

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



This report is prepared pursuant to the Environmental, Social and Governance (“ESG”) Reporting Guideline (the “Guideline”) in Appendix 27 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This report covered the period from 1 January 2020 to 31 December 2020, and the key performance indicators in respect of environmental protection were mainly from the Group and certain large-scale subsidiaries. There is no significant change in the scope of this report from that of the 2019 ESG Report. This report has complied with all the “comply or explain” provisions as set out in the Guideline. We did not disclose certain key performance indicators which are required to be disclosed by the Stock Exchange but not directly related to the business of the Group or have minimal influence.

PHILOSOPHY OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group is a leading service provider in the informatization sector in the PRC that adheres to the position as a “New Generation Integrated Smart Service Provider” and commits to “Building Smart Society, Boosting Digital Economy, Serving a Good Life”. The Group provides integrated comprehensive smart solutions in the informatization and digitalization sectors. It consistently upholds its principle of “customer-oriented, outstanding performance, efficient resources allocation and innovative leadership”, focuses on customer demands and values staff as fundamental assets. On the back of our fundamental missions of serving our customers, bringing returns to our shareholders, caring about our employees and giving back to society, we devote ourselves to providing a series of services covering high-quality, efficient and secured telecommunications infrastructure services, business process outsourcing services and applications, content and other services. We place a strong emphasis on scientific development and actively fulfill corporate social responsibility, deliver value to our customers and the society, promote sustainable development, and align our corporate development with society and environment.

While focusing on maximizing the interests of its shareholders as a whole, the Group shows sincere care about the common interests of its stakeholders including its customers, employees and the public, in order to achieve a healthy, sustainable and harmonious development. We have conducted an in-depth research on our stakeholders’ concerns, attached great importance to communication with them and actively responded to their advice; we convert their reasonable requests as the Company’s targets, and endeavour to meet expectations and requirements of various parties.

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ESG GOVERNANCE STRUCTURE

The board of directors (the “Board”) of China Communications Services Corporation Limited (the “Company”) undertakes full responsibility for the ESG Report of the Group. The Group strictly complies with the provisions under the Guideline. The Board of the Company attaches great importance to the environmental, social and governance work and is responsible for evaluating and determining risks relevant to the Group to ensure the Company has effective risk management and internal control systems in place and for determining the Company’s environmental, social and governance approaches and strategies, conducting periodic reviews on the Company’s performance and approving the disclosures set out in the Company’s ESG Report. The report has been reviewed and approved to be published by the Board.





The strategic planning department of the Group is responsible for the overall planning of the ESG Report as well as the forming of working group together with the relevant departments of the headquarters and companies at the provincial level, which is responsible for the implementation of the environmental, social and governance strategies of the Company. The strategic planning department is also responsible for the management and monitoring of the effectiveness and preparation for information disclosure of the ESG Report.

COMMUNICATION WITH STAKEHOLDERS

The Group has established an information collection system for the ESG Report and kept improving the system, some items of which are subject to performance appraisal. The Group promotes communication with its stakeholders, including the government, shareholders, employees, customers and suppliers, by means of announcement, periodic report, meeting, symposium, interview, special communication and activity to hear their expectations and requests carefully. Opinions and suggestions from all parties are collected and addressed by the Group in a proactive manner.

Stakeholders	Mechanism and Means of Communication	Expectation on the Company	Company Response
 Government and Regulatory Authorities	Meeting	Abide by laws and regulations	Comply with laws and operate in good faith
	Report or statement	Fulfill requirements of the government	Pay taxes in accordance with law and promote employment
	Report and visit	Promote construction of industrial ecosystem	Innovate smart products and services
 Shareholders and Investors	Periodic report and announcement	Preserve and increase asset value	Operate in a stable and healthy manner and continuously create values for shareholders
	Special report and visit	Regulate corporate governance	Improve corporate governance and continuously improve internal control
	Daily communication	Prevent operating risks	Protect interests of investors, particularly minority investors in accordance with the laws
	Investor meeting	Regulate information disclosure	Disclose corporate information in strict accordance with rules

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Stakeholders	Mechanism and Means of Communication	Expectation on the Company	Company Response
 Employees	Staff representative supervisor and staff meeting	Protect legal interests	Regulate labour management
	Employee symposium with management	Realize career development	Strengthen employee training and streamline career development path
	Employee questionnaire	Participate in management	Improve income distribution and benefit package mechanism
	Letter and visit	Care about employees	Care about employees' physical and mental health and improve working condition
 Suppliers	Supplier selection and engagement	Establish a clear procurement system, a strict process and a set of regulated conduct	Establish a synergistic and lawful procurement management system with separated supplier selection function, procurement function and monitoring function
	Subcontract management	Show explicit requirement and implement transparent management	Set up a supplier resource pool, ensure supplier qualification and service capability, provide necessary trainings and intensify full-process management on a project basis
 Customers	Contract fulfillment	Provide high value for money solutions (services and products) to cater for customer needs	Further understand customer needs, innovate smart products and satisfy customer-tailored demands
	Visit and conference	Provide excellent services	Realize full life cycle business management through project report, regular meeting and project feedback
	Roadshow and exhibition	Respond quickly	Respond immediately to customers
 Community	Community communication activity	Protect environment	Implement energy saving and emission reduction and reduce water and electricity consumption
	Community construction activity	Secure emergency communications	Actively respond to disaster relief and communications safeguard
	Public welfare activity	Care about the underprivileged	Conduct poverty-alleviation activities and help the disabled and the poor

Following a substantial study and analysis on the 12 ESG topics presented in the Guideline, the Group has identified several material topics by considering the characteristics of its own businesses and the industries in which it operates. These material topics, including "Human Resources Management", "Development and Training", "Health and Safety" and "Supply Chain Management" (content of which to be discussed separately in this report), are emphatically disclosed and analysed in this ESG Report.

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ENVIRONMENTAL PROTECTION AND RESOURCES UTILIZATION

EMISSIONS

As an informatization communications services enterprise, the Group has always complied with relevant national laws and regulations on emission including the Environmental Protection Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China during the course of service provision. We have established an internal management system in respect of environmental protection and resources utilization, and embarked on energy-saving and emission-reduction activities. In 2020, the total energy consumption of the Group was approximately 172,000 tons of standard coal, with an energy consumption per revenue of RMB10,000 of 14.06 kg of standard coal (2019: approximately 162,000 tons of standard coal, with an energy consumption per revenue of RMB10,000 of 13.77 kg of standard coal).

According to the energy report of the Group, the total emission of greenhouse gases arising from energy consumption of the Group in 2020 as accounted pursuant to the Greenhouse Gas Protocol was approximately 554,400 tons (2019: approximately 415,800 tons).

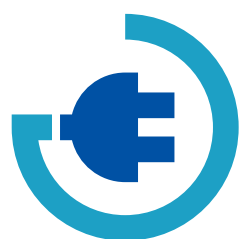
Type of Emissions	2020	2019
Greenhouse gas emissions (10,000 T)	55.44	41.58
Direct emissions (Scope 1)	34.98	27.15
Indirect emissions (Scope 2)	20.46	14.43

Note: Scope 1 direct greenhouse gas emissions include greenhouse gas emissions from the consumption of natural gas, coal, gasoline and diesel fuel.

Scope 2 indirect greenhouse gas emissions include greenhouse gas emissions from the purchase of electricity and heating.

Total greenhouse gas emissions are the sum of Scope 1 direct greenhouse gas emissions and Scope 2 indirect greenhouse gas emissions.

◆ DIRECT/INDIRECT ENERGIES BY TYPE



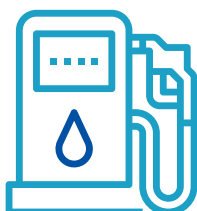
Electricity (GWh)

2020: 304.18
2019: 213.51



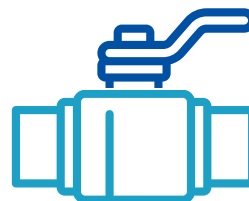
Diesel fuel (Million L)

2020: 15.37
2019: 15.29



Gasoline (Million L)

2020: 94.41
2019: 98.76



Natural gas (Million standard cubic meter)

2020: 10.96
2019: 7.73

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As for waste discharge, the Group strictly follows the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes and other laws and regulations regarding waste disposal and utilization, and carries out waste disposal in accordance with regulatory requirements. Some of the provincial companies and professional companies of the Group placed their waste disposal in the hands of relevant property management firms.



**Daily garbage
(10,000 T)**

2020: 0.53
2019: 0.69



**Sewage emissions
(10,000 T)**

2020: 54.27
2019: 54.88



**Office paper
consumption (T)**

2020: 693.50
2019: 715.23

Notes: The data above represents the summarized data of some of the provincial companies and professional companies of the Group.

The Group is an asset-light enterprise and the sewage it discharges is mainly domestic sewage.

RESOURCES UTILIZATION

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 resource in the normal course of business. We strive to promote and advocate water conservation by measures including daily public notices and installing water-saving taps, to further intensify the management of water resource utilization and the reduction of unnecessary consumption of water resource.

Under the influence of the pandemic in 2020, the Group and each of its provincial company and professional company increased the frequency of daily disinfection and cleaning of public areas, and instructed staff to wash their hands regularly before and after meals and after touching public objects, and to take proper personal precautions. Consequently, the Group's total water consumption was approximately 6.19 million tons (2019: approximately 5.90 million tons), representing a slight increase as compared to last year.

As for consumption of packaging materials, the Group operates in the informatization communications services industry and is mainly engaged in design, construction, supervision and maintenance, etc. There is no substantial usage of packaging materials in the course of production and operation.

The Group constantly improves the organizational system, management system and work process relevant to energy saving and emission reduction through multiple measures, in order 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 enhance the energy-saving and environmental-protection awareness of our staff. Green and paperless office, waste paper recycling and double-sided printing are continuously implemented to effectively save office paper. A vehicle management system is adopted to strictly control fuel charges. All vehicles of the Group are equipped with GPS to choose the most environmental friendly option for driving while ensuring safety and reducing oil consumption and vehicle exhaust. Multiple provincial companies and professional companies of the Group utilize energy consumption monitoring platform to enhance the informatization level in monitoring and controlling their energy saving and emission reduction. The Group strictly implements the assessment and reward and punishment mechanisms in relation to energy saving and emission reduction and sets energy-saving and emission-reduction budgetary targets for its provincial companies each year, to ensure the smooth fulfillment of annual energy-saving tasks.

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CLIMATE CHANGE

Climate change not only has profound effects on the global ecosystem, but also has significant impacts on the global economy. The carbon dioxide emission is adopted by the PRC as an important indicator for the evaluation of enterprises' performance in production and operation, which is certain to bring some new requirements on the enterprises to adapt to climate change. Enterprises must realize the inevitable effects of risks and policies associated with climate change on their operations, proactively respond to the challenges and capture the opportunities arising therefrom.

In 2020, the Group had active studies and discussions on the plans in relation to responding to climate change, the control of greenhouse gas emission, promotion of green and low-carbon development, and built relevant capabilities, organized scientific research and publicity work in fighting against climate change and endeavoured to improve its capability in environment management, with a view to making contribution to contain the global warming.

Responding to Climate Change: Energy Saving and Emission Reduction

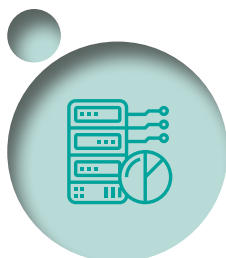
As a "New Generation Integrated Smart Service Provider", the Group firmly follows the principle of green development, implements various energy-saving and emission-reduction policies and regulations issued by the government. Within the Group, it improves energy conservation awareness, performs reasonable control over total energy consumption and endeavours to realize green and high-quality development. Outside the Group, it provides integrated green services, integrates the energy conservation concept into each service including consultation, design, construction, maintenance, property management and supply chain and renders energy-saving services during the process of infrastructures construction, joint construction and sharing, energy-saving reform and big data application by leveraging the advanced energy-saving technologies and products to help customers with energy saving and emission reduction.

Responding to Climate Change: Innovating Product Design to Achieve Energy Saving and Consumption Reduction and Realize Green Operation


Our provincial companies and professional companies improve employees' awareness of energy conservation and emission reduction through multiple measures. They promoted new technologies and new businesses in relation to energy saving by organizing trainings on energy saving and emission reduction. The companies also actively participated in seminars in relation to energy-saving and environmental friendly products and businesses to share energy-saving experience and results and promote energy-saving products in collaboration with its partners. The energy-saving elements are integrated into each part of services provided to customers. The Group makes strong efforts to promote the establishment of green base stations and green data centers and facilitate the recycling of waste materials. During the new construction and reconstruction of equipment rooms, IDCs and other infrastructures, the Group follows the advanced development principle of green and energy-saving, adopts the form of contracted energy management and entrusted energy management, provides green consultation, design, construction, maintenance, property management and other services to promote the application of energy-saving products, energy consumption monitoring platform and big data applications, enabling customers to save energy while raising efficiency.

1. Green Data Center

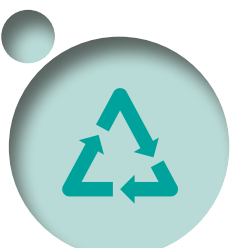
Huaxin Consulting Co., Ltd. (華信諮詢設計研究院有限公司), a subsidiary of the Group, has always been adhering to the design concepts of green, intelligentization and innovation, actively promoting the green, energy-saving and healthy development of data centers in the industry, and providing integrated data center solutions for customers of all types. It has been invited to attend three sessions of Data Center Cooling and Energy Conservation Technology Summit and delivered a keynote speech on the "Application and Prospect of Cooling Technologies for Data Centers in New Infrastructure", providing references for application of energy-saving technologies in data centers through data center policy review, in-depth analysis of energy saving technologies and model-based estimation of typical climate, and sharing opinions and communicating on future development trends such as green and energy saving, intelligentization and reliability, module deployment and flexible utilization of data centers. In the cloud computing information park project built for our clients, innovative design and construction are adopted in the integrated air duct intelligent heat exchange system, enabling its air conditioning system to fully integrate with the local natural conditions. Natural cooling sources are utilized in a gradient approach, which enables the data center to achieve wholly free cooling for 55% of the year and partially free cooling for 26% of the year, significantly reducing energy consumption of the air conditioning system and lowering the PUE to below 1.3, reaching an internationally and domestically advanced level.




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2. **Green Campus Platform**


Zhejiang Post & Telecommunication Construction Co., Ltd. (浙江省郵電工程建設有限公司), a subsidiary of the Group, built a green campus energy consumption big data platform for a university, connecting water, electricity and gas meters, air conditioning and streetlights on campus to operators' network platforms, realizing unified management, saving management costs and improving management efficiency. Upon the launch of the platform, the original four-person task of water and electricity meter reading turned to be done by one person online, directly saving 75% of labour costs. Instead of the previous working model of being switched on and off collectively at a pre-set time, streetlights can now be managed and controlled on an as-needed, by-time and by-zone basis, reducing energy consumption by 50%. As for control of air conditioning system, we realized unified management on the platform and big data analysis for energy-saving regulation purpose, reducing energy consumption by 15%. The university reduced its monthly electricity consumption from approximately 1.41 million kWh to approximately 1.22 million kWh, reducing energy consumption by 13%.

3. **Eco-friendly Recycling**


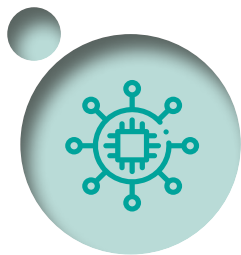
Several professional companies of the Group collect returned network equipment and inefficient equipment of high-energy consumption for recycling and disposal via a green auction platform. By the introduction of a reverse integrated asset disposal model of "dismantling, transportation, storage and sale", a closed-loop ecological chain of 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 utilization of resources. Among which, China Comservice Energy Saving Technology Co., Ltd. (中通服節能技術服務有限公司), a subsidiary of the Group, disposed scrap materials like returned network boards and cards, batteries and cables of RMB480 million through the auction platform in 2020, with the accumulative disposal amount reaching RMB16.0 billion. The green auction platform is supported by 26 warehouses & logistics systems, 1,100 reliable recyclers and 16 valuation techniques, which not only help its customers to improve economic efficiency but also minimize the risk of waste emission. Since obtaining the auction operation license at the end of 2017, Zhongjie Telecommunications Co., Ltd. (中捷通信有限公司), a subsidiary of the Group, has been committed to the business of disposal of waste and obsolete products. From 2019 to 2020, Zhongjie Telecommunications Co., Ltd. (中捷通信有限公司) assisted its customers to dispose of RMB1.63 billion of assets, including RMB1.47 billion of copper cables, RMB76 million of obsolete lead-acid batteries and RMB84 million of scrap materials.

4. **Green and Energy Saving Products**


In 2020, China Comservice Energy Saving Technology Co., Ltd. (中通服節能技術服務有限公司), a subsidiary of the Group, adopted energy-saving and emission-reduction products such as heat pipe backplane, cold channel, flexible DC, integrated refrigeration station, double-circuit heat pipe air conditioner, and inverter air conditioning unit, to provide customers with energy-saving and emission-reduction technical services such as fresh air enthalpy difference-based energy saving transformation, inverter transformation of EC fans, precise air supply-oriented transformation, water cooling transformation of condensers, air conditioner grouped control transformation, and overall energy saving transformation of the cooling system.



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5. **Intelligent Environmental Monitoring**

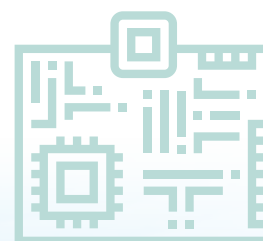
The integrated intelligent environmental monitoring platform developed by Hubei Post Planning Design Co., Ltd. (湖北郵電規劃設計有限公司), a subsidiary of the Group, is capable of conducting standardized environmental monitoring data collection, transmission, interpretation, display and analysis, and realizing remote monitoring and control over the sewage treatment system through customised development. The system also allows interfacing with other systems through the interface to achieve data exchange and sharing. The intelligent environmental monitoring system is designed by adopting the SOA architecture and uses a combination of cloud computing, Internet of Things and big data technologies to monitor over sewage, air, noise and solid waste, realizing real-time data collection, transmission, analysis and display, real-time alarming of equipment and data abnormalities.

6. **Intelligent Energy Consumption Monitoring**

Chongqing Communications Services Company Limited, a subsidiary of the Group, has been commissioned by a municipal level energy-saving technology service center, since 2018, to undertake the research and development and technical services of an online energy consumption monitoring platform project for major energy consumption units of the city. The platform aims at the city's energy consumption management. It integrates functions of online energy monitoring and management, energy saving target management, energy consumption management, overall energy control, energy service management, energy efficiency management, transaction management, electricity demand-side management, etc., to realize "visualisation of real-time energy data", "real-time observation of energy efficiency indicators", "real-time control over energy saving targets" and "real-time trace of energy use" for major energy consumption units. It has successfully helped customers to grasp energy data on a real-time basis, formulate energy policies and energy saving targets accurately, and promoted major energy consumption units to fully explore their energy saving potential, achieve cost-reducing operation and green development. As of May 2020, the online energy consumption monitoring platform has realized real-time monitoring and management of more than 200 major energy consumption units in the city and achieved an energy consumption management rate of 70% for the city, providing strong support to improve energy utilization efficiency of enterprises.



Intelligent online energy consumption monitoring



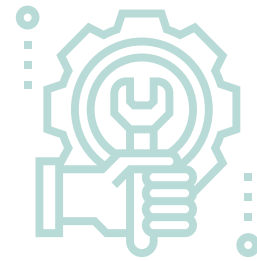
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7. **Intelligent Photovoltaic (PV) Operation and Maintenance**

Jiangxi Communications Services Company Limited, a subsidiary of the Group, is dedicated to the promotion and development of intelligent PV projects. By laying solar panels on the roofs of houses and agricultural sheds and using the distributed solar power generation technology, each household becomes a miniature solar power station. In a project to provide intelligent operation and maintenance services for the photovoltaic power stations of a prefecture-level city, the Company is mainly responsible for building a 4G central control software platform and conducting relevant maintenance and upgrade work, carrying out module cleaning, data analysis, regular inspection, and troubleshooting for the power stations and preparing relevant reports. At present, the Jiangxi company has won the bid for the intelligent operation and maintenance service projects for four photovoltaic power stations with a total capacity of 52 MW, keeping on contributing to intelligent PV development.



Intelligent operation and maintenance of photovoltaic power stations



The Group will continue to increase investment in the research and development of new energy-saving technologies and businesses, consistently follow and implement the development principles of innovation, coordination, green, openness and sharing and establish a green ecosystem and green Comservice to promote digital life. While enhancing the awareness of energy saving and emission reduction within the Group, it will continue to assume social responsibilities related to energy saving and emission reduction. Together with its customers and partners, the Group will intensify the application of 5G, Big Data, Cloud Computing, Internet of Things and other new technologies to inject new momentum into energy saving and emission reduction. Through innovation of management and technology, the Group is committed to improving efficiency in all aspects, realizing energy-saving target and making a better life.

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HUMAN RESOURCES MANAGEMENT

EMPLOYMENT

The Group had approximately 90,000 employees as at 31 December 2020. We are committed to ensuring equal development opportunities for both genders, protecting and enhancing the rights of female employees. Our employees are located primarily in the PRC with certain number of them located in the other districts such as Southeast Asia, the Middle East and Africa. Our employees are divided into contract employees, dispatched employees, part-time employees and other employees.

Indicator	2020	2019
Total employees (As at the end of the year)	90,003	91,564
By type		
Contract employees	85,992	87,706
Dispatched employees	3,628	3,500
Part-time employees	62	99
Others	321	259
By geographic location (%)		
Mainland China	96.4	96.4
Hong Kong, Macau, Taiwan and overseas	3.6	3.6



Total number of newly hired employees

2020: 7,946
2019: 10,024



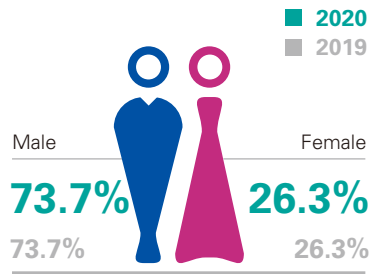
Total number of resigned employees

2020: 9,507
2019: 11,547

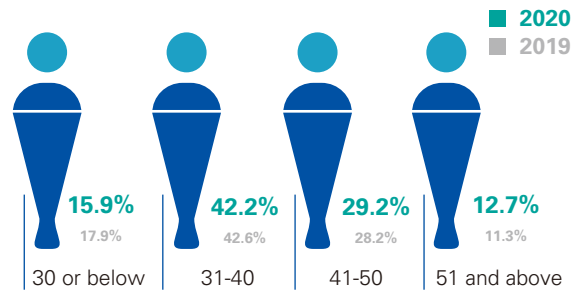
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◆ CONTRACT + DISPATCHED

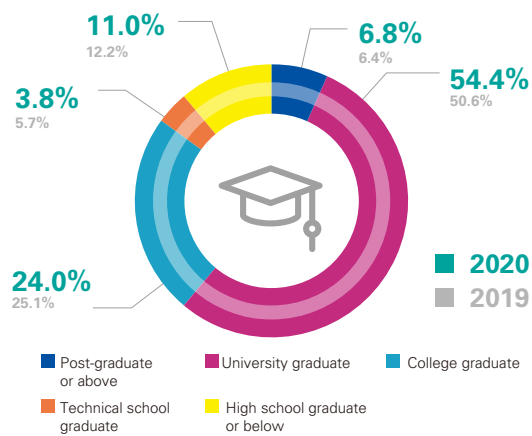
By gender



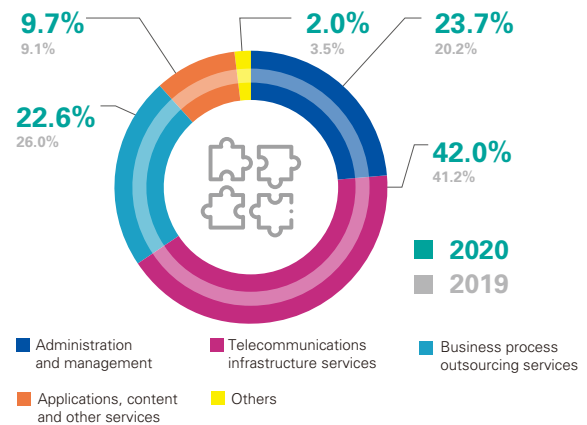
By age



By education level



By nature

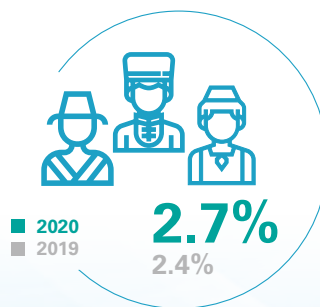


◆ CONTRACT

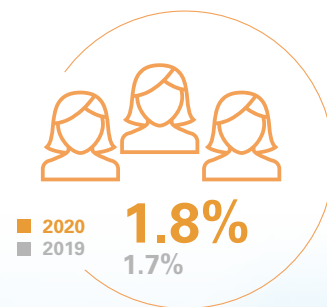
Employees attending the trade union



Employees of ethnic minority



Female management



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As a state-owned enterprise, the Group assumes its important social responsibilities for stabilizing employment in the society by providing large number of job opportunities and encouraging the upstream and downstream enterprises to provide numerous job opportunities every year, which plays a significant role in attracting talents and addressing the problem of graduates employment.

The Group helps its employees to enhance personal capabilities and raise social value by offering trainings and exercises on their skills such as technical skills and management expertise. Meanwhile, the Group actively responds to the call of the government of “mass entrepreneurship and innovation”, and for employees who are ambitious in setting up their own businesses, the Group provides favourable policies and supports their innovation and entrepreneurship.

We consider our employees as an important resource and attach much importance to safeguarding their interests. We formulate and implement the Guidelines of China Comservice on the Market-oriented Remuneration System of Provincial Companies according to the principles of “performance-oriented, internally equitable and externally competitive” remuneration system, strive to expand career development channels for employees, continuously adjust the remuneration resource allocation, further improve the remuneration distribution system closely related to corporate value and individual performance, and actively promote the equity and dividend incentive mechanism for technology enterprises, to share the corporate development achievements with employees and boost the vitality of the organization and employees. In strict compliance with relevant policies of the PRC, we pay social insurance and housing funds for employees and establish the corporate annuity system so as to safeguard the employees’ basic interests.

We are committed to the career development of our employees and offer dual promotion paths for them – “promotion for management functions” and “promotion for technical expertise”. We implement a system that links our employees’ remuneration and promotion to their work experience, capabilities and performance, which incentivizes their proactivity. The promotion follows the principles of fairness, justice, openness and transparency and fully respects employee’s the right of choice, the right to know and the right of supervision. The headquarters of the Group releases the Measures of China Comservice Headquarters on Annual Performance Evaluation of Department and Employee every year, gives full play to motivating and guiding role of performance evaluation, further improves the employee satisfaction to performance evaluation work, and leverages performance evaluation to further optimize the work style of the headquarters and the quality and capability of employees at all levels, and build an highly-efficient, clean and smart headquarters to help the Company to realize comprehensive reform, innovation and transformation. In addition, the Group provides the Provincial Company Leaders’ Performance Evaluation Indicator System and Scoring Measures every year to ensure the full implementation of the Company’s development strategies and tasks for the year. By closely coordinating the budget, evaluation and resource allocation, the Group guides units at all levels to further develop strategic businesses, conduct effective risk prevention and promote the steady improvement of the Company’s value and capability, so as to advance the sustainable and high-quality development of the Company.

LABOR STANDARDS

The Group has always complied with laws and regulations on recruitment and dismissal, working hours and antidiscrimination. Our employees are entitled to national holidays. The Group strictly abides by and implements the laws and regulations in relation to labor employment and labor rights protection, including the PRC Labor Law, the PRC Labor Contract Law and the PRC Trade Union Law, pursuant to which, the Group protects the labor rights, democracy and spiritual and cultural rights of its employees. It strengthens labor employment management in a lawful and standard manner and ensures the entering into labor contracts with contract employees and makes contributions to the social insurance. It also stipulates the contracts entered into between the dispatched employee with the labor dispatching institutions and checks if labor contracts are duly entered into by the labor dispatching institutions and contributions for the dispatched employees are made to the social insurance in order to protect the interests of the dispatched employees.

The Group stands on various labor policies, including but not limited to, gender equality, equal pay for equal work, and treats employees equally in the process of recruitment and promotion, regardless of their gender, age and race. It protects employee privacy in compliance with laws and implements a paid holiday system. Child labor and forced labor are strictly forbidden in the Group. In 2020, there was no child labor and forced labor in the Group. The Group also supports the trade union to perform its duties and responsibilities lawfully and encourages employee engagement to maintain a harmonious and stable labor relationship.

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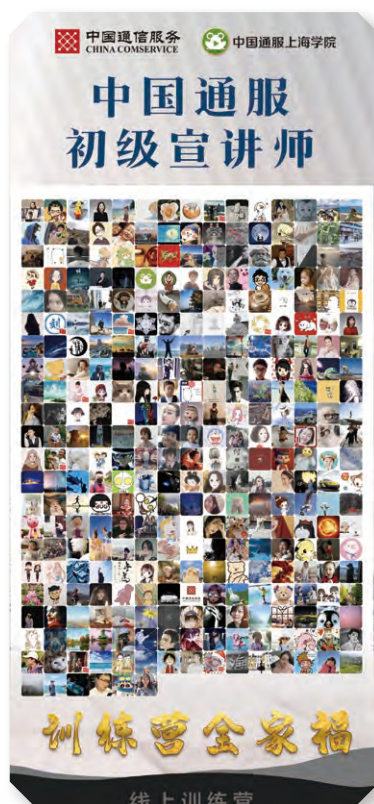
DEVELOPMENT AND TRAINING

We attach great importance to trainings and have established a three-tier training system covering the headquarters, provincial companies and professional companies currently. By leveraging the advantageous strengths of the training centers under the Company, the Group strives to build a categorized and centralized training system with high efficiency so as to become a learning organization.

In 2020, trainings of multiple levels and fields were provided by the Group. For the improvement of integrity and leadership of the management, the Group organized the management to attend the online special workshop of the parent company, China Telecom Group, themed “New Economy, New Infrastructure and New Challenges”, and sent senior and middle management (totaling 6,568 leaders) to “Leaders’ Training Month” and “Panshi Program”, the general competence improvement trainings of the parent company China Telecom Group.

In 2020, the Group launched a new series of industry leader training camps for management reserves of provincial companies, in a bid to assist the provincial companies and professional companies of the Group in discovering and identifying talents, continuously expand the management reserves team and strengthen the development of the Group’s human resources. The training was participated by 41 management reserves from the provincial companies of the Group. Through innovation on the scenarios, contents and forms of training, the leadership awareness of the management has been further improved.

In 2020, considering the requirements of pandemic prevention, the Group used China Comservice Cloud Course and other internal online resources to provide various online trainings, such as Online Competence Training for Marketing Personnel (with a total of 1,563 trainees) and Online Junior Trainers Training Camp (with a total of 483 trainees). Meanwhile, after taking a full account of the capability enhancement requirements of employees of the headquarters, the Group organized 12 sessions (with a total of 745 person-times) of series livestream lectures that covered topics of pandemic prevention, New Infrastructure, cloud computing, industrial internet and digital economy.



Junior Trainers Training Camp



The Group proactively held skill enhancement activities

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In 2020, the Group released the Measures of China Comservice on the In-house Trainer Management, to further promote the development of talent teams by building a categorized and centralized in-house trainer management system with high efficiency. In the meantime, according to the "Measures" stated above, the Group formulated the Detailed Rules of China Comservice for the Implementation of "Headquarters-level" In-house Trainer Management, to allow headquarters-level in-house trainers to play their roles in the innovation and transformation, the promotion of corporate strategy and the career development of employees.

◆ OVERALL TRAINING SITUATION


**Total training expense
(RMB million)**

2020: 127
2019: 175


**Total number of trainings
(Person-time)**

2020: 748,208
2019: 569,252


**Total training hours
(Hour)**

2020: 7,621,737
2019: 16,698,979

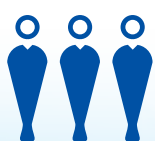

**Average training expense
(RMB/person-time)**

2020: 170
2019: 307


**Average training hours
(Hour/person-time)**

2020: 10
2019: 29

Indicator	Unit	2020	2019
Types of Training			
Safe production training	No. of trainings	4,917	14,040
	Person-time	226,219	219,057
Anti-corruption training and activities	No. of trainings	2,396	1,628
	Person-time	69,764	46,193
Operation management training	No. of trainings	4,095	3,446
	Person-time	62,575	60,267
Technical expertise training	No. of trainings	44,503	13,179
	Person-time	297,328	192,374
Other training	No. of trainings	5,162	2,259
	Person-time	92,322	51,361
Training by Position			
Trainings received by senior management	Person-time	1,548	1,376
Trainings received by middle management	Person-time	134,509	39,481
Trainings received by general employees	Person-time	612,151	528,395


**Number of trainings received
by male employees (Person-time)**

2020: 560,012
2019: 429,935


**Number of trainings received
by female employees (Person-time)**

2020: 188,196
2019: 139,317

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OPERATING PRACTICES

HEALTH AND SAFETY

The Group follows the national laws and regulations and the requirements of the industry regarding safety of development and construction, and resolutely implements the PRC Labor Law, the PRC Safe Production Law, the PRC Fire Services Law, the Administrative Regulations on the Work Safety of Construction Projects. It adheres to and continuously improves the basic management system, and promotes the works in strict compliance with China Comservice Safe Production Management Measures and the safety management requirements of units of higher levels regarding densely-populated places and communications materials warehouses.

The Group's Safe Production Committee is the safe production management organization, with the general manager acting as the director. Provincial companies all set up the Safe Production Committee, to fulfill the safe production responsibility, hold regular committee meetings to discuss and make decisions about important matters related to safe production. The key safe production tasks of 2020 have been issued to subsidiaries after being reviewed and approved by the Safe Production Committee, to guide its subsidiaries to carry out the work.

The Group puts the lives, safety, and health of employees as the first priority, and attaches great importance to the pandemic prevention for employees, especially the scientific pandemic prevention and the health guidance for frontline production personnel. It releases the Notice on Strengthening the Safe Production Work in the Period of Pandemic Prevention to deploy the safe production work in the context of resumption of work and production. Companies at all levels overcome various difficulties to purchase protective equipment for employees, especially for frontline employees, which include masks, protective clothing, disinfection products and temperature-measuring instruments, to safeguard the health and safety of employees.

At the early stage of pandemic prevention, the Group promptly formulates and issues eight COVID-19 prevention guidebooks for survey and design, construction, supervision, maintenance, supply chain, property, training and the call center, to offer guidelines to employees of all segments for working safely. While ensuring the safe production of its employees, the Group also incorporates the pandemic prevention for suppliers and their employees into its work.

The Group values and fully supports the contribution to safe production funds. The provincial companies under the Group are required to make a standard provision for safe production expenses and effectively manage and utilize such expenses, to provide financial support to safe production.

In 2020, the Group conducted safe production inspections to nine provincial companies and their professional companies in provinces including Qinghai, Anhui and Zhejiang, identified issues and vulnerabilities, to eliminate potential safety threats and prevent the occurrence of safe production liability accidents. Every year, companies at all levels conduct self-inspection and rectification on regular basis.

In 2020, companies at all levels of the Group promoted the safe production knowledge via "Safe Production Month" activities and organized online safe production trainings with a total of over 2,000 trainees, effectively improving employees' safe production awareness and skills through continuous education and training.



The Group regularly conducted safe production drill



The Group proactively carried out safe production inspection



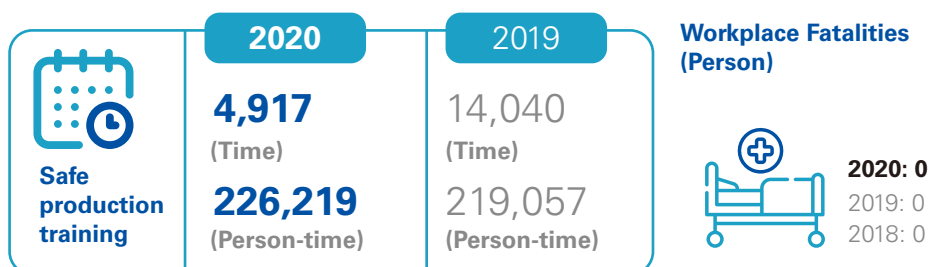
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group promotes the system construction for the safe production expert team, and initiates the campaign of selecting qualified safe production professionals within its whole organization to build the safe production talent team. By participating in the referral and selection of advanced groups and individuals of safe production organized by relevant units, the Group aims to lead by examples, reward outstanding performance and motivate the talents.

The Group further improves the emergency management system, develops safe production emergency management measures, and strengthens the emergency response efficiency and capabilities by conducting safe production emergency drills in different scenarios. It implements the accident reporting system, clarifies the time limit for reporting, and promotes the effective coordination and management.

To improve the health and safety management level, the Group brings in the internationally recognized Occupational Health and Safety Management System Certificate. As at the end of 2020, several subsidiaries of the Group passed the international OHSAS 18001 certification, the ISO 45001 certification or relevant domestic certifications, etc.

In 2020, no significant accident in respect of safe production occurred within the Group, and there was no lost working day due to work-related injuries.



SUPPLY CHAIN MANAGEMENT

We have formulated the relevant administrative rules on procurement in compliance with relevant laws and regulations such as the PRC Civil Code and the Regulation on the Implementation of the PRC Tender Law, strengthened the monitoring and control over key procedures of, among other things, contract execution, safety management, financial settlement, monitoring and supervision. Meanwhile, we conducted trainings on specific skills and safety education to personnel in the supply chain and regulated the management on safe production, ensuring that the suppliers comply with the national and local regulations on salary payment and employment management.



1. Fairness and Justice

The Group adopts a hierarchical supplier approval system, has been following the China Comservice Engineering Service Procurement Management Measures, and strictly controls the eligibility of suppliers with stringent selection based on their general information. Routine and annual assessments are conducted on supplier performance and an exit system and a blacklist system have been established. The assessment results are used for the selection of suppliers in order to promote the suppliers to improve their service quality and safety management.

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**2. Cost Reduction and Efficiency Improvement**

The Group implements hierarchical management over its headquarters, provincial companies and professional companies. The headquarters is responsible for the establishment of a synergistic procurement system, preparation of procurement management measures and IT management requirements, and inspection and assessment of the procurement management of the provincial companies. A provincial company is responsible for the establishment of a provincial procurement system and implementation of centralized management over the suppliers within its province by IT means and also responsible for the establishment of implementation measures for procurement management, improvement of corresponding internal controls, and inspection and assessment of the procurement management of professional companies. A professional company is responsible for the specific implementation of its own procurement management, establishment of management standards or specific measures and is subject to inspection and assessment by the headquarters and the provincial company of the Group. During the year, the Group formulated the guiding opinions on the procurement system construction, and further specified the construction roadmap of “professionalization, compliance, division of management and operation, unified overall planning”. It established the procurement centers at the headquarters and provincial levels, and simultaneously built the digital procurement platform and the centralized procurement management system.

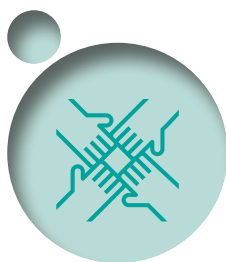
**3. Tolerable Risk**

Through continuous amendments and improvement on the mechanism, the Group drives the implementation of procurement system and further improves management, implementation and monitoring capabilities. It strictly follows the selection and examination procedures to kick out the disqualified suppliers, to ensure that all suppliers enlisted in the “supplier resource pool” have evidences to prove they possess adequate capabilities to perform the contract and control the risk. Such evidences include enterprise qualifications issued by relevant governmental departments (the construction enterprise qualification, the design qualification, the labor qualification and the safe production permit), product standards and competence certificates recognized by the industry (product certificates and the service capability evaluation), professional certificates of relevant personnel (certificates related to special operations, and certificates of safe production specialists of A, B and C classes). The Group instructs suppliers to improve their awareness of safe production, provides full insurance coverage for the working personnel of subcontractors, eliminates hidden risks and promotes the healthy development of the Company through the establishment of IT systems and standardization of management processes.

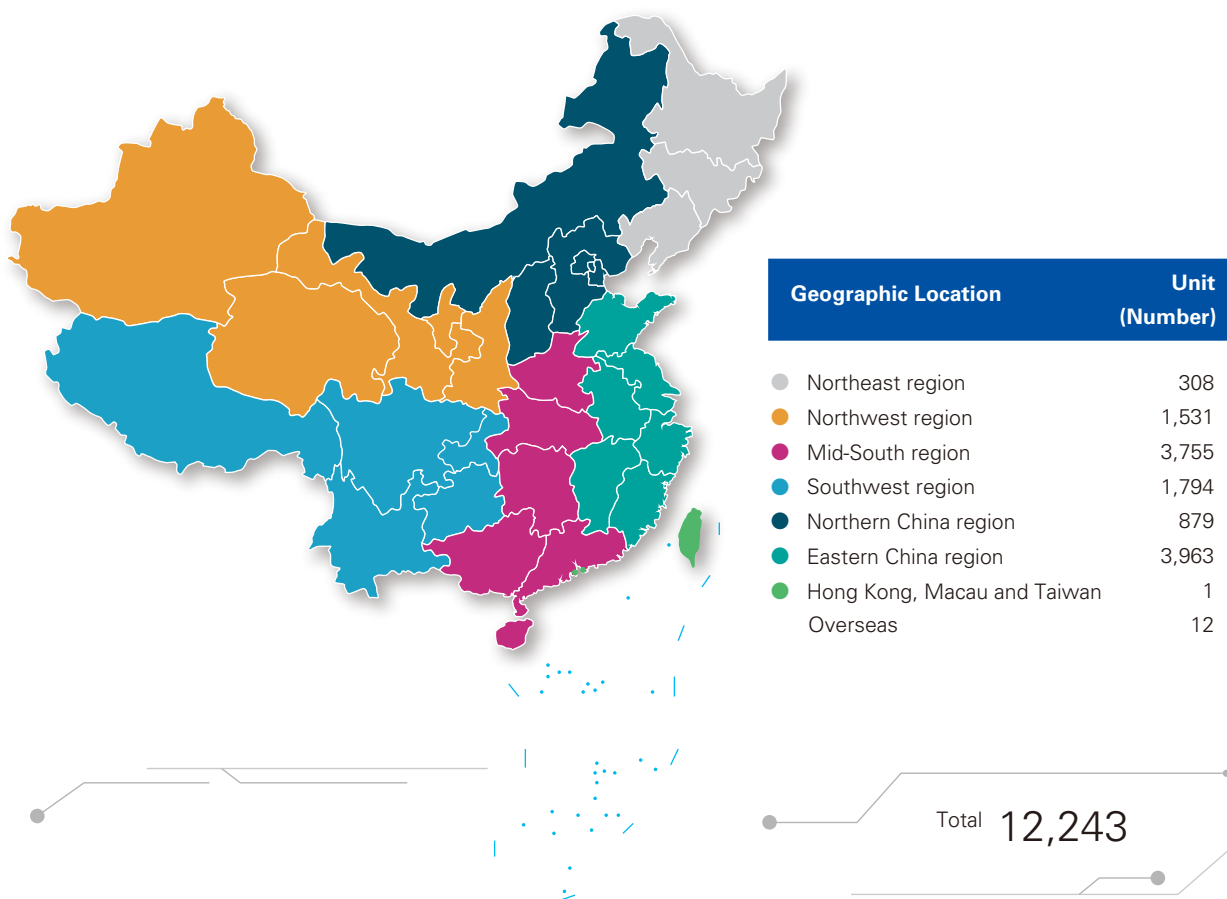
**4. Integrity**

When signing contracts with suppliers, the Group makes the Anti-corruption Agreement or the Integrity Commitment as one of the main appendixes of contracts, and takes “no breach of the integrity requirements, no interests conveyance or other rules and discipline violation” as one of the essential conditions for supplier admission. The Group has considered engineering service procurement as the key area for auditing and supervision. We conducted audits and reviews on supplier admission, tendering and bidding, pricing, signing of contracts, materials procurement and settlement of costs, with the aim to prevent illegal and non-compliant activities such as violation of the administrative measures of the Company and interests conveyance. During the year, the Group launched the company-wide special improvement action to the engineering service procurement. It also conducts special inspections on engineering service procurement every year to ensure that the relevant system is effectively implemented in each specific project.

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**5. Joint Efforts to Build the Ecosystem**

The Group highly values the partnership with suppliers and builds the high-quality ecosystem together with suppliers. It communicates with suppliers, and supervises suppliers' fulfillment of obligations via business and safe production inspections. When providing engineering construction services to external parties, the Group maintains the requirements to subcontractors regarding the fulfilment of social responsibilities such as civilized construction and environmental protection consistent with those to its own teams. In the process of on-site clarification, project managers declare the specific items and supervise whether such items have been implemented in a right way. To align with the construction of procurement system, the Group will further strengthen the environmental protection guidelines and requirements to products and services provided by suppliers.

◆ NUMBERS OF SUPPLIERS BY GEOGRAPHIC LOCATION IN 2020

Note: Each supplier is counted only once by the region where most of its service engagement is located.

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PRODUCT LIABILITY AND CUSTOMERS

The Group actively participates in the promotion of national strategy of innovation-driven development, and integrates into the main course of “Digital China” construction. With the integration of CT (Communications Technology), IT (Information Technology), DT (Data Technology) and OT (Operational Technology) capabilities, the Group provides customers with integrated comprehensive smart services that cover planning and design, engineering construction, informatization technologies and products, maintenance and operation, nationwide supported local services, technology ecosystem and security protection, to effectively satisfy customers’ cross-connection, cross-application, cross-platform, cross-region, cross-supplier construction demands.



The Group expanded into New Infrastructure construction business

The Group always starts from customers’ needs and focuses on customers. In 2020, the Group further strengthened the communication with customers, actively promoted the customer satisfaction program, and engaged the third-party consultancy to conduct survey to customers of the headquarters, provincial companies and professional companies in multiple ways including questionnaires and interviews. Selecting over 20,000 contracts the Group signed with group customers in recent three years as the sample, the customer satisfaction survey collected customers’ opinions and appeals from multiple dimensions and provided targeted improvement plans, to further improve the customer satisfaction.

Based on the digitalization, the Group provides quality products and integrated comprehensive services. Relying on its smart social products, the Group helps the government to build new infrastructures and improve urban management, emergency management and ecological and environmental control. Meanwhile, with established local supporting teams all over the country, the Group keeps active communications with customers, makes timely response and provides services subject to customer needs, observes relevant laws and regulations about product liability, and emphasizes the protection of customer information, which have been well received by the customers.

As the Builder of Digital Infrastructure, the Group provides comprehensive services led by consultation and design and delivered by cutting-edge energy-saving technologies and synergistic digital integration. In 2020, as the national strategy of New Infrastructure was promoted further, the Group helped provincial governments to build the new digital infrastructure layout with the “Consultant + Staff + Housekeeper” model in the significant new infrastructure projects in Northwest and Southwest China.

Based on the self-developed “CCS IoT Platform” – China Comservice IoT Service Platform, the Group built the core functional platform of smart city for a prefecture-level city in Southwest China. By relying on the platform technology capability and the industry ecosystem, it realized unified device access management, big data integration, urban governance and joint development of industry applications, and built a digital smart city.

With the self-developed dispersed research and development platform, the Group built the integrated cloud management platform for the digital government construction bureau of a city, and achieved the flexible software development and the rapid project delivery. It helped the relevant authorities to realize unified management and operation of multiple clouds, heterogeneous clouds and multiple IDCs, improving the maintenance and operation efficiency of the government service cloud, providing feasible information collection and management tools for the digital city management of the digital government construction bureau, and promoting the digitalization of such city.

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The Group has participated in the natural disaster relief and telecommunications network restoration during and after major disasters and public safety incidents to fulfil our corporate social responsibilities. We assist in the repair of communications lines to ensure smooth communications network. In the battle against COVID-19, the Group supported the emergency management across the country without any delay, and provided emergency command centers of all levels of governments and local key medical institutions with 5G base stations, optical-fibre broadband and other informatization construction services, which showcased the “CCS Speed”, provided important technology support to the country’s battle against the virus, and offered real guarantee to the country’s development and the health and safety of the people.

In 2020, more than 72,000 person-times of the Group with more than 19,000 vehicle-times participated in disaster-relief work for a total of more than 132,000 hours and repaired more than 44,000 communication facilities accumulatively. It also actively participated in post-disaster epidemic prevention and disinfection and environmental cleaning, fully demonstrating our corporate capabilities and commitment to social responsibility in disaster relief.

● BATTLE AGAINST COVID-19

In 2020, after receiving the task of constructing “national integrated telecommunications big data analysis platform” of the Ministry of Industry and Information Technology of the PRC, the Group immediately appointed the best informatization experts within the Group to develop the overall plan, offered strong support to the construction of ministerial-level platform and 31 provincial telecommunications big data platforms. It participated in the whole process of the project, including design, survey, construction and system integration, completed the construction within the prescribed timeframe, and ensured that the platforms were launched in a timely manner across the country. For such contribution, the Group was honored the title of “Advanced Group in Fighting against COVID-19 in the Industry and Information Technology System” by Ministry of Industry and Information Technology of the PRC.



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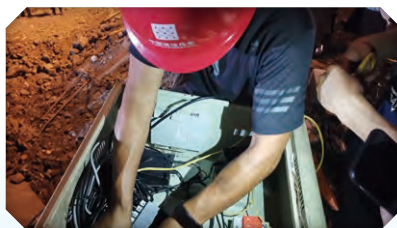
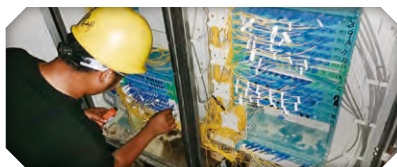
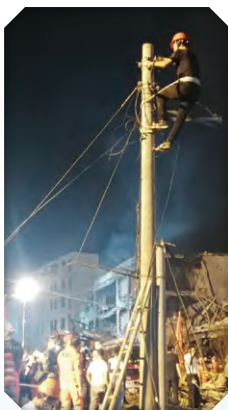
● RAINSTORMS IN SICHUAN

In August 2020, Sichuan Basin was hit by rainstorms, and some places were hit by torrential rainstorms, with the rainfall “rarely seen in a hundred years”. Sichuan Flood Control and Drought Relief Headquarters activated the Level I flood control response, which was the first Level I flood control response in the history of Sichuan Province. The Group’s Sichuan subsidiary immediately activated the emergency response to provide Leshan, Ya’an and Mianyang with communications support.



● TANK TRUCK EXPLOSION IN WENLING, ZHEJIANG

In June 2020, the off-ramp of Wenling West Exit of Shenhai Highway Wenling Section Wenzhou Direction in Wenling, Taizhou reported a grave LPG tank truck explosion accident. The Group’s Zhejiang subsidiary proactively fulfilled the social responsibility, immediately activated the emergency response plan, rapidly organized the emergency management, coordinated the resources and rushed to the frontline to ensure that the communications line of the rescue area would function well. It built the temporary lines to provide network support to the temporary base station and the sky network maintenance, and installed cameras for panoramic and real-time monitoring of the site to enable timelier and more effective on-the-spot command and deployment, thus providing smooth communications to the local government, operators and general public.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

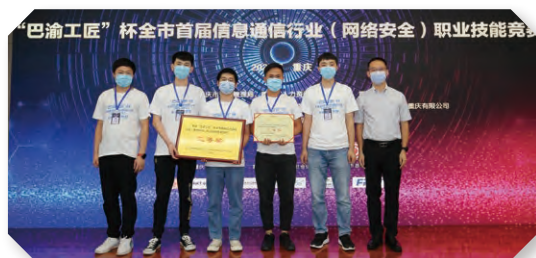
INFORMATION SECURITY AND PRIVACY PROTECTION/NETWORK SECURITY

The Group attaches great importance to the information, privacy and data security of the Company, its employees and customers. It strictly abides by the PRC Network Security Law, the Rules Protecting Personal Information of Telecommunications and Internet Users and other laws and regulations, keeps improving each network and information-related systems, intensifies controls over various network and information security risks, addresses network security vulnerabilities in time, strengthens operation management, and ensures contents and information and data security. For customer-oriented APPs, the Group carries out specific rectification work, makes individual assessment on its ability in protecting personal information, and ensures requirement of each department is duly satisfied and users' personal information is effectively protected.

The Group strengthens the relevant trainings on information security and privacy protection for its employees. It improves the employees' awareness of network information security by utilizing online promotional videos, putting up posters and organizing personal self-inspections. In 2020, the Group organized four trainings on network and information security, including specialized courses such as policy interpretation, cutting-edge technologies and solutions, to the relevant management and technical personnel, with a total of 420 person-times participation.

The Group proactively attended China Cybersecurity Week & Cybersecurity Expo with the theme "Escorting Smart Society, Supporting Digital Economy, Serving a Good Life" presented by pictures, words, videos and livestreams, in order to spread the theme that "cybersecurity aims for people and relies on people".

In 2020, no occurrence of leakage of customer privacy and information was identified within the Group. In line with customer needs, the Group enters into relevant agreements on information security and signs confidentiality agreements with relevant employees, if necessary, and strictly complies with the terms under such agreements. For data involving information of government or other customers, the Group adopts Internet isolation and data masking and encryption to prevent information leakage.



The Group carried out the work on employee information security and privacy protection



INTELLECTUAL PROPERTY PROTECTION

The Group strictly complies with all the laws and regulations in relation to the protection of intellectual property rights, such as the PRC Civil Code, PRC Trademark Law, PRC Patent Law, PRC Copyright Law and PRC Anti-Unfair Competition Law, while continuously enhancing its awareness of intellectual property rights protection, handling and resolving infringement disputes on a timely basis. The Group strengthens trademark management to regulate the use of registered trademarks. It pays attention to brand protection while promoting the brands and enhancing the value of its brands; it conducts research on intellectual property in respect of the emerging businesses of the Group. The Group organizes law-enforcement seminars from time to time to enhance its employees' awareness of, knowledge of, compliance with and usage of relevant laws and regulations and intellectual property rights protection.

In the process of its research and development of smart society products, the Group attaches great importance to the protection of intellectual properties and the application of corresponding patents or software copyrights. In 2020, it received 514 new authorized patents, applied for 417 patents, and obtained 1,074 new software copyrights.

◆ In 2020



Received **514**
new authorized patents



Obtained **1,074**
new software copyrights

Applied for **417** new patents



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ANTI-CORRUPTION

The Group consistently complies with laws and regulations, social integrity, commercial ethics and industrial standards, and formulates the Code of Conducts and Ethics for Employees and the Code of Conducts and Ethics for Senior Management to supervise the management and employees in respect of the compliance. We have been devoted to safeguarding the interests of shareholders, creditors, customers and partners and executing contracts in good faith. We honour commercial credibility and oppose improper competition with a view to preventing corruption in business activities.

We focus on strengthening anti-corruption and disciplinary education in various ways, such as seminars, training programmes, themed conferences and new internet media to procure our management and employees to comply with relevant laws and regulations, emphasize the strict compliance at each level and incorporate integrity education into the daily operation. In addition, we further reinforce our daily supervision and inspection in respect of anti-corruption, focus on priorities to conduct supervision, particularly keep a close watch on major festivals or holidays, advance targeted special supervision to risk-prone areas, improve the relevant procedures and the risk control capability, to prevent operating risks. By combining internal efforts such as the audit department and the discipline inspection department, we strictly prevent activities such as bribery, blackmail, fraud and money laundering. The Group intensifies peer supervision and actively promotes joint supervision. It allows the anti-corruption work coordination group to fully play the role by holding regular meetings, promoting the organic integration of various types of supervision and actively building the synergistic and highly-efficient comprehensive supervision system. The Group sets up a smooth channel for identifying and resolving existing problems in a timely manner. We have attached great importance to the establishment of an anti-corruption system by establishing an accountability system, upholding the "zero tolerance" to illegal and non-compliant activities, and treating the matters seriously according to the requirements of laws, regulations, rules and disciplines, with a view to safeguarding the normal operation of its businesses.

To further strengthen employees' integrity and discipline awareness, each provincial company and professional company of the Group actively organized discipline inspection units at all levels to launch integrity education and promotion in 2020, offering over 50 trainings to primary-level units and covering 11,000 person-times. The Group prepared and issued the Typical Cases of Irregularities, analyzed 104 cases and sent it to every member of the management of provincial companies and professional companies, achieving a full coverage of anti-corruption trainings.



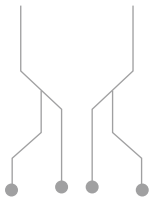
The Group has established a whistle-blowing mechanism. When our employees and business partners discover corruption and bribery of the Group's personnel, they can report by real-name or anonymously through the post office box (Beijing, 100033 mailbox 33 bin) or by visiting the Group in person. The Group will investigate the report, and the information of the whistleblower will be kept strictly confidential.

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The Group focuses on establishing and improving the supervision system in order to strengthen the restriction and supervision to exercises of power and create a clean development atmosphere. It promotes the integrity education via warning and education meetings, integrity promotion, daily education and reminder, new media platforms publicity and other means, to make employees hold discipline in awe, keep the vigilance and hold the baseline, thus building a solid integrity and self-discipline ideological defense line.



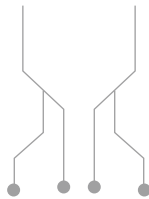
Organizational system construction



Issue the Opinions on Adhering to and Improving the Discipline Inspection and Supervision System of China Comservice (Trial), to ensure systematic, concrete and standardized supervision work and to strengthen the supervision power.



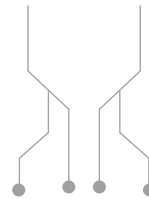
Work style construction



Issue the Notice on the Continuous Correction of Formalism Problems for Providing Strong Atmosphere Support to the Company's Reform and Development, organize units at all levels to fully implement the notice, eradicate formalism and bureaucratism.



Warning and education enhancement



Prepare the Typical Cases of Irregularities, disclose the typical cases, assess and analyze internal risks, closely monitor key links and key personnel to strengthen the supervision.

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COMMUNITY PARTICIPATION

The Group carefully implements the poverty relief tasks from the government, sticks to the fundamental principle of targeted poverty relief, combines poverty relief with education and training, keeps a balance between development-oriented poverty relief and protection-oriented poverty relief, tailors measures to suit the conditions of designated targets, and organizes poverty relief activities in various forms, including employment and training, public welfare, consumption and industrial development.

POVERTY RELIEF

The Group attaches great importance to poverty relief and dispatches employees of the headquarters to Qinghai as leaders of poverty relief to facilitate the accomplishment of each poverty relief task, and actively promotes the poverty relief work of Jiuzhi County, Qinghai Province to help the county to remove poverty. In November 2020, Executive Vice President of the Group led a delegation to Jiuzhi County, Qinghai Province to visit the poverty relief leaders, helped poverty relief leaders to solve difficulties and problems in poverty relief work and life, and conducted field research, to help the promotion of poverty relief works in Jiuzhi County.



CONNECTING NETWORK FOR REMOTE REGIONS

The poverty relief leading group of Jiangsu subsidiary of the Group continuously strengthens the promotion of network project for poverty relief and its construction and management, and advances the communications network construction in remote areas. In June 2020, the last base station of Zaduo County, Moyun Town, Bayang Village, a base station at the height of 5,162 meters was put into service, indicating that Jiangsu subsidiary accomplished the poverty relief project of the government of Yushu Tibetan Autonomous Prefecture, Qinghai Province, earlier than scheduled and completed the construction task of 47 communication base stations. As at June 2020, Jiangsu subsidiary has participated in the pilot programs for constructing universal telecommunications services in the Inner Mongolia Autonomous Region, Gansu Province, Hunan Province, Yunnan Province and Qiannan Prefecture of Guizhou Province, and effectively offered 4G coverage to over 7,000 villages and broadband access to more than 60 counties.



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● DONATION TO REGIONS IN POVERTY

The Group actively raised charitable donations totaling RMB1,050,000 for financial assistance, and cooperated with a third party, China Charity Federation, to donate pandemic prevention materials (masks, disinfection pads, protective clothing and disinfection gels) worth RMB623,300 to the government of Shufu County. It also donated melt-blown non-woven fabric (raw materials for making masks) worth RMB243,200 to the education bureau of Shufu County, and donated teaching materials and sports equipment worth RMB162,600 to the Central Boarding Primary School of Sayibage Town, Shufu County. The total donations of materials were equivalent to RMB1,029,100.



In 2020, the Group aggregately enrolled 76 persons from registered impoverished households, and organized provincial trade unions to purchase farm produce from four designated poverty relief counties and two paring counties of China Telecom Group, the parent company, via the platform TYFO.COM. The products for poverty relief the Group purchased via TYFO.COM in 2020 were worth RMB22,102,100, with the average purchase amounting to RMB283 per person.

● OVERSEAS PANDEMIC PREVENTION

In April 2020, since the outbreak of COVID-19 in Congo–Brazzaville, the Group's international subsidiary actively prepared pandemic prevention materials, fulfilled the social responsibility, offered support to the local government and relevant organization, and worked with them to fight the virus.



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CARING ABOUT EMPLOYEES

The Group stays employee-centered and focuses on strengthening its care to employees. In 2020, the Group actively launched the employees' sense of happiness program, engaged the third-party consultancy to conduct online questionnaires to all over 90,000 employees of the Group, to collect their opinions and suggestions on the current work and environment and thus improving employees' sense of happiness.

The Group earnestly improves the working and living conditions of frontline employees, encourages primary-level trade unions to improve the working environment for employees by adding water purification equipment and mother-and-baby rooms, and promotes the "Four Small Facilities" including the "Small Canteens, Small Restrooms, Small Shower Rooms and Small Activity Rooms", which improves from "being available" to "being better". In 2020, the Group promoted the important deployments of pandemic prevention in a coordinated manner. It learnt about the thoughts of employees in a timely manner and resolved their problems, to further improve their sense of security, sense of gain, sense of achievement, sense of belonging and sense of happiness; faithfully fulfilled the social responsibility of caring about employees, and sending blessings to overseas employees and their families at traditional festivals such as the Dragon Boat Festival and the Mid-Autumn Festival.

The Group cares about its employees stationed outside of the province, values the rights protection for female employees, and frequently helps and supports the poor, ensuring that students from poverty-stricken families can go to school and keeps them warm in winter and cool in summer. It makes efforts to meet the customized and round-the-clock service demands of employees, improves their recognition and satisfaction to the organization, and works with them to build a better life together.

In the time of COVID-19 pandemic in 2020, the Group promoted the requirements of pandemic prevention in an effective and orderly manner, adjusted the key tasks and the measures in due course and according to circumstances, and developed the caring plan for specific employees for the pandemic prevention period. It earmarked special pandemic prevention funds, actively prepared masks, disinfection gels, disinfectants, infrared thermometers and other pandemic prevention materials, and put the psychological consultation hotline for the pandemic prevention period into service. It collected information of families of employees supporting the frontline of Hubei Province, sent special care to families of employees supporting the pandemic-hit regions, delivering them letters of condolences and providing them with one-off allowances and gifts.

The Group also cares deeply about overseas employees and sends solicitude to them. Before the large-scale spread of COVID-19, the Group established the leading group and office of overseas pandemic prevention, to guide the international subsidiary and overseas provincial companies to jointly establish and improve the overseas pandemic prevention accountability system. Referring to the domestic pandemic prevention experience, the Group prepared the overseas pandemic prevention guidebook and the emergency response plan, to scientifically organize, guide and standardize the pandemic prevention and emergency response of overseas institutions. It led the cooperation with The Third Affiliated Hospital of Southern Medical University to develop the health consultation project for overseas employees, to provide remote healthcare services to the employees of the Group and families of them. The Group also led overseas provincial companies and professional companies to participate in the SOS international emergency rescue plan. With the Group's proactive efforts to establish domestic and overseas channels for vaccination, 280 expatriates had vaccines administered successfully. During the reporting period, overseas employees reported no confirmed cases, suspected cases or medical observations.

