



# INCLUSIVE DEVELOPMENT

China Telecom adheres to concepts of open and cooperation, inclusiveness and co-sharing, shares the fruits of development with stakeholders, and contributes to sustainable economic and social development with inclusive development. Insisting on the "people-oriented" principle, China Telecom strives to achieve the common growth of employees and the Company, and actively builds industrial ecology with partners to strengthen digital inclusiveness. It supports rural revitalisation and social welfare, promotes global network interconnection, and calls on the World Broadband Association (WBBA) to keep focusing on the initiative of the United Nations and ITU to narrow the digital divide, so that people in more countries and regions can co-share the achievements of digital development.

## CO-CREATING A HOME FOR EMPLOYEES

The Company protects the rights and interests of employees in accordance with the law, creates a comprehensive employee care system and continuously improves the system assurance to create a professional development path for employees and works together to create a home for employees.

### Protecting employees' rights and interests

The Company gives full consideration to the diversity of talents and equality of opportunities, respects labour, knowledge, talent and creation, and continues to enhance the benefits and well-being of all employees.

### Equal employment

The Company protected the labour rights, democracy rights as well as spiritual and cultural rights of employees in accordance with the law, enhanced labour and employment management, and carried out employment in accordance with the law as well as standardised employment. Adhering to the principles of equality, voluntariness and consensus, and based on the *Labour Law of the People's Republic of China*, the *Law of the People's Republic of China on Labour Contracts*, the *Trade Union Law of the People's Republic of China* and other laws and regulations, the Company entered into written labour contracts with employees, specified in detail the circumstances under which employees may terminate labour contracts and implemented the contracts in accordance with laws and regulations, to protect their basic rights. The Company clearly determined the employment form of each role, continually refined the job requirements for labour dispatch, standardised the designated agreements signed with labour dispatch units. The Company checked and supervised these dispatch units to sign employment contracts with dispatch workers and pay remuneration and social security insurance in a timely manner.

The Company recruited talents from the whole society with full compliance with the *Employment Promotion Law of the People's Republic of China*, making job opportunity information available on the Company's website, third-party recruitment websites and other channels with due respect to fairness, openness and impartiality to solicit various outstanding talents through multiple channels and diversified recruiting approaches. The Company offered equal opportunities to all applicants in its recruitment without discrimination against ethnicity, race, gender, age, region, marital or childbearing status and physical condition, and offered suitable jobs to the disabled according to their individual characteristics. The Company adhered to equal pay for equal work, provided employees with promotion in their positions and smooth career development paths. The Company handled and used its employees' personal information in compliance with laws and firmly protected their privacy and security of related information.



The First Session of China Telecom Campus Talent Development Forum

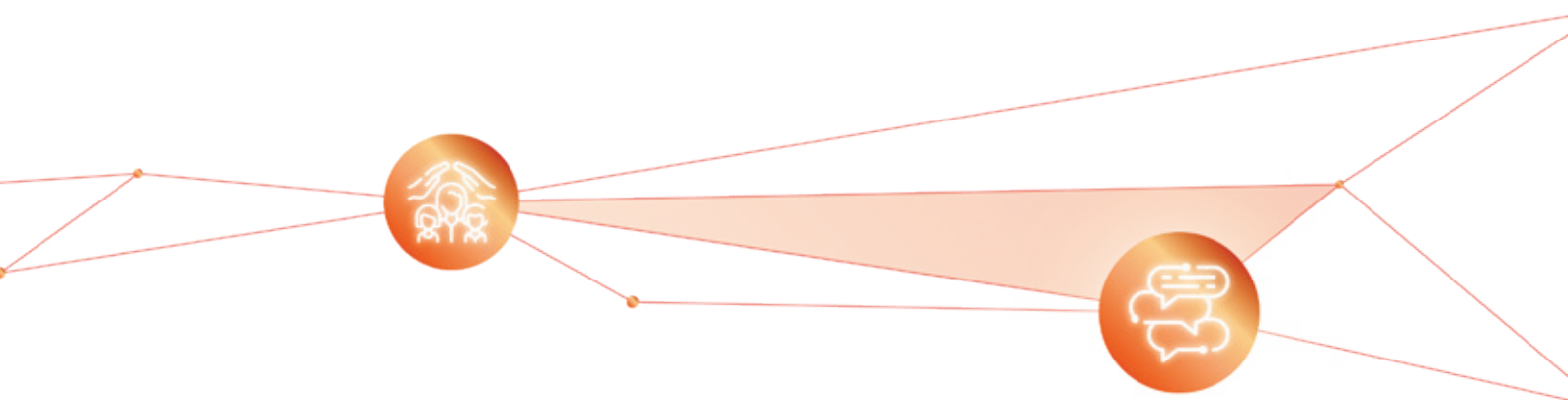
**【Comprehensively guaranteeing the scale and quality of campus recruitment】**

In 2023, the Company took multi-pronged measures for fresh graduates recruitment throughout the year in accordance to strategic transformation, and carried out dedicated “Talent Scheme (優才計劃)” programme by organising campus recruitment at over 40 universities including Tsinghua University and Peking University. We held the first Campus Talent Development Forum, at which executives of employment affairs from 21 universities nationwide attended to discuss university-enterprise cooperation. Over 10,000 graduates were recruited throughout the year.

The Company strictly implemented the relevant requirements of the *Regulations on the Prohibition of Child Labour*, prohibited child labour and prevented forced labour in accordance with laws, and specified the age requirements of candidates in accordance with the recruitment management measures to avoid child labour. No instances of child labour or forced labour were found during the year. Any situation of child labour or forced labour identified will be addressed according to laws and regulations and corresponding remedial measures will be taken.

**Remuneration and benefits**

The Company paid remuneration and social insurance to employees in time and in full, implemented paid leave system for employees, and specified working hours, rest and holidays to protect the legitimate rights of employees. The Company continued to optimise and improve the total salary management mechanism, and carried out market-oriented precise classification and differentiated allocation of the total salary management of each unit. We further deepened the reform of the internal income distribution mechanism and guided the distribution of remuneration to tilt towards scientific research talents, business units, and front-line employees at the grassroots level.



### Occupational health

The Company attached importance to the occupational health management of its employees in compliance with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and other laws and regulations related to occupational safety and health, and has established or refined internal systems on occupational health and labour protection such as the labour protection of female employees. The Company launched the Employee Assistance Programme (EAP) to protect the occupational safety as well as physical and mental health of employees.

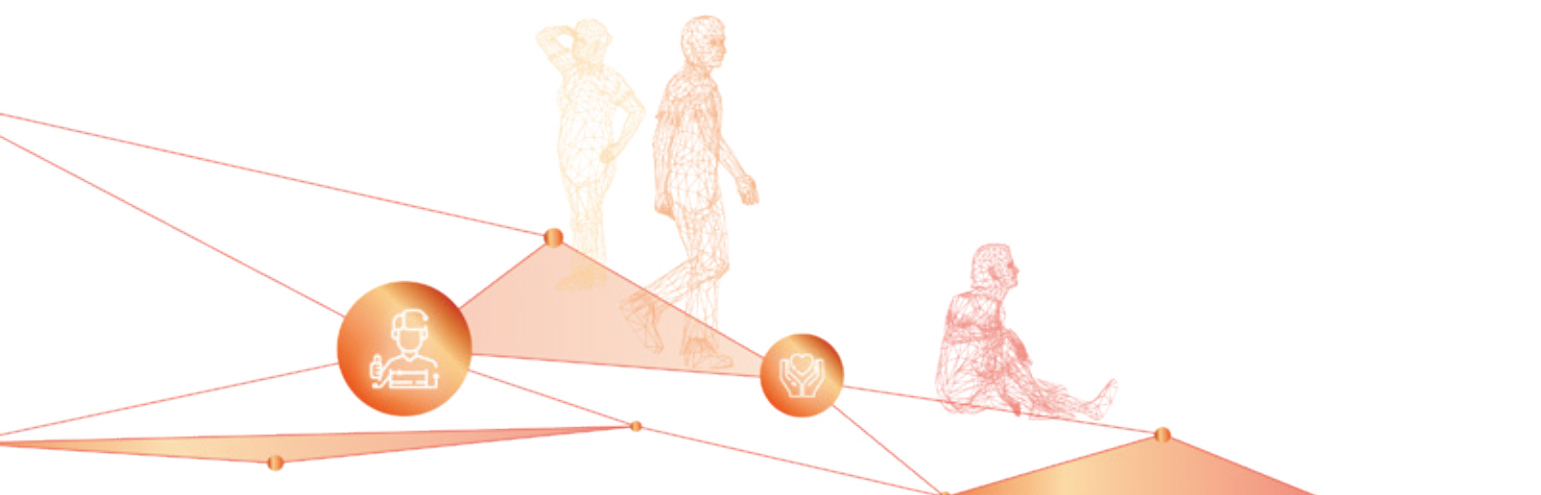


#### **【Special Lectures on Law Popularisation and Publicity for Female Employees】**

The Company continuously promoted female employee care project by concentrating on publicity and education of the rule of law for women to enhance women's ability to safeguard their legitimate rights and interests and self-protection. In March 2023, the Female Workforce Committee of Huaihua branch organised a series of activities themed "Beautiful March" and gave a special lecture on "Special Protection of Women's Rights and Interests from the Perspective of Law", to publicise the legal knowledge of rights protection for female employees.

### Caring for employees

The Company continued to strengthen communications with its employees, understand their needs, increase its care for them to actively solve their urgent needs, and improve their sense of fulfillment, well-being, happiness, safety and create a harmonious and motivated atmosphere.





### Strengthening communications with employees

- An “employees’ voice” satisfaction survey and the “100 seminars” activity were carried out to fully understand what employees think. The Company summarised and analysed the status-of-mind report of employees in each province, and then reported to the management of the Company, to promote the addressing of the urgent needs of employees.
- A “Bridge Connecting Hearts (連心橋)” online platform was established to explore and promote the closed-loop management mechanism of “immediate complaint handling” to respond to employees’ concerns in a timely manner.
- Overseas companies carried out management reception day, general manager mailbox and other feedback channels, to effectively get the job done and solve problems.



### Enhancing the working environment of employees

- The Company deepened the construction of high-quality “four small facilities” (formerly referred to small canteens, small bathrooms, small toilets and small recreational rooms, which subsequently generally referred to improving grass-roots conditions and care for employees), focusing on improving the working conditions and living environment of grass-roots employees in 11 provinces.



### Improving the physical and mental health of employees

- The Company coordinated the implementation of four practical caring deeds, being the “Physical and Mental Health Care Plan”, “Telecom Family”, “Love in Telecom (愛心翼戀)” and “Bridge Connecting Hearts (連心橋)”, and the provincial units organised no less than 5 practical caring deeds.
- The Company carried out psychological care services for employees, operated a psychological service hotline and online psychological empowerment platform for employees, as well as psychological counselling staff training, and held online seminars on psychological empowerment to address their concerns.
- The Company made realistic efforts to care for its female employees by strengthening labour protection for them, and optimising the environment and facilities of the nursery rooms.
- The Company regularly organised recreational and sports activities such as photography, singing, dancing, entertainment, badminton and table tennis games to help its employees maintain work-life balance.



### Strengthening the assistance and caring work

- In response to the strikes of earthquakes, floods, rainstorms, summer heat, etc., the Company took immediate actions to console the affected employees, and organised the grass-roots labour unions to show care for the front-line employees on duty for disaster relief and rescue.
- The Company showed sincere care for its overseas employees and their families, regularly contacted them to understand their situation and solved their problems, and visited and expressed greetings to the families of the dispatched employees during holidays such as the Spring Festival, Dragon Boat Festival, Mid-Autumn Festival and National Day. We organised more than 20 special activities during the year to deepen information circulation and team cooperation within the organisation.



**【Assisting employees to form positive mentality】**

In August 2023, the Company held a psychological care training for employees, and 104 trainees from the headquarters, provincial branches and professional companies participated in the training. Through the study of theoretical lecture, case analysis, practical operation and other courses, the employees' psychological counselling capability was gradually improved.



**【The “Love in Telecom (愛心翼戀)” activity injected happiness impetus into the hard-working youth】**

In September 2023, the “Love in Telecom (愛心翼戀)” activity was held in Guangzhou. This activity attracted 118 single employees from various units, building a platform for young employees to exchange emotions and establish friendship, effectively enriching the cultural life of employees during leisure time, and showing the youthful style of employees.

**Supporting employees’ development**

The Company believes that talent is the primary resource and released the implementation plan for the project of promoting corporate strength through talents to determine the talent planning target and build a full talent profile to cultivate, recruit and make good use of talents in all aspects.

The Company increased its efforts to select and train sci-tech cadre, pursuant to which a large number of sci-tech candidates were promoted and appointed roles. All management teams of 31 provincial branches included sci-tech cadres and sci-tech cadres accounted of majority in the management teams of sci-tech professional companies.

The Company went all out to bring in top-notch talents and leading sci-tech talents, introducing 3 strategic scientists in cloud computing, AI, Big Data and quantum, and 34 leading sci-tech talents in key fields and in short supply. The Company implemented the "Talent Nurturing Programme" and entered into agreements with 37 institutions and recruited 272 of their graduates.

New progress has been made in three system reforms, with full-coverage of the chief and deputy management of departments in the headquarters and the secondary and tertiary enterprises by referring to the tenure system of managers and contract-based management mode, as well as optimisation of market-oriented employment system, resulting in enhancement in both the scale and efficiency driven by the total salary allocation mechanism.

The Company continued to strengthen employees' training. The Company held 10 sessions of "Cloudification and Digital Transformation Seminar" and 2 sessions of "the Way of Transformation" lecture series throughout the year, with more than 1.36 million person-times participated. The Company also organised large-scale technical talent trainings at different levels, aiming to extensively foster three teams of engineers specialised in Industrial Digitalisation, R&D, and cloud-network through "Practice + Certification". The Company carried out skill certification exams covering 41 professions in various professional lines for front-line employee teams, with a coverage of 364,000 person-times, promoting the transformation of skilled talents into outstanding engineers.



**【Extraordinary Dream Starting from China Telecom】**

Shaanxi branch has established a sound training system to help employees grow. In the centralised induction training of new employees, the company executives, executives of various departments and professional backbone employees of the provincial branch comprehensively introduced the history, corporate culture, corporate strategy and rules and regulations of China Telecom to the new employees.

The training focused on the four goals of recognition and integration of the corporate culture, basic requirements and norms of the company, job competence, teamwork and active learning, so as to help employees realise the role change from “student” to “worker” and then to “a member of China Telecom” as soon as possible.



**【Comprehensively strengthening the cloud professional team system empowerment】**

Shandong branch comprehensively strengthened the cloud professional team system empowerment by innovatively carrying out the “Cloud Climbing Plan (云攀计划)” training and certification project adopting a combination of online learning and small-scale intensive learning, integrating “learning, follow-up, testing, practice, award, and evaluation”, with 2,465 people passed Shandong China Telecom Cloud certification at a pass rate of 100%. At the corporate talent development outstanding project competition organised by Xinhua Daily Media Group’s *Training Magazine*, Shandong branch won “Brand Learning Project Award”. A total of more than 600 external high-end certifications have been obtained in the province, which promoted the comprehensive uplift of employees’ cloud technology capabilities.

The Company carried out labour and skills competitions. With the theme of “Taking the lead in Cloudification and Digital Transformation (云改数转我争先)”, it carried out labour and skills competitions for all staff, covering several professional fields and skills tack and with the number of participants exceeding 200,000 person-times, which promoted employees’ skills via competitions.





**【Holding the first Staff Skills Innovation Competition in Telecommunications Industry】**

On the 7th and 8th December 2023, the first “Information Service Digital Solution” Staff Skills Innovation Competition was held in Nanjing, Jiangsu Province, organised by the National Committee of China National Defence Posts and Telecommunications Labour Union (中國國防郵電工會全國委員會) and held by China Telecom. The competition focused on the innovation and practice of digital solutions for information services in five directions, namely smart manufacturing, digital health, education digitalisation, digital publicity and social governance, attracting tens of thousands of employees from China Telecom, China Mobile, China Unicom, China Tower, Satellite Network (星網) and other units. China Telecom won 3 first prizes and ranked the first place in the overall score in the finals.

The Company vigorously promoted the spirit of model workers, work spirit, and craftsmanship spirit. It has won 44 national honours and 208 provincial and ministerial honours. More than 100 lectures for model workers were held, with more than 200 model workers and 100,000 employees participating. The Company selected demonstrative innovation studios and outstanding achievements in employee post innovation, and established an innovation studio alliance to empower the production line, becoming a platform for gathering talents and driving the growth of employees.



**【Holding a series of activities for model workers and craftsmen at campuses】**

Organised by the China National Defence Posts and Telecommunications Labour Union (中國國防郵電工會) and held by China Telecom, the first Model Workers and Craftsmen On-campus Activity from the National Defence Post and Telecommunications Industry was held in Zhejiang Post and Telecommunication College in October 2023. Five national model workers from the communications industry and winners of the National May 1st Labour Medal taught the “First Lesson of the Semester” to the teachers and students at the school, guiding students to love their majors, enhance their sense of professional honour, and strive to grow into talents.

The Company encouraged employees to participate in corporate management. Since the Company held the first employee representative congress in 2017, the congress has become an institutional arrangement, acting as a platform for employee representatives to make suggestions and participate in the deliberation and administration of corporate affairs. In December 2023, the second employee representative congress was held to review the congress’s report on its work, production safety, human resource management, sci-tech innovation and reform and the report on the performance of duties by employees and directors. 115 high-quality employee representative proposals were solicited, and the “face-to-face” communication between the proposal handling unit and the employee representatives was innovatively carried out, which further deepened the employees’ understanding of the Company’s strategy and stimulated the sense of ownership and responsibility of the majority of employees for common development.

## CO-BUILDING AN INDUSTRIAL ECOLOGY

The Company adhered to the principle of open cooperation, aggregated the digital industry ecology and constantly improved the resilience of the industrial chain and supply chain along the cloud, network, edge and terminals. The Company carried out more widespread and in-depth cooperation in areas such as technology, products and capital with parties along the industrial chain, so as to form a co-building, co-sharing and win-win cooperation digital ecosystem.

### Responsible supply chain

#### Supply chain management system

The Company has attached great importance to the impact of its supply chain on the society and the environment. It integrated ESG concept into the entire process of supply chain management and adhered to the construction of a resilient and safe, value-creating, digital and intelligent enabled, green ecological and legally compliant supply chain management system as well as an open and co-shared supply chain ecosystem to promote sustainable development of the supply chain.

The Company has strengthened the compliance management of the entire process of the supply chain, strictly implementing the *Tendering and Bidding Law of the People's Republic of China* and other relevant laws and regulations on procurement, further improving regulations and requirements such as bidding rules, framework implementation and supplier inspection, and constantly optimising the business environment to establish a fair, just, open and transparent positive procurement management system.

The Company has improved the resilience and safety of supply chains. It carried out the supply risk assessment and early warning by detailed analysis of supply risk factors of the entire industry chain involved in the key cloud-network products, classification of the risk rating of the materials within the plan, and formulation of supply strategies. It strengthened the quality and safety management of the supply chain, enhanced the quality management of the whole product life cycle, and ensured the construction and operation safety of digital infrastructure.

The Company has pushed forward the digital transformation of supply chains. It achieved end-to-end full-business online and full-process visualisation of the supply chain from sourcing, procurement, decision-making, contracting, delivery to inventory. The Company carried out online remote bid evaluation pilot, with the intelligent bid evaluation room achieving full coverage in all cities at scale. The Company strengthened the digital compliance management of supply chain and achieved the real-time risk prevention and control of several key business links such as procurement and bidding by embedding the risk control nodes into the system, ensuring the safety, efficiency and compliance of supply chain operation.

The Company has commenced the construction of green and low-carbon supply chain by conducting energy consumption management of materials in their entire life cycle and incorporating the environmental impact factors into the evaluation system of the bidding procurement project. For environmental risks that may exist in the production process of products, it included the ISO14000 environmental management system certification, the government EIA report, the "green factory" list by the Ministry of Industry and Information Technology and other environmental evaluation criteria into the bidding procurement project, to achieve a complete coverage of green indicators. It constantly enhanced procurement, deployment and application of energy conservation and low-carbon products to effectively reduce network energy consumption and emissions.

### Supplier ecological cooperation

The Company has strengthened the tiered and categorised management of all suppliers, promoted the construction of suppliers ecology combining positive incentives and negative disciplinary actions, and actively worked together with suppliers to build a responsible supply chain.

The Company has strengthened strategic cooperation with suppliers by selecting 20 strategic suppliers from the six dimensions of supply security, key capabilities, scale of cooperation, ecological relationship, performance and results, green and low-carbon. It established a dynamic information sharing mechanism with major upstream and downstream suppliers to strengthen information collaboration. The Company realised efficient collaboration as well as supply-demand matching through industry chain resources integration and process optimisation to promote safe collaboration. The Company realised system collaboration through B2B system direct connection and gateway connection and strengthened innovative collaboration with suppliers in management innovation, supply chain product innovation, and cooperative research and development.

The Company has strengthened the management of negative behaviour of suppliers by requiring suppliers to sign bidding integrity commitment letter in the bidding process and strengthening the bad behaviour processing information reminder in the procurement process, to ensure effective implementation of disciplinary measures. It processed 300 cases involving bad behaviour of 250 suppliers, took measures such as banning suppliers involved for a limited period of time or adjusting the quotas of the suppliers involved according to the rules. The Company continued to carry out information sharing with major domestic fundamental telecommunications operators on illegal and untrustworthy suppliers, forming a benign ecosystem for the survival of the fittest.

The Company conducted widespread ecological cooperation in the supply chain by expanding the supply chain management to the upstream and downstream of the industrial chain and promoting cooperation in market, business, technology and other aspects with its members to enhance mutual benefit and win-win results.



### 【Hosting the second e-Surfing Supply Chain Ecological Development Forum】

In March 2023, with the theme of "Digital Intelligence Empowerment · Win-win Cooperation", the second e-Surfing Supply Chain Ecological Development Forum was held at the Beijing International Convention Centre, at which three initiatives including jointly building an open and cooperative supply chain ecology, jointly expanding the new supply model of the digital economy, and jointly promoting the digital and intelligent operation of the supply chain, were put forward to forum members and industry enterprises.

## Openness, cooperation and win-win

### National cloud ecology

The Company has actively and thoroughly implemented the overall layout plan of Digital China construction, and undertaken the tasks of constructing national platforms such as the source of original cloud computing technologies with high quality, to promote the brand construction of "China Telecom Cloud, National Cloud".

At the sixth Digital China Summit • Cloud Ecological Conference, the ecological cooperation plan of China Telecom Cloud computing power distribution network platform "Xirang", the intelligent computing and supercomputing pilot plan, and the SaaS (Software as a Service) ecological community plan of central SOEs were launched. Licenses were granted to best practice partners and the most potential partners to reinforce the national cloud foundation of Digital China construction.



### **【Co-building a win-win cloud ecosystem to promote the new development of the cloud computing industry】**

The Company, together with industrial, academia and research institutions and partners involved in the intelligent computing and supercomputing pilot plan, strengthened technology integration and co-creation in the field of computing power scheduling and intelligent computing and supercomputing, to promote the inclusive sharing of computing power. Based on "Yunxiao", China Telecom Cloud's intelligent computing platform, the plan develops new products and new applications of intelligent computing and supercomputing with partners, to strengthen cooperation and innovation in intelligent computing, improve the utilisation efficiency of computing resources, build a prosperous ecology of intelligent computing industry, and promote the high-quality development of AI and other scientific research.

Relying on the advantages of computing power, network bandwidth and intelligence, the Company tapped customers' demand for intelligent computing services to seize the market opportunity. It built full-stack intelligent computing services for large models, including building intelligent computing datacentres, developing an intelligent computing acceleration platform integrating cloud, intelligent computing and supercomputing "Yunxiao", launching a one-stop intelligent computing service platform "Huiju", and building the national cloud large model ecology to form cloud-intelligence integrated intelligent computing service system. It has been connected to intelligent computing and supercomputing providers such as Sugon, Huawei, and Tencent, and possesses unified scheduling capabilities. The Company has created Huize, a large government administration model, which is used for enquiry, public affairs assistance and other scenes, and reached cooperation intentions with benchmark government customers such as Guiyang Government Administration Centre and Guangdong Eshore, to launch pilot projects.

### Digital technology ecology

The Company has been actively exploring the “cloud-network-intelligence” integration technology and adopting the mode of “network + cloud computing + AI + application” to help governments and enterprises accelerate the digital transformation and upgrades. The Digital Technology Ecology Conference serves as an important platform to demonstrate the achievements of digital technology development and explore the development direction with all walks of life, comprehensively displays the latest achievements of the Company and its ecological partners in the fundamental capabilities of cloud-network integration, digital new consumption, Industrial Digitalisation, intelligent electronics, and AI large models, actively giving full play to industrial synergies, building industrial alliances, and creating a new pattern in digital technology construction with ecological prosperity.

The Cooperative Development Forum of Artificial Intelligence and Data Industry with the theme of “Intelligence Leadership into a Digital Future” was held by the Company in collaboration with CAICT and ecological partners, at which the Company announced its R&D achievements and development goals of AI, displayed its Xingchen AI large model at the hundred-billion parameter grade, and launched the “Xingchen MaaS Ecological Service Platform” to provide one-stop services for three large models, including exclusive customised version, general industry version and customer self-training version, for different customers.

The Company continued to improve its core capabilities such as data element circulation and privacy computing, launched the “Lingze 2.0” data elements service platform, actively invested in the marketisation of data elements, formed benchmark cases of data elements in 10 provinces and cities, including Hainan Data Supermarket, Taizhou, Jiangsu, and Chaozhou, Guangdong, and built a public data development and utilisation platform operated by “government + market”. It focused on actual Industrial Digitalisation scenes and worked with partners to promote the construction of data element ecology.



### 【Establishing China Telecom Data Element Industry Alliance together with partners】

During the Digital Technology Ecology Conference, the Company established China Telecom Data Element Industry Alliance together with 12 cooperative units and enterprises including Hainan Big Data Administration, Xiangyang Municipal People’s Government and the Cloud Computing and Big Data Institute of CAICT to accelerate the release of data value and jointly promote the exploration process of AI.

The Company held the Satellite Mobile Communication Industry Development Forum together with ecological partners. With the theme of "Satellite as a Service, Integrating Satellite to Create the Future", it released its latest innovation achievements such as *White Book of China Telecom on 5G NTN (Non-Terrestrial Network) Application Technology* (《中國電信5G NTN(非地面網絡)應用技術白皮書》), China Telecom satellite product system and public version of aviation Internet products. More than 200 partners in the satellite mobile communication industry attended the forum to jointly discuss and explore the new direction, new model, new pattern and new space of industrial development, and jointly promote the high-quality development of the space-aerial information industry.

### Sci-tech innovation and cooperation

The Company continues to enhance its sci-tech innovation system. Focusing on strategic emerging industries such as new-generation information technology, quantum information, generative AI and future network, as well as future industries, the Company strove for breakthroughs in core technologies, and put forward three categories of R&D subjects, being Research, Development and Operation. Through "strengthening capability with technological breakthroughs, improving the vitality in the application of achievements, and reforming the mechanism of talent construction", it constantly enhanced its capabilities for independent innovation to build a technology-oriented enterprise. The R&D expenses increased by 23.6% year on year.

The Company has further expanded industry-academia-research cooperation, strengthened the integration of upstream and downstream innovation resources, and strove for breakthroughs together with well-known universities such as Tsinghua University, scientific research institutions such as Pengcheng Laboratory and industrial chain partners such as Huawei, so as to promote application-driven research and the deployment and application of major research achievements. It has jointly undertaken national projects and made a series of theoretical and prototype breakthroughs in cutting-edge technologies such as network security, quantum communication and optical network. In the process of technology research and development and application, the Company has strictly abided by the scientific ethical norms, complied with righteous values, social responsibilities and codes of conduct, fully evaluated the potential impact and reliability of new fields and new technologies, and actively given full play to the positive effects of science and technology.

The Company has accelerated the construction of the World Broadband Association (WBBA) by actively attracting global industry partners, well-known enterprises and institutions to join the WBBA, so as to improve the scale and quality of members. It has developed 77 members, covering 32 countries on five continents, including 16 "Belt and Road" countries, and has entered into strategic cooperation framework agreement with the Groupe Speciale Mobile Association (GSMA), as such a high-quality cooperation ecosystem was initially formed with significantly enhanced global influence.



### 【Promoting the development of the World Broadband Association (WBBA)】

The Company focuses on building an international exchange and communication platform, actively promoting the Association to lead the cooperation and innovation of the global cloud-network broadband industry, and promoting the transformation and development of the digital economy.

Since 2023, the Association has held conferences such as the Barcelona and Shanghai Summits and the Paris Annual Development Conference to enhance communication and exchanges in the global cloud-network broadband industry and discuss in-depth the challenges, development trends and solutions faced by the global cloud-network broadband industry. It released the *WBBA Global Cloud-Network Broadband Industry Development Report* and the *Global Cloud-Network Development Index Report* to export China's development and practice results and enhance global influence and leadership.

### Capital cooperation

The company has firmly grasped the national strategic opportunities, conformed to the requirements of the trend of sci-tech revolution and industrial transformation, and actively conducted strategic deployment focusing on strategic emerging industries and future industries to step up its investment intensity. It strengthened the capital operation of crucial business segments by exploring the introduction of external capital, so as to improve the market-oriented operation level and governance capabilities of relevant subsidiaries. It systematically promoted the synergy of production and investment, and achieved rapid growth of synergistic income. The Company provided aids to small and medium-sized enterprises, and promoted the matching of technology and products between the investees and professional companies, and has achieved initial practical results in the synergy of science and technology.

## CO-SHARING DEVELOPMENT ACHIEVEMENTS

The Company persisted in giving full play to the role of the digital information infrastructure in empowering economic and social development, with the aim of narrowing the digital divide and enhancing digital inclusion, so that all people may enjoy the achievements of digital development.

### Serving rural revitalisation

The Company conducted research on 4 targeted poverty alleviation counties and two targeted support counties (hereinafter referred to as "4+2" poverty alleviation counties), invested paid assistance funds of RMB242 million, brought in free assistance funds of RMB17.98 million and paid assistance funds of RMB245 million, offered 61,700 person-times training for grassroots cadres, rural revitalisation leaders and professional and technical personnel, recruited directly and transferred employment of 3,186 persons, purchased directly and helped in the sales of agricultural and sideline products of RMB481 million, and helped development and expansion of featured industries of 1,256 support locations of "4+2" poverty alleviation counties and enterprises at all levels.

**【Carrying out study on rural revitalisation efforts】**



In February 2023, Ke Ruiwen, Chairman of China Telecom, and his entourage visited Guangxi to study the rural revitalisation efforts. They visited Tianlin County of Baise City, the targeted county of our poverty alleviation assistance, and studied the construction sites of the projects supported by China Telecom, meeting with and expressing solicitude to our front-line employees. They also met local party committee and governments to jointly study how to consolidate and expand our achievements in poverty alleviation and link them effectively with the rural revitalisation efforts.



In August 2023, Shao Guanglu, President of China Telecom, and his entourage visited Xinjiang to study the rural revitalisation efforts. They visited Shufu County, Kashgar Prefecture, the targeted county of our poverty alleviation assistance, and studied the construction sites of the Third Primary School of Shufu County, Jiang Guo Guo Agricultural Technology Co., Ltd., and the Guangdong-Hong Kong-Macau Greater Bay Area Vegetable Basket Base in Shufu County, and expressed solicitude to the people who have been lifted out of poverty and cadres.

The Company has always taken consumption assistance as an important path to promote the quality, efficiency and sustainable development of featured industries in poverty-stricken areas, and actively participated in activities including the “Central SOEs’ Cohesion Action on Consumption Assistance” organised by the SASAC of the State Council, the “Central SOEs’ Week for Consumption Assistance and Agricultural Revitalisation”. It directly purchased agricultural by-products of RMB185 million and helped with the sales of agricultural products of RMB296 million.



**【Holding China Telecom’s New Consumption Platform Shopping Festival】**

In July 2023, China Telecom’s New Consumption Platform Shopping Festival, the central SOEs’ cohesion action on consumption support guided by Social Responsibility Bureau of the SASAC of the State Council and hosted by China Telecom, was launched in Beijing. Representatives from the National Development and Reform Commission, the Ministry of Agriculture and Rural Affairs, relevant central SOEs, targeted assistance counties and 157 partners participated in the event. During “China Telecom’s New Consumption Platform Shopping Festival”, an online activity area was simultaneously set up from 31st July to 6th August, gathering nearly 40 central SOE platforms and more than 500 local famous, special and excellent products.



The Company vigorously promoted the construction of digital villages as an important step to deepen its industrial assistance and targeted assistance efforts, aiming to create model cases for digital empowerment in rural revitalisation. The digital village platform integrates three core capacities including IoT + AI + China Telecom cloud broadcasting, and provides to counties, township, administrative villages and other government and the villagers with convenient service, points bank and other information services, and rural elderly care, fire safety, smart planting and other digital scene-based services, achieving intelligent rural grassroots governance and intelligent production and life of farmers. It has served more than 360,000 administrative villages, covering more than 100 million villagers.



**【Helping development and expansion of Guangxi Tianlin edible fungus industry】**

The Company conducted in-depth investigation and research to identify the fast track of edible fungus planting, assisted the construction of edible fungus modern agricultural industrial park, edible fungus research and development centre and fungus stick cultivation centre in Tianlin County, and vigorously developed with the mode of “industrial park + leading company + village collective economy + planting base + farmers”. The industrial park has an annual production of 2,500 tons, which increases annual income of RMB20,000 for 89 villages on average and RMB30,000 for each household.

The Company has been undertaking the task of universal telecommunications services for eight consecutive years, from laying optical cables to building base stations, and continuously enhancing network coverage in border and remote areas, striving to narrow the “digital divide” between regions. In 2023, the Company continued to carry out the eighth batch of universal services by building nearly 2,900 4G base stations and 650 5G base stations, providing high-quality information and communications services for 2,787 remote administrative villages in China.




**【Successfully completing the eighth batch of universal services】**

Xinjiang's information and communications industry has thoroughly implemented the strategic plan for building a Cyberpower and the requirements for building the core area of the Silk Road Economic Belt, and made solid progress in building digital Xinjiang. Since 2015, Xinjiang has carried out eight batches of pilot projects for universal national telecommunications services, and built or upgraded optical fibre networks in administrative villages and corps companies throughout Xinjiang.

In 2023, in the eighth batch of universal service project, Xinjiang branch invested RMB240 million in total and completed the construction of 90 border 4G wireless base stations on 51 sections, covering 158 administrative villages with 4G and 7 5G digital villages. Xinjiang branch followed the rural revitalisation strategy by focusing on rural industry layout and has effectively supported the development of rural economy, humanities, education and other aspects.

### Promoting care for the elderly

The Company proactively promoted the traditional virtues of filial piety and respect for the elderly to help the senior people overcome the “digital divide”. Focusing on the recurring matters in the daily life of the elderly, the Company concentrated efforts to provide more convenient, caring, and high-quality information and communications services and exclusive services for the elderly. Our 10000 service hotline offered warm-hearted services to the elderly by answering about 20.34 million phone calls from them which were directly connected to the elderly caring attendants, in addition to the completion of over 120,000 times of remote counter video services. The Caring Stations at business outlets served 2.78 million person-times in intelligent elderly assistance and fraud-prevention seminars. We upgraded China Telecom’s APP to enable elderly assistance capabilities via AI digital humans, continued to improve the user experience of the caring version, and realised the functions of remote elderly assistance and family circle. We promoted the iterative upgrading of digital technology for the elderly, and greatly improved the perception of the use of products for the elderly, such as AI guardian and e-Surfing Health (翼家健康).



**【Developed suitable terminal “Zhenqing 20 (臻情20)” for the elderly】**

For problem of “difficult to learn” for the elderly in the use of mobile phones, the terminal company independently developed series of caring applications that integrate the caring elements into the process of mobile phone design and development. For example, it is designed with certain elderly-caring functions such as the default care mode, larger font and larger icons, one-button dialling, default 96dB high volume, voice broadcast and other functions, helping the elderly enjoy the convenience of life brought by smart phones.

### Enthusiastically participating in social welfare

The Company enthusiastically participated in social welfare activities, and consistently implemented the *Law of the People’s Republic of China on Public Welfare Donations* and other laws and regulations. It supported the development of science and technology, education, culture, sports and health and hygiene through various forms such as public welfare donations and relief donations, and proactively provided relief to the poor, disabled and underprivileged taking into account the needs of donation recipients and social development. It encouraged employees to promote volunteering spirit of contribution, kindness, mutual assistance and progress, promoted institutionalisation and normalisation of volunteer service, and actively created an atmosphere of civilisation, harmony, unity and progress.



### 【Solidly serving the elderly】

In 2023, the Shanghai branch leveraged the “Love from e-Surfing” volunteer service brand to form “digital elderly assistance” e-Surfing bee volunteer service team centring on the promotion and application of smart phone booths, and prepared courses such as “new application and new experience of smart phone booths” and “evolution of smart phone booths”. It went deep into communities and streets to introduce the function of smart phone booth application on site and guided the elderly citizens to better enjoy digital information and application, so as to spread the warmth of a digital city and establish the digital elderly assistance service as a first-minded brand.

The Company continued to deepen the “Caring Stations” social welfare services, played the role of small station but large platform, to care for special social groups with warm services. It built and expanded service stations, integrated into the local communities to carry out all-aged public services such as outdoor workers care, smart elderly assistance, science popularisation for youth and so on, to create “a harbour for outdoor workers, a link across the digital divide, a platform for popularising science information technology and a position to prevent network fraud”. It achieved full-provincial coverage of Caring Stations with six public welfare services being “drinking water and take breaks, mobile phone charging, toilet guide, mobile phone counselling, fraud-prevention reminders, and security counselling” generally available in nearly 100,000 urban and rural business outlets. A total of 292 “Fraud-prevention Publicity and Education Base” was approved for formation by local public security departments. We established 520 volunteer service teams of Caring Stations, and organised 140,000 social welfare activities such as “Riding Month in Refreshing Summer (清爽夏日愛騎月)”, “College Entrance Examination Charging Station (高考加油站)” and “Warm Winter Programme”, which served over 13 million person-times for outdoor workers, the elderly, teenagers and other groups. Relevant units were awarded “Significant Contribution Units of Dual 15 Project of Labour Union (工會驛站雙15工程重要貢獻單位)” by All-China Federation of Trade Unions, 96 “Caring Stations” were honoured the title of “Most Beautiful Union Outdoor Worker Service Station (最美工會戶外勞動者服務站點)” by the All-China Federation of Trade Unions, leading national co-building units in terms of award number, and the Xinjian Community (Caring Station) at Jinchengjiang street of Guangxi Hechi won the title of “Most Beautiful Sci-tech Volunteer Service Station (最美科技志願服務點)” by China Association for Science and Technology.



**【Advocating public welfare care and launching Public Welfare Union of Caring Stations】**

On 10 July 2023, Ke Ruiwen, Chairman of China Telecom, put forward outdoor worker caring service initiative at the launch ceremony of the “Labour Union Service Outlet Dual 15 Project (工會服務站點雙15工程)” of All-China Federation of Trade Unions on behalf of the national co-building units.

On 9 November 2023, under the guidance and support of the Rights and Benefits Protection Department under the All-China Federation of Trade Unions, the Company held the Public Welfare Union of Caring Stations and “lightening China” Launching Ceremony with China Worker Development Foundation, Alibaba Foundation and Meituan, building a resources gathering platform for continuous public welfare services.



**【Holding fraud-prevention lectures to protect residents’ property】**

On the morning of 7 June 2023, volunteer service team of Anhui Huangshan Caring Station held fraud-prevention lectures joining hands with the New Era Civilisation Practice Station and the Elderly Care Service Centre of Shuixinting Community by focusing on new fraud means, analysing pension fraud and other methods through real case analysis and case simulation videos, which enhanced the fraud-prevention awareness of the elderly in the community, and won unanimous praise from participants. At present, 80 “Caring Stations” in Anhui Province have been approved to establish as fraud-prevention publicity and education bases.

## CO-WRITING THE OVERSEAS CHAPTER

The Company organically combines the United Nations Sustainable Development Goals (SDGs) with its international business development and adheres to win-win cooperation and common development. The Company is committed to strengthening international cooperation in the field of information and communications, actively participates in the high-quality co-building of the “Belt and Road”, and promotes the construction of global digital information infrastructure. In overseas development, we actively fulfil our responsibilities, emphasise on localised operation, pay long-term attention to the development of local communities, and promote mutual understanding and cultural integration.

### Improving international communications service capabilities

The Company continued to improve the transnational communications service capabilities to serve China's high-level opening-up. The Company's global operation covers the world's major markets with 50 branches in 42 countries and regions around the world. The Company established cross-border data and voice cooperation with more than 400 overseas telecom operators, providing multinational customers with personalised, cost-effective integrated communications solutions, and actively helping Chinese enterprises expand overseas and foreign enterprises invest in Chinese market.

The Company continued to improve its business capabilities to serve public customers. Its mobile roaming services for international and Hong Kong, Macau and Taiwan covered 251 countries or regions around the world. It continued to optimise the tariff level and service capabilities and offered “Mobile data capped day-pass (包天封顶·流量畅享)” service in about 200 countries or regions. The Company actively responded to emergencies overseas by issuing social welfare notification in a timely manner and establishing travel users support hotline to provide high-quality services for customers.



### 【International Customer Relationship Excellence Awards】

On November 16, 2023, the Asia Pacific Customer Service Consortium (APCSC) held the 21st “International Customer Relationship Excellence Awards” ceremony, and the global company won two corporate team awards and eight individual awards, which was also the 11th consecutive year that the global company won this award, demonstrating the Company's excellent customer service capabilities in international business.

### Facilitating the development of the overseas digital economy

The Company continued to improve the global cloud-network deployment and promoted the construction of global digital information infrastructure. We have strengthened the construction of international cloud-network resources, focused on investing in the Asia-Pacific region and countries or regions along the “Belt and Road”, and built a large-scale global network. By the end of 2023, international, Hong Kong, Macau and Taiwan backbone transmission relays exceeded 113Tbps, of which the “Belt and Road” direction exceeded 50Tbps. We had 230 overseas point-of-presence (POPs) and 611 outlets with direct connections to the global Internet.



#### 【The main section of the Asia-Pacific direct submarine cable was fully connected】

By the end of 2023, the Asia Direct Cable project led by the Company completed submarine cable landing at all landing points, and the main section was connected. The international submarine cable will bring high-quality and inclusive digital experience to global customers with advanced network connection technology, meet the growing demand for international broadband in the Asia-Pacific region, and improve the level of interconnection of international communications infrastructure.

The Company vigorously promoted the internationalisation of China Telecom Cloud by building a high-speed interconnected intelligent cloud-network system covering major hotspots around the world and interconnecting multiple nodes with the world’s mainstream public cloud at high speed. With its professional information service capabilities and advantages in cloud-network integration technology, it matched overseas localised digital application scenes and integrated a series of smart solutions to help overseas customers’ digital transformation and upgrade and make positive contributions to the construction of local digital economy, social progress and improvement of people’s livelihood.



#### 【Official overseas expansion of China Telecom Cloud】

On 18 June 2023, China Telecom Cloud 4.0 Hong Kong node was officially launched, marking China Telecom Cloud’s official launch in overseas. The Company has increased efforts to the construction of computing power infrastructure along the “Belt and Road” regions in Asia Pacific, Europe, Africa and the Middle East, providing computing, storage, cloud computer, cloud connectivity and other services, to help the digital transformation of Chinese overseas enterprises and local enterprises.

### Supporting development of local community

The Company has long been paying attention to the construction of the local communities, actively contributed its own strength to the local society to promote cultural integration. We have been carrying out overseas public welfare activities, implementing initiatives such as “no poverty”, “digital community” and “green environmental protection” under the United Nations Sustainable Development Goals (SDGs), and built a sustainable governance framework to promote cooperation among the government, enterprises and society and to help the local community create a more vibrant, inclusive and prosperous social environment.



#### **【The South African company provided vocational skills training for local youth】**

In response to the South African government’s “Skill Development Plan”, the South African company has worked closely with local vocational training institution Black Points Training Solutions (Pty) to provide local youth with professional knowledge, vocational skills and on-the-job training related to the Company’s business, so as to enhance the competitiveness of employment.



#### **【European company held environmental events】**

In August 2023, under the theme of “Protecting the Environment and Serving the Community”, the European company held an environmental clean-up event on the banks of the River Thames, an iconic body of water in London. Employees carried out water operations with grabbing tools and garbage bags, and sorted the collected garbage to avoid secondary pollution and made a positive contribution to the restoration of the river’s ecological environment.