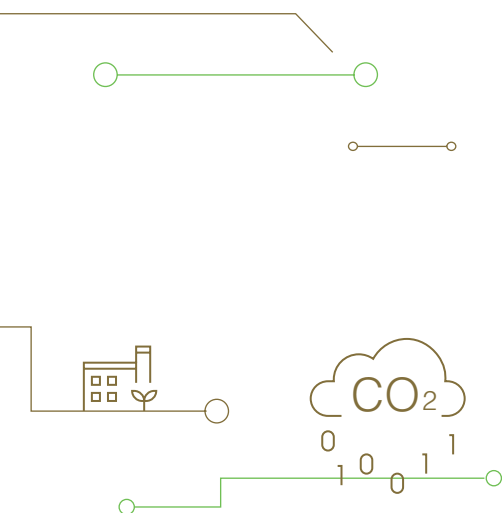


ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



This report is prepared pursuant to the Environmental, Social and Governance (“ESG”) Reporting Guide (the “Guide”) in Appendix C2 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 2024 to 31 December 2024. This report has complied with all the “comply or explain” provisions as set out in the Guide. 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.

This report covered the data and cases from China Communications Services Corporation Limited and its subsidiaries. There is no significant change in the scope of this report from that of the 2023 ESG Report. For detailed information on the Company’s governance structure, organizational structure, market of its services, and organizational scale, please refer to the Company’s annual report for the year 2024.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

PHILOSOPHY OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE



As a leading service provider in the informatization sector in the PRC, the Group adheres to its position as a “New Generation Integrated Smart Service Provider” and commits to “Building Smart Society, Boosting Digital Economy, Serving a Good Life”, providing integrated comprehensive smart solutions in the informatization and digitalization sectors.

Sustainable Development

The Group places a strong emphasis on the concept of scientific development, actively responds to the United Nations Sustainable Development Goals (SDGs) initiative and adheres to the sustainable development principle of “customer prioritization, efficient resources allocation, talent orientation, as well as responsibility and commitment”. 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 are committed to providing innovative, high-quality, efficient and secure integrated services including telecommunications infrastructure services, business process outsourcing services, applications, content and other services, while delivering value to our customers and the society, promoting healthy and sustainable development of itself, and aligning our corporate development with society and environment.



Customer Prioritization

Remaining customer-centric with a focus on their needs; ensuring the quality of our customers' products and delivery on the basis of high-quality products, solutions and services, ensuring prompt response to customer concerns, and continuously improving their satisfaction



Efficient Resources Allocation

Gradually improving the synergistic and professional operation of our internal resources to achieve eco-friendly and efficient utilisation of resources through scientific management and innovative application of new technologies; helping our partners achieve low-carbon and intelligent operation by leveraging the integration of new technologies and innovation



Talent Orientation

Caring about the development of our employees in various aspects, striving to provide them with adequate space for development, a comprehensive training system, competitive salary and welfare packages and incentive mechanism while creating a safe and enjoyable working environment for them



Responsibility and Commitment

Striving to give back to society by fulfilling our responsibilities as a state-owned enterprise in emergency rescue and disaster relief, etc., actively participating in projects for rural revitalization and improvement of people's livelihood, and encouraging our employees to actively participate in social welfare activities

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Board Statement

The Board of Directors (the “Board”) of China Communications Services Corporation Limited (the “Company”) is the highest responsible and decision-making body for ESG governance and has overall responsibility for environmental, social and governance work. The Board meets annually to review and approve the publication of this report (including the review of the progress on ESG-related goals). The Company’s management is authorized to be responsible for the implementation of specific ESG works of the Group (including stakeholders identification and communication). At the same time, the Board reviewed the potential risks and opportunities of ESG issues on the Company’s overall strategy and the results of the materiality assessment of ESG issues.

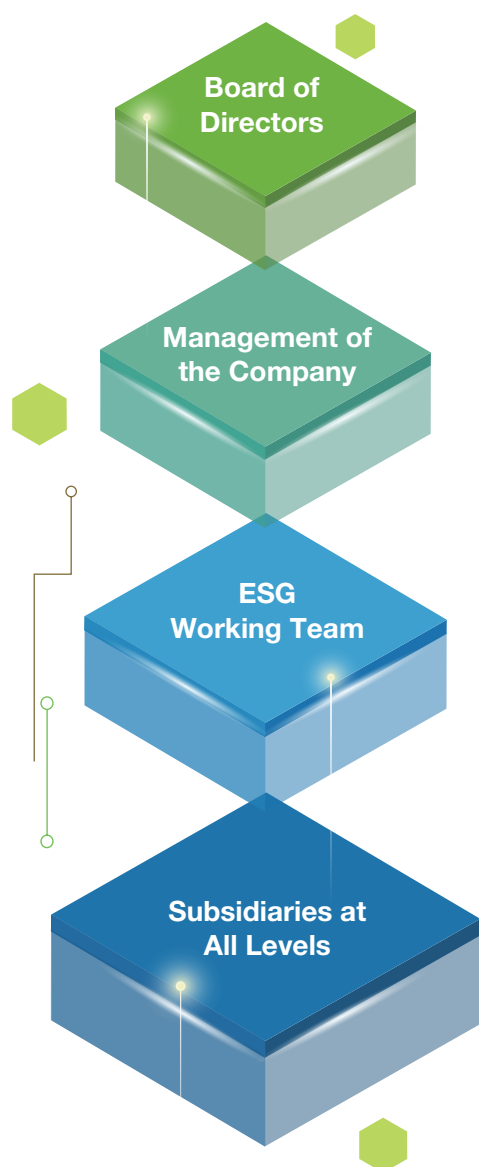
The Audit Committee of the Board holds meetings twice a year to assist the Board in considering specific ESG work and is responsible for assisting the oversight of ESG issues and is continuously enhancing the requirements of internal control processes for ESG risk identification. The management of the Company formulates relevant internal control processes in accordance with the requirements of the Audit Committee of the Board to ensure the effective control of ESG risks by the Company’s risk management and internal control system, and incorporates key ESG risks into the Company’s comprehensive risk management system.

During the year, the Board and the Audit Committee listened to the Company’s ESG work plan and relevant management initiatives, including energy consumption, green and low-carbon development, and other social responsibility issues such as disaster relief, production safety, staff training and anti-corruption. In addition, the Board and Audit Committee were also briefed on the Company’s work plan to address the new disclosure requirements on environmental, social and governance reporting under the Listing Rules of the Stock Exchange of Hong Kong and the “International Financial Reporting Sustainability Disclosure Standard No.1—General Requirements for Disclosure of Sustainability-related Financial Information” and “International Financial Reporting Sustainability Disclosure Standard No.2—Climate-related Disclosures” issued by the International Sustainability Standards Board (ISSB).



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ESG Governance Structure



- Responsible for formulating the overall ESG strategy
- Responsible for the overall deployment and oversight of ESG work
- Responsible for monitoring the progress against ESG-related targets
- Responsible for assessing and determining the risks related to the Company
- Hold meetings regularly to review and evaluate the achievement of ESG objectives

- Implement the work arrangement of the Board
- Manage the ESG Working Team
- Hold meetings at least twice a year to assess the achievement of various ESG indicators
- Review the ESG Report and submit it as an independent resolution to the Board for their consideration







- Promote and implement ESG tasks and follow up on the completion of ESG tasks in the subsidiaries at all levels
- Responsible for ESG data collection and report preparation
- Responsible for the execution and monitoring of daily ESG activities to ensure the implementation of relevant policies and projects
- Manage ESG-related issues and provide analysis, suggestions and updates, maintain communication with the management to ensure the intercommunication of ESG information and the prompt resolution of problems

- Execute ESG work tasks, and refine both work methods and capabilities to satisfy the demands of the ESG team
- Collect, collate and report ESG data and relevant information
- Participate in the preparation of ESG Reports

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Communication with Stakeholders

The Group pays attention to the common interests of stakeholders, including the government and regulatory authorities, shareholders and investors, employees, suppliers, customers and communities. It attaches great importance to the communication with them. Through announcements, regular reports, meetings, talks, visits, special communications and events, the Group collates and actively responds to the views and suggestions of all parties to promote innovation, coordination, green, openness and sharing in corporate development.

Stakeholders	Mechanism and Means of Communication	Expectations on the Company	Responses of the Company
 Government and Regulatory Authorities	Meeting	Compliance with laws and regulations	Comply with laws and operate with integrity
	Reports or statements	Implement government regulatory requirements	Pay taxes in accordance with the laws and promote employment
	Report and visit	Promote the building of industrial ecosystem	Innovate smart products and services
 Shareholders and Investors	Periodic reports, announcements	Asset preservation and appreciation	Operate in a stable manner and continuously create value for shareholders
	Special report, visit	Regulate corporate governance	Improve corporate governance and continuously enhance the internal control system
	Daily communication	Prevent operational risks	Protect the rights and interests of investors, especially small and medium-sized investors, in accordance with the laws
	Investor meeting	Regulate information disclosure	Disclose corporate information in strict accordance with the rules
 Employees	Employee representative supervisors, employee representative meeting	Safeguard legal rights and interests	Regulate labour management
	Employee symposium with management	Achieve career development	Enhance staff training and open up career paths
	Employee survey	Participate in management	Improve income distribution and welfare protection mechanism
	Letter and visit	Staff caring	Care for the physical and mental health of staff and improve working conditions
 Suppliers	Supplier selection and engagement	Integrity and self-discipline in procurement, clearly defined systems, rigorous processes and standardized operations	Improve the synergistic and compliant procurement management systems and separate the duty and function of supplier selection, procurement execution and monitoring
	Green procurement	Implement green and eco-friendly concepts, reduce the damage and impact to the environment	Give priority to suppliers with environmental management system certificates and products that are in line with environmental protection standards; Disseminate the concept of environmental protection to suppliers and continuously optimize procurement management system
	Subcontract management	Clear needs and high transparency in management	Establish a supplier resource base, ensure supplier qualifications and service capabilities, provide necessary skills training and strengthen project-focused whole process management
 Customers	Contract fulfilment	Cost-effective solutions (services, products)	Identify customer needs accurately and innovate smart products to meet their customized needs
	Visit, meeting and communication	Good service quality	Project reports, regular meetings, project visits, etc. for full life cycle business management
	Roadshow, exhibition	Efficient response	Respond to customer needs as soon as possible
 Community	Community communication activity	Protect the environment	Energy saving, emission reduction and conservation of water and electricity
	Community building activity	Safeguard emergency communications	Actively engage in disaster relief and communications safeguard
	Public welfare activity	Care for the underprivileged groups	Carry out poverty alleviation work, help the disabled and the poor

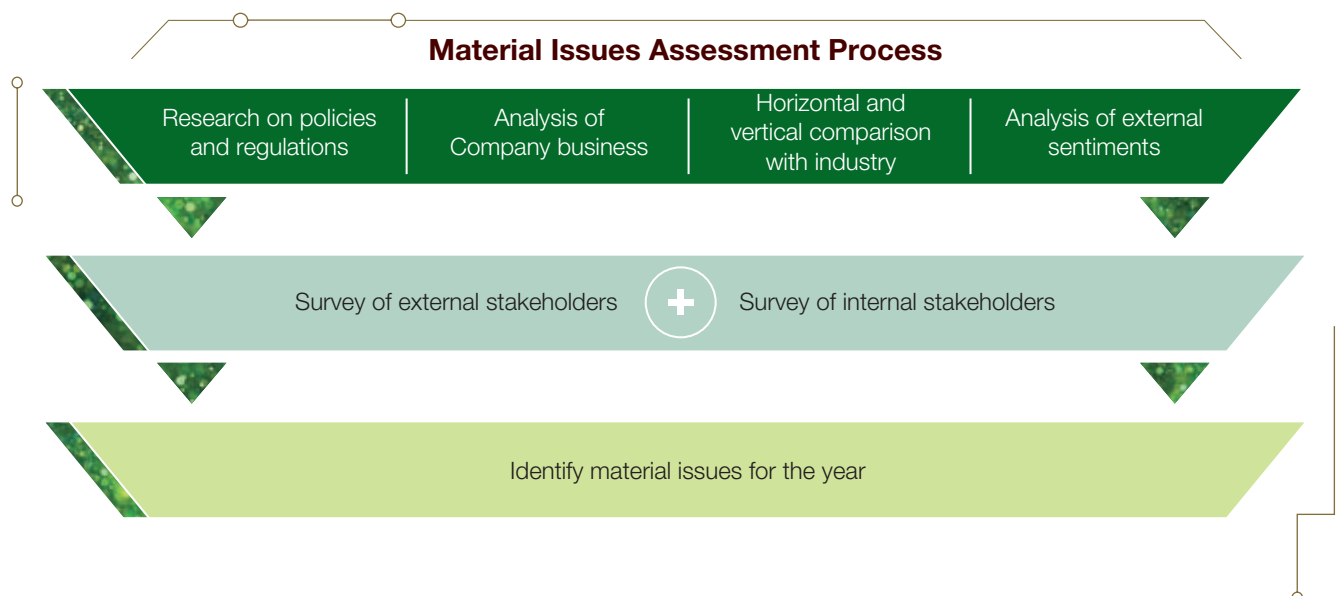
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Material Issues Identification and Assessment Process

In order to gain a more in-depth and objective understanding of the ESG issues that stakeholders are concerned about, during the preparation period of this report, the Group carried out a materiality assessment of these issues, summarized and categorized the material ESG issues of our company, and used this as the basis for the preparation of this report.

Identify ESG Issues

Based on the 2023 materiality assessment results, the Group conducted a comprehensive analysis of stakeholder concerns with reference to its overall business development in 2024, advanced ESG management practices within the industry, the 12 levels of ESG issues outlined in the Guide, its own business and industry characteristics, as well as the engagements with external stakeholders — such as shareholders, investors, and capital markets through investor meetings and active participation in ESG rating agency questionnaires. Meanwhile, aligning with its corporate strategy, the Group conducted internal interviews and surveys with employees on sustainability-related topics. With a combination of the above internal and external analysis, the Group determined 21 ESG issues for the year.



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Formulate and Implement the Stakeholder Communication Plan

During the ESG issue assessment process, the Group attached great importance to the interaction and communication with various stakeholders. The Group formulated a detailed stakeholder communication plan and collected the concerns and expectations of various stakeholders (including investors, employees, customers, suppliers, the community, etc.) regarding ESG issues through various means (such as regular surveys, questionnaires, discussion sessions, etc.).

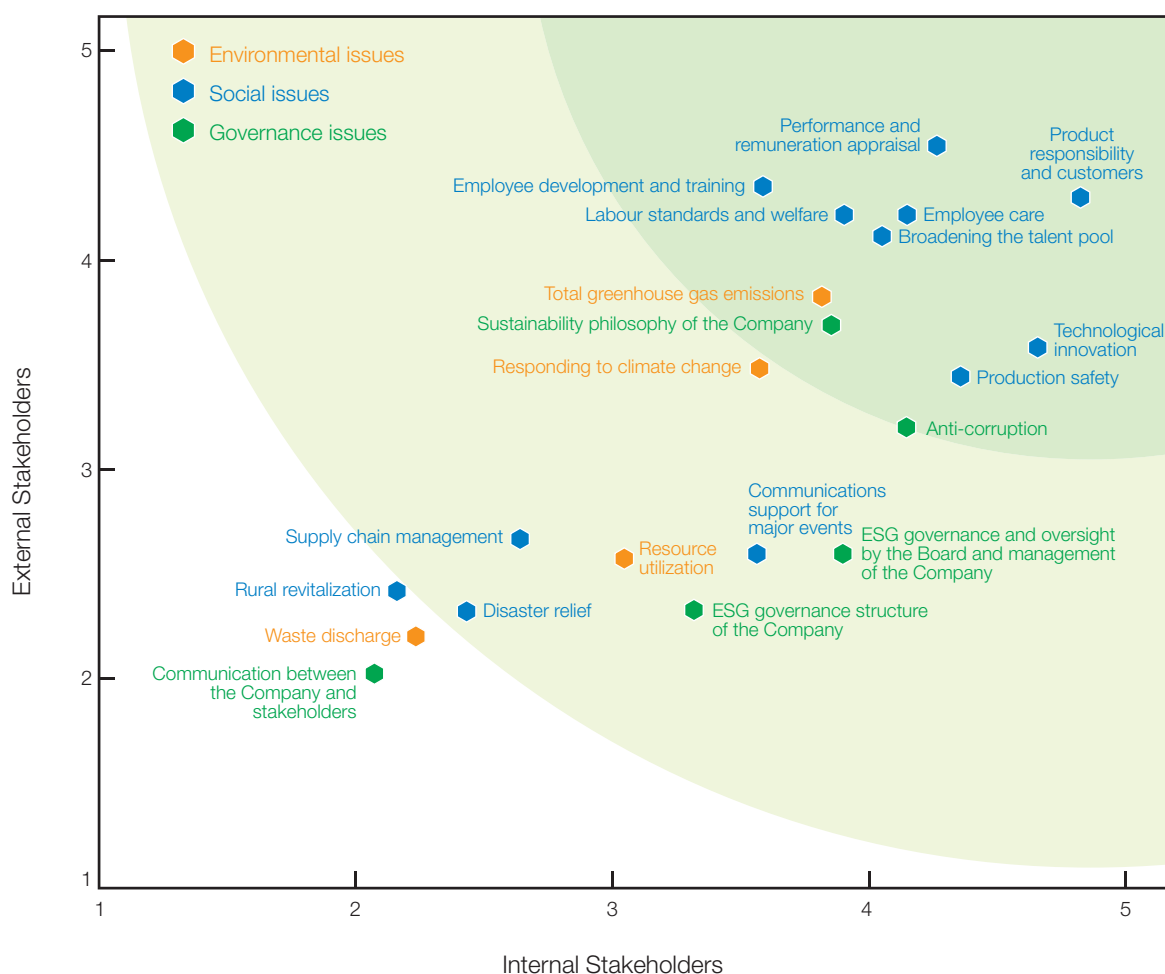
Quantitative Assessment of Material ESG Issues

The Group carried out an online questionnaire survey, inviting various stakeholders to rate the importance of the company's ESG issues in 2024. The ratings were scored from 1 to 5, with the materiality increasing successively.

A total of 2,448 stakeholders participated in this survey, covering various types of stakeholders such as corporate directors, management, employees, investors, suppliers, industry associations, and the community.

The Group analyzed the results filled in by various stakeholders, evaluated the importance of each issue from two dimensions of "internal materiality" and "external materiality", identified 11 extremely material issues, 7 material issues, and 3 relevant issues, and derived the Company's ESG issue materiality analysis matrix for this year.

The results of this assessment of material issues have been reviewed and confirmed by the Board.



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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.

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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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> The communications industry is moving towards green transformation and low-carbon technology upgrades to better meet customer demand 	√	√	√
	Market risk	Changing customer behaviour	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 	√	√	√



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Potential financial impact	Response
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> Rising operating costs: increase in demand for refrigeration leads to a significant rise in electricity consumption 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> Rising operating costs: equipment durability is decreasing, maintenance frequency is increasing, and the company may need to increase investment to maintain operations 	<ul style="list-style-type: none"> Development and application of high-temperature-resistant, low-energy-consumption communications equipment to cope with environmental changes due to global warming
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> Reduced operating costs: Savings in purchased electricity expenses, carbon compliance transaction costs, etc. 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> Increase in revenue: Low-carbon digitalization services can expand into new markets and improve the company's overall business revenue 	<ul style="list-style-type: none"> Form a dedicated low carbon services team to enrich the current digitalization products and solutions

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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.

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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

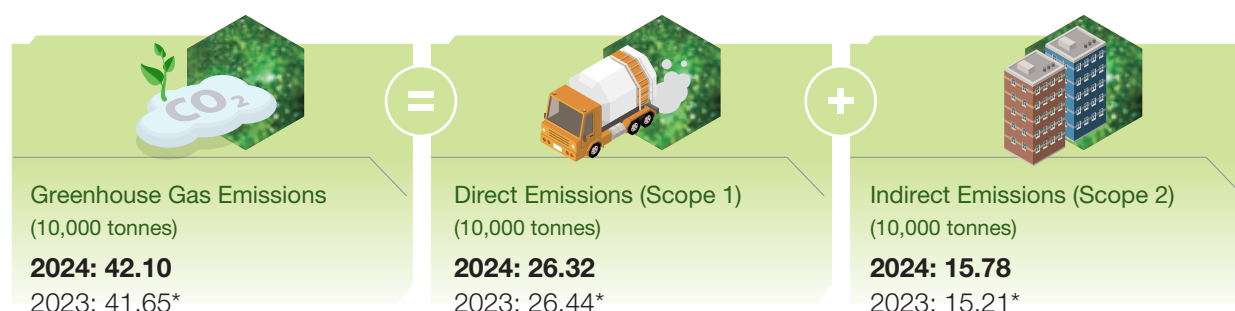
By **2025**, the greenhouse gas emissions intensity per RMB10,000 revenue (comprehensive energy consumption) will achieve a reduction rate of **no less than 15%** compared to the 2020 baseline



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.



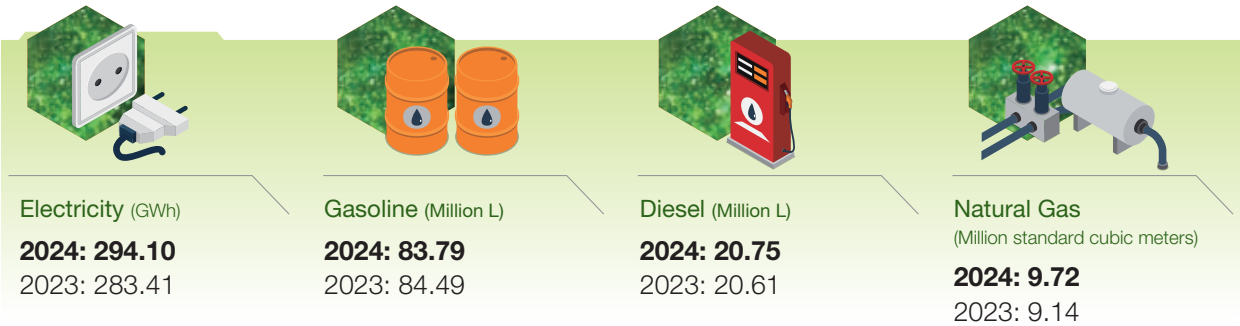
Notes:

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 CO₂ 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 CO₂ emissions, incorporating revised emission factors. Accordingly, the Group has restated our 2023 emissions data to reflect these methodological changes.

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Direct/Indirect Energies by Type



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

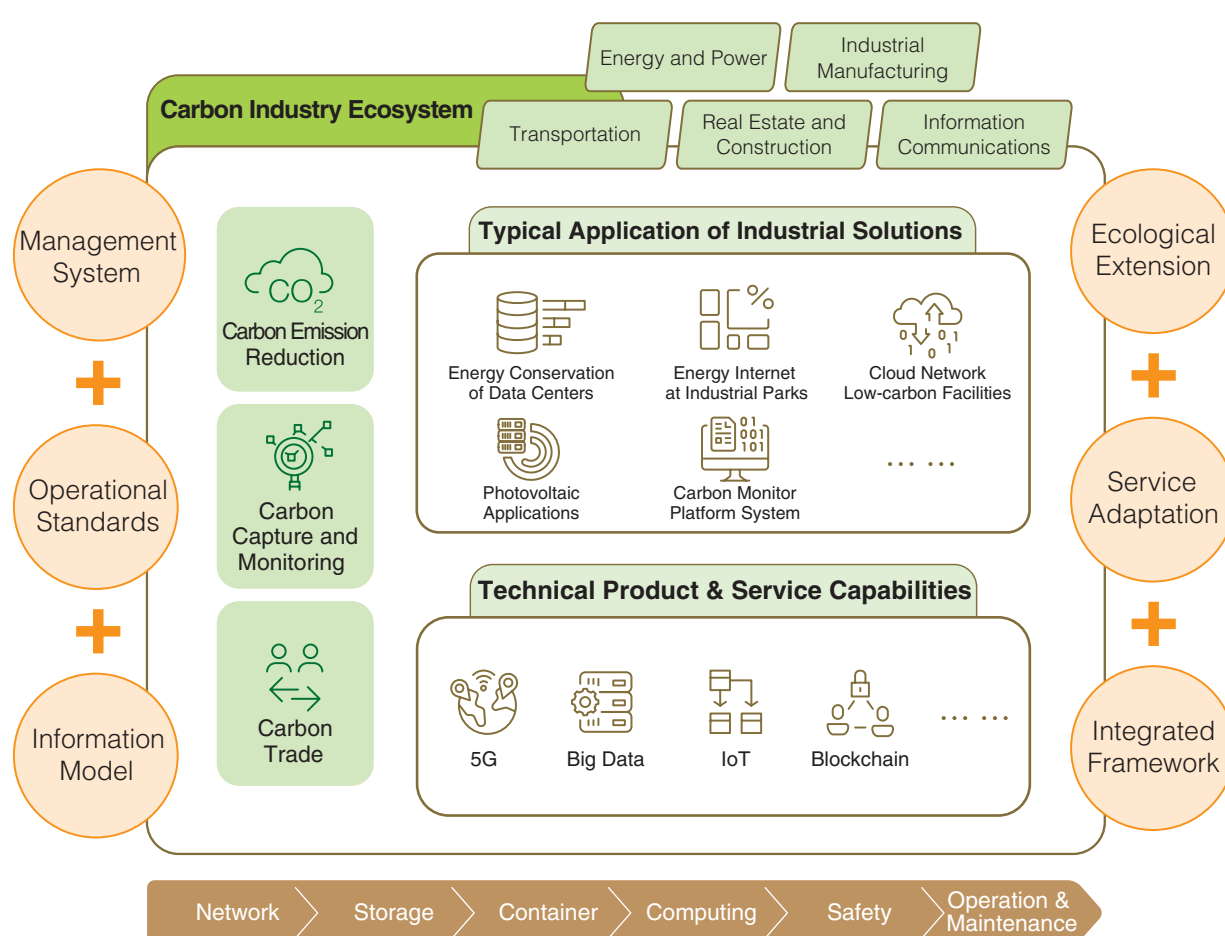
In 2024, the Group held the “China Comservice Dual Carbon Multi-Party Collaboration and Empowerment Training Conference”, in which the dual-carbon experts, backbone of the Group and the industry’s experts focused on the development of the “Dual Carbon” strategy, shared their views on the theme from the 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.



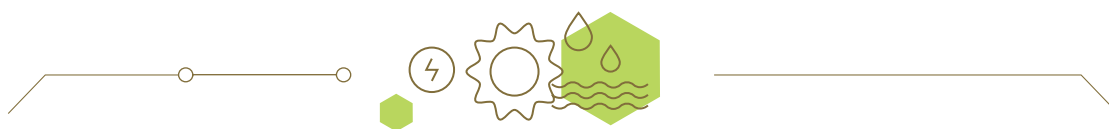
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Action 2

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.



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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.





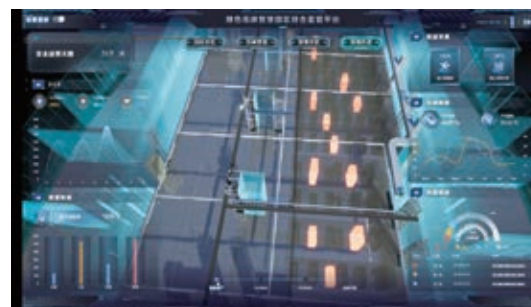
Inner Mongolia Ordos Forest and Grassland Carbon Sinks

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.

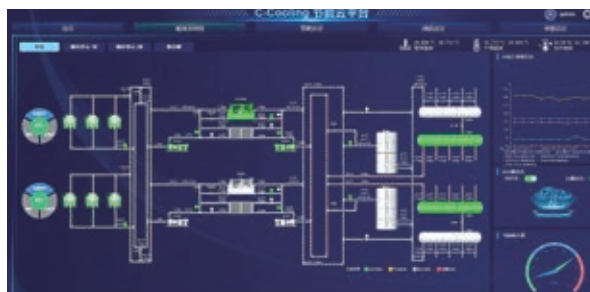


ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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.



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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



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



Equipment Pollution

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



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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

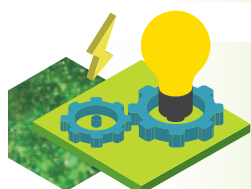
Green Office

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.

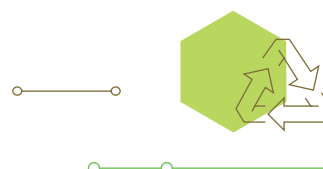
The Group will actively establish and improve a long-term mechanism for resource conservation, improve energy efficiency, develop a circular economy and fulfil its corporate environmental responsibility.



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.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

HUMAN RESOURCES MANAGEMENT



Employment

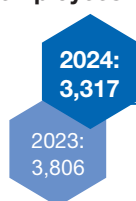
The Group had approximately 77,000 employees as at 31 December 2024. We are committed to ensuring equal development opportunities for both genders, and protecting and enhancing the rights and interests of female employees. Our employees are located primarily in the PRC with some of them located in other regions around the world such as Southeast Asia, the Middle East and Africa. Our employees are divided into contract employees, dispatched employees, part-time employees and other employees.

Total Number of Employees

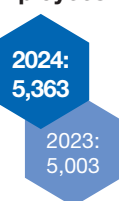

2024
76,686
2023
80,372

Indicator	2024	2023
By type		
Contract employees	74,910	77,998
Dispatched employees	1,613	2,161
Part-time employees	5	38
Others	158	175
By region		
Mainland China	97.1%	96.6%
Hong Kong, Macao, Taiwan and overseas	2.9%	3.4%

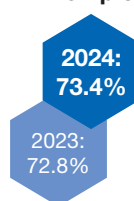
Total number of newly hired employees



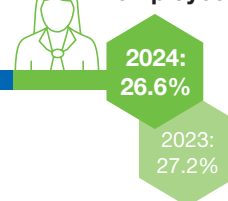
Total number of resigned employees



Proportion of resigned male employees

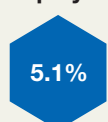


Proportion of resigned female employees



2024 Employee Turnover Rate

Male employees



Female employees



Age



aged 30 and under	2.1%
aged 31-40	3.0%
aged 41-50	1.4%
aged 51 and above	0.5%

In mainland China

6.9%



In Hong Kong, Macao, Taiwan and overseas

0.1%

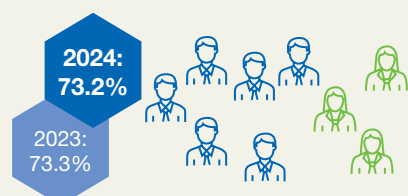
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Structure (Contract + Dispatched Employees)

2024 2023

By Gender

Male employees



Female employees



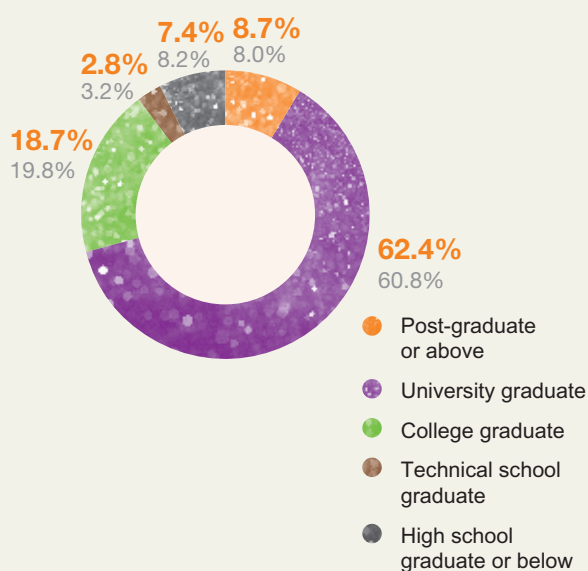
By Age



aged 30 and under	11.3%	12.6%
aged 31–40	33.8%	35.9%
aged 41–50	37.7%	35.3%
aged 51 and above	17.2%	16.2%

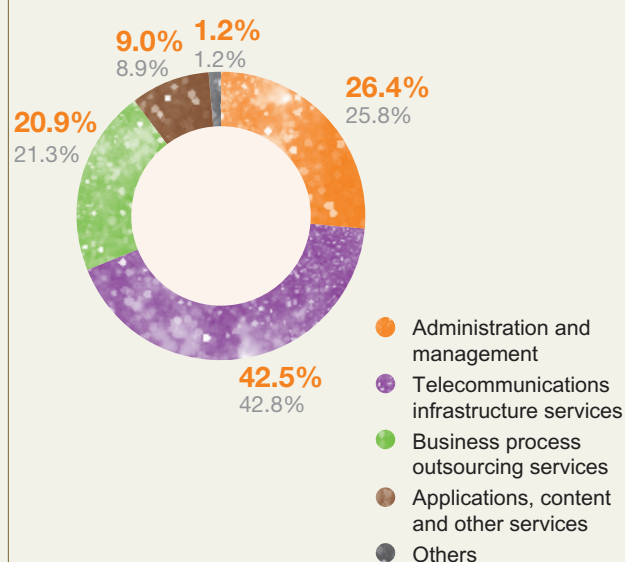
By Education Level

2024 2023



By Nature

2024 2023



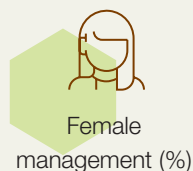
Contract Employees

2024 2023



100

100



1.4

1.4



3.3

4.2

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Broadening the Talent Pool

As a state-owned enterprise, the Group undertakes an important social responsibility of stabilizing employment situation and provides a large number of job opportunities in the market every year. In addition, we take into consideration the characteristics of communications infrastructure construction projects, i.e. strong cyclicity with a large demand for temporary labour, and encourage our upstream and downstream partners to conduct flexible recruitment during the installation of communications cables and equipment based on actual business needs. Through which, we create a large number of job opportunities in the market, which plays an important role in building up our own talent pool and addressing the employment needs of fresh college graduates.

To further improve the market-oriented operational mechanism and deepen the innovation of the human resources system and mechanism, the Group has been pushing forward the reform of the human resources, labour, and allocation systems in 2024. It established an employment mechanism based on position management with contract management as the core, with a focus on key business areas. It has also introduced high-tech, highly skilled, and high-quality talent, maintained control over the total number of employees, optimized the workforce structure, improved the effectiveness of career mobility mechanism, enhanced the overall quality of staff, and boosted labor productivity continuously.

Remuneration and Performance Appraisal Management

The Group regards employees as an important resource of the enterprise and attaches significance to the protection of their interests. In accordance with the principle of “performance-oriented, internally equitable and externally competitive”, it optimises the remuneration distribution system which links closely with its enterprise value and individual performance. It formulates and implements the “Guidance on Performance-related Pay for Heads of Professional Companies and Municipal Companies under Provincial Subsidiaries of China Comservice”. It insists on adopting a remuneration system that favours employees with outstanding contributions and those working in crucial and front-line positions of hardship and danger to support first-class talents in delivering first-class performance for first-class remuneration, so that employees who worked more would be paid more.

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 encourages them to be proactive. Staff promotion follows the principles of fairness, justice, openness and transparency, and fully respects employees’ right to choose, right to know and right of supervision.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group actively supported the implementation of the position-based bonus incentive scheme for state-owned technology-based enterprises in 49 technology-based enterprises under the Group, which aimed to promote a close linkage between the remuneration of technological talents and their innovation ability and contribution. This allows employees to share the fruits of corporate development and stimulates the vitality of the organization and staff. The Group pays social insurance and housing fund for its employees in strict accordance with relevant national policies. It establishes an enterprise annuity system to protect the basic rights and interests of employees.

In order to deepen the reform of the incentive and restraint mechanism and establish a sound medium and long-term incentive system, the Group has implemented share appreciation rights incentive scheme to drive the mutual coordination and promotion of shareholders' interests, the Company's interests and the interests of incentive recipients. As a result, the interests of core employees in key positions are closely aligned with the Company's operating performance, which motivates their enthusiasm.

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 objectives and tasks for the year. By closely coordinating the budget, appraisal, and resource allocation, the Group gives full play to motivating and guiding roles of performance evaluation, motivates business units at all levels to further develop strategic businesses, and promotes the steady improvement of the Company's value and capability.

The Group's headquarters publishes employee performance appraisal methods based on different appraisal indicators each year and conducts annual performance appraisals for employees at all levels to give full play to the value-orientation and strategic execution of the performance management system, promoting the employees to enhance their efficiency, and mobilize their motivation and creativity.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Labor Standards and Welfare

Compliance with the Laws in the Use of Labor

The Group has always complied with laws and regulations on dismissal, working hours and anti-discrimination. Our employees are entitled to national holidays. The Group strictly abides by and implements the laws and regulations in relation to labor employment and protection of labor's rights and interests, 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 and interests, democracy and spiritual and cultural rights and interests of its employees. In addition, we have taken the initiative to take measures to promote a higher level of human rights protection and labor rights protection in accordance with the fundamental conventions of the International Labour Organization, the 10 principles of the United Nations Global Compact, the Convention on the Elimination of All Forms of Discrimination against Women and the Convention on the Rights of Persons with Disabilities.

- It strengthens labor employment management in a lawful and standard manner, ensures the entering into labor contracts with contract employees and makes contributions to the social insurance.
- In line with employment standards, it provides standardized labor contracts by category to clarify the rights and obligations of both parties, so that there are rules and laws for the management of labor relations to follow.
- It sets up standards for the dispatching contracts entered into with the labor dispatching units, inspects and supervises the signing of labor contracts between the labor dispatching units and dispatched employees, makes contributions to the social insurance and protects the rights and interests of the dispatched employees.

Diversity and Equal Opportunities

The Group provides multi-channel and diversified recruitment methods to bring in various types of outstanding talents. The Group adheres to the employment policies of gender equality and equal pay for equal work, provides equal employment opportunities in the recruitment and promotion of employees, does not discriminate against workers on the basis of their ethnicity, race, gender, age, geographic location, marital and child-bearing status, and physical conditions, and offers posts suitable for disabled persons with regard to their personal characteristics. The Group also protects the privacy of employees in accordance with the law, and implements a system of paid leave for employees.



Prohibition of Using Child Labor

The Group strictly implements the relevant requirements of the Provisions on the Prohibition of Using Child Labor, strictly manages the staff recruitment process, specifies the age requirements for candidates and prohibits the use of child labor and prevents the use of forced labor in accordance with the law. There were no incidents of child labor and forced labor in 2024.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Safeguarding Democratic Rights and Interests

The Group respects and supports the freedom of employees to join labor unions and other organisations in accordance with the law, continuously improves the organizational structure of the labor union, clarifies the division of responsibilities, and strives to leverage the role and value of the labor union in promoting business development. We also continuously expand democratic management channels, improve democratic management systems, adopt diversified methods to ensure staff representatives participate in enterprise democratic management, encourage employees to provide suggestions and fully guarantee their rights of information, participation, expression, and supervision. We continuously enhance the standard and capability of enterprise democratic management, safeguard democratic rights and interests, and promote the healthy development of the Company. Meanwhile, in order to further promote the institutionalisation and standardisation of the employee representative meeting, give full play to the role of the employee representative meeting in developing harmonious labor relations and safeguarding the democratic rights of the employees. The Group formulated the Provisional Rules for the Administration of the Employee Representative Meeting of the Provincial Companies of China Comservice in accordance with the Company Law of the PRC, the Trade Union Law of the PRC, the Labor Contract Law of the PRC, and the Regulations on Workers' Congress of Industrial Enterprises Owned by the Whole People and other laws and regulations.

Safeguarding the Rights and Interests of Female Employees

The Group attaches great importance to the care of female employees, endeavors to build a platform for female employees to grow and excel, strengthens the protection of the legal rights and interests of female employees, strictly implements the protection of female employees during the “four periods” (menstruation, pregnancy, maternity and breastfeeding), and cares and supports female employees who are “single mothers” or have difficulties in their families. At the same time, enterprises at all levels are urged to protect the legal rights and interests of female employees, and to strengthen humanistic care and psychological counselling for female employees.

The Group formulated and published the Guiding Opinions on Further Strengthening the Work of Female Employees in China Comservice, and implemented the PRC Law on the Protection of Women's Rights and Interests, the Outline of Women's Development in China (2021–2030), the Special Provisions on the Labor Protection of Female Employees, the Regulations on the Work of Female Workers' Committee in the Trade Unions and other laws and regulations. It also safeguarded the collective interests of female employees, improved the mechanisms for the education and motivation of female employees, the system for cultivation and selection of female leaders and managers, and improved the mechanisms for labor protection, occupational health, social security, as well as the assistance and relief for female employees. Furthermore, the Group launched the “N+1” care and concern activities for female employees in phases, such as signing a collective contract for female employees, adding a special health check-up for female employees, purchasing an additional insurance policy for female employees, organizing a special health seminar for female employees, forming a team for female employees' cultural and sports activities, setting up a forum for emotional exchange among female employees, and setting up a system of care and concern for the whole working cycle of female employees, so as to realize, protect and develop the fundamental interests of the majority of female employees to the greatest extent.

Welfare System

The Group's welfare system includes corporate annuity, supplementary medical care, holiday benefits, various allowances, health check-ups, staff cafeteria, staff dormitories, paid annual leave, comfortable office environment, reasonable work rhythm, rich online learning, diversified cultural and recreational activities and so forth.



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Development and Training

The Group attaches great importance to staff training. Currently, it has established a three-tier training system covering the headquarters, provincial companies and professional companies. By fully leveraging the resource advantage of the training centers under the Company, it strives to build a hierarchical, classified, synergistic and efficient training system to promote the building of a learning-oriented organization.



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In 2024, the Group formulated and issued the “China Comservice 2024 Training Work Plan”. It made synergistic and efficient use of resources from the colleges and training centers under the Company, led by the key mission of promoting high-quality development of the Company, and concentrated on the key tasks for the year. With a focus on building up three teams, namely leading cadres, expert talents and key employees at the base level, it coordinated the training camps for improvement of various management and professional capacities, and continuously optimized the training management system, course development system and online training system, so as to provide talent and capability support for the innovation and transformation of the Company.

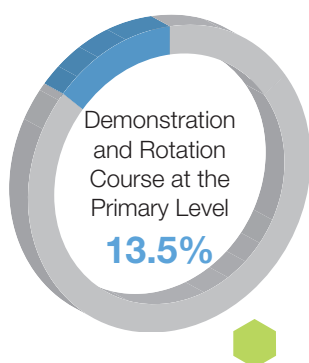
In order to meet the online learning needs of employees, the Group has opened up a channel for all employees to participate in training and learning at online university, which provides online courses, live lectures, interactive seminars and other diversified learning pathways to provide new employees with comprehensive career enlightenment and help them quickly integrate into the work environment. The Group provides professional and technical personnel and managers with cutting-edge professional knowledge and management concepts, helping them to continuously improve their professional skills and management capabilities to cope with the complex and changing market challenges.



In the context of the main tracks and new challenges of the Group in the new era, and towards the requirements of high-quality development of the Company, the Group is committed to promoting the awareness enhancement, knowledge reconstruction and mindset re-creation of the management reserve in each provincial company, so as to build a double-engine management reserve team of “Entrepreneurial Leaders” and “Technical Talents”.



Focus on creating a high-quality talent ecology, with the goals of expanding perspectives and enhancing capabilities, and take various training camps and action learning as the carrier to train for practice, combine training with practice, and devote efforts to cultivate a team of professional backbone talents on each line.



The Group pays attention to the capability enhancement and development aspirations of the core backbone employees at the frontline, and organize various comprehensive ability and professional skills training courses for frontline employees on key technologies and industry applications, project management, marketing, etc., so as to build a frontline employee team with core competitiveness and cohesion.

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Training Course for Young and Middle-aged Cadres of China Comservice

The Group held the “Training Course for Young and Middle-aged Cadres of China Comservice”. Industry senior experts were invited. Through courses such as industry research, U-shaped thinking, and assessment interpretation, combined with activities such as unled group interviews, leadership assessment, and TED talks, the industry insight ability and strategic analysis ability of the trainees were comprehensively enhanced. The self-awareness was continuously strengthened to continuously provide solid talents and intellectual support for the high-quality development of China’s communications service industry.



China Comservice Financial Elite Training Camp

The training camp for financial elites of China Comservice was successfully started, with 55 financial elites participating. This training camp focused on the theme of “promoting development, improving ability and preventing risks”, centering on the business development and key tasks of the enterprise. Through various ways such as theoretical teaching, themed seminars, case discussions, review lectures, cross-criticisms, lectures and evaluation, the training camp finally delivered 11 subject results and lecture videos.





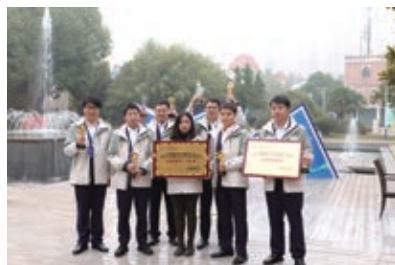
“Innovator Pioneer” Product Training Camp and CCS Senior Technical Expert Training Course

The Group held the “Innovator Pioneer” Product Training Camp and CCS Senior Technical Expert Training Course, which was attended by more than 750 people from the Group’s headquarters, its provincial companies and professional companies both online and offline. The training course centered on the four principles of combination of competition and training, full empowerment of full-stack production, research and marketing team, full coverage of products, and high-intensity learning and exchange, and delivered “end-to-end” standardized management system for the whole life cycle from product planning, design and R&D to sales promotion.



The Sixth “CCS Craftsman” Cup Data Center Green and Low-carbon Integrated Construction and Maintenance Skills Competition

The Group held the Sixth “CCS Craftsman” Cup Data Center Green and Low-Carbon Integrated Construction and Maintenance Skills Competition, with the theme of “Scientific and Technological Innovation, Green and Low-Carbon”, to steadily improve China Comservice service capability in the green and low-carbon field based on the promotion and inheritance of the craftsmanship spirit.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Total Training Expense

(RMB million)

**2024: 172**

2023: 171

Total Number of Trainings

(Person-time)

**2024: 734,418**

2023: 692,353

Total Training Hours

(Hour)

**2024: 15,363,445**

2023: 14,338,150

Per Capita Training Expense

(RMB/person)

**2024: 2,247**

2023: 2,122

Per Capita Training Expense

(RMB/person-time)

**2024: 235**

2023: 246

Per Capita Training Hours

(Hour/person)

**2024: 200**

2023: 179

Per Capita Training Hours

(Hour/person-time)

**2024: 21**

2023: 21

Indicator	Unit	2024	2023
Types of Training			
Production safety training	No. of trainings	5,224	4,702
	Person-time	192,770	199,901
Anti-corruption and integrity promotion training and activities	No. of trainings	1,965	1,426
	Person-time	65,316	46,322
Operation management training	No. of trainings	2,814	2,256
	Person-time	52,725	42,587
Technical expertise training	No. of trainings	10,565	13,261
	Person-time	251,281	232,598
Other training	No. of trainings	4,961	5,730
	Person-time	172,326	170,945
Training by Position/Gender			
Senior management	Ratio	2.2%	2.2%
Middle management	Ratio	36.2%	36.2%
General employees	Ratio	61.6%	61.6%
Male employees	Ratio	70.5%	73.9%
Female employees	Ratio	29.5%	26.1%
Average Training Hours by Position/Gender			
Senior management	Hour/person-time	55	56
Middle management	Hour/person-time	24	25
General employees	Hour/person-time	18	16
Male employees	Hour/person-time	20	20
Female employees	Hour/person-time	22	24

OPERATION MANAGEMENT



Health and Safety

The Group has always upheld a high sense of responsibility, strictly and voluntarily complied with relevant national laws and regulations. It firmly implements laws and regulations such as the PRC Labor Law, the PRC Work Safety Law, the PRC Fire Protection Law, and the Administrative Regulations on the Work Safety of Construction Projects. In addition, it comprehensively aligns with industry-related regulatory requirements such as the Provisions on the Administration of Work Safety in Telecommunication Construction Projects, the Management Rules for Labor Protection Supplies of Employers, and implements compliant operation in every business process.

The Group fully implements the overall philosophy of national safety and persists in the principle of coordinating two major principles of high-quality development and high-level safety. Through the full implementation of the system of responsibility for production safety for all employees, strengthening the standardization of production safety, consistently improving the management system of production safety, continuously carrying out production safety education and training, and establishing the dual prevention mechanism of tiered risk management and control as well as the investigation and management of hidden dangers, the regular production safety supervision and inspection and the periodic emergency rescue drills, etc., the Group ensured the effective implementation of production safety by promoting all work in an orderly manner in accordance with the law.

Meanwhile, the Group has continuously adjusted and optimized its approach in managing subcontractors, strengthened the safety management of business outsourcing and subcontracting units in an all-round way, and strictly controlled the key aspects such as enterprise qualification review, personnel information collection, entry approval of safety conditions, safety education and training, on-site behavior supervision, management of non-compliant behavior, and dynamic judgement of entry and exit, so as to firmly safeguard the bottom line of safety development, and steadily push forward the transformation of the enterprise's safety governance mode into a preprevention mode, prevent and curb the occurrence of major safety production accidents, ensure the health and safety of employees, and proactively create a safe environment conducive to the development of the enterprise.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Safety Management System

The Group's Production Safety Committee is a production safety management body, with the President of the Company as its director. Each of the subordinate provincial companies has set up a production safety committee to implement production safety responsibilities and regularly hold production safety committee meetings to discuss and make decisions on material matters related to production safety. By refining the duties and responsibilities of the organization and increasing the number of experts, the level of safety management is continuously enhanced.

Safe Construction

In order to ensure the safe production of communications construction projects, according to the requirements of relevant laws and regulations such as the PRC Work Safety Law and the Administrative Regulations on the Work Safety of Construction Projects, the principal responsible persons, project responsible persons and dedicated safety production management personnel, etc. of all communications construction enterprises under the Group have passed the assessment of safety production knowledge and management ability organized by the local information and communications administration, and 100% of them are certified to work.

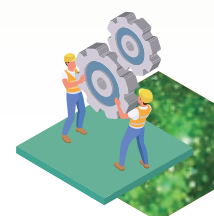
The Group attaches importance to and makes every effort to safeguard the funding for production safety, and requires all its subsidiaries to allocate special production safety funds in accordance with the regulations for, among others, improving working conditions, improving safety facilities, updating labor protection equipment, conducting education and training, and strengthening safety inspections, so as to provide financial support for the smooth implementation of production safety.

In 2024, the Group formulated and fully implemented the "Three-Year Action Implementation Plan for Fundamental Improvement of Work Safety". Throughout the year, a total of 1,305 production safety inspections were carried out. A total of 21,938 hidden dangers were identified, and all of them have been rectified, with a rectification completion rate of 100%. The Group organized public lectures by the primary responsible persons for production safety, covering 32,451 people. It carried out 2,538 education and training sessions on internal and external typical accident cases, with a cumulative coverage of 101,330 person-times. The Group also carried out the Accident Shocking Warning Day activities, which covered as many as 87,839 person-times.

Occupational Health, Safety Production and Environment Management

Based on the strategic goal of continuously building the general contracting capability in recent years, the Group formulated the Guidelines for the Management of General Contracting Projects of China Communications Services Corporation Limited, in which it made specific requirements for occupational health, safety production and environment management (HSE management) of its companies at all levels in undertaking general contracting projects:

1. Clearly define objectives and responsibilities and continuously improve the HSE management system, standardize the occupational health, safety production and environmental management of general contracting projects, so as to minimize the danger to the project construction, the harm to the society and the damage to the environment.
2. According to the project scale, deploy full-time or part-time safety management personnel, who are responsible for the organization and coordination of occupational health, safety production and environmental management under the leadership of the project manager.
3. Carry out occupational health hazard identification and risk assessment, formulate project occupational health management plan, establish occupational health examination system, carry out monitoring and measurement, dynamically identify potential hazard sources and emergencies, and take countermeasures to prevent and reduce injuries.
4. Formulate the Measures for the Administration of Project Safety Production or similar documents, and establish and improve the safety management system; strictly implement the responsibility system for safe production; set up a dedicated safety organization and strengthen the organization and leadership of safety production.
5. Carry out hazard identification and risk assessment, formulate safety management plan, implement safety guarantee measures to ensure safety. Strictly implement the investigation and management system of hidden dangers of production safety accidents, discover and eliminate hidden dangers and accidents in a timely manner, and record the investigation and management of hidden dangers and accidents.
6. Carry out safety production education and training regularly, and project managers, safety management personnel, special operations personnel, etc. shall hold certificates according to regulations.
7. According to the relevant regulations of the PRC, industry, local governments and enterprises, establish necessary safety records to prove the effectiveness of safety management, including safety management ledger, safety meeting minutes, rectification notice, safety production inspection records, purchase and distribution records of labor protection accessories and other original records, etc.
8. Implement the safety disclosure system, and disclose the hazard sources and the preventive measures, safety operation requirements, safety matters that should be paid attention to in cross-operation of various specialties level-by-level before construction, with signatures obtained up to the level of the workers (including suppliers and subcontractors).
9. According to the approved environmental impact assessment documents of construction projects, prepare the project environmental protection plan, identify important environmental factors, formulate environmental management target indicators and management schemes, and effectively control and manage important environmental factors such as construction dust, noise pollution, sewage discharge, solid waste discharge and fire on the construction site.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Dual Prevention Working Mechanism

According to the relevant requirements of the PRC Work Safety Law and on the basis of the Regulations on Tiered Management and Control of Safety Risks of China Communications Services Corporation Limited, the Group formulated the Regulations on Investigation and Management of Potential Safety Hazards of China Communications Services Corporation Limited, and established a dual prevention working mechanism for enterprise safety production.

The Group divides the safety risk level into four tiers: major risk, greater risk, general risk and low risk. It also stipulates that all kinds of risks should be managed and controlled from five aspects: engineering and technical measures, management measures, training and education measures, individual protection measures and emergency response measures. The Group conducts list-based management around the tiered risk management and control contents under 33 specific scenarios, such as construction operations, production and business premises and special equipment.

In 2024, the Group carried out the three-year action for fundamental improvement of production safety in an orderly manner in light of the actual situation. It promoted China Comservice to deepen three key tasks, namely tackling hidden dangers, strengthening the foundation, and enhancing efficiency. It firmly established the concept of safety and coordinated the promotion of eight special tackling tasks, five tasks for infrastructure construction, and five tasks for capability enhancement. The Group organized provincial-level companies to carry out hidden danger investigation and rectification work involving all employees in five scenarios, including office buildings, engineering construction, maintenance services and customer service centers, warehouses, and other business premises. The rectification completion rate of major hidden dangers reached 100%.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

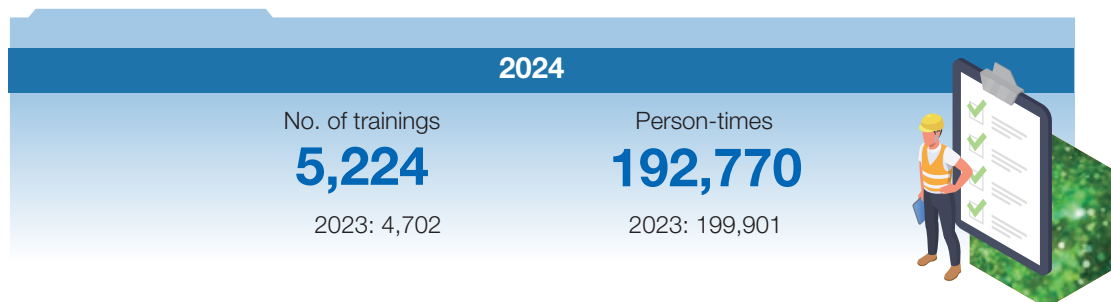
Building a Culture of Safety

Conducting Education and Training on Production Safety

The Group insists on carrying out production safety education and training for all employees by different categories, so as to enhance the safety awareness of all employees. In 2024, the Group organized all employees to study the Administrative Measures for the China Comservice Production Safety Management, invited internal and external safety production experts to train safety production management personnel and project managers at all levels on the specialized subdivisions of construction operation safety, and organized a series of publicity and education activities such as “Safety Production Month”, “Fire Safety Month” and “Telecom Fire Safety Publicity Month”.



Production Safety Training



The Group published the Guide for Safe Construction of Information and Communications Engineering” (ISBN 978-7-115-61752-1), summarizing the excellent experience in production safety in the field of communications construction, and promoted the dissemination of the experience in production safety in the field of communications construction to the front line through the provision of training to all subcontractors at each level.



The Group published the Guide for Information and Intelligent Terminal Installation and Maintenance Safety (ISBN 978-7-115-65390-1), which summarized the basic knowledge of production safety, the key processes of safety management and theoretical knowledge of installation and maintenance work.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Hunan Company Held the 2024 Production Safety Emergency Drill**

The Hunan company, a subsidiary of the Group, centered around the theme of “Everyone Emphasizes Safety, Everyone Can Respond to Emergencies — Keep the Lifeline Clear”. With hands-on drills of emergency evacuation, the use of gas masks, and the firefighting of oil pan fires and electric vehicle fires as the core segments, it organized production safety emergency drills, distributed safety publicity materials, and carried out activities such as random questions competition for safety knowledge and firefighting knowledge.

**2024 Production Safety (Firefighting Skills) Labor Competition of Guangdong Company**

In order to further create a production safety atmosphere of “Everyone Emphasizes Safety, Everyone Can Respond to Emergencies”, enhance employees’ safety awareness, and improve the company’s emergency response and handling capabilities in terms of fire safety, the Guangdong company, a subsidiary of the Group, held the 2024 Production Safety (Firefighting Skills) Labor Competition. A total of 120 participants from 15 representative teams of its subordinate professional companies took part in the competition. The hands-on operation items consisted of five segments, including the 50-meter relay fire extinguishing, earthquake escape and rescue, crossing the fire line, stretcher making, and fire hose splicing.

**2024 “Jian’an Cup” Information and Communications Construction Industry Safety Competition**

The Group actively organized its subsidiaries to participate in the “Jian’an Cup” Information and Communications Construction Industry Safety Competition in 2024. After a fierce competition, the subsidiaries, employees and works of China Comservice won excellent results: 1 enterprise won the second prize of the team award, 2 enterprises won the third prize of the team award, 5 enterprises won the excellent organization award, 1 employee won the first prize of the individual award, 4 employees won the second prize of the individual award, 8 employees won the third prize of the individual award. In addition, 5 entries received the best safety operation video award, 9 entries received the excellent safety operation video award, 1 case was selected as the Best Safety Management Case, 6 cases were selected as the Excellent Safety Management Case.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Valuing Expert Talents

The Group formulated the Management Measures for Invited Experts of Production Safety of China Comservice, and engaged multiple external experts to give full play to their technological supporting role. These experts created synergy with the Group's expert talents, thereby enhancing the Group's education and training as well as the supervision and management capabilities in respect of production safety.

Safeguarding the Occupational Health of Employees

The Group always values the occupational health management of its employees, strictly complies with the Law of the PRC on the Prevention and Control of Occupational Diseases and other relevant laws and regulations, and responds to the requirements of the Healthy China Initiative (2019-2030). It provides occupational safety and protective equipment that meets the national occupational health standards and requirements, and ensures the occupational health of all employees.

In order to enhance health and safety management, the Group has introduced internationally recognized occupational health and safety management system certification. As at the end of 2024, more than 110 subsidiaries of the Group have obtained the international OHSAS 18001 certification, ISO 45001 certification or relevant domestic certifications, etc.

Continuous Improvement of Production Safety Mechanisms

In 2024, the Group revised and issued three production safety management measures, namely, the Work Safety Management Measures of China Comservice, the Implementation Rules for the Assessment and Accountability of Work Safety Accidents of China Comservice (Trial), and the Work Guidelines for the Assessment of Responsibilities in Preventing Work Safety Accidents of China Comservice (Trial). These measures further improved the enterprise's safe production responsibility system, clearly defined the production safety responsibilities of key position personnel such as technician in-charge and building wardens, supplemented and refined the specific production safety requirements of business departments and functional departments, and established a production safety evaluation and assessment mechanism.

The Group issued the Notice on Regular Work Safety Interview and the Notice on Regular Special Inspections of Work Safety Performance, further improving the long-lasting working mechanisms such as interviews and safety work reports.

The Group organized experts to compile the Several Measures for Further Strengthening Work Safety Management, fully implementing the regulatory responsibilities of each functional department. The Group improved specific work measures in terms of safety performance assessment, accident liability investigation and accountability, construction process control and management, and incentives for expert talents, etc., and endeavored to enhance China Comservice's production safety management.

The Group established and implemented an accident reporting system and conducted quarterly surveys. In 2024, no major production safety liability accidents occurred in the Group. In the past three years (including the reporting year), there were no work-related injuries and deaths, or serious injuries to employees due to work responsibilities¹, and there were no lost workdays due to work-related injuries.

¹ The scope of the data covers current contract employees, which is counted based on the scope of responsibility for production safety, including those production safety incidents for which the Group has direct responsibility or management responsibility.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

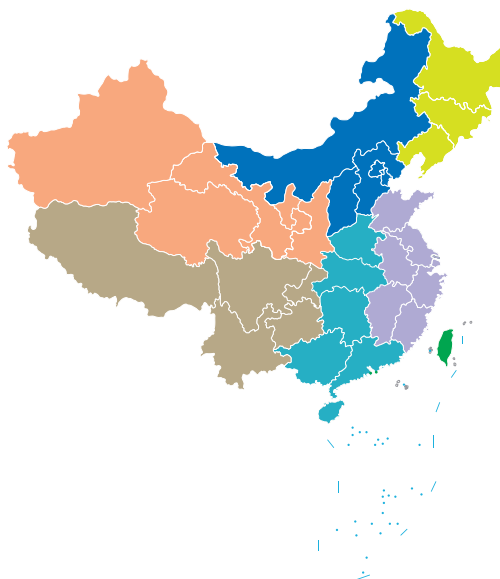
Supply Chain Management

The Group deeply integrates ESG into supply chain management and works with suppliers to implement ESG principles in business contracts and practices. We actively guide suppliers to practice the concept of green development and attach great importance to the protection of labor rights and interests within the supply chain, covering aspects such as the prohibition of child labor and forced labor, the protection of labor rights and interests, ensuring occupational health and safety, emphasizing environmental protection, protecting information security and privacy, adhering to business ethics, and managing sanctions, etc. We have established a comprehensive supplier management system with strict standards and processes from supplier entry, audit, selection, evaluation to withdrawal, and introduced a fair, just and transparent supplier selection mechanism.

In compliance with relevant laws and regulations of the PRC, such as the PRC Civil Code, the Bidding Law of the PRC, the Regulation on the Implementation of the Bidding Law of the PRC, the Measures for the Administration of Bidding for Communications Engineering Construction Projects, the Management Measures for the Determination, Investigation and Handling of Breaches of the Laws on Contract Issuing and Contracting of Construction Projects, the Administrative Measures for General Contracting of Housing Construction and Municipal Infrastructure Projects, and the Opinions of the General Office of the State Council on Promoting the Sustainable and Healthy Development of the Construction Industry, the Group takes into account the actual situation of the enterprise to continuously improve the relevant administrative methods on procurement and strengthens their implementation, with a focus on the management and control over key procedures of, among others, the selection and management of suppliers, contract signing, safety management, financial settlement, supervision and inspection. At the same time, it provides trainings on job skills and safety education to the personnel of suppliers, and regulates their management on production safety, ensuring that the suppliers comply with the national and local regulations on the payment of remuneration and labor management.

Geographic Location	Number of service suppliers	Number of goods suppliers
● Northeast region	241	118
● Northwest region	1,452	833
● Mid-South region	2,147	1,891
● Southwest region	1,114	1,562
● Northern China region	937	915
● Eastern China region	3,846	4,200
● Hong Kong, Macao and Taiwan	1	0
● Overseas	94	1
Total	9,832	9,520

Note: Each supplier is counted only once according to the area of principal use; some suppliers supplying services and goods at the same time are counted separately on both sides.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Develop a Fair and Equitable Supply Chain Environment

The Group implements hierarchical management of suppliers by its headquarters, provincial companies and professional companies. The headquarters is responsible for establishing a synergistic procurement system, formulating procurement management strategies and IT-based management requirements, and supervising, inspecting and assessing the procurement management of provincial companies. Provincial companies are responsible for establishing their own provincial procurement management system, carrying out the synergistic management of suppliers in the province through the IT system, formulating the implementation rules for procurement management and improving the corresponding internal control processes, and conducting inspection and assessment of the procurement situation of professional companies. Professional companies are responsible for the specific implementation of procurement management in their own units, formulating management standards or specific measures, and accepting supervision and inspection by the headquarters and provincial companies.

Supply Chain Management Model



Organizational System

- Adapting to the Company's organizational structure and establishing the system of "three-level procurement and two-level centralized procurement"
- Leveraging the Group's subsidiary, China Comservice Supply Chain Co., Ltd., to implement centralized procurement
- Establishing "headquarters + 21 provincial companies" centralized procurement center



Scope & Plan

- Headquarters-level centralized procurement, provincial-level centralized procurement, professional company procurement
- Classifying procurement types based on business development model, professional nature and other factors



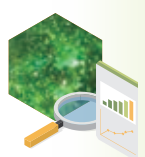
Procurement Method

- Procurement methods include tendering, comparison, quotations, competitive bargaining, competitive negotiation, competitive bidding, single-source procurement, etc.
- Implementing procurement according to the content and amount, taking into account both efficiency and effectiveness, to ensure the maximum transparency of procurement



Contract & Price

- Formulating and utilizing standardized contract texts and adopting electronic approval throughout the process
- Establishing and implementing an "annual benchmark price" management system to control procurement costs reasonably



Supervision

- Comprehensively using the "China Comservice procurement management platform" to conduct procurement work
- Ensuring procurement data is comprehensive, timely, true and valid
- Improving the review and assessment mechanism to carry out supervision level-by-level

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Targeting the principal business activities and key issues of supply chain management, the Group formulated relevant procurement supply chain management systems such as the China Communications Services Corporation Limited Procurement Management Measures (Self-use Category), China Communications Services Corporation Limited Procurement Management Measures (Contracting Business Services Category), China Communications Services Corporation Limited Centralized Procurement Management Measures and China Communications Services Corporation Limited Procurement Supplier Management Measures to ensure the achievement of procurement objectives, enhance the enterprise's ability to acquire and integrate external resources, and improve the efficiency and service standard of the supply chain operation, thus fostering a green cooperation ecosystem of "integrity, efficiency, quality, stability and reliability".

- **Supplier Database Management**

The unified information system is used to achieve hierarchical management of the supplier database. After the completion of procurement activities, the procurement execution department will submit an application for entry into the database, and the procurement centralized management department will conduct an audit. For suppliers who are no longer cooperating after the expiration of the cooperation period, should exit according to requirements and together with those included in the negative list, they will be removed from the supplier database.

- **Supplier Post-evaluation**

The post-evaluation is divided into regular post-evaluation, annual post-evaluation and overall post-evaluation, and the post-evaluation results are aggregated by using a unified information system to ensure that the comprehensive performance of suppliers is reflected objectively. The post-evaluation results of suppliers are used as an important reference basis for all phases of procurement and cooperation.

- **Supplier Rating, Rewards and Penalty**

Suppliers are rated and rewarded or penalized according to their post-evaluation and contribution level to determine their strategic value to the Company. Through rating, an effective competition mechanism of "survival of the fittest" is realized to aggregate high-quality suppliers. There are four ratings: A (preferred), B (eligible), C (reserve) and D (eliminated). In 2024, a total of 11,276 suppliers were rated.

- **Supplier Negative List**

Specify the management standards of the suppliers' negative list at different levels, and prohibit cooperation within the corresponding scope if there are any behaviors listed in the negative list, and ensure the implementation through the unified information system.

Integrity Efficiency Quality Stability Reliability

Supplier Communication

The Group fully implements the China Communications Services Corporation Limited Procurement Supplier Management Measures. In order to facilitate suppliers and potential suppliers to accurately understand the Group's relevant policies on supplier management, we proactively disclose such measures to the public through "China Comservice Procurement and Tendering Portal" (<https://szyc.chinaccs.cn/>).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Controllable Supply Chain Risk

Through continuous amendments and improvement on the system, the Group drives the implementation of the system and further improves management, implementation and monitoring and inspection capabilities. It strictly follows the supplier selection and examination procedures to eliminate the disqualified suppliers, to ensure that all suppliers enlisted in the “supplier resource pool” have materials to prove they possess adequate capabilities to perform the contract and control the risks. Such materials include enterprise qualifications issued by relevant government departments (the construction enterprise qualification, the design qualification, the labor qualification and the production safety permit), product standards and competence certificates recognized by the industry (product certificates and the service capability evaluation), professional qualification 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 production safety, eliminates hidden risks and hazards and promotes the healthy development of the Company through a range of activities such as establishment of IT systems and standardization of management processes.



Pre-job Training

- Daily safety and technical briefings for construction operations
- Unified drills



Working with Certificates

- Climbing, electricity-related and other high-risk work scenarios require the appropriate certificates



Purchase of Insurance

- No insurance, no entry
- Work-related injury insurance, with additional commercial insurance for construction business



Labor Protection

- Pay the production safety fee in full and ensure the usage
- Central purchase of labor protective equipment with reliable quality



Safety Supervision

- Complete on-site supervision by project manager
- High frequency of safety inspection

When the Group enters into contracts with suppliers, the Group includes the Confidentiality Agreement, Production Safety Agreement, Anti-Corruption Agreement and Environmental Protection Agreement as the main annexures to the contracts, monitors the relevant situations through proactive audit activities to ensure the contracts are honored during cooperation, and performs procedures such as termination of cooperation, withdrawal or inclusion in the list of negative suppliers in accordance with the regulations for suppliers who have committed relevant risky acts.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Green Procurement

The Group has incorporated “green and environmental friendly” as one of the principles in its procurement system, practiced the concept of green procurement, and taken into account the requirements of environmental protection at the beginning of raising the procurement needs, committing to work with the upstream and downstream of the supply chain to reduce the damage and impact on the environment.



Preference for Suppliers with Environmental Management System Certification

In centralized procurement, the presence or absence of the environmental management system certification (ISO 14001) is one of the scoring criteria for suppliers, and a comprehensive evaluation of suppliers' performance in energy management system construction, green emission reduction actions, carbon emission information disclosure, and other aspects is also conducted.



Preference for Products that Meet Environmental Protection Standards

In the centralized procurement of goods, specific environmental protection clauses are set as one of the main technical requirements in the technical specifications, and the implementation standard is “Requirements of Concentration Limits for Certain Restricted Substances in Electrical and Electronic Products” (GB/T 26572-2011), etc. Bidders are required to present their RoHS inspection reports.



Conveying Environmental Protection Concepts to Suppliers

The Group's subsidiaries are explicitly required in the system to strengthen the dissemination of environmental protection concepts to suppliers; for service suppliers, the “Environmental Protection Agreement” is included as one of the main annexures to the contract and their implementation of environmental protection responsibilities is strictly monitored; specific requirements are made for the packaging of goods in the centralized procurement of goods to prevent unnecessary excessive packaging.



Disciplinary Action Against Suppliers who Neglect Environmental Protection

Suppliers who cause environmental pollution incidents can be withdrawn from the system and disqualified from cooperation according to the system. During the year, no supplier was withdrawn accordingly.



Actively Exploring the Whole Procurement Process through Electronic Means

The Group put into operation of its “China Comservice Procurement Management Platform”, covering many modules such as procurement and tendering portal, procurement system, bidding system and e-mail, to promote the whole procurement process to be accessed online and minimize carbon emissions from paper use and personnel travel.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Integrity and Self-discipline in Procurement

In accordance with the provisions of the Group's procurement-related system, before the commencement of a procurement project, all personnel involved are required to sign a "Commitment of Integrity and Self-discipline" to remind them to perform their duties objectively and impartially and to serve as a basis for accountabilities afterwards. During the year, the Group conducted an inspection and verified the supplier enterprises, and included 473 relevant enterprises into the negative list of suppliers at the headquarters level in order to prevent the occurrence of integrity risks.

The Company's Commitment of Integrity and Self-discipline includes commitments to abide by relevant national laws and regulations, abide by various regulations on work integrity, abide by company rules and regulations, ensure objective and fair performance of duties without favoritism and malpractice, and eliminate all kinds of unhealthy practices and corruption, among which special agreements are made for abiding by professional ethics:



- Do not accept gifts, gratuities, securities or any other benefits from bidders or other interested parties.
- Do not ask for any benefits such as money or materials from bidders or other interested parties in any form.
- Do not have expenses, which should be paid by individuals, reimbursed by bidders or other interested parties.
- Do not participate in entertainment, banquets, travel and other activities organized by bidders or other interested parties.
- Do not ask bidders or other interested parties to provide convenience for personal business or family-run enterprises.
- Strictly abide by other regulations related to work integrity.

Labor Rights Protection by Suppliers

The Group pays great attention to the protection of the rights and interests of the labor of its suppliers. In the process of cooperation with suppliers during procurement, we ensure that the wages and remuneration packages provided by suppliers are reasonable, wages are paid in a timely manner and all labor rights and interests are enforced through prior review, inspection during the process and assessment afterwards. We urge service suppliers to strictly abide by the PRC Labor Contract Law and other laws and regulations. According to the China Communications Services Corporation Limited Procurement Management Measures (Contracting Business Services Category), suppliers must submit the list of personnel participating in the project, personnel social insurance and labor contracts, technical management personnel professional titles, education and special operation qualification certificates, employer liability insurance or accident insurance materials for verifying their basic protection of labor rights and interests.

Service suppliers are urged to strictly abide by the Regulations on Ensuring Wage Payment to Migrant Workers and other laws and regulations. The Group specifically opens a channel for whistleblowing and complaints regarding defaulted migrant workers' wages, ensuring that it is accessible, and actively coordinates the handling of relevant clues received, regularly organizes personnel to conduct spot checks on suppliers' payment of wages of migrant workers. The Group could include suppliers who deliberately defaulted on migrant workers' wages or caused mass events in the negative list of suppliers according to the China Communications Services Corporation Limited Procurement Supplier Management Measures. During this year, no supplier of the Group was included in the negative list due to salary dispute incidents.

For subcontractors that cause mass incidents due to violations of laws and regulations such as child labor, working hours overtime, or infringement of labor rights, the Group includes them in the negative list and prohibits procurement in accordance with the China Communications Services Corporation Limited Procurement Supplier Management Measures. There was no use of child labor or forced labor during the year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Supplier Training

For major suppliers that provide construction and other services, the Group requires its affiliated companies at all levels to incorporate the training and education of their suppliers' employees into the Company's overall coordination and planning.

During the year, the Group conducted a themed training course on production safety management for the installation and maintenance of China Communications Services, which explicitly covered the personnel of outsourcing (subcontracting) units. All levels of the company's installation and maintenance business management and frontline employees (including employees of outsourcing and subcontracting) were required to learn the basics of production safety, the "three principles of non-violation"* and the "four principles of non-injury"* of production safety, the introduction and wearing standards of protective gears, the safety of electric vehicles, the safety and first aid of fall from height and electric shock, and the first aid of cardiopulmonary resuscitation, and to complete the tests.



Product Responsibility and Customers

Ensuring Quality of Service

The Group is committed to building a "Service Excellence" corporate image and continuously improves its service quality. Over 100 subsidiaries of the Group have obtained ISO 9001/GB/T 19001 quality management system certification.

In 2024, the Group issued the Notice on the Requirements for Strengthening Customer Service Quality Management and the Notice on the Establishment of a Special Team for Supervision of Customer Service Quality Management of China Comservice to further strengthen the management of customer service quality, standardize and improve the three-tier supervision and management system of customer service quality, improve the channels for customers' complaints and feedback, and promote the enhancement of service awareness of its subsidiaries at all levels to improve management standard and service quality, enhance customer satisfaction, shape the company's good image, build a service quality "moat" and construct a service golden signboard.

In order to improve the management and supervision system of overseas customer service quality of China Comservice and establish a complaint and feedback channel and processing mechanism of customer service quality, the Group has issued the Notice on the Establishment of Overseas Customer Service Quality Complaint and Feedback Mailbox, which is exclusively for the purpose of receiving and processing the opinions, suggestions and complaints on the service and quality of operation contracts by overseas customers.

* Three principles of non-violation: commands with non-violation, operations with non-violation, and labor discipline with non-violation
Four principles of non-injury: non-injury on yourself, non-injury on others, non-injury by others, and non-injury by protecting others

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In terms of the delivery management of contracting business, the Group implements the China Communications Services Corporation Limited Contracting Business Delivery Management Measures to regulate the whole process from project initiation, implementation to completion, acceptance and settlement, to streamline the responsibilities of internal and external parties and management processes in the delivery process, and to promote internal management and customer satisfaction through scientific, regulated, standardized and effective delivery management.

Measures to Ensure Quality of Service



1. Determine the departments and persons responsible for delivery quality management
2. Develop clear delivery quality standards with clients for specific projects
3. Quality control/inspection/assessment during delivery process
4. One-time quality acceptance pass target
5. Use of digitalized control tools
6. Data archiving/experience accumulation/continuous improvement

Awards

This year, the Group consistently enhanced its project management capabilities and customer service quality for construction projects. Subsidiaries of the Group participated in the 2024 Information and Communications Engineering Construction Project Quality Evaluation, organized by the Communication Engineering Construction Branch of the China Association of Communication Enterprises (CACE).

Type	Rating	Number of Awards	Proportion
 Quality Evaluation of Information and Communications Engineering Construction Projects	 	7 29	100% 93%
 Quality Evaluation of Green Design Achievements in Information and Communications	 	15 22	50% 45%
 Quality Evaluation of Exemplary Cases in Green and Low-Carbon Design for Information and Communications	 	6 9	60% 25%

Responding to Customer Complaints/Customer Satisfaction Management

Adhering to the “customer-centric” development philosophy, the Group pays great attention to customer perception, establishing a three-tier customer service quality management and supervision system, and each provincial company has set up a dedicated team for customer service quality management supervision. Catering to the characteristics of government and enterprise customers, we establish service departments targeting different customer groups and apply “Smart Marketing System”, to build direct and efficient communication channels with customers, and timely follow up on customer needs through customer visits, technical exchanges, delivery implementation, maintenance services, after-sales follow-up, satisfaction surveys, and other methods in pre-sales, during-sales, and after-sales stages. The Group’s subsidiaries have actively conducted satisfaction surveys this year to listen to customer feedback.

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In 2024, the Group opened up a complaint channel, added a feedback channel of “customer service and quality” in the “report area” of the Company’s website, configured special mailboxes for complaints and feedback on the quality of customer service in each province, incorporated the complaint channel into the text of contracts or attachments, and comprehensively disclosed the channel to customers. The Group set up a response mechanism for customer complaints, and formulated different response processes for serious complaints and general complaints. The Group implemented closed-loop management of customer complaints handling, recorded the handling process in written form and filed it. The Group organized service quality meetings from time to time, collected and handled customers’ service opinions and suggestions, carried out service quality analysis, actively explored the deep-level causes of customer complaints, formulated specific rectification measures, and formed an effective enhancement mechanism.

In 2024, customers were generally satisfied with the quality of the Group’s services and there were no material complaints or disputes. The Group is in the informatization communications services industry, and is mainly engaged in project design, construction, supervision and maintenance services for the communications service industry, which does not involve product recall.

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, the PRC Trademark Law, the PRC Patent Law, the PRC Copyright Law and the 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 continuously strengthens its trademark management, standardizes the use of registered trademarks, focuses on brand protection while promoting its brands and enhancing its own brand value, and carries out intellectual property research on the Company’s emerging businesses.

The Group has formulated the Measures for the Management of Research and Development Projects of the Headquarters of China Comservice, which stipulate the contents of research and development results, the responsibilities of the management department, the registration and archiving of results, the protection and confidentiality of results, and the application and promotion of results, so as to promote the improvement of the management of technological results and accelerate the promotion and application of technological results. The Group issued the Notice on Further Strengthening the Management of Cooperative R&D and Intellectual Property Rights Compliance and carried out many publicity programs to establish a long-term mechanism to ensure that the intellectual property rights protection work is legal and compliant. The Group organizes law-enforcement seminars from time to time to enhance its employees’ knowledge of, respect to, compliance with and usage of relevant laws and regulations and their awareness and levels of intellectual property rights protection.

The Group emphasizes the protection of intellectual property rights in the process of product research and development, and has applied corresponding patents or software copyrights.

2024

The Group obtained **619** new authorized patents,
1,096 new patents accepted,
1,387 new software copyrights.



Information Security and Privacy Safeguards/Cybersecurity

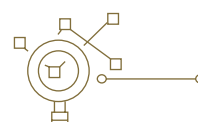
The Group attaches great importance to the protection of information, privacy and data security of the Company, its employees and customers, and strictly complies with the laws and regulations such as the PRC Cybersecurity Law, the PRC Data Security Law, the PRC Personal Information Protection Law, and continuously improves a series of systems such as the Management Measures for Network and Information Security and the Management Measures for Data Security of the Group to regulate internal network, information and data security management. More than 50 companies under the Group have ISO27001 information security management system certification, 17 companies have information security service qualifications, 11 companies have GB/T 22080-2016 information security management system requirements, and the relevant employees hold qualification certificates such as CISP, CISSP, CISA and CISP-DSG.

Network and Information Security Management System

The Group's Network and Information Security Leading Group is the network and information security management body, headed by the President of the Company. Each of its provincial companies has set up its Network and Information Security Leading Group to fulfill the responsibility for network and information security. The Group and all of its provincial companies regularly hold monthly meetings of the Leading Group to discuss and make decisions on network and information security matters.

Network/Information Security and Privacy Protection Training and Dissemination

The Group strengthened the training and dissemination of network and information security and privacy protection for its employees. In 2024, a total of seven training sessions on network and information security were organized by the Group for relevant management and technical personnel, including policy interpretation, awareness dissemination, skill enhancement, situation analysis and warning education, with a total of over 36,000 person-times' participation. We actively participated in publicity activities such as National Security Education Day and Cybersecurity Publicity Week, and we have been raising the awareness of internal employees on network and information security and privacy protection through online and offline forms such as special training by external experts, poster publicity and video dissemination. We organized internal network and data security skills competitions and actively participated in external competitions, and received the silver award in the points competition and the gold award in the instructor competition of the "Shuxin Cup" Data Security Competition to improve security protection capabilities through competitions.



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Building a Strong Line of Defense for Network and Information Security

The Group actively carries out regular security operations and organizes 7 x 24 hrs round-the-clock security monitoring relying on the cybersecurity operation centre, regularly analyses security situation, conducts and organizes offensive and defensive drills and social engineering drills covering the entire Group, conducts special inspections and checks on key issues, and establishes an all-rounded emergency response mechanism and process.

In order to strengthen information security protection, the Group continues to promote various special actions, organizes data security compliance assessments, and conducts regular inspections of new technologies and businesses. Meanwhile, it carries out assessments and inspections of its own APPs involving users' personal data to effectively protect users' personal information and avoid excessive claims to rights.

Culture and Responsibility of Privacy and Security

In 2024, no occurrence of leakage of customer privacy and information was identified within the Group. The Group enters into relevant information protection agreements in accordance with the customer needs and signs confidentiality agreements with relevant employees according to actual needs, which are strictly complied after signing. The possibility of leakage of customer privacy is also eliminated through technical means such as isolation from the Internet, data desensitization and encryption, data leakage prevention and data auditing.

The Group issued the Notice on Carrying out the Study and Publicity of Data Security Law and Personal Information Protection Law, which requires the strengthening of the systematic study and publicity of the PRC Data Security Law, the PRC Personal Information Protection Law and the PRC Cybersecurity Law, ensuring that all employees fully understand and master it in depth, clarifying the bottom line, not touching the red line, and effectively regulating data and information processing activities.

Cybersecurity Capabilities

The Group actively responds to the national strategy of building China into a cyberpower. In recent years, we have strategically focused on network and information security, continuously increasing our research and development investments. The Group has established a sub-brand of "CCS Cyber Security" and set up a professional team to serve the country, customers and industry, so as to provide overall network and information security solutions and comprehensive products and services for national key information infrastructure industry clients and undertake the construction of several national major network and information security projects. Having participated in compiling the national and industrial standards, white papers and monographs for network and information security, the Group was accredited the ministerial-level "Pilot Demonstration of Cybersecurity Technology Application". Its own core products and services have been selected in the "China Cybersecurity Industry Panorama" published by "AQNIU", a think tank in the cybersecurity industry, for many times. The brand influence of "CCS Cyber Security" is gradually increasing.



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 <p>Cyberspace Surveying and Mapping Platform</p>	<p>Based on the actual combat perspective of network attack and defense, a one-stop correlation analysis system of internal and external network integration mapping is constructed to realize the closed-loop governance of “internal network assets + Internet exposed assets” integration, high precision and full coverage, which helps the national key industries to identify high-risk attack surfaces, create holographic maps of cyberspace and realize wall chart operations of safe assets.</p>
 <p>Intelligent Security Operation Platform</p>	<p>Facing the actual needs of complex operation of national key information infrastructure operating units, it provides in-depth analysis of security threats and automatic response capability of security arrangement, realizes the closed loop of the whole process of security risk detection, monitoring, disposal and early warning, and helping national key information infrastructure operating units to improve safety operation efficiency.</p>
 <p>Data Security Monitoring Platform</p>	<p>We provide data security supervision services such as data asset management, data desensitization management, interface security management and access and operation audit management to help customers improve their overall data security capabilities and enhance their data security assurance capabilities.</p>
 <p>Cloud Cryptographic Service Platform</p>	<p>It integrates cryptographic services, application access management, situational awareness and unified monitoring, calls the underlying cryptographic software and hardware resources and services, and provides cryptographic services distributed on demand and flexibly expanded for government cloud applications to ensure the authenticity, confidentiality, integrity and non-repudiation of government cloud applications.</p>
 <p>Training Simulation Exercise Platform</p>	<p>It realizes the integration of real network training, simulation research and offensive and defensive competitive capability, meets the needs of scenario-based and customized training simulation drills in national key information infrastructure, helping security services and offensive and defensive teams to quickly improve their technical and combat capabilities in maintenance and operation and actual combat confrontation.</p>
 <p>Comservice Crowdsource Testing and Security Vulnerability Management Platform</p>	<p>By aggregating information security experts through Internet crowdsourcing, and based on an intelligent control model with in-depth integration of “artificial + automation”, we provide operators, government and enterprise customers and venture-startup teams a full set of one-stop services with cybersecurity vulnerability management as the core, realizing the visibility, control and management of the whole life cycle of vulnerabilities.</p>

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Selected as a Typical Case of Cybersecurity Technology Application at the Ministerial Level

The “Video Surveillance Intelligent Application System” jointly developed by the Group’s subsidiaries, including Guangdong company, Tisson Regaltec Communications Technologies Co., Ltd. and Guangdong Electronic Certification Authority Co., Ltd. has been successfully selected as one of the “Typical Cases of Cybersecurity Technology Application in 2024” assessed and announced by the General Offices of thirteen ministries including the Ministry of Industry and Information Technology and others.

The Group is the first enterprise in China to put forward an innovative comprehensive solution of “based on localized foundation + security gateway + video security + large model visual application”, creating a video data element security circulation system from the bottom to the application, effectively solving the problem of hidden security hazards in urban governance, and promoting the efficient convergence, safe sharing and artificial intelligence application of multi-sectoral video surveillance resources in the city.



Contribution to Cybersecurity Talent Cultivation and Evaluation

As one of the core units in the construction of domestic security standard system, the Group participated in the research, discussion and compilation of the White Paper on Practical Capability of Cybersecurity Talents-Security Testing and Evaluation.

The white paper focuses on the theme of “security testing and evaluation” for the first time, combines theory and practice, and puts forward a set of three-dimensional comprehensive evaluation method for security testing and evaluation of talent’s capability (GPE method), including the three aspects of General Ability, Professional Ability and Evaluation Level, providing a feasible solution for the cultivation and evaluation of security testing and assessment talents in the construction of Digital China, and bridging the gap in the research on the current situation of cybersecurity talent assessment in China.



Strategic Cooperation in the Field of Cybersecurity

The Group’s subsidiary Guangdong company, Guangdong E-commerce Company signed a strategic cooperation agreement with Guang Dong Medicine Exchange Co. Ltd. to jointly establish the “Health Digital Intelligence Laboratory”. After the signing of the strategic agreement, the three parties will work hand in hand on the construction of the Health Digital Intelligence Laboratory, jointly explore the application scenarios and modes of data in the health industry, develop software products related to the health industry, promote the laboratory’s R&D results and technological advances, and continue to promote industrial upgrading.



Anti-corruption

Strengthening Integrity Construction

The Group always strictly abides by the PRC Criminal Law, the PRC Oversight Law, the Law of PRC Administrative Discipline for Public Officials, the PRC Company Law, the PRC Anti-Money Laundering Law, the PRC Anti-Unfair Competition Law, the Regulation on the Integrity of State-owned Enterprise Officials and other laws and regulations, and complies with social morality, business ethics and industry rules. The Group is committed to business integrity, opposes unfair competition and eliminates corrupt practices in business activities, including but not limited to bribery, extortion, fraud and money laundering.

The Group attaches great importance to strengthening integrity and discipline education. It studies and formulates documents such as the Notice of China Comservice on Further Strengthening Integrity Education and Discipline Education, and guides and supervises management and employees at all levels to improve their awareness of integrity and red line by holding warning education conferences, reporting typical cases, conducting integrity propaganda, reminding in daily conversations and publicizing through new media platforms. In 2024, the Group held a total of 633 warning education conferences, reported a total of 3,665 typical cases through various channels, and intensified deterrence and fostered a strict atmosphere at every level. Carrying out integrity propaganda, all levels of enterprises launched discipline propaganda a total of 2,276 times, continued to build a strong ideological line of defence of integrity and self-discipline. Promoting the culture of integrity, the Group has been actively building a brand of integrity culture through the self-produced “Discipline Defined by Cases, Long-lasting Alarm Bell” warning case collection, “Insatiable Greed in Transactions” warning education film, as well as the integrity culture educational short video, infographics, etc. The Group released “Welcome National Day, Celebrate Mid-Autumn Festival”, “Integrity Atmosphere during Double Festivals” and other integrity propaganda short videos and integrity infographics on “China Comservice Hongyun” official Wechat account, with a total of 21 pieces. The Group established integrity culture corner and columns in the digital intelligent supervision system and published 903 pieces of short videos, photography, calligraphy and painting works and other types of educational materials, which formed “source of fresh water” of integrity culture educational materials, and created a regular and long-term effect, solid cultivation of integrity culture missionary mechanism.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Formulating the Code of Conduct and Ethics for Employees

The Group has formulated non-compliance management regulations covering all employees, including the Code of Conduct and Ethics for Employees, the Code of Conduct and Ethics for Senior Management and the Code of Professional Conduct for Employees to supervise senior management and employees to comply with them consciously. These codes and guidelines set out the Group’s regular initiatives in areas, including anti-corruption, fraud, conflict of interest, anti-discrimination, anti-competition and confidentiality, which form the basis for the Group to deliver its products and services in a responsible manner. These codes and guidelines provide guiding principles for all employees of the Group to act with integrity, impartiality and honesty, and clarify the provisions for the handling of and punishment in the event of violations, including honest practice standards, network information security and confidentiality management, attendance management, meeting standards, daily office and etiquette standards.

The Code of Conduct and Ethics is available in Chinese and English and uploaded to the Company’s website (www.chinaccs.com.hk) for staff reference at any time.

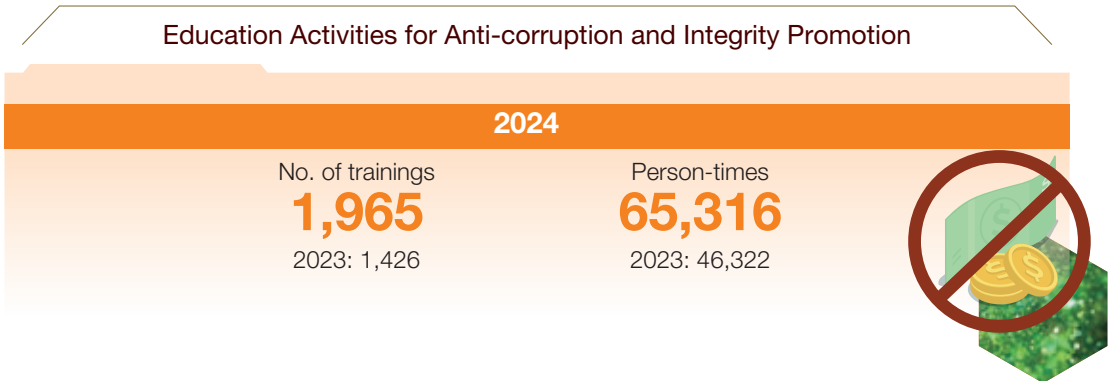
Improving the Supervision System

The Group continues to establish and improve the supervision system in order to strengthen the restriction and supervision to the exercises of power. Focusing on key areas and key sections, the Group carries out targeted special governance and supervision, optimizes relevant system processes, improves risk prevention and control capabilities, and resolutely prevents major risks. In 2024, the Group focused on strengthening supervision and inspection over important nodes, strictly and genuinely reinforced the conversation reminders for and daily supervision on management and personnel in key positions at all levels, supervised specialized agencies to conduct 6,108 active interviews, and conducted 3,802 on-site supervisions and inspections at major festivals and nodes. The Group integrated all kinds of supervision efforts from human resources, audit, risk management, business and finance, etc. and established 4 major supervision systems and 8 collaborative mechanisms, optimizing a synergistic and efficient enterprise general supervision system, and promoting the integration of all kinds of supervision in a concerted effort.

Whistleblowing

The Group has established a whistleblowing mechanism, and continuously strengthened the management of problem clues through complain letters and visits, and enhanced the development of integrity culture. We strictly implemented regulations such as the Working Rules for Handling Reports and Complaints by Discipline Inspection and Supervision Agencies, handling compliants and accusations according to regulations, discipline, and law, strictly implementing confidentiality requirements to effectively protect the rights of those making accusations. The complaint acceptance process is regulated. When the Group’s internal employees and business partners identify corruption and bribery of our staff, they can report by real-name or anonymously through the post office box (Beijing, 100033 mailbox 33 bin), or by telephone or by visiting in person. The information of the whistleblower will be kept strictly confidential. The Group strictly implements the Working Rules of Discipline Inspection and Supervision Agencies for Handling Reports and Complaints, handles reports and complaints in accordance with regulations, disciplines and laws, strictly implements the confidentiality requirements, and effectively protect the rights of the whistleblowers.

During the year, the Group provided training to directors and employees on anti-corruption.



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The Group attaches great importance to the development of an anti-corruption system, always maintains a highhanded anti-corruption stance at all times, enforces discipline and accountability seriously with “zero tolerance” for violations of laws, regulations and disciplines, and deals with them seriously in accordance with the requirements of laws and regulations to maintain the normal operation order of the Group. During the reporting period, there were no concluded litigation cases regarding corrupt practices brought against the Group or its employees.



Organizational System Construction

Leverage the role of the anti-corruption coordination team. Hold regular coordination team meetings, formulate an annual monitoring plan checklist to promote and optimize the organic integration of auditing, human resources, finance, business and other kinds of supervision, and actively build a synergistic and efficient supervision system.

Continue to promote the in-depth development on the supervision of the grassroots, establish a team of honest supervisors at the grassroots level, and open up the “last mile” of grassroots supervision.



Work Style Construction

Formulate relevant implementation measures to further strengthen work style construction, and persevere in alleviating and reducing the burdens on the grassroots. Extraordinarily promote the special rectification of unhealthy work styles and corruption issues around the masses, resolved 145 issues that the masses are “urgently concerned about, have difficulty to solve, worry about, and eagerly hope for”, and enhance the sense of gain, happiness, and security of grassroots employees.



Warning Education Enhancement

By conducting warning education meetings level by level, we compiled a collection of cautionary cases titled “Discipline Defined by Cases, Long-lasting Alarm Bell” and produced specialized warning education films. We deeply engaged in integrity warning education, ensuring employees respect and fear rules and maintain bottom lines, effectively building a strong mindset of integrity and self-discipline. Besides, we strengthened the development of family virtues and education, fully leveraging the role of families in consistently promoting integrity and calculating the “integrity account” to aid in fostering integrity.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL PARTICIPATION



The Group has always fulfilled its responsibilities as a State-owned enterprise in disaster relief and emergency support, actively participated in rural revitalization and the improvement of people's livelihood, encouraged its employees to participate in social welfare activities to strive to give back to society and contribute to the building of a harmonious society.

Communications Support for Major Events



Supporting Shenzhou-19

One week before the launch of "Shenzhou-19" manned spacecraft, Gansu company of the Group formally activated the emergency communications support plan, determined the supporting personnel and organized the supporting materials to set up the emergency support vanguard team. 24 hours before the launch of "Shenzhou-19" manned spacecraft, the emergency support vanguard team stationed at the site, inspected the base stations involved in the supporting zone one by one, eliminated the faults such as the dynamic ring being offline, and checked the power supply situation at all times to ensure the smooth operation of the regional network.





Support for the China International Import Expo (CIIE) for Seven Consecutive Years

1. Wireless network coverage

Shanghai Posts and Telecommunications Designing Consulting Institute Co., Ltd, a subsidiary of the Group, tested and optimized the networks of the venues related to the event. It organized a communications design service team for the event, docked with operators and construction parties, completed the design plan, guided the construction unit in on-site installation and construction, laid, fused and activated fiber optic cables, and ensured the stable coverage of wireless network signals at the site of the event and the relevant key scenarios.

2. Live broadcast optical cable project

Shanghai Telecom Science & Technology Development Co., Ltd., a subsidiary of the Group, undertook the optical cable project for the live video broadcast of China Central Television (CCTV) and the task of activating network in the new media broadcasting hall. It focused on safeguarding the “Beijing-Shanghai” dedicated lines and broadband services. At the same time, it strengthened the comprehensive inspection of communications resources related to live broadcast venues, broadcast vehicles, etc., to ensure that the optical cable lines were always in good working condition.

3. Communications maintenance of 2,200 kilometers

The support team from Shanghai Gonglian Communication Information Development Co., Ltd., a subsidiary of the Group, was on duty for 24 hours a day. The long-distance trunk line inspection team collaborated with partner units to conduct inspections on the long-distance lines and optical cables across the city, covering a distance of approximately 2,200 kilometers.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Disaster Relief

The Group actively practices its social responsibility, assists in emergency support all over the country in major natural disasters and public safety incidents without delay, actively assists in repairing communications lines and ensuring smooth communications networks.

In 2024, the Group contributed resources including a total of over 147,600 person-times and 53,800 vehicle-times, repaired more than 157,500 communications facilities and participated in disaster relief for more than 282,400 hours, while actively participating in post-disaster pandemic prevention and disinfection as well as environmental clean-up.



Low-temperature, Snowy and Icy Disasters in Southern Regions

A wide range of low-temperature, snowy, and icy weather conditions occurred in Hunan Province. Affected by the low-temperature, snowy, and icy weather, the communications infrastructure in many places suffered from numerous fallen and broken poles due to the snow disaster.

The Hunan company, a subsidiary of the Group, took up the challenge in the cold weather. It traveled through the icy roads, carried out emergency repairs on base stations and optical cables, and endeavored to ensure smooth communication. A total of 12,414 person-times of construction workers and 3,951 vehicle-times of production vehicles were contributed. A total of 13,801 faulty sites (ODN and base stations) were restored.



Earthquake in Aksu Region, Xinjiang

A 7.1 magnitude earthquake occurred in Wushi County, Aksu Region, Xinjiang Uygur Autonomous Region. After the earthquake, the Xinjiang company, a subsidiary of the Group, promptly activated the emergency response mechanism and formed a rescue team to rush to the earthquake-affected areas immediately to carry out emergency communications supporting work.





Large-scale Mountain Fire in Yajiang Area, Sichuan Province

A large-scale mountain fire broke out suddenly in Yajiang County and Shade Town of Garze Tibetan Autonomous Prefecture, resulting in a large-scale power outage in Garze Prefecture. Communications services in many areas such as Jiulong County, Shade in Kangding City, and Xinduqiao were hindered. The Sichuan company, a subsidiary of the Group, activated the emergency response plan for unexpected incidents immediately, dispatched emergency repair vehicles overnight, and urgently headed to the front line of the disaster-stricken area to carry out communications emergency repair work.



Fighting against Typhoon “Yagi” and Supporting the Communications Lines in Hainan

The super typhoon Yagi landed in Wenchang City, Hainan Province, causing serious losses to the communications facilities and services across the whole province of Hainan, including flooding in a large number of machine rooms, power outage in groups of base stations, and damage in countless pieces of equipment.

The emergency command and dispatching team for Typhoon Yagi at the headquarters of the Group coordinated the forces of multiple parties immediately, urgently assembled 342 teams from 11 provincial companies including Guangdong, Hunan, Jiangxi, Hubei, Guangxi, Guizhou, and China Comservice Construction Co., Ltd. These teams rushed to Hainan overnight to carry out communication repair work. A total of more than 14,000 person-times of communications support personnel were contributed, more than 4,500 vehicle-times were deployed, and more than 2,500 machine-times of various instruments, meters, and generators were dispatched.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Rural Revitalisation

The Group actively fulfills its corporate social responsibility, vigorously promotes the spirit of poverty alleviation, consolidates and expands the achievements of poverty alleviation efforts, promotes effective linkage between poverty alleviation and rural revitalization, leverages its own advantages, continues to implement major assistance policies, and supports the development of poverty alleviation areas and rural revitalization.

The Group formulated and issued the “Key Points of China Comservice’s Work to Assist Rural Revitalization in 2024”, establishing and improving a working mechanism to effectively connect the consolidation and expansion of poverty alleviation achievements with rural revitalization. The Group required all its provincial subsidiaries to report on the progress of rural revitalization on monthly basis, and established a monthly report account to supervise and guide all provincial companies to complete various work arrangements for rural revitalization on a monthly basis to ensure that annual task targets are fully completed.



Targeted Assistance

The Group actively cooperated with the China Charity Federation, a third-party organization. In 2024, it introduced RMB1.2 million of gratuitous assistance funds from a third party for the targeted assistance in Shufu County, Xinjiang. The total amount of funds continued to grow, effectively facilitating the implementation of rural revitalization work at the targeted assistance areas.



Consumption-based Assistance

In 2024, the Group actively carried out consumption-based assistance work, effectively fulfilled its social responsibilities and the duties as a state-owned enterprise. It organized the labor unions of its subordinate provincial-level companies to purchase agricultural and sideline products from 4 targeted assistance counties through the Tianhu Yunshang platform and the Comservice Express platform. A total of RMB38.99 million was spent on purchasing products for consumption-based assistance, with a per capita purchase amount of RMB350, exceeding the target set by the Group and made contributions to the increment of the Group’s performance.



Empowering Rural Revitalization with Technology

1. “Smart Fisheries”

The “Smart Fisheries” project of the Sichuan company, a subsidiary of the Group, further integrates digital technology into the field of agricultural production. It has created a “smart Cloud Aquaculture Management System”, which, together with detection sensors, sensing and control devices, and automatic execution terminal devices, realizes the automated management of the entire process of single aquatic product aquaculture. This makes the aquaculture process entirely visible, and the management of the digital and intelligent aquaculture system can be achieved with just a few taps of the finger.



2. Rectification of Rural Pole and Line Assets

The rural pole and line asset rectification project carried out by the Zhejiang company, a subsidiary of the Group, is an intelligent measure to solidly promote the improvement of the rural living environment. Supported by technologies such as the Internet of Things and big data, it realizes the digital management of rural pole and line assets, improves management efficiency, and reduces maintenance costs. The project also promotes the practice of “integration of multiple poles and integration of multiple boxes”, eliminating phenomena such as “multiple poles standing in disorder” and “dense lines”, reducing the costs of urban management, and improving the intensity of rural infrastructure.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Care

Adhering to employee-centric principle, the Group focuses on strengthening employee care, and actively launches the employees' sense of happiness program. It pays attention to the thoughts, work and life dynamics of employees, utilize platforms such as the "Digital Union" to timely understand employees' needs, thoughts, and expectation, and find ways and means to solve the urgent, difficult and worrying problems of employees, in order to continuously improve their sense of security, sense of gain, sense of achievement, sense of belonging and sense of happiness. The Group insists on "sending warmth in winter and coolness in summer", offers "five visits and five congratulations"*, and always offers visits during festivals to retired employees, advanced and model workers and employees in difficulty.



● The Group encourages its staff to actively participate in and organize various types of voluntary services and activities



The First Employee Badminton Competition of China Comservice

The labor union of the Group sponsored, and the labor unions of Fujian company and Hainan company, subsidiaries of the Group, undertook the "First Employee Badminton Competition of China Comservice". A total of 210 employees from 25 participating teams of various provincial-level subsidiaries of the Group took part in the competition.



Singing Competition Organized by Guangdong Company

On the occasion of the 75th anniversary of the founding of the People's Republic of China, the Guangdong company, a subsidiary of the Group, held a singing competition with the theme of "Hundreds, Thousands and Ten Thousands".



Note:

* "five visits and five congratulations": the Group visits sick employees in hospitals, employees who have special family difficulties, bereaved employees, employees who encounter material family disputes, and employees who disagree with other colleagues. The Group also congratulates employees on their birthdays, weddings, giving birth, their children's admission to colleges (or the army) and their retirement.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Reunion under Full Moon during Mid-Autumn Festival

Each overseas company of the Group held Mid-Autumn Festival celebration activities to celebrate the Mid-Autumn Festival for overseas employees.



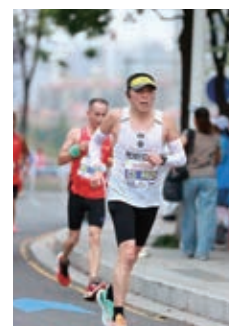
Employee Marathon

Hunan Comservice bravely participated in the event in Zhangjiajie, “sped ahead” on the marathon track and won the championship

The labor union of the Hunan Company, a subsidiary of the Group, organized 7 employees from the company’s “running team” to participate in the “2024 Zhangjiajie Marathon”. Eventually, they won the team championship with a total marathon time of 11 hours 35 minutes and 27 seconds.

The “Horse Gang” of Comservice running in Spring

The Zhejiang company, a subsidiary of the Group, organized its employees to participate in the “2024 Zhejiang Marathon Relay Race” and won the third place in the category of Communications Industry.





Visiting Grassroots Units during the Spring Festival to Give Warm to the Strivers

On the occasion of the Spring Festival in 2024, the Guangdong company, a subsidiary of the Group, and its labor union carried out a Spring Festival caring and consolation activity. They visited representatives of front-line employees, model workers and craftsmen, science and technology experts, outstanding young persons, employees in need, and employees on long-term business trips, sending them best wishes and regards for the Spring Festival.



“Digital Transformation, Youth Takes the Lead”, Digital Application Promotion Seminar

In order to accelerate the pace of the enterprise's digital transformation, enhance the digital thinking ability of young employees, the Guangxi company, a subsidiary of the Group, held a digital application promotion seminar titled “Digital Transformation, Youth Takes the Lead”.



Team Building Activities

The Group focuses on the physical and mental health of employees, organizing them to participate in various competitions, team-building, and recreational activities. These activities aim to enhance relationships among employees, alleviate stress, and continuously boost employee happiness.

