

Customer First

Safety Always

Quality Guaranteed



Driven by Trust,  
Reaching Each Destination

# 2024

## Environmental, Social and Governance (ESG) Report

Shanghai Pudong International Airport Cargo Terminal Co., Ltd.

Shanghai Pudong International Airport Public Cargo Terminal Co., Ltd. (West)

# Contents

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**3**    **About This Report**  
**4**    **Leader's Message**

**5**    **About Us**  
6    Company Overview  
9    Milestones  
10   Key Events of 2024  
12   Corporate Culture  
17   Annual Awards  
18   Key Performance Data

**25**   **Environmental**  
26   Climate Change  
29   Environmental Protection  
33   Resource Efficiency

**87**   **Governance**  
88   Corporate Governance  
97   Risk Management  
99   Business Ethics  
102   Partners

**20**   **Sustainable  
Development Policy**  
21   Governance Structure  
22   Stakeholder Communication  
23   Substantive Issues

**39**   **Social**  
40   Quality Assurance  
48   Quality Service  
55   Safety Control  
66   Employee Management  
80   Responsibility and Commitment

**106**   **Appendix**  
107   Performance Data  
112   Assurance Report  
114   Indicator Index  
131   Feedback

# About This Report

This report is the first annual Environmental, Social, and Governance (ESG) Report released by Shanghai Pudong International Airport Cargo Terminal Co., Ltd. (hereinafter referred to as "Company" "PACTL" or "We"), aiming to disclose our management practices, performance, and responsibility actions in the areas of Environmental, Social, and Governance (ESG) from January 1 to December 31, 2024 ("the reporting period").

## Report Scope

This report covers all operational services and management activities of PACTL and its subsidiary, Shanghai Pudong International Airport Public Cargo Terminal Co., Ltd. (WEST) (hereinafter referred to as "PACTL WEST"), which are consistent with the financial reporting scope.

## Report Commitment

PACTL is committed to disclosing our ESG management, issue practices, and performance data to stakeholders in a continuous, accurate, and timely manner. PACTL strives to respond to the concerns of stakeholders through objective, transparent, and balanced information presentation, and accept social supervision. PACTL has not omitted any information based on intellectual property, proprietary technology, or innovative achievements.

## Data Explanation

The financial data covered in this report are all from our 2024 audited financial report. Unless otherwise specified, all monetary amounts are measured in RMB. The non-financial data are all based on our internal operation records, management ledgers, and third-party monitoring reports, which are disclosed after compliance review to ensure the authenticity and traceability of the data.

## Compilation Basis

This report is mainly compiled in accordance with the following internationally recognized sustainable development reporting standards and initiatives to ensure the standardization and comparability of the content:

- Global Reporting Initiative *Sustainability Reporting Standards* (GRI) ;
- *European Sustainability Reporting Standards* (ESRS) ;
- *United Nations Sustainable Development Goals* (SDGs) .

## Report Reliability Statement

PACTL management has reviewed and approved the content of this report, confirming that it contains no false records, misleading statements, or significant omissions. The key performance data of this report has been verified by third-party company TÜV Rheinland, and the verification statement can be found in Appendix 2.

## Report Access and Feedback

You can browse or download this report online through our official website (<https://www.pactl.com>) . Stakeholders are welcome to provide comments and suggestions regarding the content of this report through the following methods:

Contact Department: Business Development Department

Email: [csr@pactl.com](mailto:csr@pactl.com)

Telephone: +86 21 6884 2008

# Leader's Message

As the seasons change, we remain steadfast. At the moment when the global wave of sustainable development surges forward and China's "dual carbon" strategy advances in depth, PACTL and its subsidiary PACTL WEST jointly release our first ESG Annual Report. This is not only a "report card" documenting our fulfillment of social responsibilities, but also a "pledge" for the future. It embodies our reverence for the environment, our responsibility to society, and our commitment to governance, while reflecting the trust and expectations of every partner and employee.

As a core force of China's air cargo hub, PACTL and PACTL WEST serve not only as aerial bridges connecting global trade, but also play an important role in implementing ESG principles.

We clearly recognize that ESG is not an optional add-on for corporate development, but rather an essential requirement rooted in the industry's nature to achieve sustainable growth. It is also a key support to enhance our core competitiveness. With a sense of considering the nation's greater interests, we embedded ESG principles into every aspect of ensuring smooth cargo flow. In the framework of environmental, social, and governance, we are writing our own answer of responsibility as air cargo professionals.

**We advance steadily on the path of low-carbon transformation.** Guided by Shanghai Airport Group's "5+5" carbon reduction framework, we integrate green development throughout cargo terminal operations. We have submitted an application for IATA Environmental Assessment (IEnvA) certification, actively supporting the "dual carbon" airport initiatives at Pudong and Hongqiao airports to further solidify the "green airport" foundation.

**We harness collective strength through value-sharing practices.** As a key hub connecting industrial chains, we take "mutual benefit and shared success" as core principle. In safety assurance, we established "full-process risk management system." Through intelligent monitoring systems and routine emergency drills, we achieved zero major safety incidents in annual cargo operations, safeguarding the

stability and smooth flow of global supply chain. For employee development, we built "tiered and categorized training system" covering ESG concept, professional skill, and health protection, effectively safeguarding employees' rights and interests. In social contribution, we fully leverage the synergistic advantages of Pudong and Hongqiao airports to deeply serve the Yangtze River Delta integration, supporting China's economic circulation and domestic-international dual circulation framework. Simultaneously, we actively engage in public welfare initiatives, integrating corporate development into broader societal progress.

**We continuously refine our standardized operations.** A robust governance system is the fundamental guarantee for ESG practices. Over the past year, we further refined our top-level ESG management framework and integrated ESG metrics into performance evaluations of relevant business segments. In compliance, we strictly adhere to aviation logistics regulations and data security standards while strengthening supply chain integrity management to foster a transparent and trustworthy business ecosystem. In disclosure, we benchmark against internationally recognized ESG rating standards to enhance the standardization and transparency of reporting, ensuring every responsible practice is traceable and verifiable.

Every step forward we take is made possible by the guidance of our superiors, the trust of our clients and partners, and the dedication of our entire workforce. On behalf of PACTL and PACTL WEST, I extend our most sincere gratitude to all friends who have supported our development.



Chairman of the Board: Xia Xiongwei  
December 2025



# About Us

- Company Overview
- Milestones
- Key Events of 2024
- Corporate Culture
- Annual Awards
- Key Performance Data

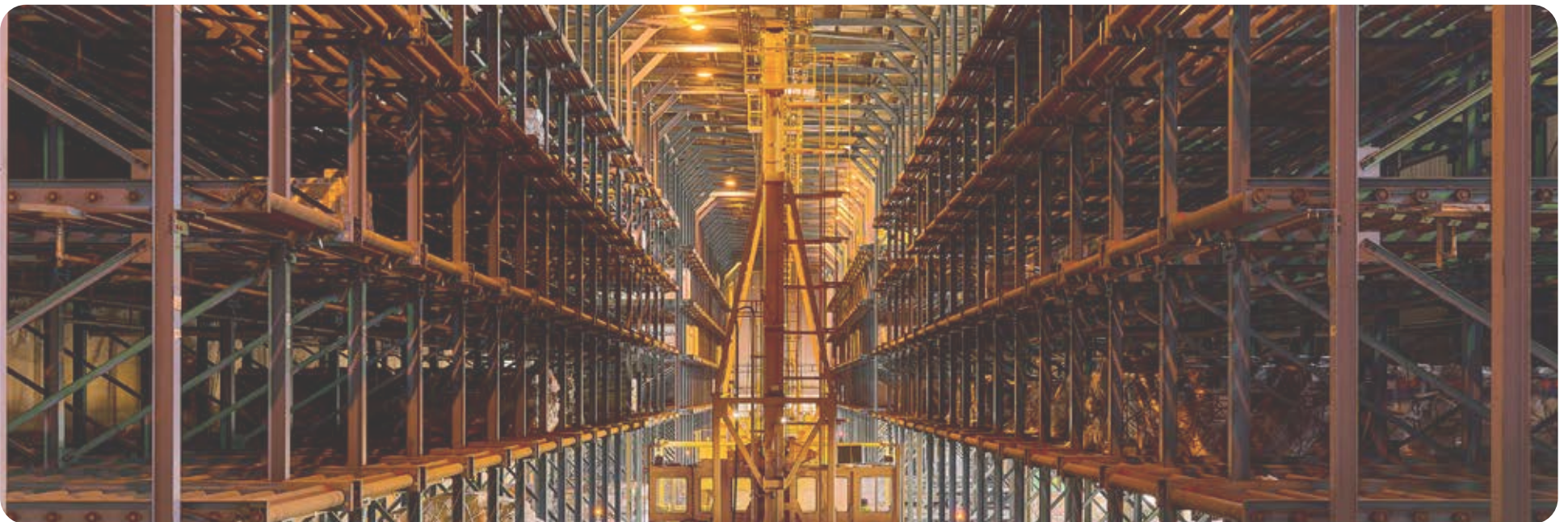


# Company Overview

PACTL was established in October 1999. It was jointly founded by Shanghai Airport Authority Logistics Development Co., Ltd., Lufthansa Cargo AG, and JHJ Logistics Management Co., Ltd. Its main business is the ground handling and warehousing services for air cargo at Shanghai Pudong International Airport, and it also provides various air cargo handling solutions and value-added services. It is one of the largest single air cargo terminal operators in the world.

PACTL WEST was jointly established by PACTL, Air China Limited, and SHK Beijing Logistics Development Limited. It officially started operation on 1st December 2008 and is managed by PACTL. PACTL WEST is located in the West Cargo Area of Shanghai Pudong International Airport, which is within the China (Shanghai) Pilot Free Trade Zone and has 38 cargo aircraft parking positions. It is adjacent to the west side of the third runway of Pudong Airport and is the largest single cargo terminal in Asia.

PACTL has established a PVG-SHA dual-hub layout, ensuring seamless and efficient global cargo flows. It has become one of the leading air cargo terminals globally and is committed to building a professional international brand for air cargo terminals.





Cargo terminal area about (m<sup>2</sup>)

600,000

Handling capacity about (t/a)

2,300,000

Serving airlines

70+

Serving freight forwarders

300+

Handling flights annually

148,000+

Destinations worldwide

500+

PVG	Floor area (m <sup>2</sup> )	Designed handling capacity (t/a)
PACTL Terminal 1	146,000	600,000
PACTL Terminal 2	62,000	300,000
PACTL WEST	365,000	1,200,000

SHA	Floor area (m <sup>2</sup> )	Designed handling capacity (t/a)
Hongqiao Terminal	28,500	200,000

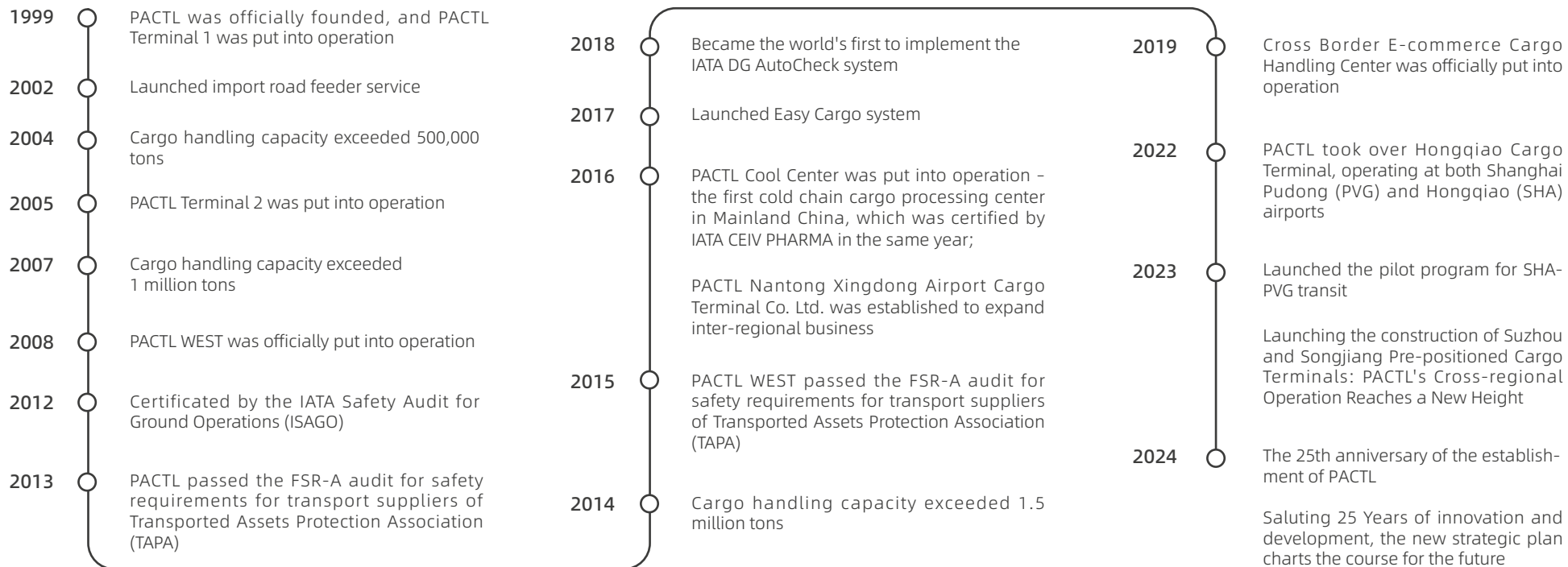
# Service Scope

PACTL mainly provides ground handling and warehousing services for airlines, including acceptance, weighing, assembly/stocktaking, storage, document processing, messaging, and container management. It also offers tailored services like special handling, mail scanning, bulk cargo assembly, consumable management, and splitting/stocktaking based on customer needs, plus international/domestic transfer services and extended services such as domestic forward cargo terminals to deliver one-stop logistics solutions. Aligning with air transport development and market demands, PACTL pursues excellence to build a top-tier intelligent air cargo terminal, continuously developing distinctive facilities like cold storage centers, cross-border e-commerce processing centers, and temperature-controlled box storage management centers on traditional infrastructure.





# Milestones



# Key Events of 2024

PACTL wins the "Best Warehouse Service Provider" award from Air China Cargo



Jan.

PACTL and Lufthansa Cargo celebrate 25th anniversary of their strategic cooperation



Feb.

PACTL wins the IATA accredited Dangerous Goods training programs Top Performing CBTA Center award in North Asia



Mar.

PACTL held an airline customer seminar



Apr.

# Key Events of 2024

PACTL participated in the 2024 Transport Logistic China and won the "Smart Logistics TOP 50"



PACTL won 2024 AFLAS "Best Global Air Cargo Terminal Operator" Trophy

PACTL one-stop electronic freight platform was upgraded, and version 2.0 was officially launched



The research and development efforts to tackle the key technologies for rapid screening of weakly magnetic substances have been officially launched



## Jun.

## Sep.

PACTL grandly holds 25th anniversary celebration with the theme "Standing united through 25 Years, Forging ahead into a new era"



Successfully completed the first "Air-to-Air Transit" operation under the international document exchange model, taking another significant step in the field of international air cargo transit



## Oct.

## Dec.



# Mission

Focus on air logistics ground service

Support air cargo hub development

Serve domestic and international economic growth

- We remain dedicated to air logistics ground services, delivering comprehensive, high-quality solutions with professionalism and operational efficiency. We constantly optimize our service process, expand logistics offerings and improve service quality.
- We support the development of Shanghai's air cargo hub by actively upgrading system facilities, optimizing logistics processes and enhancing the logistics capacity of Shanghai's airports and its global competitiveness in the air cargo industry. We connect to the global logistics supply chain network, ensuring the safe and rapid flow of cargo while promoting integrated industry development.
- With exceptional air logistics ground services as our foundation, we serve as a bridge for domestic and international trade, contributing to sustained economic prosperity and stable growth. We are dedicated to advancing China's position as a global aviation leader, building a seamless connected logistics supply chain, and ensuring the fast and safe cargo transportation across the world.





Corporate Culture

# Vision

To become a globally leading neutral air logistics ground service provider

A benchmark for industry advancement

A trusted business partner for near and far

- We are dedicated to becoming a globally leading neutral air logistics ground service provider, continuously expanding upstream and downstream business along the supply chain, enhancing service quality and professional expertise, and supporting the smooth air cargo operation with efficient, stable, and high-quality ground services.
- We actively promote the development of the industry by introducing advanced technologies and concepts, participating in the formulation of industry standards, and contributing significantly to the progress of the industry.
- We strive to become a trusted business partner for near and far, fully considering the interests of our customers. By meeting their needs and supporting their growth, we pursue our own sustainable development and long-term success, working together with all parties to create a brighter future for the industry.



# Core Values

## Customer First

## Safety Always

## Quality Guaranteed

- We are committed to delivering value-added solutions centered around customer needs. While providing reliable service, we aim to become a trusted, loyal partner that global customers can rely on with confidence.
- We strictly adhere to air cargo safety regulations and operational standards, ensuring that goods, personnel, equipment, facilities and information remain secure and controlled at all times. We also promote technology-empowered security application.
- With a global perspective, we always prioritize the standardization, efficiency and customer concerns in air logistics ground services. We are committed to ensuring professionalism, efficiency, stability and high quality throughout the entire air cargo ground service progress, while continuously striving for improvement and enhancement.



Corporate Culture

# Corporate Spirit

## Innovation and Rigor

## Dedication and Integrity

## Collaboration for Mutual Success

- We are committed to driving corporate growth through more scientific and efficient approaches. We lead with courage, embrace innovation, and boldly explore new business models and technologies to infuse fresh vitality into our company. Meanwhile, we maintain a rigorous attitude, and carry out in-depth analysis and evaluation of every decision and service to ensure stable, sustainable development.
- We are dedicated to earning the trust of stakeholders through professionalism and integrity. We actively participate in promoting industrial standards, driving industry development and aligning with market demands.
- We are always dedicated to supporting the growth and success of airlines, freight forwarders, regulatory authorities, shareholders, employees, business partners, and other stakeholders. By promoting shared benefits and mutual cooperation, we strive for excellence and long-term value creation.





# Corporate Purposes

## Innovation Creates Value

## Growth Benefits All

## Commitment to Society

- Innovation drives development. In air logistics ground services, we aim to promote product development and digital transformation, enhance operational efficiency, meet customer demands, create business value, and optimize internal management processes.
- Growth fuels shared success. We help airlines and freight forwarders lower costs, improve efficiency and expand market shares. We collaborate with regulatory authorities to uphold market order. For shareholders, we integrate resources from various parties and strive to create substantial investment returns. For employees, we offer strong career development opportunities and welfare benefits. We also work together with business partners to achieve mutual benefit and fulfill social responsibilities.
- We are committed to serving society by driving regional and international trade, maintaining green and low-carbon operation, and adopting environmentally friendly technology and equipment. Additionally, we engage actively in social welfare activities, supporting vulnerable communities. Leading the way in air cargo ground service, we strive to contribute to sustainable development and social progress.





# Annual Awards



**PACTL WEST**  
"Best Partner" 2023  
Awarded by Cathay Pacific



**PACTL**  
"Certificate of Appreciation" 2024  
Awarded by Polar Air Cargo



**PACTL**  
"Golden Wheel Cup" 2024  
Awarded by China Aviation Weekly



**PACTL**  
"Best Global Air Cargo Terminal Operator" 2024  
Awarded by AFLAS



**PACTL**  
"Smart Logistics TOP 50" 2024  
Awarded by Transport Logistic China



**PACTL**  
"Four Star Diamond Partnership" 2024  
Awarded by Ethiopian Airlines



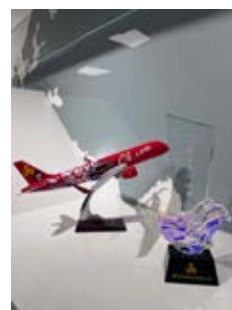
**PACTL**  
"Global Partner Elite" 2024  
Awarded by China Southern Logistics



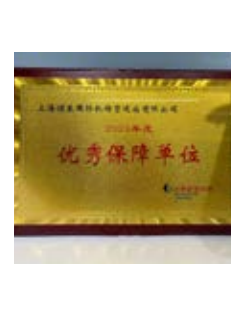
**PACTL**  
"Certificate of Appreciation" 2024  
Awarded by Polar Air Cargo



**PACTL**  
"Best Warehouse Service Provider" 2023  
Awarded by Air China Cargo



**PACTL**  
"Best Partner" 2023  
Awarded by Spring Airlines



**PACTL**  
"Excellent Support Unit" 2023  
Awarded by Shandong Airlines



**PACTL**  
"Excellent Partners" 2023  
Awarded by Eva Air

# Key Performance Data

Total energy consumption (tce)

Environmental

1,294.13 (PACTL)

1,576.54 (PACTL WEST)

Total water intake (m<sup>3</sup>)

Environmental

9,884.00 (PACTL)

38,906.00 (PACTL WEST)

Greenhouse gas emissions (tCO<sub>2</sub>e)

Environmental

7,381.02 (PACTL)

12,321.15 (PACTL WEST)

Scope 1 greenhouse gas emissions (tCO<sub>2</sub>e)

550.32 (PACTL)

928.85 (PACTL WEST)

Scope 2 greenhouse gas emissions (tCO<sub>2</sub>e)

5,822.40 (PACTL)

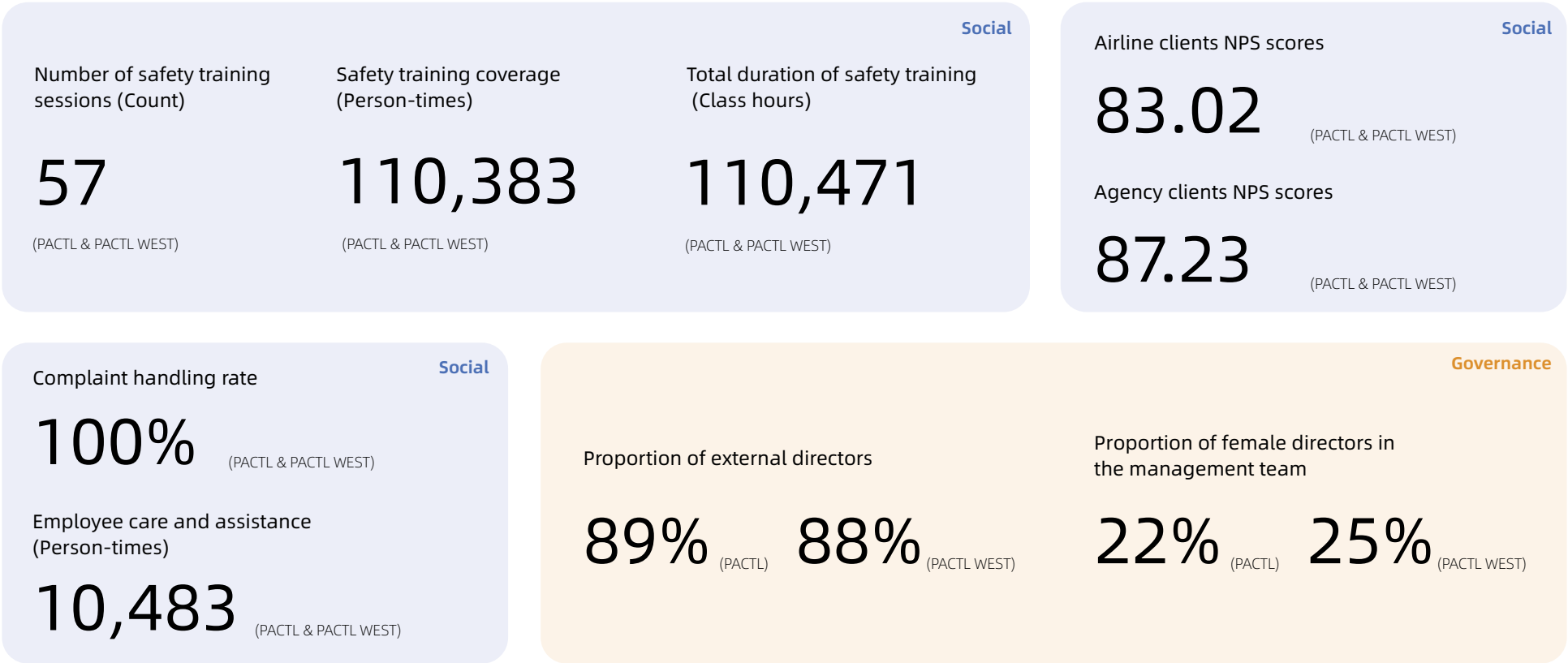
7,423.30 (PACTL WEST)

Scope 3 greenhouse gas emissions (tCO<sub>2</sub>e)

1,008.30 (PACTL)

3,969.00 (PACTL WEST)

# Key Performance Data



# Sustainable Development Policy

Against the backdrop of the current global economy and industries accelerating the transition towards green and low-carbon development, sustainable development capabilities have become a key element in measuring the core competitiveness of air cargo logistics enterprises. As a ground service provider specializing in cargo terminal operations at Shanghai Pudong International Airport, PACTL has always deeply integrated the concept of sustainable development into every aspect of our company's strategic planning and daily operations. We actively respond to the continuously rising requirements and expectations of the capital market and stakeholders regarding sustainable development. We are committed to fulfilling our corporate social responsibility through an efficient, green, and safe air ground service guarantee system, and promoting the low-carbon transformation and high-quality development of the air cargo logistics industry chain.

PACTL solemnly commits to adhering to international authoritative business responsibility standards, including the United Nations Global Compact, and explicitly pledge to fulfill human rights due diligence, implement the precautionary principle, and respect internationally recognized human rights as enshrined in the Universal Declaration of Human Rights, with particular attention to the rights of high-stakeholders and vulnerable groups such as employees, customers, and supply chain partners. This commitment has been approved by the company's highest governance level and comprehensively covers all of our operations and business relationships. It is effectively integrated into PACTL's strategy, daily operations, and supply chain management through internal system embedding, hierarchical responsibility implementation, regular training, and contractual terms. Relevant policies have been officially disclosed and continuously communicated through the company's official website, employee handbooks, and supplier communication channels.







# Governance Structure

In 2024, PACTL established a comprehensive ESG-integrated governance framework that embeds sustainability throughout our strategic planning and execution processes. This is achieved through clearly defined responsibilities, systematic planning, and performance-driven incentives.

- **The Performance Management Committee supports the implementation of ESG governance through execution supervision and behavioral guidance**

The Performance Management Committee, composed of senior management, ensures the accurate and fair assessment of performance—including ESG metrics—and oversees the implementation of ESG objectives. Its functions include monitoring evaluation processes, addressing performance-related grievances, and recommending improvements and incentives, thereby fostering a closed-loop management cycle of "set-assess-feedback-improve."

- **The Business Development Department is the core driving force behind the company's ESG governance system**

It is responsible for analyzing changes in the internal and external environment, formulating the company's strategic plans, and integrating sustainability requirements into the company's medium- and long-term development goals as well as annual business plans, strengthening compliance and internal controls, and systematically managing environmental and social risks. The department also supports the Board in governance-related matters, promoting a governance structure aligned with ESG principles.

# Stakeholder Communication

In the current context of continuous deepening of sustainable development, the expectations of stakeholders of enterprises are becoming increasingly diverse and dynamic. PACTL attaches great importance to continuous communication with customers, employees, shareholders, regulatory agencies, and communities, not only considering it as a key means for effectively managing ESG risks and enhancing early warning capabilities, but also viewing it as an important way to jointly build a responsible logistics ecosystem and achieve value creation with all parties. We continuously improve the systematic communication mechanism, actively listen to, respond to, and incorporate the expectations and suggestions of stakeholders, jointly promoting the sustainable improvement of operations and services, and striving to build a more efficient, transparent, and resilient air freight service system.

Stakeholders	Primary Concerns	Response Methods	Stakeholders	Primary Concerns	Response Methods
International and local regulatory authorities	Serve national strategies		Employees	Employee Rights and Development Occupational Health and Safety	Employee Opinion Box
	Business conduct				General Assembly
	Social contribution	Work meetings	Partners Suppliers	Supply Chain Management Innovation and Digitalization Sustainable Value Chain	Employee Growth and Training Plan
	Promotion of industry development	Regular reporting			Business Communication
	Assistance for special tasks	Supervisory inspections			Supplier Evaluation
Shareholders Investors	Environmental protection and climate response		Public	Rural Revitalization Environmental Protection and Climate Response	
	Due Diligence	Company Announcement			Volunteer Activities
	Corporate Governance Stakeholder communication	Shareholders' Meeting	Media	Innovation and Digitalization Environmental Protection and Climate Response Supporting National Strategies Ensuring Special Missions	Press Conference
Customers Airline	Risk and Crisis Management	Performance Interpretation			Media Supervision
		Information Disclosure			New Media Interaction
	Product and service quality	Emails, phone calls, visits			Media Interviews
	Brand management and reputation	Regular service quality assessment			
	Data and information security	Confidentiality agreement			
	Innovation and digitalization	Innovation research and development and digitalization construction			
	Green and circular economy	Public relations strategy			

# Substantive Issues

Substantive issue management forms the foundation and core of our ESG strategy formulation, risk and opportunity management, and information disclosure. Based on a dual substantive assessment covering the upstream and downstream value chains, PACTL identified significant ESG impacts, risks, and opportunities in areas such as operations, supplier management, and customer service. The assessment results have been integrated into company policies and actions, such as optimizing the electrification of ground support equipment to reduce carbon emissions throughout the value chain, and incorporating key data into management indicators.

In 2024, PACTL conducted a sustainable background analysis and industry benchmarking, referring to the disclosure recommendations of GRI, ESRS, and the Shanghai Municipal State-owned Assets Supervision and Administration Commission. It initially established an ESG issue database for us within the medium and short term for the year 2024, covering a total of **25** issues. During the process of conducting the assessment of the significance and financial significance of impacts, we received over **236** valid internal and external stakeholder questionnaires. We widely absorbed the concerns and suggestions from all parties. The analysis shows that the current strategy can effectively address the current major risks and opportunities.

In 2025, PACTL will continue to improve the identification and analysis mechanism of dual substantive issues, and promote ESG management towards systematization and refinement.

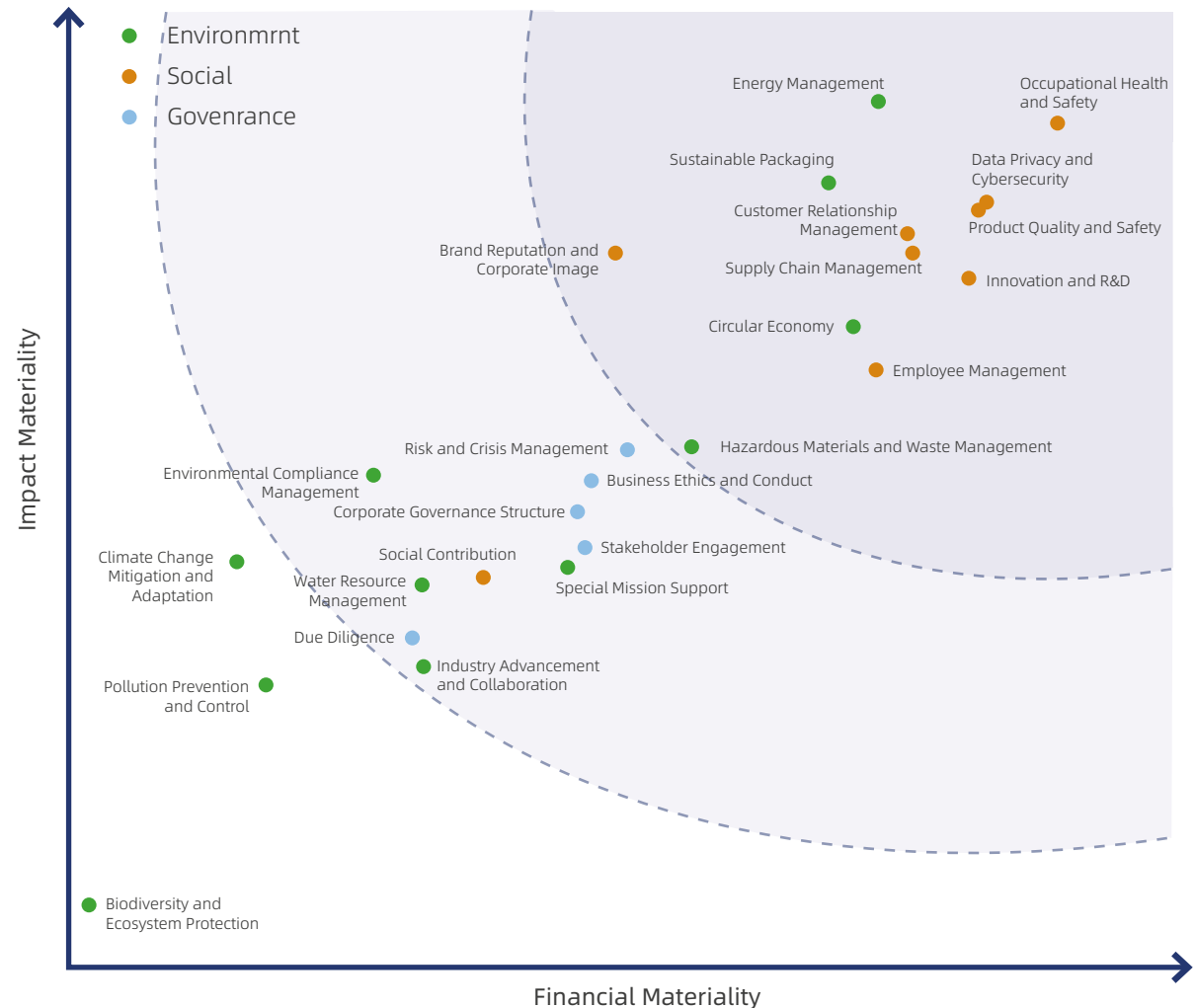


## The process of identifying the dual importance of ESG issues

- 1 Construction of the ESG issue database**  
 Based on the background of sustainable development, regulatory requirements, and peer analysis, it was determined
- 2 Assessment of impact, importance, and significance**  
 Through a questionnaire survey of stakeholders and combined with the opinions of management and external experts, adjustments were made  
  
**Financial importance assessment**  
 Through a questionnaire survey of the financial department, preliminary adjustments and determinations were made
- 3 Formation of an importance matrix**  
 Based on the results of the questionnaire survey, 2024 dual substantive issues and the priority of other issues were determined
- 4 Disclosure based on evaluation results**  
 For matters of high dual importance, gradually establish and disclose them according to the framework structure of "governance strategy risk and opportunity indicators and objectives"

PACTL conducts targeted management on substantive issues, and in the report, we focus on disclosing the relevant practices and performance. We also continuously track the progress of achieving the related goals, forming a PDCA(Plan-Do-Check-Act) management loop.

2024 Annual Matrix of Key Issues







# Environmental

- Climate Change
- Environmental Protection
- Resource Efficiency

PACTL deeply integrates ecological environmental protection into our sustainable development strategy, with "green operation, efficient resource utilization, and climate resilience construction" as the core pillars. We systematically establish an all-round environmental management system covering climate change response, pollution control, biodiversity protection, and resource recycling.

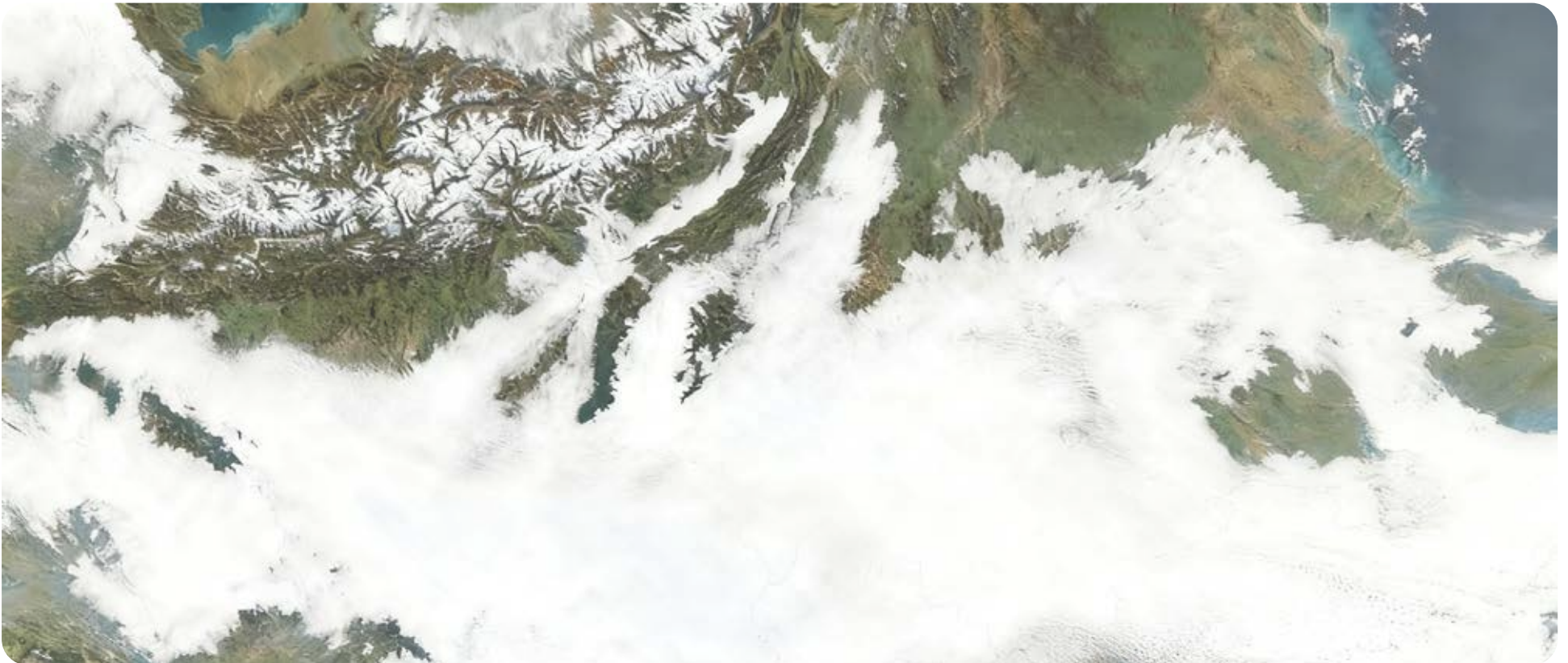
In 2024, PACTL leverages the Easy Cargo digital platform to promote paperless operations, explore innovations in areas such as photovoltaic construction, hazardous chemical management, and circular packaging materials, and continuously fulfill our environmental responsibilities, striving to be a model of orderly and efficient resource utilization.



# Climate Change

PACTL regards addressing climate change as a core issue for our sustainable development. We actively implement the concept of green operation and are committed to reducing our carbon footprint through systematic management, improving resource utilization efficiency, and establishing a climate-adaptive development model.

We continuously improve the governance mechanism for climate change, and vigorously promote energy conservation and carbon reduction measures to achieve a coordinated improvement in environmental benefits and operational efficiency.



## Climate Change

# Climate Risk Management

PATCL incorporates climate change into the overall governance framework. Based on the dual-carbon system framework consisting of the internal published "Environmental Protection Management Measures" and "Environmental Protection Performance Evaluation Management Measures", we clearly define environmental protection responsibilities at all levels and incorporate carbon emission control targets into the annual performance assessment to promote the progressive decomposition and implementation of the targets.

To effectively identify and manage climate-related risks and opportunities, we identify transformation risks and physical risks such as stricter policies and regulations, increased green preferences in the market, and operational disruptions caused by extreme weather events, and formulate corresponding response strategies. For example, by optimizing the "oil-to-electricity" transformation of on-site vehicles and promoting the electrification update of equipment, we enhance operational resilience and reduce compliance and operational costs.



Climate Change

# Carbon Accounting

PACTL has systematically carried out carbon emission data monitoring and statistics, covering three scopes: scope one (direct emissions), scope two (indirect emissions), and scope three (carbon emissions from sewage treatment).

Based on the current carbon accounting results and the national dual carbon target requirements, PACTL is gradually developing a carbon peak and carbon neutrality action plan that is in line with the operational status, and has divided the implementation path of phased emission reduction.

2024

Total Greenhouse Gas Emissions

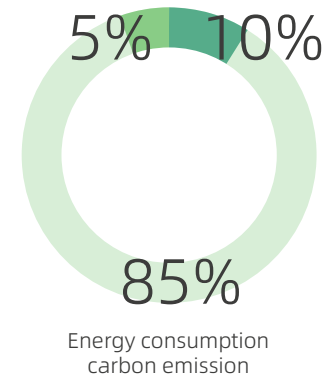
19,702.17 tCO<sub>2</sub>e

Including: Scope 1

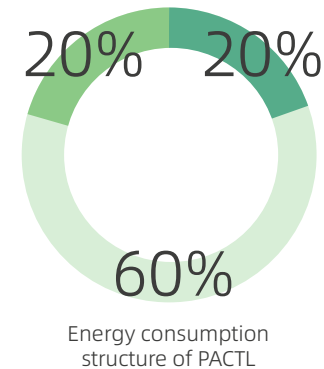
1,479.17 tCO<sub>2</sub>e

Scope 2

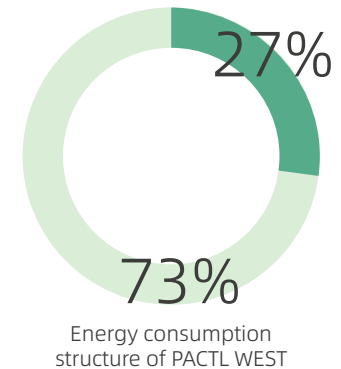
13,245.70 tCO<sub>2</sub>e



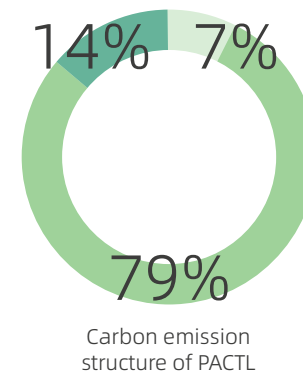
Electricity  
Steam  
Diesel



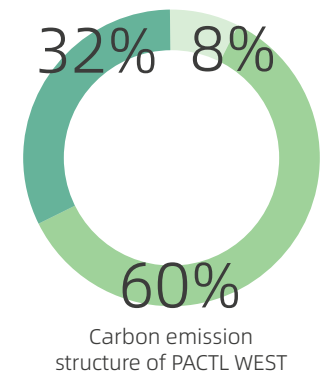
Electricity  
Steam  
Diesel



Electricity  
Steam  
Diesel



Scope 1  
Scope 2  
Scope 3



Scope 1  
Scope 2  
Scope 3



# Environmental Protection

As an important part of our sustainable development strategy, PACTL adheres to the principle of "prevention first and comprehensive management" in environmental protection. It is committed to minimizing the impact of its operations on the environment through systematic management, advanced technologies and continuous optimization, and achieving the coordinated development of the environment, operations and the community.





Environmental Protection

# Pollution Governance

PACTL continuously focuses on pollution control, ensuring that it consistently meets and even exceeds the regulations and standards set by the national and local authorities. Through this series of systematic measures, we are steadily advancing our pollution prevention and control efforts, effectively managing environmental risks, and actively fulfilling our corporate environmental responsibilities.

2024

Total waste disposal fees  
(RMB million)

2.00

Non-Food Waste Disposal Fee  
(RMB million)

1.10

Food Waste Disposal Fee  
(RMB million)

0.04

Hazardous Waste Disposal  
Fee  
(RMB million)

0.13

Non-Hazardous Industrial  
Solid Waste Disposal Fee  
(RMB million)

0.05

Other Categories of Waste  
Disposal Fees  
(RMB million)

0.68

## Our Governance

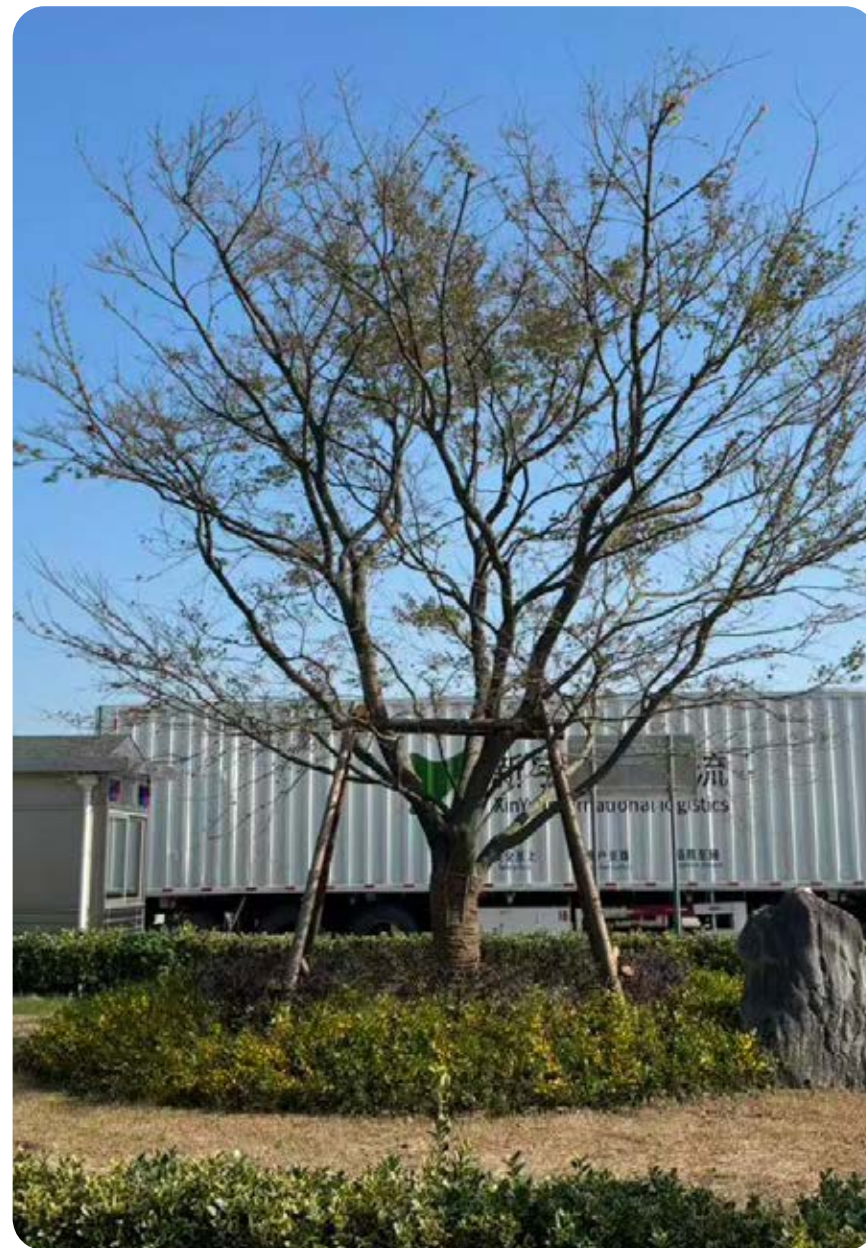
- Optimize the operation process to reduce wastewater generation at the source
- Conduct inspections on rainwater and sewage discharge and pipelines to prevent mixed discharge of rainwater and sewage
- Regularly perform preventive maintenance and upgrades on pipeline systems and treatment facilities to prevent leaks and ensure no accidental discharge without treatment
- Strictly implement waste sorting at the source to ensure clear separation and compliant temporary storage of hazardous and general waste
- We establish long-term cooperation with qualified treatment companies and implement full traceability closed-loop management for all types of waste (especially hazardous waste), ensuring their final compliant disposal or resource utilization. The compliance disposal rate of hazardous waste reaches**100%**

## Environmental Protection

# Biodiversity Protection

PACTL adheres to the concept of "harmonious coexistence between humans and nature", and deeply understand the impact and responsibility of airport operations on the surrounding ecosystem. By optimizing site management and avoiding the attraction of bird gatherings, we effectively reduce the risk of bird strikes and safeguard cargo safety as well as the balance of local species. We are committed to making Pudong Cargo Terminal a green, low-carbon, and ecologically friendly airport cargo operation model that coexists harmoniously with the surrounding natural environment.

At the same time, PACTL pays attention to indoor and outdoor greening, regarding the beautification of the cargo area's environment as an indispensable part of the ESG strategy. Through systematic green space planning, three-dimensional greening technologies, and the selection of ecologically adaptive plants, we not only significantly improve the park's landscape quality but also achieve comprehensive environmental benefits such as biodiversity protection, carbon sink capacity enhancement, and employee well-being improvement.





## Environmental Protection

# Green Operation

2024

Conducted environmental self inspections <sup>1</sup>

5

Completion rate of rectification

100%

<sup>1</sup> The content covers various aspects such as hazardous waste management (ledger, label information, storage management), environmental labeling management of non road mobile machinery, maintenance

PACTL deeply embeds green operation into our development strategy and fully implement the "three simultaneous" environmental protection system and energy efficiency management. By enhancing the ability to manage environmental risks, we are committed to creating an environmentally friendly green freight hub. Additionally, through internal publicity and training, we enhance the environmental awareness of all employees and encourage them to actively participate in waste reduction and classification actions, jointly promoting the practice of circular economy.

- **Construction Project Management**

PACTL has deeply integrated the concept of green development into infrastructure and daily operations. All new and expanded projects strictly follow the environmental impact assessment and the "three simultaneous" system for environmental protection. We have strengthened environmental control during the construction period and fully implemented requirements for dust prevention, noise reduction, and wastewater treatment.





# Resource Efficiency

We are fully aware that the effective management of water resources and material resources is of vital importance to the environment and operations. PACTL is committed to maximizing resource utilization efficiency and reducing environmental footprint by setting clear goals and implementing efficient measures.





## Resource Efficiency

# Energy Conservation

We adhere to the principle of prioritizing energy conservation and adopting green alternatives. We implement resource-efficient utilization and low-carbon operation in multiple dimensions. Through energy-saving technological renovations and management optimizations, we strengthen the operation management of high-energy-consuming equipment and conduct regular energy efficiency evaluations.



## Our Governance

### • Vehicle Fuel-to-electric Conversion

Actively promoting the improvement of vehicle exhaust emissions, implementing the "fuel-to-electric" conversion plan for forklifts, reducing exhaust emissions in the cargo station area. At present, the terminal has a total of **81 electric forklifts and 18 diesel forklifts**, while PACTL WEST has a total of **56 electric forklifts and 18 diesel forklifts**.

### • LED Lighting

In 2024, PACTL WEST replaced **384 incandescent lamps with LED energy-saving lamps** (using 80-watt LED lamps to replace 400-watt metal halide lamps).

### • Leasing Electric Forklifts

In 2024, PACTL operated **33 leased electric forklifts** as agents to promote vehicle cleanliness.

### • Photovoltaic Power Generation Project

PACTL completed a **50kW distributed photovoltaic power generation** project before 2010, and now plans to carry out an overall upgrade and technological transformation. PACTL WEST has included photovoltaic power generation projects in the "15th Five Year Plan"

Resource Efficiency

# Water Conservation

Regarding the goals and planning for water resources, our core objective is to achieve water conservation and efficient utilization.

PACTL will implement systematic management, continuously optimize water usage intensity, and steadily enhance the level of water recycling. In daily operations, we actively conduct water conservation education and publicity to enhance the water conservation awareness of all employees. We also conduct regular inspections and preventive maintenance of water supply networks and water-using equipment to eliminate "leakage" phenomena.

2024

The total water consumption

4,879 tons

The total water consumption intensity

8.00 kg/m<sup>2</sup>

water consumption intensity

4.04 kg/m<sup>2</sup> (PACTL)    10.66 kg/m<sup>2</sup> (PACTL WEST)

## Resource Efficiency

# Green Materials

PACTL focuses on the recycling of various packaging materials generated during operations, including from the production at the source to the recycling after disposal.

- **Inputting Materials**

PACTL mainly produces packaging consumables and waste materials such as plastic film<sup>2</sup>, business bags, hang tags, and wrapping films.

In 2024, we have established a standardized material recycling system and actively explored the use of eco-friendly and recyclable green packaging materials to reduce the use of disposable packaging materials.

- **Processing Materials**

PACTL strictly implements waste reduction and classification storage, ensuring that these materials are properly treated in an environmentally friendly manner and undergo maximum resource conversion. Through these practices, we have demonstrated that the improvement of resource efficiency is mutually reinforcing with the high-quality development of enterprises, and has set an example for building a resource-conserving modern air cargo hub.



<sup>2</sup> Plastic film is a packaging material used in PACTL's outbound warehouse area to cover cargo pallets and boxes, providing waterproofing.

Green Materials - Case

# Paperless Platform

PACTL pays close attention to the efficient utilization of resource efficiency and regards digital transformation and process optimization as the core driving force for enhancing operational sustainability. Facing the huge volume of freight handled each year. Through technological innovation and meticulous management, we have significantly reduced resource consumption and environmental footprint while ensuring operational efficiency.

- **Promote paperless operations**

PACTL vigorously promotes the full application of the Easy Cargo digital platform. The platform's online review functionality has not only substantially reduced the consumption of physical resources such as paper and printing supplies but, more critically, streamlined the document flow process and shortened cargo handling time, thereby achieving a dual enhancement of environmental benefits and operational efficiency.

- **Optimize energy efficiency of specialized facilities**

The cross-border e-commerce cargo handling center in operation is a model of intensive resource utilization. During the reporting period, this center efficiently handle **about 52 million services**, supporting the rapidly growing emerging business demands with higher resource efficiency.





## Resource Efficiency

# Cargo of High-Concern Management

Cargo of High-Concern is an important part of environmental protection. PACTL has established a strict system for identifying, storing, transporting and emergency handling of hazardous cargos, equipped with professional equipment and materials for dilution, burial, and collection, to ensure that emergencies such as hazardous material leaks are handled promptly, safely and environmentally friendly, minimizing the impact on the environment and personnel.

Based on the precautionary principle, we implement systematic, full-life-cycle management for cargo of high concern. PACTL prioritizes evaluating and promoting environmental alternatives from the source. In process control, strict internal control standards are established to manage the operation, storage, and disposal of goods in a closed-loop manner, ensuring traceable trajectories and standardized operations. At the end, the company cooperates with top qualified processors to achieve harmless disposal, and is equipped with professional emergency supplies and regular drills to comprehensively enhance the response capability to emergencies such as leaks, build a solid environmental risk defense line, and safeguard the ecological safety of airports and communities.





# Social

- Quality Assurance
- Quality Service
- Safety Control
- Employee Management
- Responsibility and Commitment

PACTL upholds social values with a multi-dimensional responsibility system. It ensures quality via dynamic management, international certifications and digital upgrades, and boosts logistics efficiency through terminal innovation and pilot program for facilitated transportation of cross-border e-commerce goods. It delivers quality services with standardized frameworks and customization for high customer satisfaction, strengthens safety control, optimizes employee welfare, and engages in public welfare, demonstrating strong responsibility for aviation logistics sustainability.



# Quality Assurance

PACTL consolidates the foundation of quality assurance in multiple aspects. PACTL establishes a dynamically adaptive quality management system, ensure the compliance of high-value cargo transportation through CEIV Pharma certification, achieve full-process digital upgrading via Easy Cargo 2.0, and continuously optimize timeliness and experience through innovative services such as forward cargo terminals and pilot program for facilitated transportation of cross-border e-commerce goods, setting an industry benchmark.



## Quality Assurance

# Quality Management System

PACTL has established a dynamic and adaptable quality management system, with the "Quality Manual" as the core framework. The Safety Services Department is responsible for planning the system and ensuring its implementation. In line with the iterative requirements of the production process, PACTL has established a standardized document update mechanism - revising the "SOPM Production Operation Standard Manual" every six months and updating the "Production Management Manual" annually. PACTL also synchronously updates the operation norms of core production operating systems such as the short-haul system, box collection and transportation system, the second phase of active distribution system, the cross-border e-commerce system, and the transfer system II after the upgrade. In response to the centralized inspection projects, PACTL simultaneously carries out supporting process reengineering, formulate new operation procedures, and explores new pickup methods after centralized inspection to ensure deep synergy between quality management and business transformation, as well as regulatory requirements.

## CEIV Pharma Certification

The PACTL Cold Chain Processing Center passed the independent verification excellence center (CEIV Pharma) audit of the International Air Transport Association (IATA) in February 2016, becoming the first air cargo terminal in China to obtain this certification. This certification focuses on the excellent operation of pharmaceutical logistics in the air freight supply chain. The PACTL's certification means that it fully complies with the current standards of global pharmaceutical manufacturers in terms of cold chain equipment and facilities, cargo operation procedures, and personnel management, enabling seamless cold chain transportation between the cargo terminal and the apron, and providing professional and compliant guarantees for the logistics of high-value pharmaceuticals.





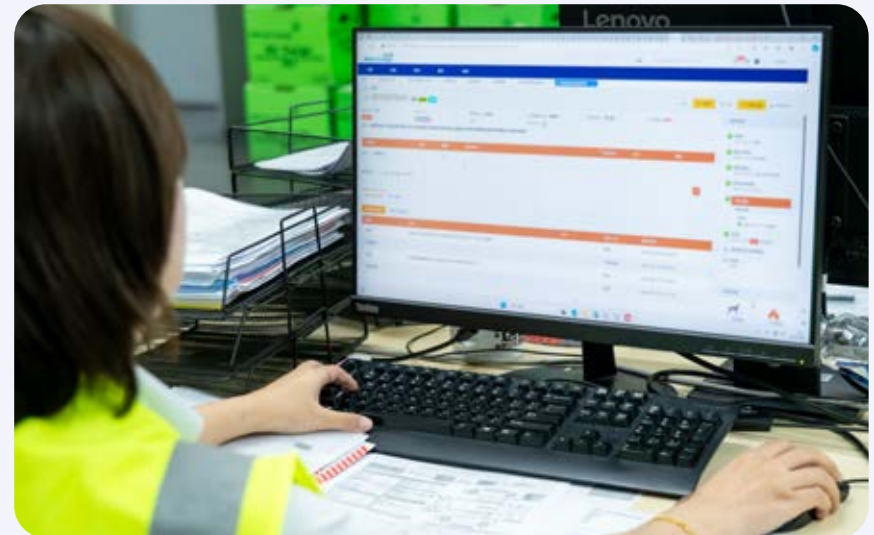
## Quality Assurance

# Digital Empowerment

PACTL takes digital transformation as the core driving force and, through the second phase project of Easy Cargo system, builds an empowerment system featuring "full-chain coverage + function deepening", achieving a comprehensive upgrade in operational efficiency: not only completing the digital coverage of all inbound business, but also adding 4 new functional modules for outbound business, completely connecting the data link of the entire business operation process. More importantly, relying on the automatic reporting function of the system, it can significantly reduce manual intervention steps and improve the accuracy and timeliness of data statistics. This comprehensive system upgrade further improves the digital architecture of production operations, promoting the overall service efficiency and operational refinement level to a new level.

## Easy Cargo 2.0 has been officially launched

On June 27, 2024, PACTL's independently developed Easy Cargo 2.0 was officially launched. By converting offline operations to an online model and reducing the use of paper documents to implement the concept of low-carbon, it not only provides online reservation for pick-up and fee inquiry functions, but also saves up to 50% of the time for special goods sorting and tallying. This platform has been continuously upgraded since 2017. In 2019, it achieved full coverage of international outbound business, and in 2024, it further covered international inbound business. Customers can query the cargo information in real time, optimizing the service experience and operation efficiency while setting an example for the digital transformation of the industry and contributing to global sustainable development.



## Quality Assurance

# Innovative Services and Products

PACTL attaches great importance to the research on innovation in services and products. PACTL has established an innovative service research and development mechanism, taking customer needs and industry trends into consideration when designing services, and continuously improving service levels.



Innovative services and products - Case

# Forward Cargo Terminal

In 2024, adhering to the "hub-and-spoke, regional linkage" strategy, PACTL actively expanded forward cargo terminal business and officially launched the construction of Songjiang and Suzhou forward cargo terminals.

By fully implementing standardized operating procedures and achieving seamless connection of digital systems, cargo in both regions will realize an efficient flow model of "local inspection, direct airport access".

The continuous expansion of the forward cargo terminal network will further extend our business coverage in the Yangtze River Delta, provide more convenient air logistics pre-positioned services for customers in surrounding cities, and help improve the overall efficiency of the regional supply chain.





Innovative services and products - Case

# Optimization of Cargo Handling Processes and Timeliness at Ports

In 2024, PACTL focused on enhancing the efficiency of cargo handling at ports, using "comprehensive process review + precise breakthroughs" to optimize timeliness: For the inbound cargo clearance process, PACTL conducted a comprehensive review of the entire process of inbound cargo clearance, analyzed the running time of each step, identified bottlenecks and implemented optimizations. By strengthening the supervision and tracking of each department regarding the timeliness of active distribution, the freight efficiency was significantly improved. For the outbound agent assembly and storage operations, PACTL refined the node management, conducted analysis of overtime during peak operation periods and strengthened on-site management, effectively reducing the gaps between shifts and improving the overall operation timeliness.





Innovative services and products - Case

# Inter-Airport Cargo Transfer Security Pilot

In 2024, PACTL officially launched inter-airport cargo transfer security pilot at Shanghai Pudong and Hongqiao International Airports. With strong support and direct guidance from the Civil Aviation Administration of China East China Regional Administration, its Public Security Bureau, Shanghai Customs, and Shanghai Municipal Transportation Commission, 4 cargo collection and delivery points have been set up at each airport. Supporting upgrades including security facility renovation, security information system development, and vehicle security enhancement have been completed, enabling the smooth implementation of the pilot and the mutual transfer supervision model for inter-airport remote cargo transfer in Shanghai.

This innovative service effectively leverages the synergistic advantages of the route networks of Shanghai's two major airports, improves air cargo transit efficiency, reduces cargo damage risks, and lowers enterprise logistics costs. It further optimizes the port business environment, enhances the functionality of Shanghai Airport's freight hub, and provides strong support for the integrated development of the Yangtze River Delta and China's new development paradigm of dual circulation, with the domestic cycle as the mainstay.



Innovative services and products - Case

# Pilot Program for Facilitated Transportation of Cross-border E-commerce Goods



In 2024, we officially launched the Pilot Program for Facilitated Transportation of Cross-border E-commerce Goods, advancing it under "internal-external coordination and targeted problem-solving"; externally, we collaborated closely with regulators to co-develop the pilot scheme and compile facilitation lists to ensure alignment with industry needs, while internally, an inter-departmental mechanism clarified responsibilities for seamless execution, and via a business middle office system, qualified cross-border e-commerce platforms and freight forwarders receive pre-screening of filing materials with extra certification reports waived to streamline on-site delivery; to address magnetic substance shipping pain points in cross-border e-commerce cargo, we developed on-site screening protocols and equipment for weakly magnetic goods, supported the formulation of the national standard *Dangerous Goods-Test Method of Magnetism*, and exempted eligible cargo from magnetic test reports—laying the groundwork for faster transport of special cargo—and a dedicated task force now oversees the pilot to accumulate experience for subsequent promotion of facilitation policies.



# Quality Service

PACTL is committed to building high-quality service capabilities, establishing a professional governance structure and a standard system. PACTL upgrades the service experience from three dimensions: online digital empowerment, offline environment optimization, and regular communication. PACTL collaborates with partners to launch customized and innovative services. At the same time, supported by closed-loop complaint management, full-process privacy protection, and service indicators with a high compliance rate, PACTL continuously enhances customer satisfaction and fully demonstrate our industry-leading service strength.



Quality Service

# Customer Service Specifications

PACTL has established a professional service governance structure, set up a service management committee to coordinate service management work, and simultaneously constructed a systematic customer service specification system: The "Service Quality Complaint Management Measures" clearly defines the complaint handling standards, the "Service Risk Management Temporary Measures" standardize the "risk source identification - assessment - control - monitoring" entire process, and the "Service Specification Manual" details the service window etiquette, quality inspection evaluation, and complaint management rules. At the same time, PACTL anchor the core of the "safe, professional, high-quality, and efficient" enterprise service culture, forming a "systematic constraints + cultural leadership" dual-driven service management model, to comprehensively ensure the standardization and normalization of customer service implementation.

2024

New airline customers

Renewal airline customers

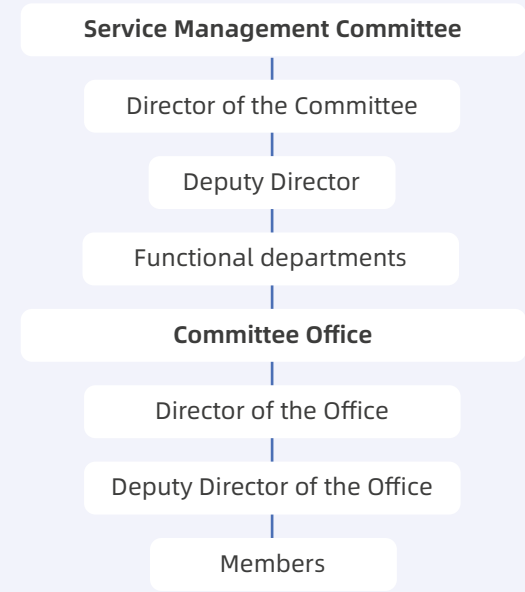
Total airline customers

5

15

72

Service Management Governance Framework



- The Service Management Committee is composed of the company's management team.
- The Director of the Service Management Committee is assumed by the company's General Manager.
- The standing administrative body of the Service Management Committee is Committee Office, whose Director is held by the Deputy General Manager in charge of services.



Quality Service

# Customer Service Improvement

PACTL has upgraded our customer service from three dimensions: **"digital empowerment + environment optimization + regular communication"**: Online, PACTL has added **query modules on the official website and mini-program** to enable real-time access to business information and operation progress, significantly enhancing service transparency and the customer's ability to independently query; Offline, we have launched the **"Light up PACTL" project** for storage capacity and environmental improvement, comprehensively optimizing the cleanliness of the storage area and the operation workflow to ensure efficient operation and shorten the processing cycle for customer goods. At the same time, through regular collection of customer needs and opinions, we have established a two-way communication mechanism to continuously adjust the service direction and comprehensively improve the customer experience.



Quality Service

# Customer Complaint Management

PACTL has established a customer complaint handling system featuring "centralized coordination + division of responsibilities + closed-loop management". The service management committee office is responsible for coordinating the transfer and tracking of complaints, while each department handles complaints in their respective areas according to their designated responsibilities, and implements the first-inquirer responsibility system. PACTL has also opened unified complaint phone lines, email addresses, and channels for upward referral, and publicly displayed contact information. PACTL follows the principles of "having rules to follow, handling promptly, clarifying responsibilities, and archiving for analysis", ensuring that "whoever is in charge is responsible, contact quickly, handle carefully", and handle complaints in a closed-loop manner following the process of "**complaint acceptance → case filing and transfer → investigation and handling → result feedback → case closure and archiving**", to ensure that complaints are resolved fairly and efficiently.

2024

Number of complaints



## Complaint Method

Complaint Hotline: +86 21 2056 7070

Complaint Email: customer\_complaint@pactl.com

Complaint handling rate **100%**

Handling of relevant complaints from airline customers shall be implemented in accordance with the relevant clauses of the signed Standard Ground Service Agreement.

PACTL must complete problem rectification and result feedback within the time limit stipulated in the agreement.

In case of actual losses arising from relevant operations, compensation shall be made in accordance with the following standards:

- The signed Standard Ground Service Agreement and Service Level Agreement (SLA);
- Applicable international conventions;
- Civil Aviation Law of the People's Republic of China and relevant laws and regulations;
- Contract terms specified in the air waybill.

The compensation scope is limited to the actual direct losses clearly stipulated in the above standards.

Quality Service

# Customer Privacy Protection

PACTL always places customer privacy protection at the core of our services and management, strictly adhering to relevant laws, regulations, and industry standards. PACTL establishes a strict protection mechanism throughout the entire process from information collection, storage, usage to destruction, ensuring that customer personal information, business data, and other privacy content are not leaked, abused, or tampered with. At the same time, PACTL continuously optimizes the privacy protection process, clearly define internal operation permissions, conduct regular privacy protection training and compliance reviews, and safeguard customer privacy security with a transparent and rigorous attitude, effectively protecting customer rights and interests, and building a safe and reliable service partnership.





## Quality Service

# Customer Satisfaction

PACTL has established a standardized customer satisfaction management mechanism based on the "Interim Measures for the Management of Service Satisfaction Surveys". The marketing department is responsible for coordinating the survey organization work, including formulating plans, designing questionnaires, coordinating with airlines, freight forwarders, and relevant departments to participate. We conduct at least two surveys each year, in the spring and autumn seasons, in the form of questionnaires and symposiums. For projects where customer ratings do not reach the satisfactory level, the marketing department will promptly provide feedback, clearly stating the improvement plan, the responsible department, and the completion time limit, forming a "survey - feedback - improvement" closed loop.

## 2024

Distributed satisfaction questionnaires to various customers

200+

NPS scores of airline clients

83.02

Conducted in-depth interviews and multiple rounds of cargo station visit

16  
Round

NPS scores of agency clients

87.23



## Quality Service

# Monthly Service Quality Report

PACTL attaches great importance to service quality and conduct service quality evaluations every month. PACTL assesses the queueing time for international outbound cargo delivery trucks, the completion time for international inbound cargo handover, the decomposition and tallying time for domestic inbound cargo, the decomposition and tallying time for international inbound general cargo, the decomposition and tallying time for international inbound perishable goods, the decomposition and tallying time for international inbound express items, and the completion time for international inbound palletized cargo to be ready for delivery. The completion rate of service indicators is relatively high.

≥ 98%

Export Truck Queuing Time  
Intl' (60mins)

≥ 99%

Import VCT Completion Time  
Intl' (60mins)

100%

Domestic Inbound Shipment Break-down  
Intl'(3hrs)

≥ 99%

Break-down for General Cargo  
Intl' (5/7hrs)

≥ 99%

Break-down for PER Cargo  
Intl' (3hrs)

≥ 95%

Break-down for Express Cargo  
Intl' (90mins)

≥ 99%

Check-in Time for BUP  
Intl' (60mins)

0%

Export Cargo Mishandling Ratio  
Intl Shipment (<2%)

# Safety Control

PACTL has strengthened the security prevention line from multiple aspects, established a systematic safety management system, and obtained dual certifications from ISAGO and TAPA FSR-A. At the same time, relying on the intelligent platform of the safety monitoring center and the dual-prevention mechanism, we closely monitor risks, pay attention to the safety of dangerous goods transportation and the occupational health safety of employees, actively carry out training and emergency drills, hold fast to the safety bottom line, and fully ensure operational safety.





# Safety Governance System

In line with the "Safety Management System Manual", PACTL clarifies all safety management system operation links. Supported by the "Emergency Response Plan Manual for Airport Cargo Terminal Emergencies" and "Interim Measures for Work Safety Responsibilities, Management and Assessment", PACTL covers emergency response and responsibility assessment. It also integrates the contents of the "Post Work Safety Responsibility Letter" and "Annual Work Safety Responsibility Letter" into employees' annual performance assessments, forming a safety management framework of "clear responsibilities, sound systems and closed-loop assessment".

## "Three Musts" Principle

- Manage industries must involve managing safety
- Manage business operations must involve managing safety
- Manage production and operation activities must involve managing safety



## Obtaining the ISAGO international certification and establishing a standardized security operation system



In 2012, PACTL successfully passed the ISAGO ground operation safety audit conducted by the International Air Transport Association and was certified. This audit covered core areas such as cargo operations, freight safety and security, aiming to standardize the safety and quality management systems of ground service companies. With this certification, PACTL established a complete document manual system and quality control system, making the cargo and mail handling services more in line with IATA international standards, and achieving proceduralization and standardization of operations. At the same time, through the mechanism of "at least 1 internal audit per year + 1 ISAGO re-audit every 2 years", the service quality was continuously improved. Moreover, as the ISAGO audit covers the routine audit contents of airlines, it also reduces the audit costs for the airline customers, achieving a win-win situation of safety compliance and customer value.

## Obtaining the TAPA FSR-A certification and strengthening the security defense line for high-value goods

PACTL and PACTL WEST passed the TAPA (Transport Supplier Security Requirements) audit at levels A for transportation suppliers in 2013 and 2015 respectively. The audit covered eight core sections including the cargo station perimeter, access management in the office area, security measures in the storage area, security systems, security processes, and safety of truck transportation. This certification indicates that the security measures of PACTL have received international recognition and it has the ability to provide comprehensive security services for various high-value products, further upgrading the security level of customer goods.



## Safety Control - Case

# Safety Monitoring Center (SMC)

Safety Monitoring Center (referred to as SMC) serves as our emergency response center for incidents. It undertakes regular duty shifts and is responsible for regularly reviewing and revising our emergency response plans, as well as organizing drills to ensure the stable and controlled operation of the company. SMC has developed the "PACTL Production Safety Operation Platform" for our safety management. Through new-generation intelligent and internet-of-things technologies, it achieves centralized, intercommunicative, and precise management of daily operation information in the freight area.

- **Production aspect**

"PACTL Production Safety Operation Platform" integrates all the production safety management systems of PACTL and provides key data in a modular form. Through surveillance videos and real-time data displays, it conducts real-time monitoring of the production operation at the freight station site, promptly controls safety risks, potential hazards, and violations, and continuously follows up until a closed-loop process is achieved.

- **Security aspect**

"PACTL Production Safety Operation Platform" includes CCTV module, fire alarm module, intelligent face recognition system module, network security module, two-site transfer module, emergency management module (to be built), and security audit module, etc. Once an alert is triggered, immediate intervention measures will be taken to eliminate risks in advance and ensure the safety of the company.

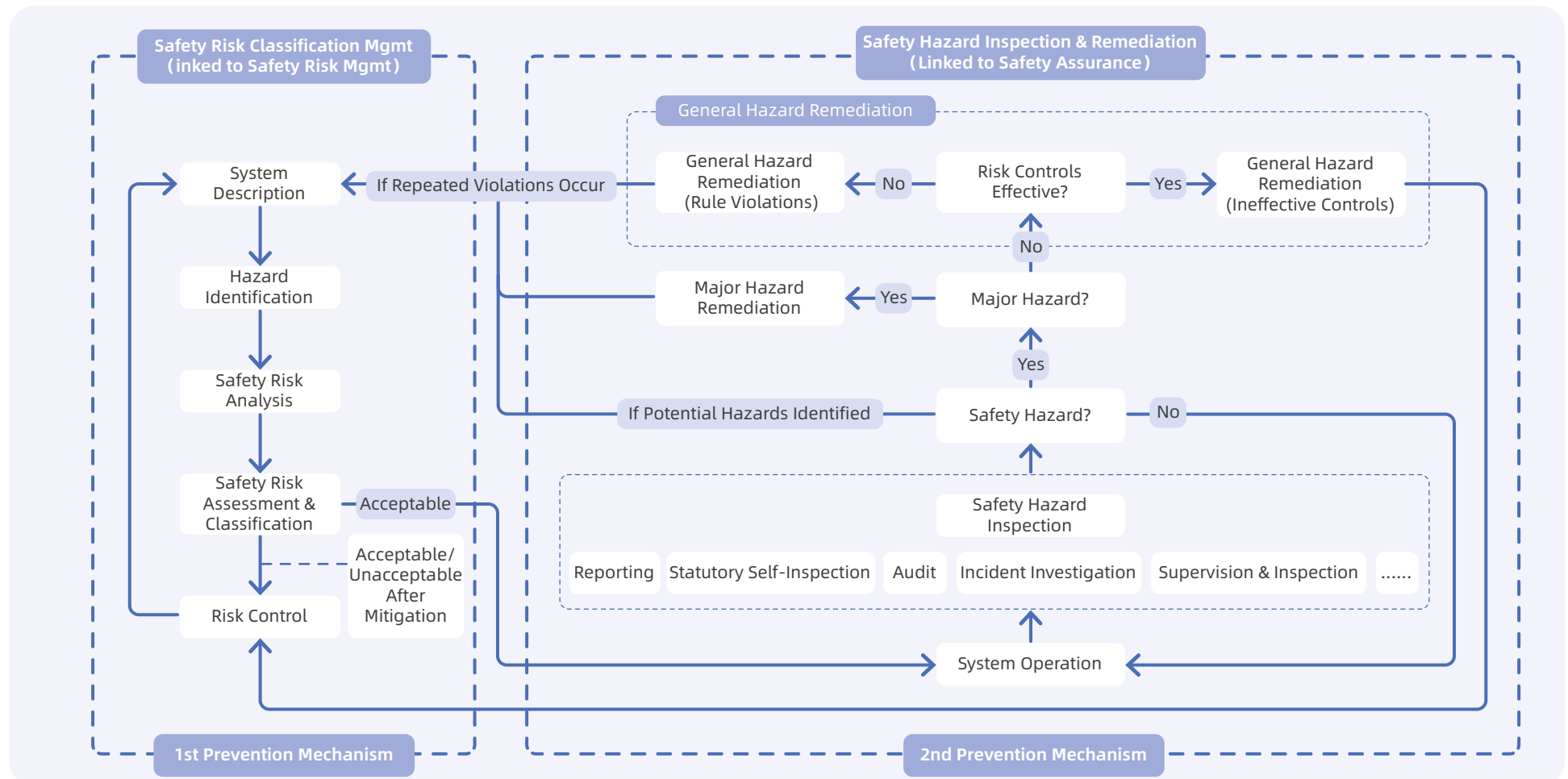




## Safety Control

# Dual Prevention Mechanism

PACTL has built a dual prevention mechanism for safety risk classification control and hidden danger investigation in accordance with the "Measures for the Management of Safety Risk Classification and Control and Hidden Danger Investigation and Treatment". It clarifies the general manager as the primary responsible person, with responsible leaders coordinating implementation and all departments fulfilling duties per the "three responsibilities and three musts" principle. PACTL standardizes the full risk control process, sets up an employee safety reporting channel via a mini-program, covers over **10 key scenarios including aircraft ground support and air dangerous goods transportation**, achieves online closed-loop management of risk "identification-reporting-disposal", and strengthens the safety production defense line.



The entire process of safety risk management

## Safety Control

# Safety in Hazardous Materials Transportation

## Our Objective

- Eliminate flight and air defense accidents caused by the transportation of dangerous goods
- Eliminate dangerous goods-related accidents
- Eliminate serious and general accident precursors and incidents of dangerous goods resulting from liability reasons
- Prevent general incidents of dangerous goods caused by liability reasons

PACTL has built a hazardous materials transportation safety governance structure of "Safety Committee coordination + specialized system support", issuing key documents like *Hazardous Materials Air Transportation Manual* that clarify supervision responsibilities. Adhering to "prevention first, safety foremost", we strictly control hazardous materials storage/transport, improve quality via self-inspection, and established SMS-DG to implement regulations, manage risks, and optimize processes with resource allocation.



## Safety Control - Case

# Dangerous Goods Control Measures

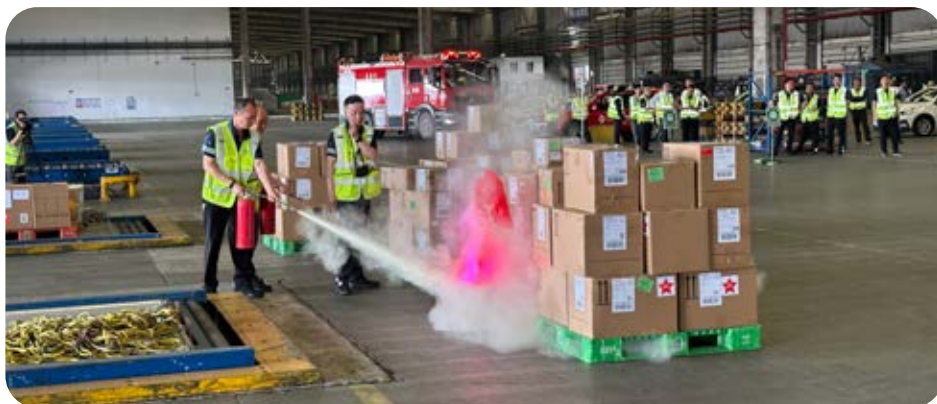
PACTL strictly adheres to the safety bottom line and maintains continuous safe operations. In accordance with civil aviation regulations, we have set up dedicated storage areas and warehouses for dangerous goods, and strictly isolate and store dangerous goods in accordance with regulatory requirements. We have established a complete emergency response management mechanism. If any abnormal signs are detected, we immediately carry out emergency handling in accordance with the special emergency response plan.



Specialty transportation safety drill



Dangerous warehouse scenario



Emergency drill



Emergency drill



## Safety Control

# Occupational Health and Safety

PACTL prioritizes employees' occupational health and safety. A systematic management system in the "Employee Handbook"—centered on "safety first"—clearly defines hierarchical safety responsibilities, forming a closed responsibility loop. For new and transferred staff, we strictly follow "training first, then on-the-job," providing safety education. Health lectures and sports interest groups further enhance their health and safety levels.



### • Graded Safety training

A "three-level training system" (Security Department → Department → Team) is implemented. New and transferred employees must pass training and assessment to start work; those who fail are held accountable. Security personnel receive regular legal and skills training, with additional prevention training for all staff during special periods.



### • On-site Safety Control

Employees wear PPE in work areas. Warehouse vehicles follow speed limits; forklift operators confirm safety. Fire management: inspections/maintenance by Safety Service Dept., facility upkeep by Technology & Engineering Dept., and fire education to keep evacuation routes clear. Construction sites adhere to "constructor-in-charge".



### • Position Qualification Management

Highly qualified employees are assigned to key and hazardous positions. Specialized roles require competent authorities' certificates and regular training; critical operational positions in production/ operation departments need technical equipment department-issued qualifications.



### • Health and Welfare Protection

Regular physical examination benefits are provided for employees to protect their occupational safety and health rights and interests.



The labor union invited Shuguang Hospital to hold a special lecture for female employees



Football Interest Group Activity



"Installation of warning light strips on forklifts": By projecting light beams onto the ground, a clear boundary is formed around the forklift, facilitating the alerting of surrounding personnel, the forklift itself, and other forklifts to promptly avoid collisions.



## Safety Control

# Safety Training

With the "Interim Detailed Rules for Safety Training Management" and "Annual Safety Training Syllabus and Plan" as the core, PACTL closely adheres to the guideline of "safety first, prevention first, and comprehensive management" and builds a safety training system featuring "classification and stratification, and internal-external coordination".

## 2024

Safety training sessions

# 57

Number of people reached

# 110,383

Total class hours

# 110,471

Investment amount  
(RMB million)

# 0.90

## Our Safety Training

### Civil Aviation Qualification Training

- Training for senior management personnel of civil transport airport
- Training for middle-level management personnel of civil transport airports
- Training for main responsible persons of civil aviation enterprises and institutions
- Training for middle-level and junior safety management personnel of civil aviation enterprises and institutions
- Training for security responsibility persons of civil aviation enterprises and institutions
- Training for security management personnel of civil aviation enterprises and institutions
- Professional technical training in civil aviation

### Local Qualification Training

- Safety training for the responsible persons of production and operation units
- Training for safety management personnel
- Safety technology training for special operation personnel
- Training for special equipment operators

### Corporate Training

- Annual safety and security training
- Three-level safety education training
- Safety education training for employees changing positions or returning to work
- Safety education training for "new" matters
- Study of safety documents
- Online safety training for all staff



## Safety Control - Case

# Safety Production Month Strengthen Emergency Drills and Open Up Lifelines

During the national "Safety Production Month" in June 2024, PACTL carried out a special activity integrating online and offline elements under the theme of "Everyone Talks about Safety, Everyone Can Handle Emergencies - Opening Up the Lifeline". Offline activities included using company screens and publicity boards to post posters and play safety videos, conducting safety training through pre-shift and post-shift meetings, organizing face-to-face knowledge dissemination on the "6.16 Safety Consultation Day", and conducting fire-fighting drills to simulate real scenarios to enhance employees' emergency response and equipment usage capabilities. Online activities included holding a safety knowledge competition in a fun format to stimulate learning enthusiasm. This event focused on safety channels, signs, and emergency response, comprehensively strengthening employees' safety awareness and emergency response capabilities, and further enhancing the company's safety management level, laying a solid foundation for sustainable development and a harmonious safe working environment.



# Employee Management

PACTL has always integrated the "people-oriented" concept throughout the entire process of employee management, formulated systematic training plans, established career development paths for employees, paid attention to the protection of employees' normal rights and interests, and constructed diverse and rich cultural and sports activities, creating a happy and healthy workplace environment.



Employee Management

# Employee Development

PACTL has always regarded human resources as the primary resource for the development of the enterprise. We continuously carry out talent recruitment, formulate multi-level employee training plans to enhance the competitiveness of human resources. Employees strictly abide by the provisions of the national labor law, oppose forced or compulsory labor, oppose discrimination, do not employ child labor, and implement flexible working hours system and comprehensive calculation of working hours system.

2024

Annual total number of employees

1,241

(PACTL)

903

(PACTL WEST)

Labor contract signing rate

100%

(PACTL)

100%

(PACTL WEST)

Annual employee turnover rate

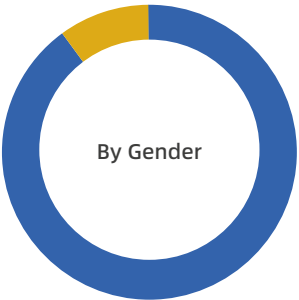
5.40%

(PACTL)

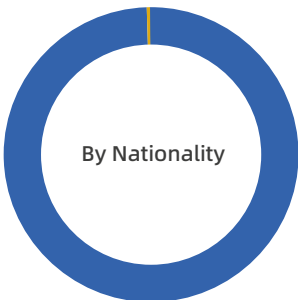
3.54%

(PACTL WEST)

Number of Employees - PACTL

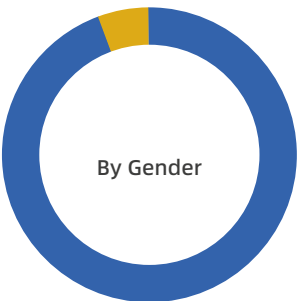


90% Male  
10% Female



99.7% Local employees  
0.3% Foreign employees

Number of EmployeesPACTL WEST



94% Male  
6% Female



100% Local employees  
0% Foreign employees



- Employee Training

PACTL offers a variety of career development training programs for all employees, including onboarding training for new hires, skills training for grassroots managers, skills training for professional technicians, and management training. We also formulate annual training plans and a training attendance management mechanism to enhance the company's human resource competitiveness and achieve sustainable development of human resources.

## 2024

Investment amount (RMB million)

1.55

Average training Hours per person

Male - 12      Female - 8



## Employee Training - Case

# Management Personnel Training

In order to enhance the management capabilities of team leaders and improve their leadership skills, we organize and hold team leader training sessions every year. Professional trainers from external institutions are invited to conduct a two-day training at the designated training location. Through in-depth communication and group-based project research, employees' management awareness is strengthened.





- **Employee Promotion**

PACTL supports the all-round development of outstanding employees and have established an internal employee adjustment and promotion system. We clearly stipulate the conditions for promotion and the requirements for promotion training, ensuring the openness and transparency of the internal promotion path and providing employees with a clear career development path. We formulate an annual training plan and a training attendance management mechanism to enhance our human resource competitiveness and achieve sustainable development of human resources.





Employee Management

# Employee Welfare

PACTL attaches great importance to the sustainable development of human resources, offers competitive salaries and welfare benefits, establishes a multi-level health insurance system, and creates a reasonable and orderly working environment.

2024

Coverage of social security

100%

Coverage of Corporate Pension Plan

100%

Coverage of employee physical examination

100%



- **Reasonable Management of Employee Compensation**

PACTL continues to deepen the reform of the compensation system, with the "PACTL Compensation Management Interim Measures" as the core, to standardize the entire process of employee compensation classification, settlement and adjustment. At the same time, PACTL establishes an internal control mechanism for compensation distribution and management, fully leveraging the incentive and restraint effect of compensation distribution, while balancing external competitiveness and internal fairness. The system adopts a band structure based on job levels, setting compensation levels according to job grades. Each level contains multiple grades. The specific compensation items include monthly salary, performance bonus and others. A systematic compensation management model is constructed.

### Compensation Determination Process

#### Compensation Decision-Making

The Board of Directors and management exercise decision-making power in accordance with laws and regulations.



#### Compensation Deliberation

Submitted to the Employee Representative Congress for deliberation and approval.



#### Compensation Management

Human Resources Dept. serves as the competent department for centralized management.



#### Compensation Disbursement

Financial & Accounting Dept. as the department assisting in compensation management.



- **Parental Leave Rights**

PACTL attaches great importance to the family care of employees and gender equality rights. We support couples sharing the responsibility of raising children. All couples who meet the legal regulations for childbirth are entitled to take parental leave. There are a total of 73 employees who had a child in 2024 but did not take parental leave, as well as those who took parental leave in 2024.





- **Employee Health Protection**

PACTL focuses on the physical and mental health development of its employees and has established a comprehensive health protection system. PACTL provides all employees with regular physical examination benefits. PACTL offers every employee five social insurances and housing fund, Shanghai Huibao Medical Insurance, accident insurance, and enterprise annuity. PACTL has formulated measures for work-related injury handling and management systems for salaries and contingency funds during work-related injury recuperation, improving the system for protecting employees' rights and interests.

## Protection of Women

### Employees' Rights

PACTL signed the "Special Agreement on the Protection of Female Employees' Rights and Interests" through collective consultation between the employer and the employees based on laws and regulations such as the "Labor Law of the People's Republic of China", the "Law of the People's Republic of China on the Protection of the Rights and Interests of Women", and the "Regulations of Shanghai on the Protection of the Rights and Interests of Women", combined with our actual situation. This agreement provides special protection for the "four periods" of female employees, labor rights protection, personal rights protection, and educational and development rights protection for the female employees.



## Employee Management

# Employee Care

PACTL pays attention to the humanistic care for employees and the cultivation of corporate culture. PACTL carries out various employee care activities to create a warm and dynamic working environment, thereby enhancing employees' sense of happiness and belonging to the company.

- **PACTL Employee Branding Campaign**

The company is fully committed to building the PACTL brand, optimizing the corporate website, developing an exclusive app for employees, upgrading the staff canteen, and promoting the implementation of projects such as the Agency Service Station, Staff Service Station, and PACTL Market.





Employee Care - Case

# Launch of PACTL Staff Service Station

In March 2024, the "Staff Service Station" at PACTL Hongqiao Terminal was inaugurated and officially put into use. The area is well-organized and fully functional, featuring training, rest, reading, greenery, fitness and health zones to meet the diverse needs of employees. Additionally, there are four display walls, showcasing the company's activities, honor displays, employee profiles and team culture, which promote communication among employees and team building, and stimulate employees' work enthusiasm, efficiency and service awareness.





•

Cultural and Sports Activities

PACTL offers a variety of cultural and sports activities for our employees, including activities such as the March 8th spring outing, May handcrafting events, and June 1st children's festival. PACTL protects the rights of female employees and enrich the lives of our staff during their breaks. PACTL cares for employees from special groups and regularly conducts "Spring job offer, Summer cool relief, Autumn student assistance, and Winter warmth provision" as well as assistance for disadvantaged employees. We ensure the implementation of employee welfare benefits and enhance the company's "people-oriented" governance level.

2024

Annual cultural and sports activities organized

5

times

Provided hardship assistance

50

persons

Visited and comforted employees on New Year's Day and the Spring Festival

2,148

persons

Conducted hospitalization visits

86

persons

Provided "Summer Cooling" assistance

8,165

persons

Distributed commemorative gifts for retirement and members' condolences

20

persons



- New Year Celebration Activities
- Spring Outing for Women's Day
- Distribution of New Year's Eve Dinner to Employees on Duty
- Pre-holiday Condolence Visits to Frontline Employees
- Assistance to Employees with Difficulties
- Home Visits to Employees with Difficulties



P A C T L





## Employee Management

# Employee Participation

PACTL pays attention to the ideas of our employees. Through staff representative meetings and employee hotlines, PACTL allows employees to provide their opinions and jointly build a warm family. In 2024, a total of 87 employee calls were received through the hotline, mainly regarding salary, attendance, and other information inquiries. Among them, there were 2 complaints and suggestions, focusing on the environment of the office area, which have all been recorded and fed back to the relevant departments for tracking and improvement.



The suggestion box in front of the bulletin board



Pre-meeting communication session of the staff representative assembly



Congress of employees and staff

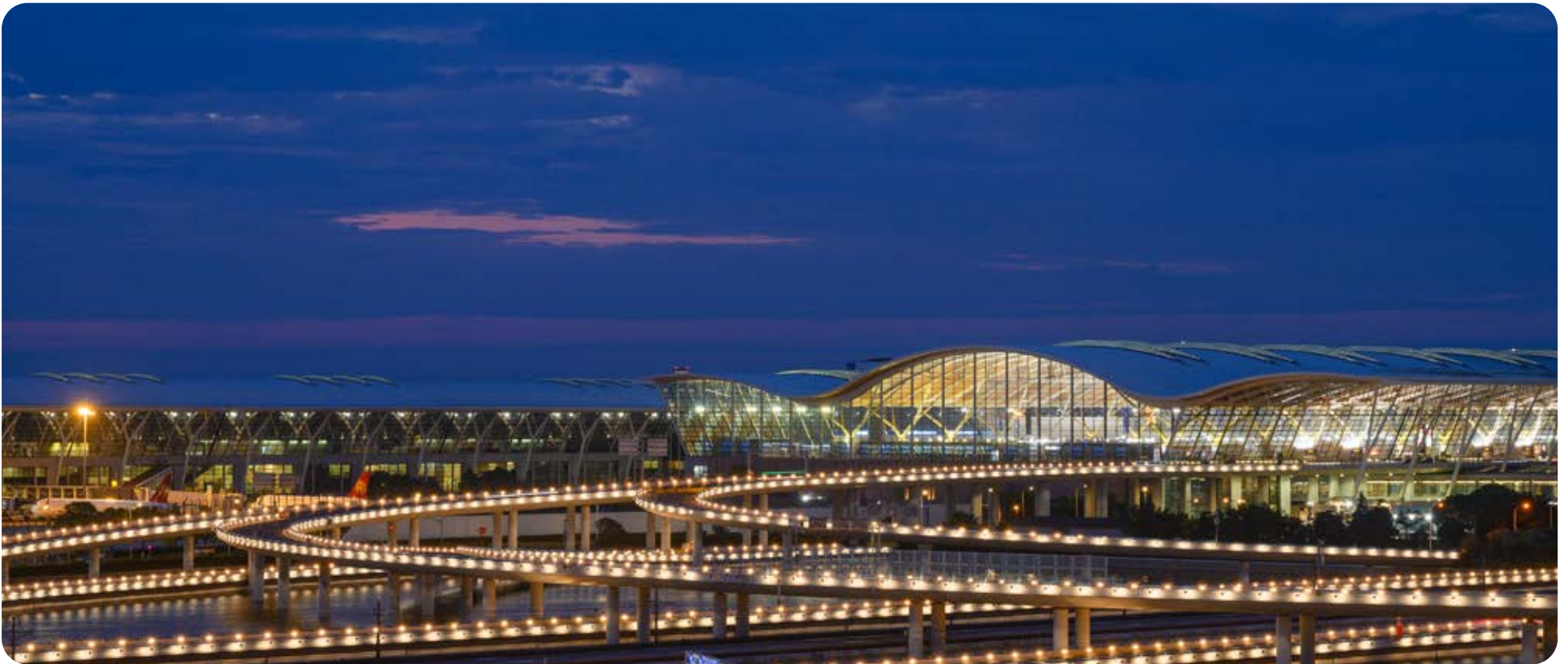


Receive the chairman of the labor union



# Responsibility and Commitment

PACTL actively fulfills our social responsibilities, responding to the calls of the state and local governments. PACTL contributes to local development by ensuring stable employment and promoting economic growth. PACTL receives financial rewards based on the completion rate of project indicators. PACTL adheres to a high sense of responsibility and commitment. In the fields of safeguarding national biological security, ensuring special goods transportation, industry exchanges, and charitable activities, we fulfill our missions with outstanding professional capabilities and efficient execution, demonstrating our social value.



## Responsibility and Commitment

# Public Welfare and Charity

PACTL has been actively engaged in public welfare and charity activities. Since 2016, PACTL has established a student aid scholarship at China Civil Aviation University, actively fulfilling its corporate social responsibility, contributing to the development of education, and inspiring students to study diligently and grow into successful individuals.

## Establishment of the China Civil Aviation University Scholarship

Since 2016, we have established a scholarship at Civil Aviation University of China (CAUC). The aim is to motivate outstanding students to study diligently and pursue excellence, to assist in the cultivation of professionals in the aviation field, to reserve future talents for the industry development, and to demonstrate a firm determination and long-term commitment in educational support. This has effectively promoted the optimization of educational resources and the construction of a favorable environment for talent growth, earning widespread praise and high recognition from the university's teachers and students as well as all sectors of society.



## Responsibility and Commitment

# Special Support Mission

In key support missions, PACTL has always taken the initiative to assume responsibility. It has efficiently transported cold-proof supplies to earthquake-stricken areas, ensured the smooth departure of F1 racing equipment from Shanghai, provided rapid transportation and handling services for racehorses arriving in Shanghai, and even escorted the transportation of CIIE goods through a "green channel". Every accurate and efficient support effort not only demonstrates its professional capabilities but also serves as a vivid practice of the enterprise fulfilling its social responsibilities and supporting key demands.



Warm-keeping supplies are dispatched to the earthquake-stricken area



Efficiently ensure the transportation of F1 racing equipment out of Shanghai



Ensuring the safe arrival of the race horses in Shanghai



The "green channel" ensures the transportation of goods for CIIE



Responsibility and Commitment

# Industry Development

PACTL leverages two key engines - standard setting and professional training - to drive the industry's growth: Actively participate in and lead the formulation of various national and industry standards, promoting the implementation of aviation logistics norms. The PACTL training center, with dual certification qualifications, offers international-level courses, leading the upgrade of dangerous goods training in North Asia. At the same time, through the 25th anniversary celebration, we gather industry forces, deepen exchanges through forum participation and exhibition appearances, and provide multi-dimensional support for the high-quality development of the aviation logistics industry.

The standards and specifications drafted in 2024

No.	Standard names
1	GB/T 21565-XXXX <i>Dangerous Goods - Magnetic Testing Method</i> pending review and publication
2	MH/T 1079-XXXX <i>Operational Specifications for the Transportation of Temperature-Controlled Goods by Public Airline Transport</i> pending review and publication
3	MH/T XXXX-XXXX <i>Specific Requirements for the Air Transport of Hazardous Materials - Testing Methods for Large Lithium Batteries</i> pending review and publication
4	T/CHALPA 0001-2024 <i>Civil air dangerous goods transport credit Administrative Measures</i> has been approved and released



Industry Development - Case

# PACTL Training Center

The PACTL Training Center focuses on the three key job functions of dangerous goods handling, general cargo handling, and cargo operation. With the aim of cultivating and verifying the competence of trainees, it has designed a comprehensive teaching and assessment process that is closely connected in key training modules such as theoretical teaching and on-the-job practice.

As the only dangerous goods training institution in mainland China holding dual IATA CBTA Corporate and CBTA Provider certifications, PACTL provides internationally standardized training not only for internal staff but also for airlines and freight forwarders. In 2023, its training quality was recognized by both airlines and aviation authorities, reinforcing industry safety standards while driving the advancement of dangerous goods training in North Asia and supporting the healthy development of the air cargo industry.



Industry Development - Case

## "Standing united through 25 Years, Forging ahead into a new era" 25th Anniversary Celebration Event

On October 17, 2024, PACTL held its 25th anniversary celebration. Leaders of Shanghai Airport Authority, CEO of Lufthansa Cargo, Vice President of Jinjiang Group, President of Air China Cargo, Executive Director of SHK China Logistics, as well as the leadership of Shanghai Airport Authority Logistics Development Co., Ltd. and PACTL, attended the event, along with representatives from governments, industry associations, airlines, freight forwarders and partners.





Industry Development - Case

## PACTL participated in the 2024 Asian Logistics Biennial Exhibition showcasing its industry-leading capabilities

PACTL has deeply rooted itself in the air logistics sector, set up a booth and made a brilliant appearance at the exhibition, conducted in-depth business negotiations with numerous corporate clients, shared its professional insights and innovative practices in the logistics field, jointly explored the future trends of the logistics industry, and further consolidated its leading position in the industry.





# Governance

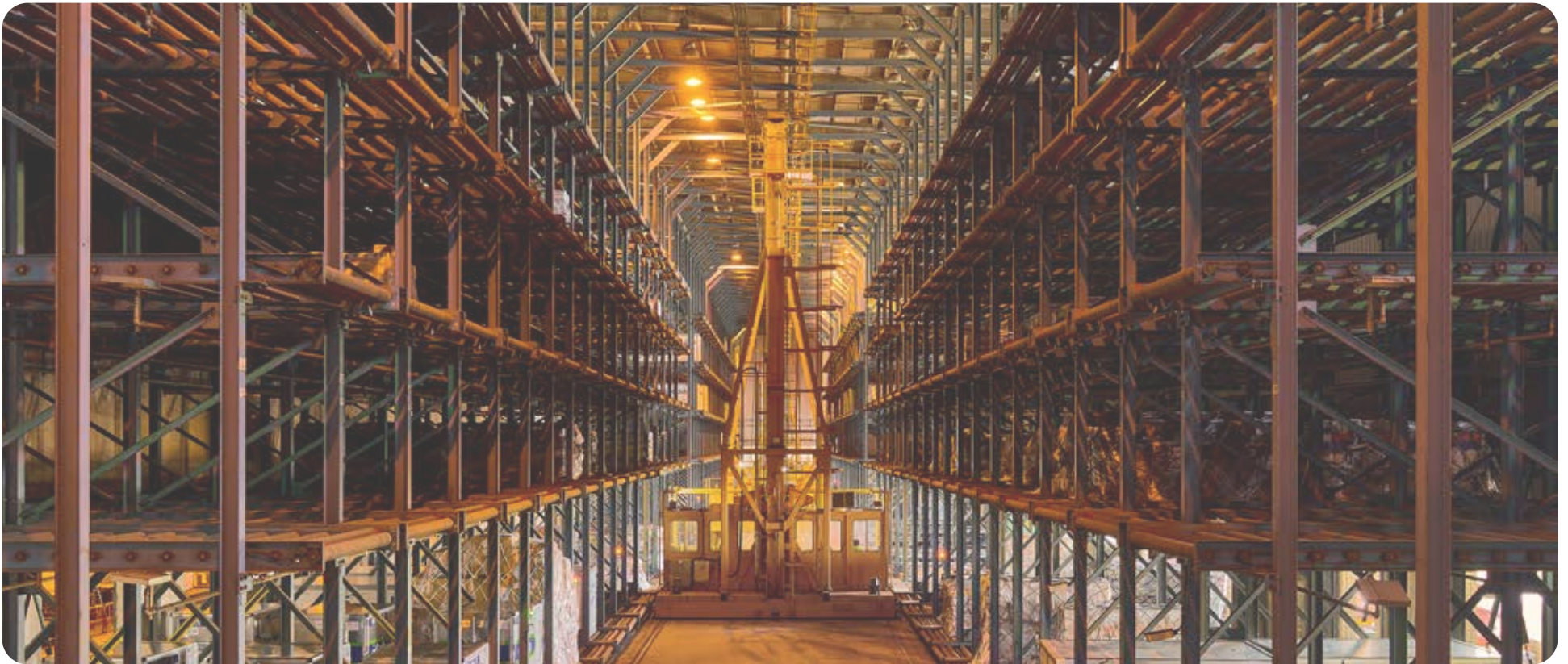
- Corporate Governance
- Risk Management
- Business Ethics
- Partners

As the core support for strategy implementation, we take governance as the foundation and have built a comprehensive governance system in synergy with environmental and social dimensions, laying a solid guarantee for sustainable development. In terms of corporate governance, we lay a solid foundation through a sound organizational structure, clear division of powers and responsibilities, and digital platforms. This optimizes decision-making, strengthens internal controls, and drives steady improvement in operational efficiency. In risk management, we have established a full-process identification system, integrated dynamic early warning and emergency plans, effectively reducing the probability of major risk incidents and preventing potential compliance and liability risks. In terms of business ethics development, we have established a strict compliance framework, achieved full coverage of compliance training for all employees, and adhered to the bottom line of integrity. In partner collaboration, we incorporate relevant performance into selection criteria, build a shared platform, and promote supply chain partners to jointly implement governance requirements. Multi-dimensional measures strengthen governance capabilities, provide support for environmental benefits and social values, and contribute to long-term sustainable development.



# Corporate Governance

PACTL is committed to building a world-class neutral air cargo terminal trusted by customers. To this end, we have established a standardized corporate governance system, continuously improved the board governance structure, strengthened risk management and business ethics governance, and built strong, collaborative relationships with partners to achieve the company's long-term sustainable development.





## Corporate Governance

# Compliant Operations

PACTL always adhere to the philosophy of excellent corporate governance, establish compliance requirements for air logistics, transportation, and warehousing, operate in compliance with laws and regulations, and continuously improve the internal control system to provide professional and efficient air cargo handling services for global customers. We have formulated the PACTL Management Measures for Rules and Regulations and PACTL WEST Management Measures for Rules and Regulations to standardize the formulation, implementation, and maintenance management of the company's rules and regulations. The Strategic Development Department conducts comprehensive compliance supervision and management from the perspectives of legal affairs, auditing, internal control, and supervision. It performs procedural and compliance supervision on the rules and regulations of PACTL and PACTL WEST, and reports major violations of regulations to the management for approval and handling, so as to ensure the legality and compliance of corporate governance.

## Four Principles for Rules and Regulations

### Adaptability Principle

Align with the external legal environment, industry regulatory requirements, and internal governance structure

### Compliance Principle

Comply with national laws and regulations, industry standards, and company articles of association to ensure legal compliance

### Evelopmental Principle

Meet the needs of corporate sustainable development and provide institutional guarantee for corporate business decision-making

### Systematic Principle

Conduct systematic refinement and consolidation to form an institutional system with clear hierarchy and rigorous logic

## Corporate Governance

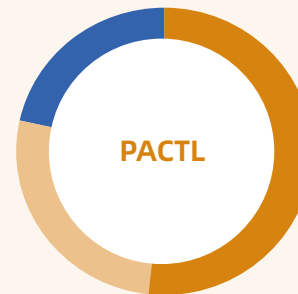
# Board Development

We strictly adhere to the provisions of the Company Law of the People's Republic of China and the company's articles of association, and continuously improve the corporate governance structure to standardize the company's full-process operational behaviors.

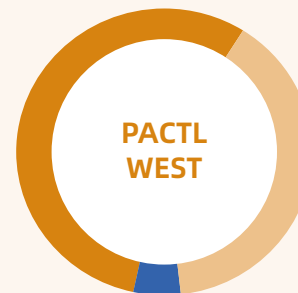
The company adopts a board structure based on the shareholder appointment system, with clear division of powers and responsibilities and orderly operation among the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the management team. As the highest authority of the joint venture company, the General Meeting of Shareholders uniformly makes decisions on all major matters of the company.

We continuously strengthen the ESG corporate governance framework and steadily raise the professional level of corporate governance. We deeply practice the concept of sustainable development, integrate ESG management into strategic planning, focus on advancing green operations, supply chain resilience enhancement, and other key initiatives, and actively respond to the requirements for high-quality development in the air logistics industry.

### The Shareholding Proportion of PACTL and PACTL WEST



- 51% ■ Shanghai Airport Authority Logistics Development Co., Ltd.
- 29% ■ Lufthansa Cargo AG
- 20% ■ JHJY Logistics Management Co., Ltd.



- 56% ■ PACTL
- 39% ■ Air China Limited
- 5% ■ SHK Beijing Logistics Development Limited

• Composition of the Board of Directors and Introduction to Members' Functions

Directors are appointed by shareholders, and the Chairman of the Board is elected by the Board of Directors.

2024

Number of Board Members

9		8	
(PACTL)		(PACTL WEST)	
German Nationality	Chinese Nationality	Female	Male
2	7	2	7
(PACTL)	(PACTL)	(PACTL)	(PACTL)
1	7	2	6
(PACTL WEST)	(PACTL WEST)	(PACTL WEST)	(PACTL WEST)

Percentage of Independent Directors

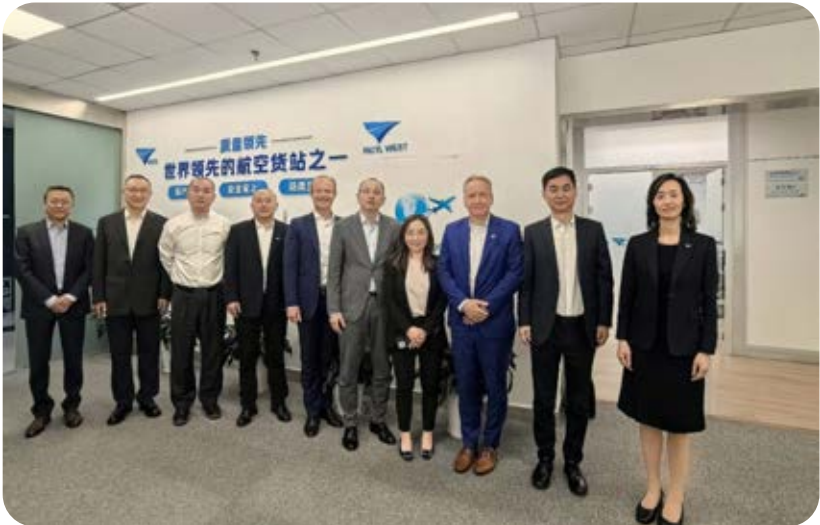
89%
(PACTL)
88%
(PACTL WEST)

Percentage of Female Directors in Senior Management

22%
(PACTL)
25%
(PACTL WEST)



General Meeting of Shareholders of PACTL



General Meeting of Shareholders of PACTL WEST



- **Interest Relationships of Board Members**

Board members do not hold concurrent positions within the company, nor do they have cross-ownership with suppliers or other stakeholders, to minimize conflicts of interest among relevant parties. Board members shall have no direct interest relationships with shareholders, suppliers, related parties, or other parties, so as to ensure that there are no conflicts of interest between the top governing body and relevant parties.

- **Management Compensation Linked to ESG Performance**

PACTL have established a sound compensation management system, promoted a dual-guarantee system based on job value and performance contribution, and strengthened the internal control mechanism for compensation management. Based on the comprehensive performance, including annual financial status and operating results, we have established an ESG performance appraisal system and a performance-based salary distribution system for senior management personnel to effectively exert the incentive role of compensation distribution.



Corporate Governance

# Information Security Development

PACTL have always firmly upheld the safety-oriented development philosophy, placing information security in a crucial position in our business development. We actively fulfill information security management responsibilities, clarify the boundaries of security responsibilities for each department and position, and establish an accountability system featuring "full participation and hierarchical accountability". By improving cross-departmental collaboration mechanisms and optimizing security incident response procedures, we effectively enhance the coordinated response capability for information security, ensuring rapid response and coordinated handling when facing potential security risks. Meanwhile, we continuously promote closed-loop management for problem rectification, improve information security-related systems, and ensure the implementation of system provisions. By the end of the reporting period, the company has not received notifications of major cybersecurity vulnerabilities or experienced security incidents, and the cybersecurity defense line has been continuously strengthened.



## Corporate Governance

# Data Platform Development

Our meticulously developed Easy Cargo Platform, an electronic air freight platform with proprietary intellectual property rights, connects and serves air freight logistics participants as a comprehensive digital information platform for air cargo.

Drawing upon 25 years of PACTL's ground handling expertise in air cargo, the Easy Cargo Platform integrates information resources from various stakeholders. It enhances cargo handling efficiency at freight terminals, reduces production costs across the industry, and achieves end-to-end digital and paperless operations for inbound and outbound cargo. This lays a solid foundation for the comprehensive digital and intelligent transformation of freight terminals.

## Core Functions of Easy Cargo Platform

### Outbound Cargo Services

- Online Document Review
- Online Security Screening
- CBA (Cargo Booking and Administration) Booking Management
- ULD (Unit Load Device) Reservation and Pick-up
- On-site Vehicle Management
- Inspection Cargo Management
- Online Cargo Assembly by Agents
- Warehouse Area Forklift Dispatch and Weight Management
- Airside Handover Management
- Online Acceptance and Transport Management
- Online Handling of Untagged and Returned Cargo
- Online Damage Report and Cargo Pre-claim Processing

### Inbound Cargo Services

- Pick-up Appointment & Online Payment
- Online Arrival Notification
- Online Application for Customs Manifest Amendment
- Online Telex Transfer Notification
- Online Handling of Overdue and Abandoned Cargo
- Online Appointment for Customs Inspection
- Online Application for Special Cargo Handling
- Online Processing of Unlabeled and Returned Cargo
- Online Damage Report and Cargo Pre-Claim Processing



## Corporate Governance

# Data Governance System

We fully comply with the international requirements for digital transformation in the air logistics industry and have built the PACTL Cross-Border E-Commerce Cargo Processing Center. As a designated customs operation site for cross-border e-commerce, the center is equipped with advanced intelligent inspection and sorting systems, video surveillance equipment systems, and information-based operation and management systems. These enable automation, visualization, and electronic logistics information exchange, enhancing the efficiency of integrated operations and convenient services for cross-border e-commerce businesses.



#### Data Governance System - Case

# PACTL Cross-border E-commerce Cargo Handling Center

The PACTL Cross-border E-commerce Cargo Handling Center covers an area of approximately 3,000 square meters and is equipped with 4 fully automated sorting lines. It mainly consists of a truck unloading area, a cargo storage area, a cargo sorting area, a cargo unpacking area, a customs inspection area, a cargo detention area, and a cargo release area. Additionally, the center is furnished with advanced systems, including intelligent inspection and sorting systems, video monitoring equipment systems, and information-based operation management systems. At present, it has a cargo handling capacity of 200,000 orders per day.

#### Service Advantages:



One-stop service  
Facilitation operation



Less logistic links  
Lower enterprise cost



100% Neutrality platform  
Free choice of airlines



Professional service team  
24/7 Operation



Fully-automated sorting system  
High efficiency and accuracy



Intensive, intelligent, digitalized  
Customs inspection supporting service

#### Operation Process:

Logistic Enterprise  
Reserves Delivery  
Service

Pre-check by  
Easy Cargo

Cargo Delivery

Cargo Arrival for  
Customs Matters

Cargo sorting

Cooperate with  
Customs  
Inspection

Inspected  
cargo handling

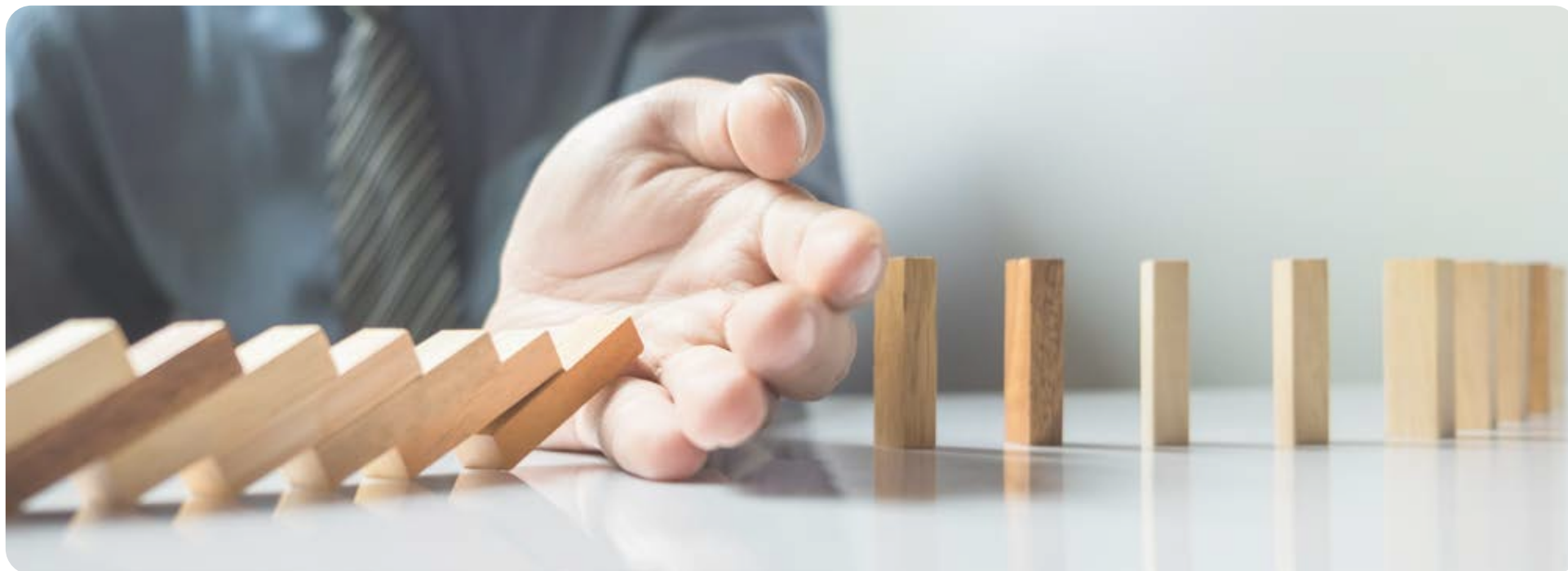
Cargo terminal  
service

# Risk Management

2024

**The company did not experience any major compliance risk incidents**

PACTL have established a sound internal control and risk management system to further strengthen and standardize the company's internal management, continuously enhance the effectiveness of risk prevention and control, and effectively promote the company's sustainable and healthy development. To ensure the achievement of this goal, we will continue to evaluate and optimize the internal control system, constantly improve employees' risk management awareness and professional skills. Through regular training and practical operations, employees can better identify potential risks and take effective measures to respond.





Risk Management

# Risk Management System

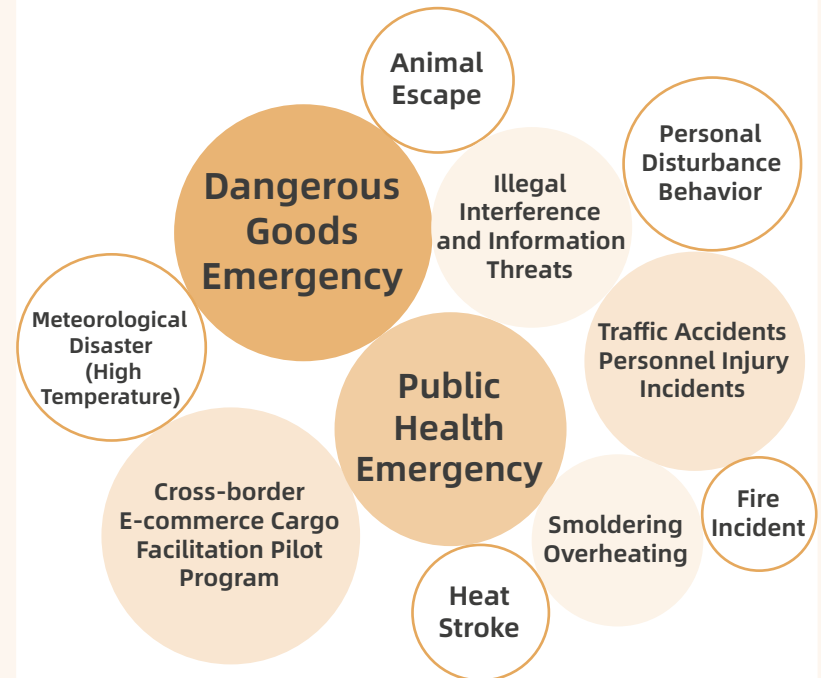
PACTL implements relevant regulations including its Measures for the Management of Service Quality Complaints and Measures for the Classified Control of Safety Risks and Hidden Hazard Investigation & Control. We have established a dual risk management mechanism centered on "Classified Control of Safety Risks" and "Hidden Hazard Investigation & Control" to strengthen source risk prevention and process risk management. Through thematic training and special rectification activities, we continuously improve the company's risk closed-loop management capability. Monthly risk management training—covering safety operation, contract, and compliance risks—comprehensively enhances employees' risk management awareness.

Risk Management

# Responsibility Communication

PACTL have always fulfilled our social corporate responsibility and focused on themes such as cold chain transportation, dangerous goods transportation, and business cooperation to carry out comprehensive and multi-dimensional corporate brand communication. We recognize the importance of responsible communication, adhere to delivering authentic, accurate, and transparent information, and proactively respond to social concerns. In external communications, we always adhere to the principle of integrity, convey corporate values with a professional attitude, and are committed to building an open and trustworthy brand image. Through sustained communication, we aim not only to gain long-term trust from customers and partners, but also to promote the healthy development of the industry through practical actions and fulfill the responsibilities and missions of a corporate citizen.

## Our Risk Management Training (Emergency Response Plan Drill)



# Business Ethics

We rigorously enforce anti-corruption measures to maintain a free, fair, and orderly market environment, upholding business ethics and compliance. Recognizing its vital role in corporate and social stability, we continuously improve our institutional frameworks to build a robust and efficient integrity system. We also promote ethical conduct, guiding our personnel to adopt correct values and perspectives on power. Through integrity campaigns, we foster a culture of honesty and integrity, making clean behavior a natural practice for all members.



Business Ethics

# Anti-corruption and Anti-bribery

We have formulated regulations such as the "PACTL Integrity Risk Prevention and Control Manual." An integrity risk prevention and control system has been established, with corresponding risk prevention and mitigation measures in place. Regular integrity risk prevention and control inspections are conducted for projects. We educate every employee on the standards for integrity in professional conduct and have developed an employee handbook along with the Employee Reward and Punishment Management Measures. These documents clearly outline the disciplinary requirements for integrity in professional conduct, and appropriate penalties are given for behaviors and individuals that violate company regulations, ensuring that employees align their words with actions.

2024

Number of cases involving violations of anti-corruption and anti-bribery law

0

Number of Anti-Corruption and Integrity Training Sessions

4





## Business Ethics

# Anti-Monopoly and Fair Competition

PACTL comply with relevant regulations such as the Anti-Monopoly Law of the People's Republic of China and the Anti-Unfair Competition Law of the People's Republic of China, and have formulated the Anti-Commercial Bribery Convention. We respect the principle of fair market competition, and oppose monopolistic and unfair competitive practices. Focusing on key fields such as the aviation industry and the logistics and freight forwarding industry, we strengthen efforts to enforce anti-unfair competition rules, firmly oppose and resist commercial bribery, and create a more fair, transparent, and harmonious market environment. The company has engaged Anjie Broad as its long-term legal counsel for anti-monopoly matters. The firm conducts competition law risk identification, compliance review for special matters, monitors competition law risks in daily operations, regularly assesses the compliance status and reports to management, and assists in establishing an anti-monopoly compliance system to ensure the company's business activities are conducted within the legal framework. During the reporting period, there were no litigation cases.

2024

Number of Antitrust Litigation Cases

0

## Business Ethics

# Prevention and Management of Conflicts of Interest

We committed to integrity and ethical operations as its foundation. To ensure independent and impartial decision-making, we have implemented a Conflict of Interest Policy requiring employees, especially managers, to disclose any potential conflicts promptly. No familial ties exist between senior management/board members and controlling shareholders, preventing nepotism. In supply chain management, we prohibit senior executives from holding roles or having significant interests in key suppliers, clients, or competitors. A self-reporting system for potential conflicts is in place, with all cases submitted via an internal compliance platform to maintain fairness and transparency.

## Business Ethics

# Tax Governance

We have consistently adhered to China's tax laws and fully fulfilled our tax obligations in accordance with the law. To strengthen tax compliance, we have engaged a professional tax consulting firm as a permanent advisor, which conducts annual tax risk reviews and issues special reports. The firm maintains in-depth communication with our management on consulting scope, key findings, and optimization recommendations, jointly ensuring the steady advancement of our tax compliance efforts.

# Partners

PACTL attach great importance to partner relationships and are committed to building long-term and stable partnerships. We believe that joint efforts and mutual support can lead to mutual growth. Upholding the concept of sustainable development, we proactively seek partners with shared values to jointly explore market opportunities and expand business, and look forward to creating a sustainable future together with our partners.



## Partners

# Supplier Management System

PACTL continuously improve the development of the supplier management system, formulate documents such as the *PACTL Supplier Information Database Management Regulations* and *PACTL Non-Performing Supplier Handling Management Measures*, and establish a unified PACTL Supplier Information Database. We have formulated access criteria for supplier entry into the database, conduct review and evaluation of suppliers admitted to the database, and carry out regular maintenance and dynamic management to continuously improve supplier service quality. We have established strict access and exit mechanisms for suppliers, and conduct regular maintenance and evaluation of suppliers based on social evaluation criteria. For suppliers with improper conduct, non-compliant performance, or failure to fulfill responsibilities, we have formulated accountability and penalty measures. Through continuous maintenance, we enhance the company's supply chain management standards.



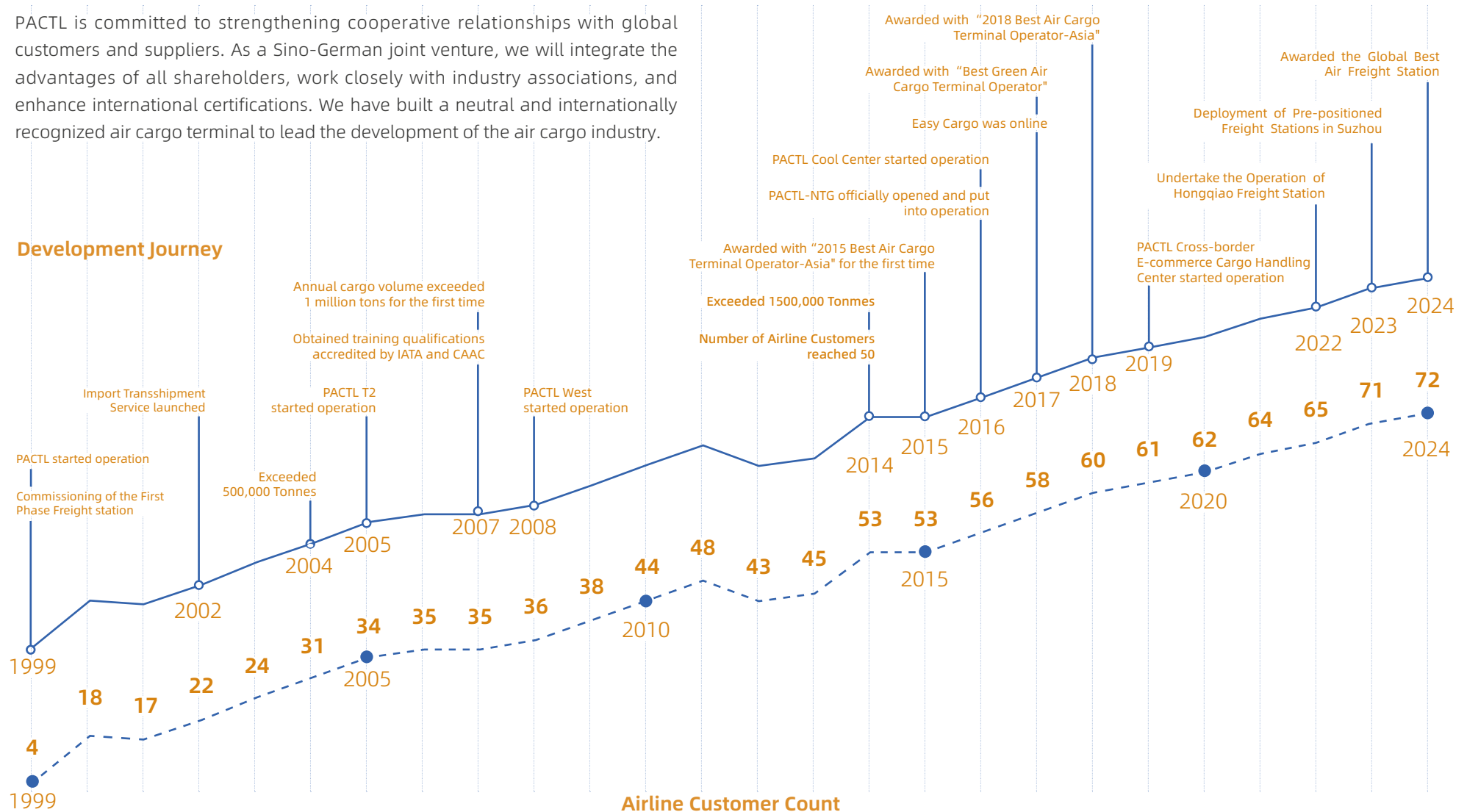


Partners

# Strengthening Global Partnerships

PACTL is committed to strengthening cooperative relationships with global customers and suppliers. As a Sino-German joint venture, we will integrate the advantages of all shareholders, work closely with industry associations, and enhance international certifications. We have built a neutral and internationally recognized air cargo terminal to lead the development of the air cargo industry.

## Development Journey



Airline Customer Count

Strengthening Global Partnerships - Case

# PACTL & time:matters jointly launch special handling services for outbound cargo

In collaboration with time:matters, PACTL customizes services based on customer needs: it establishes express truck lanes and dedicated service windows, and develops end-to-end personalized operation manuals. Through process optimization, the company has shortened the cutoff time for outbound cargo acceptance to **120 minutes** and also provides real-time cargo monitoring. This innovative service enhances logistics efficiency and safety, and drives the upgrading of the air logistics industry.







# Appendix

- Appendix 1: Performance Data
- Appendix 2: Assurance Report
- Appendix 3: Indicator Index
- Appendix 4: Feedback



# Appendix 1: Performance Data

## Environmental

Indicators	Units	PACTL	PACTL WEST
<b>Energy utilization</b>			
Comprehensive energy consumption	tce	1,294.13	1,576.54
- Direct energy consumption (diesel)	L	205,612.00	347,039.00
- Indirect energy consumption (electricity)	kWh	6,354,809.00	9,371,637.00
- Indirect energy consumption (steam)	tone	2,758.00	0.00
Energy intensity	kg/ m <sup>2</sup>	5.29	4.32
<b>Responding to climate change</b>			
Total greenhouse gas emissions	tCO <sub>2</sub> e	7381.02	12,321.15
Scope 1: Total greenhouse gas emissions	tCO <sub>2</sub> e	550.32	928.85
- Diesel fuel	tCO <sub>2</sub> e	550.32	928.85
Scope 2: Total greenhouse gas emissions	tCO <sub>2</sub> e	5,822.40	7,423.30
- Electricity	tCO <sub>2</sub> e	5,033.60	7,423.30
- Steam	tCO <sub>2</sub> e	788.80	0.00
Scope 3: Total greenhouse gas emissions <sup>1</sup>	tCO <sub>2</sub> e	1,008.30	3,969.00
- Downstream services: sewage treatment	tCO <sub>2</sub> e	1,008.30	3,969.00
Greenhouse gas emission intensity	kgCO <sub>2</sub> e/ m <sup>2</sup>	31.20	33.76

<sup>1</sup>Refers to PACTL domestic sewage treatment.

## Environmental

Indicators	Units	PACTL	PACTL WEST
<b>Resource utilization</b>			
Total amount of water intake	m <sup>3</sup>	9,884.00	38,906.00
Displacement	m <sup>3</sup>	8,895.60	35,015.40
Total water consumption	tone	988.40	3890.60
Water consumption intensity <sup>2</sup>	kg/ m <sup>2</sup>	4.04	10.66
Waste	kg	280,796.51	
- Waste film	kg	149,974.00	
- Construction waste	kg	60,400.00	
- Wool garbage (thermal insulation film <sup>3</sup> )	kg	70,400.00	
- Hazardous waste	kg	5.87	16.65
<b>Environmental protection</b>			
Garbage disposal cost	RMB million	1.02	0.99
Environmental self inspection	times		5

<sup>2</sup> Water consumption intensity of municipal water supply per unit land area.

<sup>3</sup> Thermal insulation film is a packaging material for partially temperature controlled cargo board boxes. After the goods enter the port and are decomposed by PACTL in the warehouse area, the insulation film becomes waste, that is, coarse garbage. But the insulation film needs special treatment before it can be recycled, so PACTL will hand over the waste to a third party for recycling.

## Social

Indicators	Units	PACTL	PACTL WEST
<b>Customer Complaint</b>			
Complaint handling rate	%	100	100
<b>Client Satisfaction</b>			
Airline clients NPS scores	-	83.02	
Agency clients NPS scores	-	87.23	
<b>Safety Training</b>			
Number of training sessions	sessions	57	
Number of participants covered	person-time	110,383	
Total duration	class hours	110,471	
Investment amount	RMB million	0.90	
<b>Employee Management</b>			
Annual total number of employees	persons	1,241	903
By gender			
- Male	persons	1,112	852
- Female	persons	129	51



## Social

Indicators	Units	PACTL	PACTL WEST
By nationality			
- Foreign employees	persons	4	0
- Non-foreign employees	persons	1,237	903
Annual employee turnover rate	%	5.40	3.54
Labor contract signing rate	%	100	100
<b>Employee Training</b>			
Investment amount	RMB million		1.55
Annual average hours of training per employee per year			
- Male	hours		12
- Female	hours		8
<b>Employee Welfare</b>			
Annual organization of various cultural and sports activities	times		5
Coverage of social security	%	100	100
Coverage of Corporate Pension Plan	%	100	100
Coverage of employee physical examination	%	100	100
Employee care and assistance	person-times		10,483

## Governance

Indicators	Units	PACTL	PACTL WEST
<b>Corporate Governance</b>			
Percentage of Independent Directors	%	89	88
Percentage of Female Directors in Senior Management	%	22	25
<b>Anti-Bribery and Anti-Corruption</b>			
Number of Anti-Corruption and Integrity Training Sessions	times		4

# Appendix 2: Assurance Report



## Responsibilities of PACTL and TÜV Rheinland

### PACTL's Responsibilities:

The management of PACTL is responsible for the preparation of the 2024 Sustainability Report with reference to the reporting standards described above, and for ensuring that the information contained in the Report is truthful, accurate, and complete in all material respects. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation and presentation of the Report such that it is free from material misstatement whether due to fraud or error. Management is also responsible for the validity and integrity of the disclosed data and statements, including the collection, aggregation, and disclosure of sustainability performance data, as well as the authenticity of the related assertions and representations in the Report.

### TÜV Rheinland's Responsibilities:

Our responsibility is to express a limited assurance conclusion on the selected information based on the procedures we have performed and the evidence we have obtained. We conducted our engagement in accordance with ISAE 3000 (Revised). This standard requires that we plan and perform the engagement to obtain limited assurance about whether the selected information is free from material misstatement.

## Summary of Work Performed

Our assurance procedures included, but were not limited to, the following:

### 1. Understanding and Assessment of Systems and Processes:

- Reviewing the systems and processes used to generate, aggregate, and report the selected information.
- Evaluating the appropriateness of the reporting criteria used.

### 2. Interviews and Discussions:

- Conducting interviews with key personnel responsible for the management and reporting of the selected information.
- Discussing the methods and assumptions used to prepare the ESG data.

### 3. Data Testing and Analytical Procedures:

- Performing sample-based substantive testing of the selected information to verify its accuracy and completeness.
- Conducting analytical procedures to assess the consistency and reasonableness of the reported data.

### 4. Site Visits and Observations:

- Visiting selected sites to observe data collection and reporting processes.
- Reviewing relevant documentation and records.

### 5. Review of Disclosures:

- We evaluated the overall presentation and structure of the Report, including the internal consistency of disclosures, the alignment of data and statements with our assurance findings, and the extent to which the Report reflects key principles of the GRI Standards.

## Independent Assurance Statement

TÜV Rheinland was engaged by Shanghai Pudong International Airport Cargo Terminal Co., Ltd. ( "PACTL" ) to undertake an independent limited assurance engagement on selected environmental and social data and disclosures presented in its 2024 Sustainability Report for the year ended 31 December 2024 ( "the Report" ).

Our responsibility is to express a limited assurance conclusion on the selected information based on the procedures performed. The engagement was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

### Scope and Subject Matter

The scope of our assurance engagement encompasses the sustainability-related quantitative data and qualitative information presented in PACTL's 2024 Sustainability Report, covering the period from January 1, 2024 to December 31, 2024. This includes, but is not limited to, environmental performance (e.g. energy consumption, greenhouse gas emissions), employee and safety performance, social responsibility initiatives, and related descriptions of policies, management measures, and case studies in the Report. We note that our assurance scope does not include verification of financial data, information outside of this published Report, or any statements regarding future intentions or projections (forward-looking statements).

### Reporting Criteria

The Report was prepared by PACTL with reference to the Global Reporting Initiative (GRI) Standards (2021) and the European Sustainability Reporting Standards (ESRS), which informed the structure and scope of its disclosures. These criteria and standards have been used as the basis of evaluation for our engagement; we assessed the Report's content for adherence to these criteria and the consistency of the information with the stated criteria.

### Level of Assurance

Our engagement was designed to provide limited assurance as defined by ISAE 3000 (Revised). A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the level of assurance provided is lower than that which would be provided had a reasonable assurance engagement been performed.





### Limitations

Our assurance engagement is subject to the following limitations:

- **Scope of Work:** Our work was limited to the selected ESG indicators and narratives specified in the scope section. Our conclusions apply solely to these specific indicators and narratives and should not be inferred to apply to other information or the company's overall sustainability performance.
- **Sampling Limitation:** We tested samples of data underlying the selected ESG indicators. Due to the nature of sampling, our findings are based on a subset of the total data population, which introduces the risk that some material misstatements or omissions may not have been detected.
- **Data Availability:** Our assurance procedures were based on the data and information made available by PACTL at the time of our review. Any limitations in data availability could impact the comprehensiveness of our assurance.
- **Correctness of Data Provided:** Our assurance engagement relied on the accuracy and completeness of the data provided by PACTL. We did not independently verify the correctness of all the data provided; our assurance is based on the premise that the data and information supplied are accurate and complete to the best of PACTL's knowledge and belief.
- **Projection of Results:** Our engagement did not evaluate the achievability of forward-looking statements such as targets or projections. These statements are subject to uncertainties and risks that may cause actual results to differ materially. Therefore, our conclusions do not provide assurance on future performance or the realization of these statements.

### Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that PACTL's Sustainability Report 2024 has not been prepared and presented, in all material respects, in accordance with the reporting criteria described above. In other words, within the scope of our limited assurance engagement, PACTL's 2024 Sustainability Report fairly reflects, in all material respects, its sustainability performance and disclosures in line with the stated criteria.

### Independence and Competence

We adhere to TÜV Rheinland's internal procedures to ensure independence and competence in all assurance engagements. Each team member confirms their independence from PACTL, and we conduct thorough checks to identify and mitigate potential conflicts of interest. Regular training ensures that our team remains knowledgeable about independence standards.

Our team members hold relevant professional qualifications and undergo continuous professional development to stay updated with current standards and best practices. With extensive experience in ESG assurance, our team is well-equipped to handle complex engagements. Our assurance team operates under strict quality management procedures and adheres to TÜV Rheinland's internal ethical and professional standards, as well as ISAE 3000 (Revised).

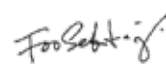
### Statement of Use and Liability

Our independent assurance report is made solely to PACTL in accordance with the terms of our engagement. Our work has been undertaken so that we might state to PACTL those matters we are required to state in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than PACTL for our work, for this report, or for the conclusions we have formed.



### Copyright and Intellectual Property Rights

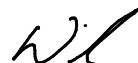
This assurance report is the intellectual property of TÜV Rheinland. It is intended solely for the use of PACTL and may not be distributed or disclosed to any third parties without our prior written consent, except as required by law or regulation. Any use or reliance on this report by third parties is done at their own risk. TÜV Rheinland shall not be responsible for any loss, damage, or expense incurred by any third party arising from such use or reliance.



Mr. Ryan Foo  
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Corporate Sustainability Services



Mr. Wai Kwok Wong  
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Global Technical Manager – ESG and Sustainability Assurance



Mr. Winlon Tsui  
Vice General Manager  
Corporate Sustainability Services

TÜV Rheinland Hong Kong Ltd.

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18 November 2025

This report is intended solely for the use of Shanghai Pudong International Airport Cargo Terminal Co., Ltd. and may not be suitable for other purposes. The distribution or disclosure of this report to third parties is subject to our prior written consent, and we do not accept or assume responsibility to anyone other than Shanghai Pudong International Airport Cargo Terminal Co., Ltd. for our work, this report, or the conclusions we have formed.

PACTL

# Appendix 3: Indicator Index (GRI, ESRS)

## GRI Index

Topic	GRI Standards	Publication	Relevant Sections / Details
General Disclosures			
1.Organization and Its Reporting Practices	2-1	Organizational details	About Us-Company Overview
	2-2	Entities included in the organization's sustainability reporting	About This Report
	2-3	Reporting period, frequency and contact point	About This Report
	2-4	Restatements of information - No changes made	NA
	2-5	External assurance	Appendix-Appendix 2
2. Activities and Workers	2-6	Activities, value chain and other business relationships	About Us-Company Overview
	2-7	Employees	Appendix-Appendix 1、Employee Management- Employee Development
	2-8	Workers who are not employees	Not disclosed due to confidentiality reasons
3. Governance	2-9	Governance structure and composition	Corporate Governance-Compliant operation
	2-10	Nomination and selection of the highest governance body	Corporate Governance-Compliant operation
	2-11	Chair of the highest governance body	Corporate Governance-Board Development
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance-Board Development
	2-13	Delegation of responsibility for managing impacts	/
	2-14	Role of the highest governance body in sustainability reporting	Corporate Governance-Board Development

Topic	GRI Standards	Publication	Relevant Sections / Details
General Disclosures			
3. Governance	2-15	Conflicts of interest	Business Ethics-Conflicts of Interest
	2-16	Communication of critical concerns	/
	2-17	Collective knowledge of the highest governance body	/
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance-Board Development
	2-19	Remuneration policies	Employee Management-Employee Welfare
	2-20	Process to determine remuneration	Employee Management-Employee Welfare
	2-21	Annual total compensation ratio	Not disclosed due to confidentiality reasons
4. Strategy, policies and practices	2-22	Statement on sustainable development strategy	/
	2-23	Policy commitments	Sustainable Development Policy
	2-24	Embedding policy commitments	/
	2-25	Processes to remediate negative impacts	Quality Service-Customer Complaint Management
	2-26	Mechanisms for seeking advice and raising concerns	Quality Service-Customer Complaint Management, Employee Management-Employee Participation
	2-27	Compliance with laws and regulations	Compliance with Chinese laws and regulations
	2-28	Membership associations	CARGO IQ Member Member of the German Chamber of Commerce in China (GCC) Vice Chairman Unit of the Air Logistics Branch of China Federation of Logistics & Purchasing (CFLP)



Topic	GRI Standards	Publication	Relevant Sections / Details
General Disclosures			
5. Stakeholder engagement	2-29	Approach to stakeholder engagement	Sustainable Development Policy - Stakeholder Communication
	2-30	Collective bargaining agreements	Employee Management-Employee Participation
Material Topics			
2. Material Topics	3-1	Process to determine material topics	Sustainable Development Policy - Substantive Issues
	3-2	List of material topics	Sustainable Development Policy - Substantive Issues
	3-3	Management of material topics	Sustainable Development Policy - Substantive Issues
Governance			
201 Economic Performance	201-1	Direct economic value generated and distributed	Not disclosed due to confidentiality reasons
	201-2	Financial implications and other risks and opportunities due to climate change	/
	201-3	Defined benefit plan obligations and other retirement plans	Employee Management-Employee Welfare
	201-4	Financial assistance received from government	Not disclosed due to confidentiality reasons
202 Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Employee Management-Employee Welfare
	202-2	Proportion of senior management hired from the local community	Employee Management-Employee Development
203 Indirect economic impacts	203-1	Infrastructure investments and services supported	/
	203-2	Significant indirect economic impacts	NA
204 Procurement practices	204-1	Proportion of spending on local suppliers	Not disclosed due to confidentiality reasons

Topic	GRI Standards	Publication	Relevant Sections / Details
<b>Governance</b>			
205 Anti-corruption	205-1	Operations assessed for risks related to corruption	Business Ethics-Anti-Corruption Training
	205-2	Communication and training about anti-corruption policies and procedures	Business Ethics-Anti-Corruption Training
	205-3	Confirmed incidents of corruption and actions taken	Business Ethics-Anti-Corruption Training
206 Anticompetitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics-Anti-Monopoly and Fair Competition
207 Tax	207-1	Approach to tax	Business Ethics-Tax Governance
	207-2	Tax governance, control, and risk management	Business Ethics-Tax Governance
	207-3	Stakeholder engagement and management of concerns related to tax	Business Ethics-Tax Governance
	207-4	Country-by-country reporting	NA
<b>Environmental</b>			
301 Materials	301-1	Materials used by weight or volume	Resource Efficiency - Green Materials
	301-2	Recycled input materials used	NA
	301-3	Reclaimed products and their packaging materials	NA
302 Energy	302-1	Energy consumption within the organization	Resource Efficiency - Energy Conservation
	302-2	Energy consumption outside of the organization	NA
	302-3	Energy intensity	Resource Efficiency - Energy Conservation
	302-4	Reduction of energy consumption	NA

Topic	GRI Standards	Publication	Relevant Sections / Details
Environmental			
302 Energy	302-5	Reductions in energy requirements of products and services	Resource Efficiency - Energy Conservation
303 Water and effluents	303-1	Interactions with water as a shared resource	NA
	303-2	Management of water discharge-related impacts	Resource Efficiency - Water Conservation
	303-3	Water withdrawal	Resource Efficiency - Water Conservation
	303-4	Water discharge	Resource Efficiency - Water Conservation
	303-5	Water consumption	NA
304 Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	/
	304-2	Significant impacts of activities, products and services on biodiversity	/
	304-3	Habitats protected or restored	/
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	/
305 Emissions	305-1	Direct (Scope 1) GHG emissions	Climate Change - Carbon Inventory Check
	305-2	Energy indirect (Scope 2) GHG emissions	Climate Change - Carbon Inventory Check
	305-3	Other indirect (Scope 3) GHG emissions	/
	305-4	GHG emissions intensity	/



Topic	GRI Standards	Publication	Relevant Sections / Details
Environmental			
305 Emissions	305-5	Reduction of GHG emissions	NA
	305-6	Emissions of ozone-depleting substances (ODS)	Climate Change - Carbon Inventory Check
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	/
306 Waste	306-1	Waste generation and significant waste-related impacts	NA
	306-2	Management of significant waste-related impacts	Environmental Protection - Pollution Control
	306-3	Waste generated	Environmental Protection - Pollution Control
	306-4	Waste diverted from disposal	NA
	306-5	Waste directed to disposal	Environmental Protection - Pollution Control
306 Disclosure Requirements (Old Version)	306-3	Major Releases	/
308 Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	Partners-Supplier Management System
	308-2	Negative environmental impacts in the supply chain and actions taken	Partners-Supplier Management System
Social			
401 Employment	401-1	New employee hires and employee turnover	Appendix-Appendix 1、Employee Management-Number of Employees
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Appendix-Appendix 1、Employee Management-Employee Welfare
	401-3	Parental leave	Employee Management-Employee Welfare

Topic	GRI Standards	Publication	Relevant Sections / Details
Social			
402 Labor/management relations	402-1	Minimum notice periods regarding operational changes	NA
403 Occupational health and safety	403-1	Occupational health and safety management system	Safety Control-Occupational Health and Safety
	403-2	Hazard identification, risk assessment, and incident investigation	Safety Control-Dual Prevention Mechanism
	403-3	Occupational health services	Safety Control-Occupational Health and Safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	Safety Control-Dual Prevention Mechanism
	403-5	Worker training on occupational health and safety	Safety Control-Occupational Health and Safety
	403-6	Promotion of worker health	Safety Control-Occupational Health and Safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety Control-Occupational Health and Safety
	403-8	Workers covered by an occupational health and safety management system	Safety Control-Occupational Health and Safety
	403-9	Work-related injuries	Not disclosed due to confidentiality reasons
	403-10	Work-related ill health	Safety Control-Occupational Health and Safety
404 Training and education	404-1	Average hours of training per year per employee	Employee Management-Employee Development
	404-2	Programs for upgrading employee skills and transition assistance programs	Employee Management-Employee Welfare
	404-3	Percentage of employees receiving regular performance and career development reviews	Employee Management-Employee Development

Topic	GRI Standards	Publication	Relevant Sections / Details
Social			
405 Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	Corporate Governance-Board Development
	405-2	Ratio of basic salary and remuneration of women to men	Employee Management-Employee Welfare
406 Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Employee Management-Employee Development
407 Freedom of association and collective bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	NA
408 Child labor	408-1	Operations and suppliers at significant risk for incidents of child labor	Employee Management-Employee Development
409 Forced or compulsory labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Management-Employee Development
410 Security practices	410-1	Security personnel trained in human rights policies or procedures	Safety Control-Safety Training
411 Rights of indigenous peoples	411-1	Incidents of violations involving rights of indigenous peoples	NA
413 Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	NA
	413-2	Operations with significant actual and potential negative impacts on local communities	NA
414 Supplier social assessment	414-1	New suppliers that were screened using social criteria	Partners-Supplier Management System
	414-2	Negative social impacts in the supply chain and actions taken	Partners-Supplier Management System
415 Public policy	415-1	Political contributions	/



Topic	GRI Standards	Publication	Relevant Sections / Details
Social			
416 Customer health and safety	416-1	Assessment of the health and safety impacts of product and service categories	/
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	/
417 Marketing and labeling	417-1	Requirements for product and service information and labeling	/
	417-2	Incidents of non-compliance concerning product and service information and labeling	/
	417-3	Incidents of non-compliance concerning marketing communications	/
418 Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Quality Service-Customer Privacy Protection

## ESRS Index

Topic	ESRS Standards	Publication	Relevant Sections / Details
<b>2 General Disclosures</b>			
1. Basis for Preparation	BP-1	General basis for preparation of the sustainability statement	About This Report
	BP-2	Disclosures in relation to specific circumstances	About This Report. Time periods: Short-term (< 1 year), medium-term (1-5 years), long-term (> 5 years)
2. Governance	GOV-1	The role of the administrative, management and supervisory bodies	Corporate Governance-Board Development
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	/
	GOV-3	Integration of sustainability-related performance in incentive schemes	Corporate Governance-Management Compensation Linked to ESG Performance
	GOV-4	Statement on due diligence	Corporate Governance-Interest Relationships of Board Members
	GOV-5	Risk management and internal controls over sustainability reporting	Risk Management
3. Strategy	SBM-1	Strategy, business model and value chain	About Us
	SBM-2	Interests and views of stakeholders	Sustainable Development Policy - Stakeholder Communication
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	/
4. Impact, Risk and Opportunity Management	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	/

Topic	ESRS Standards	Publication	Relevant Sections / Details
<b>2 General Disclosures</b>			
4. Impact, Risk and Opportunity Management	IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	Appendix-Appendix 3
	MDR-P	Policies Adopted for Sustainability	/
	MDR-A	Relevant Actions and Resources	/
5. Indicators and Targets	MDR-M	Issues Related to Material Sustainability Matters	/
	MDR-T	Effectiveness of Targets, Policies and Actions	/
<b>E1 Climate change</b>			
Strategy	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	Sustainable Development Policy - Governance Structure
	E1-1	Transition plan for climate change mitigation	Climate Change - Climate Risk Response
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	/
Impact, Risk and Opportunity Management	ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Sustainable Development Policy - Substantive Issues
	E1-2	Policies related to climate change mitigation and adaptation	Climate Change - Climate Risk Response
	E1-3	Actions and resources in relation to climate change policies	Climate Change - Climate Risk Response
Indicators and Targets	E1-4	Targets related to climate change mitigation and adaptation	/
	E1-5	Energy consumption and mix	Climate Change - Carbon Inventory Check
	E1-6	Gross Scopes 1,2,3 and Total GHG emissions	Climate Change - Carbon Inventory Check



Topic	ESRS Standards	Publication	Relevant Sections / Details
<b>E1 Climate change</b>			
Indicators and Targets	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	/
	E1-8	Internal Carbon Pricing	/
	E1-9	Physical Risks, Transition Risks and Climate-Related Expected Financial Impacts	/
<b>E2 Pollutants</b>			
Impact, Risk and Opportunity Management	ESRS 2 IRO-1	Process for Assessing Pollution-Related Material Impacts, Risks and Opportunities	Environmental protection
	E2-1	Policies Related to Pollution	Environmental protection
	E2-2	Actions and Resources Related to Pollution	Environmental protection
Indicators and Targets	E2-3	Targets Related to Pollution	Environmental protection
	E2-4	Air, Water and Soil Pollution	/
	E2-5	Substances of Concern and Substances of High Concern	Resource Efficiency - Cargo of High-Concern Management
	E2-6	Expected Financial Impacts Related to Pollution	/
<b>E3 Water and marine resources</b>			
Impact, Risk and Opportunity Management	ESRS 2 IRO-1	Description of the processes to identify and assess material water and marine resources. Related impacts, risks and opportunities	Resource Efficiency - Water Conservation
	E3-1	Policies related to water and marine resources	/

Topic	ESRS Standards	Publication	Relevant Sections / Details
<b>E3 Water and marine resources</b>			
Impact, Risk and Opportunity Management	E3-2	Actions and resources related to water and marine resources	/
Indicators and Targets	E3-3	Targets related to water and marine resources	/
	E3-4	Water consumption	Appendix - Appendix 1, Resource Utilization
	E3-5	Expected Financial Impacts Related to Water and Marine Resources	/
<b>E4 Biodiversity and ecosystems</b>			
Strategy	E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	/
	ESRS 2 SBM 3	Material impacts, risks and opportunities and their interaction with strategy and business model	/
Impact, Risk and Opportunity Management	ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem. Related impacts, risks dependencies and opportunities	Environmental Protection - Biodiversity Conservation
	E4-2	Policies related to biodiversity and ecosystems	/
	E4-3	Actions and resources related to biodiversity and ecosystems	/
Indicators and Targets	E4-4	Targets related to biodiversity and ecosystems	/
	E4-5	Impact metrics related to biodiversity and ecosystems change	/
	E4-6	Expected Financial Impacts Related to Biodiversity and Ecosystems	/

Topic	ESRS Standards	Publication	Relevant Sections / Details
<b>E5 Resource use and circular economy</b>			
Impact, Risk and Opportunity Management	ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Resource Efficiency - Green Materials
	E5-1	Policies related to resource use and circular economy	/
	E5-2	Actions and resources related to resource use and circular economy	Resource Efficiency - Green Materials
Indicators and Targets	E5-3	Targets related to resource use and circular economy	/
	E5-4	Resource inflows	/
	E5-5	Resource outflows	/
	E5-6	Expected Financial Impacts Related to Resource Use and Circular Economy	/
<b>S1 Own workforce</b>			
Strategy	ESRS 2 SBM-2	Interests and views of stakeholders	Employee Management-Employee Participation
	ESRS 2 SBM 3	Material impacts, risks and opportunities and their interaction with strategy and business model	/
Impact, Risk and Opportunity Management	S1-1	Policies related to own workforce	Employee Management
	S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Employee Management-Employee Participation
	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Employee Management-Employee Participation



Topic	ESRS Standards	Publication	Relevant Sections / Details
<b>S1 Own workforce</b>			
Impact, Risk and Opportunity Management	S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Employee Management
Indicators and Targets	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Employee Management
	S1-6	Characteristics of the undertaking's employees	Employee Management-Employee Development
	S1-8	Collective Bargaining Coverage and Social Dialogue	Employee Management-Employee Participation
	S1-9	Diversity metrics	Appendix-Appendix 1、Employee Management-Employee Development
	S1-10	Adequate Wages	Employee Management-Employee Development
	S1-11	Social Security	Employee Management-Employee Welfare
	S1-12	Persons with Disabilities	Employee Management-Employee Development
	S1-13	Training and skills development metrics	Appendix-Appendix 1、Employee Management-Employee Development
	S1-14	Health and safety metrics	Safety Control-Occupational Health and Safety
	S1-15	Work-Life Balance Indicators	Employee Management-Employee Welfare
	S1-16	Remuneration metrics (pay gap and total remuneration)	Not disclosed due to confidentiality reasons
	S1-17	Incidents, complaints and severe human rights impacts	Employee Management-Employee Development

Topic	ESRS Standards	Publication	Relevant Sections / Details
<b>S4 Consumers and End-Users</b>			
Strategy	ESRS 2 SBM-2	Stakeholders' Interests and Views	Quality Service-Customer Complaint Management, Customer Satisfaction
	ESRS 2 SBM 3	Interaction between Material Impacts, Risks and Opportunities and Strategy and Business Model	Quality Service-Customer Service Specifications
Impact, Risk and Opportunity Management	S4-1	Policies for Consumers and End-Users	Quality Service
	S4-2	Engagement Processes for Consumers and End-Users	Quality Service
	S4-3	Processes to Mitigate Negative Impacts and Channels for Consumers and End-Users to Raise Concerns	Quality Service-Customer Complaint Management
	S4-4	Approaches to Taking Actions on Material Impacts on Consumers and End-Users, Managing Material Risks and Pursuing Material Opportunities, and the Effectiveness of Such Actions	Quality Service
Indicators and Targets	S4-5	Targets for Managing Material Negative Impacts, Promoting Positive Impacts, and Managing Material Risks and Opportunities	/

Topic	ESRS Standards	Publication	Relevant Sections / Details
G1 Business Conduct			
Strategy	ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	Corporate Governance-Board Development
	ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Corporate Governance-Board Development
Impact, Risk and Opportunity Management	G1-1	Business conduct policies and corporate culture	Business Ethics-Anti-Corruption Training
	G1-2	Management of relationships with suppliers	Partners-Supplier Management System
	G1-3	Prevention and detection of corruption and bribery	Business Ethics-Anti-Corruption Training
Indicators and Targets	G1-4	Incidents of corruption or bribery	Business Ethics-Anti-Corruption Training, Appendix-Appendix 1
	G1-5	Political influence and lobbying activities	NA
	G1-6	Payment Method	Not disclosed due to confidentiality reasons



# Appendix 4: Feedback

Dear Readers,

Thank you for reading the Shanghai Pudong International Airport Cargo Terminal Co., Ltd. (PACTL) 2024 Environmental, Social and Governance (ESG) Report. We attach great importance to the opinions and suggestions from all parties regarding this Report, and look forward to continuously improving the quality and transparency of the ESG Report through your feedback. To better provide valuable information to you and other stakeholders, you may contact us via any of the following methods:

Contact Department: Business Development Dept.

Telephone: +86 21 6884 2008

Email: [csr@pactl.com](mailto:csr@pactl.com)

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1. Your overall evaluation of this Report:

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

2. How would you rate the report's readability?

☐ Highly Readable ☐ Readable ☐ Average ☐ Less Readable ☐ Not Readable

3. What is the disclosure level of the information you care about in the report's topics?

☐ Very Comprehensive ☐ Relatively Comprehensive ☐ Partially Covered ☐ Minimally Covered ☐ Not Covered

4. Are there any other topics you care about that are not reflected in the Report?

5. Any additional suggestions you have for the company's Environmental, Social and Governance (ESG) Report?

Thank you for your enthusiastic feedback and valuable time!

