Project Summary for Public Disclosure
(after approval of NDB financing)

Project Name	Shanxi Taiyuan Wusu Zero-Carbon Airport Project
Country	The People's Republic of China
Type	Sovereign
Area of Operation	Clean Energy & Energy Efficiency
Concept Approval Date	21 June 2024
Financing Approval Date	14 July 2025
Total Project Cost	RMB 1.86 billion
Initial Limit of NDB Financing	RMB 1.448 billion
Current Limit of NDB Financing	RMB 1.448 billion
Borrower	The People's Republic of China
Project Entities	The People's Government of Shanxi Province Shanxi Aviation Industry Group Shanxi Aviation Industry New Energy Company
Project Context	Shanxi Province, historically known as the largest coal producer of the country and host of other carbon-intensive industries, aims to transform its energy trajectory to align with national and provincial carbon peaking and neutrality goals. Currently, Taiyuan Wusu International Airport (TWIA) has two terminals in operation handling an annual passenger throughput exceeding its design capacity by more than two-fold. Consequently, TWIA is undergoing expansion that will enable it to handle 40 million passengers annually. Without a transformation of its energy system that is heavily reliant on fossil fuels, the already high TWIA's carbon footprint could substantially increase, which may hamper Shanxi's ambition to peak carbon emissions in the next few years.
Project Description	The Project comprises four components: Component 1: Decarbonizing Energy Supply, to encompass solar photovoltaic power generation and green heating and cooling; Component 2: Introducing Energy Storage, for both electricity and heat supported by advanced technologies; Component 3: Managing Energy Systems Intelligently, to enhance an intelligent energy and carbon management platform that improves energy efficiency; and Component 4: Filling Knowledge and Capacity Gaps, primarily in sustainable energy management.
Project Objective	The Project aims to reduce TWIA's annual net CO_2 emissions to zero by shifting to renewable power sources such as solar and

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<tr><td></td><td colspan="3">geothermal energy and improving its energy efficiency. The Project is expected to generate valuable practical experiences that can guide other airports in their pursuit of low-carbon transition.</td></tr>
<tr><td>Implementation Arrangements</td><td colspan="3">The People’s Government of Shanxi Province will be responsible for overall planning, execution and supervision of the Project.
Shanxi Aviation Industry New Energy Company (SAINE), a joint venture established by Shanxi Aviation Industry Group (SAIG) and two government-owned enterprises specializing in geological engineering and industrial construction, will be responsible for daily implementation of the Project. SAIG, which manages eight airports across Shanxi including TWIA, will assume the role of coordinating project planning, construction and financing.
The implementation period for the Project is from 2025 to 2029.</td></tr>
<tr><td>Environmental
and Social Information</td><td colspan="3">The Project has been classified as Category B in accordance with the NDB Environment and Social Framework. Key E&S risks include potential groundwater and soil contamination from drilling and installation of geothermal wells, impacts related to PV panels such as increased bird attraction and reflected light, hazardous waste from decommissioning PV panels and batteries, noise and electromagnetic interference and general construction-related impacts. These will be addressed and mitigated through adherence to country system requirements and management plans developed for the Project, including an Environmental and Social Management Plan, Occupational Health and Safety Manuals, an Emergency Response Plan and a Hazard Identification and Risk Assessment Procedure.</td></tr>
<tr><td rowspan="3">Financing</td><td colspan="2">Source of Fund</td><td>Amount (RMB million)</td></tr>
<tr><td colspan="2">NDB</td><td>1,448</td></tr>
<tr><td colspan="2">Counterpart funding</td><td>412</td></tr>
<tr><td rowspan="2">Contacts</td><td>NDB</td><td>Borrower</td><td>Project Entity</td></tr>
<tr><td>Public Sector Department
He Tian</td><td>Ministry of Finance
Bo Zhang
zjc@mof.gov.cn</td><td>The People’s Government of Shanxi Province
Yingming Di
13903519647@139.com
Shanxi Aviation Industry Group
Yang Chen
sxhkcyjt@163.com</td></tr>
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			Shanxi Aviation Industry New Energy Company Zhigang Wen 3659719503@qq.com