

AVIC INTL IN KENYA Corporate Social Responsibility Report | 2022

中航国际在肯尼亚
社会责任报告

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Enterprises invested by AVIC INTL in Kenya
China National Aero-Technology International Engineering Corporation (KENYA)
AVIC INTL (KENYA)
AVIC INTL Real Estate (KENYA) Ltd.
AVIC INTL Beijing (E.A.) Co., Ltd.
AVIC INTL Property Nairobi Ltd.
ACEG-CATIC Green Field Project (JV) Ltd.
AVIC INTL Project (KENYA) Ltd.

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ABOUT THIS REPORT

The Republic of Kenya (referred to as “Kenya” in this report), known as the “East Gate of Africa”, is the third largest economy in sub-Saharan Africa and one of the most diverse and developed economies in the region. In 2008, the Kenyan government launched the Kenya Vision 2030, which proposed giving priority to the development of key industries such as tourism, agriculture, manufacturing, wholesale and retail, business process outsourcing (BPO) and financial services. In 2017, the Kenyan government launched the Big 4 Agenda (2018-2022) involving development goals in food security, housing security, manufacturing and medical security. Kenya is an advocate of regional cooperation organizations such as the East African Community and the Common Market for Eastern and Southern Africa.

This is the first Kenya country corporate social responsibility report released by AVIC International Holding Corporation (AVIC INTL for short). AVIC INTL disclosed the company’s comprehensive fulfillment of its corporate social responsibilities in Kenya based on the principles of truth and objectivity.

-  **Release date of the report**
December 2022
-  **Companies covered in the report**
AVIC International Holding Corporation and its invested companies
-  **How to acquire a copy of the report**
You can download the electronic file of this report on the official website of AVIC International Holding Corporation (www.avic-intl.cn) .



MESSAGE FROM THE LEADERSHIP

Since the establishment of our representative office in Kenya in 1994, AVIC INTL has always stuck to the mission of “Go beyond Commerce for a Better World”. As a major force to build a modern industrial system in the aviation industry and a leading player in participating in the Belt and Road Initiative, the company takes into account the most urgent concerns and needs of the Kenyan people, and aims to promote infrastructure connectivity, trade facilitation and people-to-people ties.

Staying committed to mutually beneficial cooperation. AVIC INTL has thoroughly and faithfully implemented the principle of extensive consultation, joint contribution and shared benefits in jointly building the Belt and Road. The company has boosted economic development, technological progress and industrial structure upgrading in Kenya in the fields of people’s livelihood-related projects including airports, highways and water conservancy, commercial real estate and engineering machinery.

Being people-oriented for integrated development. AVIC INTL has fully respected local cultural traditions, and striven to build a community with a shared future featuring mutual benefits and integrated development for Chinese and Kenyan employees. AVIC INTL launched vocational education projects with Kenyan government departments, making vocational education an important support for promoting the construction of the Belt and Road. The Africa Tech Challenge launched and fully funded by AVIC INTL has successfully been held for seven times in order to help improve the occupational skills of local young people, creating a new model for Chinese enterprises to fulfill their corporate social responsibilities overseas.

Working for a harmonious and prosperous future of the Kenyan-Chinese family. AVIC INTL has carried out a series of regular and localized community assistance activities to promote harmonious social development and the integrated and orderly development of enterprises and communities in Kenya. The company’s rescue and disaster relief, post-disaster reconstruction, and donations in Kenya demonstrate its code of conduct as a responsible central State-owned enterprise of China.

The year 2023 will usher in the 60th anniversary of the establishment of diplomatic relations between China and Kenya. AVIC INTL will continue to align the China-proposed Belt and Road Initiative and Global Development Initiative with the Kenya Vision 2030 initiative and Big 4 Agenda, help Kenya accelerate its industrialization process, and enhance its capabilities in independent and sustainable development. The company will strive to make greater contributions to the building of a China-Kenya community and China-Africa community with a shared future in the new era.



About us

AVIC International Holding Corporation (AVIC INTL) is a global share-holding company. It is active in four business areas: aviation, high-end manufacturing, overseas public services, and services and trade. The corporation has six domestic and overseas listed companies, and has established branches in 60 countries and regions.

With aviation as its core business, the company focuses on building an integrated service system for the aviation supply chain. The fields of business include supply chain integration services, aviation networking and industrial data platforms, international cooperation in aviation technology, aviation standard parts/products integration services, aviation operations and support, and bidding services.

We stick to the mission of "Go beyond Commerce for a Better World", give full play to our global network and platform functions, and actively participate in the Belt and Road Initiative. Focusing on priority sectors, we carry out project planning, project financing management, export of electromechanical products, and general contracting, operations and maintenance for overseas engineering projects. We have built a great brand reputation in overseas markets and effectively driven regional economic development.

With more than 40 years of reform and development, we have had the corporate genes of innovation and entrepreneurship, market orientation and global orientation, and have built a number of well-known brands such as TIANMA, SCC, RAINBOW and FIYTA, which have gained competitive edge in their related fields. We constantly promote the transformation and upgrading of technology and business models, and take the lead in building national brands, devoting our efforts to making Made-in-China and Chinese brands go global.

Our goals

Adhering to the mission of "Go beyond Commerce for a Better World", we are committed to the construction and economic development of Kenya under the Belt and Road Initiative. Our businesses in Kenya include aviation housing construction and road construction, vocational education, energy and water conservancy projects, commercial real estate investment, and engineering machinery and vehicles.

Since the establishment of the Kenyan representative office in 1994, we have participated in the construction of a number of major projects that benefit the local economic development and people's livelihood in Kenya. The vocational education projects have trained thousands of skilled industrial workers and teachers, and the number of students has exceeded 20,000. The GTC Tower project is not only a symbol of Nairobi's prosperous business environment, but also a powerful support for its development. The Karimenu II Dam Water Supply Project provides clean drinking water for one million people in Nairobi and surrounding cities.

We give full play to our global network, and remain committed to becoming a first-class infrastructure and aviation service provider in Kenya. We will actively undertake our corporate social responsibilities, and strive to become a trusted and highly respected company.



The Kenya National Highway Authority (KeNHA) office building project



The A4 Road project was initially handed over in March 2022. In July, the then Kenyan President, Uhuru Kenyatta, commissioned the project



The UAP tower is a 34-storey office complex in the bustling area of Nairobi, the capital of Kenya. It became the highest structure and a landmark building in Kenya upon its completion



The 5th ATC participants pose for a group photo



Global Trade Center, located in a major business center of Nairobi, Kenya, is an urban complex project consisting of an office tower, a boutique mall, executive apartments, and a luxury hotel



The Karimenu II Dam Water Supply Project will provide 70,000 cubic meters of clean drinking water every day for capital city Nairobi

Our CSR system

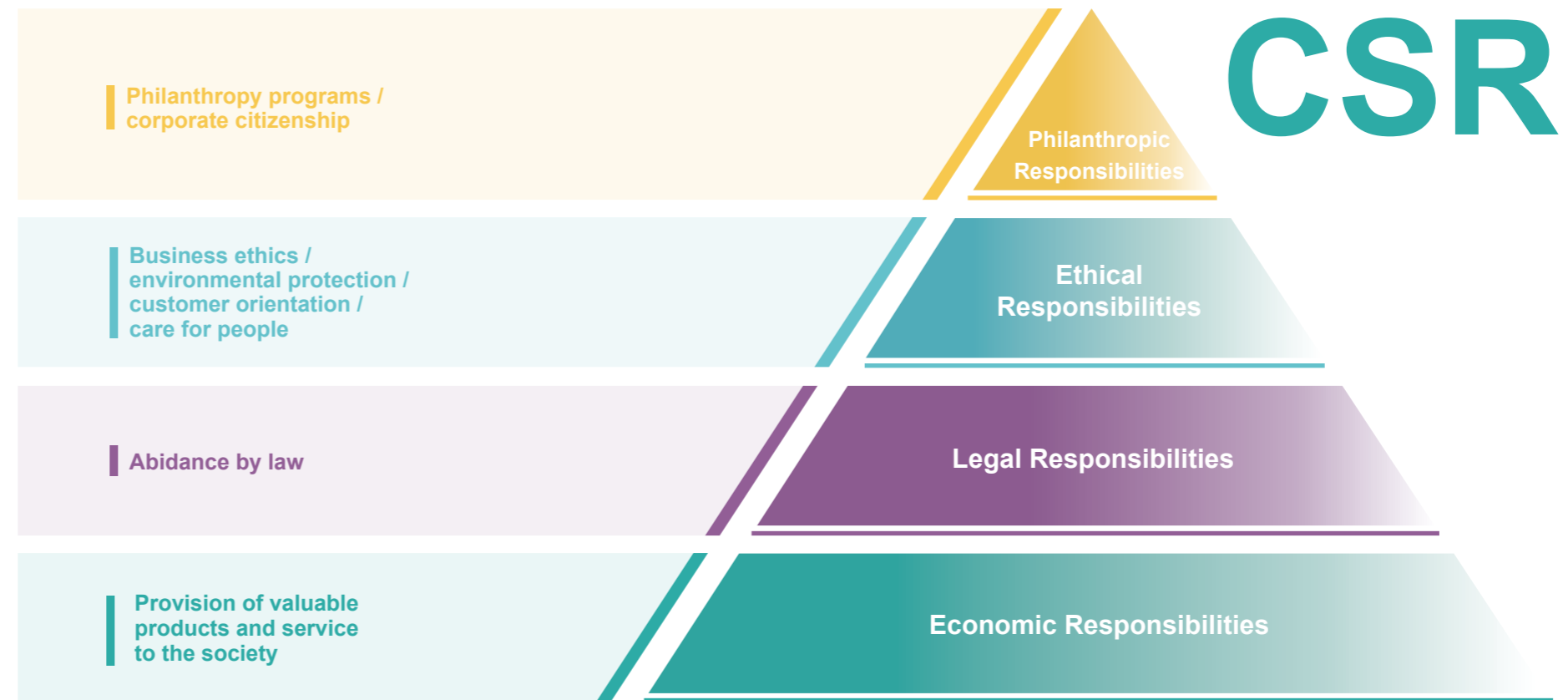
Corporate social responsibility is not simply about giving, but is closely integrated with our business. We adhere to the combination of fulfilling corporate social responsibility and corporate reform and development, and regard corporate social responsibility as an important part of our strategic transformation and international competitiveness improvement towards sustainable development. We combine the fulfillment of corporate social responsibilities and our actual situation as an aviation enterprise, highlighting the key points and advancing progress step by step to achieve real results. We adhere to the unity of fulfilling corporate social responsibilities and creating a harmonious enterprise, abiding by the law and running the business with integrity. We strive to ensure safe production, safeguard the legitimate rights and interests of employees, and promote their all-round development. In the process of development, we take active steps to serve and give back to the society, create value shared by all, and achieve harmony with our employees and between us and the society as a whole.

In Kenya, we always hold to the idea of sustainable development, paying special attention to the protection of the natural environment, wild animals, and the local traditions in the whole process of local economic construction and cooperation projects.

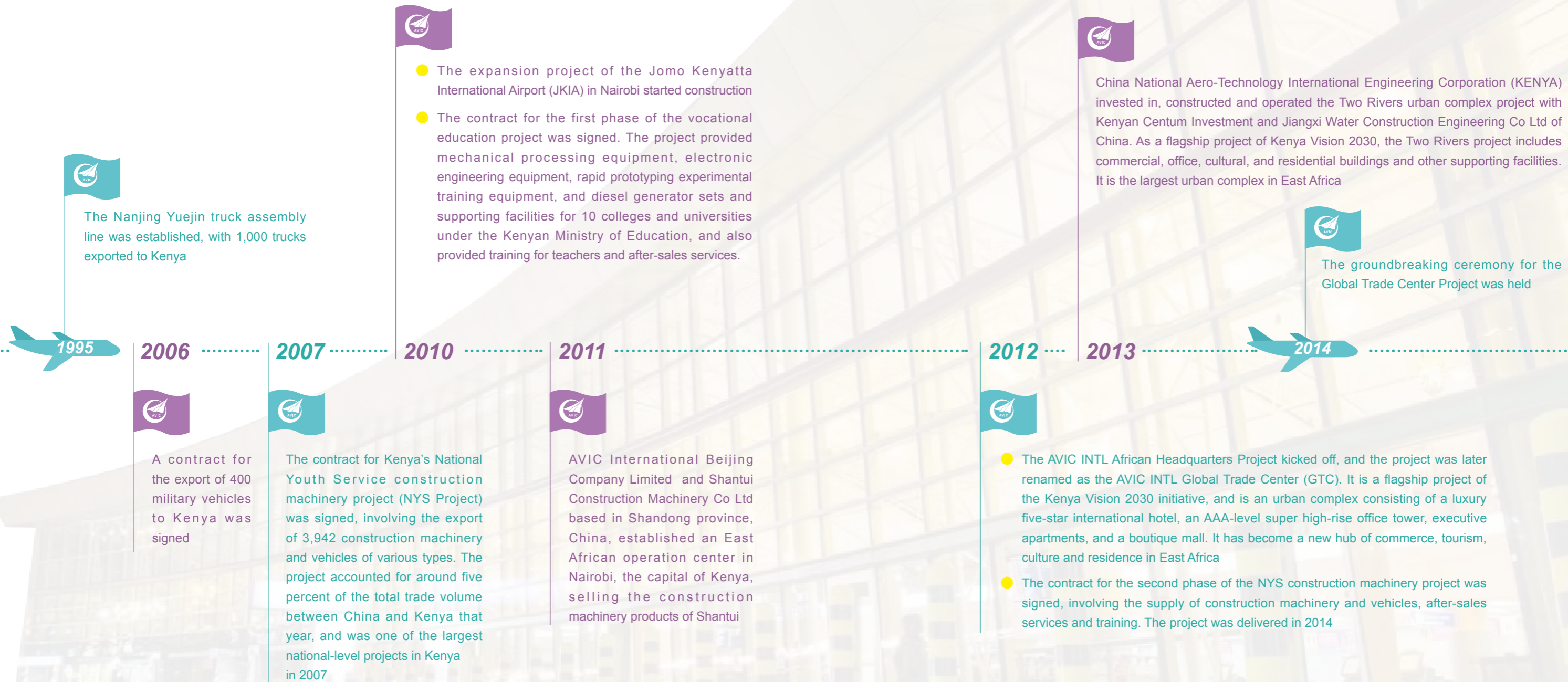
We have cultivated and trained skilled industrial workers and technical professionals, and made great efforts to enhance local employment and reserves of talents. We have also carried out community joint development activities on a regular basis during the whole process of project implementation, which has further promoted the friendship between the people of both sides, met the urgent needs of local communities for economic and social development, and boosted mutual understanding

and integration between Chinese-funded enterprises and the local community and between Chinese and Kenyan people for a win-win outcome.

It is worth mentioning that when we worked on the preconditions for the commencement of our projects in Kenya, such as three accesses and one leveling (access to water, electricity and road and leveled ground), campsite construction, and equipment relocation, we helped repair and upgrade damaged local roads, built water conservancy facilities and shared clean water sources with the community, and renovated and constructed school buildings and other community facilities for free. We also dispatched professionals and mechanical equipment to help with local disaster relief and emergencies.



Our development in Kenya





- The Kenyan Ministry of Education confirmed the scope of the second phase of the vocational education project, and signed a supplementary agreement. The project would build 134 vocational training bases in 47 counties throughout Kenya, providing equipment, teacher training and two-year after-sales maintenance services for 10 disciplines, namely, electrical and electronic engineering, mechanical processing, auto repair, welding, civil engineering, refrigeration, agricultural machinery technology, agricultural product processing, mechanical and electrical integration, and hotel management
- China National Aero-Technology International Engineering Corporation (KENYA) undertook the construction of the first and second phases of the Kenya Twyford Ceramics Factory as the main contractor. The construction of the first phase took only eight months from start to completion, making it possible for the factory to complete construction, start production and make profits within a year. Twyford has since become the largest building materials enterprise in terms of ceramics in Africa

2016

2017



The Two Rivers Mall, the main part of the Two Rivers urban complex project located on Limuru Road in Nairobi, opened to the public

2018



AVIC INTL Beijing (E.A.) Co., Ltd. built an industrial park that integrated vehicle assembly, modification, sales and maintenance services in Nairobi. The company built up its core capabilities, such as duty-free imports and bonded warehousing, the assembly of CKD (completely knocked-down) parts, vehicle modifications and bodywork manufacturing, marketing network operations, and brand integration

2019



China National Aero-Technology International Engineering Corporation (KENYA) undertook the construction of the MAS textile factory project. It only took six months to complete the construction of seven buildings, covering a total area of 5,800 square meters

2021

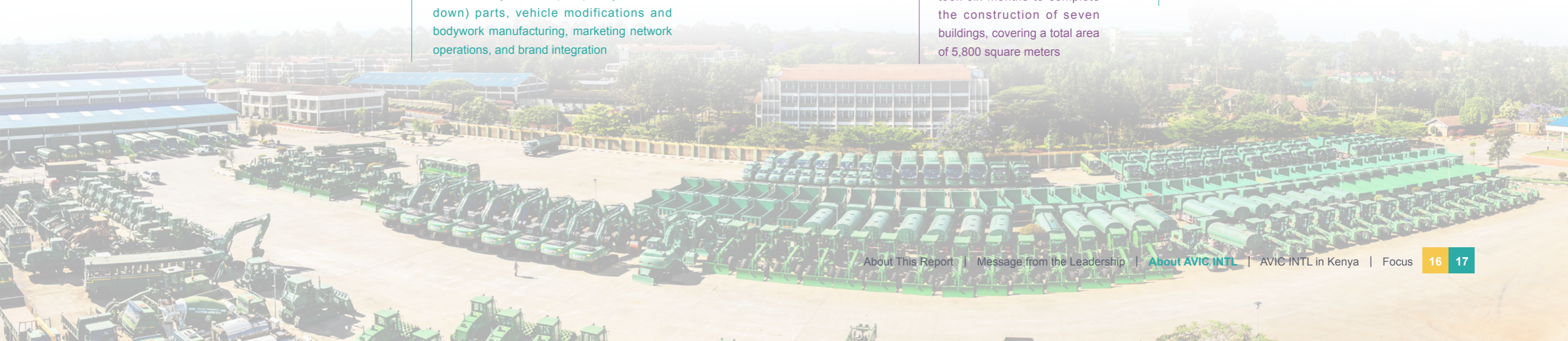


In December 2021, the GTC Office Tower, Boutique Mall and Executive Apartments completed construction. In July 2022, a grand handover ceremony for the first batch of apartment owners was held, marking the completion of the GTC project and the shift from construction to operation



2022

- In July 2022, the A4 Road project completed construction and opened to traffic as planned. The road connects the capitals of Laikipia and Samburu counties, halves the drive hours between the two places, and facilitates the sale and transportation of local cattle, sheep and other livestock and agricultural products. Dams built along the road solved the difficulties of local residents in water use. With the road, the local wildlife parks, including Mugie Conservancy, have attracted more tourists thanks to convenient transportation. This development has also boosted local employment
- In August 2022, the Karimenu II Dam Water Supply Project held a grand celebration ceremony for opening. The project used Chinese standards and Chinese environmentally friendly technologies, and used the "smart water" concept for the first time, winning wide recognition from the Kenyan government and people. Since the completion of the project, the use of water for residents in Nairobi and surrounding cities and towns has been greatly improved. More than one million people have benefited from the project





AVIC INTL IN KENYA

AVIC INTL has set up representative offices in 16 cities in Africa, including Nairobi of Kenya. Its subsidiaries, such as AVIC INTL Project Engineering Company, AVIC INTL Beijing Company Limited and China National Aero-Technology International Engineering Corporation, have established a presence in 21 African countries, mainly in the manufacturing, construction, real estate, service and education sectors.

Kenya is a major country for AVIC INTL's business operation in Africa. The corporation has maintained long-term cooperation with its Kenyan partners on infrastructural construction, real estate, engineering machinery, automobile trade and assembly, and vocational education, offered full support to the Kenya Vision 2030 economic development blueprint and the country's Big 4 Agenda, fulfilled its corporate social responsibilities, forged ahead in overseas development, and striven to become a promoter, player and pioneer in the China-Kenya cooperation under the framework of the Belt and Road Initiative (BRI).

Since the establishment of its first representative office in Kenya in 1994, AVIC INTL has built sound cooperative relations with the related departments of the Kenyan government, fostered a positive corporate image and won the acclaim and recognition of the Kenyan side in the implementation of many high-quality projects.

The following are the main businesses conducted by AVIC INTL in Kenya.

Aviation, real estate and highways

Early in 2009, China National Aero-Technology International Engineering Corporation (KENYA) undertook the projects to expand the terminals of Jomo Kenyatta International Airport (JKIA) of Kenya. After years of efforts, AVIC INTL has had a footing in airport construction, aviation facilities, real estate and highways. So far it has completed the reconstruction and expansion of terminals 4 and P3A and the construction of the parking aprons of JKIA, as well as the construction of landmark buildings including the Two Rivers urban complex - the largest shopping mall in Kenya, AVIC PARK and Forestry apartments, and the UAP tower. In addition, AVIC INTL has constructed roads with a total mileage of 280 kilometers. There are currently 10 projects under construction.

Vocational education

As a Chinese corporation with a presence in developing countries for over three decades, AVIC INTL fully understands the challenges in the development of vocational education and the cultivation of young talents in the midst of economic and trade exchanges.

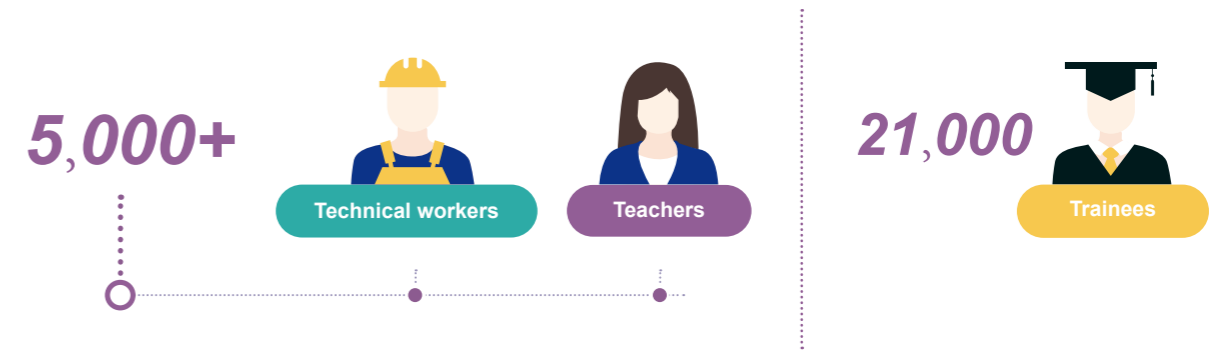
During his official visits to Africa, Chinese President Xi Jinping emphasized the concept that "it is more helpful to teach people how to fish than to just give them fish". Therefore, vocational education has become one of the pillars in the construction of the Belt and Road.

With the help of Chinese experiences and practice in vocational education and youth talent cultivation, AVIC INTL has considered Kenya's development requirements and demands while planning vocational education programs in collaboration with the Kenyan Ministry of Education and the Ministry of Youth Affairs, Sports and the Arts.

The vocational education programs of AVIC INTL primarily cover vocational education system planning, the upgrade of workshops, the supply of hardware and software for vocational training, syllabus and textbook design, training of trainers (ToT) , and the operation and maintenance of institutions. The programs also involve machinery supply, operational and talent training, and supportive operations.

Since 2010, AVIC INTL has seen success in the planning and implementation of projects in Kenya, including the National Youth Service (NYS) project, the first and second phases of the Kenya-China Project on the Establishment of Technical and Vocational Training Workshops in Kenya.

Statistics from the Kenyan Ministry of Education show that AVIC INTL has provided training services for over **5,000** technical workers and teachers from vocational institutions, as well as **21,000** trainees, and that over **80** percent of Kenyan trainees have found jobs after participating in relevant training programs.



Energy and water resources-related public welfare projects

At the request of the Kenyan government, AVIC INTL has proactively taken part in the building of all types of public welfare projects to further enhance infrastructural construction and improve the livelihoods of Kenyan people over the years.

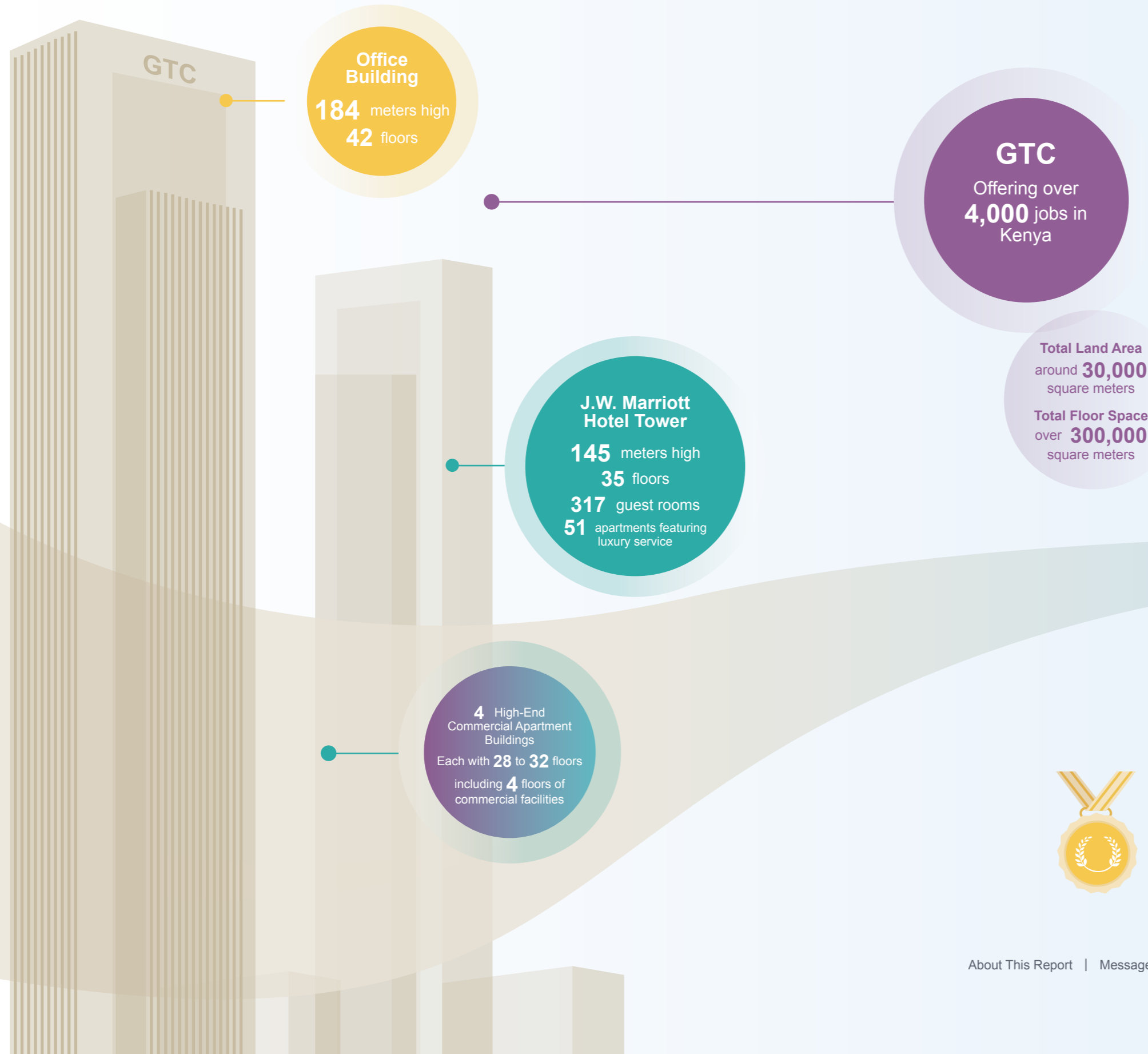
AVIC INTL signed an agreement with the Kenyan Ministry of Water, Sanitation and Irrigation on the Karimenu II Dam Water Supply Project in 2014. The project was launched in August 2019, delivered in May 2022 and commissioned by the Kenyan President in August, and the goal of water circulation was realized in October. The project will improve the access to water resources for over 1 million Kenyan people in Nairobi, the capital of the country, and surrounding areas, and greatly raise the living standards of local people.

AVIC INTL also signed a deal with the Kenyan Ministry of Water, Sanitation and Irrigation on the Mzima II water supply pipeline project in July 2017. The pipeline project is a leading water supply infrastructure in eastern Kenya's Taita Taveta, and phase two of the project will provide ample water resources to Mombasa, Kilifi and Kwale.

Upon completion, it will become a landmark project of Kenya Vision 2030 and solve the shortage of water resources in counties in eastern Kenya.

Commercial real estate investment

Apart from engineering, procurement and construction (EPC) projects and regular trade, AVIC INTL has invested in the development of the Global Trade Center (GTC) urban complex project in Westlands of Nairobi. The GTC, which covers an area of 30,000 square meters and has a floor space of over 300,000 square meters, consists of a five-star international luxury hotel, AAA-rated super high-rise office buildings, high-end commercial apartments, and world-class boutique commercial venues.



The office building, which is 184 meters high and has 42 floors, is expected to be an office cluster of Fortune Global 500 companies in Kenya, develop into Nairobi's new hub of finance, information and talent, and inject fresh vitality into the economic growth of the country. The JW Marriott Hotel tower, which is 145 meters high and has 35 floors with 317 guest rooms and 51 apartments featuring luxury service, will be the most luxurious hotel in Kenya and elevate the country's tourism infrastructure. The four high-end commercial apartment buildings, each with 28 to 32 floors, are an integral component of the complex.

As a high-end investment project of AVIC INTL in East Africa, the GTC also represents the business model combining investment with operation initiated by a Chinese company in East Africa. Its development and operation have created more than 4,000 jobs for Kenyan people, forged new growth momentum for Kenya, helped attract foreign capital, and improved the business landscape and economic development in the country.

Engineering machinery and automaking

The booming development of Kenyan infrastructure has substantially increased the demand for engineering machinery and commercial vehicles in Kenya. AVIC INTL started to set foot in the engineering machinery and commercial vehicles market in 2011, and built an industrial park in Nairobi, capital of Kenya in 2018 dealing assembling commercial CKD (completely knocked-down) vehicles. With full integrity in operations, AVIC INTL was qualified by the Kenyan Ministry of Industrialization in CKD assembly and tariff-free warehouses in Kenya.

Over the years, AVIC INTL has integrated itself with the Kenyan market and localized management in a scientific manner. A total of 972 sets of engineering machinery and commercial vehicles have been exported by AVIC INTL since 2011.



Innovation in cooperation - Integration of business and teams

Since entering the Kenyan market, AVIC INTL has proactively promoted the implementation of the BRI, taken part in the construction of infrastructure and the manufacturing of engineering machinery and commercial vehicles, and provided technical services.

With the in-depth development of its business activities in Kenya, AVIC INTL has constantly enlarged the scopes of its business, enriched cooperative mechanisms, and fostered multi-layer and all-round cooperation with local enterprises. Meanwhile, it has leveraged Chinese experiences, technologies and equipment to help expand Kenyan economic and social development paths, forge a win-win cooperation scenario with local business partners, stakeholders and communities, and promote the building of a China-Kenya community with a shared future.

Awards and honors



The Global Trade Center project was bestowed with **the Best Design Award of 2021** by the Kenyan National Construction Authority on June 15, 2022

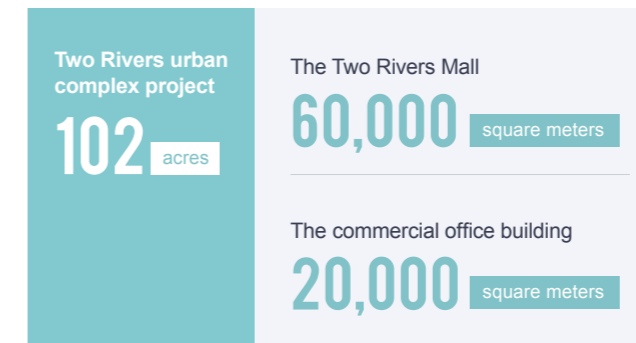


A press conference was held by the Kenya China Economic and Trade Association under the guidance of the Chinese Embassy in Kenya on December 15, 2021, in Nairobi, the capital of Kenya, to release a report on the fulfillment of corporate social responsibility (CSR) by Chinese companies in Kenya between 2020 and 2021. The Kenyan representative office of AVIC INTL was conferred with an award on **CSR contribution at the conference**

CASE Joint investment and development of flagship project

China National Aero-Technology International Engineering Corporation (KENYA) has proactively explored new business arenas and industrial ecosystems, endeavored to build an investment-construction-operation business model, adopted modern and innovative urban space and lifestyles, and sought to achieve win-win cooperation, while focusing on the development of construction as its traditional major business. It has established investment conglomerates with leading Kenyan enterprises and conducted close collaboration with South African capital to produce more economic benefits for Chinese enterprises' outbound direct investment projects, and deepen their localized operation.

Since 2013, the company has worked with Kenya's largest listed company Centum Investment Limited and Chinese company Jiangxi Water Construction Engineering Co Ltd to jointly invest



in, construct and operate the Two Rivers urban complex, a key project of the Kenya Vision 2030.

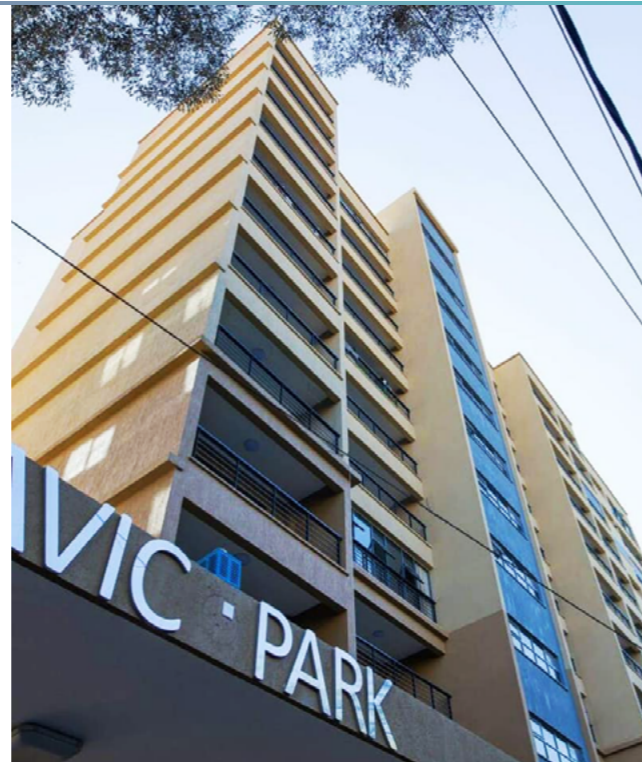
Located in the core diplomatic area of Nairobi, the Two Rivers urban complex project covers an area of 102 acres (41.28 hectares), is just 5 kilometers from the United Nations Office and many embassies, and a 30-minute drive from downtown Nairobi. The project, the largest urban complex in East Africa, integrates theme parks, shopping plazas, cinemas, hotels, banks, apartments and office buildings. The Two Rivers Mall covers an area of about 60,000 square meters, and a large number of businesses featuring local and international brands, such as Carrefour, Burger King, and LC WAIKIKI, have settled in the complex. The commercial office building, with an area of about 20,000 square meters, is home to a number of foreign embassies and consulates and well-known investment companies.



CASE Locally-operated real estate project

China National Aero-Technology International Engineering Corporation (KENYA) has independently invested in, built and managed the AVIC PARK apartment project since 2014. Since its completion in 2017, the real estate project has provided Kenyan people with jobs in sales, property management, operation and maintenance, and become a leading property service company with influence in the local communities with joint efforts of Chinese and Kenyan employees.

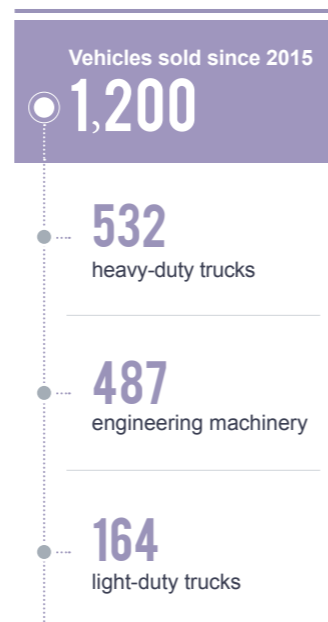
The long-term operation of the self-owned real estate project has created a pleasant, beautiful and high-standard living environment for local people, while providing them with stable jobs.



CASE Improving local capabilities of vehicle assembly and manufacturing

AVIC INTL Beijing (E.A.) Company Limited is committed to bringing high-quality Chinese engineering machinery and vehicles to Kenya. Its businesses in Kenya cover duty-free imports and bonded warehousing, the assembly of CKD parts, vehicle modifications and bodywork manufacturing, marketing network operations, and brand integration. It has provided many jobs for the local people, and trained over 500 professional talents in vehicle assembly, machinery processing, sales and after-sales.

Since 2015, it has sold 1,200 engineering vehicles of various kinds, including 532 heavy-duty trucks of Shaanxi Automobile Group, 487 units of engineering machinery of Shantui Construction Machinery Co Ltd, and 164 light-duty trucks of JAC Motors, greatly promoting the construction of local infrastructure and the development of the transport sector.



Personal stories of local employees

All subsidiaries and project teams of AVIC INTL in Kenya have adhered to a people-oriented development approach, shown full respect to Kenyan culture and customs, kept Kenyan employees motivated at work and deepen their understanding of corporate culture, advanced the collaboration between Chinese and Kenyan employees, attached great importance to the cultivation, empowerment and promotion of Kenyan employees, and achieved mutual development and benefits for Chinese and Kenyan employees. The efforts have helped build a good image of Chinese companies among the local people, put an end to the previous high turnover rate of local workers and offered promotion opportunities for local employees.

CASE

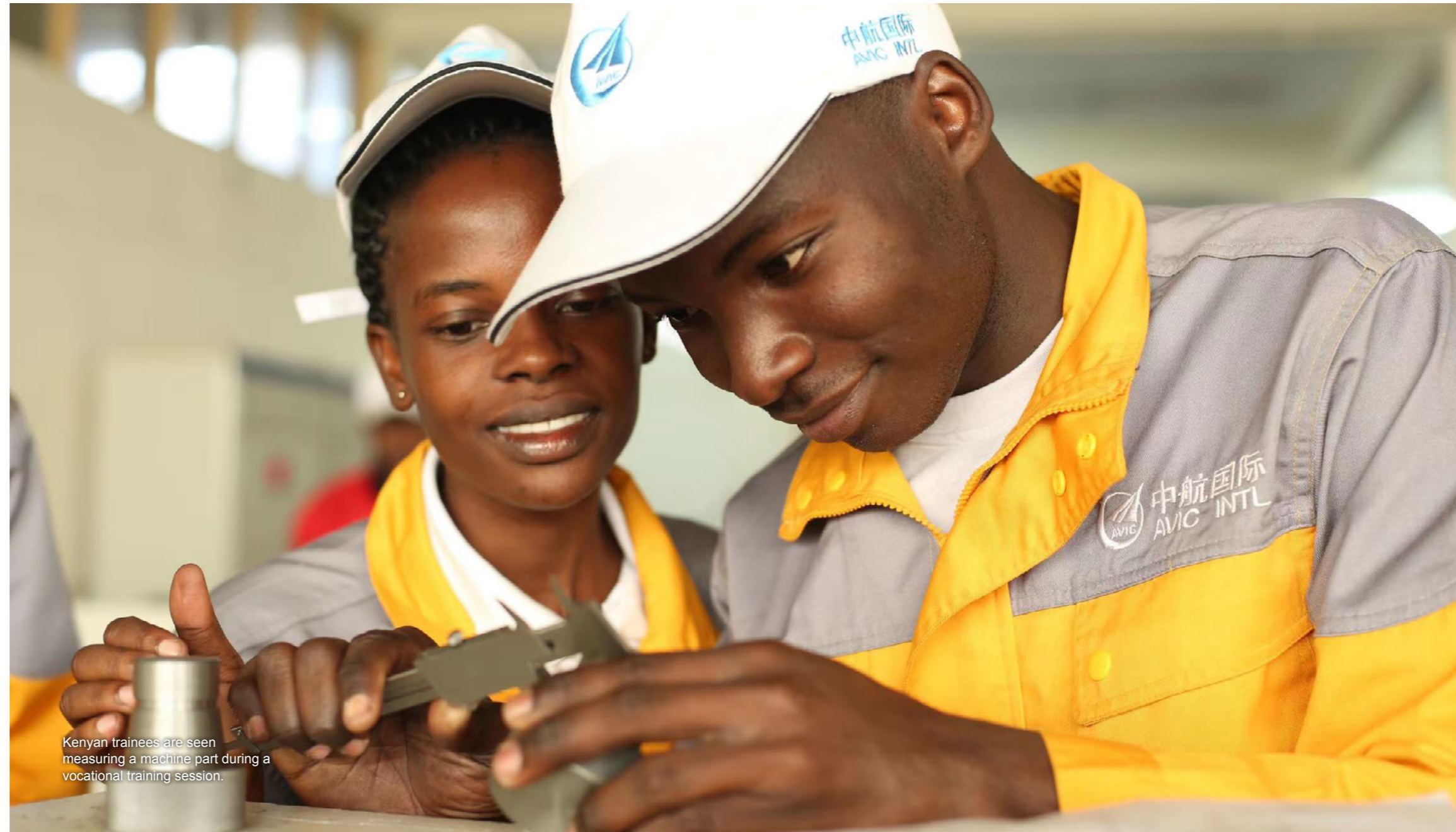
Engrid Mora Mariita joined AVIC INTL four years ago. As an administrative worker, she has been highly motivated by the active and enterprising spirit in the corporation and close collaboration between Kenyan and Chinese employees. She and her Kenyan colleagues have written articles on their work experiences, which won an award in a composition competition held by the Kenya China Economic and Trade Association.

CASE

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

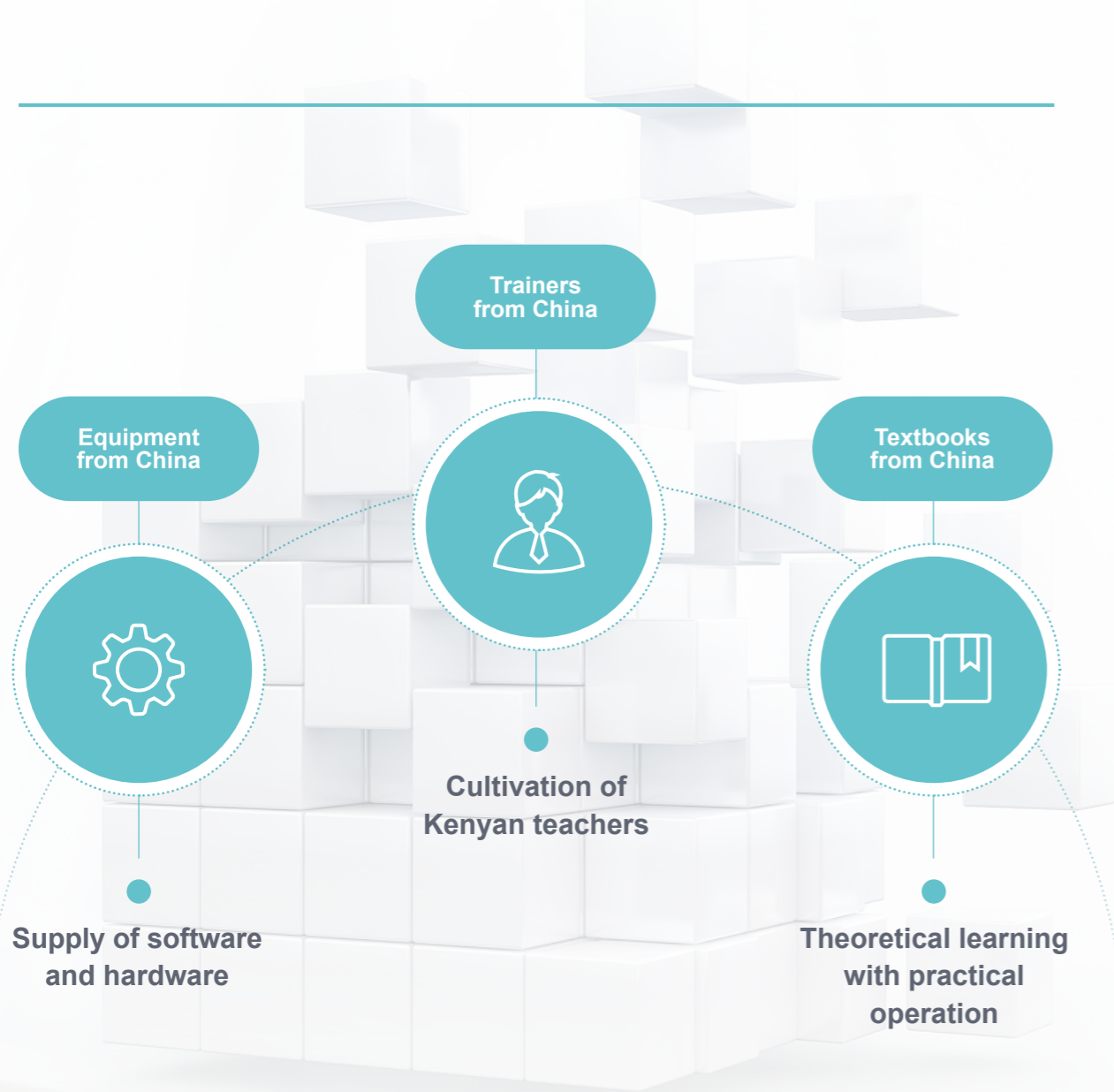
Vocational education – A driver for sustainable development

Since 2009, AVIC INTL has been exploring the development of public welfare undertakings abroad, and taking vocational training promotion in developing countries as a crucial part and a key starting point. With the vision of providing more technical talents for industrialized development, addressing the issue of youth unemployment, and promoting the sustainable development of education in relevant countries, AVIC INTL has set the ultimate goal of “teach knowledge, train abilities, and apply skills” for the undertakings. The vocational training programs of AVIC INTL in developing countries cover multiple fields including aeronautical maintenance, agricultural machinery, mechanical engineering, engineering machinery, electronics, information technology, metal sheet welding, civil engineering, refrigeration and air conditioning, audio and visual media, wood processing, food processing and fashion design. In addition to the upgrading and transformation of existing vocational education institutions in Kenya, AVIC INTL’s technical and vocational education and training (TVET) programs also offer tailored-made overall solutions.

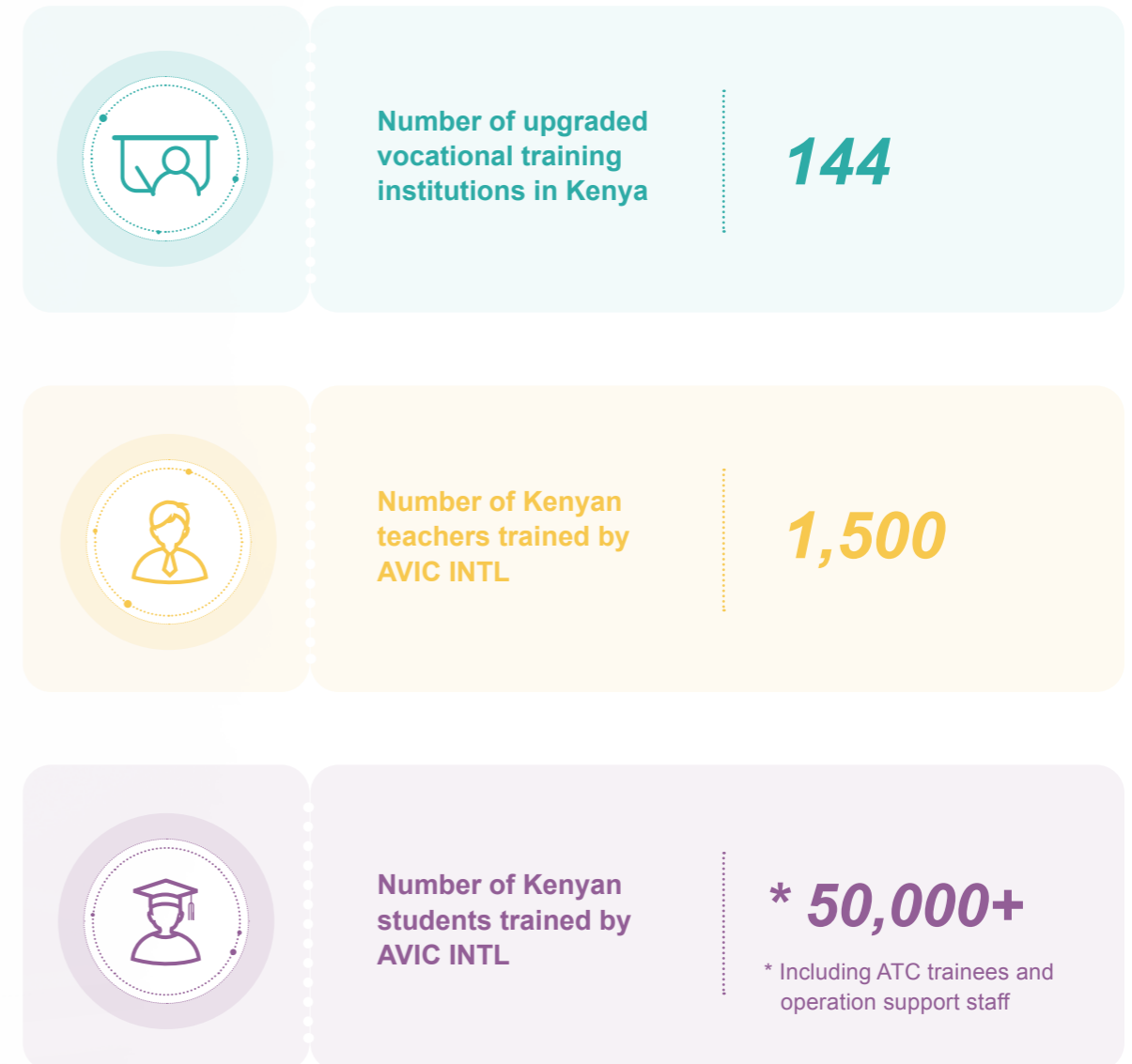


Kenyan trainees are seen measuring a machine part during a vocational training session.

Vocational Training in Kenya



Data





The 7th ATC Graduation Ceremony

CASE Africa Tech Challenge (ATC)

The Africa Tech Challenge (ATC) is one of the series of activities themed “Love Kenya”, supported by the Embassy of China in Kenya. The activity is planned, initiated and fully funded by AVIC INTL, and jointly hosted with the Ministry of Education of Kenya. The ATC targets the problems that African governments concerned about such as the lack of vocational skills and high unemployment rate of the youth. By means of hosting vocational skill training and competition, the ATC aims to improve the skills of local young people, promote the integration of teaching and industrial chains, and create a new model for Chinese enterprises to perform corporate social responsibilities in foreign countries.

The ATC Competition has been held seven times successfully since 2014. It covers vocational skills in several professional fields, and rewards the winning institutions with “orders from China” to improve the integration of teaching and industrial chains and to realize the vision of “Made in Africa”. Excellent students with prominent performances in the contests are rewarded with chances to study in China, and most of the contestants in the ATC are offered good employment opportunities. With their own hands they improve the living conditions of their families and change their own future in a good way. So far a total of 203 institutions and 701 participants from Kenya, Uganda, Ghana, Zambia, Gabon, Côte d'Ivoire, Tanzania and Ethiopia have joined the ATC competitions. Among them, nine institutions received a production order of US\$500,000 provided by AVIC INTL, which also gave a total of US\$62,500 in cash rewards to 99 participants, with 15 obtaining the opportunity to study in China sponsored by AVIC INTL, and 45 receiving the chance for internship and work at AVIC INTL.

From 2014 to 2019, the annual ATC lasts for five weeks and adopts a suitable mode of training prior to the actual competition. This kind of intensive training on practical operations effectively helped participants to improve their technical skills within a short period of time. Starting from the third session, the ATC invited excellent participants from other African countries for the competitions and has gradually been recognized by more and more African countries besides Kenya. It is now more than a simple training and competition event, more



The hope of a country relies on the employment of its youth.



Inscription by Chinese Premier Li Keqiang during a visit to Kenya's National Youth Service in May 2014

importantly, it has become a platform for cultural and educational exchanges among African countries. The ATC has generated strong social response since its launch, receiving unanimous positive appraisals from the ministries of education, colleges and universities and major media outlets in Kenya, Uganda, Ghana, Zambia, Gabon, Cote d'Ivoire and other countries.

With its expanding influence in African countries, the ATC is seeking self innovation. The focus of the ATC transitioned from traditional machinery to information technology (IT), internationalization and employment throughout the first four sessions, with its training venues moving from classrooms and workshops

to construction sites, and its traditional training style shifting to "masters leading apprentices" and teachers instructing the students as they work by hand. The program directly signs working contracts with selected students with prominent performances after the trainings, a practice highly welcomed by the students. The following two ATC sessions carried on with the theme of the third session but extended its influence all the way to French speaking countries in West Africa, further demonstrating the ATC purpose while breaking language obstacles.

The seventh ATC competition was officially launched in July 2022. The ATC session of this year achieved



A group photo of the participants at the finals of the 1st ATC



Trainees from Uganda at the 7th ATC

digitalized upgrade by relying on the online education platform of AVIC INTL, attracting a total of 259 students in 65 teams from 48 institutions from 6 African countries, and bringing massive benefits to African youth who are eager to improve their vocational skills. The competition of the seventh ATC focused on "reading and drafting of construction drawings". Trainings, which were centered on "basic operations of CAD software", "projection of construction drawings", "international standards for construction drawings", and "drafting of construction plan drawings", were provided. Moreover, two ATC talks were held, and an online tour of the GTC (Global Trade Center) project in Kenya and interviews and exchanges with architects in Africa were arranged to help the trainees better understand the applications of the skills they had learned and broaden their views. On November 22, the 7th ATC came to a successful conclusion in Nairobi, and the top three contestants from Uganda, Egypt and Zambia were awarded the opportunity to study in China.

In the future, AVIC INTL will enhance the integration of the ATC with local needs, establish more training majors and strengthen the cooperation between China and Africa in vocational education to promote the development of Africa in this field.



On July 23, 2022, the 7th ATC was officially launched



Outstanding participants win scholarships to study in China

ATC youth from Africa: Where there is a will, there is a way

“Studying in China has broadened my horizons and brought me closer to global trends. It gave me confidence that I could easily adapt to working anywhere in the world by experiencing different cultures.”

Paul Mbutu Warutere was a technical worker on a tea farm in Kenya before joining the first ATC. Participating in ATC training and competitions after quitting his job changed the course of his career. He later won the opportunity to study in Beihang University of China through the ATC competition and received a master’s degree.



Upper right : While studying at Beihang University, Paul performs a Kenyan song and dance on the stage of the 2018 CCTV Spring Festival Gala

Right : Paul enjoys Chinese food in a canteen at Beihang University

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

Grace Kenderi Bulimu, who won the championship in the sixth ATC Presentation, hopes to become an outstanding mechanical engineer and promote the development of mechanical engineering technology in Kenya. As a woman, she wants to influence young women in Kenya through her hard work, improve the social self-confidence of women, and give full play to their social value.



Grace Kenderi Bulimu, from the Kenya Polytechnic University, discusses technical solutions with team members

“It’s not just the alarm that wakes me up every morning, but also my dream. I aspire to become a world-class mechanical design engineer.”



Teddy Babirye, an ATC participant from Uganda, shows his ATC souvenir bracelet



The top three contestants of the seventh ATC awarded with the opportunity to study in China pose for a group photo as the ATC competition came to an end on November 22, 2022

Special Column

The Jin Yetao Scholarship

The Jin Yetao Scholarship was established spontaneously by employees of AVIC INTL Project Engineering Company on January 25, 2021, in memory of Mr Jin Yetao, manager of the Kenya College and Technical School Upgrading Project. Since 2022, it has started to donate Ksh1 million annually to Hospital Hill Secondary School on Red Hill Road, Nairobi, to support 10 to 20 students with excellent academic performance or financial difficulties. The scholarship consists of two parts: the secondary school scholarship and the vocational education scholarship, which share the funding in a 3:2 ratio, with Ksh600,000 (about US\$6,000) for secondary school scholarships and Ksh400,000 (about US\$4,000) for advanced (vocational) education.

Jin Yetao, born in May 1986, was a member of the Communist Party of China (CPC). He joined AVIC INTL after graduating from Northwestern Polytechnical University in 2011. He became the representative of the South Sudan Representative Office of AVIC INTL Project Engineering Company and later took the position of deputy general manager of the fourth project department and was in charge of market development and the execution of overseas vocational education projects. Jin took charge of the Kenya College and Technical School Upgrading Project, which is dedicated to training Kenyan vocational and technical talents, facilitating Kenya's industrialization progress, and playing a positive role in strengthening China-Africa people-to-people exchanges and cooperation. Taking a leading role in the professionalization of vocational education, he spared no efforts in implementing the Belt and Road Initiative with practical actions, innovative thinking and brave exploration. On March 10, 2019, Jin died when Ethiopian Airlines flight ET302 crashed en-route to Kenya. Jin devoted his whole life to his beloved career of vocational education in Africa, where he strenuously worked to benefit the youth and the general public.



The endowment ceremony of the Jin Yetao Scholarship



The endowment ceremony of the Jin Yetao Scholarship

Goals of the Jin Yetao Scholarship

Goals	Planned Activities	Expected Effect and Influences
Social Development: Provide equal learning opportunities for outstanding students with underprivileged backgrounds	<ul style="list-style-type: none"> Support students for academic progress Help students with overall development Provide instructions on career and psychosocial development Assist in employment and integration into social development 	<ul style="list-style-type: none"> Promote students' awareness of social justice and responsibility Carry out professional training through apprenticeships Promote social development through employment Strengthen social and economic ties between China and Kenya
Economic growth and development	<ul style="list-style-type: none"> Financial aid for training opportunities 	<ul style="list-style-type: none"> Acquire entrepreneurial spirit and technical skills Realize economic empowerment and growth Acquire necessary technical and vocational development skill
Strengthen political ties and international cooperation	<ul style="list-style-type: none"> Cultural and political cooperation 	<ul style="list-style-type: none"> Promote bilateral relations between China and Kenya

Mutually beneficial cooperation as our mission



Sticking to the concept of win-win cooperation, AVIC INTL has paid taxes in Kenya legally and compliantly. It has undertaken a number of infrastructure, manufacturing, and housing construction projects in the country, helping improve the production and life of the Kenyan people, boost regional connectivity, promote local sustainable economic development, and provide solid support for the Kenya Vision 2030 and the country's Big 4 Agenda.

In terms of the manufacturing sector

AVIC INTL has delivered excellent Chinese machinery and equipment to Kenya and enhanced Kenya's infrastructure construction capabilities. The company has provided training and rehearsals, and improved the vocational skills of engineering and technical trainees. It has also built industrial parks and promoted technology transfer, boosting the development and industrial structure upgrading of the manufacturing industry in Kenya.

NYS equipment purchase project

The National Youth Service (NYS) is an agency under the Kenyan Ministry of Youth and Sports dedicated to voluntary work and education for young citizens. Through the NYS equipment purchase project, AVIC INTL introduced construction machinery, vehicles and other equipment from China into Kenya to help the Kenyan government and enterprises in paving roads, drilling wells and repairing dams, achieving good social and economic benefits.

In terms of infrastructure

China National Aero-Technology International Engineering Corporation (KENYA) has built a large number of high-quality projects in Kenya, including expressways, urban roads, rural roads, and other facilities such as airports, parking aprons, terminals, and parking buildings. The Jomo Kenyatta International Airport (JKIA) Phases II and III reconstruction and expansion projects in Nairobi, undertaken by China National Aero-Technology International Engineering Corporation (KENYA), have increased the annual passenger throughput of the airport from 2.5 million to 9.3 million and the number of aircraft parking spaces from 26 to 45, making it the most important aviation hub of Kenya and the busiest airport in East Africa.

Passenger Throughput

2.5 ⇒ 9.3
million million

Aircraft Parking Spaces

26 ⇒ 45

In terms of housing and commercial space

China National Aero-Technology International Engineering Corporation (CAIEC) has built residential buildings, offices, commercial buildings, and industrial parks in Kenya. They include efficient and high-quality residential apartment projects that helped increase local housing supply and improve living environment as well as modern offices for Kenya's expressway, airport, and electricity administrations. Major projects of the company also include the Nairobi Hospital, the Victoria Commercial Bank, and the UAP Insurance office building. The UAP tower has 34 floors, and is 130 meters high. It became **one of the landmark buildings in Kenya** when construction was completed in 2016.

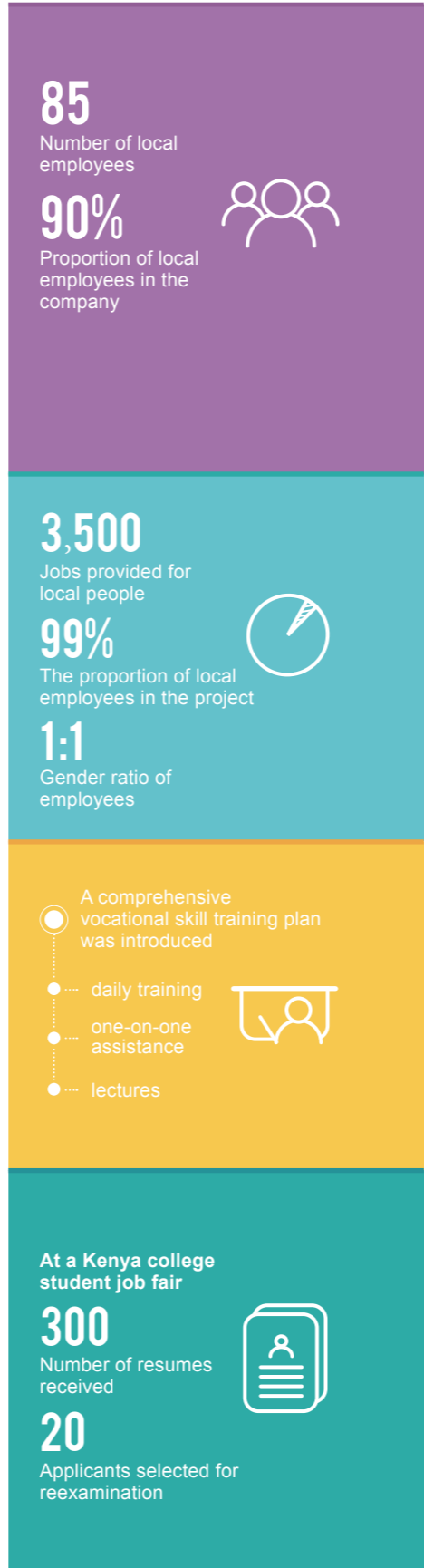
UAP Tower

34 floors

130 meters high

Being people-oriented and supporting employee development

AVIC INTL abides by the values of "people first, responsibility, partnership, innovation, and unity of knowledge and action", and puts them into practice in employment. Subsidiaries of AVIC INTL in Kenya insist on localized operation and project management, effectively tackling the challenges of cross-cultural management in overseas project operation. We innovate human resources strategies, and strive to increase the number and proportion of local employees while stressing the cultivation of local Kenyan technical talents, industrial workers and management personnel, and are committed to improving local employment and talent reserve level in Kenya. Employment opportunities of young employees have been expanded, employment quality has been enhanced, and localization of employees has been improved. Chinese project managers, technicians, foremen and other management and technical personnel help local employees with their work and teach them by setting examples. The company also created an in-house training and promotion mechanism for employees, allowing grassroots employees to be promoted to projects' middle-level management positions through training and assessment, which is well implemented in Kenya. In addition, AVIC INTL worked with local human resources partners to introduce local higher education talents and technical talents, and strengthened their connection with local communities, establishing themselves as responsible Chinese companies in Kenya.



CASE AVIC INTL Beijing (E.A.) Co., Ltd

AVIC INTL Beijing (E.A.) Co., Ltd. adheres to the strategy of localized operation and development. The number of local employees has now reached 85, accounting for 90 percent of the total number of the company's employees. The local employees are encouraged and promoted to leadership positions through open competition for posts, and now a group of senior management talents have emerged such as directors of sales, technology and service. By improving the scientific salary evaluation system, the company ensures that every employee can benefit from its development achievements. The company also organizes team building activities and creates a harmonious working atmosphere through birthday parties and festival celebrations.

CASE Two Rivers urban complex project

The successful operation of the Two Rivers urban complex project has provided more than 3,500 jobs for local people in Kenya, and significantly improved local social and economic development. The project is the win-win result of cooperation between Chinese and Kenyan enterprises, and has opened a new chapter in people-to-people exchanges between the two countries. It will play an exemplary role for more Chinese enterprises to enter the Kenyan market in the future. The proportion of local employees in the project is about 99 percent, and the gender ratio of employees is about 1:1.

CASE Vocational skill training plan for RWC264 Road project

During the construction of the RWC264 Road project, a comprehensive vocational skill training plan was introduced, including daily training and one-on-one assistance for engineering and technical capability improvement as well as lectures on production safety, occupational health, and management ability. Highlighting occupational safety and health awareness, the company has effectively prevented construction accidents and casualties, safeguarding the safety and health of local employees.

CASE Advancing recruitment localization strategy

At the end of 2017, China National Aero-Technology International Engineering Corporation (KENYA) participated in a Kenya college student job fair hosted by the Confucius Institute at the University of Nairobi, and co-organized by the Kenya China Economic and Trade Association and the Kenya Chinese Chamber of Commerce. The company offered jobs for local college students majoring in civil engineering, surveying, testing, human resources management, marketing, administration, legal affairs, and translation. It received over 300 resumes and around 20 applicants met the re-examination criteria.

Kenya-China family for a better future

The year 2023 will usher in the 60th anniversary of the establishment of diplomatic relations between China and Kenya. In recent years the long-standing friendly ties between the two countries have been lifted to higher levels with the support of the two countries' leaders and are moving towards a comprehensive strategic partnership. AVIC INTL actively responds to the Belt and Road Initiative and strives to promote the China-Kenya economic and trade cooperation with practical actions. Based on the most urgent concerns and needs of the Kenyan people, the company is committed to driving the development of local employment, environmental protection, and education through project cooperation and to promoting mutual cultural learning and exchanges. A witness to and participant in the solid progress made in various fields in the Big 4 Agenda of Kenya, the company joined hands with the Kenyan government and people, to overcome difficulties and make progress together.

CASE A4 Road project - Active promotion of local development and livelihood improvement

The Kenyan President attended the commencement ceremony of the second phase of the A4 Naibor (Posta)-Kisima-Maralai Road project, undertaken by China National Aero-Technology International Engineering Corporation (KENYA), and highly affirmed the contribution of the first phase of the highway to local social development and the prospect of the second phase to help improve local development. Since the start of the project, it has provided a lot of help to the local community and contributed to the improvement of people's livelihood, economic development, and environmental protection, while ensuring smooth construction.



A modern well built in the first phase of the A4 Road project

CASE JKIA Phase II Project - Responsible participation in airport firefighting and reconstruction

China National Aero-Technology International Engineering Corporation (KENYA) undertook the Jomo Kenyatta International Airport (JKIA) Phase II reconstruction and expansion project in Nairobi. The team not only delivered high-quality engineering, but also acted responsibly in response to requests for rescue and relief work and post-fire reconstruction.

On Aug 7, 2013, a fire broke out in the international departure area of the main terminal of the JKIA and spread quickly to the international arrival area. Answering the call from the local fire-fighting department, the project team immediately dispatched water trucks for rescue, and became the first social team to arrive before the municipal fire fighters. The employees of both Kenya and China helped put out the fire for nearly five hours, and finally extinguished the fire.

The Kenya Airports Authority (KAA) expressed its gratitude to the company for its help at the critical moment during the emergency, with local media reporting extensively on their heroic actions and help.

At the request of the Kenyan government to ensure the normal operation of the airport after the fire hazard the company urgently transformed a finished indoor parking building into a temporary international arrival terminal. The entire project was completed in just three weeks, and included customs, the arrival hall, the baggage claim area, security facilities, exterior traffic lines and other facilities. Costing the company US\$1 million, the project was later donated to the Kenyan people.

The high-quality construction of Phase II of the JKIA and the company's efforts in rescue and disaster relief, post-disaster reconstruction, and donations in Kenya are examples of the fulfillment of its corporate social responsibilities by AVIC INTL and reflections of the code of conduct of the company as a responsible centrally state-owned enterprise of China in its overseas operation to promote local comprehensive development.



Providing clean drinking water

During the first phase of the A4 Road project, three modern wells equipped with water tanks and generators were built for the local people, and were delivered for use after the completion of the first phase of the project. In the second phase of the project, a reservoir was built, which was opened for the local residents to fetch water. These water conservancy facilities provided convenient and clean drinking water sources and improved the health and well-being of the local communities.

Assisting in disaster prevention and mitigation

China National Aero-Technology International Engineering Corporation (KENYA) actively responded to the rescue request of local communities and helped with rescue and disaster relief and post-disaster reconstruction featuring large-scale engineering equipment and professional staff. On Dec 11, 2019, important traffic lines near the A4 Road project were cut off due to sudden floods caused by days of heavy rains. Large-scale excavators and other professional equipment were dispatched by the company for emergency rescue, restoring the traffic blocked by the flood disaster. At 2:00 am on Feb 18, 2022, a fire broke out in Suguta, a town near the site of the A4 Road project. Water trucks and operators were sent out by the company to help put out the fire and managed to prevent it from spreading.

Upper right : On Dec 11, 2019, personnel and equipment of the A4 Road project were dispatched to help with flood relief and traffic restoration

Right: On the early morning of Feb 18, 2022, water trucks of the A4 Road project were dispatched to put out the fire and succeeded in preventing it from spreading



Protecting wild animals

China National Aero-Technology International Engineering Corporation (KENYA) pays great attention to ecological protection in the construction process, and actively responds to the concerns and needs of local departments and stakeholders. On March 1, 2022, an elephant in the local Mugie Conservancy stumbled into a swamp puddle, and fell into a critical condition. At a request for help, the A4 Road project team immediately dispatched professional equipment for rescue. After hours of intense work, the trapped elephant was finally out of danger. The practice was a reflection of corporate social responsibility undertaken by the company, and created an excellent reputation and good social benefits in the local area for the company.



On March 1, 2022, machinery and equipment of the A4 Road project rescued an elephant from a swamp

Supporting children education

China National Aero-Technology International Engineering Corporation (KENYA) helped the local community construct primary school buildings, providing stone and other building materials for free. The primary school was completed in May 2018 and put into use that month.



Promoting cultural mutual learning and exchanges

During the Spring Festival of 2022, AVIC INTL hosted the first 4K high-definition signal live broadcast event themed "Watching the Spring Festival Gala and Welcoming the Beijing 2022 Winter Olympics" which was implemented overseas by China Media Group. People from all walks of life in Kenya, representatives of Chinese-funded institutions and local people were invited to watch the Spring Festival Gala together. The event promoted cultural exchanges between Chinese enterprises and local communities.



On September 11, 2022, AVIC INTL held a mooncake making and tasting activity for the Mid-Autumn Festival in Nairobi, inviting Kenyan employees and collaborators for the celebration. Through on-site teaching by a Chinese chef and group competitions, local employees were encouraged to make mooncakes by themselves and experience Chinese traditions. Zhang Yijun, Counsellor of the Chinese Embassy in Kenya, and Zhuo Wu, Chairman of the Kenya Chinese Chamber of Commerce, attended the event, which was hosted by Brian Kiragu Mwangi, a local employee from the Global Trade Center (GTC) project.





Standing together through thick and thin to fight the COVID-19 pandemic

Since the outbreak of the COVID-19 pandemic in 2020, AVIC INTL's subsidiaries in Kenya have made detailed production plans and formulated strategies to fight the pandemic, safeguarding the progress of their projects by preventing their staff from getting infected with the virus and from spreading infections to others. The company has provided funds and materials for the Kenyan government and people in their battle against the pandemic. After the outbreak of the pandemic in Kenya, AVIC INTL has actively allocated anti-pandemic materials and donated them to the local government departments and related parties in cooperation.

AVIC INTL has always given top priority to the safety of lives and health of both Kenyan and Chinese employees in COVID-19 prevention. The companies actively implemented nucleic acid testing and vaccination, properly arranged isolation and quarantine facilities, and provided logistics support for medical treatment. They provided masks, disinfectants, hand sanitizers and other anti-virus materials for free amid the shortage of anti-virus materials for Kenyan employees and their families, ensuring their safety. These moves enhanced corporate identity and sense of belonging of local employees and shaped a responsible image of Chinese enterprises in overseas markets.

Ensuring smooth project operation with careful staff and resources deployment



Before work resumption on the A4 Road project, nucleic acid testing of all employees and comprehensive disinfection of the working area were carried out.

CASE Global Trade Center (GTC)

The GTC project management team formulated a precaution plan against the COVID-19 pandemic at the right time, and fully prepared reserves of medicine and protective materials.

CASE Karimenu II Dam Water Supply Project

The management team of the Karimenu II Dam Water Supply Project made great efforts to overcome the impact of the pandemic on personnel deployment and project operation to ensure the smooth operation of the project, which has now entered the delivery stage in an all-round way.

Donating medical materials to overcome difficulties together

In October 2021, AVIC INTL donated **100,000** high-quality masks, **30 boxes** of hand sanitizers and other items worth about **\$10,000** to the police department of Kenya who faced serious risks of **COVID-19** infections while fulfilling their duty amid the pandemic.

Caring for the mental health of Chinese and Kenyan employees

In 2011, AVIC INTL launched the "Happiness Station" employee assistance program, arranging a team of experts to provide overseas employees and their families with services including health hotline consultation, themed training and crisis intervention. To quickly respond to the needs of overseas employees amid the COVID-19 pandemic, the project conducted online consulting services. In May 2021, more than 100 Chinese and Kenyan employees participated in online training on psychological protection under the pandemic.

Better community, harmonious development

AVIC INTL has participated in Kenya's local infrastructure construction through various projects. While helping promote the country's economic development, technological progress and industrial structure upgrading, AVIC INTL has always paid great attention to the material and cultural demands of the Kenyan people in terms of environmental protection, education, people's livelihoods and equality.

Combining its experiences and advantages in architectural engineering, the company has carried out a series of regular and localized community assistance activities, which are based on projects and oriented toward people's livelihoods, and feature engineering expertise, to promote the harmonious development of society and the integrated and orderly development of enterprises and communities in Kenya.

CASE Rebuilt Mathari school ensures educational opportunities for children

In 2015, China National Aero-Technology International Engineering Corporation (KENYA) undertook the expansion project of Mathari primary school in Nairobi without any profit. The existing school buildings were renovated, and two three-storey teaching buildings and a playground, as well as a series of facilities such as 32 classrooms, offices, assembly halls, basketball courts, canteens, kitchens, and washing rooms were built up.

The project received high attention from local residents and social media during the construction. The project team completed the school buildings with high standards and delivered advanced and child-friendly facilities with a beautiful environment, and then handed them over to the school for operation in 2017.

The new school provided educational opportunities for an additional 1,000 children in the local community as well as employment opportunities for eight teachers, which has won high praises for the company from the local communities.



CASE Two Rivers complex addresses infrastructure problems

China National Aero-Technology International Engineering Corporation (KENYA) has explored new approaches for project-based community services through the investment, construction and operation of the Two Rivers urban complex, a key project.

Utilizing its rich experiences in equipment and construction, it has incorporated the actual demands of local people into project construction in a move to resolve long-standing problems and difficulties in infrastructure impeding their life and development.



CASE Foods and clothes provided for children in orphanage

Representatives of AVIC INTL Real Estate (KENYA) Ltd. visited an orphanage in Nairobi on July 10, 2022. Foods and clothes were presented to the children as gifts for the forthcoming cold winter amid rising prices as part of the company's efforts to fulfill its corporate social responsibilities.



CASE Solar panels installed for children shelter

The days of darkness and unstable electricity supply for the more than 60 orphans and abandoned children at Shiphrah Centre in Mutuini, Dagoretti in Nairobi, capital of Kenya, were put to an end with solar panels donated by AVIC INTL becoming functional on December 9, 2022.



CASE

Donation assists with drought relief

To help Kenya overcome the difficulties of the extreme drought disaster since 2016, China National Aero-Technology International Engineering Corporation (KENYA) and a collaborator of the Two Rivers project donated US\$220,000 in 2017 as a fund to help Kenya fight the drought.

CASE

New school built for dam project-caused relocation

The St. Dominic Buchana Elementary School was vacated due to the construction of the Karimenu II Dam Water Supply Project in 2022. AVIC INTL Project Engineering (Kenya) Limited built a new school with 14 classrooms for the students and made thoughtful arrangements to ensure that their study is not disrupted.



A new classroom of the St. Dominic Buchana Elementary School



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