solidification of technological research results, it has accelerated the efficient operation of the airport.



## Voice of Stakeholders

My family and I traveled to Sweden during the National Day holiday. Due to traffic jam on the highway to the airport, we had little time left for check in. When we hurried to the Exit and Entry Frontier Inspection Station of BCIA, we found E-channels available there. It took us just a few seconds to pass the inspection station by swiping the passport and pressing the finger, which saved a lot of time and helped us board smoothly. Thanks to BCIA, my family and I had a wonderful vacation in Sweden.

---- Shuiyuexi, a Weibo user



# 05

## Providing Sincere Service to Build a Human-oriented Airport

In the process of elevating itself into a large-scale international hub, BCIA is committed to foster a human-oriented airport full of warmth. We focus on the needs of stakeholders such as passengers, employees, and local communities. By providing more customer-friendly service, a broad platform for development and a comfortable and beautiful living environment, we aim to create a warm and harmonious family that is supportive for coexistence and common growth.





## Upgrading Service Quality

BCIA actively advances the Chinese Service which is based on the essence of Chinese culture and focuses on “Love your neighbor as yourself”. By integrating sincere service into every link of our service, and continuously improving the service management system, we ensure flight punctuality so that the rights and interests of the passengers are no longer infringed and make the journey more warming and pleasant.

### Optimize the service system

We always remain customer-oriented. By reducing weak links in service, improving user experience innovatively, and fostering an exemplary service culture, we constantly optimize the service management system to ensure service quality and to lay a solid foundation for the promotion of BCIA's sincere service. In 2017, BCIA was listed among the Best Airports in the Asia-Pacific Region and Best Airports with over 40 Million Passengers per Year by ACI (Airport Council International).

#### BCIA's measures to upgrade service quality

##### Shore up Weak Links in Service

- Establish a weak-links library for improving full chain service
- Add and renovate 66 security check lines, increasing security check efficiency by an average of 19%
- Upgrade the parking fee collection mechanism. The ACI satisfaction rate of weak link indicators, such as the cost-effectiveness of parking, increased by an average of 1.57%

19%

Increasing security check efficiency by an average of

1.57%

The ACI satisfaction rate increased by an average of

##### Improve User Experience Innovatively

- Work together with the four major carriers and BGS, advocate sequenced boarding based on different seat sections, improving boarding efficiency
- Realize automated immigration clearance procedure for four major airlines. The automated immigration clearance rate reached 72%, an increase of 42 percentage points year on year
- Work with the property management company to promote a new service management model of “operation + vehicle” integration of trolley
- Launch service products such as direct-through night shuttle buses to meet the individual needs of travelers

72%

The automated immigration clearance rate reached

##### Foster an Exemplary Service Culture

- Create a cultural brand with BCIA characteristics :“Ceremony at national gateway and Show us the Way”
- Carry out the theme activities of “Error detecting in a wider range, deepening implementation, and providing sincere service” to achieve timely service improvements.
- Collaborate with the airport hospital to compile the Employee First-aid Manual; establish a volunteer group of employees for first aid ; help over 780 passengers during the whole year

780

Help passengers during the whole year over

## Ensure flight punctuality

The punctuality of flights reflects the quality of airport operations. It is also the essence of civil aviation services. We further improve the operation management mechanism, tap operation potential, and strengthen its coordination. With lean management, targeted measures and improvements such as peak-load shifting and the quantity control of flight schedules, the flight punctuality of BCIA is constantly improved.

##### Improve the Operation Management Mechanism

- Establish the BCIA Operation Quality Improvement Committee and complete 179 task-specific mission in the year
- Cooperate with CAAC North China Regional Administration to carry out evaluation of airport operation quality
- Formulate the aircraft apron management and transfer work plan and carry out recruitment, equipment procurement, and procedure design in an orderly manner

##### Tap Operation Potential

- Optimize the 2017/18 winter-spring flight schedule structure, and the punctuation rate of originating flights increased by 18.82 percentage points year on year
- Work with Capital Jet Company to implement “micromanagement” measure such as concentrated parking, releasing 42 parking stands
- Complete the additional apron construction project (phase 1) in the east and west zones, adding 5 parking stands in 2017
- Introduce Hainan Airlines as the third ground service agent of BCIA

##### Strengthen the Operation Coordination

- The joint operation companies expanded to 18 with 62 seats
- Become the first large air transport hub in China to practice the HUD 150-meter low visibility take-off
- Introduce dynamic adjustment of flight schedules in thunderstorm weather and establish the management mechanism for compensatory flights

#### BCIA's measures to ensure flight punctuality

### Case

#### Fighting the battle for flight punctuality

In order to effectively improve flight punctuality, BCIA fought a battle for flight punctuality in 2017. The average flight punctuality rate in the fourth quarter was 15.49% higher than that in the previous three quarters. We have accumulated valuable experience in monitoring and coordinating key links, ensuring punctuality for the flights that are expected to have 5 minutes delay and other aspects, which provided excellent references for the guarantee of flight punctuality in the civil aviation industry.

15.49%

The average flight punctuality rate in the fourth quarter was higher than the previous three quarters

## Safeguard passenger's rights and interests

In order to protect the rights and interests of passengers from infringement, we have actively cultivated a cultural atmosphere of “welcoming passenger's complaints and paying attention to their demands”. Through innovative mechanisms such as the “green channel for quick settlement of consumer disputes”, not only did the complaints rate per one million passenger in 2017 decrease 1.1 percentage points year on year, but for the seventh consecutive year, we have obtained the ISO10002 international complaints management system certification, and won the 2016 Sincere Service and Outstanding Contribution Award by China Association for Quality Promotion in the 3-15 Consumer Rights Protection Activity. In addition, we actively carry out comprehensive information system security self-examination and risk assessment to ensure that customers' privacy is not infringed, and strive to achieve “zero incident and zero complaint” in information security and information use. In 2017, we dealt with 11 high-risk vulnerabilities including the ransomware viruses. No network and information security incidents occurred.



Develop a service brand

Aiming to establish a new benchmark of Chinese Service and drawing upon the outstanding traditional Chinese culture, we created a brand named “Ceremony at National Gateway and Show us the Way”. We launched a series of cultural experience events such as the “Chinese Service Day”, “Love on Chinese Valentine’s Day”, “Let the Filial Piety Prevail”, etc. These events have carried forward the profound Chinese culture and provided passengers with unique Chinese service.



“Ceremony at National Gateway and Shows us the Way” serial cultural events

Dragon Boat Festival cultural event

On May 30, in its three terminals BCIA launched the cultural interactive activities of the Dragon Boat Festival themed “May All under Heaven be Well”, including ritual performances (court hymn, ceremony shows) and folk activities (make Zongzi, weave Acorus calamus). All the airport staff greeted passengers with the blessing of “May you be well on the Dragon Boat Festival”. The more distinctive feature came from the children of the airport kindergarten. They wore traditional Chinese costumes and sent their blessings to passengers. This event inherited the profound Chinese culture, put the concept of sincere service into action, and consolidated the nation’s cultural confidence.



01

Cultural event on Chinese Valentine’s Day

On August 28, the “Love on Qixi · Ceremony at the Gateway” event on Qixi Festival, Chinese equivalent of Valentine’s Day, was launched in the three terminals of BCIA. Performers dressing in the Seventh Fairy and the Cowherd performed the “Queqiao Xianying” or “Celestial being on the Magpie Bridge” lively. In the traditional Chinese costume class, the ancient dress, headdress, and other costumes of both unmarried girls and married ones were elaborated. There was also a session named “Read poems for you” based on Html 5 technology, during which five classic love poems were presented to express the most sincere emotion. This event served to promote the traditional Chinese culture and improve the passenger’s travel experience and sense of gaining at BCIA.



02

Cultural event on Double Ninth Festival

On October 28, in the three terminals BCIA launched the “Let the Filial Piety Prevail · Ceremony at the Gateway” event on the Double Ninth Festival. We presented passengers with classic music performances with traditional instruments and explained the knowledge on etiquette between the young and the elderly in ancient times. Through a series of cultural and art forms, we appeal to passengers to build up the positive energy of respecting, loving and helping the elderly, promoting traditional Chinese culture, and enhancing passengers’ travel experience and sense of gaining at BCIA.



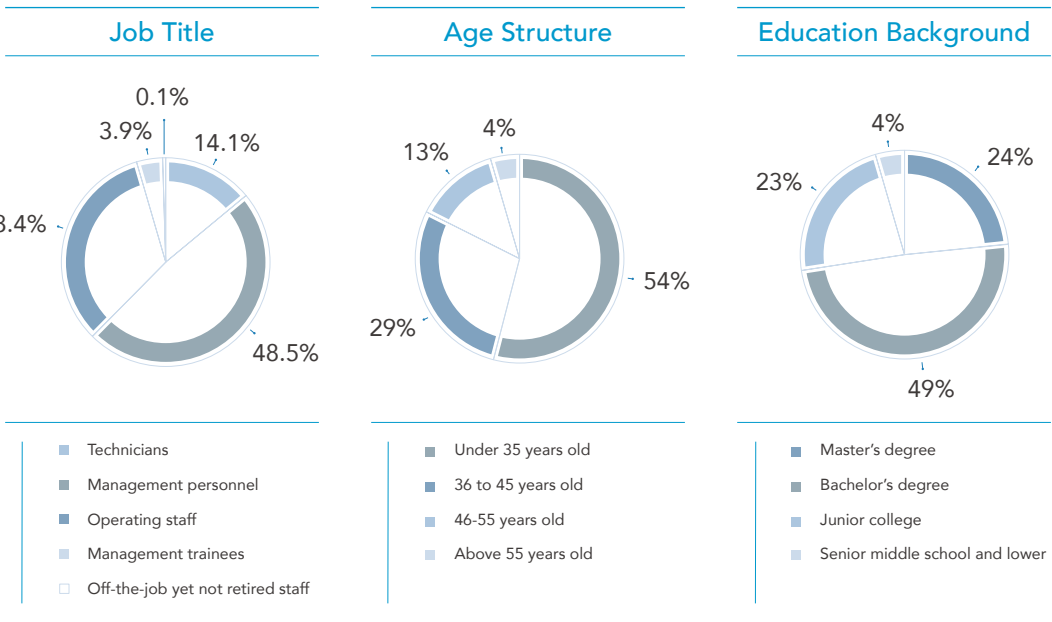
03

Supporting Employees’ Growth

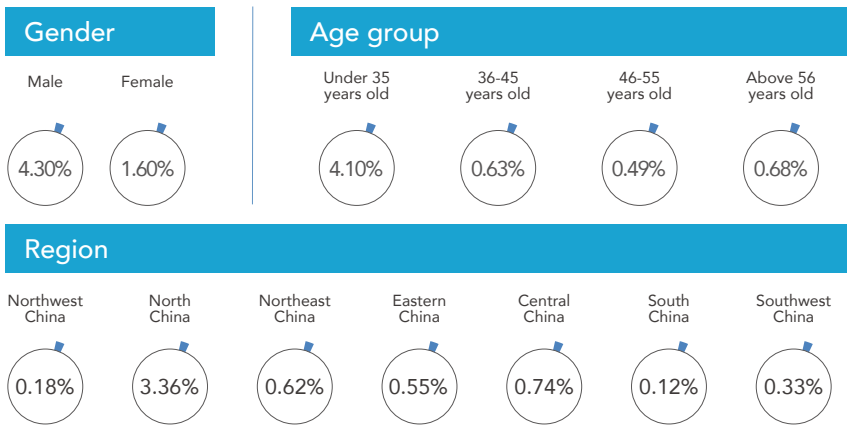
Adhering to the "people-oriented" philosophy, and guided by the principle of openness, fairness and impartiality, BCIA helps the career development of its employees, protects their rights and interests, and creates a diverse, open, inclusive and safe work environment to ensure development in career, happiness at work and quality of life for the employees.

Talents recruitment

Upholding the concept of equality, respect, diversity and innovation in talent recruitment, we pool talents with different cultural backgrounds and religious beliefs through various channels. On this basis, BCIA is actively building a harmonious and diverse working environment which help promote the Company’s development. By the end of 2017, BCIA had a total of 1,605 employees, including 495 female employees, accounting for 31% of the total, and 83 ethnic minority employees. Staff labor contract signing rate is 100%.



Employee turnover



\* Note: Employee turnover statistics include three categories: active, passive resignation and retirement.

2017 Employee turnover\*

5.9%



## Forging ahead hand-in-hand with employees

We insist on employment equality and build transparent and smooth communication channels for employees in order to effectively identify employees' needs. We protect employee remuneration and benefits, assist in their individual career development, care about their physical and mental health, and strike a balance between employee's work and family. Meanwhile, we take practical actions to cope with employees' specific difficulties, and jointly create a "family culture".

### Employment equality

01 We strictly follow the laws, regulations and policies of the People's Republic of China, including the Labor Law and the Labor Contract Law, and formulate recruitment systems for employees. We adhere to the principles of openness, equality, competition, and merit-based enrollment, constantly improve recruitment and supervision channels, and establish a diversified cultural atmosphere that is anti-discrimination and respects individual differences and female employee. We provide fair development opportunities for employees of different genders, races, ethnics, religions, and ages, conduct regular checking of relevant data every year and prohibit child labor. Once illegal employment is found, we will terminate the labor relation immediately and take supportive measures if necessary, such as arranging health checks, providing economic assistance, etc. We guarantee employees' rights to liberty, rest and vacation, and prevent forced labor from happening. Employees who violate the laws and regulations of the country shall, in addition to the liability they shall be legally responsible for, be given corresponding treatment in accordance with the Company's management system. In 2017, there was no child labor and forced labor at BCIA.



### Remuneration and welfare



02 We strictly comply with the relevant regulations of the state and insist on equal pay for equal work. In addition to relevant statutory holidays and statutory working hour stipulated by laws such as the Labor Law, employees can also enjoy paid annual leave as company benefits according to the actual situation. Besides, we attach great importance to deepening the reform of the remuneration system and actively give play to the incentive role of the remuneration and welfare system to employees. We endeavor to enable our employees to lead a decent and dignified life. In 2017, the Company's social insurances and housing fund coverage rate was 100%.

### Democratic management

03 We follow the requirements of national laws and regulations, such as the Regulation on Corporate Democratic Management, encourage employees to offer suggestions, increase employees' participation in democratic management of the Company, and guarantee employees' right to know and right of supervision. Following the Rules of Procedure of the Labor Union Committee, we hold the joint meetings of workers representative congress to create a development atmosphere in which employees and the Company seek common development and joint management. In 2017, two joint meetings of workers representative congress were held.



### Health guarantee



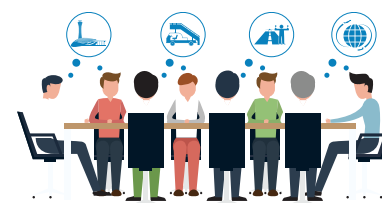
04 We continue to improve the Occupational Health and Safety Management System. In strict accordance with the principle of "early precaution and effective communication", we conducted risk assessment with the help of health reports and employee personal health condition. We continue to carry out the Sunshine Program to provide employees with mental health consultancy service. With the sound working place we provided, a comfortable and safe working environment for employees is ensured. As of the end of 2017, coverage of pre-job and off-post occupational health physical examination reached 100%, and all employees who are exposed to occupational hazard factors received occupational health physical examination, too. There had been zero work-related casualties and the number of working days lost due to work injury is zero.

### Employee training

05 We strictly abide by the Labor Contract Law. By combining the Company's strategy with employees' professional ability enhancement needs, we establish a multi-dimensional training system by working with organizations such as Tsinghua University, China Executive Leadership Academy Pudong and Finavia. We co-organized training programs, and implemented Promise to My Future Self event. On the Coming-of-age Ceremony, the Dream Box with letters written by employees for themselves five years ago was opened for the first time, paving the way for a new journey ahead for young employees training. In 2017, the Company completed a total of 13,168 person-time of trainings, including 1,110 male employees and 495 female employees. The training time per person reached 70.36 hours covering all employees.



### Career development



06 We value the career development of every single employee. We revised Regulations on the Selection and Appointment of Management Personnel Including Business Managers and Regulations on the Selection and Appointment of Technicians, further specifying and improving the recruitment system. In 2017, we went all out to meet the talent demand of Beijing Daxing International Airport, transferring 40 talents and recommending 77 talents. We also welcomed 179 college graduates recruited by the new airport to the Company for rotational internship. Twenty two employees were awarded middle and high level professional and technical titles and 63 employees got promoted during 2017.

### Colorful life

07

To promote the unity, collaboration, hard work, and enterprising spirit of employees and achieve work-life balance, we have continued to strengthen grass-roots cultural development. We actively organized the Children's Day activity and "Gateway Art Shows" activity, "Gateway Sports Shows-Jubilant Family" gathering and other activities which offered opportunities for employees and their families to reunite, share happiness with each other and feel the warmth and cultural atmosphere in the large family of BCIA.



### Assistance to employees in need



08 In hope of solving the difficulties of employees, we have looked into employees' daily lives to know better their urgent needs. Based on the platform of the branch and team, we made records of employees in need and used our own resources to help them out of the darkness of life. We have set Caring Mother Cabin so that we can assist the mothers in taking care of the next generation of BCIA. We launched a networking event themed Gateway Affinity to help single employees find their future happiness. The "family culture" in BCIA will truly become the warmest harbor in the hearts of every employee.



Employee Trainings Launched by BCIA in 2017

Training groups	Middle and senior management personnel and backbones of various departments	Grassroots management personnel and operating staff
Contents	Macroeconomics and reform of SOEs, transformation and innovation, excellent management, hub development and winter operation, etc.	Trainings on General-purpose abilities, job skills, safety, service, foreign languages, etc.
Total training investment (RMB)	3,185,740.82	3,815,259.18
Total training hours (hour)	196	8,619.75
Employees trained (person times)	93	13,075
Proportion (%)	5.8	96.5



BCIA launches the hub development and winter operation training

From December 3 to December 16, the Company has sent employees to Helsinki Airport in Finland to carry out airport hub construction and winter operation training. The training involved special topics such as de-ice and snow removal and hub development. We have learned the strategic thinking, resource allocation and winter operation practice of Finavia in hub development. Knowing more about Finland's innovative enterprises and innovation culture, the Company has had new inspirations in the work of "two capabilities" building and "1-3-3-6" Strategy. It helped the full implementation of national strategies, industry requirements, and the decisions of CAAC and CAH in BCIA.



Promise to my future self

In September 2017, BCIA held the "Promise to My Future Self" 2012 Box Opening and 2017 Box Sealing Ceremony. The newly recruited young management trainees were asked to write a letter to their future self in 5 years. This ceremony closely integrated the individual growth and development of young employees with the corporate dream, the civil aviation dream, and the Chinese dream. The Youth Training Project has been transformed into the "Hope Project" and "Brand Project" of BCIA, providing a successful example for the training of young employees in the civil aviation industry.



Firefighting Carnival

Stylistic activities of employees





## Promoting Community Development

As it develops, BCIA has never forgotten to give back to the community. We continue to improve the volunteer service management mechanism and actively pass on our volunteering spirit. We have also initiated the "Four Seasons Care" campaign with unique BCIA characteristics and have led people from all walks of life to promote the sustainable development of public welfare undertakings. In 2017, BCIA invested 100,000 RMB in public welfare projects, with 18,375 person-time participation and 4,479.5 hours of volunteering service. BCIA was awarded the "Best Blue Sky Love Public Welfare Cooperation Company" by the China Women's Development Foundation.

On January 6, Warm Winter Season

### You and I together make the winter warmer

The Youth Volunteers Association of BCIA, together with CAH and other brother companies carried out the "Warm Winter Season" clothes donation campaign. A total of 96 volunteers from the airport area participated in the event and raised 1,400 winter clothes, bringing warmth to the cold winter days.



On January 20, senior care season

### Volunteering service to care for the elderly

The Youth Volunteers of BCIA carried out volunteering activities for the elderly. They made dumplings, appreciated intangible cultural heritages, and watched the art shows such as the Allegro and harmonica performances with the elderly. The strong love and care for the elderly brought warmth to the cold winter and demonstrated the precious spirit of young volunteers respecting and caring for the old.



On March 31, child care season

### Persistence-Kindness Sowing

Youth volunteers from the airports of Beijing, Tianjin and Hebei went to Laiyuan County, Hebei Province. In collaboration with the "Kindness Sowing Action" organization, the "Promise • Persistence" Public Welfare and Child Care Season campaign was launched. The youth volunteers brought school stationery and donated winter clothing and daily necessities to student representatives. They encouraged the children to face the hardships of life bravely and touched the hearts of the kids deeply.



## Voice of Stakeholders

On December 3, my husband and I went to terminal 3 of BCIA to pick up our child. During waiting, I suddenly felt dizzy and could hardly stand. After learning my situation, two airport management staff called the airport medical staff immediately to check my condition and gave me medical treatment. Thanks to the timely rescue, my blood pressure managed to stabilize. My family truly appreciates the highly-developed sense of responsibility and the angelic love of the BCIA management and medical personnel. As a medical worker myself, I will take you as a role model and work wholeheartedly in my job to better serve patients and serve the people.

--- Wang Feiyan, Experimental and Diagnostic Center of Fuwai Hospital  
Chinese Academy of Medical Sciences (CAMS)

On July 9, sunshine care season

### The children of stars will never feel lonely

The Youth Volunteers Association of BCIA organized a campaign themed "The children of stars will never feel lonely" of the Sunshine Care Season. The youth volunteers accompanied the autistic children's family to experience the special passenger service facilities and procedures provided by the airport terminal, visited the fire-fighting vehicles, equipment, and water spray demonstrations to let the "children of the stars" feel loved by the society.



On April 19, the enterprise public lecture

### "No Drones in the Airfield Clear Zone" public lecture

BCIA organized a public awareness campaign on the protection of the airfield clear zone in Liqiao Town, Shunyi District, which lectured the residents the knowledge about environmental protection of the airport clear zone. The serious consequences of illegal drone flying in the clear zone were explained in detail. Later, the community residents were guided to sign a commitment of prohibition of drone flying to jointly ensure the safety and harmony of the airfield clear zone.





# About Us

## Company Profile

Over the past 60 years since its inception in 1958, Beijing Capital International Airport has been striding forward along with time, and made constant breakthroughs and great achievements through innovation. Having carried out multiple large-scale expansion and reconstruction projects since 1965, Beijing Capital International Airport now has three terminals, three runways, and two towers operating simultaneously. Ranking the second in terms of passenger throughput in the world, Beijing Capital International Airport is endeavoring to build itself into a world-class large-scale international hub.

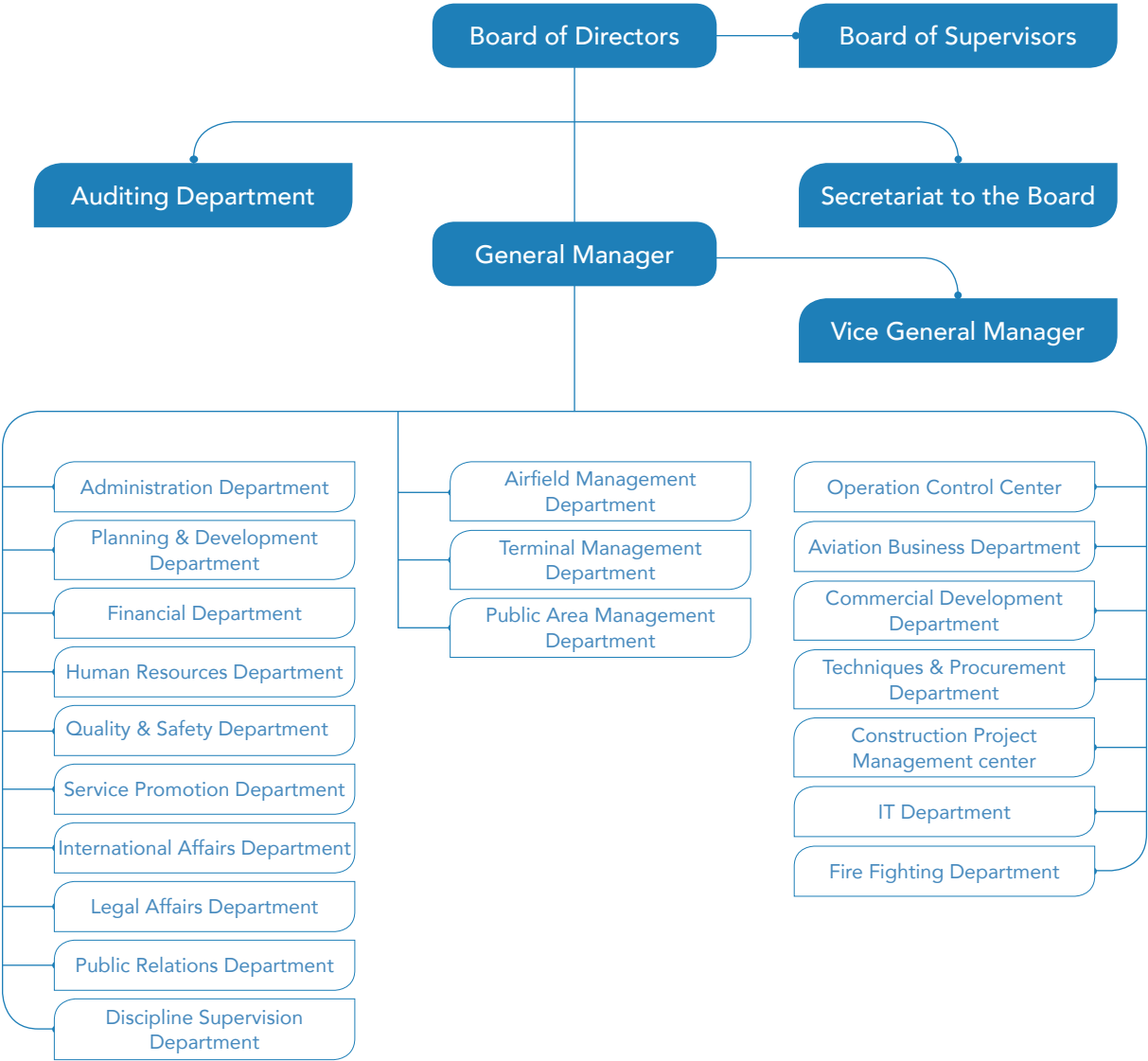
Beijing Capital international Airport Company Limited was incorporated in Beijing on October 15, 1999 to own and manage the aeronautical operations and certain ancillary commercial businesses at Beijing Capital International Airport. By the end of 2017, there were 104 airlines operating commercial flights at BCIA, 35 of which were domestic airlines (including airlines from Hong Kong, Macao and Taiwan) and 69 of which were foreign airlines. BCIA is now connected to 161 domestic destinations and 131 international destinations in 65countries, including 36 countries along the Belt and Road.



## Corporate Governance

Good corporate governance is an important precondition for enhancing corporate sustainability and values and protecting shareholders’ rights and interests. BCIA strictly complies with the Company Law and Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and other relevant laws and regulations, and builds up a professional team with standards and clean governance, striving to build a world-class international hub.

We have constantly improved corporate governance system and established a modern corporate governance framework, which consists of shareholders’ meeting, Board of Directors, Board of Supervisors, and the management.





Anti-corruption

To regulate operation management and prevent the management and employees from committing illegal conducts such as corruption, bribery, fraud and money laundering, we strictly abide by laws and regulations such as the Company Law, Criminal Law, Criminal Procedure Law, Anti-Money Laundering Law, and Regulation on the Punishment of Civil Servants of Administrative Organs, and enhance supervision and management & control over key areas and key positions. We issued Regulation on Complaint Reporting Response, and set up standardized complaint reporting response procedure and unblocked petition channels while simultaneously ensuring that informers' privacy is well protected; in terms of major decision making, appointment of the management, arrangement of major projects and utilization of large-sum capital, etc., we had improved the decision making system and established institutions against corruption so as to ensure legal compliance of major decisions. In 2017, no accident of corruption, blackmail, fraud or money laundering occurred at BCIA.

We continuously strengthen supervision and constraint, establish and improve anti-corruption and anti-bribery mechanism in businesses, promote institutional building, and dynamically amend three prevention and control manuals including Internal Control and Audit, Legal Risks Prevention and Control Manual, and Manual Corruption Risks Prevention and Control Manual; we have signed Letters of Commitment against Corruption with suppliers to expand commercial bribery risks prevention and control to suppliers. For projects with large budget and higher attention, we include them into key targets of supervision. For daily supervision, internal control and compliance inspection, we regularly conduct comprehensive reviews and discuss countermeasures. Moreover, we popularize anti-corruption knowledge within BCIA, monthly organize an anti-corruption reminder and training for mid- and top-level management, and hold anti-corruption courses for new employees and newly hired management personnel; we organize newly hired management personnel to anti-corruption warning education bases, jails and People's Courts to give scenario trainings prior to appointment, giving play to the role of warning education against corruption; besides, we hold anti-corruption expertise competition for the staff, with 1,057 person-time participation, popularizing anti-corruption and clean governance knowledge.

Internal control and audit

We keep on enhancing dual supervision, including internal audit and external audit, and conduct monthly audit for risk prevention and control of key financial transactions. Meanwhile, based on relevant systems, we gradually develop the audit system that is normalized and regulatory and the management system of risk prevention and control audit archives. Besides, based on internal audit and external audit results, we further strengthen financial audit and supervision, especially over payment businesses such as reimbursement of daily expenditure and asset cost. We also strictly implement audit rectification measures and apply audit results to eliminate loopholes in a flexible manner. By the end of 2017, we conducted audit for over 80,000 receipts and approximately 2,000 contracts.



IPR protection

We attach much importance to the protection of intellectual property rights (IPR), including protection of patents, trademarks and copyrights. We have formulated policies and systems of IPR protection, continuously improved innovation capability, and took into account factors such as core service content of airport business and the importance of IPR projects so as to prevent IPR risks and enhance IPR protection.

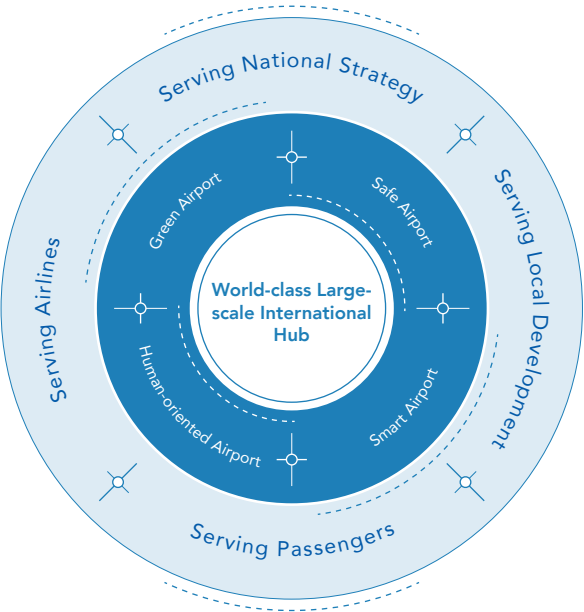
Responsibility Management

While pursuing rapid corporate development, we stick to correct values, give full play to pivotal advantages of BCIA, and integrate social responsibility into operation management, covering aspects such as safety, operation, service, environmental protection, employees, and community. We unite stakeholders to be engaged in our development, and offer solutions to economic, social and environmental problems, aiming to realize the sustainable development of the enterprise, society and environment.

The Planning & Development Department of BCIA is responsible for promoting routine planning, coordination and management of social responsibility fulfillment, and has widely communicated with external experts, charity organizations, industrial organizations and other stakeholders to uplift its management level. Besides, the Department has launched social responsibility training programs to improve employees' awareness and understanding of the social responsibility concept.

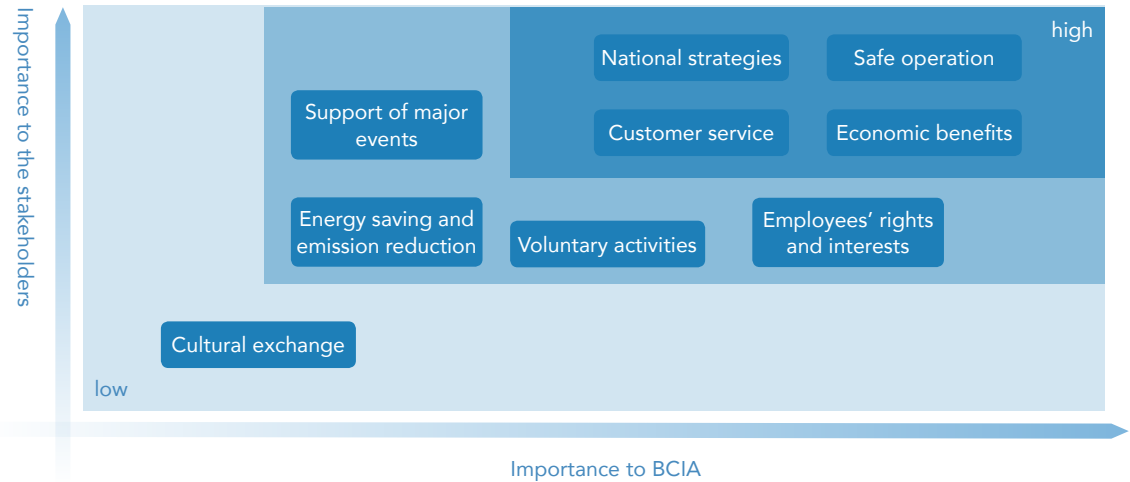
Sustainability philosophy

Corporate social responsibility (CSR) management creates precious development opportunities for the enterprise itself. Implementing CSR endows BCIA with benign interaction and development with stakeholders. BCIA not only takes the initiative to shoulder its own responsibilities and handle social challenges, but improves business development and management capabilities according to social needs, contributing to corporate sustainability and more comprehensive values.



Identification of material issues

Starting from the two dimensions of stakeholders' demands and the Company's business and operation development, BCIA has analyzed domestic and overseas macro-economic development backgrounds, investigated into internal and external stakeholders, and benchmarked against domestic and overseas social responsibility standards. Based on this and following the procedure of "demand identification, prioritization, and multi-party review", we have identified the following material issues, which are of great importance to BCIA's sustainable development and earn the common concern of stakeholders.





## Communication with stakeholders

Stakeholders’ engagement and communication form the basis for BCIA’s sustainable development. Through a diversified communication mechanism and various communication channels, we can better communicate with stakeholders to learn about their demands and feedback. By disclosing BCIA’s development and operation information to them, we can constantly improve our social responsibility management.

Stakeholder	Aspects	Communication mechanism
Government and super- vising authorities (Beijing Municipal Government, Civil Aviation Administra- tion of China, Air Traffic Management Bureau, etc.)	<ul style="list-style-type: none"><li>• Safety support</li><li>• Passenger service</li><li>• Financial performance</li><li>• Environmental responsibility</li><li>• Staff’s rights and interests</li><li>• Public welfare</li></ul>	<ul style="list-style-type: none"><li>• Special report</li><li>• Research and visit</li><li>• Project cooperation</li><li>• Work conference</li><li>• Statistical statement</li></ul>
Passengers	<ul style="list-style-type: none"><li>• Safety support</li><li>• Passenger service</li></ul>	<ul style="list-style-type: none"><li>• Passenger service</li><li>• Customer feedback</li><li>• Customer relation management</li><li>• Online service</li></ul>
Investors	<ul style="list-style-type: none"><li>• Information disclosure</li><li>• Corporate governance</li><li>• Financial performance</li><li>• Investors’ rights and Interests guarantee</li></ul>	<ul style="list-style-type: none"><li>• Internal control system improvement</li><li>• Regular announcements and reports</li><li>• General meetings of stockholders and conferences of the board of directors and the board of supervisors</li></ul>
Employees	<ul style="list-style-type: none"><li>• Staff’s rights and interests</li><li>• Occupational development</li><li>• Compensation and welfare</li><li>• Democratic communication</li></ul>	<ul style="list-style-type: none"><li>• Conferences of staff representatives</li><li>• Trade union</li><li>• Suggestions, mailboxes and WeChat of BCIA</li><li>• Staff Service Center</li></ul>
Airlines and airport-based organizations	<ul style="list-style-type: none"><li>• Safety support</li><li>• Passenger service</li><li>• Common development</li></ul>	<ul style="list-style-type: none"><li>• Communication mechanisms including BCIA Passenger Service Promotion Committee Conference and communications</li><li>• Activities to check and solve service problems</li></ul>
Suppliers	<ul style="list-style-type: none"><li>• Corporate reputation</li><li>• Finance performance</li><li>• Sunshine purchase</li></ul>	<ul style="list-style-type: none"><li>• Business negotiation</li><li>• Contracts and agreements</li><li>• Training and technology exchange conference</li></ul>
Financial institutions	<ul style="list-style-type: none"><li>• Corporate reputation</li><li>• Financial performance</li></ul>	<ul style="list-style-type: none"><li>• Contract negotiation</li><li>• Business exchange conference</li></ul>
Community and society	<ul style="list-style-type: none"><li>• Environmental responsibility</li><li>• Public welfare</li><li>• Community development</li></ul>	<ul style="list-style-type: none"><li>• Charity activities</li><li>• Volunteer activities</li></ul>
Counterparts	<ul style="list-style-type: none"><li>• Exchange and cooperation</li><li>• Industrial development</li></ul>	<ul style="list-style-type: none"><li>• Forum and conference</li><li>• Exchange and learning</li><li>• Alliance</li></ul>



## Honors



On February 17

CAAC North China Regional Administration audited the aviation security of BCIA and issued the China Civil Aviation Security Audit Certificate.



On March 10

BCIA won 2016 Sincere Service and Outstanding Contribution Award in the “3·15” Consumer Rights Protection Activity by China Association for Quality Promotion.



On March 12

BCIA won National Excellent Demonstration Enterprise for Quality and Good Faith Award on the 3rd China Forum on Quality and Good Faith Brands.



On March 31

BCIA won 2016 China Civil Airport Service Quality Evaluation Excellent Airport on the 2nd China Airport Service Conference co-hosted by China Civil Airports Association, China Academy of Civil Aviation Science and Technology and CAAC News Agency.



In May

BCIA won the award of Outstanding Contribution to Security by the security work group of the Preparatory Committee of the Belt and Road Forum for International Cooperation.



On June 1

BCIA won 2017 Award of Best Practice of China Energy Management on the international seminar themed “enhancing energy saving and management, promoting green consumption”.



On June 20

BCIA won the award of 2016 Outstanding Company for Energy Saving in Shunyi District by Beijing Shunyi Energy Saving and Consumption Reduction Office and Beijing Shunyi District Development and Reform Commission.



On August 15

BCIA was awarded the Platinum status in the International Air Transport Association (IATA)’s Fast Travel Program on the passenger service seminar hosted by IATA.



On September 22

BCIA was awarded Best blue sky charity cooperative unit by China women’s development foundation.



On October 17

BCIA won the third place of Best Airports in Asian-pacific category and the over 40 Million of Passenger per annum category on the 27th World Annual General Assembly of Airport Council International (ACI) and the Airport Service Quality (ASQ) Awarding Ceremony. BCIA has won the award of Best Airports of Asian-pacific Region for six consecutive years and the award of Best Airports with over 40 Million of Passenger per Year for nine consecutive years.



On October 31

Research on Private Cloud Technology Application in Large-Scale Hubs won the third prize of civil aviation science and technology by China Air Transport Association (CATA) during 2014 and 2016.



On December 1

BCIA won GoldenBee Excellent CSR Report 2017•Environmental Responsibility Disclosure Award on the 10th International Conference on CSR Reporting in China.



On December 5

The Golden Key Work Group of BCIA Terminal Management Department won the honor of National Demonstration Work Group for Civil Aviation on the 2nd National Civil Aviation Work Group Construction Awarding Ceremony and the video-phone conference of experience exchange.





## Outlook



In the past year, under the economic situation of China, BCIA upheld the ideal of “development for people”, advanced Chinese service sincerely, and joined hands with stakeholders to build a safe, green, human-oriented and smart airport. BCIA integrates CSR concepts into various aspects of operation and endeavors to build a large-scale international hub.

The new era has assigned BCIA with new connotations, new targets and new missions. The year of 2018 is a crucial transition year in the 13th Five-Year Plan, and a year with key tasks of BCIA reform and development. BCIA will continue to practice “zero tolerance of hidden safety hazards”, improve process management and control of hidden safety risks, and promote fulfillment of safety responsibility. BCIA will improve aviation security and anti-terrorism capabilities, enhance the building of safety work teams, and cultivate active safety culture to lay solid foundation for absolute safety and create safe transport environment for passengers. Moreover, BCIA will vigorously implement sincere service, establish dynamic management mechanism of service risks, and upgrade BCIA service standards to establish a leading service brand in China. Centering on core business processes, BCIA will optimize organizational structure of information management, promote application of scientific and technological results, and speed up the building of a smart airport to provide more convenient travel experience for passengers. BCIA will make active response to national call of energy conservation and emission reduction and continuously explore new paths for green development and energy conservation while guaranteeing safe operation, to realize BCIA’s transformation into a green airport that advocates harmonious coexistence.

In future, as a responsible corporate citizen, BCIA will shoulder its responsibility of “Advancing the Chinese Service, Developing an International Hub” and keep promises to all stakeholders with greater enthusiasm, broader vision and refined actions. BCIA will serve as a disseminator of the Chinese culture, a practitioner of global leading service and an initiator of technological innovation, continuously propel the building of “an ecological circle of civil aviation industry with sharing and mutual prosperity”, and display image of China to the world.





Key Performance Indicators

Indicators	2015	2016	2017
Passenger Throughout (10,000 persons/times)	8,994	9,439	9,579
ACI Airport Service Quality (5 points)	4.96	4.98	4.98
Passenger Complaint Response Rate (%)	100	100	100
Flight Punctuality Rate (%)	77.45	76.92	68.05
Total Greenhouse Gas Emissions (Ton)	287289.86	285482.00	277968.68
Greenhouse Gas (Carbon Dioxide) Emissions (ton) <sup>1</sup>	287289.84	285481.98	277,968.66
Greenhouse Gas (Methane) Emissions (kilogram) <sup>2</sup>	19.31	16.73	17.41
Greenhouse Gas (Nitrous Oxide) Emissions (kilogram)	0.62	0.57	0.65
Greenhouse Gas (Carbon Dioxide) Emissions Per Capital (ton/10,000 persons)	31.94	30.24	29.02
Greenhouse Gas (Methane) Emissions Per Capital (gram/10,000 persons)	2.15	1.77	1.82
Greenhouse Gas (Nitrous Oxide) Emissions Per Capital (gram/10,000 persons)	0.07	0.06	0.07
Waste Gas (Nitrogen Oxides) Emissions (gram)	85,037.31	73,657.33	76,671.53
Waste Gas (Sulfur Oxides) Emissions (gram)	423.07	366.45	381.45
Waste Gas (Nitrogen Oxides) Emissions Per Capital (gram/10,000 persons)	9.45	7.80	8.00
Waste Gas (Sulfur Oxides) Emissions Per Capital (gram/10,000 persons)	0.047	0.039	0.040
Comprehensive Energy Consumption (ton of standard coal equivalent)	139,375.14	119,710.5	105,117.49
Power Consumption (KWH)	238,904,889.15	239,381,417	231,625,760.6
Gasoline Consumption (ton)	225.77	183.58	172.71
Diesel Consumption (ton)	234.09	214.74	241.91
Water Consumption (ton)	1,805,683	1,904,327	1,882,987
Comprehensive Energy Consumption Per Capita (ton of standard coal equivalent/10,000 persons)	15.50	12.68	10.97
Power Consumption Per Capita (KWH/10,000 persons)	26,562.70	25,360.89	24,180.58
Gasoline Consumption Per Capita (kilogram/10,000 persons)	25.10	19.45	18.00
Diesel Consumption Per Capita (kilogram/10,000 persons)	26.03	22.75	25.25
On-the-job Employees (person)	1641	1623	1605
Minority Employees (person)	92	90	83
Labor Contract Signing Rate (%)	100	100	100
Total Training Hours (hour)	67,281	68,166	8,815.75
Total Investment in Employee Trainings (RMB 10,000)	439	567	700
Percentage of Employees Who Are Protected by Collective Bargaining Agreement (%)	100	100	100
Voluntary Service Activities (person/time)	14,600	15,330	18,375

Note 1:As the NDRC changes the calculation of power emission factors, the greenhouse gas emissions in 2015 and 2016 are traced to remove the factors affecting the emission factors.

Note 2: Greenhouse gas (Methane) emissions, greenhouse gas (HFCs) emissions, waste gas (Nitrogen Oxides) emissions, and waste gas (Sulfur Oxides) emissions are calculated according to HK-ESG Index of HKEX.

HK-ESG Index

Indicator Numbers and Description	Status	Page(s)	Explanatory Notes
Environmental			
A1: Emissions			
General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Included	33 - 37	
A1.1 The types of emissions and respective emissions data	Included	68	
A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Included	68	
A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Included	37,68	
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Included	37,68	
A1.5 Description of measures to mitigate emissions and results achieved	Included	33 - 37	
A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Included	37	
A2: Use of Resources			
General Disclosure : Policies on the efficient use of resources, including energy, water and other raw materials	Included	34 - 36	
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Included	68	
A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Included	68	
A2.3 Description of energy use efficiency initiatives and results achieved	Included	34 - 36,68	
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Included	37	
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	N/A		The company does not engage in the use of packaging for manufactured goods, so it is not applicable
A3:The Environment and Natural Resources			
General Disclosure : Policies on minimising the issuer's significant impact on the environment and natural resources.	Included	33 - 39	
A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Included	33 - 39	



Social			
B1: Employment			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Included	54	
B1.1 Total workforce by gender, employment type, age group and geographical region	Included	53	
B1.2 Employee turnover rate by gender, age group and geographical region	Included	53	
B2: Health and Safety			
B2: Health and Safety General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to providing a safe working environment and protecting employees from occupational hazards	Included	54	
B2.1 Number and rate of work-related fatalities	Included	54	
B2.2 Lost days due to work injury	Included	54	
B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	Included	54	
B3: Development and Training			
General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Included	55-57	
B3.1 The percentage of employees trained by gender and employee category(e.g. senior management, middle management)	Included	55-56	
B3.2 The average training hours completed per employee by gender and employee category	Included	55-56	
B4: Labour Standards			
General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Included	54	
B4.1 Description of measures to review employment practices to avoid child and forced labour	Included	54	
B4.2 Description of steps taken to eliminate such practices when discovered	Included	54	No illegal employment in 2017

B5: Supply Chain Management			
General Disclosure: Policies on managing environmental and social risks of the supply chain	Included	18	
B5.1 Number of suppliers by geographical region	Included	18	
B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Included	18-19	
B6: Product Responsibility			
General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Included Partially	51-62	In 2017, BCIA did not incur any cases of non-compliance in relation to labelling, as the labelling matters are not applicable
B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	N/A		
B6.2 Number of products and service related complaints received and how they are dealt with	Included	51	
B6.3 Description of practices relating to observing and protecting intellectual property rights	Included	62	
B6.4 Description of quality assurance process and recall procedures	N/A		
B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored	Included	51	
B7: Anti-corruption			
General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Included	62	
B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Included	62	
B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Included	62	
B8: Community Investment			
General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Included	58	
B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Included	58	
B8.2 Resources contributed (e.g. money or time) to the focus area	Included	58	



# Reader Feedback

Dear reader:

Thank you for reading BCIA's 2017 Corporate Social Responsibility Report. We look forward to your suggestions and input to help BCIA systematically and scientifically reflect its willingness, actions and performances in creating economic, social and environmental values, and improve its CSR management and practices.

Your information:

Name:

Tel:

Company name:

Email:

What is your overall evaluation of the CSR of BCIA?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's performance in its corporate governance?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's CSR management system?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's financial performance?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's safety protection measures?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's passenger service?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's environmental protection performance?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's protection of employees' rights and interests?

☐ Excellent ☐ Good ☐ Poor

How do you rate BCIA's regional influence?

☐ Excellent ☐ Good ☐ Poor

What else do you want to say to BCIA?

☐ Excellent ☐ Good ☐ Poor

Please put the completed feedback via email to [csr@bcia.com.cn](mailto:csr@bcia.com.cn). Thank you for your support and encouragement.



