

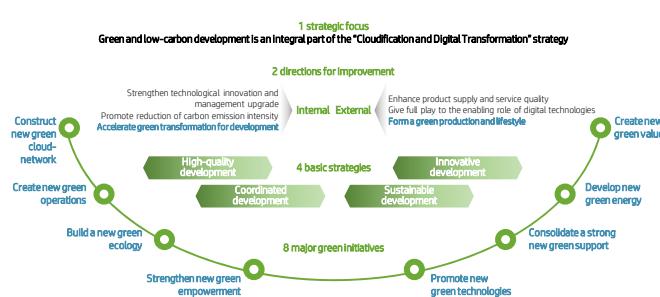
China Telecom Corporation Limited ("China Telecom" or "the Company") is a leading large-scale integrated intelligent information service operator in the world whose principal businesses are fundamental telecommunications businesses such as wireline, mobile communications and satellite communications services, value-added telecommunications businesses such as Internet access services, information services and other related businesses. The ESG data in this factsheet covers the policies, measures and performance on the ESG-related issues of the Company and its subsidiaries (branches), and the Company's [sustainability reports](#) and [annual/interim reports](#) contain more information on ESG.

## Empower Green Development

### Policies

- Governance structure:** Established the "Carbon Dioxide Peaking and Carbon Neutrality" leadership group, led by the CEO, to promote the implementation of green and low-carbon strategy; set up a three-level governance structure comprising decision-making level, management level and implementation level
- Risk management:** Integrate climate-related risk management into the Company's risk management; identify and evaluate the impact of such risks on financial and operational development and propose corresponding measures
- Rules and systems:** Improve management structure and department responsibilities of green development through horizontal department coordination and vertical "headquarters-province-city" cooperation; formulated the *China Telecom Implementation Rules for Carbon Dioxide Peaking and Carbon Neutrality for 2023*; include green development work into the appraisal system of provincial branches and professional companies

### The "1248" dual carbon action plan



### Key indicators and achievements in 2023

Total greenhouse gas emissions 15.17mil tons CO <sub>2</sub> e	Base station / facility room energy savings by AI >700mil kWh / 83mil kWh	Green sci-tech innovation, green office, construct green and low-carbon supply chain...	CDP score A-
Supported the society to reduce greenhouse gas emissions by >100mil tons	Consumption of green electricity >1.1bil kWh ↑≈3 times	Completed ahead of schedule the emissions reduction target of 27mil tons set for the 14th Five-year Plan period	Recognised for the first time as a global leader in climate action

## Care for Employees and Reward Society

### Customers

- Protect customer rights and interests:** Implement the relevant laws and regulations about consumer rights and interests, personal information protection, advertising, anti-telecom and online fraud and enhance internal system such as brand publicity; carried out integrated governance on communications fraud harassing calls and spam text messages, strengthen infrastructure security
- Enhance customer perception:** Comprehensively carry out instant review after services; optimise network service quality; improve digital service capabilities

### Society

- Support rural revitalisation, overcome digital divide:** Direct assistance investment and digital empowerment; undertake the task of universal telecommunications services for eight consecutive years; promote care for the elderly; enthusiastically participate in social welfare

### Employees

- Protect employees' rights and interests:** Adhere to equal employment; strengthen communications with employees via satisfaction surveys, management reception day, etc.; encourage employees to participate in corporate management
- Promote employees' development:** 364,000 person-times took skill certification exams of 41 professions; >1.36mil person-times participated "Cloudification and Digital Transformation Seminar" and "the Way of Transformation" lecture series; new progress made in three system reforms, optimise market-oriented employment system, reward employees' innovation, etc.
- Enhance occupational safety and well-being:** Establish or refine internal systems on occupational health and labour protection such as the labour protection of female employees; launched the Employee Assistance Programme; provincial units organised no less than 5 practical caring deeds, etc.
- Enhance working environment:** Deepen the construction of "four small facilities"; focused on improving the working conditions and living environment of grass-roots employees in 11 provinces, etc.

### Key indicators and achievements in 2023

10000 service hotline attendants answered ≈20.34mil calls from the elderly	96 of "Caring Stations" honoured as "Most Beautiful Trade Union Outdoor Worker Service Station" by the All-China Federation of Trade Unions, leading national co-building units in award number
Intercepted 969mil text messages suspicious of fraud, blocked ≈17.72 mil domain names suspicious of fraud and shut down 52,500 involved numbers	Average training time per employee 75.11 hours ↑137.3%

## Enhance corporate governance

### The Board and senior management

- Diversity:** Continue to implement the Board Diversity Policy and director appointment regardless of gender, age, educational background, professional experience, skills, etc. Proportion of female managers 21.94%, ↑0.64p.p.
- Independence:** INED 36% of the Board (as of 26 March 2024); Audit, Remuneration and Nomination Committees under the Board consist solely of INEDs
- Performance of duties:** 100% attendance by all directors in all Board meetings
- Remuneration:** The Remuneration Committee recommends to the Board about the remuneration policy and structure for directors and senior management; none of the Company's five highest paid individuals were directors

### Internal control and risk management

- Internal control:** Carried out independent assessment of internal control for 9 subordinate units; continue to insist on 100% coverage of all units in terms of internal control self-assessment; closely coordinate with the external auditors' audit of internal control over financial reporting; strengthen management over subsidiaries
- Risk management:** Determine major risk points and put forward detailed response plans; concentrate resources on the prevention of significant potential risks

### Anti-corruption

- Established five major anti-corruption mechanisms including education and prevention, system monitoring, discipline and accountability, fault tolerance and correction, and inspection and check
- Whistleblowing postal mailbox, emails and hotline available to address allegations against the Company's employees

# Our Core Values, Code of Corporate Practice and Strategy

## Core values

Comprehensive innovation, pursuing truth and pragmatism, respecting people and creating value all together

## Code of corporate practice

Keep promise and provide excellent service for customers  
Cooperate honestly and seek win-win result in joint innovation  
Operate prudently and enhance corporate value continuously  
Manage precisely and allocate resources scientifically  
Care the staff and tap their potential to the full  
Reward the society and be a responsible corporate citizen

## Company strategy

China Telecom firmly fulfils its responsibilities in building Cyberpower and Digital China as well as maintaining network and information security. Anchoring on its mission and vision of building a service-oriented, technology-oriented and secured enterprise, the Company fully and deeply implements its Cloudification and Digital Transformation strategy. Insisting on the customer-oriented approach, China Telecom strengthens the core capabilities of sci-tech innovation and speeds up the construction of new information infrastructure that is cloud-network integrated, green and secure. The Company builds a big platform for empowering digital transformation of the economy and society, comprehensively deepens reforms and opening up, pushes forward high-quality development on all fronts, and accelerates the building of a world-class enterprise

## Our ESG Management Structure

- The Board:** Formulates the Company's ESG management policies and strategies to ensure that the Company has established an effective ESG risk management and internal control system
- Audit Committee:** Assists the Board to oversee ESG matters
- ESG Working Group:** Promotes ESG performance management, information disclosure and relevant fundamental work; regularly reports and makes suggestions to the Audit Committee in areas such as material ESG issues, revision of indicator system as well as indicator tracking and management



## Our Stakeholders and Analysis of Material Issues

In accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the Listing Rules of the Hong Kong Stock Exchange, with reference to the United Nations Sustainable Development Goals (SDGs) and the GRI Standards released by the Global Reporting Initiative, while taking into consideration the expectations and needs of stakeholders based on the characteristics of our business and the industry as well as the impact of our business operations on the economy, environment and society, the Company assesses ESG issues that are relevant and material to the Company's business operations from the dual perspectives of its importance to stakeholders and its impact on the Company's business operations, and selected 20 issues to form a materiality matrix.

### Our stakeholders

Investors, customers, employees, government and regulatory authorities, supply chain, peers, community



## Recognition and Awards



## Enquiries

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