





2023

SUSTAINABLE
DEVELOPMENT REPORT

CHINA MACHINERY ENGINEERING CORPORATION

About this report

Reporting time range

From January 1, 2023 – December 31, 2023, some contents and data are appropriately traced back to previous years.

Report issuing period

This report is an annual report and the tenth social responsibility report and the third sustainable development report issued by China Machinery Engineering Corporation, which was first renamed as “Sustainable Development Report” in 2020.

Report organization scope

China Machinery Engineering Corporation and its subordinate enterprises

Report title description

For ease of expression and convenience of reading, China Machinery Engineering Corporation is also hereinafter referred to as “CMEC”, “CMEC Group”, “We”, “the Company” and “CMEC”. Among them, China National Machinery Engineering Group Co., Ltd, the controlling shareholder of China Machinery Engineering Corporation, is hereinafter referred to as “CMEC Group”, while China National Machinery Industry Corporation is referred to as “Sinomach”.

The subordinate enterprises of China Machinery Engineering Corporation are hereinafter referred to as their abbreviations: China National Electric Engineering Co., Ltd. is referred to as “CNEEC”, China Machinery Industrial Products Co., Ltd. is referred to as “CMIPC”, China Machinery International Engineering Design and Research Institute Co., Ltd. is referred to as “CMIE”, China Jikan Research Institute of Engineering Investigations and Design Co., Ltd. is referred to as “JK Institute”, China National Machinery Group CMEC New Energy Co., Ltd. is referred to as “New Energy Company”, and CMEC General Machinery Import & Export Co., Ltd. is referred to as “GMIE” and Beijing Sciencetech International Project Management Co., Ltd. is referred to as “BJSI” and so on.

Report data source

The data in the report are from the 2023 work report and other official documents of China Machinery Engineering Corporation, and some historical data are retroactively restated according to changes in accounting standards. The currency unit referred to herein is RMB Yuan unless otherwise stated.

Report preparation bases

- The Guiding Opinions on Fulfilling Social Responsibilities of Central Enterprises and The Guiding Opinions on Better Fulfilling Social Responsibilities of State-owned Enterprises issued by the State-owned Assets Supervision and Administration Commission of the State Council
- The Sustainability Reporting Universal Standards (GRI Standards) issued by the Global Reporting Initiative (GRI)
- ISO 26000: The Guidance on Social Responsibility (2010) issued by the International Organization for Standardization (ISO)
- The Guide on Social Responsibility for Chinese International Contractors and The Guidelines of Sustainable Infrastructure for Chinese International Contractors (SIG) issued by China International Contractors Association.

Report version acquisition

This report is available in both Chinese and English, and is issued in both hard and electronic formats. In case of any discrepancy between the Chinese version and the English version of this report, the Chinese version shall prevail. For a hard copy of the report, please contact us. Moreover, you can also visit the website of China Machinery Engineering Corporation (www.cmec.com) to download the electronic version of this report.

Contact information

China Machinery Engineering Corporation

Address: CMEC Mansion, No.165, Jinze Road, Fengtai District, Beijing, China

Post code: 100073

Tel.: +86-10-89161730

E-mail: csr@cmec.com

Fax.: +86-10-89161674

Website: www.cmec.com



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Chairman's Foreword



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We are committed to a core development strategy centered on "Starting a New Undertaking", accelerating the dual drive of both international and domestic markets. We actively respond to new global sustainable development trends and challenges, gradually transforming our high-quality strategic blueprint into tangible results. Together with our global partners, we are forging a green, healthy, and harmonious future.

”

New Trends

In 2023, marking the beginning of fully implementing the spirit of the 20th National Congress of the Communist Party and serving as a critical period for the "14th Five-Year Plan", CMEC has entered a significant phase of deepening high-quality development and accelerating its journey toward becoming a world-class enterprise. Confronted with unprecedented global changes unseen in a century, our entire team has faced new challenges with fearless courage and unwavering conviction, steering the company steadily through turbulent times and striving to create a new landscape of high-quality development.

New Challenges

2023 also marks the 10th anniversary of the "Belt and Road". As a pioneer of the "Going Global" strategy and a key player in implementing the "Belt and Road", CMEC remains closely focused on its mission of "industrialization and promoting sustainable development". We adhere to the approach of leveraging top-notch design consulting, supported by technological innovation and based on the strengths of the Sinomach's industries. We aim to enhance the domestic and international dual circulation, strengthen our advantages in engineering contracting and supply chain services, and contribute to the high-quality development of the "Belt and Road". Nearly 70 ambassadors in China visited CMEC, praising its efforts and highlighting new achievements in high-level international cooperation.

High-quality

We are working hand in hand to make significant strides in "Belt and Road" countries, focusing on developing self-sustaining engineering projects, actively promoting local industrial upgrades, and continually expanding in key areas such as energy, industry, water, environmental protection, and infrastructure. In 2023, we achieved completion certification for 15 landmark projects, including the Salah Al-Din T.P.S. Project in Iraq, the Sinohydro Zungeru HPP Limited in Nigeria, and the Uyuni Lithium Carbonate Plant in Bolivia. Projects like the Jhang Power Plant in Pakistan and the Al Dhafra PV2 Solar Power Plant in the UAE have successfully entered the commercial operation phase. Additionally, we place high importance on localized operations by creating job opportunities, implementing skills training and industrial support programs, and supporting local education and public welfare initiatives, thereby deeply integrating and promoting regional development.

We adhere to the principles of green development, continuously advancing in areas such as green equipment and technology, and unwaveringly pursuing high-quality growth. We actively implement the socialist vision of ecological civilization by integrating green development concepts throughout the entire project lifecycle. We promote environmentally friendly projects, apply green innovative technologies, build low-carbon structures, and carry out comprehensive environmental remediation and ecological protection projects, contributing to the "dual carbon" goals (carbon peaking and carbon neutrality goals). In 2023, new energy projects accounted for 47% of our overseas power contract projects. The successful operation of various photovoltaic and environmental projects, such as the Idiwan Solar Power Plant in Malaysia and the Lai'an County Wastewater Treatment Plant, marks a solid step forward in our journey toward green transformation.

We adhere to the spirit of craftsmanship, striving to create high-quality projects through innovation. Supported by a strategy driven by innovation, we accelerate technological advancements, lead the high-end development of the industry, and refine our technology innovation management system. By focusing on core areas such as smart manufacturing and intelligent factories, we seize opportunities in digital transformation, launching a range of digital products and services. Our research

projects have yielded impressive results, with significant achievements in technological innovation. In 2023, we converted over 100 technological achievements, secured 62 authorized patents and 24 software copyrights, and won 52 provincial and ministerial-level science and technology awards. Additionally, we established six new research institutions at the provincial and ministerial level.

We continually refine our governance mechanisms and enhance our sustainability capabilities to navigate a complex and ever-changing international environment, ensuring steady progress. We actively respond to the call for deepening state-owned enterprise reforms, clarify our strategic positioning, and aim to set benchmarks for excellence. We have successfully completed the three-year reform action plan and are now deploying a new round of high-standard reform initiatives. Our governance mechanisms have been improved, and management efficiency has been elevated. By hosting large cultural events such as the "Integration Cup" Table Tennis Friendly Match and a New Year's Gala celebrating the second anniversary of the physical entity, as well as legal, business, qualifications, accounting, and cashier knowledge competitions within the CMEC group, we promote deep integration of business processes within the system and create a powerful synergistic effect. We are also deepening our ESG practices, embedding sustainability concepts into every aspect of our corporate

culture and business development, striving to achieve a harmonious balance of economic, environmental, and social benefits. In 2023, CMEC ranked 22nd on the list of China's Top 100 International Contracting Engineering Enterprises. The company was once again awarded the 3A credit rating by the China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME) and China International Contractors Association, and was recognized as one of the BRI ESG Excellence Top 10 Enterprises. The Al Dhafra Solar Power Plant project in the UAE was awarded "Sustainable Infrastructure Project Abroad", while the Salah Al-Din T.P.S. Project in Iraq received the "Excellent Overseas Engineering Campsites" from the Contractors Association.

Looking ahead, we will continue to focus on our core strategy of "Starting a New Undertaking", accelerating dual-driven growth in both domestic and international markets. We will actively address new challenges in global sustainability and turn our grand strategic blueprint into tangible results. In the fields of industrial projects and international capacity cooperation, we will adhere to the principles of "high standards, sustainability, and benefiting people's livelihoods", creating a unique competitive advantage. We aim to demonstrate the value and responsibility of Chinese engineering through concrete actions and collaborate with global partners to forge a new chapter of a green, healthy, and harmonious future.

Wang Bo of

Secretary of the Party Committee and Chairman of

China Machinery Engineering Corporation

Corporate Profile

China Machinery Engineering Corporation is a core subsidiary of SINOMACH - one of global 500 corporations.

CMEC was incorporated in 1978. It is China's first engineering & trade company. It has been developed for over 40 years. Currently, CMEC is a large international enterprise Group which is focusing on engineering contracting and industrial development businesses, and which integrates trade, design, survey, logistics, research and development, as well as other full industry chain supports. It is able to provide preplanning, design, investment, financing, construction, operation and maintenance, as well as other "one-stop" customized solutions for integrated regional development and various engineering projects.

CMEC has spread its engineering construction and trade services in more than 160 countries and regions, and has built batches of excellent projects covering energy, water affairs, environmental protection, agricultural cooperation, capital construction, transportation infrastructure, industrial engineering, communications and other fields in nearly 60 countries and regions, especially in "Belt and Road" countries.

Corporate Culture

Mission: Focus on industrial construction to drive sustainable development.

Vision: To become a world-class integrated service provider in engineering contracting and industrial development.

Core Values: Value Oriented, Innovation-Driven, Responsibility, Excellence, Win-Win Collaboration

Corporate Governance

I. Strengthen the guidance of party building

In 2023, the company designated the year as the "Year of Work Style Enhancement", The Party Committee, under the theme of "Integration and Collaboration", carried out thematic education with a focus on deepening the integration of party building and business operations. Significant progress was made in areas such as cultivating the soul through learning, increasing wisdom through learning, correcting conduct through learning, and promoting action through learning.

Advance the first phase of thematic education to deepen and solidify

Focus on "Problem Orientation, Reform Promotion, and Value Creation" through the "12346" thematic education system.

Align with the company's core responsibilities and reform direction, setting up nearly 10 research topics and about 20 key tasks for party building, with a unified approach to rectification.



Company Party Committee Holds a Thematic Education Research Exchange Meeting

Adhere to the "Six Integrations" to deepen comprehensive and strict party governance by promoting integrity and discipline. This includes practical measures such as youth cadre exchanges between member units and implementing 23 major livelihood projects, continuously addressing key issues in the company's high-quality development and highlighting achievements in reform and development.

Continue to Enhance the Value-Creating Ability of Party Building

Advance the “Party-building Empowerment and Integration Enhancement” brand, creating a three-dimensional collaborative model with “top-to-bottom communication, cross-functional coordination, and internal-external integration”. Promote collaboration and integration at all levels within the system, including with other enterprises of the Sinomach, members of the CMEC Group, and throughout the entire industry and supply chain. Facilitate in-depth communication, comprehensive business alignment, and coordination on key projects.

“Party-building Empowerment and Integration Enhancement” Party-building Brand Logo



CMEC Group and Member Enterprises Hold a Party Committee Theoretical Center Group Joint Study Meeting

Solidly advance all activities for the “Year of Work Style Enhancement”

In line with the company Party Committee's new "Four-Three-Three" work style requirements, and kicking off with the special action on de-bureaucratization and the thematic Party class on Strengthening Style Construction, Driving Value Creation, and Building a First-Class Enterprise, we are organizing theme-based Party Day activities at all levels. These include “Reshaping Value Orientation, Strengthening Style Construction, and Promoting the Company’s ‘Starting a New Undertaking’”, as well as major discussion on emancipating the mind on “Significant Improvement in Work Style and New Achievements in Party Building”. These activities aim to foster a strong atmosphere of adhering to the “Four Obey”, practicing the “Three Distinctive Traits”, and achieving the “Three Outcomes”, while promoting a value orientation of “Taking Responsibility, Being Effective, and Delivering Results”, thus further stimulating the momentum for us to start a new undertaking.



CMEC's New "Four-Three-Three" Work Style Requirements

II. Operation of the Board of Directors

Taking the three-year action plan for SOE reform as an opportunity, the Company starts with improving the construction of the Chinese modern enterprise system and consistently adheres to strategic leadership to continuously improve corporate governance. In accordance with the Company Law and the Articles of Association, the Company has formulated and issued basic management systems for five management levels, including the Party Committee, Shareholders' Meeting, Board of Directors, Board of Supervisors, and the Management Team.

The Shareholders' Meeting is the Company's highest decision-making body. In 2023, the Company held four Shareholders' Meetings and passed five resolutions.

The Board of Directors is the Company's decision-making body for management and operations. It fully plays its decision-making role in "setting strategy, making decisions, and guarding against risks", continuously standardizing and strengthening the construction of the board of directors. In 2023, the Board of Directors held 13 meetings and passed 55 resolutions. The Board of Directors has established three committees: the Strategic and Investment Committee, the Remuneration and Appraisal Committee, and the Audit and Risk Committee. The Board's special committees held a total of 11 meetings and passed 14 resolutions.



2023 Annual Management Report to the Board of Directors

In 2023, the Board of Supervisors held 1 meeting and passed 1 resolution.

III. Development strategy

As the headquarters of CMEC Group, CMEC has developed the Group's first strategic plan with high quality. This plan outlines a clear strategic direction, development goals, and pathways to achieve these goals, providing a blueprint for advancing the CMEC Group's physical construction to a new level and achieving high-quality development. The Sinomach highly praises this strategy, noting that it features a comprehensive goal system, a rational business structure and industrial layout, innovative strategic measures, and a clear strategic path. It is well-aligned with the Group's overall planning and meets the strategic management requirements of Sinomach.



Strategic Development Plan of CMEC Group (2023-2025)

IV. Legal and compliance operations

CMEC insists on operating in accordance with laws and regulations and establishing a sound corporate compliance management system. Through strengthening the compliance awareness of all staff, improving legal management capabilities, enhancing awareness of export controls, and risk identification abilities, CMEC aims to enhance its level of compliance management, strengthen risk prevention and control, and promote the healthy and sustainable development of the Company.

(1) Empowering integration of the engineering group through the legal center

We have organized compliance and export control training conferences, the 2nd CMEC Group Legal Knowledge Competition, and a series of legal practice training sessions for foreign-related lawyers. These activities provide professional services and support to member units, enhancing their compliance management and risk resistance capabilities. We are standardizing risk control measures to promote the normalization and standardization of risk prevention in engineering business operations. In line with the State-owned Assets Supervision and Administration Commission's guidelines on deepening the rule of law in central enterprises, we have innovatively established an internal dispute arbitration mechanism. By using cases to improve management and management to boost effectiveness, we are driving high-quality integrated development within the CMEC Group.



The Legal Services Shared Center Hosts a Compliance and Export Control Training Conference



Medals from the 2nd CMEC Group Legal Knowledge Competition

(2) Creating value through major case management

We developed and issued the *Reducing Storage, Controlling Growth, Enhancing Quality, and Creating Efficiency: China Machinery Engineering Corporation's Three-Year Action Plan for Case Management Improvement*, which sets dual targets for reducing and increasing case management performance. We are intensifying the handling of major cases, focusing on improving proactive rights protection, strictly implementing case reporting systems, and enhancing the analysis of typical cases. These efforts aim to close management gaps, improve management effectiveness, and robustly protect company interests, thus harnessing the value-creating role of legal processes.

Case: The Legal and Risk Management Department Receives the "2023 In-House Legal Team" Award by the Corporate Legal Alliance

In 2023, the company's legal team was awarded the "In-House Legal Team (Transaction Category) of the year 2023" Award by the Corporate Legal Alliance, a renowned legal institution, for its extensive achievements in project risk control, compliance management, and litigation arbitration. This recognition has enhanced the company's reputation and influence.



(3) Strengthen compliance management and reinforce the baseline mindset

Further improve the compliance management organizational structure and the "1+N" system framework. Based on the revised *Compliance Management Measures*, we issue specialized compliance regulations for areas such as export control and multilateral bank tenders, and implement compliance reviews to precisely mitigate risks in key areas. We develop and release the *Departmental Compliance Responsibility List of China Machinery Engineering Corporation* to clarify compliance responsibilities. We conduct multi-level and multi-theme compliance system briefings, company-wide compliance training, and specialized compliance officer training to continuously reinforce the compliance mindset across the organization.



CMEC Becomes a Founding Member of the China Chamber of Commerce for Import and Export of Machinery and Electronic Products

Sustainable Development Management

As a leading enterprise in the international engineering contracting industry, CMEC is driving integration of the sustainable development idea into the whole process of corporate decision-making, business operation and functional management processes in accordance with the idea of “high standard, sustainability and benefit people’s livelihood”.

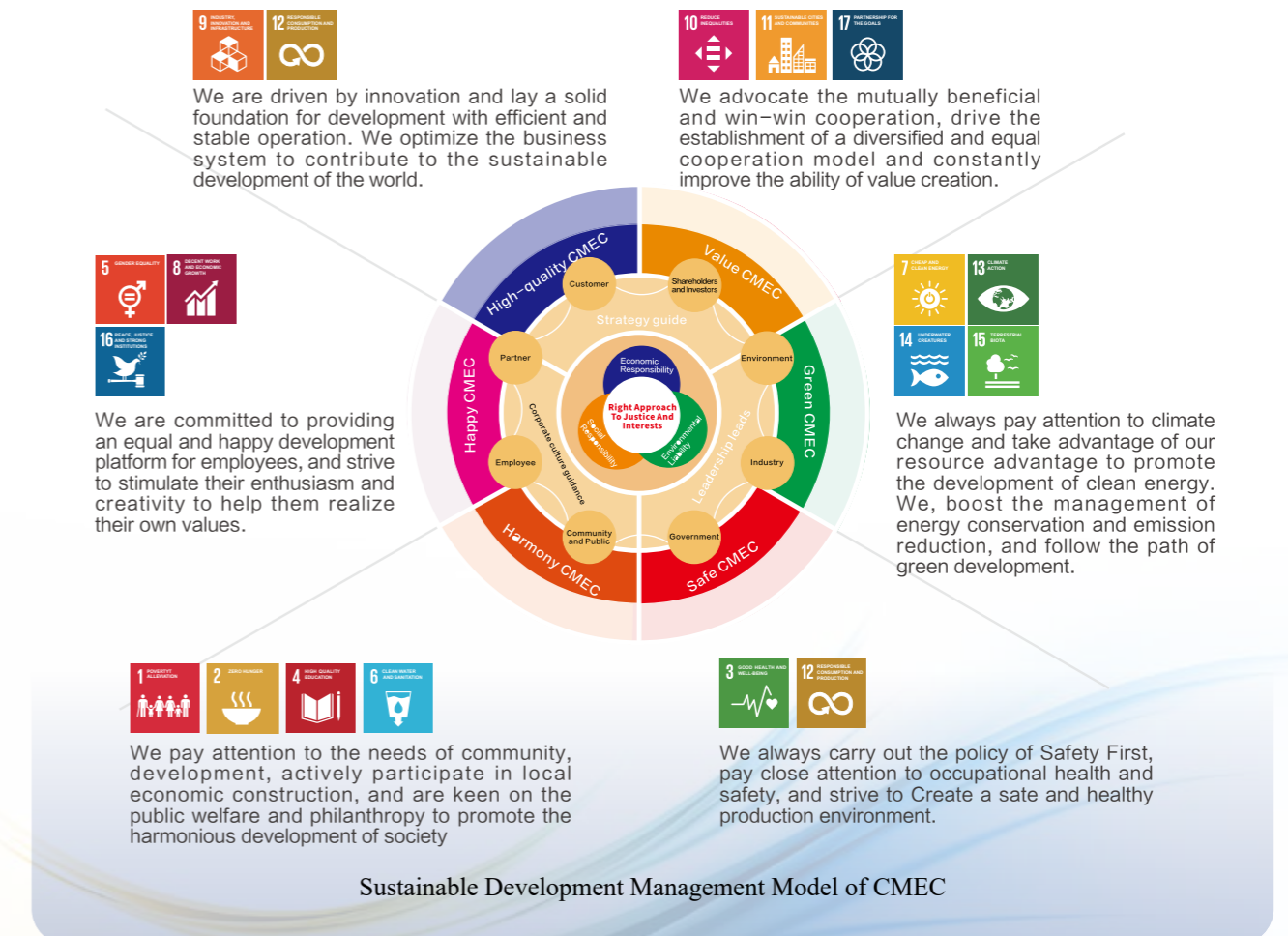
I. Organizational support system

We set up a Social Responsibility Committee with the chairman of the board as the director, the general manager as the executive director, and the general managers of each functional departments and business divisions as members.

Social Responsibility Organization System	
Social Responsibility Committee	<ul style="list-style-type: none"> Organize, lead, make decisions and deploy sustainable development work Establish a management system for sustainable development Approve sustainable development plans Approve and sustainable development reports Organize and carry out major sustainable development works and activities
Social Responsibility Office	<ul style="list-style-type: none"> Implement decisions and arrangements for sustainable development Organize the preparation of sustainable development reports Coordinate the construction and implementation of sustainable development management system Organize the formulation of work plans and plans for sustainable development Propose sustainable development work budget and training program Organize and carry out research on key projects of sustainable development
Social Responsibility Liaison	<ul style="list-style-type: none"> Assist to promote the sustainable development of the Company Assist in the preparation of sustainable development reports Carry out research on key issues of sustainable development Participate in major sustainable development work and activities

II. Sustainable development management model

During business development, the Company is utilizing its own advantages to carry out effective measures to actively responding to climate change, implementing green development concept, striving for the balance of economic, social and environmental development; strengthening responsibility communication and exchange, and creating a cultural atmosphere of sustainable development by improving the sustainable development management system, At the same time, we focus on and address community development needs, and contribute to global sustainable development, thus making its contribution to realize the 2030 Sustainable Development Goals (SDGs) of the United Nations.



III. Advance sustainable development initiatives

We are continuously perfecting a sustainable development management system, improving sustainable management capacity construction, creating the form of responsibility communication, strengthening communication and cooperation with all walks of life and enterprises in all sectors, continuously enhance the transparency of the Company's responsibility fulfillment practice, and driving optimization and improvement of the Company's sustainable development.

1. Significant achievements in responsibility and performance.

CMEC ranked 22nd on the 2023 list of China's Top 100 International Contracting Engineering Enterprises. In 2023, the company once again received the 3A credit rating from both the China Chamber of Commerce for Import and Export of Machinery and Electronic Products and China International Contractors Association, maintaining the highest credit rating from the two associations for 17 and 13 consecutive years, respectively. The company was also recognized as one of the BRI ESG Excellence Top 10 Enterprises by Phoenix Satellite Television and the Contractors Association. The Al Dhafra Solar Power Plant project in the UAE won the "China International Sustainable Infrastructure Award", while the Salah Al-Din T.P.S. Project in Iraq received the "Excellent Overseas Engineering Campsites" from the Contractors Association.

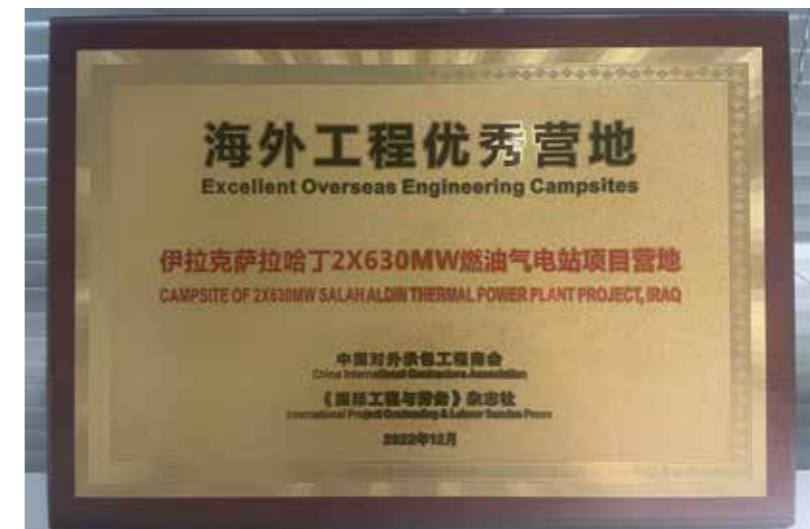
the 2023 list of China's Top 100 International Contracting Engineering Enterprises	China Chamber of Commerce for Import and Export of Machinery and Electronic Products and China International Contractors Association	maintaining the highest credit rating from the two associations
22nd	3A credit rating	17 and 13 consecutive years
Phoenix Satellite Television and the Contractors Association	Al Dhafra Solar Power Plant project in the UAE	Salah Al-Din T.P.S. Project in Iraq
the BRI ESG Excellence Top 10 Enterprises	China International Sustainable Infrastructure Award	Excellent Overseas Engineering Campsites



Recognized as Belt and Road BRI ESG Excellence Top 10



Ranked 22nd on the 2023 list of China's Top 100 International Contracting Engineering Enterprises



2X630MW Salah Aldin Thermal Power Plant Project in Iraq Awarded "Excellent Overseas Engineering Campsites"



Al Dhafra PV2 Solar Power Plant Project won the "China International Sustainable Infrastructure Award"

2.Strengthen the capacity building for social responsibility.

In 2023, the company assigned dedicated social responsibility personnel to participate in the "ESG's Role in Supporting Corporate Sustainability" public lecture organized by the China Chamber of Commerce for Import and Export of Machinery and Electronic Products Expert Committee, as well as the 8th ESG Training Program for the Sustainable Development of International Engineering Contracting Industry organized by the China International Contractors Association. These trainings further enhanced the theoretical knowledge and practical skills of the dedicated social responsibility personnel. The company also joined the “Mechanism for International Sustainable Infrastructure Promotion” (MISIP), engaging in pragmatic collaboration with mechanism members in areas such as management optimization, capacity building, and resource integration.



Attended the "ESG's Role in Supporting Corporate Sustainability" Lecture Organized by the CCCME



Attended the 8th ESG Training Program for the Sustainable Development of Industry Organized by the Contractors Association

3.Strengthen communication and cooperation with various sectors of society.

Due to the changing international and domestic landscape of sustainable development, higher requirements have been proposed for sustainable development and ESG management. In 2003, the Company actively engaged in communication and discussions with partners such as China International Contractors Association, and CCCME, UNICEF and GIZ. The company provided opinions and suggestions on industry social responsibility guidelines, industry social responsibility performance evaluation, and Chinese enterprises’ participation in international climate governance.



Joined the Mechanism for International Sustainable Infrastructure Promotion (MISIP)

4. Included in the sustainable development case database.

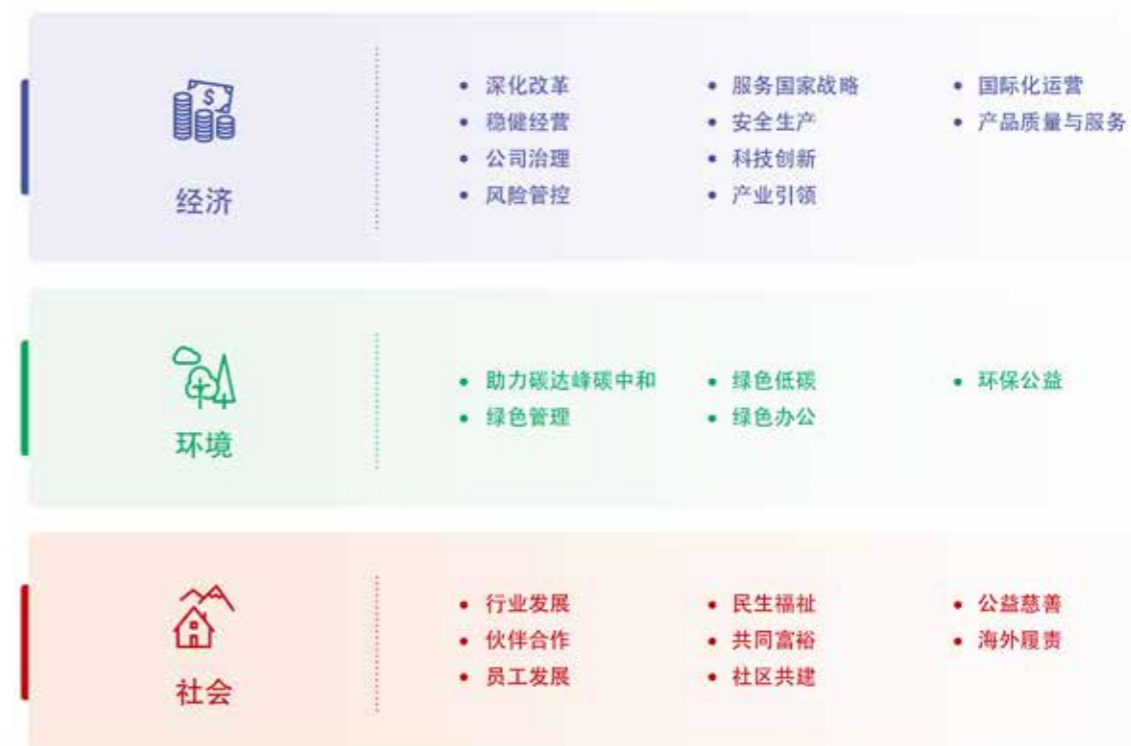
The case study *Advancing Innovation in Photovoltaic Manufacturing Technology to Support Abu Dhabi's Energy Transition* has been selected for the *Report on Sustainable Development of China's Machinery and Electronic Foreign Economic and Trade and Collection of Cases on Green Development of CCCME Members*. This highlights the company's commitment to developing high-quality, distinctive international projects and continuously advancing the Belt and Road with responsibility and dedication.



Project Case Selected for the Report on Sustainable Development of China's Machinery and Electronic Foreign Economic and Trade and Collection of Cases on Green Development of CCCME Members











IV. Stakeholder management

We adhere to the reporting principles of ESG information disclosure by regularly communicating with stakeholders to identify sustainability topics of interest. We assess and analyze the material sustainability issues for 2023 based on their importance to the company and to stakeholders. Based on these assessments, we focus on disclosing material issues in our sustainability report to continuously enhance the impact of our information disclosure.



CMEC (ESG) Material Issues List

We take into account the expectations and concerns of stakeholders such as shareholders, government bodies, customers, partners, and employees. Through extensive communication with these stakeholders, we aim to address their concerns and expectations with high-quality reporting, enhancing mutual understanding and trust, and working together to create a sustainable and promising future.

主要利益相关方	期望和诉求	沟通和参与方式
 政府	配合宏观调控 服务乡村振兴 依法纳税 带动当地经济发展	高层会晤 交流沟通会 信息报送 参加会议
 国务院国资委	依法合规运营 资产保值增值 安全生产	专题汇报 信息报送 参加会议 公司公告
 社区、公众和非政府组织	改善社区环境 尊重社区文化 支持公益事业	社区宣传 社区沟通会 座谈会
 客户	信守承诺 优质产品与服务 畅通沟通与服务渠道	商务沟通会 服务热线电话 商务互访
 员工	职业健康安全防护 共同成长 薪酬与福利保障 人文关怀 员工本地化	职工代表大会 信访 厂务公开 国机集团报 社会责任报告 董事长信箱
 环境	节能减排 生态环境保护 环保公益 助力“双碳”目标实现	加强信息公开披露 向监管部门定期上报节能减排信息
 供应商/承包商	公平竞争 诚实守信 信息保密	供应商大会 招投标信息公开 战略合作 合作协议
 合作伙伴	定期沟通 长期稳定关系	高层互访 战略合作
 同行	公平竞争 推动行业发展与进步	加强同业交流 参加行业论坛、会议 考察互访
 媒体	信息公开、透明	公司官网 公司微信 社会责任报告 公司公告 接受采访 新闻发布会

Stakeholder Communication and Engagement

Sustainable Development Practices

I. New development pattern: Building sustainable infrastructure



Contributing to the United Nations Sustainable Development Goals (SDGs)

(I) Strive for progress and resilient development

In 2023, amid accelerating global changes and increasingly complex international political and economic conditions, the company proactively adapted to these changes by focusing on “three key transformations”: shifting from a primary focus on international markets to a dual domestic and international circulation model; transitioning from coal and power businesses to clean energy; and moving from a diversified business model with unclear core responsibilities to focusing on international capacity cooperation and new industrialization. Overall, the company’s operations progressed steadily and management levels continued to improve.



2024 Business Operations Meeting

(II) Steady progress and adaptability with outstanding performance

1. Continue to strengthen both domestic and international markets

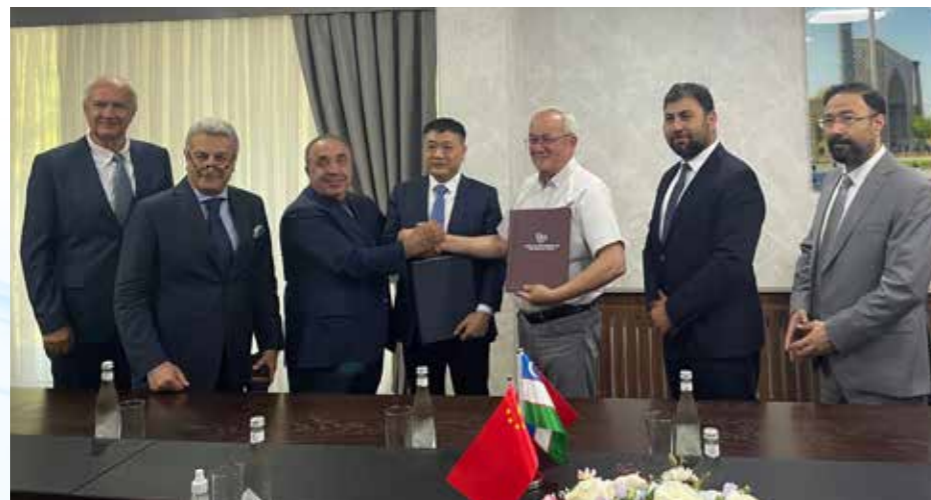
Simultaneous focus on deepening overseas business and expanding development

Continuing to make strides in traditional markets and fields:

Signed the Abuja Independent Power Project. Secured multiple projects in Uzbekistan and the Philippines. In traditional power, signed the Takhatash and Mactan Combined Cycle Power Plant Projects in Uzbekistan and the Philippines, respectively. In the industrial sector, signed agreements for the Aluminum Plant in Turkey and the Sugar Beet Plant in Iraq.

Forging ahead in new countries and sectors:

Through third-party market cooperation, signed the Uganda Transmission and Transformation Project. In the renewable energy sector, signed the Bicol 1049 MWp Photovoltaic Power Plant Project in Luzon, Philippines, and the Waste-to-Energy Project in Palembang, Indonesia.



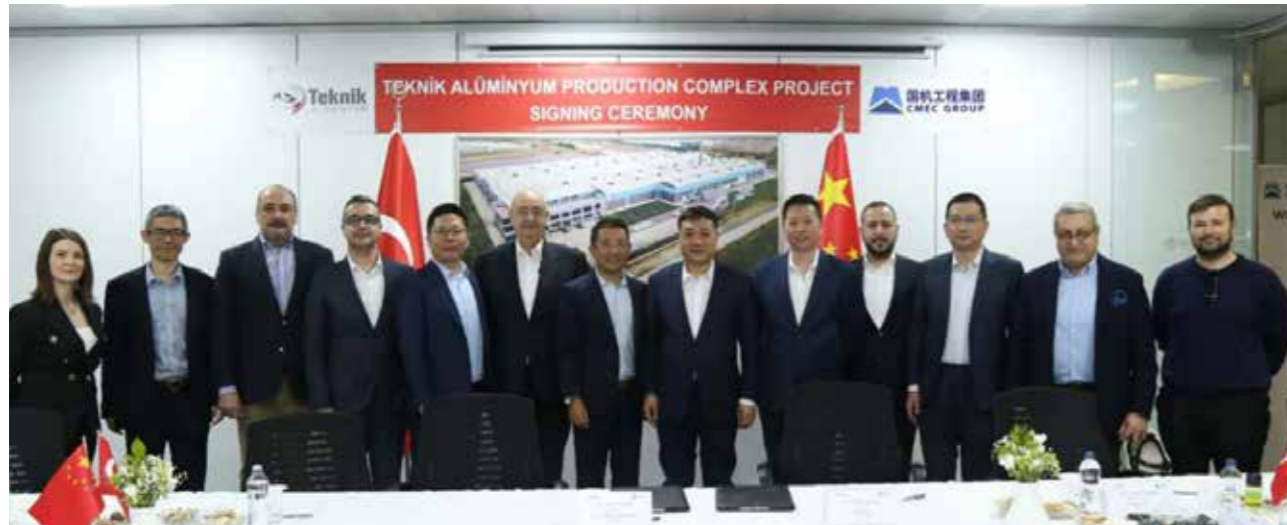
Signing of the Takhatash Combined Cycle Power Plant Project in Uzbekistan



Signing of the Mactan Combined Cycle Power Plant Project in the Philippines



Signing of the Abuja Independent Power Project (Phase I) in Nigeria



Signing of the TEKNİK CAT Aluminum Plant Project in Turkey



Signing of the Bicol 1049 MWp Photovoltaic Power Plant Project in Luzon, Philippines



Signing of the Transmission and Transformation Project in Uganda



Awarded the Waste-to-Energy Project in Palembang, Indonesia

Domestic business expands across multiple areas



In the renewable energy sector, signed the Phase I of the Independent Energy Storage Project in Huizhou, Guangdong, and the Comprehensive Utilization Project for the Fishery-Light Complementary Solar Power in Shaoguan.



In the industrial engineering sector, signed the 60,000-ton Iron Phosphate Project in Guizhou.



In the cold chain logistics sector, signed the Cold Chain Logistics Industry Park Project in the Advanced Manufacturing Development Zone, Zhaoling District, Luohe.



Undertaking the 100 MW Fishery-Light Complementary Solar Power Comprehensive Utilization EPC Project in Guangdong Province



Signing the EPC General Contract for the Cold Chain Logistics Industry Park Project in Luohe

2. Technological innovation driving business development

Among the overseas power projects signed by CMEC, renewable energy projects now account for 47%. Over the past year, the company has achieved more than 100 technology transfers, received 62 patents, 24 software copyrights, and won 52 various provincial and ministerial-level science and technology awards. Additionally, six new provincial and ministerial-level research institutions have been established. The JK Institute (with 2 second-place awards) and the 8th Division (with 1 third-place award) were honored with the “Mechanical Industry Science and Technology Award” (Scientific and Technological Progress Award) for 2023 by the China Machinery Industry Federation and the Chinese Mechanical Engineering Society.

The capability for technological innovation has become even more prominent >>>

Three projects, including the 2,000-ton/year high-end hard alloy bar profile production line technology upgrade project, overseen by China Machinery International Engineering Design & Research Institute Co., Ltd. (CMIE), have won the [National Quality Engineering Award](#). Additionally, three reports, including the feasibility study report for the Xingbang Intelligent International Manufacturing City Project, have received the [First Prize for Outstanding Engineering Consulting Achievements in the Mechanical Industry for 2023](#).

Three projects, including the Yongwei Times Center, for which the [JK Institute](#) was responsible for surveying and design, have also won the [National Quality Engineering Award](#).

[Harbin Power System Engineering & Research Institute Co., Ltd.](#) has been honored with the titles of “Heilongjiang Province’s SRDI SMEs” and “Innovative SME of Heilongjiang Province”.

[China Machinery Industrial Products Co., Ltd. \(CMIPC\)](#) was awarded the titles of “Beijing’s SRDI SMEs” and “Innovative SME of Beijing”.



CMIPC was awarded the titles of “Beijing’s SRDI SMEs” and “Innovative SME of Beijing”



附件1
2023年黑龙江省专精特新中小企业公示名单

序号	企业名称	企业所在地
1	黑龙江省大港石化机械有限公司	哈尔滨市
2	哈尔滨华联药业集团有限公司	哈尔滨市
3	哈尔滨华联医药集团有限公司	哈尔滨市
4	哈尔滨工业集团有限公司	哈尔滨市
5	哈尔滨金丰种业集团有限公司	哈尔滨市
6	黑龙江省隆兴公路勘察设计有限公司	哈尔滨市
7	黑龙江省东泰食品有限公司	哈尔滨市
8	黑龙江省智慧材料科技有限公司	哈尔滨市
9	黑龙江省轻工机械集团有限公司	哈尔滨市
10	哈尔滨宇翔光电技术有限公司	哈尔滨市
11	哈尔滨哈量光电技术有限公司	哈尔滨市
12	黑龙江省大智源科技有限公司	哈尔滨市
13	黑龙江省博源医药有限公司	哈尔滨市
14	哈尔滨富源机械装备有限公司	哈尔滨市
15	黑龙江省天康宇环康科技有限公司	哈尔滨市
16	黑龙江省富源机械装备制造有限公司	哈尔滨市
17	哈尔滨合佳制药有限公司	哈尔滨市
18	哈尔滨康源医药装备设计研究院有限公司	哈尔滨市

Harbin Power System Engineering & Research Institute Co., Ltd. has been honored with the titles of “Heilongjiang Province’s SRDI SMEs” and “Innovative SME of Heilongjiang Province”.

Case:

CMIPC has been deeply engaged in the high-end manufacturing sector for over 20 years, focusing on niche areas and core business. In the market for key components of mining equipment, the company has made significant breakthroughs in complex, large, heavy, small-batch, and customized products. By replacing European and American suppliers, it has become a "single champion and supporting expert" in this specialized market.



Development and Manufacture of a Four-Wheel and One-Track Product for China's First 700-ton Hydraulic Excavator



Mining Dragline Chains Developed and Manufactured Using Precision Shell Special Technology

Case:

Harbin Power System Engineering & Research Institute Co., Ltd. has been specializing in power stations and energy conservation for over 30 years. By leveraging its proprietary technology in waste heat recovery, the company has made significant improvements in key areas and critical segments of the industrial chain, effectively "addressing weaknesses and enhancing strengths".



Research project jointly developed by Harbin Power System Engineering & Research Institute Co., Ltd. and CMEC: Multi-Pollutant Removal Technology and Equipment for Coal-fired Power Plant Boilers



Harbin Power System Engineering & Research Institute Co., Ltd.'s self-initiated research project: Development and Research of Power Plant Engineering Information Management Systems

(III) Synergy and Win-Win Partnerships

CMEC focused on customer needs and constantly improved product quality and service capability; strengthened supply chain management, promoted the healthy development of industrial chain and supply chain; participated in industry internal and external exchanges, helped to assist coordinated development of industries and enterprises.

1. Outstanding quality, crafted with dedication

CMEC adheres strictly to Chinese laws and regulations as well as those of the project's location, respects relevant international practices, and follows contractual and standard requirements. The company emphasizes quality management to deliver high-quality projects.

Steady and assured progress in project execution >>>

15 projects have received completion certificates, with several reaching key engineering milestones.

Projects such as the Salah Aldin Thermal Power Plant project, the Sinohydro Zungeru HPP Limited in Nigeria, the Uyuni Lithium Carbonate Plant in Bolivia, Phase III of the Maldives Housing Project, and the Gampaha, Attanagalla & Minuwangoda Integrated Water Supply Scheme in Sri Lanka have all received completion certificates.

The Jhang Power Plant project in Pakistan and the Al Dhafra PV2 Solar Power Plant in the UAE have both obtained commercial operation certificates.

The Boron Carbide Project in Turkey held its inauguration ceremony, the Pingmei Nylon Technology Power Plant and the Henan Energy PBT Project have completed mechanical completion, and other domestic and international projects, including the China National Electric Engineering Co., Ltd, Tanzania Power Transmission and Transformation Project, are progressing steadily.



2X630MW Salah Aldin Thermal Power Plant Project in Iraq Received PAC Certificate



Sinohydro Zungeru HPP Limited in Nigeria Completed Handover



Bolivian President Attended the Uyuni Lithium Carbonate Plant Completion Ceremony



Gampaha, Attanagalla & Minuwangoda Integrated Water Supply Scheme in Sri Lanka obtained TOC Certificate



Pakistani Prime Minister Witnessed the Commercial Operation of the Jhang Project



Turkish President hosted the inauguration ceremony for the Banderma Boron Carbide Production Plant

Internal collaboration continues to deepen >>>

Business collaboration among various internal departments continues to improve in quality and efficiency, with the “CMEC Collaboration” module officially launched on the “Engineering e+” platform. There are 45 internal collaboration projects with a total value of approximately RMB 3.35 billion.

The financing service platform aims to “expand financing channels for member companies, reduce financing costs, enhance competitive strength, and promote production and operations”. It secured a comprehensive credit limit of RMB 20.8 billion for the engineering group headquarters; resolved credit issues for member companies such as China Ocean Engineering Construction General Bureau and China CACS Development Limited; included CMIE and China IPPR International Engineering Co., Ltd. in Bank of China’s preferential rate scope, effectively reducing financial costs; and organized six sessions of the “Financing Forum” series.

Held a special promotion event titled “Building the CMEC Group Hydropower Brand and Promoting Collaborative Development Among Member Enterprises” to actively integrate China Ocean Engineering Construction General Bureau into the engineering contracting business chain and achieve collaborative business development.

China CAMC Engineering Co., Ltd., China United Engineering Corporation Limited, CMEC, and SIPPR Engineering Group Co., Ltd. collaborated on the major scientific and technological project “Key Technologies and Equipment for Urban Renewal with Low Carbon Resilience” led by the Sinomach.

The Legal Service Shared Center provides professional and efficient legal services for major litigation, arbitration cases, and specialized matters for member enterprises, helping them enhance compliance management and risk resistance capabilities.

Coordinate and advance special reform and development initiatives >>>

Benchmarking against world-class standards, and deepening and enhancing reform actions, achieving positive progress.

Case: Launch of the “Engineering e+” Platform by CMEC Group

At the 2023 Annual Business Conference of CMEC Group, the resource-sharing and business-collaboration platform, “Engineering e+”, was officially launched. The platform features both PC and mobile app access points and includes nine functional modules such as company overview and resource map. It deeply integrates and leverages various resources and business information scattered across over a hundred subsidiaries of CMEC Group, consolidating advantageous resources and focusing on collaborative efforts to drive business innovation and coordinated development. This marks another significant step in the entity-based operation of CMEC Group.



2. Quality service Customer satisfaction

CMEC had focused on customers’ expectations and demands, paid attention to continuous communication and exchange with customers, actively improved customer service throughout the whole life cycle from project negotiation, construction and operation, and established customer information protection system to protect customer information security and privacy; improved the after-sale service system of EPC projects, optimized the customer feedback mechanism, safeguarded the rights and interests of customers, and enhanced customer satisfaction.

CMEC's overseas projects receive inspection from high-ranking officials >>>

On November 17, 2023, Senegalese President Macky Sall, accompanied by Minister of Higher Education Moussa Baldé, university presidents, and several other dignitaries, inspected the USSK University Town project in Senegal being constructed by CMEC. The project is nearing completion. President Sall expressed great satisfaction with CMEC's work as he observed the beautifully designed academic buildings featuring strong local cultural elements. He urged

CMEC to intensify their efforts to complete the high-quality, modern university, which will offer a range of programs including agriculture, forestry, and animal husbandry, and contribute to cultivating more talent needed for Senegal's national development.



Senegalese President Inspected the Senegal University Town Project

On March 22, 2023, the TN power plant of CMEC's Thar Coal-Electricity Integrated Project held its commercial operation inauguration ceremony. Following the unveiling of the TEL power plant for the same project in 2022, Pakistani Prime Minister Shehbaz Sharif visited the site again to inaugurate the commercial operation of the TN power plant. Prime Minister Sharif praised the impact of the China-Pakistan Economic Corridor on the development of local industries in Pakistan and expressed appreciation for the significant role played by Chinese companies, represented by CMEC, in this endeavor.



Pakistani Prime Minister Witnessed the Commercial Operation of the Thar Coal-Electricity Integrated Project

On March 28, during a routine press briefing, Chinese Foreign Ministry spokesperson Mao Ning expressed China's appreciation for Prime Minister Shehbaz Sharif's remarks on the Thar Coal-Electricity Integrated Project. She stated that the project has transformed the former desert of Thar into a source of electricity, with power generated from Thar coal now continuously supplied across Pakistan, benefiting the country's economy and people's livelihoods. This project is a microcosm of the China-Pakistan Economic Corridor (CPEC). As a key pilot project of the Belt and Road, CPEC is advancing actively, with significant achievements in the energy sector, creating numerous local job opportunities and making positive contributions to improving Pakistan's energy structure and enhancing energy security.

On November 24, 2023, Teodoro Nguema Obiang Mangué, Vice President of the Republic of Equatorial Guinea, visited the site of the Malabo University Town EPC Project, which is being constructed by CMEC. Accompanied by the Secretary of State for Public Works, Housing, and Urban Development, as well as the Vice Chairman of the National Projects Office, Vice President Mangué toured the construction site of the university town and inspected the completed buildings. He praised the quality of the construction work and expressed hope that CMEC would maintain the current pace of construction to ensure the project is completed on schedule.



Vice President of Equatorial Guinea Inspected Malabo University Town Project

The Candelabro Water Plant Phase III project, undertaken by CMEC, is a key livelihood project in Angola and has garnered significant attention from the Angolan government and various sectors of society. On November 21, 2023, João Baptista Borges, Angola’s Minister of Energy and Water, and Manuel Homem, Governor of Luanda Province, visited the project's water treatment facilities and received a detailed briefing on the project. This marks Minister Borges' fifth visit to the water plant. He noted that since its full operation in April 2022, Phase III of the water plant, in conjunction with the previously completed Phases I and II, has significantly improved water production capacity and balanced supply levels. The combined capacity of Phases I, II, and III now reaches 210,000 cubic meters per day, benefiting ten districts in northern Luanda and providing 2 million residents with clean, safe drinking water, greatly alleviating the capital's water supply pressures. Local residents have responded positively and expressed high satisfaction.



Angolan Minister of Energy and Water Toured the Candelabro Water Plant Phase III Project

3. Sustainable industrial chain and supply chain

CMEC strengthened supply chain management, adhered to responsible procurement and responsible subcontracting, promoted the capacity building of suppliers and subcontractors to fulfill their responsibilities, contributed to the sustainable development of the industry.

- Suppliers in stock: **1,673**

- Overseas suppliers: **385**

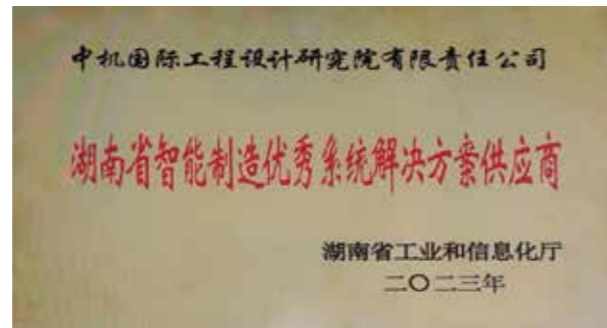
Strengthen supply chain management >>>

CMEC adheres to the principles of honesty, mutual benefit, and legal compliance in its dealings with suppliers, fostering strong cooperative relationships. The company has also introduced the Blacklisted Supplier Management Measures of China Machinery Engineering Corporation. This Measure is based on the supplier database established on the project procurement platform, implementing a comprehensive end-to-end management process covering supplier registration, verification, inventory entry, contracting, and post-performance evaluation. All supplier activities are thoroughly recorded on the procurement platform, ensuring transparency and traceability. By the end of 2023, CMEC had a total of 1,211 qualified suppliers, including 267 overseas qualified suppliers.

Key Points for Supplier Management

Review of supplier	Investigation on supplier's qualification	Risk warning of supplier	Exit of supplier
<ul style="list-style-type: none"> • Basic corporate information • Credit ranking • Quality certification of product • Financial audit report 	<ul style="list-style-type: none"> • Production capability • Production experience • Operation in good faith 	<ul style="list-style-type: none"> • Quality risk • Environmental risk • Social risk • Ethical risk of compliance 	<ul style="list-style-type: none"> • Appeal of supplier • Review of risk coping capacity • Exit/recovery of supplier

CMEC's subsidiary, CMIE, has been awarded the title of "Outstanding System Solution Supplier for Intelligent Manufacturing" by Hunan Province. CMIE integrates the concepts of smart manufacturing and lean production in its smart factory planning and implementation. By combining 3D design and simulation design, it has developed a comprehensive system integration solution that covers specialized consulting, engineering design, integration implementation, and operational maintenance. This solution is dedicated to providing systematic and integrated services for discrete manufacturing plants, effectively supporting their digital and intelligent transformation and upgrading.



Multiple media outlets have reported on the CMEC-developed China-Pakistan cooperation chili pepper industry demonstration base. The project has introduced China's superior crop varieties, advanced agricultural technologies, management experience, and industry development models to Pakistan. This initiative has promoted the full agricultural industry chain development from chili pepper cultivation to deep processing in the local area, while also ensuring the safety of the domestic food and seasoning industry's supply chain and filling the gap in the domestic dried chili pepper market.



Carry out localized procurement >>>

CMEC adheres to the principle of local procurement within its regional operations, continuously enhancing localized procurement management while ensuring quality. The company formulates and implements local procurement plans with the goal of helping local suppliers improve their technology and management capabilities. This approach aims to leverage localized procurement to both meet project needs and drive regional economic development.

Case: Pioneering a New Era in Local Procurement by Building Africa's Largest Drinking Water Supply Project

The Yaoundé Water Plant project in Cameroon, undertaken by CMEC, has a supply capacity of 300,000 cubic meters per day, making it the largest drinking water supply project in Cameroon's history. The project adopted a fully localized strategy, collaborating with locally registered firms for legal, accounting, and intermediary services. Raw materials needed for civil construction and installation, such as oil, sand, gravel, cables, and rental of construction machinery, as well as living supplies, were all procured locally. This approach created numerous opportunities for local suppliers and service industries. According to statistics, the total amount spent on locally procured raw materials and goods for the project was approximately \$240 million, with localized procurement for legal, consulting, and other services amounting to around \$59 million, which represents 42% of the total procurement amount.



Sanaga Drinking Water Treatment Plant and Associated Projects in Yaoundé, Cameroon

4. Value creation and financing empowerment

Continuously strengthen financial management and financing empowerment >>>

Completed the initial rollout of the treasury management system, achieving integrated application of business, treasury, accounting, and reporting systems.

Continuously improved overseas financial management policies by conducting self-assessments, on-site inspections, and “flying audits” to carry out financial supervision. Successfully completed the initial collection of funds into the overseas cash pool.

Facilitated approximately \$26.5 million worth of local currency consumption across projects.

Achieved the highest annual export tax rebate in the past five years.

Addressed the challenges of high financing costs for overseas projects by actively engaging with multilateral institutions such as the Asian Infrastructure Investment Bank (AIIB) and Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), broadening financing channels.

For domestic project financing needs, proactively connected with non-standard financing institutions like leasing, factoring, and trusts, continuously expanding the network of financing business partners.



Signing of the Strategic Cooperation Agreement with the Shenzhen Branch of Agricultural Bank of China

CMEC Group holds a Business Coordination Meeting with Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) and Aon Insurance



High-level Meeting with the Strategic Client Division 1 of China Export & Credit Insurance Corporation, and signing of the 2023 Annual Special Business Cooperation Key Points Agreement



Hosting Six Sessions of the 'Financing Service Platform' Financing Seminar

5. Innovation-Driven and Advantage Creation

Continuously strengthen innovation models and explore new areas in the engineering market:

The company's innovative "three-party cooperation" development model has successfully been replicated in Uganda with the signing of power transmission and transformation projects and foreign-funded medical equipment procurement projects.

Integrate upstream and downstream resources to create competitive new areas:

In collaboration with the China Export & Credit Insurance Corporation, the company co-hosted a seminar on overseas oil and gas resource development, leading the innovation and development in the oil and gas industry.

Select projects and leverage investment for economic growth:

The company has successfully implemented the full business chain of "investment, financing, construction, operation, and exit" in the Indian industrial park project; the first dividend from the company's equity investment in the Pakistan Thar Phase I Power Plant project has been received; distributed photovoltaic projects in Beijing and four other provinces have developed a good rolling development pattern; waste-to-energy projects in Bangladesh and Indonesia are progressing steadily; the establishment of Shaanxi Zhongshen Guojian Co., Ltd., in which the company holds a stake, will drive the development of ecological environment governance projects.

Case: Commercial External Debt-to-Loan Project Promotes Livelihoods in Western Regions

The Gansu Pingliang Public Health Equipment External Debt-to-Loan Project officially took effect in 2023. This project uses loans from international commercial banks to introduce low-cost foreign funds and procure advanced medical equipment such as MRI machines, CT scanners, angiography machines, ultrasound machines, mammography machines, and endoscopes. It primarily addresses the financial difficulties and outdated equipment issues in the public health sector in the central and western regions. This project is significant for supporting the development of local healthcare, enhancing the comprehensive strength of local hospitals, optimizing the distribution of medical resources in urban areas, improving the overall level of medical diagnosis and treatment in cities, and meeting the growing demand for medical services among the people.



Case: Partnering to Develop Overseas Oil and Gas Resources, Implementing National Energy Security Strategies, Successful Hosting of the Overseas Oil and Gas Engineering Business Seminar

To collaboratively build an industry ecosystem in the overseas oil and gas sector, jointly develop international oil and gas resources, and implement national energy security strategies, CMEC Group and the Strategic Client Division 1 of China Export & Credit Insurance Corporation co-hosted a seminar on overseas oil and gas resource development. Representatives thoroughly discussed industry trends, development strategies, typical project cases, and export credit policies. The seminar facilitated consensus on development, strengthened cooperation desires, and reinforced confidence and determination to actively integrate into the global oil and gas market and support the security of China's energy resource industry and supply chain.



6. Complementary advantages and win-win cooperation

CMEC continues to deepen its relationships with partners, actively engaging with leading industry enterprises, local governments, financial institutions, and others. Strategic cooperation agreements have been signed with entities such as Sinopec Engineering (Group) Co., Ltd., Shenzhen SEZ Construction Group Co., Ltd, Agricultural Bank of China Shenzhen Branch, Bank of China Abu Dhabi Branch, as well as with local governments including Dingxi City and Shenzhen Luohu District. Additionally, the company has enhanced its communication and cooperation with government authorities, business associations, and consulates, establishing a resource-sharing and complementary cooperation model with government bodies, domestic and international enterprises, financial institutions, and universities. This approach leverages the strengths of all parties involved to maximize value.



Signing of the Framework Agreement for the Jinzhou Zero-Carbon Industrial Park on August 24



Signing of the Cooperation Framework Agreement with the People's Government of Changde in Changde on December 8

March 22, Chairman Wang Bo Attended the "2023 Conference on International Industrial Cooperation (Singapore) and China's Machinery and Electronics show in Singapore" and Participated in Related Activities



On May 19, General Manager Fang Yanshui Attended the Founding Conference and Summit Series of the China-Central Asia Entrepreneurs Committee



On June 1-2, Chairman Wang Bo Attended the Opening Ceremony and Related Activities of the 14th International Infrastructure Investment and Construction Forum



June 14, General Manager Fang Yanshui Met with Wang Jun, Party Secretary and Chairman of Dongfang Electric Machinery Co., Ltd, and His Delegation



On November 6, Signed Equipment Procurement Agreement with GE during the 6th China International Import Expo



July 21, Chairman Wang Bo Led a Team to Visit Wen Bo, Party Secretary and Chairman of State Grid International Development Co., Ltd.



April 13, General Manager Fang Yanshui met with Farhan, General Manager of Habib Bank for Singapore and China, and a Member of the Board's Executive Committee

7. Implement the Belt and Road

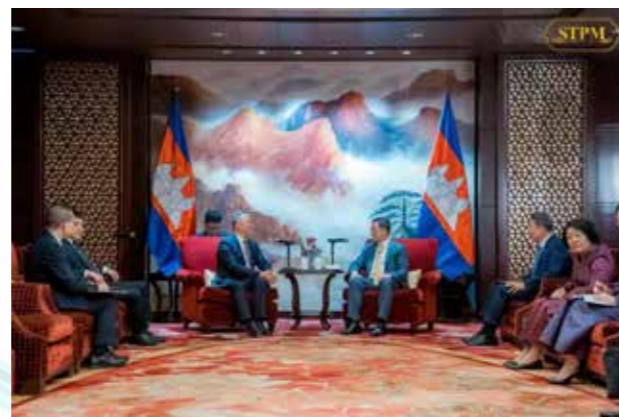
The company actively participated in the 3rd “Belt and Road” Forum for International Cooperation, where company leaders met with numerous national leaders and government officials to advance major projects involving the company.



Chairman Wang Bo Meets with Argentine President Fernández



Chairman Wang Bo Meets with Sri Lankan President Wickremesinghe



Chairman Wang Bo Meets with Cambodian Prime Minister Hun Manet

Case: Diplomats in China Visit Sinomach, Upgrading “Belt and Road” Mutual Cooperation

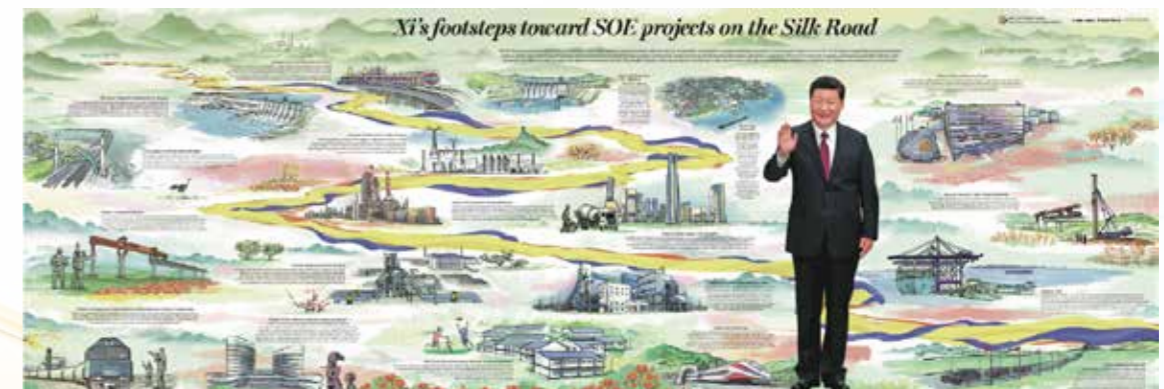
On July 6, 2023, the event “Diplomats in China Visit Sinomach” was held. CMEC Group hosted the event, warmly welcoming nearly 70 diplomats from 63 embassies and international organizations in China. The event focused on aligning with overseas industrialization needs, engaging in practical discussions, and sharing China’s solutions and wisdom.



Diplomats in China Pose for a Photo with Company Leaders

Case: Two Projects Featured in China Daily’s Belt and Road 10th Anniversary Highlights

The State-owned Assets Supervision and Administration Commission published an exhibition of key achievements from the Belt and Road’s 10th anniversary in China Daily, featuring 19 projects. Among them, the China-Belarus Industrial Park and the Belgrano Freight Railway Renovation Project in Argentina, implemented by CMEC Group, represented Sinomach in the selection.



II. New development approach: Contributing to sustainable ecological civilization

"Green" is a crucial keyword in CMEC's strategic planning. To implement major carbon peak and carbon neutrality strategies, CMEC is committed to integrating green development with improving corporate efficiency and upgrading industrial structures. The company aims to create high-quality, sustainable, and environmentally friendly projects, enhancing people's lives globally and demonstrating the responsibility of a central state-owned enterprise.



Contributing to the United Nations Sustainable Development Goals (SDGs)

- Greenhouse Gas Emissions: **11,697 tons**
- Greenhouse Gas Reduction: **1,241 tons**
- Energy Consumption: **3,043 tons of standard coal**
- Number of Green Environmental Protection/"Dual Carbon" Special Trainings: **69**

(1) Green management: leading development

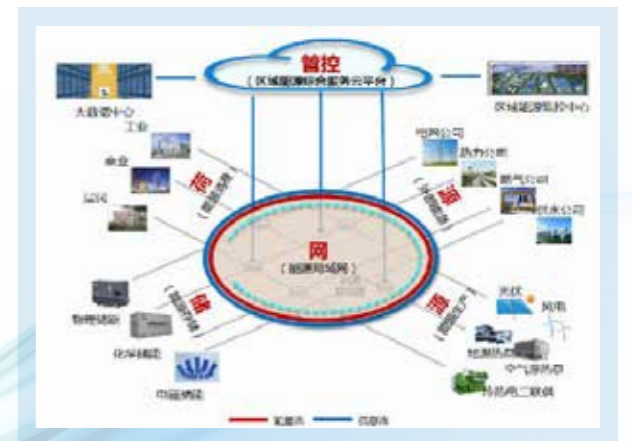
Strengthen basic management, enforce responsibilities at every level, increase environmental risk and hazard inspections, implement detailed measures for carbon peak, carbon neutrality, and energy saving, and comprehensively enhance environmental management levels and capabilities.

- Signed **Dual Carbon Energy Saving and Environmental Protection Management Responsibility Agreements with 33 subsidiary units**
- Developed the **Carbon Peak Action Plan of China Machinery Engineering Corporation and CMEC Carbon Peak Action Plan Compilation Guidelines**
- Established the **Carbon Peak and Carbon Neutrality Work Leadership Group and Working Group**
- Held practical seminars on dual carbon energy saving and environmental protection work

Case:

CMEC has established the "Photovoltaic Storage Technology Center," "Power Transmission and Transformation Technology Center," "Solid Waste Technology Center," and "Water Technology Center". These centers, operating in a "small and agile" manner, gather internal technical talents to directly address innovative technological developments and disruptive market changes related to the "dual carbon" pathway. They proactively engage with the green "Belt and Road" to empower it. The technology centers focus on green and low-carbon renewable energy technologies, modernization of smart grid engineering under renewable energy consumption requirements, and trends in water business related to seawater desalination and energy efficiency optimization for water resource allocation. The centers provide consulting services on green energy technologies to business departments.

In reducing energy consumption and achieving energy savings, CMEC actively explores and practices comprehensive energy technologies, such as waste energy utilization, energy recovery, energy cascading, and multi-energy complementarity. The technology centers disseminate daily updates on new technologies, concepts, and models to grassroots levels, promoting business transformation and upgrades.



(II) Setting a benchmark for green projects

The company envisions becoming an "internationally leading integrated service provider for engineering contracting and industrial development." Its core drive is to improve energy efficiency, reduce pollutant emissions, and enhance resource output efficiency. The main focus is on transforming economic growth patterns, adjusting economic structures, and accelerating technological progress. In project development, construction, and operation, the company actively practices green and environmentally-friendly principles, adheres to conservation and clean development, and is committed to becoming a resource-efficient and environmentally-friendly enterprise.

Case: World's Largest Single-PV Project Achieves Commercial Operation

In July 2023, the Al Dhafra PV2 solar power plant project in the UAE, undertaken by CMEC as the general contractor, officially began operations and power generation.

The project is crucial for the UAE's energy transition and sustainable development and is a key initiative for achieving the UAE's 2050 carbon neutrality goal. According to estimates from the UAE's hydroelectric company, once operational, the project will generate enough electricity to meet the needs of approximately 160,000 UAE households. It will increase the total installed capacity of photovoltaic systems in Abu Dhabi to around 3.2 GW, reducing carbon emissions by over 2.4 million metric tons annually, which is equivalent to removing 470,000 cars from the roads. The project is expected to create approximately 5,000 local jobs and achieve 12.9 million safe work hours, significantly contributing to the global energy transition.



Some Members of the Team for the Al Dhafra PV2 Solar Power Plant Project in the UAE

Case: The water plant renovation project won the First Prize for Excellent Engineering Survey and Design in Hunan Province for 2022

The Hengyang Yanwuping Water Plant upgrading project was designed by CMIE, a subsidiary of CMEC. With a total water supply capacity of 300,000 cubic meters per day, the Yanwuping Water Plant serves about 500,000 people in the central urban area, making it the largest water plant in Hengyang City and one of the largest in Hunan Province. It accounts for about 50% of the total water supply in Hengyang. The renovation project has significantly improved water quality and capacity to handle sudden environmental risks, reducing wastewater discharge by over 4 million tons annually, saving over 4 million tons of water resources, and cutting operational costs by over 6 million yuan. The project has demonstrated significant economic, social, and environmental benefits.



Hengyang Yanwuping Water Plant Upgrade Project

(III) Clean energy: supporting environmental protection

CMEC actively practices the green "Belt and Road" by advancing international cooperation on clean energy projects such as hydropower, solar energy, and wind power. At the same time, leveraging its own strengths, CMEC is actively engaged in domestic green energy and environmental protection business to support the national dual-carbon strategy.

Accelerate innovation and upgrading in the smart photovoltaic industry and its specialized applications, innovate the "Photovoltaic +" model, and promote diversified layouts for photovoltaic power generation

Maintain a balanced focus on both land and sea, promote coordinated and rapid development of wind power, improve the offshore wind power industry chain, and encourage the establishment of offshore wind power bases

Actively develop solar thermal power generation, and promote the establishment of comprehensive renewable energy bases integrating solar thermal, photovoltaic, and wind power with complementary regulation

Develop biomass power generation, clean biomass heating, and bio-natural gas tailored to local conditions

Explore the deepened development and utilization of geothermal energy, as well as marine renewable energy sources such as wave energy, tidal energy, and temperature difference energy

Further improve mechanisms for the utilization & consumption and guarantee of renewable energy power

Explore green and intelligent development and clean, low-carbon utilization of fossil energy, large-scale utilization of renewable energy, new power systems, energy conservation, hydrogen energy, energy storage, power batteries, and carbon capture, utilization, and storage

Case: Support the Internationalization and Steady Development of Shantou International Wind Power Innovation Hub

The Shantou International Wind Power Innovation Hub, jointly constructed by several member units of the CMEC Group, is a key part of the eastern Guangdong offshore wind power base. With a total investment exceeding RMB 30 billion, the project aims to develop 60 million kilowatts of wind power resources and create a new city for offshore wind power industry services that caters to the global market. This project marks a new starting point for the international development of the wind power industry. The project encompasses wind power equipment manufacturing, collaborative innovation, wind power terminals, and a marine engineering equipment industrial park. It supports Guangdong's carbon peak and carbon neutrality goals, serving as a crucial platform for advancing Guangdong's carbon peak and carbon neutrality initiatives. It is also a key component of Guangdong's 14th Five-Year Plan for energy development, the 2023 Guangdong Provincial Government Work Report, and the requirements of the 13th Provincial Party Congress. CMEC Group actively participates in the construction of the Wind Power Innovation Hub, and is expected to drive the rapid development of offshore wind power in Shantou, contributing significantly to the internationalization of China's wind power products and industry with its "Sinomach strength."



Signing Ceremony of the Strategic Cooperation Framework Agreement with the Shantou Municipal People's Government

Case: China National Electric Engineering Corporation Signs EPC Contract for Palembang Waste-to-Energy Project in Indonesia

In 2023, China National Electric Engineering Corporation, a subsidiary of CMEC, signed an EPC contract for the Palembang Waste-to-Energy Project in Indonesia, which has now entered the execution phase. This project is the first waste-to-energy project invested and constructed by a Chinese company following the issuance of the Presidential Decree on "Supporting the Development of Waste-to-Energy Projects" in Indonesia. The project is located in Palembang, South Sumatra, Indonesia, and plans to install two 500t/d mechanical grate incinerators with waste heat boilers, along with one 20MW condensing steam turbine generator. The overall design of the project aligns with Indonesia's green economic development and power development plans, meeting the renewable energy requirements of Indonesia's power development strategy. Once completed, the project will be capable of processing nearly 300,000 tons of solid waste annually, completely transforming Palembang's current landfill-based waste disposal system. It will also serve as a positive model for environmental protection and waste management in Indonesia.



(IV) Green culture: raising awareness

CMEC continuously promotes green operations by enhancing the awareness and promotion of energy-saving and environmental protection concepts. The company encourages employees to adopt energy conservation, emission reduction, and environmental protection practices. CMEC advocates for green offices, low-carbon living, and organizes green public welfare activities to foster a collaborative atmosphere for environmental protection.

Case: CMEC Holds Energy Conservation Publicity Week Themed Photography Exhibition

To align with the goals of peak carbon and carbon neutrality and to create a strong atmosphere of energy conservation and carbon reduction, CMEC launched a themed photography contest during the 33rd National Energy Conservation Publicity Week. The contest was divided into two themes: "Harmonious Coexistence" and "Energy Conservation and Environmental Protection". Employees were invited to capture the beauty of "green mountains and clear waters," visually showcasing the achievements of the "Beautiful China" initiative in recent years, as well as the stories behind the company's involvement in ecological civilization construction.



New Office Building



Endless Wind, Infinite Energy



Protecting the Blue Sky



Solar Power Plant at Dawn

III. New development drivers: enhancing resilience in sustainable development



Contributing to the United Nations Sustainable Development Goals (SDGs)

- Number of employees: **5,922**
- New courses added to the online learning platform: **162**
- Total assistance provided: **78 instances**
- Targeted assistance funds allocated to the Sinomach: **RMB 1 million**

(I) People-oriented and growing together

CMEC is insisting on the management concept of people-oriented and strictly complies with national laws, regulations, and company policies to eliminate any form of child labor and forced labor. CMEC upholds the principles of equal employment and equal pay for equal work, ensuring employee compensation, benefits, and basic rights. It provides smooth career development channels to help employees grow and develop. CMEC also emphasizes occupational health and safety management to protect employees' occupational health and safety. Furthermore, it actively organizes various cultural and sports activities to enhance employee well-being and happiness in both work and personal life.

1. Comprehensive safeguard the legitimate rights and interests of our employees

Equal employment

CMEC adheres to the principle of equal employment and creates a diverse and inclusive work environment. We do not discriminate against or unfairly treat employees based on age, disability, ethnicity, gender, or other factors in employment, compensation, training, and promotion opportunities. We are firmly opposed to any form of forced labor and strictly prohibit the use of child labor.

Democratic management

CMEC places great importance on democratic management and has established a democratic management system based on the Workers Congress. It has set up committees such as the Women's Workers Committee, Democratic Management Working Committee, and Labor Coordination and Mediation Working Committee to provide channels for employee participation in democratic management, supervision, and decision-making and to protect their rights in democratic management.

- Participation of corporate employees in employees' trade union **100%**
- Collected effective proposals: **20** Feedback rate: **100%**



2023 Trade Union Work Conference and the 4th Session of the 7th Members' Congress and the 7th Session of the 7th Employee Representative Assembly

Compensation and benefits

CMEC continuously improves the employee performance evaluation and incentive mechanism. In 2023, we revised and released seven policies, including those on departmental salary budgets, compensation, and performance; functional department compensation and performance; and subsidiary companies' salary budgets and head's remuneration. These revisions enhance the integration of assessment and distribution. We also continue to optimize employee benefits, establishing the Implementation Rules for Employee Benefits and Party Committee Work Management Projects and Guidelines for Employment and Compensation Benefits Management for Overseas Units to standardize the management and use of welfare funds.

2. Systematic advancement of talent development

(1) Promote employee growth and development

Completed the establishment of the project manager pool, with the first batch including 149 people. Increased efforts in talent exchange and development, conducting internal exchanges of young talent and cadres within the engineering group, with a total of 12 participants, creating a talent exchange network within the engineering group and the company. Implemented functional optimization and adjustments to further rejuvenate the leadership team. Improved the company's talent echelon to support the sustainable development of the company's core business.

(2) Continuously advance the co-construction and sharing of the training center and resources

Organized online courses for middle-level cadres, expatriate directors and supervisors, engineering and technical management personnel, and new employees. Focused on headquarters capability building and supporting business expansion, organized nine key internal training programs on topics such as world-class benchmarking, rural revitalization, and regional development. Accelerated the internalization of knowledge and experience through knowledge competitions, micro-course contests, internal trainer training, and project experience sharing, assisting in the growth of young employees. Additionally, organized 4,452 participants in centralized training sessions, totaling 51,952 hours of training.

In 2023, CMEC uploaded a total of 162 new internal courses to the online learning platform. By the end of 2023, the "CMEC Group Online Training Center" had accumulated 534 internal courses covering a wide range of areas, including Party building, discipline inspection, safety production, investment and financing, project management, marketing, engineering technology management, functional management, and employee health. The company actively responded to the call for shared training resources within the Sinomach, contributing 71 course resources for sharing across the group.



First Internal Trainer Training Class of CMEC - "Corporate Micro-Course Innovation Workshop"



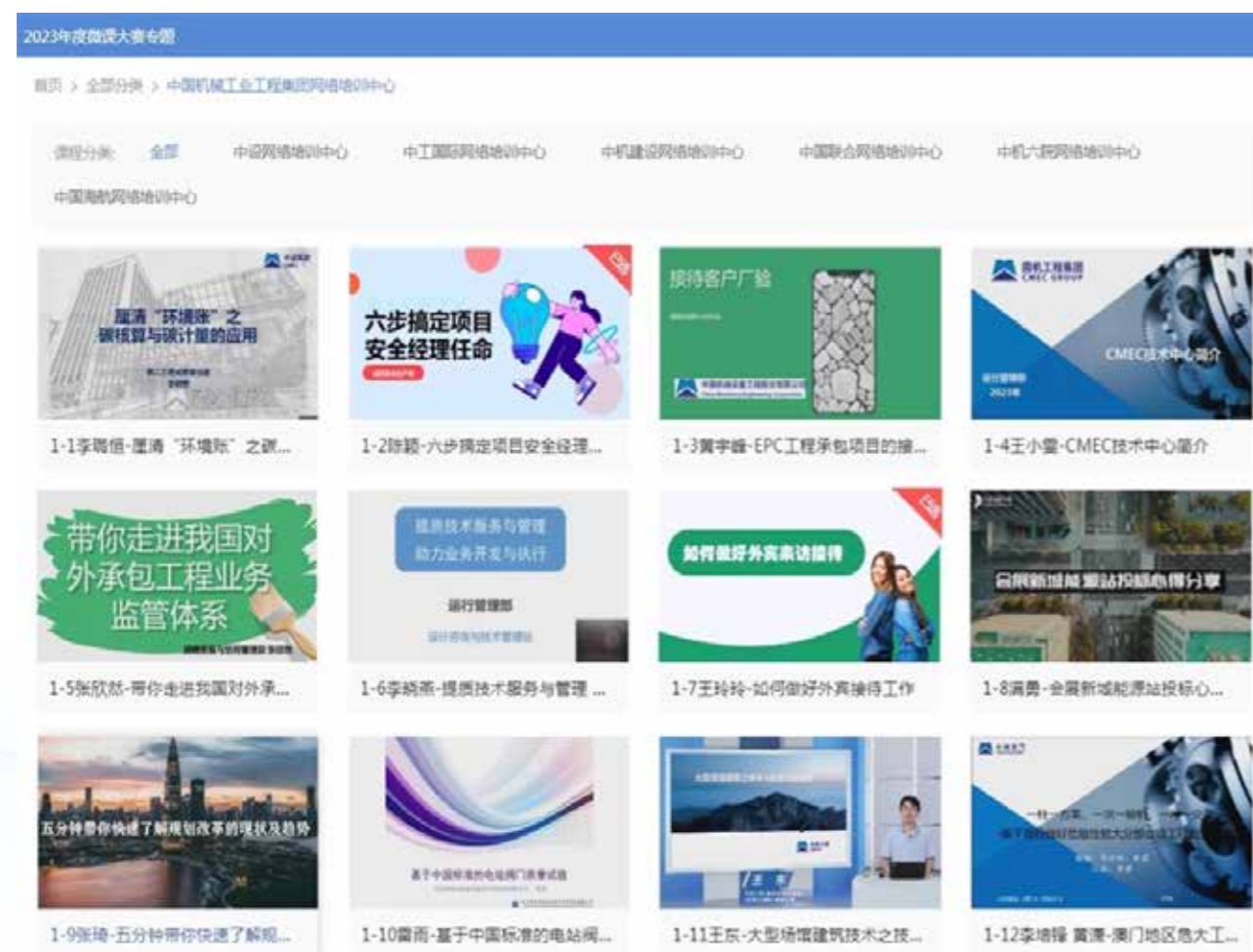
Key Training on Integrated Management of Investment, Construction, Operation, and Exit in Engineering Projects



Specialized Training on Development Opportunities in the Engineering Industry in the Era of Big Data

Case: Host the First Micro-Course Competition of 2023

To further develop a competitive platform for business exchange and capability sharing, enhance skills and broaden perspectives through a learning platform, create an empowering platform for business collaboration and integrated development, and promote the deepening and implementation of materialization, CMEC Group successfully hosted its first Micro-Course Competition. The competition was themed around four key areas: core business, technological innovation, management empowerment, and deep integration of Party building and business operations. The headquarters, member companies, and subsidiaries of CMEC Group actively participated, collecting a total of 35 high-quality self-made micro-courses.



3. Committed fully to building a strong safety barrier

CMEC consistently prioritizes the lives of its employees, unwaveringly placing their safety first. We place great emphasis on safety production, firmly adhere to a baseline thinking of safety, maintain stringent safety defenses, cultivate a strong safety culture, and balance development with safety. We work to mitigate safety production risks and ensure the ongoing stability of the safety production situation.

(1) Strengthen the baseline for safety risk prevention and control

The company fully implements the "Year of Strengthening Safety Management" and the "Special Action for Identifying and Rectifying Major Accident Hazards 2023". We promote the use of the "CMEC Safety Production Management Platform" across the entire system, utilizing risk maps to monitor domestic and international projects in real-time.

In 2023, the company fully achieved the safety production management goals set by Sinomach and received an A-level (Excellent) rating in the group's assessment. The total number of overseas emergencies, as well as fatalities (including missing persons), injuries, evacuations, and direct economic losses related to these emergencies, all were zero.

Signed 43 Safety Production Responsibility Agreements and Safety Production Mutual Commitment Agreements

Conducted joint safety production and overseas safety inspections for 25 key projects domestically and internationally

Performed a total of 3,521 safety hazard inspections across the company and its subsidiaries, and ongoing domestic and international projects, identifying 9,820 safety hazards, of which 9,766 have been rectified, achieving a rectification rate of 99.45%

Organized a total of 31 comprehensive emergency response drills, 223 specialized emergency response drills, and 98 on-site response drills, with a total of 16,260 participants

In 2023, 303 individuals obtained the "Central Enterprises Overseas Chinese Employee Safety Risk Prevention Training Certificate"



Luo Qianyi, Deputy Secretary of the Party Committee and General Manager of Sinomach, Inspecting the Safety Production Conditions at the Boron Carbide Production Plant Project in Banderma, Turkey and the Al Dhafra PV2 Solar Power Plant Project in Abu Dhabi, UAE



Safety Training Photo of Local Workers for the Peru Drinking Water and Sewage System Upgrade and Renovation Project



Safety and Emergency Knowledge Explanation



General Manager Fang Yanshui Inspecting the Safety Production Work at the 500MW Sherabad Solar Power Plant in Uzbekistan



Evacuation and Emergency Escape Drill

(2) Strengthening the occupational health and safety management system

The company has developed the CMEC Quality, Environmental, Occupational Health, and Safety Management Manual, Occupational Health Supervision and Management Implementation Rules, and Health Management Measures for Expatriates. We continue to advance the establishment and improvement of occupational health management systems. Following internationally recognized safety standards, we have established and effectively operated an occupational health management system, which has been certified to ISO 45001 Occupational Health and Safety Management System, achieving standardization, systematization, and normalization of occupational health management.



Occupational Health and Safety Management System Certification Certificate

We strictly adhere to the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases, conduct occupational health and safety management system certifications, and actively provide employees with health care activities such as physical examinations, free clinics, lectures, and specialized training on the prevention and treatment of occupational diseases. These efforts focus on enhancing employees' awareness of occupational disease prevention and control.



Special Lecture by Dr. Li Tao, Associate Chief Physician at the Rehabilitation Medicine Center of Peking University Third Hospital, on "Micro-Exercise for Preventing Suboptimal Health"



"Pre-Hospital Emergency and Prevention of Myocardial Infarction" Lecture and "Dynamic Electrocardiogram" Experience Event

4. Warmly carry out employee workplace care

CMEC strives to create a warm and supportive environment for employees, enriching their cultural life. We care about employees' well-being by providing maximum convenience, promoting a balance between work and life, creating a relaxed and healthy work environment, and enhancing employees' sense of belonging.

(1) continuously improve employee benefits

Issued annual park passes

Organized themed activities for holidays

Extended sincere congratulations to retired employees and employees who got married or had children

Provided support to the children of union members participating in middle and high school exams

Signed service agreements with professional online hospitals to provide medical and health services to domestic and international employees

Held lectures on "Pre-Hospital Emergency and Prevention of Myocardial Infarction" and "Dynamic Electrocardiogram" experience events

Distributed necessary first aid supplies to overseas project sites



"Inspiring Women's Ambition: Spring Thunder Awakens All Things" Themed Park Activity held on Women's Day



"Cute Childhood Fun, Joyful Family Day" Open House Event Themed Activity held on Children's Day

(2) Promote Business Development and Integration of Engineering Group through Rich Cultural and Sports Activities

By hosting large cultural events such as the "Integration Cup" Table Tennis Friendly Match and a New Year's Gala celebrating the second anniversary of the physical entity, as well as legal, business, qualifications, accounting, and cashier knowledge competitions within the CMEC group, we actively foster a culture of integration, collaboration, and pursuit of excellence. These activities fully showcase the unity, innovation, and cohesion of CMEC group's team.



"Integration Cup" Table Tennis Friendly Match



Sponsoring and Organizing the Sinomach "CMEC Group Cup" Table Tennis and Badminton Invitational Match



Hosting the First "Youth Talent Show" English Presentation Competition



New Year's Gala Celebrating the Second Anniversary of the Physical Entity

Case: Host the First Micro-Course Competition of 2023

To further develop a competitive platform for business exchange and capability sharing, enhance skills and broaden perspectives through a learning platform, create an empowering platform for business collaboration and integrated development, and promote the deepening and implementation of materialization, CMEC Group successfully hosted its first Micro-Course Competition. The competition was themed around four key areas: core business, technological innovation, management empowerment, and deep integration of Party building and business operations. The headquarters, member companies, and subsidiaries of CMEC Group actively participated, collecting a total of 35 high-quality self-made micro-courses.



(3) Organize thoughtful activities to deliver warmth and comfort

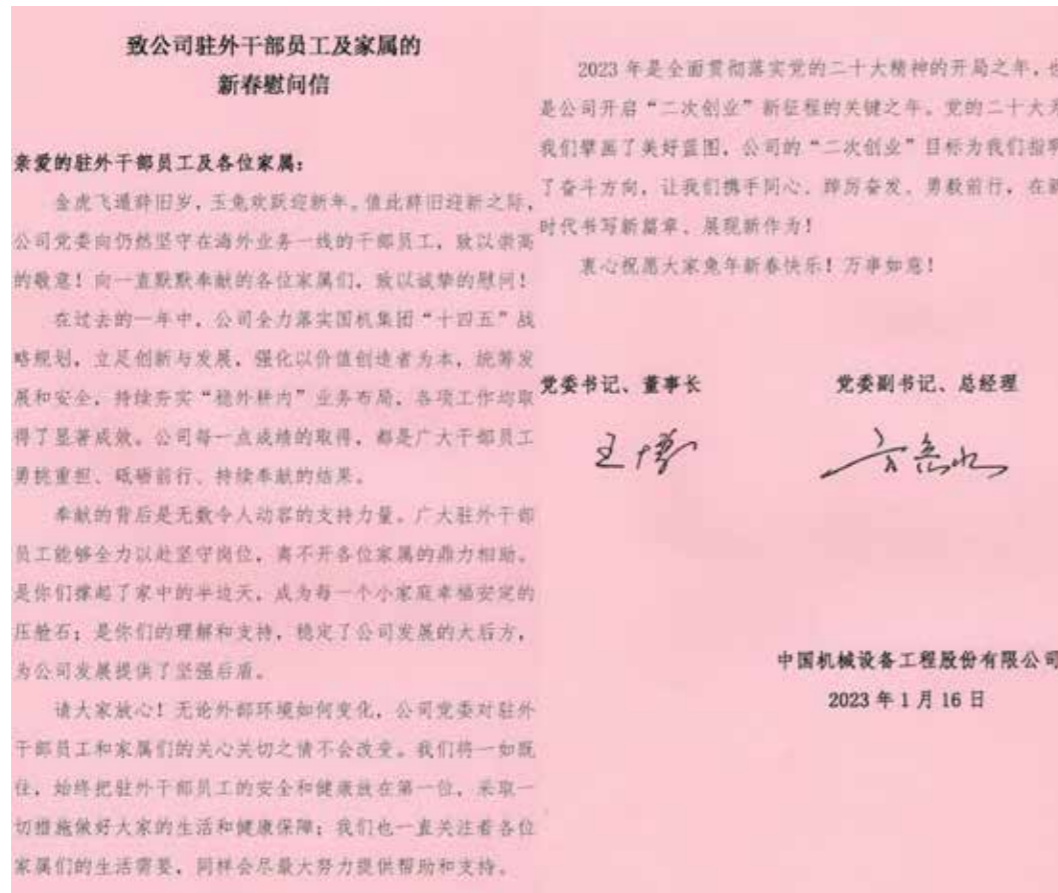
Conducted a series of comfort activities before the Spring Festival, sending condolence letters and condolence gifts to employees stationed abroad and their families

Honored 7 individuals who have received the National May 1st Labor Medal and the Sinomach Labor Model title

Extended the Party's care and warmth to colleagues with retirement or retreat, old Party members before the founding of the country, and Party members in difficulty

Organized donations for the "Sinomach Love Fund" and "Major Illness Medical Mutual Aid Fund"

Throughout the year, provide assistance to 78 instances of employees and colleagues with retirement or retreat within the system facing difficulties



Comforting staff members stationed abroad and their families



On the Double Ninth Festival, Cadres with Retirement or Retreat Were Organized to Participate in an Exchange Activity Themed "Appreciating Red Culture and Drawing Strength from Faith"

(2) Harmonious community, happy life

CMEC firmly adheres to the concept of sustainable development, integrating the values of sustainable development into all aspects of business operations. It works to build a harmonious and win-win development relationship with local communities, actively participates in global public welfare and charity initiatives, and conveys warmth and love through practical actions.

1. Deeply cultivate community development

We deeply understand the needs of the communities where our projects are located at home and abroad, actively participate in the planning and construction of major community infrastructure, deepen cultural interaction and exchanges with the local community, promote harmonious community development, and are committed to improving the quality of life for residents, jointly creating a livable environment.

Case: Builds the "Power Vessel with Artisanal Craftsmanship", Helping the Disaster-Affected Area Regain Vitality

An unexpected 7.8-magnitude earthquake turned the city of Pedernales, Ecuador, into a scene of devastation, with its infrastructure heavily damaged. The city's power grid voltage had been consistently below the rated voltage for years, causing appliances to fail to start, air conditioners to go out during the sweltering summer heat... The reconstruction of infrastructure, including power facilities, became an urgent priority to revitalize the city. Over four years, CMEC overcame complex geological and climatic conditions such as hilly mountains and tropical rainforests, successfully constructing the Ecuador 230/138/69 kV transmission and transformation system and completing the substation expansion project. This project, like a winding "power vessel," continuously delivers abundant electricity resources from the city of Lago Agrio to Pedernales, effectively resolving the local power shortage issue and significantly improving the living conditions for electricity use.



Ecuador 230/138/69kV Power Transmission and Transformation System and Substation Expansion Project

2. Strengthen and expand the outcomes of poverty alleviation efforts

The company has made positive progress in rural revitalization. The company leaders have led teams to conduct research and investigation in the designated areas of assistance for multiple times, deepening industrial assistance, and successfully exploring and implementing a characteristic development path of "talent drives industry, industry opens up the market, and the market consolidates the achievements of rural revitalization." Currently, this development model has achieved a virtuous cycle, providing strong support for the consolidation of rural revitalization achievements.

Welfare poverty alleviation >>>

Purchasing high quality products from poor mountainous areas such as Gushi County in Henan Province and Pinglu County in Shanxi Province as employee benefits during national legal holidays

Rich harvest in e-commerce talent cultivation >>>

Adopt a "categorized and layered" "online plus offline" dual training system, integrating centralized teaching, on-site inspections, and one-on-one tutoring methods. Establish a targeted mentorship team channel, providing regular follow-up guidance through both online and offline means to comprehensively enhance the quality and capabilities of rural e-commerce talents

Enroll vulnerable groups with an intention to engage in e-commerce or entrepreneurship, offering them basic e-commerce training courses to help them understand the fundamentals of e-commerce operations

Support the development of individual entrepreneurs, providing advanced e-commerce training courses for those who have already established online stores but lack operational experience

For enterprises that have already acquired a certain level of e-commerce operational expertise, offer higher-level training courses to further refine their professional skills and knowledge

Continuous upgrading of elderly care talent cultivation >>>

Universal Basic Training Program: Introducing a team of industry experts as teaching staff to provide basic care skills, basic norms, and standard knowledge in elderly care to the public who lack experience in the elderly service sector

Vocational Education Teacher Training Program: Conducting an intensive training program in Beijing that combines theory with practice, offering trainees opportunities for continuous learning and advancement

Management and Operation Director Training Program: Providing advanced training for individuals who have some experience in the elderly care industry, including content on leadership, team management, and operational management

The industrial promotion for rural revitalization has entered a virtuous development track >>>

Leverage the advantages of resources and platforms to drive rural revitalization through projects

Upgrade talent development to industry nurturing, actively participating in various industrial assistance projects

Assist in optimizing the industrial structure and business environment of the supported counties, provide local employment opportunities, and achieve a positive interaction between industry and talent

Industrial assistance programs have promoted integration and synergy within the CMEC Group, and further utilized the strengths of each unit's business resources to play a more effective role

Appointing village cadres to assist in rural revitalization >>>

Select young cadres with strong political quality and solid work style to deeply engage in targeted assistance counties to empower rural revitalization

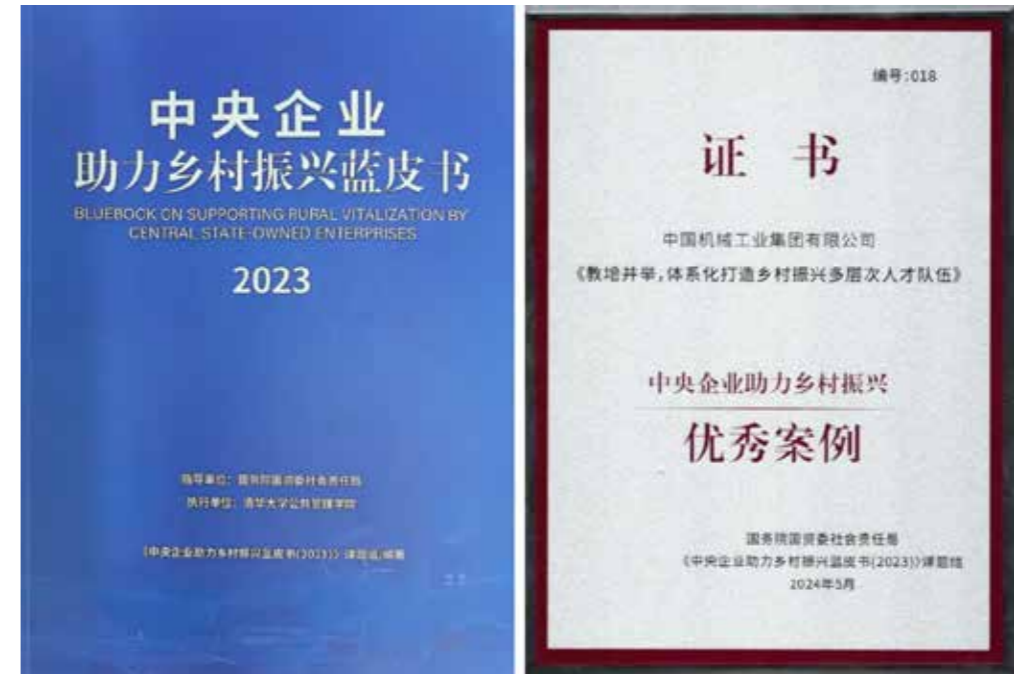
Field Research



Building a Brand



Practical Exercise



CMEC's case study Combining Education and Training to Systematically Build a Multi-level Talent Team for Rural Revitalization has been Awarded the "Outstanding Case of Supporting Rural Vitalization by Central State-owned Enterprises"

3. Contribute to community development

Improve the livelihood of the community >>>

CMEC is actively participating in community construction and livelihood improvement. It invests resources to improve the community environment and throws itself into construction of large infrastructure in communities. We are committed to achieving the living vision of clean drinking water in communities, unblocked road, living and working in peace and with contentment, as well as beautiful city. Our efforts provide a solid infrastructure foundation to enhance the well-being of community residents and promote sustainable development in the community.

Case: The Central Foreign Affairs Office of the Communist Party of China Releases a "Belt and Road" Themed Video Highlighting the Cameroon Water Plant Project

In September 2023, during the Third Belt and Road Forum for International Cooperation, the News Office of the Central Foreign Affairs Office of the Communist Party of China released a short video titled Heart's Journey on the theme of "Connecting People's Hearts along the Belt and Road." The short film titled Water in the video reports on the Cameroon Yaoundé Sanaga Drinking Water Treatment Plant project undertaken by CMEC. The short film tells the story from the perspective of the local translator Danny's son, describing the water challenges faced by the community and how his father, along with CMEC staff, is actively working to address these issues. The short film showcases the touching scenes of people from Belt and Road partner countries working together to create a better life.

This local priority public welfare project is designed to significantly impact the lives of the population in the capital city of Cameroon and its surrounding towns. Upon completion, the water treatment plant is capable of processing 300,000 cubic meters of water per day, catering to the needs of over 2.5 million residents. This initiative is expected to alleviate the prevailing water scarcity issues, thereby enhancing the overall quality of life for the inhabitants. Moreover, CMEC, in the course of executing this project, has actively engaged a substantial number of local technicians and general workers, successfully addressing employment for nearly 1,000 individuals. CMEC ensures robust support for both Chinese and local employees, and extends its commitment to social responsibility by benefiting the communities located in the vicinity of the project. This demonstrates China's corporate commitment to playing a responsible role in the countries where it operates.



Press and hold to scan the QR code to view the report

Case: Blood Donation Event at the Al Dhafra PV2 Solar Power Plant Project, UAE

A blood donation event was held in collaboration with the Abu Dhabi Blood Donation Center at the Al Dhafra PV2 Solar Power Plant project site in the UAE. A total of 74 participants, including the project owner, supervisor, general contractor CMEC, and various subcontractors on site, took part in the event, with a total blood donation volume of 33,300 milliliters.



Outlook for 2024

In 2024, as the headquarters of the CMEC Group, CMEC will leverage the strong research capabilities and industrial foundation of the Sinomach. We will utilize our overall advantage of providing a "one-stop" service with design consulting as the leading aspect and comprehensive engineering contracting across the entire industry chain. By aligning with the sustainable development needs of host countries, we will focus on developing projects in the fields of industrialization and international capacity cooperation that meet the standards of "high quality, sustainability, and benefiting people's livelihoods". We aim to continue contributing to the high-quality co-construction of the Belt and Road.

The company will persist in implementing the business philosophy of serving the dual-cycle new development pattern, utilizing its unique advantages to support national strategies such as the "3060" dual-carbon goals and rural revitalization. We will fulfill our responsibilities and mission as a central enterprise in the comprehensive deepening of reforms and the great journey of Chinese modernization. Through reform and innovation, we will address development challenges, overcome obstacles to progress, achieve results in new areas, and create new brilliance!

Company honor

Winner	Issuer	Award or honor	Winning date
CMEC Group	China International Contractors Association	Honorary Title of AAA Level Creditworthy Enterprise	December 2023
	China Chamber of Commerce for Import and Export of Machinery and Electronic Products	The honorary title of "AAA Credit Enterprise in Enterprise Credit Evaluation"	December 2023
	Phoenix Satellite Television, World Wide Fund for Nature (Switzerland) Beijing Representative Office (WWF), Rocky Mountain Institute (RMI), etc.	Co-building the BRI ESG Excellence Top 10	November 2023
	Suzhou Alliance of Industrial Internet and Seeyon.com	Platinum Award for Numerical Intelligence Operation and Management	November 2023
UAE Photovoltaic Project	China International Contractors Association	Sustainable Infrastructure Award	April 2023
Iraq Salah Aldin Project Campsite	China International Contractors Association	"Excellent Overseas Engineering Campsites" Award	May 2023
Company Legal and Risk Management Department	Enterprise Legal Alliance In-House Community	"In-House Legal Team (Transaction Category) of the year 2023"	December 2023
CMIPC	Beijing Municipal Bureau of Economy and Information Technology	"Beijing's SRDI SMEs" and "Innovative SME of Beijing"	December 2023
Harbin Power System Engineering & Research Institute Co., Ltd.	Department of Industry and Information Technology of Heilongjiang Province	"Heilongjiang Province's SRDI SMEs" and "Innovative SME of Heilongjiang Province"	December 2023
JK Institute, CMIE	China Machinery Industry Federation, the Chinese Mechanical Engineering Society	2023 "Mechanical Industry Science and Technology Award"	November 2023
	Sinomach	2023 "Science and Technology Award"	November 2023
	China Machinery Industry Survey and Design Association	2023 Excellent Mechanical Industry Engineering Survey, Design, and Consulting Projects	November 2023

Feedback form Readers

Respectful reader:

Hello! Thank you for reading our report. We look forward to your comments and thoughts on the report, which will help us continuously improve the way we prepare the report and our performance in sustainable development. You are welcome to fill out the following questionnaire, which you can send back to us through the contact information at the bottom of this page.

Thank you very much for your support to our works!

China Machinery Engineering Corporation
September 2024

1. Which of the following types of stakeholders best fits your identity?

- Stockholder Employee Customer Supplier/contractor Government Peer
 Community/public Industry association/NGO Media Others (please specify)

2. On the whole, how do you evaluate our report?

- Very good Good Average Poor Very poor

3. What do you think of this report?

- Information disclosure: Very good Good Average Poor Very poor
Design: Very good Good Average Poor Very poor
Readability: Very good Good Average Poor Very poor

4. Which chapter do you think best suits your needs? (You can choose up to 3 of them)

- Corporate governance Sustainable development management
 New development pattern to build sustainable infrastructure
 New development mode, contributing to sustainable ecological civilization
 New drivers of development to enhance sustainable development resilience
 Outlook on 2022 Company honor Others (Please specify)

5. What issues are of greatest concern to you? (You can choose up to 5 of them)

- Strengthen the leadership of Party building Board operation
 Law-based enterprise governance Risk Management
 Sustainable development management Operation management S&T innovation
 Diversified financing
 Supply chain management Quality service Fulfilment of industrial responsibilities
 Partnership cooperation
 Employment management Salary and benefits Democratic management Staff training
 Career development Occupational health and safety Workplace care Green management
 Green projects Clean energy Green culture Local operation
 Consolidation and development of achievements of poverty alleviation
 Contribution to community development Others (please specify)

6. Do you have any comments or suggestions on our sustainable development report or our performance?

Contact us:

China Machinery Engineering Corporation
Add: CMEC Mansion, No.165, Jinze Road, Fengtai District, Beijing, China
Post Code: 100073
Tel: +86-10-89161730
E-mail: csr@cmecc.com
Website: www.cmecc.com