



中國技術進出口總公司  
CHINA NATIONAL TECHNICAL IMP. & EXP. CORP.



# 2013 Corporate Social Responsibility Report

China National Technical Import and Export Corporation

# About This Report

This is the first CSR report officially released by China National Technical Import and Export Corporation (CNTIC). To enable stakeholders to better understand CNTIC's CSR practice in the recent years, this Report mainly covers the period between 2011 and 2013. Given that CNTIC has a history of over 60 years, this Report also fully reviews the Company's CSR development since it was established.

## Reporting Period

This Report mainly covers the period between 2011 and 2013, with data ending on December 31, 2013, but may include information relevant before 2011 or after December 31, 2013.

## Compilation Conformance

This Report is compiled in accordance with the *Guideline on Performing Social Responsibility by Central Enterprises*, released by the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council, the *Guideline on Sustainability Report (G3.1)* from the Global Reporting Initiative (GRI), *Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 3.0)* and *ISO 26000: Guidance on Social Responsibility (2010)* by International Organization for Standards.

## References to CNTIC

For the convenience of presentation and reading, China National Technical Import and Export Corporation is hereinafter referred to as "CNTIC", "the Company" or "we/us".

## Reporting Scope

This Report covers CNTIC, including its branches, subsidiaries and organizations directly under it.

## Data Source

Data used in this Report comes from CNTIC's annual reports, other official documents and statistical reports.

## Access to the Report

This Report is prepared and released in Chinese and English, both available in print and electronic versions. Should you require a print version, please send an email to [liulisha@cntic.genertec.com.cn](mailto:liulisha@cntic.genertec.com.cn) or call 86-10 63349295. To obtain an electronic version, please visit [www.cntic.com.cn](http://www.cntic.com.cn).

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## Message from President



### CSR is inherent.

As a responsible State Owned Enterprise directly under the central government, CNTIC has, since its establishment, integrated business development into the mission of national prosperity, rejuvenation and people's wellbeing, and taken an active part in building a harmonious socialist society. We have made outstanding achievements in this regard, which were testified by the key technologies and complete equipment we introduced for "156 Projects" from the former Soviet Union, high-power electric locomotives and internal combustion locomotives running across China, subway equipment exported to Teheran in Iran and 3 power plants we contracted in Indonesia. Over the past 6 decades, we have upheld the inherent sense of responsibility, striving to accomplish the mission of rejuvenating China through technology, forging ahead and creating many records in China's economic development and trade, thus playing a significant role in advancing the country's industrial modernization.

### CSR is also competence.

CSR and business interest do not stand against each other. Instead, they can be well integrated. Thanks to the constant reflection on the relations between its core business and social problems such as technology division, and the wisdom to address changes in a timely manner, CNTIC is able to identify development opportunities from global challenges. We are committed to helping solve the social and environmental problems through the products and services, and building unique CSR competence for sustainable development.

### CSR calls for unceasing improvement.

More responsibility comes with greater influence. CNTIC is well aware that CSR is a journey with a start but without an end. The 3rd Plenary Session of the 18th CPC Central Committee pointed out that State Owned Enterprises should be guided to integrate CSR into their strategic planning, decision making, operation and management. We will continue to carry forward the corporate spirits of integrity, responsibility, innovation and harmony, enhance CSR management, improve CSR competence and remain responsible to stakeholders, society and the environment through law compliance and moral transparency to maximize economic, social and environmental values.

Tang Yi, President of CNTIC

# About Us

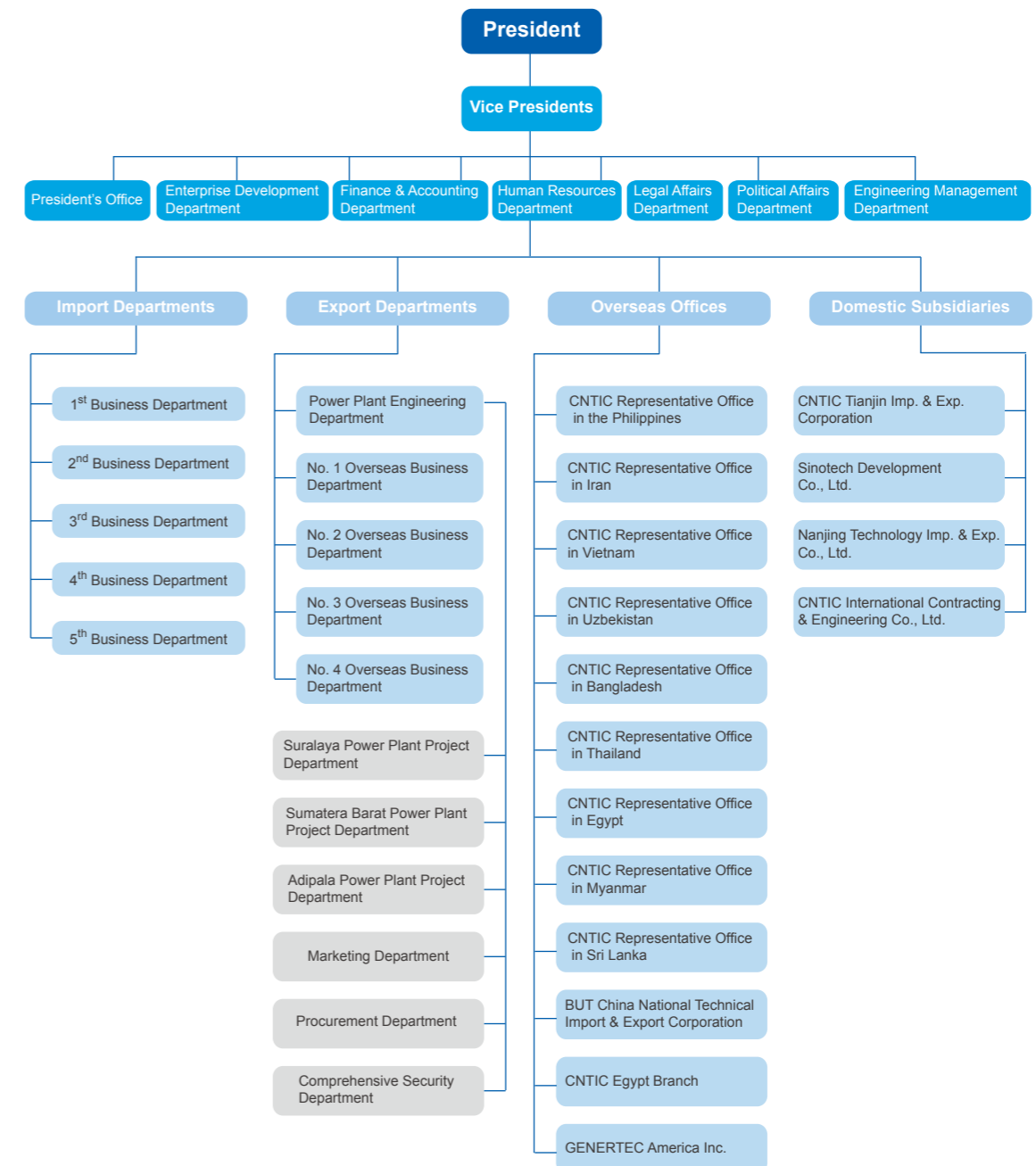
## Company Profile

Established in September of 1952, China National Technical Import and Export Corporation (CNTIC) is a large state-owned enterprise mainly engaged in technology trade, project contracting and integrated project management. In 1998, the Company became a wholly-owned subsidiary of China General Technology (Group) Holding Ltd. which is under direct supervision of the central government, with its head office located in Beijing. CNTIC's line of business covers import and export of key technologies and complete equipment; project contracting and management at home and abroad; global trading tendering, commercial and technical consulting, investment and financing etc. The Company boasts strong competence in marketing, business integration, project management, investment, financing and engineering design.

Since the advent of new century, especially in recent years, CNTIC has been accelerating its pace of transformation and upgrading, capitalizing on its advantages of business specialization and intensification as well as its strengths in technology trade to consolidate, expand and innovate the introduction of key technologies and complete equipment. It also takes advantage of good reputation, extensive marketing networks and business channels built in traditional overseas markets to facilitate project contracting and export of complete equipment in international markets. As a result, it has ranked among the Top 225 Global Contractors rated by Engineering News Record (ENR) for many consecutive years.

|                                    | 2011    | 2012    | 2013    |
|------------------------------------|---------|---------|---------|
| Total Assets (RMB 10,000)          | 788,010 | 884,103 | 804,094 |
| Revenue (RMB 10,000)               | 560,814 | 683,321 | 751,591 |
| Contracting Revenue (US\$ 10,000)  | 744,310 | 317,715 | 450,910 |
| Profit (RMB 10,000)                | 47,961  | 48,230  | 38,681  |
| Number of Employees                | 721     | 726     | 716     |
| Number of Employees at Head Office | 376     | 378     | 376     |

## Organizational Structure



## Development History

1952: CNTIC was established.

1963-1970: The Company imported 84 technologies and complete equipment from 10 countries, including Japan and some countries in Western Europe making a way for China to obtain advanced technologies and equipment from Western countries.

1986: CNTIC signed the first export contract to export KTP crystal to Japan, which marked the beginning of its export business.

1987: The company was renamed as China National Technical Import and Export Corporation (CNTIC).

2004: CNTIC signed the contract for a magnesium sulfate heptahydrate plant in Egypt, the first project contracted by a Chinese company with EPC model in North Africa. After its completion, the project will help Egypt free its dependence on imported salt, ease local ecological problem, safeguard the ecological balance and improve people's livelihood.

2007: CNTIC signed the railway electrification contract with Uzbekistan, the first of its kind undertaken by a Chinese company in Central Asia.

2007: We signed the contract for Srepok Hydropower Project in Viet Nam, the first medium hydropower plant successfully undertaken by the Company in overseas market.

2007: CNTIC ranked among the Top 225 international contractors rated by Engineering News Record (ENR) for the first time, and subsequently remained in the list for 3 consecutive years.

2009: CNTIC acquired Hubei Building Material Industry Research Institute and set up a specialized operation platform for building material sector i.e. CNTIC International Contracting & Engineering Co., Ltd

2011-2013: CNTIC signed the contract for the Philippines Puting Bato 1x135MW Coal-Fired Power Plant Project (Phase-1 in 2011 and Phase-3 in 2013), the first power project the Company contracted with EP+S model in the Philippines. After that, the Company signed the Phase-2 project contract.

2013: CNTIC signed the contract for a combined cycle gas turbine power station in Bangladesh, the first EPC power plant undertaken by the Company in Bangladesh through general contracting.

2012: The Company signed the turnkey contract for the 23MW Heavy-oil Power Plant in Liberia, the first power plant undertaken by the Company in Africa.

2010: We signed the contract for the Southern Sri Lanka Highway Project, the first project contracted by the Company in the country.

2006-2008: The Company contracted 3 large power projects in the list of first 10,000 MW power projects in Indonesia, i.e. Suralaya 1X625MW Coal-Fired Power Plant, Sumatera Barat 2X112MW Coal-Fired Power Plant and 1X625MW Adipala Supercritical Coal-Fired Power Plant, which constituted the largest overseas turnkey project CNTIC had ever contracted and laid a solid foundation for the Company to take firm steps toward the international turnkey contracting market. The completion of the project would positively boost local economic development.

The Suralaya 1X625MW Coal-Fired Power Plant is hereinafter referred to as the Suralaya Power Plant, the Sumatera Barat 2X112MW Coal-Fired Power Plant referred to as the Sumatera Barat Power Plant and the 1X660MW Adipala Supercritical Coal-Fired Power Plant referred to as the Adipala Power Plant.

1950's-1970's, Birth at a time when it was most needed for the rise of China's heavy industry

1980's-1990's, Innovation and transformation

21st century, Diversification and globalization

1994-1996: We ranked the top 3 among 500 largest trading companies in China for 3 consecutive years, which best testified the Company's overall strength.

1984: China International Tendering Company, a subsidiary of CNTIC was founded, becoming the first trading company engaged in domestic and international tendering procurement directly under the central government in China, which marked the beginning of China's bidding business.

1952-1960: We introduced complete equipment and technologies for "156 Projects" from the former Soviet Union, which had a profound and historical implication and laid a foundation for China's industrial modernization.



## Way of CNTIC

After more than 60 years of development, CNTIC has built an unparalleled and rich culture. The Company infuses its CSR concept into the ultimate source that drives its development and overcomes the conflicts between business operation and CSR performance to forge a unique social value proposition. It also integrates CSR into every single detail of its operation and management through culture, gathers and solidifies the faith of all employees to boost the Company's sustainability.

**Corporate Vision**

**To become a world-renowned integrated service provider of technology trading, engineering contracting and project management.**

Upholding the scientific outlook on development and guided by the Group's overall development strategy, we will enhance market development accelerate competence building, focus on core business areas, innovate business models, consolidate and innovate technology trading and prioritize international contracting business. We will also cultivate integrated project management service to become a world-renowned integrated service provider of technology trading, engineering contracting and project management for sustained, healthy and stable growth

**Corporate Spirit**

**Sincerity, Liability, Innovation, Harmony**

|                |  |
|----------------|--|
| Integrity      | It is the very nature of the Company's values. We adhere to integrity, operate in compliance with laws, treat people with honesty, deliver on our commitments and remain true in word and resolute in deed. In addition, we remain loyal to the Company, dedicated to our work and sincere to customers.                         |
| Responsibility | It is a solid foundation underpinning the Company's execution. We are brave to shoulder heavy duties and dedicated to our responsibilities. We keep building up our strength and taking a holistic approach. In addition, we remain accountable to the country, to the Company, to clients and to ourselves.                     |
| Innovation     | It constitutes an inexhaustible power that drives the Company forward. We emancipate our minds, advance with the time and strive to adopt new mindsets, mechanisms, managerial expertise and technologies. In addition, we keep enhancing our core competence through continuous innovation for better development and benefits. |
| Harmony        | It perfectly presents the Company's cultural philosophy. Internally, we advocate harmony, inclusiveness, resourcing sharing, team work and common growth. Externally, we adhere to harmonious development, friendly cooperation and mutual complementation for mutual benefits and win-win results.                              |

**Corporate Missions**

**Creating Wealth for Our Country, Wealth for Our Clients  
Happiness for Our Employees**

## Corporate Governance

Sound corporate governance calls for efficient and reliable control and processes. More importantly, it needs to meet the expectations of stakeholders and adapt to the ever-changing external environment. CNTIC adopts a president responsibility system, with the president's office acting as the highest decision-making body. Moreover, it constantly improves its corporate governance system, integrates the concept of sustainability into decision-making associated with corporate governance, takes into consideration of the interest of all stakeholders, and puts in place an operating mechanism characterized by clear definition of responsibilities and coordinated operation to ensure efficient, standardized and orderly operation.

The leading team of the company consists of one President, six Vice Presidents, one Chief Accountant and four Assistant President. The specific members are, President Yi Tang; Executive Vice President Weiming Sun; Vice President Duoyu Wu, Wei Shan, Zhonghua Zhang, Dongyun Xue, Xu Zhang; Chief Accountant Baolai Niu; Assistant President Yanshan Ruan, Zhengli Li, Junhua Jiang, Yanming Wang.

## Operation Compliance

Good codes of ethics provide the bedrock that ensures the sound and sustainable development of a company. Bearing this in mind, we are committed to creating a corporate culture for operation compliance and business ethics. We also take the observance of professional ethics as the foundation of the daily work of our employees, and run the company in a highly responsible manner.

## Legal and Regulatory Compliance

Strict compliance with laws of China and countries where our projects are located, international practices and in-house rules, combined with voluntary submission to government and public supervision, constitutes the essential prerequisite for us to operate in a responsible manner. We vigorously push forward the standardization of compliance management by preparing model contracts and other normative documents to prevent compliance risks and sustain business growth.

The Company goes all out to build an integrated legal service system covering operation, management, project development, negotiation, execution, arbitration and litigation to provide seamless and valuable solutions for business operation. In addition, we review QHSE (quality, health, safety and environment) laws and regulations, update the List of HSE Laws and Regulations and organize compliance evaluation in all project departments so as to minimize legal risks associated with overseas projects.

**Case**

**Training on the Prevention of Legal Risks**

In May of 2013, the Company launched a training program on the prevention of legal risks arising from contractual projects to help employees enhance their awareness of contract risks, identify risks during contract performance and improve their claim skills so as to lay a solid foundation for project implementation.



Training on the prevention of legal risks

### Internal Control

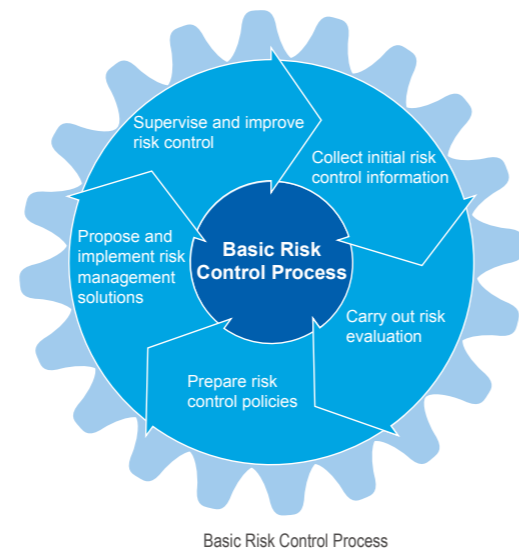
At CNTIC, internal control is regarded as an important means to standardize business process and increase operational efficiency. *A Manual of Internal Control* is prepared for the improvement of the internal control

system. Employees receive special training programs to be more conscientious and motivated in implementing internal control and lay a foundation for successful implementation of internal control system.

### Risk Control

To maintain sustained and stable business operation in a rapidly-developing social and market environment, CNTIC attaches great importance to the identification, prevention and control of potential downsides affecting its development targets in order to minimize risks the Company may encounter.

The Company adopts a comprehensive risk control system and prepares the administrative measures for the construction of a comprehensive risk control system to define the responsibilities of all departments and shape a pattern featuring complete coverage, joint risk prevention and control. It also pays much attention to risks in the industry and market and prepares risk warning reports in a timely manner. In addition, it checks and sorts out project risks, and makes preparations for a platform to better identify the risks of major export projects so as to further intensify its risk control.



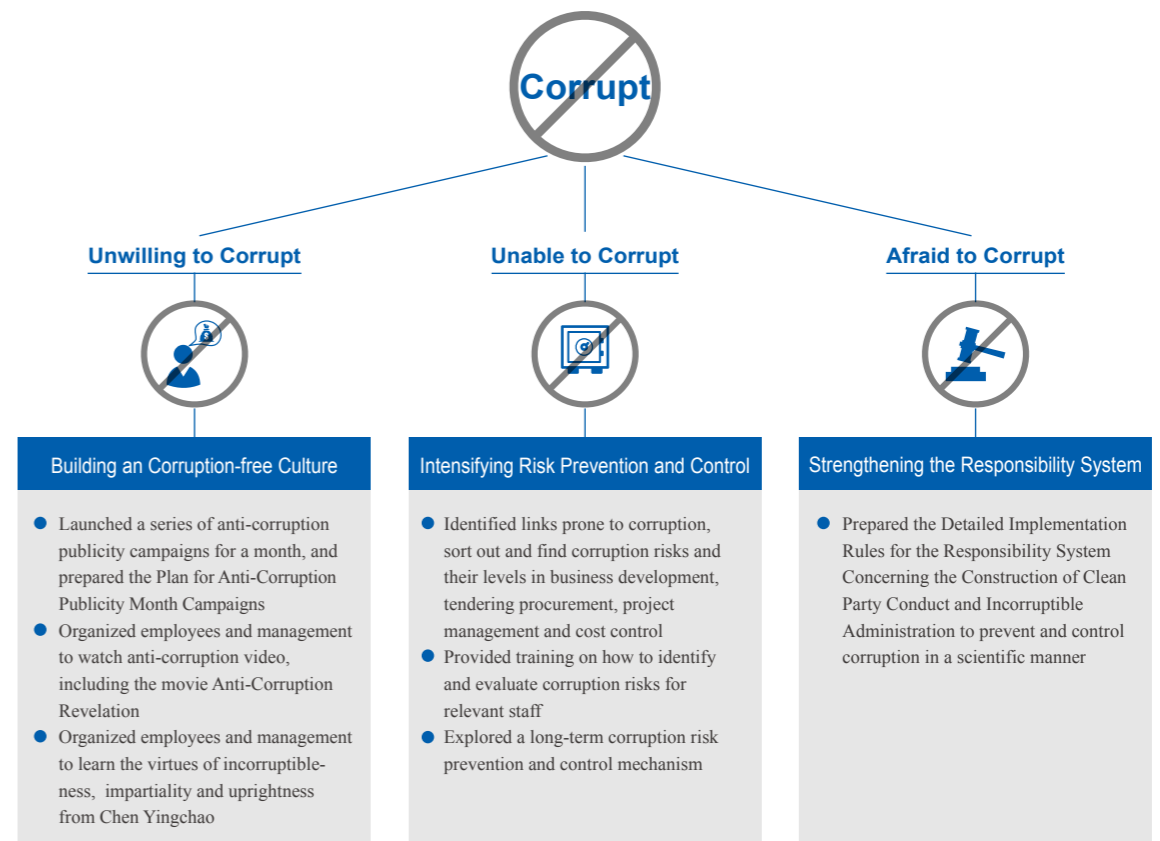
### Business Ethics

We adhere to a principle of “seeking both temporary and permanent solutions, adopting comprehensive measures, combining punishment and prevention while emphasizing prevention”. We attach great importance to the construction of incorruptible administration and constantly enhance the corruption prevention and control system. Moreover, we

put in place a more scientific and effective anti-corruption mechanism to ward off corruption and ensure sustained and healthy business operation by building a corruption-free culture, intensifying risk prevention and control, and strengthening the responsibility system.



Lecture on the Administrative Measures for the Responsibility System Concerning the Construction of Clean Party Conduct and Incorruptible Administration



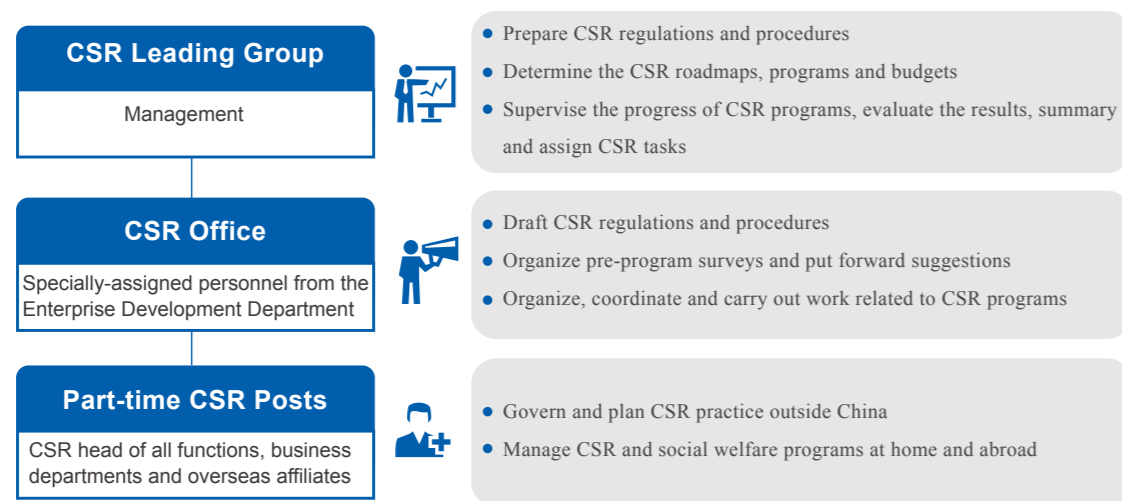
# CSR Management

Our corporate social responsibility dates back to a long time ago. We firmly adhere to and fulfill our corporate social responsibility, introducing advanced technologies to rejuvenate national industry, carrying out transition and innovation and striving to be a good global corporate citizen. Particularly, since the beginning of the new century, we have carried out CSR management and fulfilled CSR in a sound manner, which enables us to remain at the forefront of the industry.

CNTIC maintains a CSR management system that conforms to the concept of sustainable development, integrates it into every aspect of development, and conveys it to each and every employee so as to infuse an inexhaustible impetus for the joint development of the Company and the society.

## CSR Organizational System

CSR cannot be fulfilled in an orderly manner without the strong support of an organizational system. To better deliver on its CSR commitments, CNTIC adopts an organizational system that covers all levels across the Company, in which the CSR work is led by the CSR leading group, managed by the CSR office. All employees are involved and an organizational guarantee for CSR work.



CSR Organizational System

## Management of CSR Crisis

The Company remains conscious of potential crisis and risks. Through the analysis of its business and operating environment, CNTIC identifies the CSR risks and impacts on overseas projects. It also adopts CSR crisis control plans, and institutes an appropriate management system of emergency plans and on-spot solutions at all project departments to further improve its CSR control system and effectively minimize CSR crisis involving overseas projects.

## Intensification of CSR Competence

CNTIC attaches great importance to intensifying the CSR awareness of its employees and cultivating the CSR value. We launch categorized training programs in line with post-specific CSR behavior, covering every aspects of the CSR management system, with emphasis on intermediate and top management and people in charge of CSR from different departments.



In July of 2013, Mr. Yu Zhihong, chief CSR expert of GoldenBee CSR Consulting, gave a lecture at CNTIC to enhance the CSR literacy and awareness of its employees.

We maintain frequent exchange and cooperation with industry associations, peer companies and professional organizations on CSR to improve our CSR practice and advance CSR in the whole industry. Since 2009, we have taken part in all the CSR training programs, experience sharing seminars and research projects organized by China International Contractors Association to draw on the proven CSR practices of Chinese and foreign companies in an effort to boost our own CSR construction.

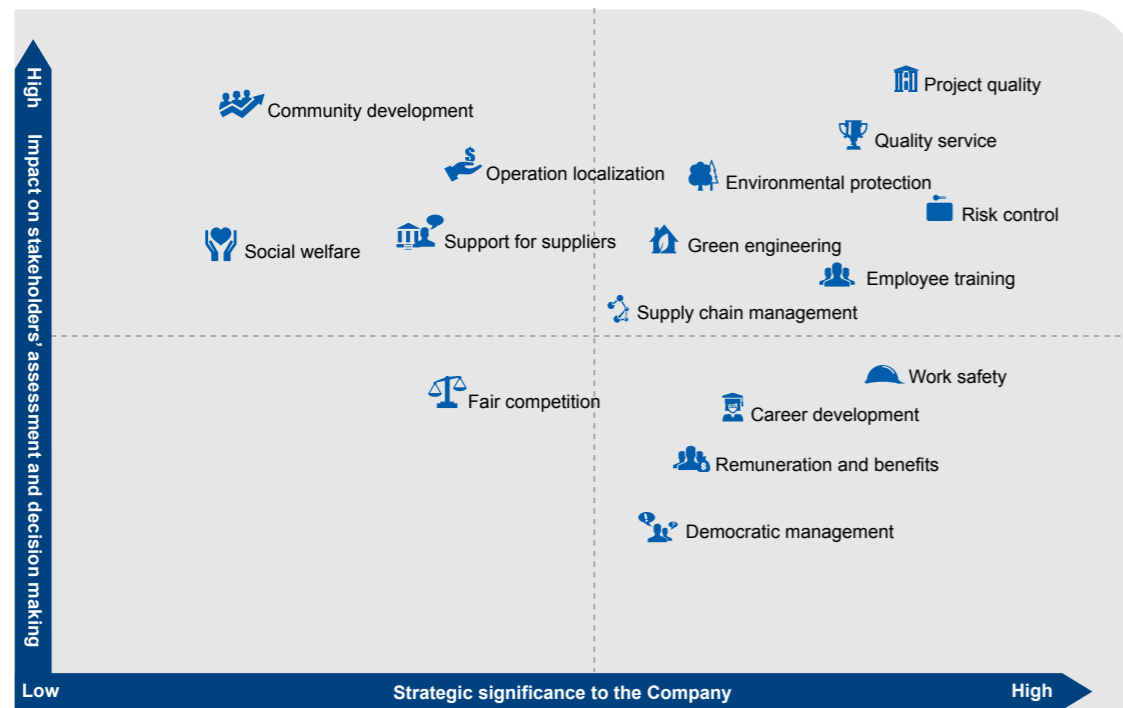
- 2010: CNTIC became one of the 28 companies that first adopted the *Guide on Social Responsibility for Chinese International Contractors* with a promise to first implement the guide in the industry
- 2011: CNTIC submitted the annual report on CSR work with other adopters of the guide to China International Contractors Association
- 2012: CNTIC took an part in the CSR Performance Evaluation of Chinese International Contractors

- organized by China International Contractors Association, and was awarded as a leading company in the evaluation
- 2013: CNTIC took part in the Survey on Localization Practice of Chinese International Contractors in Africa which was sponsored by China International Contractors Association and shared its localization experience in overseas markets.



## Materiality Matrix

We conducted surveys to get a full view of stakeholders' appeals. In addition, we sorted out the materiality matrix of sustainability in a systematic manner in accordance with international CSR benchmarks, characteristics of the industry, as well as sustainability issues facing the world for full disclosure of information related to the Company's operation and management.



Materiality Matrix of Sustainability

## Rewards and Recognitions

2009: The Company participated in the selection of Best CSR Award for Chinese International Contractors organized by China International Contractors Association for the first time, and won the gold medal

**2009**

2010: *Support the Development of Local Partners to Boost Local Economic Prosperity* report prepared by the Company was listed in the *Collection of Outstanding CSR Practice Cases of Chinese International Contractors*

**2010**

2010: The Company was selected as the winner of the 2009 Integrity and Innovation Award for Tendering Agencies in the first integrity contest of tendering agencies sponsored by China Tendering and Bidding Association.

**2010**

2011: The Company won 22 awards of 5 categories, including Top 30 Companies in China's Tendering and Bidding Industry over the past 30 years, in the 5th Evaluation of the Most Competitive Bidding Institutions in China jointly sponsored by www.chinabidding.com.cn and other organizations. The gas turbine, the

**2011**

AP 1,000 Nuclear Power Self-Reliance Program Supporting Project, the Yangshan Deepwater Port Project in Shanghai and the Phase-3 Golden Tax Project undertaken by CNTIC were selected in the list of Top 30 Projects in China's tendering and bidding industry

**2012**

2012: The Company took part in the CSR Performance Assessment of Chinese International Contractors organized by China International Contractors Association, and was recognized as a leading enterprise in the assessment

**2012**

2012: The Company was recognized as a Class-AAA Credit Company in virtue of outstanding performance and track records in the enterprise credit assessment organized by China Chamber of Commerce for Import & Export of Machinery & Electronics Products and China International Contractors Association.

**2012**

2013: The Company won the Star of Investment Cooperation award at the 10th China-ASEAN Expo.

**2013**

## Communication with Stakeholders

Our survival and growth are underpinned by the trust of stakeholders. Therefore, we maintain active communication and dialogue with stakeholders in an effort to build harmonious relations with them and sustainable development.

|                    | Expectations and Requirements              | Way of Communication                           | Actions                              |
|--------------------|--|--|--------------------------------------|
| Government         | Operation Compliance                       | Special Reports                                | Legal Compliance                     |
|                    | Compulsory Tax Payment                     | Exchange                                       | Proactive Tax Payment                |
| Clients            | Commitment Delivery                        | Business Communication                         | Contract Performance                 |
|                    | Quality Products and Services              | Service Hotline                                | Communication and Feedback           |
|                    | Work Safety                                | Attend Meetings                                | Strengthen Management of Work Safety |
| Environment        | Energy Conservation and Emission Reduction | Company Bulletins                              | Enhance Environmental Management     |
|                    | Cope with climate Change                   | Communication at Meetings                      | Build Green Projects                 |
| Employees          | Right Assurance                            | Workers' Congress                              | Right Protection                     |
|                    | Joint Growth                               | Letter Petition                                | Professional Training                |
|                    | Care for Employees                         | Internal Publications and Complaint Box        | Labor Protection                     |
| Partners           | Transparency and Openness                  | Publicity of Tendering and Bidding Information | Fair Procurement                     |
|                    | Cooperation and Win-Win Results            | High-level Visit Exchange                      | Common Development                   |
|                    | Industrial Development                     | Strategic Partnership                          | Exchange and Cooperation             |
| Society and Public | Boosting Employment                        | Community Publicity                            | Community Construction               |
|                    | Drive Local Development                    | Community Communication                        | Culture and Education                |
|                    | Charity                                    | Symposiums                                     | Poverty and Disaster Relief          |

# Country Foremost:

## Forge ahead and Lay the Foundation for Great Undertakings

### “There is No Shirking the Responsibility of Mission.”

In the 1950's, shortly after the founding of the People's Republic of China, it was devastated and lagged far behind advanced countries in terms of economy and technology. To capitalize on international markets, technologies and funds for economic recovery, CNTIC was established as one of the first foreign trade pioneers in China. Since it was set up, the Company has shared a common fate with the country, upholding the faith of rejuvenating China through technology and shouldering the historical task of revitalizing, transforming and modernizing national industry.

As time went by, CNTIC made extraordinary achievements. In more than 60 years, the Company has completed over 7,000 technology/equipment import/export and international contracting projects, covering energy, transportation, communication, petrochemical, metallurgy, building materials, machinery, electronics, medicine, agriculture, forestry and education, with the total value exceeding US\$110 billion.



## Lay the Foundation for a Stronger China

In various periods of economic development, CNTIC acted as the primary channel for introducing major technologies and equipment, laying a solid foundation in important fields concerning the lifeline of national economy and national security and facilitating China's industrial modernization.

Shortly after the People's Republic of China was founded, the government kicked off the first Five-Year Plan for economic development. It adopted a “One-sided” diplomacy and became totally dependent on assistance from the former Soviet Union for economic construction.

In 1952-1960, the Company introduced a large number of industrial project, represented by “156 Projects”, from the former Soviet Union, covering pillar industries of national economy, including metallurgy, mining, automobile, machinery manufacturing, oil, coal, power, chemical, telecommunications and ordnance. These projects were crucial to the recovery and development of productive force in China, accelerating economic recovery and development, and laying a solid foundation for China's industry modernization.

**“156 Projects”**  
Laying a solid foundation for China's industry modernization

**“US\$ 4.3-Billion Program”**  
Accelerating the Four Modernizations

**“Project 84”**  
Upgrading China's industrial production capacity

In the 1960's, to mitigate the negative impact of worsening Sino-Soviet relations, China decided to import the most needed technologies and equipment from Western countries.

In 1963, CNTIC joined hands with the industrial sector in signing the contract to import the first vinylon equipment from Japan. Since then, the Company carried out a total of 84 import projects for technologies and equipment in oil, chemical, metallurgy, mining, electronics and precision machinery, which significantly upgraded China's industrial production capacity.

Chinese economy was severely devastated by the Cultural Revolution in the 1970's. To provide adequate food and clothing for people and keep abreast of the rapid economic and technological development around the world, China decided to use US\$ 4.3 Billion to launch a number of projects to introduce advanced technologies and equipment for developed countries, short for “US\$ 4.3 Billion Program”.

In 1972-1979, the Company followed the US\$ 4.3-Billion Program to introduce complete equipment and technologies for 367 projects, including large fertilizer, chemical fiber, petrochemical, data-processing, power generation, coal-mining and oxygen preparation equipment, pioneering the second wave of equipment import in China. These equipment and technologies played a significant role in improving China's production technologies, bridging the gaps in industry, shortening the research cycles, catching up with and surpassing the world's advanced levels and accelerating the realization of four modernizations.



Chairman Mao Zedong inspected the equipment introduced by CNTIC for Changchun First Automobile Works



Rollout of first automobiles manufactured with equipment introduced by CNTIC for Changchun First Automobile Works from the former Soviet Union



## Drive Technological Innovation

Leveraging its advantages of professional and intensive operation, the Company has completed a number of world-class constructions and revamping projects, helping domestic companies to absorb and digest advanced technologies and equipment, enhancing their independent innovation ability and boosting the transformation from “Made in China” to “Created in China.”

In the new century, CNTIC has imported gas turbine, nuclear power and locomotive technologies and equipment, bringing the manufacturing ability and technological level of China in clean energy and heavy-duty railway equipment to forefront of the world, and significantly advancing the improvement of China’s major technological equipment.



CNTIC introduced the world’s most advanced third-generation nuclear power technology through tendering to facilitate the construction of nuclear power projects, advance the absorption and digestion of imported technologies to boost the independent design and localized manufacturing of third-generation nuclear power equipment. This picture shows the signing ceremony for framework contract for purchase of nuclear island and technology transfer for the Third-Generation Nuclear Power Self-reliance Program Supporting Project.



CNTIC introduced cutting-edge high-power AC-driven locomotive manufacturing technologies from Siemens, GE, Alstom, Bombardier and Mitsubishi, and signed purchase contracts for 5,618 locomotives of 5 models from 9 brands, empowering the leap-forward development of China’s railway industry. This picture shows the HXD1 electric locomotive introduced by CNTIC.

### Case Boosting the Localization of Heavy-Duty Gas Turbine

To facilitate the industrial production of heavy-duty gas turbines in China and meet the growing demand of the electricity industry, under the leadership of National Development and Reform Commission (NDRC), CNTIC organized market resources and led relevant organizations in China to introduce heavy-duty gas turbine manufacturing equipment and technologies through innovative bundle bidding by combining technology acquisition with trade.

Since 2001, CNTIC has successfully introduced advanced heavy-duty gas turbine manufacturing equipment and technologies from GE, Siemens and Mitsubishi by adopting the policy of “Exchanging Market for Technology”. It has imported and built 27 heavy-duty gas turbine power plants (61 F-class and 4 E-class power generator units in total) with installed capacity adding up to nearly 24,800 MW, boosting the digestion and absorption of technologies, increasing the rate of localized gas turbine equipment, promoting the construction of gas turbine power plants and helping domestic manufacturers build up independent development competence. Moreover, the introduction and application of gas turbines significantly increased the rate of power generated with gas, facilitating the revolutionary transition from coal-fired to gas-fired power generation, optimizing the power structure and increasing the proportion of clean power generation. This played an important role in boosting a resource-conserving and environmentally-friendly society.

The implementation of gas turbine project bundled tender is the beneficial practice for innovation of significant technology and equipment importation. Through bundled tender relying on major project, the strategic goals of exchanging market for technology and the maximization of national interest are achieved, and complete international advanced gas turbine manufacturing technologies are obtained, which lay a solid foundation for complete industry chain of China’s gas-steam combined cycle power plant: equipment manufacture, power plant construction, operation management and maintenance service.



Full view of Qianwan Turbine Power Plant

## Serve Key Projects

By introducing key technologies and equipment, CNTIC provided substantial support for a number of state key products in power, infrastructure, metallurgy, building material and petrochemical, including the Three Gorges Power Plant, Daya Bay Nuclear Power Plant, Qinghai-Tibet Railway, Shanghai Baoshan Steel & Iron Complex and Daqing Oilfield.



Distribution of state key projects CNTIC has served



Qinghai-Tibet Railway



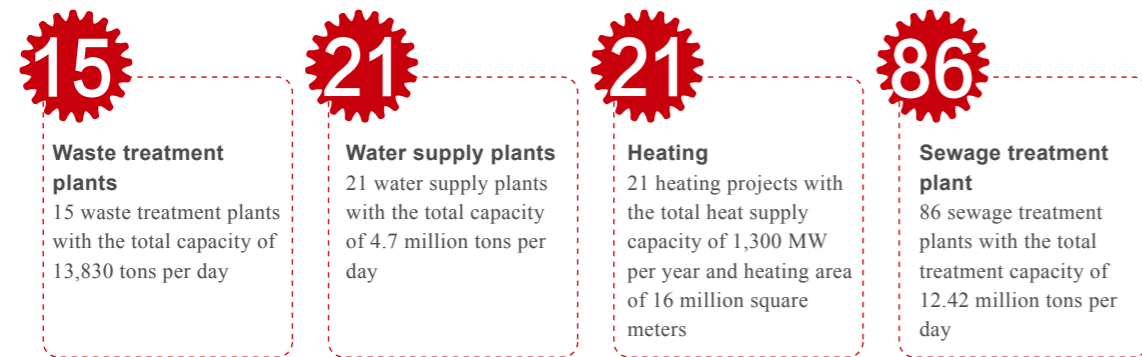
## Empower Sustainability

We strive to get a deep understanding of environmental protection projects, health, light and textile industries at home and abroad, and the technological differences between them. We also utilize our own advantages to introduce advanced technologies and equipment in a bid to advance the development of industries concerning people's livelihood and empower social sustainability.

### Environmental Projects

Through the introduction and tendering of technologies and equipment, CNTIC has introduced more than 200 environmental protection projects, covering the disposal

of garbage and waste, heating, water supply and treatment of waste and polluted water, to bring along environmental protection and people's living conditions in China.



Construction of various environmental protection projects as of 2013

### Medical and Healthcare

Through technological transfer, introduction of technologies and equipment, and tendering procurement, CNTIC has imported a large number of healthcare technologies

and equipment, spurring China's medical equipment manufacturing industry to adopt international standards and advancing the development of healthcare in China.

**Technology transfer**  
Penicillin G strains and manufacturing

**Import of production lines and equipment**  
Complete salicylic acid equipment

**Tendering procurement for projects financed with loans from foreign governments and international organizations**  
The MOH-sponsored medical project that covers five provinces, autonomous regions and cities, the rural healthcare and medical education program financed with loans from the World Bank, and the import of medical equipment with loans from foreign governments, etc.

**Government procurement of MOH**  
The national medical rescue system and mobile medical vehicle project, the key MOH labs project, the MOH emergency control and control system, etc.

**Medical and healthcare**

### Case Drive Healthcare in Tianjin

In April of 2013, a contract was signed for importing medical equipment for hospitals in Tianjin with loans from the Israeli government. In this deal, the Company acted as the import agency to introduce more than 150 pieces of advanced medical equipment, which would drive the improvement of healthcare in the city and further consolidate the Company's position in

using foreign loans and healthcare. This project was listed as a key healthcare project in the 12th Five-Year Plan of Tianjin, and also the healthcare project in China with the largest loan from the Israeli government.

### Light and Textile Industry

By combining technology acquisition with trade, we have imported a number of advanced paper-making equipment and technology to advance the overall upgrade and product restructuring in China's paper-making industry.

We also introduced printing equipment and technologies for many newspaper offices and groups to improve the overall newspaper printing in China.



Light weight coated paper equipment of Shandong Huatai Paper Co., Ltd.



## Empower Sustainability

In the new century, upholding China's national strategy of localizing advanced technologies and equipment, and "going out", CNTIC has carried out strategic reorganization and business restructuring to focus on international project contracting, innovate technology trading and develop integrated project management service for the extension to the higher ends of the industrial chain and the value chain.

On strengthen of transition and the advantages professional and intensive operation, we keep enhancing our business integration capacity by innovatively adopting bundled tendering and trading market for technologies. We have undertaken an array of world-class construction and renovation projects in China, playing a significant role in facilitating the localization of advanced technologies and equipment, and upgrading the technological level and structure of China's industry.

Moreover, we make bold exploration and business expansion, constantly improving our international project contracting and management competence. The projects we contracted are all well received by project owners, which helps build a sound image for the Company and contributes to the friendly ties between China and the countries/regions where the projects are located. The successful transition paves a new road for the Company's future growth, builds a world-famous brand image and wins positive recognition in the industry.



Company leaders who accompanied during the visit, receive a cordial meeting with state leaders

### Case CNTIC was Awarded "10-Year Support and 10-Year Glory" Investment and Cooperation Star by China-ASEAN Expo

In September 2013, CNTIC won the award of "10-Year Support and 10-Year Glory" Investment and Cooperation Star in the 10th anniversary of China-ASEAN Expo, and was recognized for its promotion of investment and cooperation between China and ASEAN countries, and development of ASEAN areas.

During each China-ASEAN Expo, President Tang Yi was invited to attend the roundtable dialogue between Chinese corporation CEOs and the senior leaders of Indonesia, Vietnam, Myanmar, Malaysia and the Philippines. In 2013, Mr Tang, as one of the 5 representatives of the Chinese corporation CEOs, had a frank dialogue and in-depth communication with Mr Domingo, the Minister of the Trade and Industry Department of Philippines which enhanced understanding between the two countries and laid a solid foundation for further cooperation.



The roundtable meeting between the senior leaders of the Republic of the Philippines and Chinese corporation CEOs

### Case Participating in Forum and Enhancing the Corporate Image

In April 2012, the Third International Infrastructure Investment and Construction Forum was successfully held in Macao. Over 1000 representatives from 40 countries and regions attended the forum including Fernando Chui Sai On, the Chief Executive of Macao Special Administrative Region, and Chen Jian, the Vice Minister of Commerce of China. President Tang Yi

was invited as a special guest and delivered a speech entitled "Working together to Achieve Win-win" at "the Foreign Ministers and China Entrepreneurs Dialogue". Mr Tang introduced CNTIC's experience and understanding of engineering contracting in recent years from five aspects which enhanced the company's brand image and industry influence in the field.



The site of the Third International Infrastructure Investment and Construction Forum

# Build Business with Integrity:

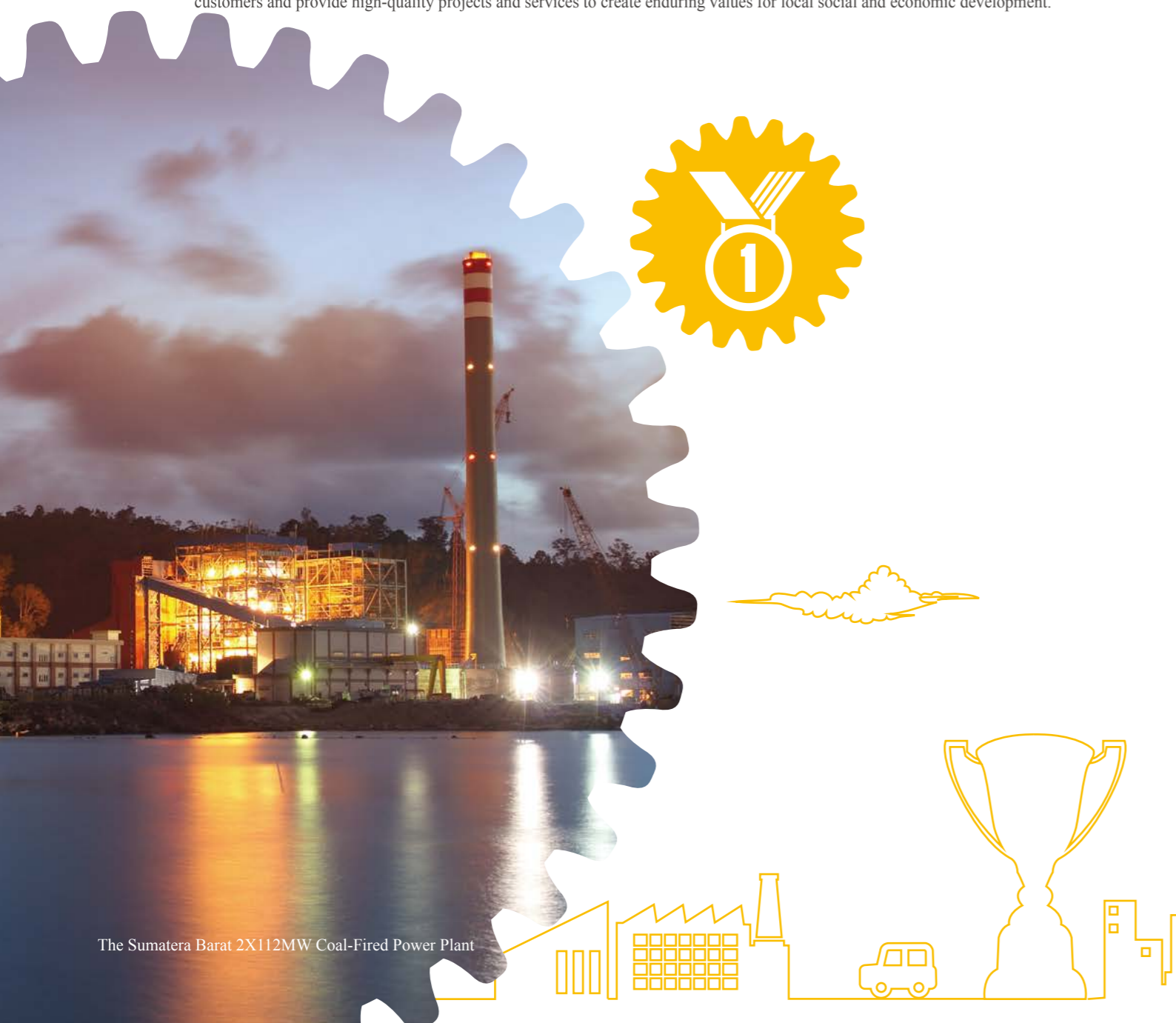
## Quality Commitment and Excellent Project

I do not know how a man without truthfulness is acceptable.

— *Analects of Confucius*

In the face of complex internal and external economic environments, CNTIC deems trust as the core for all partnerships, and good reputation built on trust as the fundamental of its business. It firmly believes that a company will thrive when it is trustworthy and otherwise decline.

CNTIC built up its business from technology trading, and made numerous achievements in more than half a century. In the past decade, while following the trend of globalization and contracting international projects, the Company accelerated its pace of transformation and upgrading, capitalizing on good reputation, extensive marketing networks and business channels in domestic and overseas markets to enhance its core competence. It also tried its utmost to identify and meet the demands of customers and provide high-quality projects and services to create enduring values for local social and economic development.

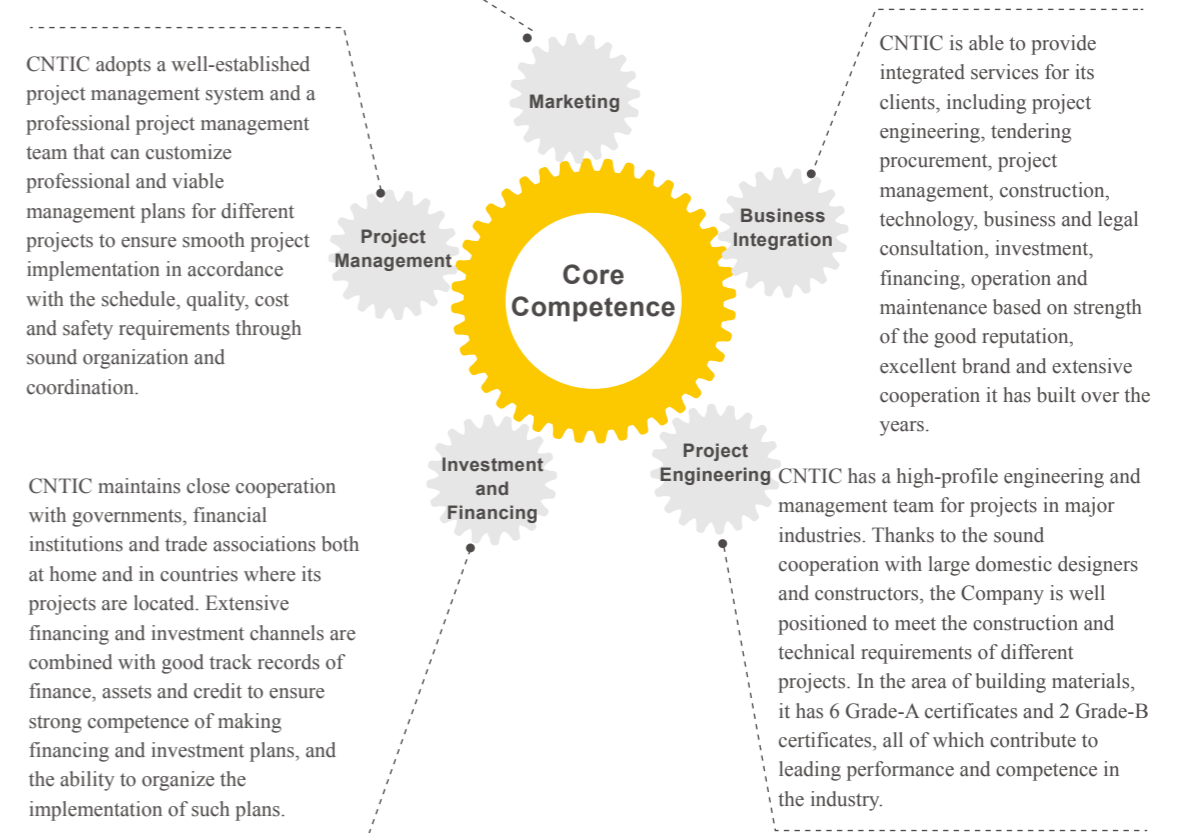


The Sumatra Barat 2X112MW Coal-Fired Power Plant

## 1 Increase Core Competence

Currently, international project contracting industry is characterized by growing size, integrated contracting and sophisticated technologies, thus requiring contractors to enhance integrated management and service ability. In this context, CNTIC accelerates the pace of increasing its core competence. By leveraging its unique marketing, business integration, project engineering, investment, financing and project management competence, the Company provides thorough, intensive and new services and solutions to build a world-renowned integrated service provider of technology trading, engineering contracting and project management.

CNTIC boasts a professional marketing team, a sharp business sense and strong business capabilities, and maintains extensive and profound partnership with national governments, project owners and overseas Chinese embassies and consulates.. It is committed to global market expansion and worldwide cooperation through an extensive and highly-responsive business network. Currently, the Company is operating in more than 100 countries and regions in the world.





**Power and energy**

engaged in power project contracting, import and export of relevant technologies and equipment. So far, CNTIC has imported more than 500 power projects covering thermal power, hydropower, nuclear power, gas turbine, pumped-storage power station, power transmission and transformation, etc.



The Puting Bato 2x135MW Coal-Fired Power Plant in the Philippines Project

**Infrastructure**

Acting as a tendering procurement agent and providing investment consulting services, covering ports, railways, roads, subways, commuter trains, urban traffic, bridges and airports.



Southern Sri Lanka Highway Project

**Light and textile industry**

Providing integrated, profound and new services focusing on pulp and paper-making, printing, sugar refining, textile and chemical fiber. Up to now, it has imported over 70 pulping and papermaking lines, covering mechanical pulp, chemical wood pulp and bamboo pulp. Meanwhile, the Company has successfully exported technologies and equipment for light and textile industry to other countries.



The Polyester Project in Jinan of Shandong Province

**Telecommunication and electronics**

Importing and exporting telecommunication and electronic complete equipment and technologies and providing international project contracting service in relevant areas. The Company has introduced a large amount of advanced telecommunication equipment and technologies for Chinese customers. In addition, it is actively engaged in the export of switching systems, transmission equipment and telecom equipment.



PBX Project in the Philippines

**Metallurgy and building materials**

Importing/Exporting technologies and complete equipment for metallurgy and building materials. Up to date, the Company has introduced metallurgy technologies and complete equipment for nearly 30 large projects, covering iron, steel, aluminum, copper and cement for more than 50 iron and steel producers, including Baoshan Iron & Steel Corporation, Anshan Iron & Steel Corporation.



Continuous slab caster introduced by the Company for Anshan Iron and Steel Complex

**Petrochemical**

Exploring a turn-key contract business mode based on market development, control of core technology, project organization and coordination. In respect of domestic business, CNTIC has introduced more than 20 sets of ethylene-making equipment with a total annual production capacity of over 3 million tons and over 30 sets of large-scale fertilizer equipment. In respect of overseas business, CNTIC is mainly engaged in the import and export of complete equipment for oil drilling and general equipment for petrochemical and fertilizer.



The Zhongyuan Ethylene Project imported by the Company

**Environmental protection**

We have introduced more than 200 environmental protection projects, covering treatment of waste and polluted water, disposal of garbage and waste, fume disposal, exhaust treatment, heating, water supply, etc.



Beijing Gao'antun sewage treatment complex

**Medical and healthcare**

Introducing medical equipment and technologies. Equipment introduced by the Company through tendering procurement with loans from foreign governments and international financial organizations covers more than 2,000 hospitals in 27 provinces, municipalities and autonomous regions.



Hospital beds imported by the Company for the General Hospital of the People's Liberation Army



## ① Excellent Projects

CNTIC remains committed to offering high-quality projects and services, which is also the Company's most significant value proposition for sustainability. We are fully aware that every project is a complex, huge and systematic undertaking. Therefore, to ensure project quality, we strictly control all factors that decide or affect the project quality, and constantly optimize construction technologies to deliver excellent projects and quality services to project owners.

### Premium Quality

The Company adopts a well-established quality control system for quality control throughout project construction. It also maintains a quality and safety training system, launching training programs in the Company and specific

project departments on a regular and irregular basis to enhance the quality awareness and quality control skills of employees.

#### Quality Management Organization

- The Engineering Management Department is responsible for work related to engineering quality
- The quality of project engineering is managed by people specially assigned by project departments

#### Quality Management System

- A ISO 9001:2008-compliant quality management system is established
- The project department prepares the Project Quality Manual in accordance with the contract, quality responsibility, CNTIC's QHSE Management Manual and Procedure Document

#### Quality Supervision System

- Follow a series of joint review processes for technical quality management systems of contractors, asking sub-contractors to establish technical quality management systems that can meet their own engineering demands
- Establish the Measures for Supervising and Inspecting Key Points of Project Quality to supervise and check the materials, equipment, construction methods and processes in accordance with the design, construction standards and contract
- Establish a list of sub-contractors and suppliers, and centrally supervise the engineering quality of suppliers

### Case High Quality Empowers New "Silk Road" between China and Uzbekistan

The Uzbekistan Railway Electrification Project is the first railway electrification project undertaken by a Chinese company in CIS member states, which marked the entry of Chinese technologies and equipment in these markets. However, for a technology company that traditionally acts as a foreign trade agency, the difficulty lies in this project can be imagined.

**Efficient bidding preparation.** Despite the bitter cold in a foreign country, the project team worked around the clock for 7 days and nights to complete 8 technical proposals that covered 5 different disciplines in both Chinese and Russian for the bidding.

**Clearance of technical barriers.** As the project owner has been adopting railroad specifications and standard of the former Soviet Union, it does not have much confidence and trust in Chinese standards and projects. To address this problem, the project team helped domestic design and construction companies have a better understanding of the specifications of the former Soviet Union. It also organized several exchanges between

technicians from China and Uzbekistan on design and construction. Eventually, we got the Chinese railway, equipment and material standards accepted by the project owner, clearing the barriers to smooth project implementation.

**Strict quality control.** Railway projects are characterized by linear construction at multiple sites. During the construction this project, there were more than 10 construction sites along more than 100 km long railway. To ensure project quality, the project team inspected every site for inspection by car several times a week. In 2010, the team travelled more than 100,000 km for on-site inspection.

The project owner invited supervisor from Germany-based DB company for site supervision. For its part, the project strived to be more meticulous than German people and more familiarized with project conditions than local partners. As a result, the project was completed with high quality and the railway successfully passed the trial operation one time successfully.

*"Your work has been extraordinarily professional and perfect!"*

— Technical expert from the project owner



The Uzbekistan Railway Electrification Project



### Outstanding Services

Following the concept of creating value with services, CNTIC keeps improving its customer service system to increase customer satisfaction and deliver value to customers beyond their expectations. In 2013, we conducted a customer survey for all the projects we contracted since April of 2012, including PLN (Perusahaan Listrik Negara) in Indonesia, NCC (Nagarjuna Construction Company) in India and SNPTC (State Nuclear Power Technology Corporation) in China. The survey indicated a 100% customer satisfaction.

| Contract Management  | Communication and Exchange  | Confidentiality  |
|--|---|--|
| CNTIC fulfills its obligations in strict accordance with contracts. When a project department is set up, a contract management organization with clear definition of rights and responsibilities is established. Also, the scope and process of contract management are specified in project management manuals for whole-process management of master agreements. | During project implementation, we sent feedback forms to clients to collect their opinions on the timeliness and quality of services provided by project departments. We also tried to better understand the demands of clients through the Internet, Chinese embassies and consulates and trade shows. In 2013, we communicated with clients through more than 1,700 entries/exits in over 700 groups. | The Company adopts the Administrative Measures for Confidentiality, enhances the confidentiality management system, increases the confidentiality awareness of its employees and implements an accountability system |

#### Case Provide Extended Service to Increase Project Owner's Maintenance Ability

During the first and second phases of the Philippines Puting Bato 2x135MW Coal-Fired Power Plant Project, we invited a total of 26 engineers from the project owner for technical training at Anhui Lu'an Power Plant and Shandong Tai'an Electricity Power College. The length of their training totaled 70 person months. The training included theoretical knowledge of power plant, plant internship, simulator operation and visit to equipment manufacturers. The project department also provided extended services for the project owner, organizing a series of training programs. As a result, engineers of the project owner quickly grasped relevant knowledge on operation and maintenance, and some practical operation ability within a short time, thus effectively ensuring the smooth operation of the power plant.

#### Case Provide Extended Service to Increase Project Owner's Maintenance Ability

To ensure smooth project construction and effective maintenance after the project is completed, the Adipala Power Plant project department invited the project owner for an 8-week training program in China, which consisted of theoretical knowledge learning, simulator operation and plant internship. A total of 56 operators, management personnel and top inspectors from the project owner received the training. The project owner also had efficient exchanges with the Company on management during project construction and management on operation and maintenance after the project is completed. This laid a solid foundation for sound cooperation between the two parties during project commissioning.



People from project owner of Adipala Power Plant attended training graduation ceremony in China in May of 2013

### Set Safety Examples

Safety is the lifeline of project construction and an important guarantee for the delivery of quality commitments. CNTIC, bearing in mind the concept of people focus, putting life first, prevention first and safe development, takes work safety as the top priority and integrates it into every aspect of project construction. It adopts a series of rigorous and systematic practices to mitigate and prevent work safety accidents.

#### Safety Management

The Company adopts an occupational health and safety management system which consists of a work safety management committee that has a safety office for daily work safety management. We strictly follow a work safety responsibility system and maintain a safety management system covering the project department, project owner and constructor. We also sign a letter of responsibility for

work safety with all units, strictly fulfill the work safety responsibility to prevent any liability accident which causes deaths, severe injury or direct loss exceeding RMB 1 million (inclusive of 1 million), reduce the rate of minor injury accidents to less than 2%. Moreover, we incorporate these targets into annual assessment.

#### Safety Culture

CNTIC pays much attention to the leading and driving role played by the safety culture. Therefore, it strives to create an atmosphere for safety culture. It also institutes a training system for targeted education on accident prevention in line with the safety conditions in countries or regions where

projects are located. Moreover, it provides pre-job and on-the-job safety training for construction personnel to build a strong sense of responsibility and conscientiousness for safety among employees.



The Company's management team inspects work safety at Indonesian project site



Safety signs for Adipala Power Project



### Safety Actions

The Company attaches great importance to ensuring the safety of project personnel by launching safety checks to identify and eliminate potential risks in a timely manner. It adopts efficient emergency plans and response procedures, and puts in place project site emergency plans in line with local laws, regulations, geographical location and ambient

conditions to ensure well-organized and systematic response, rescue and evacuation in case of safety accident. Moreover, it maintains a mechanism to dynamically follow up international situations on a daily basis and provide early warning for overseas offices and staff in an effort to minimize the loss caused by emergencies.



Safety check on the support of construction scaffold at a culvert for Southern Sri Lanka Highway Project



Check on equipment safety performance for Southern Sri Lanka Highway Project

### Case Enhance Safety Management to Eliminate Potential Risks

In June of 2013, the Adipala Power Plant project department launched a one-month work safety campaign and organized comprehensive safety checks in the plant.

**Lighting check for construction at night:** The lighting for construction at night and other safety measures were checked, with the focus on wall closure and dead zones of lighting. A deadline was given for the rectification of any vulnerability to eliminate potential risks in a timely manner.

**Check for access badge:** Sub-contractors were organized to check the access badges of people entering the plant through the gate to keep away irrelevant personnel and maintain a good order in the plant.

**Check for the use of protection appliances:** Employees at all construction sites were checked for use of protection appliances. A warning was given to any breach to reduce the habitual disuse of protection appliances.

**Work safety in rainy seasons:** During rainy seasons, the increase of adverse weather conditions such as strong winds, thunderbolts and torrential rain posed much difficulty to work safety. To address this problem, the project department urged all the subordinates to pay attention to this issue in rainy seasons, adopted a responsibility system and organized checks on the prevention of thunderbolts, electricity leakage and landslide.

**Setting up on-site emergency medical center.** It was made sure that the ambulance and staff were standing by around the clock for timely evacuation and treatment in case of accident.

**Weekly meetings on safety:** The project department held weekly meetings to provide feedbacks on safety checks, specify detailed rectification measures, gave deadlines for the rectification, and demanded timely report on the rectification progress. This effort significantly reduced potential risks on construction sites and provided a solid guarantee for safe, healthy, sustained and smooth project implementation.



In-house emergency medical center





# Take Law from Nature:

## Ecological Civilization and Harmonious Coexistence

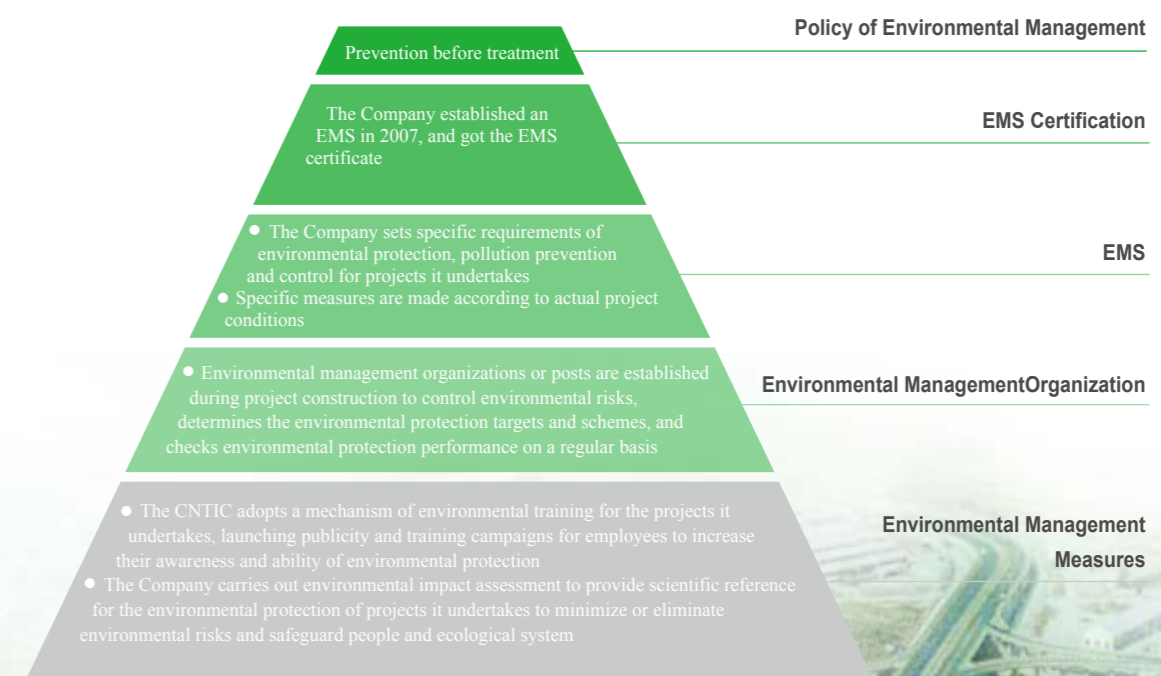
Man takes his law from the Earth; the Earth takes its law from Heaven; Heaven takes its law from the Tao. The law of the Tao is its being what it is.  
 — *Tao Te Ching*

At CNTIC, environment is taken as indispensable for the Company's survival and development. During our development, we keep reflecting on the relations between our core business along with climate change and energy crisis. We also capitalize on our advantages to reduce environmental crisis from engineering design, procurement, construction and operation and join hands with partners to address global environmental challenges.



### Intensify Environmental Management

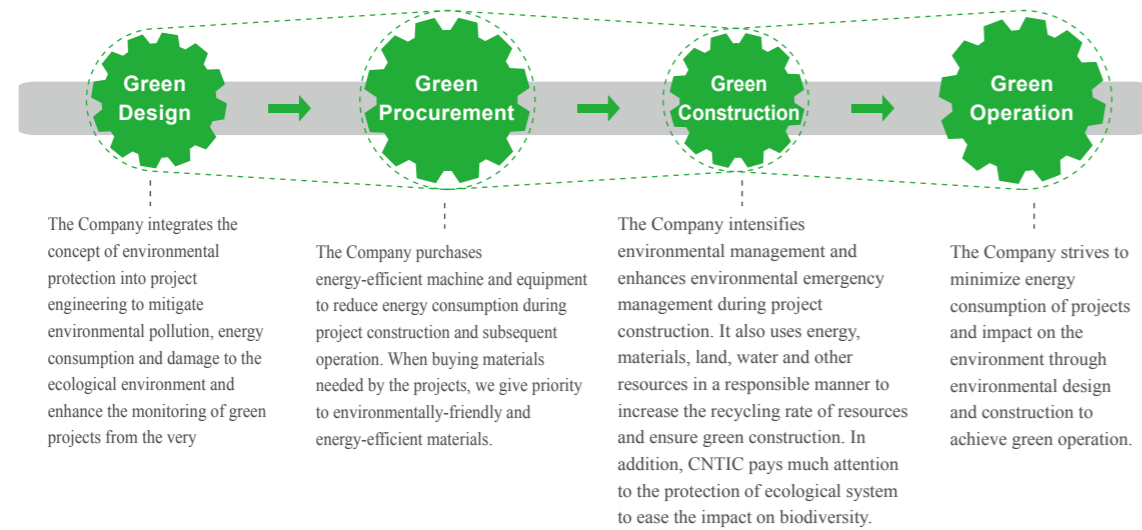
The Company follows a "prevention before treatment" policy for environmental management, adopts a sound management system, evaluates environmental risks, enhances supervision on environmental issues, and makes great effort to reduce resource consumption and mitigate environmental pollution. In 2013, all the projects newly built by the Company passed the environmental impact assessment, and no major environmental breach was reported throughout the year.





## Build Green Projects

For CNTIC, the integration of project sites into local communities and environments, material utilization and waste generation during project construction, energy consumption and environmental protection after the projects are put into operation are all of equal importance. We integrate the concept of environmental protection into every aspect of project construction, applying scientific management, advanced technologies and standard operation to build green projects and an energy-efficient and environmentally-friendly industry chain.



### Case Advance Comprehensive Environmental Improvement

The Karen Salt Lake is the primary water source of Fayum Province in Egypt. Due to evaporation and water pollution, the lake water's salinity keeps rising and is now even higher than that of sea, posing a significant impact on fishery in the lake region and on surrounding biological environment. As an environmentally-friendly project, the Phase-2 salt making project undertaken by CNTIC can not only provide industrial salt and edible salt to meet local demands, but also improve the lake's natural environment and enable a good future for local fishery and tourism.

Initially, based on the feasibility report provided by the project owner, the project was designed to extract magnesium sulfate heptahydrate from the mother liquor and use it to make fertilizer additive which could improve the

soil and boost local agriculture. However, the proposal to extract sodium chloride residue from the mother liquor and stockpile it as solid waste would still cause pollution later.

Therefore, we changed the original design proposal and added a free design of 19,000 tons of vacuum salt (NaCl) production capacity for zero discharge from salt making, thus significantly improving the local environment. Moreover, we helped the project owner improve processes and optimize the technical proposal for free, which resulted in phenomenal cost reductions, and higher water, electricity and gas utilization efficiency.

### Case Apply Green and Energy-efficient Building Materials and Processes

When building the Suralaya Power Plant, we maximized the utilization of renewable and environmentally-friendly materials. While meeting the process and professional operation requirements, the shape factor of the main building was controlled for direct and indirect energy conservation.

For lighting, ventilation and insulation, we made full use of natural light and thermal insulation of the building. Large electric shutters and a

large number of air-tight light inlet windows made of aluminum alloy were installed to admit natural light and adjust ambient temperatures by opening the shutters. Double profiled steel sheets complete with insulating cotton were used for building walls. Moreover, waterproof coiled materials and extruded plates were applied for insulation to minimize energy consumption.

### Case Protect the Local Ecological Environment of Construction Sites

During the construction of the Southern Sri Lanka Highway Project, the Company went all out to protect local fauna and flora so as to conserve the local ecological environment. We tried our best to keep plants within and outside the project limit intact and strictly prohibited unauthorized tree cutting. In addition, we adopted rehabilitation and afforestation measures for temporarily used land and land within the project limit to restore them to their original state.

The project is located in the habit of rare wild peacocks. Therefore, the project department set up a protective belt to keep away peacocks, effectively protecting the living environment of wild peacocks.



The project department is setting up a protective isolation belt



## Enjoy Green Living

Environmental protection is not only embraced in our operation, but also in the actions of each and every employee. We vigorously create a green and low-carbon working atmosphere to enhance the environmental awareness of employees. We also encourage our employees to lead a low-carbon way of life and conscientiously exercise green consumption, green commuting and green living.

### Green Office

The green office initiative can effectively save resources, reduce environmental pollution and lower operational costs. Therefore, the Company carries out office equipment management, day-to-day power conservation and classified garbage recycling to cultivate a habit of green office among employees.

#### Institutional guarantees

- Adopt a One Card for One Car refueling system and designate repair service provider.
- Establish a procurement and check-out system, designate specially-assigned people to manage consumable supplies and purchase office supplies labeled with an environmental mark.

#### Support

- Earmark funds to upgrade equipment for energy conservation and emission reduction purposes, and enhance the upgrade of energy-intensive transports, office equipment and information equipment to increase office efficiency and energy efficiency.

#### Equipment support

- Take advantage of integrated office equipment and Intranet to reduce the number and size of meetings and advance paperless office.

#### Actions

- Encourage employees to form a habit for environmental protection and conservation from trivial issues, including keeping the tap shut when not used, keeping photocopiers in energy-saving mode, printing on both sides, using their own glasses/cups and turning off energy-consuming equipment after work.
- Collect old office equipment and supplies and get them disposed of by qualified recyclers to effectively control the pollution caused by chemical materials.

## Low-Carbon Living

CNTIC organizes publicity and training programs on energy conservation, emission reduction and environmental protection with a strong sense of social responsibility and spirit of masters to cultivate a green corporate culture and involve employees in environmental initiatives. The Company also encourages employees to bring the “green concept” out of office, act with their families and friends to mitigate the negative impact of climate change, and extend the low-carbon concept to a wider audience.

- We issued a proposal on *Practicing Economy and Combating Waste* to Enable a Conservation-oriented Society, calling on the employees to start from trivial things and carry forward the traditional virtues of diligence, thrift and hard working.

- We launched publicity campaigns on classified garbage recycling and green initiatives to enhance the environmental awareness of employees and encourage them to act immediately for environmental protection.
- We organized a tree planting activity themed “Disperse Haze and Share a Blue Sky” to spread a concept of ecological civilization among employees and create better ecological conditions for a beautiful homeland with a blue sky, green land and clean water.



Tree Planting



## People-oriented: Achieve Values and Share Happiness

"You will be loved if you love the others, and you will be respected if you respect the others."

— Mencius·The Part Two of Lilou

CNTIC cannot achieve any growth or development without its employees, over 60 years, the employees' wisdom and dedication created CNTIC's success. The company always upholds the concept of people-oriented, value the uniqueness of each employee, and pays attention to talent selection, training and care. In addition, the company is not only committed to reward employees financially, but also built platform enabling the employees to realize their own values and enhance their sense of belonging and happiness.



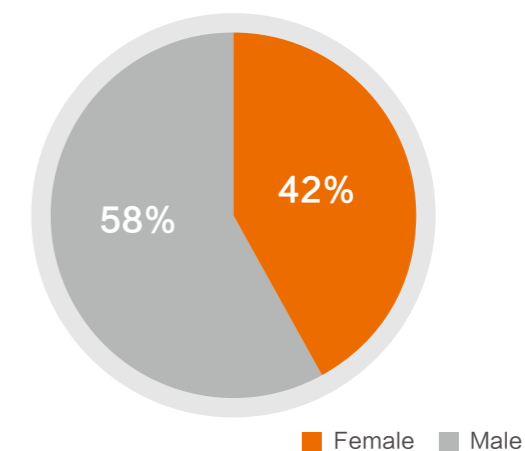
## Safeguard Rights and Interests of Employees

Started with building harmonious working relationship, CNTIC strives to treat each and every employee equally, safeguard their legitimate rights and interests, and respond to and meet their reasonable needs.

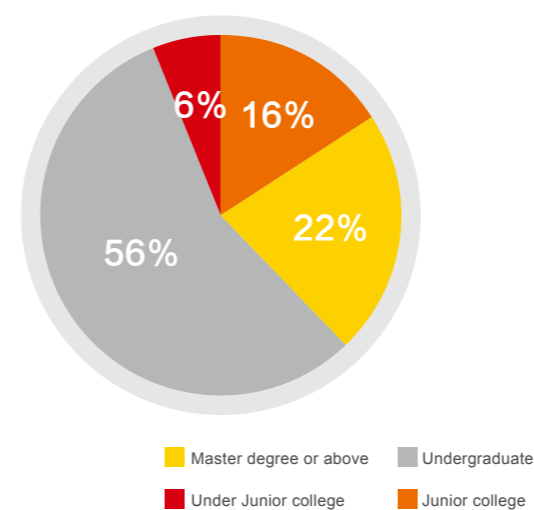
### Equal Employment

In order to let all employees do their best according to their lights, CNTIC is established on the basis of shared values and dedicated to build an equal and standard employment. Globally, CNTIC upholds the relevant local laws and regulations, respects human rights and refrains from discriminating employees on the basis of ethnicity, sex, race, nationality, age and religion, and prohibits child labor and forced labor. 100% of the contract signing makes the legitimate rights and interests of employees have been effectively protected. By the end of 2013, the company had hired 716 people including nearly 80 employees who work overseas on site.

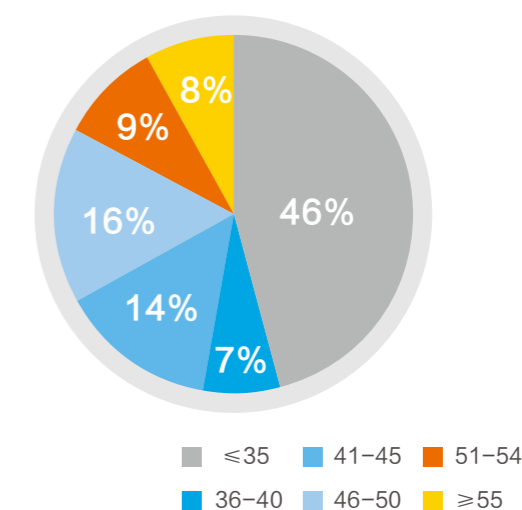
Male to Female Ratio



Age Status



Education Status

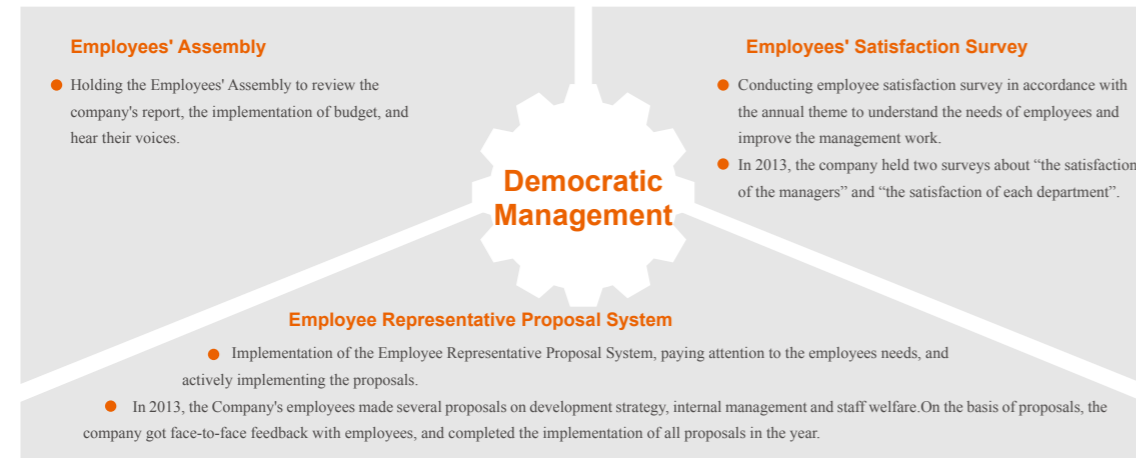




### Democratic Management

CNTIC respects the employees' opinions, relies on democratic management, and mobilizes the initiative of employees fully. The company is dedicated to understand and respond to the employees' demands and expectations through the establishment of a sound trade union and employees' assembly system, setting up suggestion boxes,

opening up complaint hotlines, holding employees discussions, arranging manager-employee meetings and some other channels. In 2013, the company had rectified 7 issues regarding employees' livelihood which improved the employees' working environment effectively.



### Case Listening to the Employees' Opinions with Whole Heart, and Taking Initiative to Solve Problems

In 2013, CNTIC carried out the party's mass line education and practice activities to determine working sections like "Learning from Education, Listening to Advices". The cadres at all levels understanding of the importance of the employees' opinions to the enterprise management, operation and development have been improved through approaches like "self-taught", "wide invitation on participation" and "wide discussion". The company also adopted methods of the establishment of contacting points, holding forums and conducting surveys to solicit opinions and suggestions. In total, 486 pieces of advices and suggestions were collected regarding style building, enterprise development, operation management, team construction and other aspects. After summarizing, there were a total of 13 categories and 67 pieces which provided constructive advices and suggestions to achieve the double upgrade of the company's style construction and management effectiveness.



Employees' Assembly in 2013

### Remuneration and Welfare

To enable employees to enjoy rich comprehensive welfare and benefits, CNTIC not only provides employees with five social insurances and one housing fund as required by laws and regulations, but also provides additional commercial insurances, housing subsidies, lunch, physical examinations, paid annual leave and many other benefits. Because of the risks of the overseas engineering contracting business, the company also has insured personal accident insurance for all overseas employees with full coverage worldwide, so overseas staff and their families have nothing to worry about.

### Expand Development Opportunities

CNTIC explores the value of employees, and provides a platform for them to display their talents. The company also provides a full range of training and multi-channels to development based on the company's development and employees' needs, and continually creates opportunities for the employees' development.

### Employees' Training Program

CNTIC provides comprehensive training for employees throughout their entire career. In order to cultivate the sound environment for employees to develop, the company also improves the training system aiming to enhance the quality of training and capacity building. We have created an internal trainer mode to foster trainers who understand the company and employees well, so to provide customized training programs.

In recent years, in order to meet the needs of overseas development, CNTIC has strengthened the professional training as required by the international projects, including program management, project management, marketing, project budget estimating and so on. We strive to cultivate professional managers, enhance leadership skills of middle-level cadres, and create all types of personnel in line with the company's development needs. In 2013, the company has invested a total of RMB 1 million carrying out 15 training programs with 300 participants, and each participant has been trained for 40 hours in average.



### Case Keeping the Flame Alive

"Keeping the Flame Alive" training program started in 2012, and the theme came from one of the Chinese ancient phrases which means passing down knowledge from generation to generation to keep it alive for ever. The training targeted the middle level managers and key personals from business sectors. The main purpose was to develop internal trainers, and a total of 25 people participated in the first phase of training. The program provided participants with skills of training course development, teaching and coaching skills which effectively promoted the company's internal knowledge and culture passing down.



"Keeping the Flame Alive" Training Program

**Case** Paving the Road to Become a Key Personal

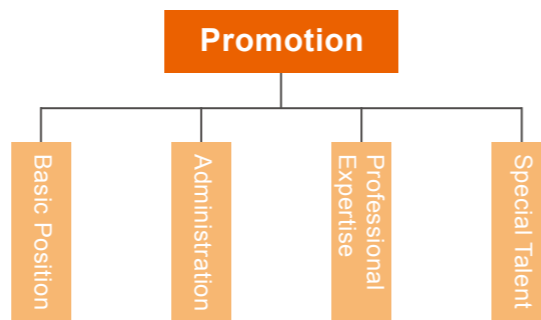
CNTIC developed "the Road to Become a Key Personal" training program to improve the leadership skills of managers and promote team building. Based on personality traits, leadership style and evaluation results from employees, the company carried out a tailored course about advantage leadership. The participants have a better understanding of the management work about their own positions with guidance by experts and through PK tournament, reading experience exchange and so on. The training program has been hold three times with a total of 98 participants.



The first phase of "the Road to Become a Key Personal" training program

**Career Development**

Based on the evaluation of jobs and skills, CNTIC has established a performance-oriented position system in order to attract and motivate staff which opens up a good career path for the employees. The company has introduced a number of provisions, established a hierarchical and classified human resource management mechanism, and encouraged employees to realize their full potential in the area of their expertise, and achieve sustained growth and development.



**Case** Open Competition, Equal Opportunity

CNTIC ceaselessly promotes the reform of personnel system, establishes an appointment mechanism which is democratic, open and competitive to promote talent development. In 2012, the company hold the first openly post competition for the middle level managers and the vice representatives of overseas offices. After the process of qualification review, management

quality assessment, comprehensive interview, democracy investigation and publicity, the company appointed five overseas vice representatives and a deputy general manager. The open and transparent process, and fair and equitable competitive result enable each employee to have an equal opportunity for promotion.

**Build a Happy Home**

CNTIC advocates for changing work style, improving work environment, providing ways to release stress, and helping employees realizing the balance among the work, family and life.

**Work Merrily**

CNTIC uses sports and recreation activities as bridge to mobilize the employees' working enthusiasm and creativity, active cultural atmosphere, hold employees together, and create a harmonious work environment for the corporation's health development.

Over the years, CNTIC has organized group trips, recreation performances, choirs and other activities and sports events including badminton and basketball competitions, Chinese chess and billiards goodwill games helping employees to shape a healthy and happy lifestyle and achieve the best physical and mental state .



The company's chorus performance



The employee's spring trip



New employees' outward training



Tug-of-war competition



### Sunshine Mentality

In order to assist the employees to adjust to the best working condition, CNTIC has organized "Sunshine Mentality Project" to help the employees establish positive and healthy attitude which enables them to better cope with pressures from work and life, so the employees can "work happily, and be happy at work".

In 2013, CNTIC has launched several seminars including "Winning at the Starting Point", "Workplace Decompression", and "Mental Health" to provide effective guidance and help for employees to reduce stress and achieve sunshine mentality.



Seminar about workplace decompression

#### Case Parenting Education, getting closer to Children

Before "June 1"— the Children's Day in 2013, in accordance with the arrangement of "Sunshine Mentality Project", CNTIC held "Parenting Education" interactive training to help parents who are busy at work or frequently on business trips to communicate with their children and solve problems about their education. More than 30 young parents and pregnant mothers participated in the activities and gained knowledge and practical skills about parenting.



The training site of "Parenting Education"

### Care for Employees

CNTIC developed *Relief Approach for Employees Who Having Financial Problems* to establish the employee relief system. The company provides subsidy for employees or their families who have critical illness to settle down the worries of employees. The company remembers that the retired employees had made great contribution to the company's development, and make persistent effort to provide services for them, helps them solve problems in life, and cares about them.



Having a discussion with the retired employees at the Chinese New Year

CNTIC bears female employees' practical situation in mind, and strives to meet their needs from different aspects. The company also helps female employees create a good living and working environment. In the aspect of work, female employees have the rights to be equally paid and

promoted. In the aspect of life, the company holds lectures about physical health of women for them, on each "March 8"— the Woman's Day, the company organizes "Spring Action"— walking around the lake and other activities.



"Spring Action" walking in the Olympics Park on March 8, the Women's Day



Lecture about women's health

#### Case The Nursing Room for Mothers Who Carrying Milk back Home

The modern way of working is a catalyst for "Mothers who carrying milk back home". To protect the rights and interests of female workers, CNTIC set up a special nursing room with refrigerator, ice packs, power outlets, tables,

chairs and other facilities to provide a convenient, quiet and private space for working mothers who are also breast feeding their babes, so they do not have to worry about their privacies.

# Value Harmony to the Most:

## Mutually Beneficial Development and Win-win by Cooperation

“The function of the rites is to value harmony to the most ”

— *Analects of Confucius· Xueer*

Valuing harmony to the most is the way that CNTIC getting along with stakeholders. The company has never forgotten concerning and returning to the community while making its own considerable development. In order to achieve sharing values with its partners and develop harmony relation with the community, the company also aims to create a mutually beneficial partnership and a community relationship which pays attention to humane care.



### Create Shared Values

Under the trend of increasingly sophisticated social division of labor, any problem happening to any process of the industrial chain, the enterprises in the chain will be tremendous impacted. In a rapidly changing market environment, CNTIC knows the long-term development only can be achieved by mutual support, mutual understanding and sharing positive results with business partners.

### Industrial Chain Management

CNTIC has strengthened the scientific and effective management for suppliers and subcontractors using the way of selective bidding, public bid opening, and all closed bidding evaluation to ensure all tenders bidding in a fair, just and open environment. By strengthening audit, and

the establishing of liability database, we sign procurement contracts in strict accordance with the results of bidding evaluation, and not default any payment maliciously in the execution of the contract, in order to create a sunny and transparent environment for cooperation.



CNTIC minds the protection of intellectual property rights for all parties. In the contracts that signed with property owners, subcontractors and suppliers, the ownership of intellectual property is clear, the confidentiality obligation of intellectual property and proprietary technology is determined, intellectual property protection rules and regulations and the remedies for the violated intellectual property is specified in order to safeguard the legitimate interests of the party who owns intellectual property rights and avoid intellectual property disputes arising from the unclear agreement.



### Support suppliers

CNTIC provides technical assistance and business training for subcontractors to help them improve the quality of product and service; The company also innovates the ways of subcontracting, integrates strengths and resources of

every party to achieve risk-sharing and benefit sharing; In addition, the company assists suppliers and subcontractors to improve their sense of social responsibility and performance continuously.

#### Case Giving People not just a Fish, but also Teaching People how to Fish

Using means like project operation or subcontracting during the construction of Suralaya Power Plant Project in Indonesia, CNTIC improved engineering and management capacity for partners to achieve mutual benefit and win-win situation.

in civil engineering and installation process of large and complex equipments to enhance their skills.

From the beginning of the project, CNTIC was actively looking for partners in Indonesia and hoping to foster an engineering company who has capability to provide support for the further development of the company in Indonesia. We sent dozens of professionals to instruct the partners

Since the implementation of the project for two years, CNTIC has not only brought profits to our partners, but also has improved their engineering and management capacity, and cultivated a number of technical and engineering professionals which has laid a solid foundation for future development.

#### Case Picking up Parcels from Another Place for Convenient

In order to strengthen cooperation with subcontractors and reduce their pressure of transportation, CNTIC cooperates with DHL in Adipala Power Plant Project signing an agreement of pick-up parcels from another place. We provide small cargos and pick-up off-site in the area covered by DHL

as much as possible to maximize the speed of the delivery. The initiative is expected to help subcontractors save more than RMB 0.6 million on shipping costs.

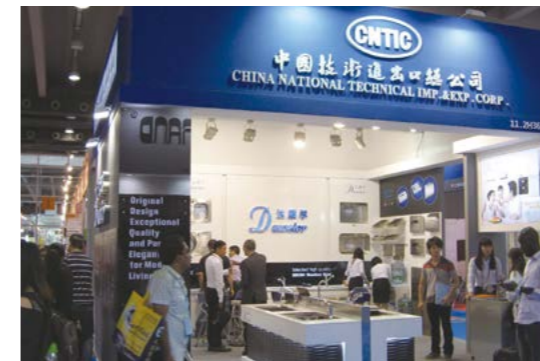


The Suralaya 1X625MW Coal-Fired Power Plant

### Industrial Development

CNTIC is in strict compliance with the order of the industry, leads and maintains healthy development of the industry, and promotes standardization and scientific of the industry through the establishment of industry norms

and standards. CNTIC also actively participates in industry exhibitions and fairs to share development experiences with the other companies.



CNTIC attended China Import and Export Fair



CNTIC attended China Engineering & Technology Exhibition in Sri Lanka

CNTIC attaches great importance to exchange and cooperate within the industry. Through participation in domestic and international industry conferences, forums and exhibitions, it shares experience in business development with other companies, and promotes the sustained and healthy development of the industry.

| The Name of the Association  | The Year CNTIC Joined the Association | Position                          |
|--|---------------------------------------|-----------------------------------|
| China Chamber of Commerce for Import and Export of Machinery and Electronic Products | 1988                                  | Vice chairman                     |
| China International Contractor Association   | 1992                                  | Business director                 |
| China Chamber of Commerce of Metals Minerals & Chemicals Importers & Exporters       | 1995                                  | Member                            |
| China Chamber of Commerce of Foodstuffs and Native Produce                           | 1995                                  | Member                            |
| Statistical Society for Foreign Economic Relations and Trade of China                | 2000                                  | Director                          |
| China-funded Enterprises (the Philippines) Association                               | 2004                                  | Chairman                          |
| China Chamber of Commerce in Indonesia   | 2005                                  | Vice chairman & Secretary-general |
| Chinese Enterprises Association in Sri Lanka   | 2012                                  | Member Unit                       |
| China Chamber of Commerce in Vietnam   | 2006                                  | Director                          |
| China Chamber of Commerce in Bangladesh  | 2006                                  | Member                            |
| Chinese Enterprises Association in Burma   | 2006                                  | Member                            |
| Chinese Enterprises Association in Egypt   | 2005                                  | Chairman                          |

The domestic and foreign industry associations that CNTIC has joined

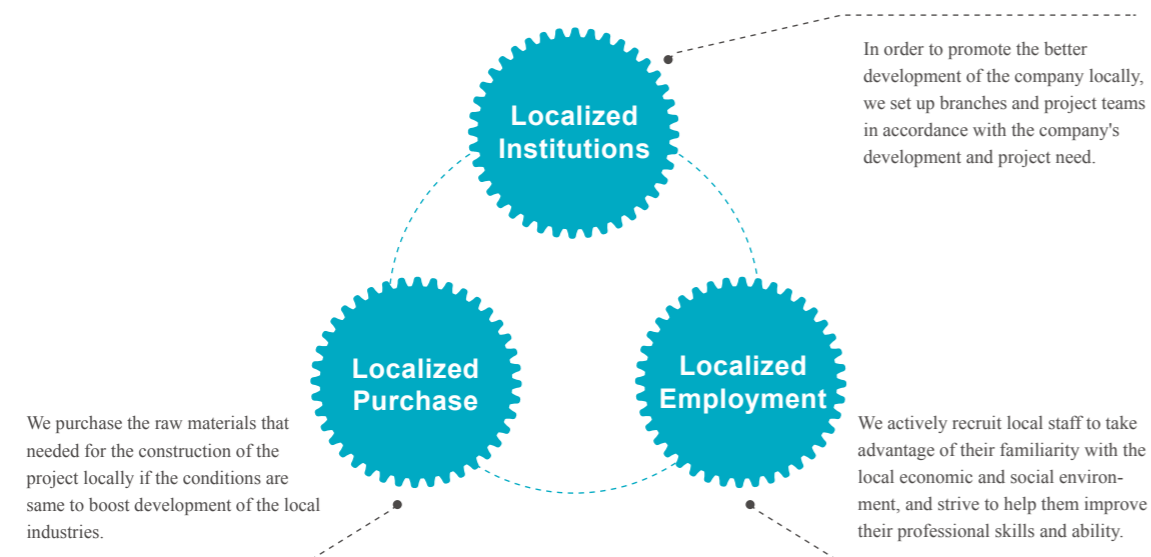
## Boost Community Development

CNTIC adheres to the principle of "active participation in local community's development and making its contribution in various ways". Integrating the concerns and needs of local stakeholders with its own capacity, the company provides a wide range of benefits to the local community which helps the long-term development of the community and becomes a harmonious community.

### Localized Operation

CNTIC regards itself as a member of the local community and actively integrates itself into the local development. The company set up local institutions to provide more employment opportunities for local people. As long as the

quality and safety can be ensured, the company maximizes its localized procurement to further promote the localized operation.




- CNTIC set up overseas institutions in the Philippines, Iran, Vietnam, Uzbekistan and other places which are responsible for developing and operating local businesses.
- The amount that CNTIC subcontracted and purchased locally for Suralaya Power Plant Project reached 28% of the total contract amount.
- CNTIC has hired a total of 1,781 local people for Adipala Power Plant Project accounting for 80.19% of the total employees.

## Infrastructure Establishment


Through active and effective communication with the community, CNTIC gets to know the most urgent needs of local people. Combined with its main business advantages, the company actively helps the improvement of local transportation, medical, recreational and infrastructure facilities, and shares the development with the community.

- We built medical stations for the remote villages in Indonesia where are short of medical facilities, and sent medical staff to provide free medicines and services for local villagers.
- In Suralaya Power Plant Project, we constructed basketball and badminton courts for the nearby community which enriched the local residents' leisure life.
- In Egypt Salt-making Project, we built a number of roads for local community voluntarily to improve local traffic conditions.

**Case**  **Helping bury beached whale**

In August of 2011, a dead whale was washed up on the beach about 28 km away from our project site in Matara city of Sri Lanka. The whale weighted about 28 tons and began to rot. So the local police decided to get the whale out of the beach and bury it there. However, this plan was hindered by the lack of heavy-duty machine.

Learning this, our project department wasted no time to help the local police by sending a loader and a trailer to the beach. After 7 hours of hard work, the whale was pulled out of the beach and buried there. This event further brought CNTIC and local police and residents, facilitated the coordination and communication between the project department and local government, carried forward the excellent working style of CNTIC and significantly advanced the smooth implementation of the Company's projects in Sri Lanka.

**Case**  **Building road for convenience of local people**

Traffic conditions are of great importance to local community residents and project implementation. The Adipala Power Plant lies in a remote area, where local road conditions fail to meet the demand of project construction. Therefore, the project department started to plan access roads and country roads at the initial implementation stage.

In addition, there was a road for local residents in the project construction area. For the convenience of local people, the project department kept the road as it was when setting up temporary walls and carried out construction in other areas. When the country roads were repaired, the project department put up permanent walls to completely seal off the factory area. The roads built by the project department brought convenience not only to the project, but also to local people. As a result, the project department won the support and trust of local community, creating a sound external environment for the Company's business development in the region.

Due to road construction, local roads were needed for the transport of rocks and backfill, which would impact local roads and residents. Therefore, the project department communicated with local government and people beforehand, promising to schedule transportation at regular time and repair local roads in a timely manner.



### Cultural Education

In regard of culture, CNTIC fully respects the customs and religious culture of the community where our program is operating, organizes and takes part in local cultural and sport activities, and participates in community cultural development. In regard of education, CNTIC has donated money and materials to local communities to improve their educational facilities and enhance the quality of education.

- Before the kicking-off of any overseas project, we issue local culture manual to employees, provide relevant trainings, and remind them to observe local culture and customs.
- In Uzbekistan, we constructed free computer classrooms and provided free computers for local schools to promote development of e-learning and online teaching.
- In the power plant project in Indonesia, we respected the local culture, donated cattle for Ramadan, and celebrated the festival with local people.
- In the Southern Highway Project in Sri Lanka, we donated computers and school bags for local primary schools to improve teaching conditions; We also had social activities with local residents to integrate into the local culture.



Donating computer rooms for Uzbekistan School



Hold fellowship with community resident in Sri Lanka

### Charity Activities

With a caring heart and the sense of responsibility, CNTIC is a company full of love and kindness. Over the years, CNTIC has carried out various content-rich community contribution activities, and actively improved the quality of life of the surrounding vulnerable groups. We care about the development of poverty-stricken areas and donate clothing for them; We also care about and take part in the relief of natural disasters; Furthermore, we are keen to get engaged in charity activities and participate in a variety of volunteer activities.

- We actively carry out "Double Care" activities and organize donation activities jointly with Tongxinhuohui charity shop.
- We donated learning materials to the students from Fanshan Tuoli elementary school, to help them to improve the school condition.



Organizing second-hand clothes donating activity



Donating learning materials to elementary school students

- We donated 0.45 million pesos (US\$ 10,600), and organized and donated three excavators which were worth 8 million pesos (US\$ 0.183 million) to help the local people fight against the disaster when typhoon "Swallow" slammed into Philippine.



Donating excavators to the Philippines

- When the earthquake hit Indonesia in September 30, 2009, we donated rice, drinking water and other supplies to Padang municipal government and its people.



Donating materials to Padang city, Indonesia

- We organize free blood donation many times to help people who are in need and pass our love to them.



The employee who donated her blood

- We donated 240 sets of chair and desk for Liujiapu Primary School in Zuowei Town, Huaian County, Hebei Province and encouraged the students to "make reading a habit and be ambitious about their future".



The students from Liujiapu Primary School who received the donation.



# Outlook

In the future, by creating "efficient, scientific, standard and high-quality" management platform CNTIC will further enhance its overall management ability, explore the company's inner power to grow, effectively enhance the quality, efficiency and core competitiveness of development, and gradually drive the leap from quantitative to qualitative. Meanwhile, the company will enroot the corporate culture into each employee's heart, build a harmonious unity for the staff, and achieve the smooth, balanced and sustainable development.

**Accelerate the transformation and upgrading to achieve Sustainable Development**—Upholding to the concept of "integrity is the foundation of the business", CNTIC will optimize its business structures, provide customers with diversification and high-quality capacity building services. The company will also actively develop project contracting and complete export business, consolidate the innovative development of domestic and foreign trade business, as well as explore and foster the development of integrated project management services. In addition, CNTIC will build industrial chain and value chain which are closely related to its main business, accelerate the transformation and upgrading of being a specialized international engineering contractor and professional project manager, and expand overseas market.

**Create ecological engineering to build ecological civilization**—Implementation the concept of "Environmental Protection Comes First", CNTIC will co-exist with the environment in harmony. The company also will explore the green development mode and actively handle climate change through improvement of the environmental management system, strengthen environmental risk management and the construction of environmental protection during the entire process. Furthermore, CNTIC will strive to improve the environmental protection awareness and the ability of employees by carrying out a variety of environmental advocacy and activities and make contributions to the construction of ecological civilization.

**Explore the value of staff and share the development achievement**—Insisting on the concept of "People-oriented", CNTIC will build market-based assessment, remuneration and selection system to achieve the talent's survival of the fittest and orderly replacement, and continue to optimize personnel structures; Second, CNTIC will continue to use "the road to become a key personal" and "keep the flame alive" as the carrier to provide diversified and targeted training, and strengthen frontline training, improve the employees' vocational skills and ability to accelerate the growth of the team; Third, the company will improve and expand career development path, and gradually establish internal talent mobility mechanisms to help employees realize their own value and the enterprise value; Finally, CNTIC will continue to create sunshine mentality for employees, carry out rich cultural and sports activities, and care about employees' physical and mental health.

**Join efforts with local communities to seek common development and mutual benefit**—Strengthening the concept of "Valuing Harmony to the Most", CNTIC fulfills its social responsibilities conscientiously. For example, using its advantages of capital and technology, CNTIC contributes for the local communities' economic development, community development, and education and culture development; CNTIC continues to strengthen supply chain management and builds a transparent, fair and healthy industry environment; CNTIC also actively participates in charity undertakings, and focus on disaster relief at home and the project site, also helps people who are in need by donating money, materials and school supplies to establish a responsible corporate image.





## Expert Comment

CNTIC's Corporate Social Responsibility Report in 2013 is the first CSR report that released by the company. The report has systematic reviewed CNTIC's responsibility history since its establishment for over 60 years, with the main frame of "Country Foremost", "Build Business with Integrity", "Take Law from Nature", "People-oriented", and "Value Harmony to the Most". Using concise words, informative data and clear structure, the report vividly demonstrates the outstanding contributions of CNTIC to the nation, its customers and its employees, as a large state-owned enterprise mainly engaged in technology trade, project contracting and integrated project management.

**Integrating responsibility with demands of the era.** The report shows the practices and achievements of CNTIC since its establishment, which is focused on the demand of the times, in the aspect of helping the development of the nation and meeting the demand of the people's livelihood; the report also demonstrates the corporate spirits of integrity, responsibility, innovation and harmony, and core values of social responsibility. Especially in recent years, using its sophisticated technological trade advantages, CNTIC has taken active actions in the construction of state's key projects, such as the program of the localization of heavy-duty gas turbine, the third-generation nuclear power self-reliance, and the high speed train technology introduction. The company also has played an important role in promoting the localization of advanced technology and equipment as well as improving the technological level of industrialization and industrial structure.

**Setting an example of fulfilling responsibility overseas.** With the acceleration of the pace of the SOEs "going abroad", the international community's requirements for these enterprises fulfilling their social responsibility has increased as well. As an international engineering contractor, CNTIC operates overseas with highly responsible attitude. The company observes local laws and regulations, builds high-quality projects, actively practices in localized operation, promotes the development of overseas employees, protects local ecological environment, and boosts common development of local industry chain. Furthermore, CNTIC is committed to the common development with the host countries, and bring tangible, sustainable economic and social benefits to them as well create shared values with them.

**Sincere communication with stakeholders.** As an international project contractor, CNTIC, in its operation practices, based on the principles of equal dialogues and frank exchanges, discloses relevant information to stakeholders through a variety of channels and ways, and responds to demands and expectations that stakeholders care the most. In this year, CNTIC actively publishes its CSR report which systematic and comprehensively discloses of CSR practices and performance to stakeholders with plain language, and further demonstrates its corporate image to the society as a responsible and transparent company.

The 3rd Plenary Session of the 18th CPC Central Committee proposed the overall objectives and main tasks of deepening the reform of SOEs and suggested SOEs' implementation of CSR as a key measure. As the backbone of the national economy, SOEs should strive to set an example about taking social responsibility. In the future, I sincerely hope that CNTIC can continue to explore and promote the building of the social responsibility management system, earnestly implement harmonious development strategy of SOEs which had been proposed in "the 12th Five-year-plan", enhance sustainable development capacity, and strive for contribute for the sustainable development for the social and the enterprises.

Deputy Director of SASAC Research Bureau  
Hou Jie



In recent years, CNTIC is one of the companies that I've been in touch often due to work and the company has impressed me deeply. I can feel CNTIC's strong will of being responsible and its enterprise spirit of "Sincere, Liability, Innovation and Harmony" in every social responsibility construction event of China's international contracting engineering industry that they participated, and the fully communication with their managers.

After seeing the first CSR report released by CNTIC, I believe it demonstrates the deep understanding that CNTIC has for CSR and its relentless pursuit of sustainable development. In general, I think this report has following features:

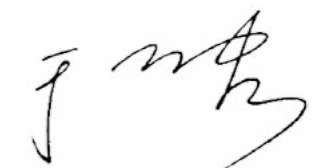
**It reflects the company's rich culture of being responsible.** CNTIC is a company which develops ceaselessly with the establishment of new China and accumulates rich culture within these years. The report starts its five chapters with quotation of "country foremost, build business with integrity, take law from nature, people-oriented, and vale harmony to the most ", and elaborates its responsibility practices for the nation, customers, environment, employees and the society. The report also creates a chapter of state responsibility, and systematic reviews its excellent historical contribution to new China's industry development using its technology trade advantage. The report is moving, and presents CNTIC's historical heritage and core competitive advantage to stakeholders.

**It discloses essential issues fully.** Integrated with the characteristics of international engineering contracting industry, the report discloses essential issues which stakeholders care about. As in the "localized management" section, the report systematic discloses the philosophy, practice and performance of CNTIC's implementation of localized institutions, purchasing, and employment, and demonstrates the company's operating globally with a more responsible attitude.

**Sincere communicate with innovative methods.** In this report, each chapter begins with the quotation of the concept of responsibility from classical literature, integrates with the modern time and CNTIC's responsibility mission, and demonstrates the new value that China's traditional culture has for Chinese companies "going abroad" and setting up an image of being responsible which provokes thought. Taking sincere communication with stakeholders as the starting point, the report is also full of endearing words, and the rich logic diagrams and charts just add to its visuality which enables stakeholders to understand, have faith in and support the company. The design and the text of the report is a unified entity, plus the international and modern design elements, the report is very much readable.

In summary, the report fully demonstrates CNTIC's philosophy and characteristics of fulfilling its social responsibility, and is a high-quality report which enhances its sincere communication with stakeholders. We sincerely hope that CNTIC will be able to integrate social responsibility with its business development strategy, and actively explore the social responsibility management with enterprise features, and will be dedicated to create greater value for the sustainable economic and social development.

Chief CSR Expert, GoldenBee Corporate Social Responsibility Consulting  
Chief Editor, China WTO Tribute  
Yu Zhihong



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# Questionnaire

We will appreciate very much that you send us the completed questionnaire so that we can continue to improve our work for the social responsibility of China National Technical Imp. & Exp. Corp. (CNTIC) and your feedback are very important for us to improve our work in this aspect. Your opinions and suggestions on the Report or on our work are valuable and welcomed.

### Your information:

Name: \_\_\_\_\_ Unit: \_\_\_\_\_  
 Tel: \_\_\_\_\_ E-mail: \_\_\_\_\_

### Your comments:

- How do you think the whole Report ?  
 Very good     Good     Ordinary     Bad     Very bad
- How do you think the information released by the Report ?  
 Very rich     Rich     Ordinary     Insufficient     Too little
- How do you think the quality of information released by the Report ?  
 Very high     High     Ordinary     Low     Very low
- How do you think the report design ?  
 Very reasonable     Reasonable     Ordinary     Poor     Very poor
- Please write down your opinions and suggestions on the social responsibility work of CNTIC as well as its Social Responsibility Report:  
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