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LEADERSHIP MESSAGE

BOC Aviation is a world-class aircraft operating lessor headquartered in Singapore and listed on the Hong Kong Stock Exchange (HKEX code: 2588). We are committed to building a sustainable global economy and to continuing to strengthen our business strategies and operations in the areas of environment, social and governance.

Strong corporate governance remains a fundamental part of our business, it is also one of our key strengths. We bring a 360° approach to risk management, with a clear focus on both the asset and liability sides of our balance sheet and cash flow. We have one of our sector's most gender diverse Boards, which features three female Board directors including our Vice Chairman.

Caring for our employees is a top priority. We commit to providing an inclusive, equal opportunity environment in which they can thrive. We are increasing our commitment to training, and we continue to emphasise coaching and mentoring. We have introduced a target to have at least three training days annually per employee, both related to their employment and in life skills, to enable them to reach their full potential. We have 20 nationalities in our employee base and half of our employees are female.

A robust ESG strategy will require hard targets. Commitments to shape the industry in which we operate must come from the players themselves. On the environment front, we are committed to having at least 75% of our owned fleet consisting of latest technology aircraft by end 2025. We were 100% carbon neutral for direct emissions through carbon offset purchases in 2022.

Having achieved our 2022 Hong Kong Stock Exchange targets, we are renewing and extending these and introducing additional targets relevant to our business.

The journey to being a sustainable corporate citizen is a marathon and not a sprint. We strive to work together with our stakeholders to achieve our targets in all aspects of ESG performance.

We would like to thank all stakeholders for your support and welcome your feedback on our strategy and initiatives.

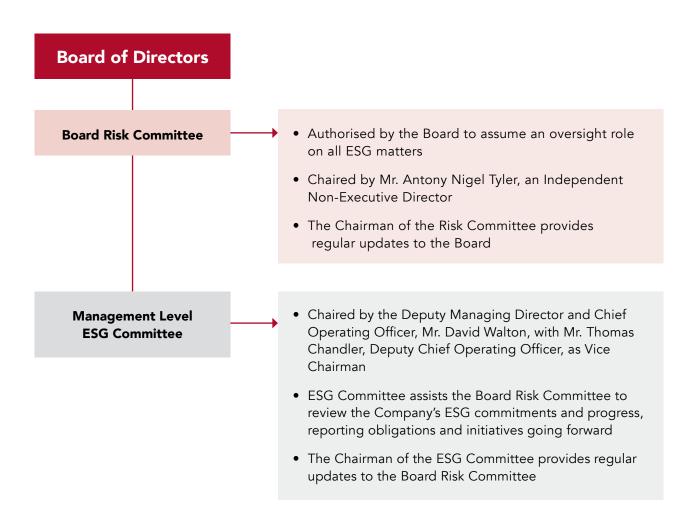
The Board of BOC Aviation

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE APPROACH

STATEMENT FROM THE BOARD

The Board has overall responsibility for evaluating and determining the Company's ESG strategy, identifying and addressing ESG risks, and ensuring that appropriate and effective ESG initiatives, risk management and internal control systems are in place. At the Board level, the Risk Committee has oversight of all ESG matters including the process used to evaluate, prioritise and manage material ESG-related issues, setting ESG targets and tracking progress made against ESG targets and goals.

At the management level, the Company's ESG Committee develops day-to-day ESG initiatives to execute the Company's ESG strategy and ensure compliance with the Listing Rules as they relate to ESG matters. The ESG Committee also regularly gathers feedback from employees, investors and other stakeholders on ESG matters to inform the Company's policies and activities.



OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE APPROACH

CORPORATE CULTURE

BOC Aviation aims to be a world-class aircraft lessor and is committed to growth, profitability and caring for employees.

FORWARD LOOKING

- BOC Aviation understands that to advance, it has to be forward looking. It is not a follower but adapts and innovates to be successful.
- We take a flexible approach towards growth that is built on a knowledge-based environment. Advance planning enables the Company to prepare for different potential future scenarios.



PROFESSIONALISM

- BOC Aviation strives to be a world-class global aircraft operating lessor with a portfolio of young, fuel-efficient aircraft leased to a diversified global customer base. In the quest for profitability and sustainable growth as part of a major global banking group, high standards of performance and behaviour are expected at all times.
- We are committed to high standards of fairness, truthfulness, and integrity in our relationships with our stakeholders. We believe such standards contribute not only to the credibility and stability of BOC Aviation but also to the smoothness and efficiency of business transactions.
- Exhibiting professionalism at corporate and individual levels ensures that the Company's and BOC Group's good reputation is upheld. Shareholders, customers, suppliers and other third parties will know that they are working with an ethical and honest organisation. Within the Company, there is an environment of integrity with mutual respect and trust among employees.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE APPROACH

MERITOCRACY

- BOC Aviation works on the principle of meritocracy. The Company does not practice discrimination or favouritism. It is committed to providing equal employment opportunities to all individuals without regard to race, colour, religion, gender, national origin, age, disability, marital status, or sexual orientation.
- All employees are empowered to perform their duties and take responsibility for their actions; promotions and compensation are based on the quality of work delivered.

EFFICIENCY

 BOC Aviation operates in a dynamic industry. To be competitive, the Company has to work fast and efficiently. This is complemented by an organisation structure that is lean with minimal bureaucracy; communication channels are open and decisions are made quickly.



TEAMWORK

- Employees are the foundation of a company. All employees have a role in contributing to the success of the Company. By cooperating and working together in the best interests of the Company, the strengths of each individual are harnessed.
- By working as a team in a fun, exciting and fast-paced environment, every individual will feel a sense of belonging and be committed and motivated.
- During times of stress, we encourage our employees to stay in contact with each other in person, by phone, or video conferencing, to be supportive and maintain overall morale in the Company.

ALIGNMENT OF INTERESTS

• The Company's remuneration policy seeks to align the respective interests of both shareholders and the employees by enabling staff to share in the financial success of the Company and act in the Shareholders' best interests with appropriate balance between profit generation and long-term sustainable growth.

ABOUT BOC AVIATION





CORPORATE GOVERNANCE and







71% of owned fleet is latest technology aircraft



100% of orderbook is latest technology aircraft

192
employees across
five offices globally



DEVELOPING and RETAINING TALENT

is a priority

2022 ESG HIGHLIGHTS

ENVIRONMENT



carbon neutral for direct emissions

100%

latest technology aircraft in the orderbook

71%

latest technology aircraft in the owned fleet

REDUCED

resource consumption

NEW TARGETS

on direct greenhouse gas emissions reduction



average fleet age

SOCIAL

MORE THAN 4,200 training hours

50% female representation

in our workforce

nationalities across five offices

1,300

volunteer hours in local communities



YEAR-LONG

coaching programme launched

SUPPORTS AIRLINK

and other global and local NGOs

GOVERNANCE

female Board Directors

independent **Board Directors**

lines of defence in risk management

risk management focus

females in the management team

regulatory breaches

successfully completed compliance and cyber security training

COMMITMENT TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

BOC Aviation is committed to supporting the United Nations (**UN**) Sustainable Development Goals in order to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere by the target date of 2030. In particular, our initiatives are aligned with the following Goals:

END POVERTY IN ALL ITS FORMS EVERYWHERE

OUR INITIATIVES:

- We partner with local charities such as Food From The Heart that provides food assistance to beneficiaries in Singapore.
- The carbon offset project we supported in 2022, the Kasigau Corridor REDD+ Project in Kenya, has created more than 300 jobs.



ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

OUR INITIATIVES:

- We are committed to providing a safe and healthy workplace for our employees.
- In 2022, we organised a flu vaccination drive and launched the Mindfulness Based Stress Reduction course for employees.
- We moved into a BCA Green Mark Platinum certified¹ office, this is the highest certification standard for green buildings in Singapore.

ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

OUR INITIATIVES:

- Women accounted for 30% of the management team and 50% of our total workforce at 31 December 2022.
- Women received 52% of total training hours in 2022.
- We have three female Board Directors, including our Vice Chairman.

5 EQUALITY

PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

OUR INITIATIVES:

- In 2022, we recorded 2.8 days of training per employee.
- We offer competitive remuneration and benefits.



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

OUR INITIATIVES:

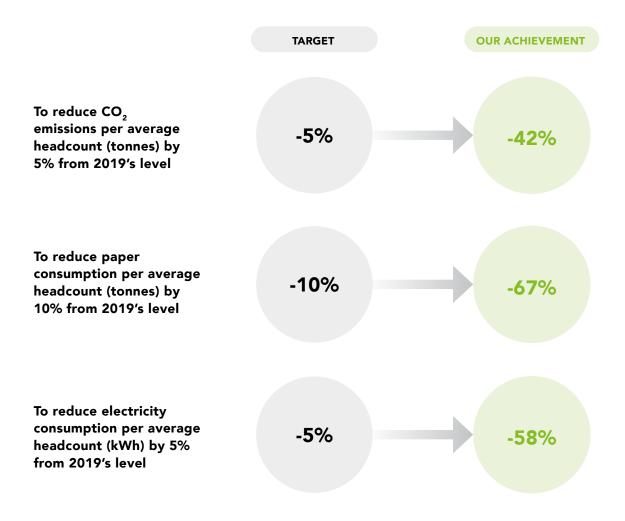
- 100% of our orderbook comprises latest technology aircraft that are at least 20% more fuel-efficient than the previous generation aircraft.
- We have a low direct carbon footprint that we are committed to further reducing. In 2022, we were 100% carbon neutral for our direct emissions through carbon offset purchases.
- Details of the BCA Greenmark Platinum Certification can be found on page 19.



RENEWING OUR COMMITMENT TO SUSTAINABILITY

TARGETS FOR THE PERIOD OF 2019-2022

Our first targets were introduced in 2020 and paced the company's ESG efforts over a period of three years. We are pleased to report to our stakeholders that our targets have now been achieved.

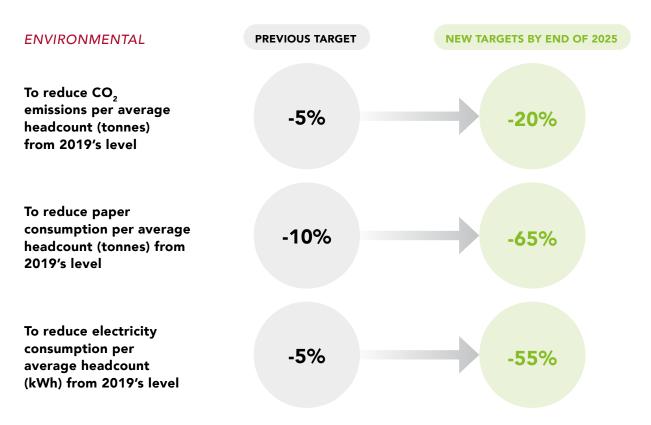


NEW TARGETS FOR 2023-2025

In order to continue our drive to sustainability, we have established a new set of targets to be achieved by end of 2025. These include targets set in compliance with the Hong Kong Exchange's Environmental Key Performance Indicators.

Our targets will continue to use 2019 as a baseline, as the following years saw global shifts in travelling and working, and might distort data comparison.

RENEWING OUR COMMITMENT TO SUSTAINABILITY



OTHER NEW TARGETS BY END OF 2025

ENVIRONMENTAL

- Being 100% carbon neutral every year for direct CO₂ emissions through offset purchases
- At least 75% of latest technology aircraft in the owned fleet
- To maintain an orderbook of 100% latest technology aircraft

SOCIAL

- To have at least 3 training days on average, per employee annually
- At least 45% female representation in the workforce

GOVERNANCE

- At least two female Directors on the Board
- At least 25% female members in management team

STAKEHOLDER ENGAGEMENT

Ongoing stakeholder engagement to drive ESG efforts continues to be a hallmark of 2022.

Stakeholder	Platforms	2022 Achievements	
Customers	 Latest technology aircraft leased to global airline customer base 	 Delivered 34 latest technology aircraft 	
		 Customer base of 84 airlines in 39 countries and regions 	
Employees	 Regular business updates to employees throughout the year Training and development Focus on employee health and safety CEO Circle 	 Coaching Connect initiative launched in September 2022 to encourage employees to take ownership of their professional growth and development Two employee surveys to gather employees' feedback More than 4,200 hours of training, with each employee having an average of 2.8 days of training annually 	
		 100% of employees completed compliance and cyber security training that covered anti-corruption, anti- bribery and anti-money laundering 	
Investors	 Semi-annual results conference calls and roadshows Annual General Meeting Investor conferences 	 Held AGM on 9 June 2022 Participated in 550 investor and analyst calls and meetings including two results calls and one analyst 	
	 • Investor conferences • Analyst briefings • ESG issues actively discussed with investors • Day-to-day investor communication 	 briefing Hosted BOC Aviation Investor Day in Singapore Participated in 12 investor conferences attended by equity, fixed income and ABS investors and analysts Investor base survey, including top 25 equity and fixed income investors for feedback on ESG 	
		 Meetings and calls with ESG investors and analysts 	

STAKEHOLDER ENGAGEMENT

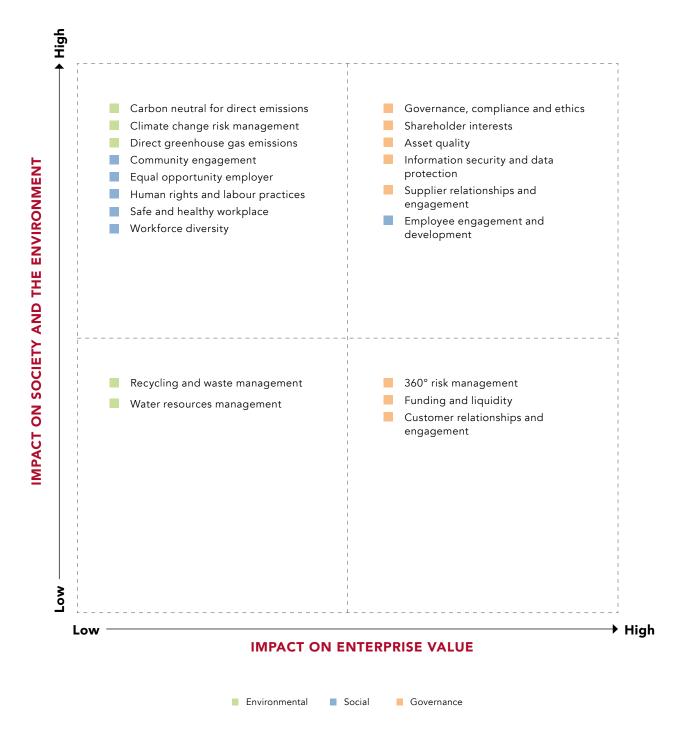
Stakeholder	Platforms	2022 Achievements	
OEMs & supply chain	 Procurement and Technical departments are responsible 	 Committed to purchase 147 latest technology aircraft 	
	for manufacturer and supplier relationship management	 Conducted a survey of top suppliers on their ESG practices and gave 	
	 Develop understanding of the ESG practices of the supply chain 	targeted feedback	
	до с р. авилосо ст. апо соррт, стат.	 ESG principles are part of vendor scorecards 	
Board of Directors	 Comprehensive monthly report from management to the Board 	 Held four Board meetings and 15 Board Committee meetings 	
	Quarterly Board meetings	 All Directors trained on anti- corruption, ESG and updates to the Corporate Governance Code of the Listing Rules 	
		 Annual Board and Board Committee performance evaluation conducted by the Nomination Committee 	
Regulatory authorities	 Procedures for compliance with relevant rules and regulations, and for staying up to date with regulatory developments 	 No material breach of the Listing Rules and other corporate regulatory requirements applicable to the Group 	
		 Dedicated team managing all corporate regulatory updates applicable to the Group 	
Banks	 Strong lending group of close to 50 banks 	More than 300 meetings and calls with bankers	
		 ESG issues actively discussed with bankers and investors including green/sustainability-linked financing options 	

STAKEHOLDER ENGAGEMENT

Stakeholder	Platforms	2022 Achievements
Credit rating agencies	• Investment grade credit ratings	 18 meetings and calls with the rating agencies
		 Industry leading credit ratings reaffirmed; A- with Stable outlook by both Fitch Ratings and S&P Global Ratings
		 Ongoing dialogue about ESG criteria and qualitative factors for credit ratings reports
Media	Day-to-day media communication	More than 110 contacts with the media
Community	 Positive influence on our communities 	 Supported Airlink, Food From The Heart and Orbis, among other global and local non- governmental organisations

In 2022, BOC Aviation conducted surveys of our major stakeholders to identify material ESG issues, as set out below. The results will be instrumental in developing future ESG strategies for the Company.

MATERIALITY MATRIX



Material issues	Stakeholders	Our approach
Governance	Shareholders, government and regulators	 The Board has established and has oversight of audit, remuneration, nomination, risk and strategy and budget committees
		 Corporate Governance Manual is maintained and updated regularly to keep the directors and employees abreast of the key provisions and development of the Listing Rules and other applicable relevant corporate governance regulations
		 Committed to a gender diversified board with at least two female directors and 25% females in the management team
Compliance	Employees, government and regulators	 Clear policies, procedures and guidelines on compliance, international trade sanctions, anti-bribery, fraud risk, corruption, anti- money laundering, anti- trust, whistleblowing which are available for access on intranet
		 Annual training for all employees on all compliance related matters including anti- money laundering, anti-corruption, anti- bribery completed by all employees
Ethics	Regulators, auditors and employees	 Code of professional conduct sets important guidelines for all employees to understand and accept the rules regarding transparent, ethical and professional behaviour
		 Annual undertakings by all employees declaring any conflict of interest with the Company's business
		Annual training on policies and procedures

Material issues	Stakeholders	Our approach
Shareholder	Shareholders	• Single share class with equal voting rights
interests		 Investor Relations department to address Shareholders' questions and concerns
		• Annual general meetings of the Shareholders
Asset quality	Shareholders, banks and rating agencies	 Young fleet mainly comprising new technology aircraft, and a orderbook of 100% latest technology aircraft
		 Conservative depreciation policies
		 Active secondary market trading of aircraft to manage asset risk
		 Careful consideration of how evolving ESG factors affect residual value risks of our fleet
Information security and data protection	Employees, customers, OEMs and government	 Proactively identify data risk areas and mitigate data risks through periodic review of Company's operations
		 Standardised rules of business processes, systems and infrastructure that are subject to regular audits
		 Independent Security Operations Centre provides round-the-clock monitoring, alerting and responding to cyber security issues
		 Established a Cybersecurity Incident Response Plan and Incident Handling Team
		 Duty of care to protect personal data adhering to the Singapore Data Protection Act, General Data Protection Regulation in the European Union and China Personal Information Protection Law

Material issues	Stakeholders	Our approach
Supplier relationships and	OEMs and suppliers	 Highly experienced Procurement and Technical teams
engagement		 Annual survey of top suppliers on their ESG practices to develop understanding of their ESG practices
		 ESG is included in the scorecard for assessing vendors
Employee engagement and development	Employees	 Regular communications to update employees on the Company's latest developments and address employee questions
		 Attract and retain employees through competitive remuneration packages, including our equity incentive plans
		 Employee training programmes for Professional development, including further education programmes, on-site development, and on-line learning portals
		Formal coaching and mentoring
		Regular feedback on goals and performance

Material issues	Stakeholders	Our approach
360° risk	Regulators, governments,	• A 360° risk focus on assets and liabilities
management	customers, OEMs and suppliers, Shareholders, banks and rating agencies	 Three lines of defence in all areas, being management, the risk department and internal audit
		 Risk Committee works under direct supervision of the Board
		 Robust credit rating system monitoring risk exposure to all customers, suppliers and service providers
		 Regular detailed credit and risk assessment of all customers
		 KYC is conducted on all potential counterparties to identify potential risks
Funding and	Shareholders, banks, customers, OEMs and suppliers, rating agencies	Strong group of close to 50 lenders
liquidity		Diverse sources of funding
		 More than US\$5 billion of liquidity to invest in latest technology aircraft for leasing to airlines
Customer relationships and	Customers and	Highly experienced airline leasing and sales team focused on customer relationships
engagement		 Communication of our values and ethics through customer interaction

Material issues	Stakeholders	Our approach
Carbon neutral for direct emissions	Employees and Shareholders	 We maintain a low carbon footprint, which we actively work to reduce
		 Committed to being 100% carbon neutral for the Company's direct carbon emissions going forward
Climate change risk management	Customers, OEMs and suppliers, Shareholders and rating agencies	 Work with OEMs and our customers to deliver latest technology, fuel-efficient aircraft that reduce CO₂ and other greenhouse gas emissions
		 Reduce exposure to older technology aircraft. 71% of our owned fleet are latest technology aircraft, we aim to increase this to 75% by end 2025
		• 100% of our orderbook comprises latest technology aircraft
Direct greenhouse gas (GHG) emissions	Employees, Shareholders, bankers and rating agencies	 We exceeded our target to reduce direct GHG emissions by 5% per employee on average from 2019 levels by end-2022
		 New environmental target to reduce direct GHG emissions by 20% per employee on average by end-2025, from 2019 baseline
		 Office premise located in a BCA Green Mark Platinum* building

^{*} The BCA Green Mark Platinum is awarded to exemplary green projects that effectively demonstrate at least 30% energy savings based on energy efficiency measures and incorporate environmentally sustainable building practices and innovative green features.

Material issues	Stakeholders	Our approach
Community engagement	Employees and government	Support the communities in which we operate
		 Participate in various trade, business and industry associations to contribute to the growth and governance of the aviation leasing industry
		 Sponsorship of seven scholarships for Arab Air Carriers' Organisation member airlines
		No political donations
		 Contribute to the growth, affordability and accessibility of air travel by enabling our airline customers to connect communities globally
Equal opportunity employer	Employees and government	 Committed to providing equal employment opportunities to all individuals without regard to race, colour, religion, gender, national original, age, disability, marital status, or sexual orientation
Human rights and labour practices	Employees and OEMs and suppliers	 Committed to 17 UN goals, in particular goal 8 relating to decent work and economic growth
		 Surveyed our top 40 suppliers regarding their ESG practices, including forced and/ or child labour. All suppliers surveyed achieved a satisfactory score
Safe and healthy workplace	Employees	 New environmentally friendly and safe office in Singapore in 2022
		 Comprehensive policies and procedures establishing employee health and safety parameters and clearly communicated to employees
		• Identified employees trained in first aid
		Comprehensive employee health insurance

Material issues	Stakeholders	Our approach
Workforce diversity	Employees and government	 192 employees of 20 nationalities across five offices globally
		 Diverse workforce with an equal balance of male and female employees
		 Committed to 45% female representation in the workforce
		 Global talent pool with opportunities to leverage a cross-cultural and multi- jurisdictional working environment
Recycling & Waste Management	Employees	 Recycling bins in multiple locations in the Singapore office to encourage recycling Engagement with employees on recycling
Water resources management	Employees	 New office infrastructure aimed to conserve water
		 Conscious mindset to avoid and prevent waste in water resources





BUILDING AN INCLUSIVE CULTURE

BOC Aviation is an equal opportunity employer and works on the principle of meritocracy and does not practice discrimination. The Company is committed to providing equal employment opportunities to all individuals without regard to race, colour, religion, gender, national origin, age, disability, marital status or sexual orientation.

While we are a company headquartered in Singapore, we recruit from a diverse global talent pool based on various job requirements. Our employee benefits and remuneration are carefully structured to take into considerations the needs of employees from different backgrounds.

DELIVERING A WORLD CLASS CAREER

- ✓ Workforce diversity
- Cross-cultural working environment
- ✓ Competitive salaries
- ✓ Remuneration package
- ✓ Employee benefits
- ✓ Insurance coverage
- ✓ Career development and training
- ✓ Integrated talent strategy
- ✓ Graduate Management Associate Programme
- ✓ Coaching Programme
- ✓ CEO Circle

INTEGRATED TALENT STRATEGY

Our integrated talent strategy builds a strong talent pipeline to strengthen our business. We rely on five key pillars for our integrated talent strategy:

Recruiting candidates through competency-based assessments and with the right culture fit

Development of individual career roadmaps that reflect a range of talent needs and experiences Identifying talent by recognising performance and potential Retaining talent through continuous engagement and market competitive pay structures Succession planning through defining of mission-critical roles within the Company and talent mapping to these roles

GRADUATE MANAGEMENT ASSOCIATE PROGRAMME

BOC Aviation introduced a two-year Graduate Management Associate (GMA) Programme in 2018. The programme aims to bring in constant pool of young talent that we can develop into professionals in the aircraft leasing industry.

Our GMAs are rotated across two to three departments in the company during their initial years. Following which, they will be posted to a permanent position. The GMAs are paired with an experienced colleague who will coach and oversee their performance, as they go through on-the-job training. The mentoring is intended to provide a consistent source of support that would see the GMAs through their two-year programme.



Since the programme was launched in 2018, we have recruited 17 GMAs. In 2022, we recruited five GMAs



The BOC Aviation GMA class of 2022



"As someone fascinated by the aviation industry, I found the opportunity to start my career at BOC Aviation one I had to take. Despite being a fresh college graduate in my first job, I was given opportunities and responsibilities that were interesting and helped me learn a great deal about the industry. I felt that I contributed directly to the company in a positive way. It feels exciting to work with and learn from talented colleagues who have a genuine interest in not only what they do, but are also helping me shape my own personal growth in BOC Aviation."



"The aircraft leasing industry is intriguing yet foreign to a young professional like me. I am glad to be able to develop professionally here through acquiring market knowledge and insights from my colleagues, who are industry experts! I look forward to accelerating my learning curve and career through various rotations and mentorship from senior colleagues."

"BOC Aviation empowers GMAs to take charge of their own learning journey and career path. I have had the opportunity to participate in a broad range of aircraft leasing activities, such as aircraft sales and financial planning and analysis. These activities require crossfunctional knowledge within the company that keeps me engaged and curious. I look forward to learning more about the aircraft leasing and aviation industry!"





"As someone new to the aviation industry, I find myself continuously learning and challenged by a wide range of things. The company encourages cross-functional collaboration and provides me with the opportunity to work closely and learn from other departments. It gave me the chance to work alongside seasoned professionals and industry veterans who are able to mentor and guide me. I'm glad to be part of this BOC Aviation family, playing my part in its growth."

"I was previously doing a rotation at Legal and Transaction Management department and participated in a range of transactions including aircraft deliveries, leases, financings and sales. Since day one, I have received ample support from senior colleagues who continuously provide mentorship to ensure progress at the right pace. I look forward to stretching beyond my capabilities and potential as I progress."



The GMAs from our previous recruitment drives have moved across different job functions within the company. The two-year GMA programme has prepared for them to take on various challenges in their new departments. GMAs also have a hand in their own development, and are able to share their career aspirations and department preferences with the human resource department.



- Joined BOC Aviation: November 2020
- Rotated to: Strategy & Market Research, Enterprise Resource Planning, Aircraft Sales
- Received training on aviation law, lease accounting and third-party aircraft management



SAM BARRY
VICE PRESIDENT, AIRLINE
LEASING & SALES (AMERICAS)

- Joined BOC Aviation: August 2019
- Rotated to: Legal & Transaction Management, CCO Office, Airline Leasing & Sales (Europe & Africa), Airline Leasing & Sales (Americas)
- Received training in the areas of strategic selling, better understanding of aircraft products and market intelligence



YIPING XU ASSISTANT VICE PRESIDENT, AIRLINE LEASING & SALES

- Joined BOC Aviation: October 2018
- Rotated to: Pricing and Portfolio Management, Procurement, Legal & Transaction Management, CCO Office and Airline Leasing & Sales (Europe & Africa)
- Training programmes include market intelligence, negotiation skills and other aircraft-related training

LEADERSHIP

BOC Aviation's globally diverse next generation leaders are provided with mentorship with senior management who have between 24 and 36 years of experience which cuts across primarily banking, leasing and law.



The majority
of new heads
of department
appointed in 2022
are females



"I joined BOC Aviation in December and saw how the company united to close many key projects, including a major new aircraft order, in a span of a few weeks. The people are truly the most valuable asset. This strengthened my belief that we are a dynamic and resilient company, a dedicated team constantly looking to progress both the organisation's standing in the industry and their own development. My role as the Chief People Officer is to enable our people to scale greater heights, and to attract a talent pool who can complement this high-performance team."

"I joined the Aircraft Sales team at BOC Aviation, covering aircraft investors, in 2005. With my previous banking experience, I took on the role of Head of Treasury in April 2022, responsible for global funding. The switch from a transactional role to a managerial one requires different skill sets and experience and it has given me the opportunity to build on my leadership skills. The experience has been enriching so far and I look forward to further collaboration with the management team to bring BOC Aviation to new heights."





"BOC Aviation recruited me from a North American airline in 2014 to lead the first ever aircraft lease securitisation for an Asia-based company. I've had the opportunity to grow the firms' global presence while establishing new overseas offices in London and New York. Now based in the Singapore headquarters, I have witnessed the resurgence of Asian aviation first hand and am excited about the prospects for the team to capitalise on continued growth in the industry."

SUCCESSION PLANNING

We take an active role in managing our talent pipeline with the goal to groom individuals to take on bigger roles as they advance in their careers.

Apart from heads of department, deputy heads of department are appointed to ensure continuity in job efficiencies and also as part of BOC Aviation's robust succession planning. The heads of department and their deputies regularly work with human resources on training need analysis to meet the needs of their respective employees. This ensures there is effective performance of duties, and serves to help identify high potential candidates in each department's succession planning.

Adeline Lim, previously Senior Business Manager for the CEO Office, was identified as the deputy head of Risk Management in 2022. She was also named to the Airline Economics 40 under 40 Class of 2022, as a next generation leader who has first-hand, real world experience. Adeline is also a member of the Women in Aviation International, Singapore Charter.



"The turning point in my career has to be the transition from being an engineer in the defence sector to aircraft leasing. After joining BOC Aviation, I've had opportunities to interact with manufacturers, banks, airlines, and aircraft investors which have been eye opening. My posting to the CEO Office allowed me to take on a range of responsibilities from strategic planning, financial analysis and performance tracking to drive business outcomes. The experience has allowed me to hone my financial and risk management skills while collaborating with colleagues from all functions in the organisation."

ADELINE LIMSENIOR VICE PRESIDENT & DEPUTY HEAD, RISK MANAGEMENT

TRAINING AND DEVELOPMENT

Training and development of our employees is a key priority as we navigate the fast-moving aviation landscape. This is also in line with our integrated talent strategy, in which we create career roadmaps for every single one of our employees.

BOC Aviation delivered more than 4,200 training hours in 2022, which was 43% higher than 2021. This equated to 2.8 days of training per employee in 2022. Substantial training hours were committed to developing employees who are not in management roles.

MORE THAN
4,200
training hours
in 2022

2.8
days of training
per employee



Employees receive a broad base of training on a wide range of aviation and leasing topics

In 2022, each employee received an average of 22 hours or 2.8 equivalent days of training.

Summary	2022	2021
Total training hours	4,227	2,946
Average training hours per employee	22.0	15.8
Average training days (8 hours = 1 day)	2.8	2.0

	2022			2021		
	Hours	Days	% of total training hours	Hours	Days	% of total training hours
AVERAGE TRAINING HOURS BY GENDER						
Female	22.7	2.8	52	16.7	2.1	56
Male	21.3	2.7	48	14.8	1.9	44
AVERAGE TRAINING HOURS BY EMPLOYEE CATEGORY						
Management	18.8	2.4	12	16.0	2.0	14
Other employees	22.5	2.8	88	15.8	2.0	86
AVERAGE TRAINING HOURS BY EMPLOYMENT TYPE						
Permanent	22.1	2.8	99	16.0	2.0	99
Temporary	14.0	1.8	1	7.0	0.9	1

COACHING CULTURE

"With total assets greater than \$22 billion and less than 200 people, everyone has a key role to play. The Coaching Connect initiative is an important part of career development at BOC Aviation. This personalised approach creates the right environment for the team to achieve professional growth and contribute to our long-term success."

- Steven Townend, Deputy Managing Director and CFO

We continue to maintain a robust coaching program, in which 45 employees are trained as Leader-Coaches. They include senior management, heads of department, deputy heads of department and team leads. As at the end of December 2022, there were 91 employees in this initiative.

A Coaching Connect initiative was launched in September 2022 with the aim of encouraging employees to take ownership of their professional growth and development. As part of the Coaching Connect initiative, all employees would have the opportunity to select their preferred coaches and be paired with a trained coach for a year-long engagement.

In addition, all heads of department and their deputies are encouraged to have performance coaching sessions with their direct reports on at least a quarterly basis. These performance coaching conversations serve to monitor the progress of the employee's individual development roadmap.



Performance coaching on a

QUARTERLY BASIS

"My coach has been very helpful in understanding my objectives and provided insights to the value that I can bring to BOC Aviation. As I progress in my career and take on different roles in the Company, it is useful to seek feedback on how I can strengthen my current skillsets, as well as what new skills I can potentially acquire in the next few years. It has been a very personable session and I found it immensely helpful for my development."



KUM SUWEI
BUSINESS PROCESS MANAGER,
CFO OFFICE

"I was fortunate to have been paired with our CEO for Coaching Connect. Through my interactions with him during CEO Circle, I felt there was a need for a deeper engagement to tap on his expertise in the leasing industry, noting his 25 years with BOC Aviation. Fortunately, I was paired with him and through two of these 1-1 coaching sessions, I have been encouraged and inspired to maximise the impact I can make in my current role."

CEO CIRCLE

"The CEO Circle is a fantastic opportunity for all new employees to have quality direct interaction with the CEO, learn from his extensive industry experience and truly understand the factors that are considered in BOC Aviation's business decision making. It is also a great platform to get to know and work with colleagues cross-department and cross-office and understand the different work areas of the company."

 Chris Marrable, Senior Legal Counsel, Legal & Transaction Management (Previous Chairperson of CEO Circle)

The CEO Circle is BOC Aviation's unique talent development platform which combines training and coaching. It has been part of the Company's training and succession culture for more than a decade. In 2022, there were 48 employees in the CEO Circle. Employees are specially selected from all of the Company's five global offices to take on projects under the direct mentorship of the CEO.

In 2022, the CEO Circle was tasked with research projects on the impact that global changes have on the leasing industry, initiatives to drive the Company's performance and the history of aircraft lessors, among other projects.







EMPLOYEE ENGAGEMENT AND WELL-BEING

We conducted two company-wide employee surveys in 2022. These surveys were used to gauge employee well-being and gather feedback on the working environment.

We also had a company wide flu vaccination drive, and offered a Mindfulness Based Stress Reduction course to selected employees.

BOC Aviation colleagues gathering for the annual Company Offsite

BOC AVIATION'S COMPANY OFFSITE 2022

We had a company offsite which included presentations from senior management, heads of department, employees in the CEO circle and also an innovation challenge.

An eminent guest speaker, Dr Bernard Yeung, Independent Non-executive Director and a Stephen Riady Distinguished Professor in Finance and Strategic Management at the National University of Singapore (NUS) Business School, was also invited to share his views on factors in the macroeconomic environment and how they may shape our growth in the next few years.

COMPETITIVE REMUNERATION

Targets are set for all employees at the start of the year, and they are assessed periodically as part of performance management. The results of such assessments are used in their salary reviews, bonus awards and promotion appraisals. The Company provides short-term and long-term incentives to employees. The short-term and long-term incentive plan bonus pools are based on the Company's net profit after tax. The short-term incentive plan bonus pool may increase or decrease based on the achievement of certain key performance targets during the year, including:

- Net profit after tax
- Return on equity
- Collection rate
- Operating cash flow
- Core lease rental contribution

The incentive plans include a clawback provision for certain misconduct or accounting irregularities resulting in financial or reputational loss to the Company.

A key point of the Company's long-term success is the alignment of employees with Shareholders.





- Long-term is 100% equity-based, commencing 2022
- Restricted share units with shares purchased in secondary market and held by a trustee
- Vests after three years

A SAFE AND HEALTHY WORKPLACE

We have dedicated resources to implement workplace safety measures as well as to monitor and report incidents. We recognise that having a robust health and safety culture is also the key to building sustainable growth for the Company that will benefit all stakeholders.

Comprehensive policies and procedures surrounding employees' health and safety have been established and have been communicated to all our employees. We comply with government regulations and are aligned with industry best practices on health and safety. We also take appropriate actions to foster long-term employee safety and wellness by providing proper and conducive work conditions for our employees including work ergonomics and required training. Besides having emergency evacuation procedures in place for all our offices which are regularly tested, we also have employees who are trained in first aid. We intend to expand the pool of employees who are trained in first aid.

We moved into a new energy efficient BCA Green Mark Platinum certified¹ building in 2022. The building is designed with a mid-level sky terrace, roof garden, and lushly landscaped grounds. These spaces provide respite for employee during the work day. The office, with its floor-to-ceiling windows, provides natural light penetration to create a conducive working environment. To cater to our employees who are mothers, we also added a nursing room in the office.

In 2022, the Group complied with all relevant laws and regulations that have a significant impact on the Company relating to (i) compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare; and (ii) providing a safe working environment and protecting employees from occupational hazards.



We are committed to continuously improve the health and safety awareness of all our employees and to create a culture where everyone shares responsibility for the safety and well-being of their fellow workers and the community

NO VIOLATIONS

of employment related law or health and safety laws in 2022

NO ACCIDENTS

relating to employee health and work safety in the course of our business operations in 2022

Details of the BCA Greenmark Platinum Certification can be found on page 19.

LABOUR STANDARDS

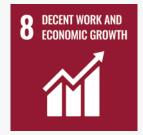
We support the provisions of the United Nations Framework and Guiding Principles on Business and Human Rights, and we prohibit the employment of child, forced or compulsory labour. We operate in compliance with all relevant laws and regulations that have a significant impact on the Group relating to preventing child and forced labour.

BOC Aviation is committed to United Nation's Sustainable Development Goal (UNSDG) 8, which aims to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of child labour. UNSDG 8 also features the protection of labour rights and to promoting a safe and secure working environment for all employees. There was no incident of forced or child labour in 2022 and if such an incident were to occur, we would terminate the employment of the relevant person.

We have a rigorous hiring process for all employees which are conducted in person to the extent possible. All employees complete and sign the employment application form to verify key personal information including their age. Compliance checks and employment reference checks will be carried out if deemed necessary.

BOC Aviation complies with all applicable employment laws. Employees enter into an employment contract which sets out working hours and rest periods, and the notice period for the termination of employment. The Staff Handbook, which is updated annually and available on the intranet for all employees, sets out in detail the Company's policies and procedures for termination of employment, retirement, working hours and annual and other forms of leave from work.

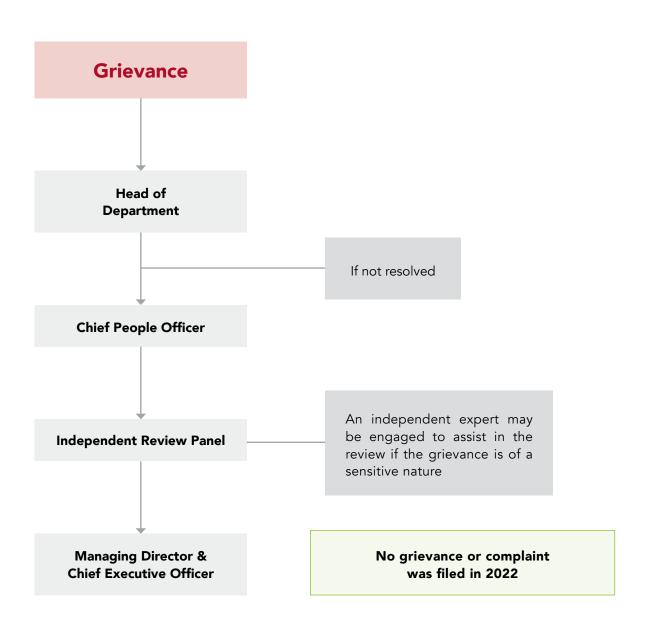
None of our employees are represented by a union or collective bargaining agreement. We believe in maintaining good employment relationships with our employees.



- Compliance with applicable local labour standards
- No major supplier is identified as having significant risks of child labour, young workers exposed to hazardous work or forced labour
- All our major suppliers confirmed they are in compliance with labour standards
- We have implemented controls to ensure there is no forced and child labour in our Company

GRIEVANCE MANAGEMENT

All employees have the right to work in a professional and harmonious environment. We endeavour to settle any grievance or complaint from any employee as expeditiously and in as fair a manner as possible.



WORKFORCE DIVERSITY

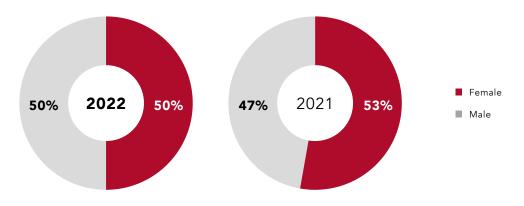
We are proud to have a diverse workforce with an equal balance of male and female employees. Women accounted for 30% of the management team, including senior management and heads of department, and 50% of the total workforce at 31 December 2022.



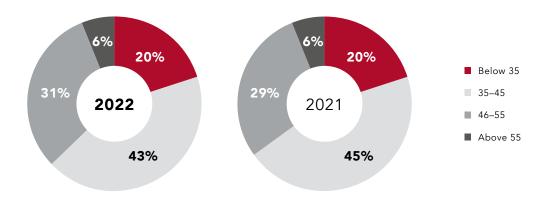
20 nationalities

50% female representation in the workforce

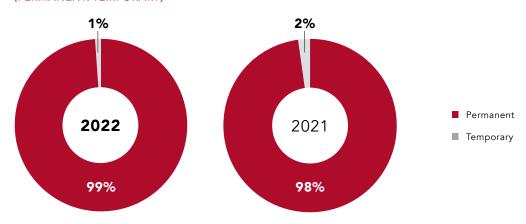
TOTAL WORKFORCE BY GENDER



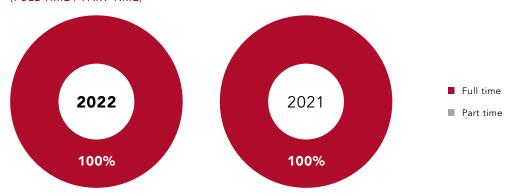
TOTAL WORKFORCE BY AGE GROUP



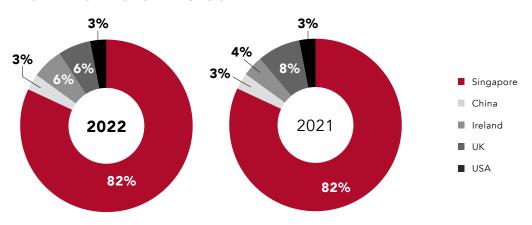
TOTAL WORKFORCE BY EMPLOYMENT TYPE (PERMANENT/TEMPORARY)



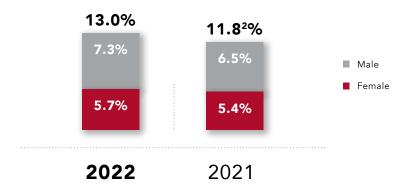
TOTAL WORKFORCE BY EMPLOYMENT TYPE (FULL TIME / PART TIME)



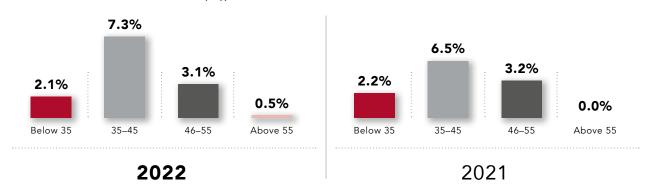
TOTAL WORKFORCE BY GEOGRAPHY



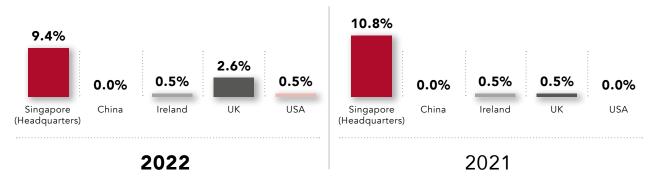
AVERAGE TURNOVER RATE¹ (%), BY GENDER



AVERAGE TURNOVER RATE1 (%), BY AGE GROUP



AVERAGE TURNOVER RATE¹ (%), BY REGION³



- Calculated as the number of employees who left the Company during the relevant year divided by the total number of employees as at year end.
- ² Due to rounding, numbers presented may not add up precisely to the totals.
- ³ Calculated as a percentage of global turnover.



INVESTMENT IN THE COMMUNITY





In 2022, we contributed US\$27,000 to Airlink, a global rapid-response humanitarian relief organisation, and Orbis, an international non-profit organisation that trains, mentors and inspires eye care professionals so that they can save and restore vision in their communities.

The donation to Airlink went towards relief efforts in Tonga, following eruptions from the Hunga Tonga Hunga Ha'apao Volcano which resulted in a tsunami that affected nearly 85,000 people across Tonga. There was also another donation to provide humanitarian support for Afghanistan, following a 5.9 magnitude earthquake.

In 2023, we contributed US\$10,000 to earthquake relief efforts in Türkiye. Please visit the homepage of Airlink at www.airlinkflight.org for more information.





BOC Aviation's donation to Orbis for its 2022 Race4Sight event was an example of our commitment towards the community. Inspired by the virtual Orbis Flying Eye Hospital, Race4Sight is a virtual event to celebrate Orbis' 40 years of saving sight worldwide. As a corporate sponsor, 100 of our employees completed a 40-day running and cycling challenge, and clocked the equivalent of 51,593 kilometres, to raise awareness for blindness prevention. We emerged top of the corporate leader board in Singapore.



BOC Aviation colleagues with Deputy Managing Director and CFO Steven Townend at the Orbis prize presentation ceremony

MAKING AN IMPACT IN THE COMMUNITIES WE OPERATE IN

In Singapore, colleagues from BOC Aviation participated in three food packing sessions at Food From The Heart (**FFTH**), an independent non-profit organisation in Singapore devoted to alleviating hunger through its food distribution programmes. This is the fourth consecutive year BOC Aviation has participated in FFTH activities. In 2022, BOC Aviation packed more than 300 food packs to be delivered to various beneficiaries in Singapore.







BOC Aviation's employees in Singapore taking part in food packing sessions at FFTH

More than 38 colleagues participated in clean-up programmes at various parts of Singapore, including on the iconic Singapore River and at a beach in Singapore.

Our colleagues in the New York, London, Dublin and Tianjin offices also participated in various clean-up project during the course of the year.

The New York team partnered with Hunters Point Parks Conservancy by cleaning, gardening and weeding in Hunter's Point South Park.

The London team conducted their riverside clean-up along River Thames, the Dublin team at the Grand Canal and the Tianjin team at the Binhai Plaza.

From top to bottom: Colleagues from London, New York, Dublin and Tianjin offices doing their part for the environment









As we moved into a new office in 2022, we donated office chairs in good condition to Canossian School which caters to students who are diagnosed with hearing loss, and St. Andrews Mission School for autistic students. An internal donation drive was also organised in partnership with Global Village for Hope. Items such as pre-loved clothes, books and stationery were collected and shipped to children in Myanmar.

A visit to the Singapore Zoo was organised jointly with partners ING Bank for 16 children between the ages 5 and 12 years old from low-income families identified by Fei Yue Community Services, a registered charity in Singapore.



Colleagues from the Singapore office worked with ING Bank to organise a visit to the zoo for children from underprivileged backgrounds





1,300
employee
volunteer hours

corporate social responsibility activities

Colleagues from London and Dublin offices spreading Christmas cheer.

During December, our Dublin and London provided Christmas cheer offices beneficiaries though contributing to the Ronald McDonald House Charities Ireland and Samaritan's Purse UK. The Dublin team packed Christmas care packs filled with necessities such as toothpaste and diapers to be delivered to less privileged families in the community. More than 30 kilograms of products were packed and delivered. The London office spent a Friday morning packing Christmas shoe boxes to be distributed across Eastern Europe to spread Christmas cheer to the less fortunate as part of the Samaritan's Purse's annual Operation Christmas Child mission.



COMMITMENT TO THE AVIATION INDUSTRY



Anuradha Singh, Head of Legal & Transaction Management, at the Women In Aviation International Singapore event, which was also attended by Chan Mui Sin, Head of Treasury

In 2022, we supported and sponsored the Women in Aviation (WAI) International Singapore networking event. WAI is a non-profit organisation dedicated to the encouragement and advancement of women in aviation career fields and interests. By working with WAI, we created opportunities for mentorship and peer support, as well as networking among the industry, to further develop the female talent pool based in Singapore.

We continue to support the Arab Air Carriers' Organization (**AACO**) through seven scholarships every year for AACO-member airlines, as a show of our support for airlines in this region. The scholarships can be used by participants to enrol for courses at regional training centres for skills and knowledge required for them to specialise in their desired field. Airline personnel within the Middle Eastern region can opt for additional training options via this platform. This scholarship demonstrates our continued commitment to develop talent and human capital in the thriving region. For more information, visit aaco.org/home

"Thank you to BOC Aviation for giving me this scholarship. With it, I managed to attend an aviation internal auditor course and it added to my current knowledge."

> Isis Kamareddine, recipient of the AACO scholarship



"I would like to express my appreciation to BOC Aviation as the scholarship allowed me to attend an aircraft accidents and investigations course. It gave me insights I would have otherwise been unable to have access to."



 Eng. Ehab Fathy EL-Gendy, recipient of the AACO scholarship







CORPORATE GOVERNANCE

AT BOC AVIATION



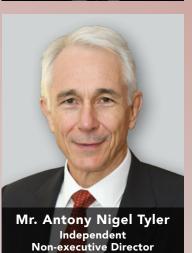
Mr. Dong Zonglin
Non-executive Director

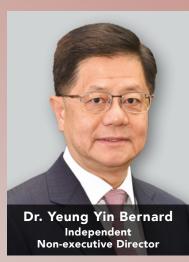












The Board of Directors sets our overall strategy and oversees management of our corporate governance framework, which includes risk management and internal controls.

Management is responsible for the day-to-day operations of the Company and reports to the Board. The Management Committee has clear delegated authority from the Board, and the Company has a well-established internal governance framework for managing its day-to-day business.

BOC Aviation is firmly committed to a culture of transparency and compliance. One of our core values is our reputation for integrity and professionalism. Our policies and procedures prohibit illegal and unethical behaviour including corruption, bribery, fraud and money laundering.

BOARD DIVERSITY AND EXPERIENCE

BOC Aviation is committed to achieving diversity across our organisation. We appreciate that having a multitude of experiences and perspectives benefits the Company and allows us to understand our stakeholders better.

At the Board level, the Company has adopted a Board diversity policy. The Board considers a number of factors when deciding on appointments to the Board and the continuation of those appointments, including gender, age, ethnicity, and professional experience. This is intertwined with our Board nomination policy which sets out the criteria and process in the nomination and appointment of Directors to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company's business. The Company is committed to achieving gender diversity on the Board and in its workforce. The Company is committed to maintaining at least two female Directors on the Board, and at least 45% women in the workforce.

As at 24 April 2023 (being the approval date of this ESG report), we had 11 Directors on the Board of BOC Aviation, comprising two Executive Directors, five Non-executive Directors and four Independent Non-executive Directors.

Please refer to "Corporate Governance Report" on pages 39 to 62 in the 2022 Annual Report for more information about our Board of Directors and our diversity and nomination policies.



Our Directors come from diverse backgrounds such as banking and finance, aviation and business. We are also proud to have three female Board Directors, which exceeds our target, and Directors representing three nationalities

EVALUATING THE BOARD'S PERFORMANCE

The Nomination Committee regularly reviews the structure, size and composition (including the skills, knowledge and experience) of the Board, the time and contribution required from Directors and whether independent views and input are available to the Board, and that there is a strong element of independence in the Board.

As part of the annual evaluation process, each Director provides written feedback to the Nomination Committee, which will include comments and suggestions from the Directors on areas such as Board composition, independence, process and accountability, following which the Nomination Committee will consider further action as necessary. In addition, each Board Committee conducts its own annual evaluation.

The Nomination Committee also conducts an assessment of the independence of each Independent Non-executive Director annually and obtains written confirmation of independence from each Independent Non-executive Director.

Please refer to "Corporate Governance Report" on pages 39 to 62 in the 2022 Annual Report for more information about our Board of Directors and our diversity and nomination policies.

PROTECTING SHAREHOLDER INTERESTS

Protecting the interests of our Shareholders is very important to BOC Aviation. Shareholders are welcome to provide their feedback to the Investor Relations team directly and participate in our general meetings.

The Company's share capital comprises only ordinary shares and all ordinary shares carry one vote per share without restriction. The Company's Constitution, together with the applicable laws of Singapore, provide certain protections to minority Shareholders.

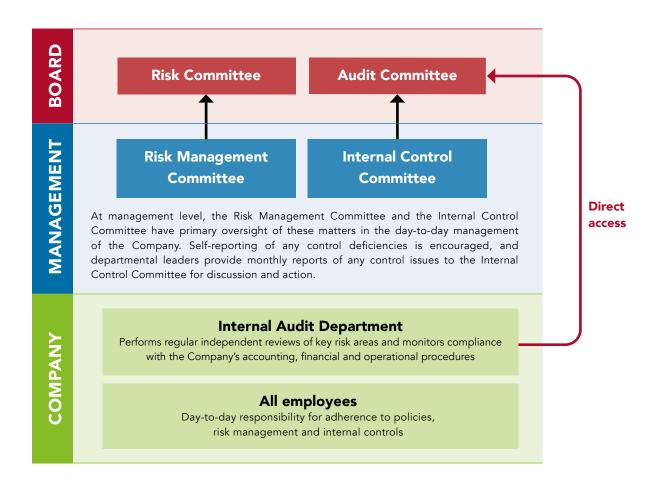
There are established procedures for Shareholders to (i) put forward proposals at a general meeting, (ii) propose a person for election as a director and (iii) convene an extraordinary general meeting, such procedures being published on the Company's website, in line with the requirements of the Constitution as well as the Singapore Companies Act 1967. All Shareholders are invited to attend the Company's general meetings, where they have the opportunity to vote and raise questions either in advance of, or at, such meetings.

RISK MANAGEMENT AND INTERNAL CONTROL

BOC Aviation strives to always act ethically and with integrity. This culture begins with the Board and Senior Management and is consistently communicated to all employees, customers, suppliers and other business partners

The Board is responsible for establishing, maintaining and reviewing the effectiveness of its risk management and internal control systems. The Risk Committee assesses new and emerging risk factors in the Company's business and provides guidance on measures to be taken to mitigate current and potential future risks. The Audit Committee oversees the effectiveness of risk management and internal control systems of the Company.

The Board and management each has responsibility to identify and analyse risks underlying the achievement of business objectives and to determine how such risks should be monitored, evaluated, managed and mitigated.



MANAGING RISK THROUGH A 360° LENS

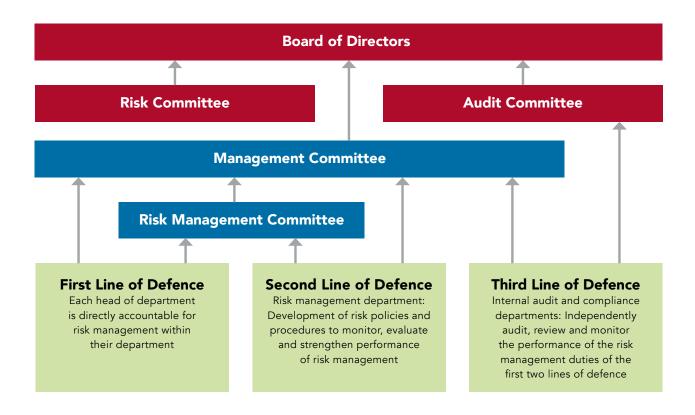
Employees execute a 360° approach to risk management, with a clear focus on both the asset and liability sides of our balance sheet and our cash flow

Well Designed Business Strategy Regular Review of External Environment Liability Risk Management Asset Risk Management • Portfolio diversification: • Strong liquidity Customer Access to funding Jurisdiction • Diversification of funding sources • Concentration limits • Hedging interest rate risk • Aircraft type • Active portfolio management **Cash Flow Management Counterparty Risk Management** • Active cash management Banks • Daily cash collection tracking Insurers • Maintain sufficient cashflow Aircraft investors for operations and aircraft • Equipment manufacturers investments **Risk Aware Corporate Culture Robust Policies and Procedures**

MANAGING RISK WITH MULTIPLE LINES OF DEFENCE

Exposure to risk is identified on a 360° basis. It is then evaluated, monitored and managed in all key areas of our business and new risks are updated using heat mapping. The management team has established separate lines of defence to mitigate risks the Company may be exposed to in its business operations. The Company uses key risk indicators to assess the effectiveness of the Company's risk management, and to regularly report to the Board. The Board Risk and Audit Committees regularly review existing and emerging risks in the Company, which are then discussed at the Board. Both the Board Risk and Audit Committees are chaired by independent, non-executive directors. Key risk indicators are incorporated in the Company's targets to drive good performance.

All lines of defence have their own policies and procedures. There are 43 policies and procedures in total. All policies and procedures are reviewed and signed off by senior management annually.



employees in the internal audit

and compliance departments



10

employees in the risk management department

COMPLIANCE

The Company is firmly committed to a culture of transparency and compliance and conducts its business affairs with honesty and integrity. Our policies and procedures prohibit illegal and unethical behaviour including corruption, bribery, fraud and money laundering.

We also have a code of conduct that specifies the expectations of the Company and sets important guidelines to ensure that all employees understand.

Key Compliance Policies:

- Anti-money laundering
- Anti-corruption
- Anti-bribery
- Code of Professional Conduct
- Data protection
- Whistleblowing
- All employees are informed of the policies
- Annual declaration by every employee
- All policies are published on the Company's intranet

In 2022, annual compliance training for employees comprised seven modules:

- Comprehensive risk management
- Anti-money laundering
- International trade sanctions
- Security against cyber threats
- Anti-harassment
- Code of Professional Conduct
- Insider dealing





ANTI-CORRUPTION

We require all members of the Board, employees and consultants to observe high standards of ethics in the conduct of their duties and responsibilities and to comply with all applicable laws and regulations. We have in place a Code of Professional Conduct, an anti-bribery policy and other policies and procedures to guide members of the Board, employees and consultants to act professionally, fairly and with integrity in all business dealings and relationships across the Group. Directors receive anti-corruption training from our external legal counsel annually to ensure they regularly refresh their knowledge and understanding of anti-corruption matters.

We publish an anti-corruption statement on our website that provides guidance on the high standards of ethics in the conduct of all duties and responsibilities and to comply with all applicable laws and regulations.



ANTI-BRIBERY

We have an anti-bribery policy which provides guidance to all members of the Board, employees and consultants of the Company in conducting our business legally and ethically. No Director or employee of the Group may offer or promise gifts, gratuities or anything of value to a third party with the intent to influence or reward that person in connection with any business or transaction. We have a policy limiting the acceptance of gifts by our directors and employees. Giving or receiving cash or other payments is also prohibited.



There was no breach of the anti-bribery policy and no legal case regarding corrupt practices brought against the Company, any Director or any employee for the year ended 31 December 2022

ANTI-MONEY LAUNDERING

We have an anti-money laundering (AML) policy prohibiting the prevention of money laundering and any activity that facilitates money laundering or the funding of terrorist, criminal or other illegal activities.

We are committed to AML compliance in accordance with applicable laws and require our employees to adhere to these standards in preventing any occurrence of money laundering activities in the course of its business.

Our risk managers conduct "know your customer" (KYC) assessments of potential counterparties to identify potential risks related to money-laundering, fraud, corruption, terrorist financing and breach of international sanctions. Additionally, periodic screening of existing customers is



In 2022, all employees completed training on AML risks and compliance

conducted as part of our annual review process. Implementation of our KYC policy is an essential part of effective risk management practice that contributes to improving the risk profile of our portfolio, as well as protecting our integrity by ensuring that we transact with reputable counterparties maintaining high ethical standards.

We operate in compliance with all relevant laws and regulations that have a significant impact on the Company relating to bribery, extortion, fraud and money laundering. BOC Aviation will take measures to prevent the Company and its employees from being exposed to money laundering, to identify areas in which money laundering may occur and to comply with legal and regulatory requirements, especially in the process of reporting actual or suspected money laundering cases. It is the responsibility of every employee to be vigilant and act promptly in all suspected cases.

WHISTLEBLOWING

BOC Aviation has adopted a whistleblowing policy to encourage and enable whistleblowers acting in good faith to raise concerns about activity for investigation and appropriate action by BOC Aviation. Members of the Board and employees are required to report any violation of BOC Aviation policies or suspected criminal or other improper or illegal activity.



Employees can approach the Chief People Officer and/or the Corporate Compliance Officer should they become aware of another employee's behaviour or action that compromises the Company's professionalism.

The service is managed by a third-party provider independent of BOC Aviation and has clear procedures in place to process any whistleblower reports and maintain accurate records. The system is tested on a semi-annual basis. The hotline and web portal are available on our website and communicated to all employees.

The whistleblowing policy clearly contains a "no reprisal" provision to the effect that no person who, in good faith, reports a concern shall be subject to reprisal.

Our whistleblowing policy, detailed in the Fraud Risk Management policy and under the overall purview of the Board with responsibilities delegated to the Risk Committee, is to encourage and enable the reporting of any improper, illegal or criminal activities by our employees. All reports made by whistleblowers are kept under strict confidentiality, to the extent permitted by law, and any whistleblower making a report in good faith is protected from reprisal.

TRADE SANCTIONS

The scope of our international operations may require us in certain situations to comply with applicable trade and economic sanctions and other restrictions imposed by China, the European Union, Singapore, the United Kingdom, the United States and other governments or organisations.

We have policies and procedures that are designed to monitor and ensure compliance with international sanctions and other applicable laws and regulations.

We continue to adhere to our undertakings to the Stock Exchange that (i) we will not use funds raised through the Stock Exchange, (a) to finance or facilitate, directly or indirectly, any projects or businesses in sanctioned countries or with persons located in other countries who are subject to sanctions or (b) to pay any damages for terminating or transferring contracts relating to sanctioned countries or persons subject to sanctions (if any), to the extent that the Company is party to such contracts in the future (whether by reason of a change in sanctions law or otherwise), (ii) we will not enter into any transaction that, at the time of entry into such transaction, is prohibited by applicable sanctions law; and (iii) if we believe that the transactions we have entered into will put us and our investors and Shareholders at the risk of violating sanctions, we will disclose on the Stock Exchange's website, on our website, and in our annual and interim reports our efforts in monitoring our business exposure to sanctions risk, the status of future business, if any, in sanctioned countries and our business intention relating to such sanctioned countries.

There was no breach of the policies and procedures and no violation of sanctions related laws or regulations for the year ended 31 December 2022

DATA PROTECTION AND PRIVACY

We comply with the Personal Data Protection Act in Singapore, General Data Protection Regulation in the European Union, China Personal Information Protection Law in China and any other relevant personal data protection legislation in jurisdictions where our employees and our operations are based. Due to the nature of our business, our data protection and privacy practices are applicable to our stakeholders that are mainly corporates.

A Data Protection Officer is appointed to ensure data privacy and safeguards are in place and are executed.



There were no material fines, penalties or complaints associated with the breach of any personal data privacy laws or regulations for the year ended 31 December 2022

INFORMATION SECURITY

Due to increasing cyber security risks globally, information security continues to be a high priority for BOC Aviation.

We promote appropriate information security controls through enforcing, testing, checking and improvement, and conducting risk assessments across our business to reduce risks, prevent data loss and ensure mitigation measures are being executed. We also raise employee awareness and preparedness with training programmes and simulations.

In 2022, there were no cyber data breaches

SECURITY AND DATA PROTECTION

BOC Aviation has three lines of defence in the area of security and data protection.

LINE OF DEFENCE

1

EMPLOYEES

- Compliance with our policies and procedures
- Monitoring and executing the controls within their business activities
- 2

CORPORATE COMPLIANCE

- Responsible to promote and validate adherence of policies and procedures throughout the Company
- 3

INTERNAL AUDIT

 Conducts independent audit and assessment, and reports to the Board on the quality of risk management, the adequacy and the compliance of policies, procedures and internal controls

CYBER SECURITY

Our cybersecurity posture consists of three components: 1) human firewall, 2) detect and prevent, 3) respond and recover.

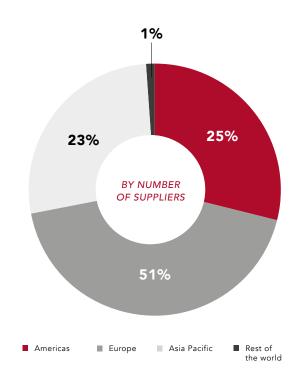
- Human Firewall Building a culture of heightened cyber security awareness is crucial in forming a "human firewall" around our information assets. This programme consists of a series of training and guided learning activities, including simulated phishing and spear phishing exercises to raise awareness of the most common and potent attack vector.
- Detect and Prevent First line of systematic defense mechanisms against internal and external threat actors. We have invested substantially in upgrading and improving detection and prevention systems. This includes using the latest technology in Machine Learning to augment the cyber defense capabilities and to build a complete picture based on indicators of attack.
- Respond and recover Ensuring we can resume business-as-usual as soon as possible after a
 cyber security breach. Working on the principle of "assumed breach", the response and recovery
 procedures and systems are verified and tested, and lessons learned are shared with the respective
 teams for improvements.

SUPPLY CHAIN MANAGEMENT

As a global aircraft operating leasing company, BOC Aviation has a global network of suppliers to support its business and to diversify and manage any potential geographical, environmental and social risks the industry may face.

The Company relies on mainly original equipment manufacturers and aerospace support services providers, the majority which we have a long-term contract with. The Company has an extensive global network of third-party suppliers on an asrequired basis including maintenance, repair and overhaul services providers, parts suppliers and specialist service suppliers such as engineering design and ferry flight operation providers.

The geographic location of our key suppliers of goods and services and those with which we have significant multi-year agreements for the year ended 31 December 2022 is as shown.



During the year, BOC Aviation surveyed our top 40 suppliers, an increase from 20 in 2021, regarding their ESG practices. The survey covered key areas such as:

- Board oversight of ESG issues in their companies
- Monitoring and management of environmental issues from production and general business operations as well as in their own supply chain
- Workplace safety and health
- Anti-discrimination and promoting equal opportunity and diversity
- Corporate governance policies
- Forced and/or child labour
- Support of charity organisations

All suppliers surveyed achieved a satisfactory score.

This annual exercise is being used to assess selection of suppliers of aircraft, IT equipment and technical suppliers and services, of which we currently have more than 140. We plan to evaluate more suppliers on this basis going forward.

PRODUCT RESPONSIBILITY

We do not manufacture any products. Instead, we offer aircraft leasing, financing, third-party aircraft management and sales services.

As such, the Stock Exchange's guidance on health and safety, advertising and labelling, quality assurance process and recall procedures does not apply to us.

Where applicable, we observe and comply with relevant laws and regulatory requirements relating to privacy matters relating to services provided. We have data protection policies in place to safeguard our customers' data and privacy and our Data Protection Officer ensures that all data privacy safeguards are in place and executed.

The Group has not received any fines or penalties associated with the breach of any services related laws or regulations for the year ended 31 December 2022



The Group has not received any service-related complaint for the year ended 31 December 2022

We have the relevant trademark license agreement to use our trademark in connection with all business activities of the Company





OUR APPROACH TO CLIMATE CHANGE

Due to the nature of our business, as an aircraft owner, our activities do not have significant direct impact on the environment and natural resources. We have listed below the potential issues that may arise from climate change and our approach in handling the issues.

POTENTIAL ISSUES

- Increasing demand for latest technology aircraft as outlook for the aviation sector improves
- 2. The residual values of our older aircraft may be affected by changes in environmental regulations
- Changes in travellers' preference for airlines that operate aircraft with lower emissions
- 4. Availability of financing for airlines to invest in the latest technology aircraft to lower emissions
- 5. Increasing disclosure requirements for climate change risks
- 6. Stakeholders' perception of BOC Aviation may be influenced by our approach towards climate change

OUR APPROACH

- Acquire the latest technology and fuel-efficient aircraft and place them on long-term leases with customers
- Actively expand customer base to market these latest technology aircraft
- Provide capital to finance latest technology, fuel-efficient aircraft
- Actively sell older generation aircraft to improve fleet quality and lower emissions
- Commit to use energy more efficiently
- Continue to maintain a high level of liquidity to support our airline customers to transit to latest technology aircraft
- Engage with our Board on climate change risks
- Proactively communicate our ESG strategies and performance to stakeholders
- Actively liaise with leading industry partners to adopt best ESG practices

TRANSFORMING OUR FLEET

BOC Aviation is committed to supporting the airline industry to reduce global carbon emissions by building a more efficient fleet. The Group does not own or use any corporate aircraft and our employees travel only on commercial flights.

71%

Proportion of latest technology aircraft in owned fleet



100%

Proportion of latest technology aircraft in orderbook

20% average fuel savings for Airbus A320NEO, Airbus A350, Boeing 737 MAX and Boeing 787 family aircraft compared to prior technology

CARBON NEUTRAL FOR DIRECT EMISSIONS

In 2022, we offset our emissions by purchasing carbon credits from an accredited project, WWF Ningshan County High Efficient Cook Stove Project in China and the Kasigau Corridor REDD+ Project in Kenya. This is our commitment and selected pathway to do our part for the environment, to create a sustainment future for generations to come.

We selected carbon credits from projects based on their relevance to the causes we support, the geography, as well as the impact they have on the environment and their local communities.

WWF NINGSHAN COUNTY HIGH EFFICIENT COOK STOVE PROJECT IN CHINA

- Certified by Gold Standard
- Involves the reconstruction or improvement of old cook stoves with the high efficient cookstove in the villages neighboring the giant panda habitat Huangguanshan Nature Reserve
- Aims to protect local forest resources and giant panda habitat as well as to improve the indoor living and hygiene environment of local households



















Photograph by Filip Agoo on behalf of Everland Marketing

KASIGAU CORRIDOR REDD+ PROJECT IN KENYA

- The Kasigau Corridor REDD+ Project is the first project in the world to be issued REDD+ carbon offsets under the international supervision of the Verified Carbon Standard (VCS) and CCB (Climate, Community & Biodiversity) programmes
- The project area is home to a diversity of over 50 species of large mammals, more than 20 species of bats, over 300 species of birds, and important populations of International Union for Conservation of Nature Red List species such as Grevy's Zebra, Cheetah, Lion, African Wild Dog, as well as over 2,000 African elephants
- 500,000 acres of threatened Kenyan forest and more than 300 wildlife species are protected
- The project has created more than 300 jobs, the majority of which are filled directly by the community, with 30% of the workforce being female
- The local community take on jobs such as rangers, community outreach officers, green house farmers, shop technicians and builder
- The project reduces community dependence on livestock and land through promoting cultivation of drought resistant crops and improved storage facilities and management of crop among other initiatives























BOC Aviation was 100% carbon neutral for direct emissions in 2022 through carbon offset purchases

REDUCING OUR DIRECT CARBON IMPACT AND RESOURCE CONSUMPTION IN 2022

We have a low carbon footprint across our five offices globally. Due to the nature of our business and industry, the only Environmental Key Performance (KPIs) Indicators proposed by the Stock Exchange that apply to us are energy efficiency, paper consumption and direct CO₂ emissions¹.

In April 2022, we moved into a new office building in Singapore. The building was awarded a BCA Green Mark Platinum standard, as a project that effectively demonstrates energy and water savings, have environmentally sustainable building practices and innovative green features. We operate in compliance with relevant laws and regulations that have a significant impact on us relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, where applicable.

Below are the relevant environmental targets established since 2020, that we have achieved in 2022.

- To reduce CO₂ emissions per average headcount (tonnes) by 5% from 2019's level
- To reduce paper consumption per average headcount (tonnes) by 10% from 2019's level
- To reduce electricity consumption per average headcount (kWh) by 5% from 2019's level

Category	Unit	2022 (Group)	2021 (Group)	2019 (Singapore)	Change (YoY)	Change (From 2019)
ELECTRICITY						
Total electricity consumed in office premises	kWh	345,689	641,556	611,990	-46%	-44%
Total electricity consumed per average headcount	kWh	1,829	3,487	4,340²	-48%	-58%
PAPER						
Office paper	tonnes	1.3	1.8	3.0	-27%	-56%
Paper consumed per average headcount	tonnes	0.007	0.010	0.0212	-29%	-67%
Paper recycled	120L bins	118	38	69	211%	71%
HEADCOUNT						
Average headcount	Number of employees	189	184	141 (Singapore) 173 (Group)	5	16 (Group)

Discharges into water and land as well as generation of hazardous and non-hazardous waste are not relevant to us, due to the nature of our business. We operate from rented offices where water consumption is not tracked as part of our rental agreements.

Average Headcount in Singapore, and not Group, was used in the denominator as total resources consumed in 2019 were recorded for the Singapore office only.

In 2022, our electricity consumption was 345,689 kWh, down 46% from 2021 mainly due to the Singapore office moving into an energy efficient building. We migrated out from a data centre in London and took up cloud hosting. Paper consumption continued to improve from 2021 and fell another 27% to 1.3 tonnes as we continue to digitalise our work processes and reduce the need to print physical documents. With the office move in Singapore in 2022, we were able to recycle old documents and it has resulted in a 211% increase in paper recycling, as compared to 2021.

Resources efficiency metrics continued to improve when measured against headcount. Electricity and paper consumption per average headcount in 2022 were down 58% and 67%, respectively, compared with 2019, which is the base year of our Environmental KPIs targets. We encourage our employees to use e-distribution and presentation wherever possible and any draft versions of internal documents are printed in black and white only.

Category	Unit	2022	2021	Baseline 2019	Change (YoY, %)	Change (From 2019, %)
CO ₂ EMISSIONS FROM:						
Office premises (scope 2)	tonnes	83	198	192 (Singapore office only)	-58%	-57%
IT data centres	tonnes	54	60	56	-9%	-4%
Air travel	tonnes	1,051	204	1,626	416%	-35%
Total CO ₂ emissions	tonnes	1,188	461¹	1,874	158%	-37%
Total CO ₂ emissions per average headcount	tonnes	6.29	2.51	10.87	151%	-42%

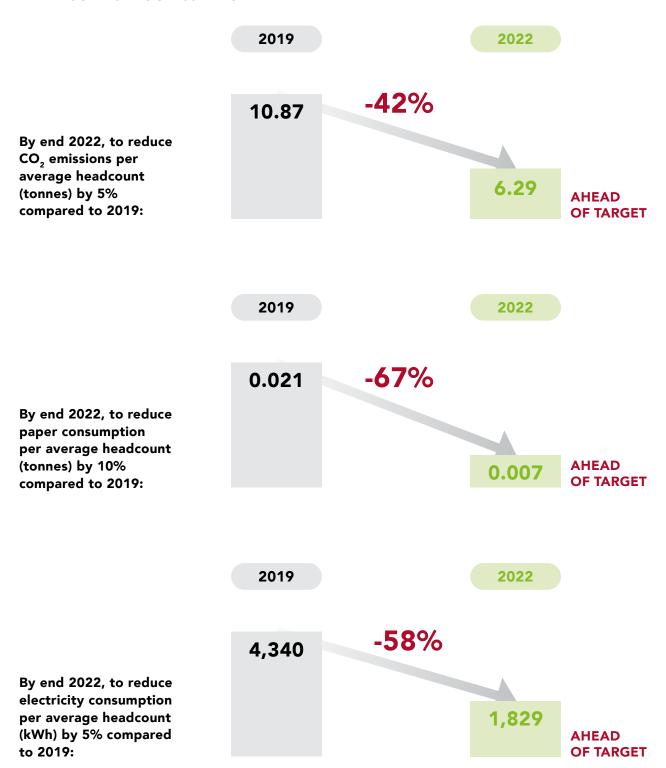
All information as at 31 December of the respective year.

We do not own any office buildings or company vehicles, and do not operate the aircraft that we own. As a result, the Company's view is that we do not have scope 1 emissions. Our carbon emissions are only from office premises, IT data centres and employees' air travel.

Total carbon emissions in 2022 were higher than 2021 at 1,188 tonnes or 6.29 tonnes per average headcount. As the world recovers from Covid-19, employees have returned to the offices and business travel resumed in 2022. We continue to explore opportunities to engage our customers globally through digital means, such as video calls. Our commitment to reduce carbon emissions as a responsible corporate citizen continues to be seen in our new targets, which were introduced in this year's ESG report. We are pleased to report that the Company was 100% carbon neutral in 2022 for our direct emissions through offset purchases.

Due to rounding, numbers presented may not add up precisely to the totals provided.

HKEX ESG KPIs PROGRESS REPORT



ESG PERFORMANCE OVERVIEW

	2022	2021
ENVIRONMENT		
Total electricity consumption (kWh)	345,689	641,556
Electricity consumption (kWh) per average headcount	1,829	3,487
Total paper consumption (tonnes)	1.3	1.8
Paper consumption per average headcount (tonnes)	0.007	0.010
Total CO ₂ emissions (tonnes)	1,188	461
CO ₂ emissions per average headcount (tonnes)	6.29	2.51
PEOPLE		
Average training per employee (days)	2.8	2.0
Average training per employee (hours)	22	16
Group's employee turnover rate (%)	13.0	11.8
Number of employees represented by a union or collective bargaining agreement	0	0
DIVERSITY & EQUAL OPPORTUNITY		
Proportion of females in the workforce (%)	50	53
Proportion of females in the management team (%)	30	28
Number of nationalities	20	19
COMPLIANCE		
Number of violations of applicable laws	0	0
Number of workplace accidents	0	0
Number of workplace fatalities ¹	0	0
Lost days due to work injury	0	0
SOCIAL/COMMUNITY		
Organisations supported:		
Airlink	V	√
An Taisce Clean Coasts Ireland		√
Fei Yue Community Services	$\sqrt{}$	
Food From The Heart	$\sqrt{}$	√
GreenNudge	\checkmark	
Hope House		√
Orbis	√	√
The Arab Air Carriers Organisation (AACO)	V	√
The Bronx is Blooming		1
Ronald McDonald House (Ireland)	$\sqrt{}$	
Waterways Watch Society Singapore	√	

There was also no workplace fatality in 2020.

ABOUT THIS REPORT

This ESG Report for the year ended 31 December 2022 reports to shareholders and other stakeholders the steps we are taking to achieve a more sustainable business model, contribute to a more sustainable environment and continue to build our strong governance culture. We prepare this ESG Report annually as required under the Listing Rules.

REPORTING GUIDELINES

This ESG Report is prepared in accordance with the guidelines in The Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules. All numbers reported are as at 31 December 2022, unless otherwise indicated.

SCOPE AND REPORTING BOUNDARIES

This ESG Report features our ESG efforts across the Group's offices in Singapore (Head Office), Tianjin, London, Dublin and New York for the year ended 31 December 2022. Unless indicated otherwise below that estimates are used, the data presented in this report represent the actual data for 2022.

REPORTING PRINCIPLES

Where relevant, we obtain the actual power consumption for the year from office building managements and/or utilities bills (refer to "Scope and Reporting Boundaries" above) and apply the latest carbon conversion factor to convert power consumed into estimated carbon dioxide (CO_2) emissions.

The carbon emissions from air travel are obtained from our appointed travel agent(s) directly.

We are not reporting the carbon emissions of our aircraft as we do not have control over the airlines' use of the aircraft. We are also not reporting water consumption as we operated from leased offices where water consumption is not equired to be reported to us under the rental agreements.

Estimates and assumptions used in the calculation of power consumption, as well as the conversion factors as at 31 December 2022 used in this ESG report is set out as below:

Country	Estimates and assumptions used in the calculation of power consumption	Latest conversion factor ¹ as at 31 December 2022	Source (conversion factor)
Singapore	Actual power consumption	0.4057	Energy Market Authority
China	Estimated based on headcount	0.5572	Climate Transparency Report 2022
Ireland	Estimated based on actual power consumption for one month in each quarter	0.3478	Sustainable Energy Authority of Ireland
UK	Actual power billings in 1H + estimated for 2H	0.1934	gov.uk
USA	Estimated based on occupancy space	0.3580	Climate Transparency Report 2022

This is a coefficient that is used to convert power consumption into greenhouse gas emissions.

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
GOVERNANCE S	STRUCTURE	
	A statement from the board containing the following elements:	
	(i) a disclosure of the board's oversight of ESG issues;	Leadership message p.02ESG statement from the Board p.03
	 (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and 	 Stakeholder engagement p.11-p.13 Materiality assessment p.14-p.21
	iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	 ESG statement from the Board p.03 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62
REPORTING PRI	NCIPLES	
	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:	
	Materiality : The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	 Stakeholder engagement p.11-p.13 Materiality assessment p.14-p.21
	Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	About this report p.65
	Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors	• About this report p.65

affecting a meaningful comparison.

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
A. ENVIRONMENTAL		
Aspect A1: Emissions	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	 Our approach to climate change p.58 Transforming our fleet p.59 Carbon neutral for direct emissions in 2022 p.59–p.60
	KPI A1.1 The types of emissions and respective emission data	 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62 HKEx ESG KPIs progress report p.63 ESG performance overview p.64
	KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) Greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62 HKEx ESG KPIs progress report p.63 ESG performance overview p.64
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	 Not applicable to our business as we do not manufacture any product Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62

Source: Hong Kong Stock Exchange

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	 Not applicable to our business as we do not manufacture any product
	(e.g. per unit of production volume, per facility).	 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62
	KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62
		 HKEx ESG KPIs progress report p.63
	KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a	Not applicable to our business as we do not manufacture any product
	description of reduction target(s) set and steps taken to achieve them.	 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62
	Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	
	KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g.	 Reducing our direct carbon impact and resource consumption in 2022 p.61–p.62
	per unit of production volume, per facility).	 HKEx ESG KPIs progress report p.63
		• ESG performance overview p.64
	KPI A2.2 Water consumption in total and intensity (e.g per unit of production volume,	Not applicable to our business as we do not manufacture any product
	per facility).	 Reducing our direct carbon impact and resource consumption in 2022 p.61–p.62

Source: Hong Kong Stock Exchange

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
	KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62
		• ESG performance overview p.64
	KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	 Not applicable as we operate from rented office space where most resource consumption is low and not tracked as part of our rental agreements
		 Reducing our direct carbon impact and resource consumption in 2022 p.61-p.62
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to our business as we do not manufacture any product
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's	 Commitment to the United Nations Sustainable Development Goals p.08
	significant impacts on the environment and natural resources.	 Renewing our commitment to sustainability p.09–p.10
	KPI A3.1 Description of the significant impacts of activities on the environment	Our approach to climate change p.58
	and natural resources and the actions taken to manage them.	• Transforming our fleet p.59
		 Carbon neutral for direct emissions in 2022 p.59–p.60
Aspect A4:	General Disclosure	Materiality assessment p.14–p.21
Climate Change	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Our approach to climate change p.58
	KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Our approach to climate change p.58

Source: Hong Kong Stock Exchange

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
B. SOCIAL		
EMPLOYMENT AND	LABOUR PRACTICES	
Aspect B1: Employment	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare. KPI B1.1 Total workforce by gender,	 Corporate culture p.04-p.05 Building an inclusive culture p.23 Integrated talent strategy p.23 Graduate Management Programme p.24-p.26 Leadership p.27 Succession planning p.28 Training and development p.28-p.29 Coaching culture/CEO Circle p.30-p.31 Employee engagement and well-being p.31 Competitive remuneration p.32 A safe and healthy workplace p.33 Labour standards p.34 Grievance management p.35 Workforce diversity p.36-p.38
	employment type (for example, full- or part-time), age group and geographical region KPI B1.2 Employee turnover rate by gender,	Workforce diversity p.36–p.38
	age group and geographical region.	
Aspect B2: Health and Safety	 General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 	 A safe and healthy workplace p.33 Labour standards p.34
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. KPI B2.2 Lost days due to work injury. KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	 ESG performance overview p.64 ESG performance overview p.64 A safe and healthy workplace p.33

Source: Hong Kong Stock Exchange

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
Aspect B3: Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	 Training and development p.28–p.29 Coaching culture p.30 CEO Circle p.31
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	 Training and development p.28-p.29
	KPI B3.2 The average training hours completed per employee by gender and employee category	 Training and development p.28-p.29
Aspect B4: Labour Standards	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	• Labour standards p.34
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Labour standards p.34
ODEDATING DRACT	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Labour standards p.34
OPERATING PRACT Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply chain management p.55-p.56
	KPI B5.1 Number of suppliers by geographical region	Supply chain management p.55-p.56
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	• Supply chain management p.55–p.56

Source: Hong Kong Stock Exchange

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	 Supply chain management p.55–p.56
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply chain management p.55–p.56
Aspect B6: Product Responsibility	General Disclosure: Information on:	 Not applicable to our business as we do not manufacture any product Data protection and privacy p.53
	(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer	Product responsibility p.56
	relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	 Not applicable to our business as we do not manufacture any product Product responsibility p.56
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	 Not applicable to our business as we do not manufacture any product Product responsibility p.56
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	 Not applicable to our business as we do not manufacture any product Product responsibility p.56
	KPI B6.4 Description of quality assurance process and recall procedures.	 Not applicable to our business as we do not manufacture any product Product responsibility p.56
	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	 Not applicable to our business as we do not manufacture any product Data protection and privacy p.53 Product responsibility p.56

Source: Hong Kong Stock Exchange

	Disclosure/Key performance indicators	Relevant section/ page number/remarks where applicable
Aspect B7:	General Disclosure:	• Compliance p.50
Anti-corruption	Information on:	Anti-corruption p.51
	(a) the policies; and	Anti-bribery p.51
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	Anti-money laundering p.51-p.52
	relating to bribery, extortion, fraud and money laundering.	
	KPI B7.1 Number of concluded legal cases	Compliance p.50
	regarding corrupt practices brought against the issuer or its employees during the reporting	Anti-corruption p.51
	period and the outcomes of the cases.	Anti-bribery p.51
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Whistleblowing p.52
	KPI B7.3 Description of anti-corruption training provided to directors and staff.	Compliance p.50
		Anti-corruption p.51
Aspect B8:	General Disclosure	• 2022 ESG highlights p.07
Community Investment	Policies on community engagement to	• Investment in the community p.40
	understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities'	 Making an impact in the communities we operate in p.41-p.42
	interests.	• Commitment to the aviation industry p.43
	KPI B8.1 Focus areas of contribution (e.g.	2022 ESG highlights p.07
	education, environmental concerns, labour needs, health, culture, sport).	• Investment in the community p.40
	needs, neural, cartaire, sporty.	 Making an impact in the communities we operate in p.41-p.42
		• ESG performance overview p.64
		• Commitment to the aviation industry p.43
	KPI B8.2 Resources contributed (e.g. money	• 2022 ESG highlights p.07
	or time) to the focus area	Investment in the community p.40
		 Making an impact in the communities we operate in p.41–p.42
		• Commitment to the aviation industry p.43

Source: Hong Kong Stock Exchange

DEFINITIONS

In this ESG report, the following expressions have the meanings set out below unless the context requires otherwise:

TERMS	MEANINGS
"AGM"	The annual general meeting of the Company to be held for the purpose of, among others, approving the audited financial statements for the financial year ended 31 December 2022. The meeting will be held on 30 May 2023
"Airbus"	Airbus S.A.S., a societe par actions simplifiee duly created and existing under French law
"Annual Report"	The annual report of the Company for the financial year ended 31 December 2022 which contains, among others, the audited financial statements for the financial year ended 31 December 2022 and the Directors' Statement
"Board"	The board of Directors of the Company
"Board Committees"	The five sub-committees of the Board comprising the Audit Committee, the Remuneration Committee, the Nomination Committee, the Strategy and Budget Committee and the Risk Committee
"BOC" or "Bank of China"	Bank of China Limited (中國銀行股份有限公司), a joint stock limited company incorporated in the PRC on 26 August 2004, the H-shares and A-shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange, respectively, the ultimate controlling shareholder of the Company and a connected person of the Company under the Listing Rules
"Boeing"	The Boeing Company, a corporation organised and existing under the General Corporation Law of the State of Delaware, U.S.A., and its affiliates
"Company" or "BOC Aviation"	BOC Aviation Limited, a company incorporated under the laws of Singapore with limited liability and listed on the Stock Exchange which, together with its subsidiaries, is engaged in aircraft leasing, aircraft purchase and sale and related business
"Constitution"	The constitution of the Company approved on 12 May 2016 which became effective on the Listing Date
"Corporate Governance Code"	Appendix 14 Corporate Governance Code to the Listing Rules

DEFINITIONS

"Director(s)" The director(s) of the Company

"Group" The Company together with its subsidiaries

"IPO" The initial public offering of the Company the details of

which can be found in the prospectus of the Company dated 19

May 2016

"Listing Date" 1 June 2016, being the date on which the Shares of the Company

are first listed for trading on the Stock Exchange

"Listing Rules" The Rules Governing the Listing of Securities on The Stock

Exchange of Hong Kong Limited

"NBV" Net book value

"NGO" A non-governmental organisation independent of any

government and is usually non-profit

"NPAT" Net profit after tax

"Operating cash flow net

of interest"

Net cash flow from operating activities less finance expenses paid

"RSU Plan" Collectively, the BOC Aviation Limited Restricted Share Unit Long

Term Incentive Plans adopted by the Company on 18 December 2017 covering awards for the period from 2017 to 2021 (inclusive) and on 28 February 2023 covering awards for the period from

2022 to 2025 (inclusive)

"Senior Management" Managing Director and Chief Executive Officer, Vice Chairman

and Deputy Managing Director, Deputy Managing Director and Chief Financial Officer, Deputy Managing Director and Chief Operating Officer, Chief Commercial Officer (Asia Pacific and the Middle East) and Chief Commercial Officer (Europe, Americas

and Africa)

"Shareholder" A holder of Shares

"Shares" Ordinary shares in the share capital of the Company

"Stock Exchange" The Stock Exchange of Hong Kong Limited



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