ENVIRONMENTAL PROTECTION AND CLIMATE CHANGE

Climate change not only has profound impacts on the global ecosystem, but also brings significant impacts on the global economy. Carbon dioxide emission has been adopted as an important indicator by the PRC for the evaluation of an enterprise's production and operation performance, which presented new requirements for enterprises to adapt to climate change. The Group has realized the effects of risks and policies associated with climate change on its operations and has taken corresponding proactive measures to capitalize on the opportunities arising therefrom and cope with the challenges.

The Group actively researched on and discussed the pathways to address climate change and control greenhouse gas emissions, while formulating green and low-carbon development plans. It organized capacity building, technology research and publicity work to fight against climate change and endeavoured to improve its capability in environmental management, with a view to contributing to mitigate global warming.

Climate-related Disclosures

The Group has been disclosing climate change related information in terms of governance, strategy, risk management, metrics and targets, taking into account the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) since the financial year 2022, and continues to enhance the relevant disclosures. During the reporting period, the Group made further disclosures with reference to the Climate-related Disclosures from IFRS S2 and the requirements of Consultation Conclusions "Enhancement of Climate-related Disclosures under the Environmental, Social and Governance Framework" published by The Stock Exchange of Hong Kong Limited.

Governance

The Board of the Group serves as the supreme decision-making body for sustainable governance (see "ESG Governance Structure" section for details), reviewing progress on sustainability initiatives, including climate action on a biannual basis. The Board's Audit Committee is mandated to support the Board in evaluating risk management and opportunity identification, formulating climate strategies and dual carbon target, defining response measures and mitigation roadmaps for emission reduction.

In addition, the Group has set up a "Carbon Peak and Carbon Neutrality" management organization headed by the President of the Company, which is responsible for the coordination and management of the related work. The Group issued the "Assessment and Evaluation Rules for Green Development Work" to define the "Dual Carbon" management indicators and specific implementation rules of the Group's subsidiaries, to promote the reinforcement of the main responsibilities of all parties, to objectively evaluate the implementation and effectiveness of the various tasks, and to promote the effective implementation of the "Dual Carbon" work and the green and low-carbon development of the entire business field. The Group also issued annual energy-saving and emission reduction budget targets to its provincial companies and strictly implement the energy-saving and emission reduction assessment, reward and punishment mechanism to ensure the successful completion of the annual energy-saving tasks.

Strategy

The Group places high priority on the potential risks and opportunities arising from climate change, integrating climate-related risks as a critical component of its long-term corporate strategy. The Company systematically assesses climate-related risks and opportunities , and implements proactive measures to address them.

The Group has analyzed the following potential impacts of climate change on the Company's strategy and finances through three time periods, namely short-term (occurring within the next one year), medium-term (occurring from the next one year to 2030) and long-term (occurring from 2031 to 2050), through engagements with cross-functional business departments and industry experts:

Risks/ Opportunities	Type	Risks/Opportunities description	Potential impact pathways	Short-term	Mid-term	Long-term
Physical risks	Acute	Extreme precipitation or severe weather events such as cyclones/ typhoons and hail	• Extreme precipitation and flooding may cause delays in construction, increase construction costs and affect project delivery schedules • Obstruction of transportation links in the core supply chain, such as communications equipment and fibre-optic cables, affects equipment procurement and project implementation	√	√	
	Acute	Events of extreme heat and sudden droughts	• High temperatures may lead to increased health risks for outdoor construction workers, such as heat stroke, which in turn affects work efficiency • Increased intensity of operation of air-conditioning and other cooling equipment at the operating sites	√	√	
	Chronic	Global warming trend	• Global warming causes critical facilities such as communications base stations and data centers to face higher temperature pressures, accelerating aging and increasing failure rates			√
Transition risks	Policy and legal risk	Legal and regulatory policies on environmental protection, carbon emissions and information security, etc.	• Restrictions on data center and infrastructure construction. The government may restrict high energy consumption projects through data center energy consumption standards, which may affect China Comservice's business expansion across the country	√	√	√
	Technology risk	Changing business scenarios as a result of low-carbon technology transformation	• The communications industry is moving towards green transformation and low-carbon technology upgrades to better meet customer demand	√	√	√
	Market risk	Changing customer behaviour	• Corporate customers are increasingly emphasizing their own carbon management, and the demand for green integrated solutions has increased	√	√	√
	Reputational risk	Stakeholder requirements for climate risk disclosure	• Regulatory requirements for public disclosure of climate risks are becoming increasingly stringent, and non-compliant disclosures and inappropriate climate performance can damage corporate reputation		√	√
Opportunities	Energy sources	Low-carbon energy use	• Installation of distributed photovoltaic and replacement of new energy vehicles will increase the proportion of new energy consumption and reduce its own greenhouse gas emissions		√	√
	Products and Services	Low-carbon digital services	• Accelerating digital transformation across industries and the need to reduce carbon emissions are driving demand for smart energy management, green cloud computing, and low-carbon IoT solutions	√	√	√

Potential financial impact	Response
• Loss of revenue: delays of projects may lead to delays in client payments, affecting the stability of revenues • Rising supply chain costs: bad weather affects the stability of the supply chain, leading to an increase in the price of core equipment and increase in procurement costs	• Implement contingency plans and form a rapid response team to react quickly in the event of extreme weather to minimize the impact of the weather and safeguard project delivery • Establishing a diversified supply chain system to ensure that key equipment and materials are sourced from multiple sources to minimize the risk of supply chain disruption caused by extreme weather events
• Rising operating costs: increase in demand for refrigeration leads to a significant rise in electricity consumption	• Provide adequate health protection measures, such as regular breaks, hydration, and heat-prevention and cooling equipment, for outdoor workers and those working in high-temperature environments, so as to reduce the risk of heat stroke and health problems • Optimize energy management programs and adopt energy saving and consumption reduction measures, such as using green energy and improving energy efficiency
• Rising operating costs: equipment durability is decreasing, maintenance frequency is increasing, and the company may need to increase investment to maintain operations	• Development and application of high-temperature-resistant, low-energy-consumption communications equipment to cope with environmental changes due to global warming
• Business expansion is constrained, affecting revenue growth: if the new policies limit high energy consumption projects, the company's business expansion in some regions may be affected, which in turn affects revenue growth expectation	• Through active participation in government-led establishment of standards on environmental protection, low-carbon and industry, the company obtains timely information on policies and regulations, which helps the company to plan in advance, and through cooperation with industry associations, promotes the deployment and implementation of relevant policies to ensure that the company is in a favorable position in the changing policy environment
• R&D expenditures are on the rise: the transformation of low-carbon technologies usually requires large R&D investment, which requires a large amount of capital in short term	• Cooperate with leading low-carbon technology companies and research institutions to accelerate the process of technology transformation. Through cooperation, the company can reduce the cost of R&D, improve the maturity of technology and its market adaptability, and reduce the risk of technology introduction
• Increase in R&D expenditures: in response to changing customer demand for low-carbon, green communications services, the company adjusts its existing product and service portfolio to introduce green solutions that meet market demand	• Conduct regular market research to gain a deeper understanding of the changing needs of customers in terms of low-carbon and green services to ensure that the company can accurately grasp market dynamics and customer expectations
• Decrease in brand value: lags in corporate climate action and disclosure may lead to doubt on corporate sustainability commitments by the publics and customers, affecting brand value and customer loyalty	• Regularly publish environmental, social and governance reports to enhance communication with investors, customers and regulators, and positively demonstrate the company's actions and effectiveness in addressing climate change
• Reduced operating costs: Savings in purchased electricity expenses, carbon compliance transaction costs, etc.	• Ensure a stable supply of green electricity by investing directly in renewable energy facilities or partnering with renewable energy providers. While ensuring a stable supply of energy and controlling costs, the company can also ensure that its business meets green energy requirements by cooperation or purchasing green electricity certificates
• Increase in revenue: Low-carbon digitalization services can expand into new markets and improve the company's overall business revenue	• Form a dedicated low carbon services team to enrich the current digitalization products and solutions

Scenario analysis

In order to accurately identify and measure the impacts of climate disasters on enterprises under climate change, the Group conducted a physical risk analysis based on the SSP2-4.5 medium greenhouse gas emissions scenario and SSP5-8.5 high greenhouse gas emissions scenario in the Shared Socio-economic Pathways (SSPs) proposed by the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR6), based on the underlying data of domestic climate disasters and geographic distribution.

Scenario	Scenario description	Predicted end-of-century temperature rise	Boundary of analysis	Scenario assumptions	Scenario source
Medium greenhouse gas emissions scenario	Under this scenario, global socioeconomic development progresses at a moderate pace, accompanied by intermediate-intensity climate policies and mitigation measures. Greenhouse gas emissions stabilize at current levels before commencing a gradual decline by mid-century	< 3°C	Basic office and major operational business segments. This covers the Group's headquarters and 22 provincial companies (excluding overseas)	Assuming no change in internal factors such as main business, asset size, risk response measures, etc., and analyzing only the specific climate risk to which the assets are held under the disaster levels of each scenario	IPCC
High greenhouse gas emissions scenario	Under this scenario, the global economy grows rapidly, but relies mainly on the extraction of fossil fuels and energy-intensive industries, with little or no climate policy management, and climate change pressures intensify, with greenhouse gas emissions increasing rapidly during this century and reaching roughly double that level by 2050	> 4°C			

According to the company's asset main operating address, industry information and relevant data sets, in the SSP2-4.5 and SSP5-8.5 scenarios, the entity-specific risk levels of extreme heat, sudden drought and sea level rise all show an upward trend, of which the upward trend in the risk levels of extreme precipitation and extreme heat is more significant than that of the other entity-specific risks. In addition, in the SSP5-8.5 scenario, the frequency and intensity of extreme heat and precipitation events will increase significantly. Combined with these changes, the company is more susceptible to the threat of extreme precipitation and high temperatures to its operations in future based on the assessment. In future, the Group will continue to review the scenarios and increase the number of different scenarios in order to pay attention to temperature changes and climate risks in a timely manner, and to enhance the Company's risk response capability, and to better cope with the challenges posed by climate change.

Risk Management

The Group is actively addressing the potential significant financial or strategic impacts of climate change in the short, medium or long term, integrating climate change risk management into the Company's existing overall risk assessment and management system, and improving the internal control processes relating to environmental, social and governance, in order to continuously strengthen the Company's risk management in relation to ESG.

Metrics and Targets

The Group actively responds to the national strategy of "Dual Carbon" while persistently implementing the development philosophy of innovation, coordination, green, openness and sharing. It has formulated green and low-carbon plans and related implementation programs and continuously increased its R&D investment in emerging energy-saving technologies and new businesses, thereby creating a green ecosystem and making China Comservice more eco-friendly.

The Group has continued to promote the carbon inventory work of its subsidiaries so as to further strengthen the foundation of energy conservation and emission reduction work of the enterprises by mapping out the overall level of greenhouse gas emissions of the enterprises.

Target

By **2025**, the greenhouse gas emissions intensity per RMB10,000 revenue (comprehensive energy consumption) will achieve a reduction rate of **no less than 15%** compared to the 2020 baseline

Energy Consumption

In 2024, the Group's total energy consumption amounted to approximately 165,000 tonnes of standard coal and 11.00 kilograms of standard coal per ten thousand RMB of revenue (2023: approximately 162,000 tonnes of standard coal and 10.96 kilograms of standard coal per ten thousand RMB of revenue).

According to the Group's energy statement, the total greenhouse gas emissions from the Group's energy consumption in 2024 was approximately 421,000 tonnes (2023: approximately 416,500 tonnes*), which was calculated in accordance with the Greenhouse Gas Protocol.

Greenhouse Gas Emissions
(10,000 tonnes)
2024: 42.10
2023: 41.65*

=

Direct Emissions (Scope 1)
(10,000 tonnes)
2024: 26.32
2023: 26.44*

+

Indirect Emissions (Scope 2)
(10,000 tonnes)
2024: 15.78
2023: 15.21*

Notes:

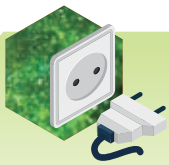
1. Total GHG emissions comprise Scope 1 direct GHG emissions and Scope 2 indirect GHG emissions.

2. Scope 1 direct GHG emissions include GHG emissions from the consumption of natural gas, coal, gasoline, and diesel fuel.

3. Scope 2 indirect GHG emissions include GHG emissions from purchased electricity and purchased heat.

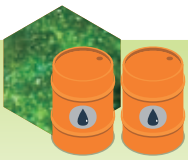
* The Group previously accounted for greenhouse gas emissions including carbon dioxide , methane, and nitrous oxide. The calculation of Scope 1 and Scope 2, were with reference to the "Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)". This year, in alignment with "Guidelines for Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises (2015)" issued by the National Development and Reform Commission and "Announcement on the Publication of CO_2 Emission Factors for Electricity in 2022" (Announcement No. 33 of 2024) jointly released by the Ministry of Ecology and Environment and the National Bureau of Statistics, the Group has updated GHG accounting methodology to focus solely on CO_2 emissions, incorporating revised emission factors. Accordingly, the Group has restated our 2023 emissions data to reflect these methodological changes.

Direct/Indirect Energies by Type



Electricity (GWh)

2024: 294.10
2023: 283.41

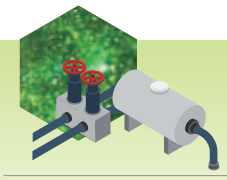


Gasoline (Million L)

2024: 83.79
2023: 84.49

Diesel (Million L)

2024: 20.75
2023: 20.61



Natural Gas
(Million standard cubic meters)

2024: 9.72
2023: 9.14

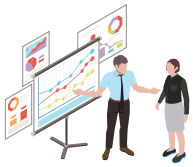
Our Actions

Action 1

The Group has set up a "Carbon Peak, Carbon Neutrality" management organization, with the President as the main person in charge and the Company's management working together to form the leading group. This three-tier working structure aims to promote the Group's green and low-carbon development.

Leading Group

Directing the deployment of green development work and studying and making decisions on important issues in respect of "Dual Carbon"



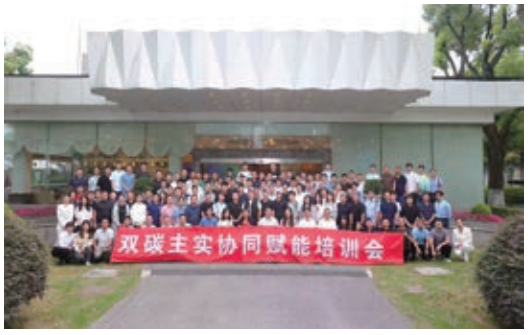
Office of the Leading Group

Implementing the specific work and organizing the day-to-day work of the Group for the "Dual Carbon"

Subsidiaries at All Levels

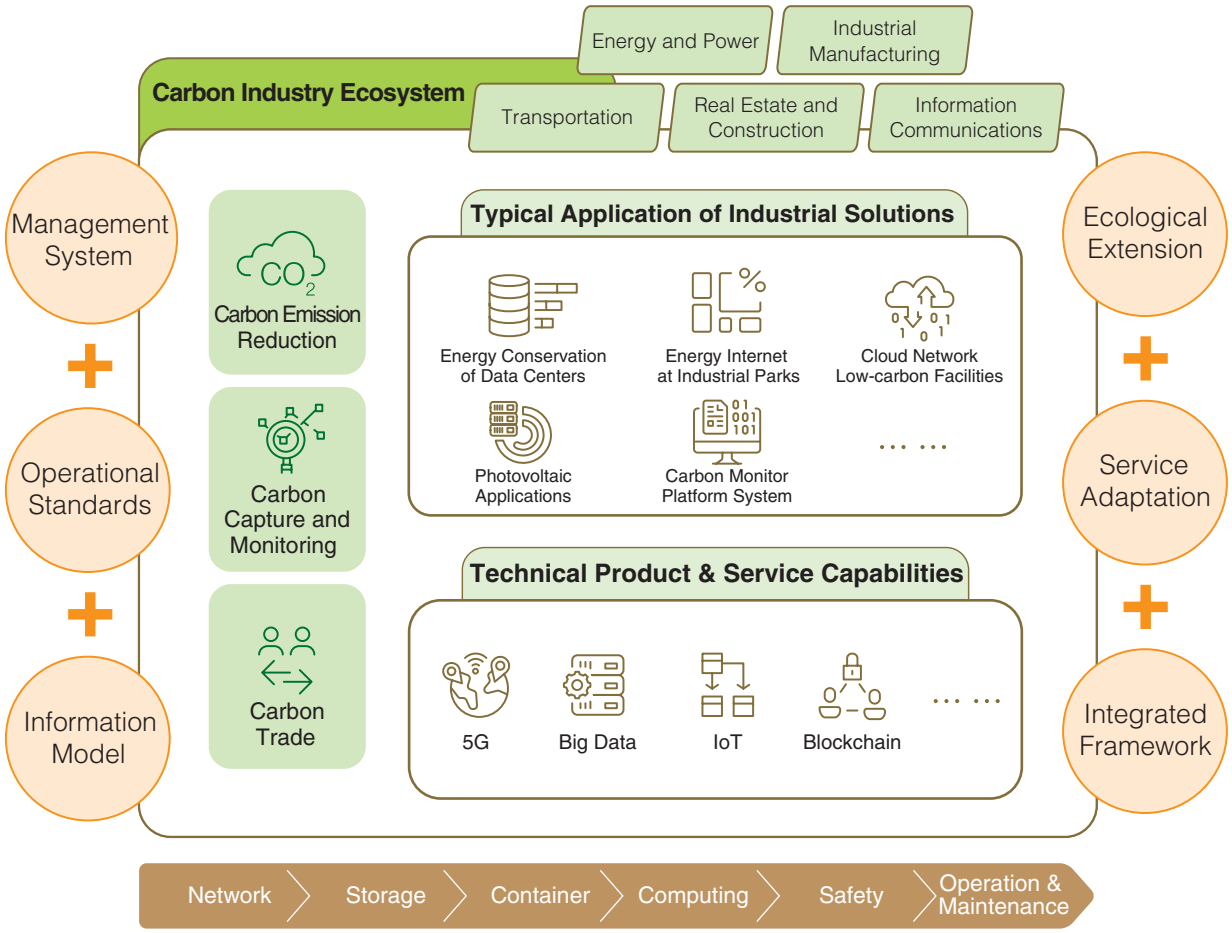
Implement the Group's "Dual Carbon" planning objectives, promote and implement targets for "Dual Carbon" projects during the Dual Carbon Rolling Development Plan Period

In 2024, the Group held the "China Comservice Dual Carbon Multi-Party Collaboration and Empowerment Training Conference", in which the dual-carbon experts, backbone of the Group and the industry's experts focused on the development of the "Dual Carbon" strategy, shared their views on the theme from the three aspects of macro-policy, industry analysis and the application. At the training session, the Dual Carbon Construction Professional Committee of New Era Craftsmen Institute was formally established.



Action 2

The Group prepared "the Green Development Rolling Plan for 2025–2027", and continuously promoted the "Research on the Peaks of Carbon Emission and Pathways to Carbon Peak". Leveraging the "Dual Carbon" mission, it improved the organizational system and rules for energy conservation and emission reduction, supported the construction of a binding incentive mechanism for energy conservation and emission reduction, and reduced total energy consumption. Focusing on the areas such as energy and power, industrial manufacturing, transportation, real estate and construction, and information and communications as well as three major business sectors which included carbon management, carbon emission reduction and carbon removal, the Group strived to promote carbon reduction in society.



Use of Technology to Seize Opportunities from Climate Change

In managing the risks of climate change, the Group has leveraged its unique advantages to increase the application of new technologies such as 5G, cloud computing, the Internet of Things ("IoT"), big data, blockchain and AI. While promoting upgrade and carbon reduction of energy-intensive industries, it developed a series of energy-saving technologies and products, which allows it to seize the energy-saving and carbon reduction opportunities in climate change.

Continuous Investment in R&D of Green Technology

With the rapid development of 5G, cloud computing, IoT, big data, blockchain, AI and other technologies, the scale of communications base stations and data centers has rapidly expanded, resulting in the continuous increase of power consumption. By fully leveraging its internal R&D synergies, the Group focuses on key technologies and intensifies technological innovation while strengthening cooperation with operators to give full play to its differentiated advantages, actively contributing to the green and low-carbon development of the communications industry.

The Group has developed its own green data center PUE simulation platform, photovoltaic intelligent management platform, photovoltaic storage cloud green energy management platform, C-Cooling energy-saving cloud platform, 5G base station smart energy-saving system, 5G base station AI energy-saving technology, 5G base station energy control intelligent shutdown technology, evaporative cooling module multi-coupling heat pipe refrigeration mainframe, energy-saving integrated cabinet, photovoltaic energy storage and power backup system, distributed intelligent power supply system, server room AI group control and other energy-saving technologies and products, and accumulated mature planning, design and construction experience in energy saving and emission reduction, which has been promoted across the country. Through providing information and communications technologies and services in various industries, the Group has also actively assisted in the digitalization, intelligentization and green development of government, energy, transportation, education, finance and other sectors, realizing green coexistence.

Successful Cases of Green Technology Application

Shaoguan Integrated Data Center

China Comservice Construction Co., Ltd., a subsidiary of the Group, has been contracted as the electromechanical general contractor for Phase I of the Guangdong-Hong Kong-Macao Greater Bay Area Integrated Data Center project. The project adopts a modular design philosophy of "Two Resiliencies and One Optimization" (resilient power supply, resilient cooling, and airflow optimization) and is constructed with National Class-A standards, featuring two cutting-edge facilities. Building A1 is a next-generation high-efficiency data center (PUE 1.25) equipped with over 2,000 adaptive wide-range racks, while Building A2 serves as a fully liquid-cooled intelligent computing center (PUE 1.15) capable of supporting 40,000-card intelligent computing cluster with approximately 15,000 PetaFLOPS of total computing power through its 38 liquid-cooled pods, each delivering around 385 PetaFLOPS. This advanced liquid cooling technology achieves a 60% reduction in cooling energy consumption compared to traditional machine room.

Inner Mongolia Ordos Forest and Grassland Carbon Sinks

The "Inner Mongolia Ordos Forest and Grassland Carbon Sink" project constructed by China International Telecommunication Construction Corporation, a subsidiary of the Group, aims to protect forest resources, accurately measure biological carbon sequestration indicators and promote coordinated and stable economic and social development. Upon project completion, the system will accomplish the function of "fire prevention, security, emergency response, remote sensing monitoring of forest and grassland carbon indicators", and meet the requirements of all-weather and real-time monitoring of the entire region's forest and grassland resources and remote sensing monitoring of carbon indicators.

A Low-carbon Park in Guizhou

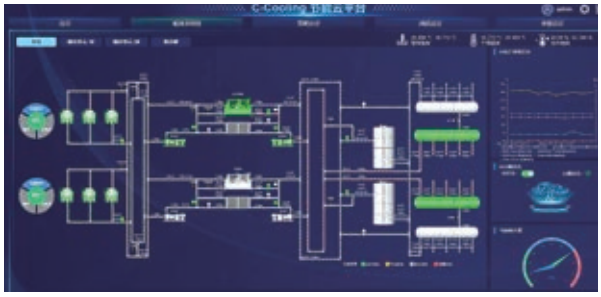
Guizhou Company, a subsidiary of the Group, is responsible for the construction of low-carbon park in Guiyang City and a green energy-efficiency retrofit pilot project, focusing on the core needs of carbon emission reduction and carbon management, making breakthroughs in the original traditional air-cooling system of the server room, comprehensively applying new green energy-saving technologies, constructing magnetic levitation water-cooling system, deploying AI group control system. The comprehensive solution also incorporates an IoT platform, data middle platform, and a digital twin smart park, establishing a service system of carbon knowledge, carbon research and carbon reduction, which analyzes and intelligently controls carbon emissions in the park that effectively reduce the park's overall carbon emissions and help to achieve the dual-carbon goal.

Zhongkai Hi-tech Zone Environmental Ecological Park

The Zhongkai Hi-tech Zone Environmental Ecological Park project participated by Gongcheng Management Consulting Co., Ltd., a subsidiary of the Group, is a large-scale intelligent eco-environmental park, which integrates waste sorting and recycling, harmless landfill, incineration and power generation, biochemical treatment, comprehensive utilization and other functions, and has become a circular economy demonstration park. After the completion of the project, it is expected to process 365,000 tonnes primary waste and 43,800 tonnes kitchen waste annually. The annual power supply will reach 140 million kilowatt-hours, which can be used by 25,000 families every day, and it is equivalent to saving of about 40,000 tonnes of standard coal for the society and greatly reducing the emission of carbon dioxide.

C-Cooling Energy Saving Cloud Platform

The C-Cooling energy-saving cloud platform independently developed by China Information Consulting & Designing Institute Co., Ltd., a subsidiary of the Group, is an AI energy-saving intelligent control product tailored for data center air conditioning systems. The platform is based on "expert algorithms" and integrates high-performance models such as "equipment mechanism + weather prediction + load prediction", analyzes and processes air conditioning system operation data, and overlays the "AI global tuning model" to carry out system-level and real-time global AI search, calculates the optimal energy-saving parameters, and fully taps into the energy-saving potential, so that the data center air conditioning system has the optimal global energy-efficiency. The platform is applied in many data center construction and operation and maintenance projects, and the average energy saving of the air conditioning system is about 12%.



Water Saving Renovation Informatization (Digital Twin) Project

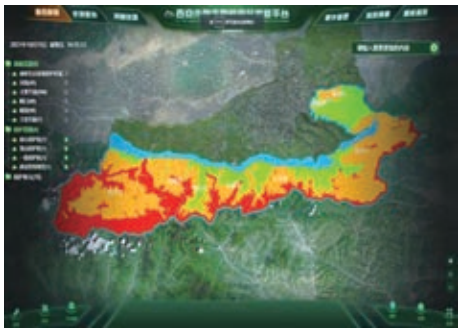
China Information Consulting & Designing Institute Co., Ltd., a subsidiary of the Group, undertakes a city irrigation district water conservation and renovation informatization (digital twin) project. Based on the characteristics of the physical irrigation area of the river and the actual requirements of the irrigation area, it introduced advanced IoT sensing technology, data analysis, model coupling as well as intelligent irrigation equipments to boost agricultural productivity through water resources scheduling, and to achieve flood and drought prevention through monitoring and sensing in the whole area. The project features 13 integrated subsystems including a Unified Irrigation District Management System, Data Collection and Processing System, Water Measurement Management System, Water Fee Accounting and Collection System, and Early Warning Mobile APP, collectively forming a full-spectrum decision support platform. It comprehensively improves the irrigation district management level and water supply security capacity and becomes a model of modernized irrigation district in the southern multi water source plains and hills.

Yibin Hi-tech Zone Carbon Neutral Green Energy Distributed Photovoltaic Power Generation Demonstration Application and User-Side Energy Storage Project

Zhejiang Post Telecommunication Construction Co., Ltd., a subsidiary of the Group, undertakes Yibin High-tech Zone Carbon Neutral Green Energy Distributed Photovoltaic Power Generation Demonstration Application and User-Side Energy Storage Project, with planned PV installed capacity of 60MW and user-side energy storage capacity of 10MWH. The project promotes the integrated development of PV industry and related industries by actively exploring new modes of "PV+Building", "PV+Slope", "PV+Storage" and "PV+Microgrid". The project helps to establish an integrated "generation-grid-load-storage" application scenario that will extend its influence across southern Sichuan and serve as a regional benchmark for the entire Western region.

Xi'an City Qinling Ecological Environment Protection Integrated Restoration Monitoring Project

Shaanxi Communication Planning Design Institute Co., Ltd., a subsidiary of the Group, undertook the Xi'an Qinling ecological environment protection integrated restoration and monitoring project, which focuses on the improvement of forest ecological monitoring and early warning capability by taking the construction control zones, general protection zones and key protection zones of the Qinling northern foothills in Xi'an as the core to build an integrated monitoring system of "space-air-ground" that covers the protection areas at multiple levels.

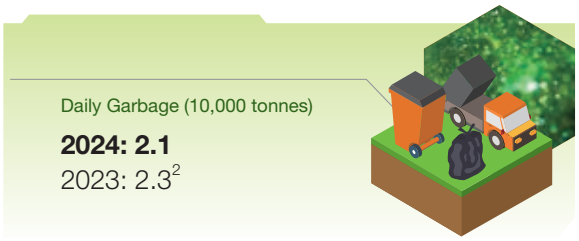


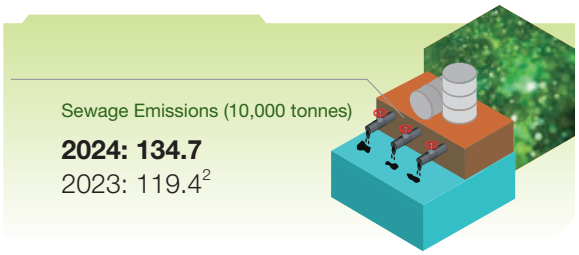
Promote Green Operations

The Group is an informatization communications service provider. In the course of providing services to customers, the Group has always strictly complied with various laws and regulations on environmental protection and emissions, including the PRC Environmental Protection Law and the PRC Energy Conservation Law. It has actively controlled pollutant and greenhouse gas emissions, sewage discharge and the disposal of solid and hazardous waste. The Group has actively responded to the national call to reduce the impact of its operations on the environment.

Waste Discharge

The Group strictly follows the PRC Law on the Prevention and Control of Environment Pollution Caused by Solid Wastes and other laws and regulations regarding waste disposal and utilisation, and carries out waste disposal in accordance with regulatory requirements. Some of the provincial companies and professional companies of the Group have engaged property management firms for waste disposal.





Notes:

1. The Group is an asset-light enterprise, its solid wastes are mainly daily garbage, and the sewage it discharges is mainly daily sewage.

2. Certain companies under the Group upgraded and optimized their accounting system, adjusted the accounting and collection methods of garbage disposal fees and expanded the scope of companies for sewage discharge, therefore, the corresponding data of domestic garbage discharge and sewage emissions in 2023 was adjusted.

Resource Utilisation

In terms of the use of packaging materials, the Group operates in the informatization communications service industry, and is mainly engaged in design, construction, supervision, maintenance and other services. Therefore, there is no significant usage of packaging materials in its production and operation process.

As for water consumption, the Group's water supply is provided by the owner or property manager of the office building. The Group attaches great importance to the reasonable and efficient usage of water resources in the normal course of business. It strives to promote and advocate water conservation through public promotion on a daily basis and the installation of water-saving taps, which allows it to further intensify the management of water resource utilisation and reduce unnecessary consumption of water resources. In 2024, the Group's total water consumption was approximately 4.63 million tonnes (2023: approximately 4.59 million tonnes).

In respect of office paper, the Group adheres to the principle of economical use and tolerates no waste to strictly control the use of office paper. In addition, the Group actively enhances its online office capabilities, continuously improves its service quality with informatization means, and extensively promotes the use of cloud-based office applications such as paperless conference systems and online conference systems, and requires its subsidiaries at all levels to use accounting electronic vouchers and e-tendering and procurement. In 2024, the Group's use of office paper amounted to approximately 1,423 tonnes (2023: approximately 1,521 tonnes).

Protecting the Ecological Environment in Project Construction

The Group complies with relevant environmental laws and regulations, and other relevant requirements in its business operations. It reduces construction waste and natural resource consumption, and requires its subsidiaries to understand the environmental characteristic and needs of the regions where they operate, and establish and implement environmental management strategies in line with the requirements. More than 60% professional companies of the Group have obtained relevant certifications, including 100 professional companies with ISO 9001 certification and 87 professional companies with ISO 14001 certification. Besides, Jiangsu Telecom Real Estate Management Co., Ltd. and Hunan Kang Pu Communication Technology Co., which are subsidiaries of the Group, have obtained ISO 50001 energy management system certification. They are committed to managing and reducing the environmental impact in the business activities.

Land Conservation

Strictly abide by national laws and regulations, effectively protect arable land, and orderly implement treatment and restoration work such as site closure, rehabilitation and greening to achieve sustainable use of land resources

Equipment Pollution

Give priority to equipment that is free of noise, electromagnetic radiation and pollutant emissions

Construction Impacts

Avoid mineral deposits, forests, grasslands, wildlife, natural relics, human relics, natural reserves, scenic spots and other areas when conducting field survey for communications lines and avoid changing the neighbouring environment when laying optical fibre cables as far as possible

Electromagnetic Radiation

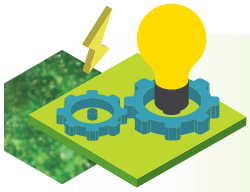
Actively adopt advanced technical means to refine the layout of base stations and ensure that the electromagnetic radiation indicators meet the national standards; monitor and assess the electromagnetic environment around base stations; strictly control the quality of equipment connecting to the network to exercise strict control at source

Green Office

The Group constantly improves its organizational system, management system and work process for energy saving and emission reduction through multiple measures, so as to effectively reduce energy consumption. Campaigns like Energy-saving Promotion Week and National Low-carbon Day are actively carried out by the Group to continuously raise the energy-saving and environmental-protection awareness of its staff. Energy conservation slogans are put up in venues such as public areas inside the buildings and conference rooms. The Group transformed the office environment through technological innovation to help save energy in operations, and launched energy-saving renovation of office buildings, replacement of old air-conditioners, and construction of distributed photovoltaic power generation systems in accordance with the actual situation in suitable provinces and in a planned manner.

Improve Online Office Capabilities

The Group makes full use of cloud conferencing and cloud investigation and research and other methods to enhance online office efficiency



Strengthen Power Saving Management for Lighting

The Group continues to enhance its daily electricity saving measures and adopts energy-saving lamps in all offices, meeting rooms and other premises to reduce the electricity consumption of lighting equipment

Enhance Energy Consumption Management for Vehicles, Promote Green Travel

The Group strictly controls the formation and scale of the fleet of business vehicles to reduce the energy consumption, and it has implemented a “one vehicle, one card” refuelling system in an effort to reduce total fuel consumption. With the use of GPS systems for precise positioning, it aims to reduce the energy consumption of vehicles. It also advocates green travel among employees

Green Office Initiative Announcement

Eco-friendly Recycling

Several professional companies of the Group collect returned network equipment, inefficient equipment with high-energy consumption and other inefficient assets from telecommunications operators for recycling and disposal via a green auction platform. By introducing the reverse integrated asset disposal model of "dismantling, transportation, storage and sale", a closed-loop ecological chain of environmentally-friendly asset disposal, starting from the source of scrap materials till the auction and delivery of assets, has been developed, which not only realizes eco-friendly disposal of waste and obsolete products, but also achieves effective utilisation of resources.

The Group will actively establish and improve a long-term mechanism for resource conservation, improve energy efficiency, develop a circular economy and fulfil its corporate environmental responsibility.

China Comservice Supply Chain Co., Ltd.

China Comservice Supply Chain Co., Ltd. ("Supply Chain Company"), a subsidiary of the Group, owns six subsidiaries including Zhongjie Telecommunications Co., Ltd., Shanghai Tongmao International Supply Chain Management Company Ltd., Zhejiang Zhongtong Communications Co., Ltd., Jiangsu Zhong Bo Communications Co., Ltd., Fujian Zhongtong Communication Co., Ltd. and Hubei Xintong Communication Ltd. These subsidiaries engaged in the auction business and disposed of cables, batteries, telecommunications equipment, terminals, air-conditioners, vehicles and office equipment for a total of RMB1.35 billion in 2024. Since 2009, they have disposed of assets with a total amount of nearly RMB8.35 billion.

Based on the nature of the waste and obsolete materials from customers, Supply Chain Company has established a green auction support system, which integrates the recycling, transportation, sorting, storage and disposal of such materials. This system provides end-to-end integrated services, fulfilling clients' needs for full-process control from asset disposal to material handover, while addressing challenges such as prolonged asset disposal cycles, safety risks, and high warehousing costs.