



(2) Biographical Details of Current Directors, Senior Management and Supervisors

KE RUIWEN

Age 58, is an Executive Director, the Chairman of the Board of Directors and Chief Executive Officer of the Company. He joined the Board of Directors of the Company in May 2012. Mr. Ke is a senior engineer with a doctorate degree in business administration. Mr. Ke served as Deputy Director General of Jiangxi Posts and Telecommunications Administration, Deputy General Manager of Jiangxi Telecom, Managing Director of the Marketing Department of the Company and China Telecommunications Corporation*, General Manager of Jiangxi Telecom, Managing Director of the Human Resources Department of the Company and China Telecommunications Corporation, Executive Vice President, President and Chief Operating Officer of the Company, Vice President and President of China Telecommunications Corporation and the Chairman of Supervisory Committee of China Tower Corporation Limited. Mr. Ke is also the Chairman of China Telecommunications Corporation. Mr. Ke has extensive experience in management and the telecommunications industry.



LI ZHENGMAO

Age 59, is an Executive Director, the President and Chief Operating Officer of the Company. He joined the Board of Directors of the Company in May 2020. Mr. Li is a professor with a doctorate degree in engineering. Mr. Li served as an Executive Director and Vice President of China Unicom Limited, a Director and Vice President of China United Telecommunications Corporation, a Vice President of China Mobile Limited which is listed on the Main Board of the HKSE, a Vice President and General Counsel of China Mobile Communications Group Co., Ltd. and a Director and Vice President of China Mobile Communication Co., Ltd., a Non-Executive Director of China Communications Services Corporation Limited which is listed on the Main Board of the HKSE and a Vice Chairman of True Corporation Public Company Limited which is listed on the Stock Exchange of Thailand. Mr. Li is also a Director and the President of China Telecommunications Corporation. Mr. Li has extensive experience in management and the telecommunications industry.



* Now known as “中國電信集團有限公司”, the controlling shareholder (within the meaning of the Listing Rules) and a substantial shareholder (within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong) of the Company, which held approximately 63.20% of the issued share capital of the Company at the end of the Reporting Period.

SHAO GUANGLU

Age 58, is an Executive Director of the Company. He joined the Board of Directors of the Company in May 2020. Mr. Shao is a professor level senior engineer with a doctorate degree in management. Mr. Shao served as a Deputy General Manager of China United Network Communications Group Company Limited, an Executive Director and Senior Vice President of China Unicom (Hong Kong) Limited which is listed on the Main Board of the HKSE, a Senior Vice President of China United Network Communications Limited which is listed on the Shanghai Stock Exchange, a Director and Senior Vice President of China United Network Communications Corporation Limited, a Non-Executive Director of China Communications Services Corporation Limited, China Tower Corporation Limited and PCCW Limited, all of which are listed on the Main Board of the HKSE, a member of the board of directors of Open Networking Foundation, a member of the strategy committee of GSM Association and a Vice President of China Information Technology Industry Federation. Mr. Shao is currently a Director of China Telecommunications Corporation and a Deputy Director of Communications Science and Technology Committee of the Ministry of Industry and Information Technology of the People's Republic of China. Mr. Shao has extensive experience in management and the telecommunications industry.



LIU GUIQING

Age 55, is an Executive Director and Executive Vice President of the Company. He joined the Board of Directors of the Company in August 2019. Mr. Liu is a professor level senior engineer with a doctorate degree in engineering science. Mr. Liu served as Deputy General Manager and General Manager of China Unicom Hunan branch and General Manager of China Unicom Jiangsu provincial branch. Mr. Liu is currently a Vice President and General Counsel of China Telecommunications Corporation, a Non-Executive Director of China Tower Corporation Limited which is listed on the Main Board of the HKSE, a Deputy Director General of China Institute of Communications and a Director of Global System for Mobile communications Association (GSMA). Mr. Liu has extensive experience in management and the telecommunications industry.





TANG KE

Age 47, is an Executive Director and Executive Vice President of the Company. He joined the Board of Directors of the Company in March 2022. Mr. Tang is a senior accountant with a master's degree in economics. Mr. Tang previously served as the General Manager of the Finance Department of both China Telecommunications Corporation and the Company, and as the General Manager of China Telecom Anhui branch and Guangdong branch. Mr. Tang is currently a Vice President of China Telecommunications Corporation. Mr. Tang has extensive experience in finance, management and the telecommunications industry.



CHEN SHENGGUANG

Age 58, is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in May 2017. Mr. Chen graduated from Zhongnan University of Economics with a major in finance and accounting, and obtained a postgraduate degree in economics from Guangdong Academy of Social Sciences and a master degree in business administration (MBA) from Lingnan College of Sun Yat-sen University. Mr. Chen served as the Manager of Finance Department and Deputy General Manager of Guangdong Foreign Trade Import & Export Corporation, Head of Finance Department, Assistant to General Manager and Chief Accountant of Guangdong Guangxin Foreign Trade Group Co., Limited, a Director of FSPG Hi-Tech Co., Ltd. which is listed on the Shenzhen Stock Exchange, a Non-Executive Director of Xingfa Aluminium Holdings Limited which is listed on the Main Board of the HKSE, a Director of Guangdong Silk-Tex Group Co., Ltd., the Chief Accountant and Deputy General Manager of Guangdong Guangxin Holdings Group Ltd.. Mr. Chen is currently the Director and General Manager of Guangdong Rising Holdings Group Co., Ltd.* (one of the shareholders of the Company). Mr. Chen has extensive experience in finance and corporate management.



* A substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

TSE HAU YIN, ALOYSIUS

Age 74, is an Independent Non-Executive Director of the Company. He joined the Board of Directors of the Company in September 2005. Mr. Tse is currently an Independent Non-Executive Director of CNOOC Limited, Sinofert Holdings Limited, SJM Holdings Limited and China Huarong Asset Management Co., Ltd., all of which are listed on the Main Board of the HKSE. From 2004 to 2021, Mr. Tse was an Independent Non-Executive Director of OCBC Wing Hang Bank Limited (formerly known as “Wing Hang Bank Limited”, which was listed on the Main Board of the HKSE until October 2014). From 2004 to 2010, he was an Independent Non-Executive Director of China Construction Bank Corporation, which is listed on the Main Board of the HKSE. From 2005 to 2016, Mr. Tse was also an Independent Non-Executive Director of Daohe Global Group Limited (formerly known as “Linmark Group Limited”), which is listed on the Main Board of the HKSE. Mr. Tse was appointed as an Independent Non-Executive Director of CCB International (Holdings) Limited, a wholly owned subsidiary of China Construction Bank Corporation in March 2013. He is also a member of the International Advisory Council of the People’s Municipal Government of Wuhan. Mr. Tse is a fellow of the Institute of Chartered Accountants in England and Wales, and the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Mr. Tse is a past President and a former member of the Audit Committee of the HKICPA. He joined KPMG in 1976, became a partner in 1984 and retired in March 2003. Mr. Tse was a Non-Executive Chairman of KPMG’s operations in China and a member of the KPMG China advisory board from 1997 to 2000. Mr. Tse is a graduate of the University of Hong Kong.



XU ERMING

Age 72, is an Independent Non-Executive Director of the Company. He joined the Board of Directors of the Company in September 2005. Professor Xu is a Vice Chairman of the Chinese Enterprise Management Research Association. He is entitled to the State Council’s special government allowances. Professor Xu served as a professor, Ph.D. supervisor of the Graduate School and Dean of Business School at the Renmin University of China, a professor and Dean of Business School of Shantou University, and was an Independent Supervisor of Harbin Electric Company Limited and an Independent Non-Executive Director of Comtec Solar Systems Group Limited, both are listed on the Main Board of the HKSE. Over the years, Professor Xu has conducted research in areas related to strategic management, innovation and entrepreneurship management, and has been responsible for research on many subjects put forward by the National Natural Science Foundation, the National Social Science Foundation, and other authorities at provincial and ministry level. He has received many awards such as the Ministry of Education’s Class One Excellent Higher Education Textbook Award, the State-Level Class Two Teaching Award and the National Excellent Course Award. Professor Xu has been awarded the Fulbright Scholar of U.S.A. twice and the visiting scholar of McGill University, Canada. Professor Xu was previously a lecturer at the New York State University at Buffalo, U.S.A., the University of Scranton, U.S.A., the University of Technology, Sydney, the Kyushu University, Japan, Panyapiwat Institute of Management, Thailand and the Hong Kong Polytechnic University.





WANG HSUEHMING

Age 72, is an Independent Non-Executive Director of the Company. She joined the Board of Directors of the Company in May 2014. Madam Wang received a bachelor of arts degree from the University of Massachusetts and attended Columbia University. She was a Senior Advisor and former Chairman of BlackRock China. She was also the former Chairman of China at Goldman Sachs Asset Management. She joined Goldman Sachs in 1994, became a Partner in 2000 and an Advisory Director from 2010 to 2011. With nearly 30 years of experience in financial services, she participated in pioneering efforts in China's economic reform and development. She was instrumental in advising Ministry of Posts and Telecommunications and Ministry of Information Industry (now known as Ministry of Industry and Information Technology) in the privatisations and listings of its mobile and fixed line businesses. She also participated in advising appropriate operators in strategic investments by international telecom companies. The early cross-border financings of aircraft and other capital equipment in China's aviation sector, as well as the separate listings of national airlines, and important provincial and municipal credit restructurings also formed part of Madam Wang's understanding of China's economic growth in the past three decades.



YEUNG CHI WAI, JASON

Age 67, is an Independent Non-Executive Director of the Company. He joined the Board of Directors of the Company in October 2018. Mr. Yeung is currently the Group Chief Compliance and Risk Management Officer of Fung Holdings (1937) Limited and its listed companies in Hong Kong and an Independent Non-Executive Director of Bank of Communications Co., Ltd, which is listed on the Main Board of the HKSE and the Shanghai Stock Exchange. Mr. Yeung has extensive experience in handling legal, compliance and regulatory matters and previously worked in the Securities and Futures Commission of Hong Kong, law firms and enterprises practising corporate, commercial and securities laws. Mr. Yeung served as a Director and the General Counsel of China Everbright Limited, which is listed on the Main Board of the HKSE and was also a partner of Woo, Kwan, Lee, & Lo.. He acted as the Board Secretary of BOC Hong Kong (Holdings) Limited which is listed on the Main Board of the HKSE, from 2001 to 2011 and concurrently acted as the Board Secretary of Bank of China Limited which is listed on the Main Board of the HKSE and the Shanghai Stock Exchange, from 2005 to 2008. He also served as the Deputy Chief Executive (Personal Banking) of Bank of China (Hong Kong) Limited from April 2011 to February 2015. Mr. Yeung received a bachelor degree in social sciences from the University of Hong Kong. He then graduated from The College of Law, United Kingdom and received a bachelor degree in law and a master degree in business administration from the University of Western Ontario, Canada.



SUPERVISORS

HAN FANG

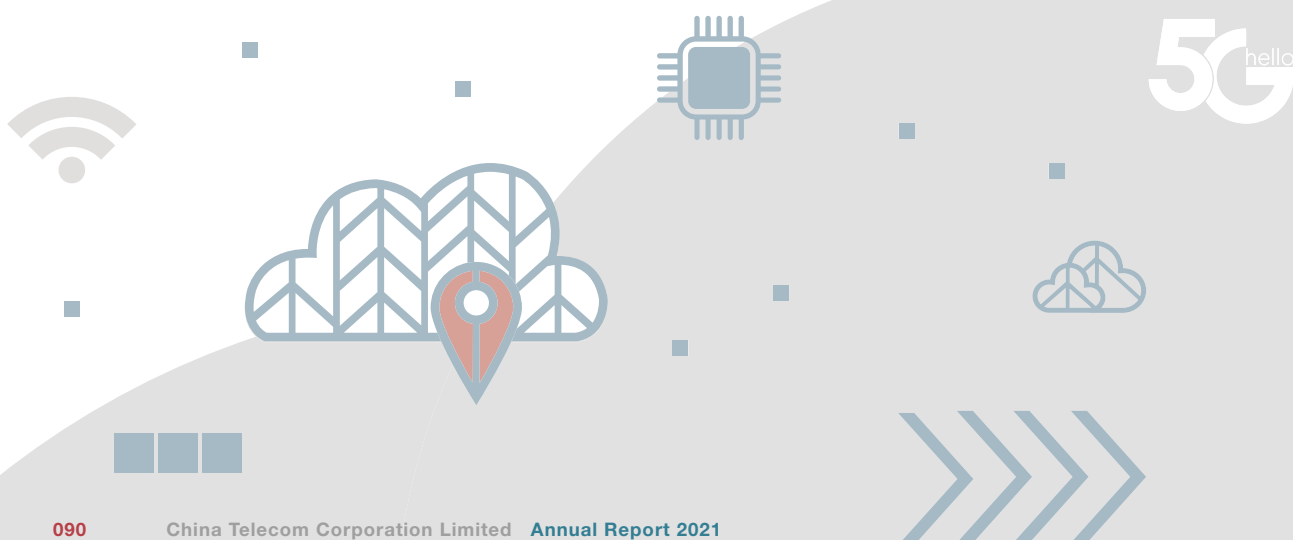
Age 48, is a Shareholder Representative Supervisor and the Chairlady of the Supervisory Committee of the Company. She joined the Supervisory Committee of the Company in March 2022. She currently serves as the Managing Director of audit department of both China Telecommunications Corporation and the Company and a Supervisor of China Tower Corporation Limited which is listed on the Main Board of the HKSE. Madam Han graduated from the Beijing University of Posts and Telecommunications with a bachelor's degree in engineering management and received a master's degree in business administration at the BI Norwegian School of Management. Madam Han served as a Supervisor of the Company, the Chief Financial Officer of China Telecom Global Limited, the Deputy Managing Director of audit department of both China Telecommunications Corporation and the Company and the Chairperson of the Supervisory Committee of China Communications Services Corporation Limited which is listed on the Main Board of the HKSE. Madam Han is an international internal auditor, a qualified accountant in PRC and a senior accountant. She has extensive experience in operation management and financial management in the telecommunications industry.

ZHANG JIANBIN

Age 56, is an Employee Representative Supervisor of the Company. He joined the Supervisory Committee of the Company in October 2012. Mr. Zhang is a senior economist with a LL.M degree and an EMBA degree. He previously worked at the Department of Policy and Regulation of the Ministry of Posts and Telecommunications ("MPT") and the Directorate General of Telecommunications of the MPT. Mr. Zhang is currently the Managing Director of the Legal Department (Compliance Management Department) of the Company and the Deputy General Counsel of China Telecommunications Corporation. Mr. Zhang has extensive experience in corporate legal affairs.

DAI BIN

Age 53, is an Employee Representative Supervisor of the Company. He joined the Supervisory Committee of the Company in May 2020. Mr. Dai is a senior economist with an EMBA degree. He served as a Deputy Managing Director of the Office of the Board of Directors of the Company and the Deputy Managing Director of the General Affairs Office (Office of the board of directors and Security Department) of China Telecommunications Corporation. Mr. Dai serves as the Vice Chairman of the Labour Union of China Telecommunications Corporation. Mr. Dai has extensive experience in operational management in the telecommunications industry.





XU SHIGUANG

Age 42, is a Shareholder Representative Supervisor of the Company. He joined the Supervisory Committee of the Company in October 2018. Mr. Xu is a member of the Chinese Institute of Certified Public Accountants and a Certified Internal Auditor with a master's degree in management. Mr. Xu served at various positions in internal control and auditing at China Telecommunications Corporation for many years and was the Director of general office of audit department of the Company. Mr. Xu is currently the Deputy General Manager of Inner Mongolia Autonomous Region branch of the Company. Mr. Xu has extensive experience in internal control and auditing.

WANG YIBING

Age 55, is a Shareholder Representative Supervisor of the Company. She joined the Supervisory Committee of the Company in March 2022. She currently serves as the Deputy General Manager of Zhejiang Provincial Financial Development Co., Ltd. (one of the Shareholders of the Company) and a Supervisor of Zhejiang Provincial Financial Holdings Co., Ltd. Madam Wang is a senior accountant and graduated from the accounting program of Zhejiang Institute of Finance and Economics with a bachelor's degree in economics. Madam Wang served as the Vice General Manager of Zhejiang Province Xingcai Real Estate Development Company, the General Manager of financial management department and investment management department of Zhejiang Provincial Financial Holdings Co., Ltd., a Director of China Zheshang Bank Co., Ltd. which is listed on the HKSE and the Shanghai Stock Exchange, Caitong Securities Co., Ltd, Yongan Futures Co., Ltd., Wuchan Zhongda Group Co., Ltd. and Zhejiang China Commodities City Group Co., Ltd., all of which are listed on the Shanghai Stock Exchange, etc.. Madam Wang has extensive experience in operation management of state-owned enterprises.

(3) Positions of Directors, Supervisors and senior management as of the end of Reporting Period**1. Positions held in shareholder entities**

Name	Name of shareholders	Positions held in shareholders	Commencement date of term	End date of term
Ke Ruiwen	China Telecommunications Corporation	Chairman	2019-04-15	Present
Li Zhengmao	China Telecommunications Corporation	Director President	2020-01-27 2020-02-17	Present Present
Shao Guanglu	China Telecommunications Corporation	Director	2020-01-27	Present
Chen Zhongyue (resigned)	China Telecommunications Corporation	Vice President	2014-10-20	2021-02-26
Zhang Zhiyong (resigned)	China Telecommunications Corporation	Vice President General Counsel	2017-12-26 2021-04-21	2021-11-05 2021-11-26
Liu Guiqing	China Telecommunications Corporation	Vice President General Counsel	2017-12-26 2021-11-26	Present Present
Zhu Min (resigned)	China Telecommunications Corporation	Chief Accountant	2018-06-15	2022-01-21
Tang Ke	China Telecommunications Corporation	Vice President	2021-06-23	Present
Chen Shengguang	Guangdong Rising Holdings Group Co., Ltd.	Director and General Manager	2016-12	Present
Zhang Jianbin	China Telecommunications Corporation	Deputy General Counsel	2015-02-06	Present
Dai Bin	China Telecommunications Corporation	Vice Chairman of the Labour Union	2017-11-27	Present
You Mingqiang (resigned)	Zhejiang Provincial Financial Development Co., Ltd.	Deputy Director of the Organisation Department (Human Resources Department)	2019-12-13	Present



2. Positions held in other entities

Name	Name of other entities	Positions held in other entities	Commencement date of term	End date of term
Shao Guanglu	Communications Science and Technology Committee of the Ministry of Industry and Information Technology	Deputy Director	2017-12	Present
Zhang Zhiyong (resigned)	China Comservice	Chairman of the board of directors and Executive Director	2018-03-16	2021-09-30
	China Tower	Non-Executive Director	2017-08-07	2021-09-30
	China Chamber of International Commerce	Vice President	2021-03	Present
Liu Guiqing	China Institute of Communications	Deputy Director General	2018-06	Present
	Global System for Mobile communications Association	Director	2018-09	Present
Chen Shengguang	Guangdong Rising Holdings Co., Ltd.	Director and General Manager	2016-12	Present
Tse Hau Yin, Aloysius	CNOOC Limited	Independent Non-Executive Director	2005-06-08	Present
	Sinofert Holdings Limited	Independent Non-Executive Director	2007-06-28	Present
	SJM Holdings Limited	Independent Non-Executive Director	2007-10-15	Present
	SJM Resorts, Limited	Chairman of the Supervisory Committee	2014-12	Present
	Grand Lisboa Property Investment Company Limited	Chairman of the Supervisory Committee	2014-12	Present
	Sociedade de Desenvolvimento Unido de Macau S.A.R.L.	Chairman of the Supervisory Committee	2014-12	Present
	Pier 16 Property Development Limited.	Chairman of the Supervisory Committee	2014-12	Present

Name	Name of other entities	Positions held in other entities	Commencement date of term	End date of term
	Cotai Magnific View Property Development Company Limited	Chairman of the Supervisory Committee	2014-12	Present
	China Huarong Asset Management Co., Ltd.	Independent Non-Executive Director	2015-03-23	Present
	CCB International (Holdings) Limited	Independent Non-Executive Director	2013-03-14	Present
	OCBC Wing Hang Bank (China) Limited	Independent Non-Executive Director	2016-08-09	2021-09-08
	OCBC Wing Hang Bank Limited	Independent Non-Executive Director	2004-11-26	2021-06-03
	OCBC Wing Hang Bank Limited (Macau)	Chairman of the Supervisory Committee	2018-03-15	2021-09-21
	Bacchus Fine Wines (Hubei) Company Limited	Chairman	2010-11-16	Present
Xu Erming	China Enterprise Management Research Association	Vice Chairman	2004-09	Present
Yeung Chi Wai, Jason	Fung Holdings (1937) Limited and its listed companies in Hong Kong	Group Chief Compliance and Risk Management Officer	2015-07-01	Present
	Bank of Communications Co., Ltd.	Independent Non-Executive Director	2016-10-17	Present
	Enchanted Hills Limited	Director	1997-05-14	Present
Sui Yixun (resigned)	China Tower	Supervisor	2018-05-03	2022-01-14
Explanation on positions held in other entities	Tse Hau Yin, Aloysius tendered resignation as an independent non-executive director of China Huarong Asset Management Co., Ltd. on 23 March 2021. Such resignation shall take effect after the commencement of term of office of a new independent non-executive director.			

**(4) Remuneration of Directors, Supervisors and senior management**

Decision-making procedures for remuneration of Directors, Supervisors and senior management	Decision-making procedures for remuneration of Directors and senior management: The Remuneration Committee makes recommendations to the Board in respect of the overall remuneration policy and structure for the Company's Directors and senior management and the establishment of a formal and transparent procedure for developing remuneration policy; After election and appointment of each session of the Board of Directors and senior management, the Board of Directors reviews the remuneration plan for that session of Directors and senior management.
	Decision-making procedures for remuneration of Supervisors: Supervisors of the Company do not receive remuneration as Supervisors.
Basis for determining the remuneration of Directors, Supervisors and senior management	In accordance with the administrative requirements of the SASAC, the remuneration is determined based on the Remuneration Plan for Senior Management of the Company and factors such as the duties, responsibilities, experience of the Directors, Supervisors and senior management and the prevailing market conditions.
Actual payment of remuneration of Directors, Supervisors and senior management	For details, please refer to "(1) Changes in shareholding and remuneration of Directors, Supervisors and senior management during the Reporting Period" in this section.
Total remuneration actually received by all Directors, Supervisors and senior management as at the end of the Reporting Period	For details, please refer to "(1) Changes in shareholding and remuneration of Directors, Supervisors and senior management during the Reporting Period" in this section.

(5) Changes in Directors, Supervisors and Senior Management of the Company during the Reporting Period

Name	Position held	Type of changes	Reason for change
Chen Zhongyue	Executive Director and Executive Vice President	Resigned	Change in work arrangement
Zhang Zhiyong	Executive Vice President	Resigned	Change in work arrangement
Zhu Min	Executive Director, Executive Vice President, Chief Financial Officer and Secretary of the Board	Resigned	Change in work arrangement
Tang Ke	Executive Vice President	Appointed	Work needs

(6) Composition of Board of Directors and Board Diversity Policy

As at 31 December 2021, the Board consisted of 9 Directors with 4 Executive Directors, 1 Non-Executive Director and 4 Independent Non-Executive Directors. There is no relationship (including financial, business, family or other material or relevant relationship) among the Board members. The Audit Committee, Remuneration Committee and Nomination Committee under the Board consist solely of Independent Non-Executive Directors, which ensures that the Committees are able to provide sufficient checks and balances and make independent judgements to protect the interests of the shareholders and the Company as a whole. The number of Independent Non-Executive Directors exceeds one-third of the members of the Board. Mr. Tse Hau Yin, Aloysius, the Chairman of the Audit Committee, is an internationally renowned financial expert with extensive expertise in accounting and financial management. The Board currently comprises 10 Directors, including 5 Executive Directors, 1 Non-Executive Director and 4 Independent Non-Executive Directors. The term of office for the seventh session of the Board (including the Non-Executive Directors) lasts for 3 years, starting from 26 May 2020 until the day of the Company's Annual General Meeting for the year 2022 to be held in 2023, upon which the eighth session of the Board will be elected.

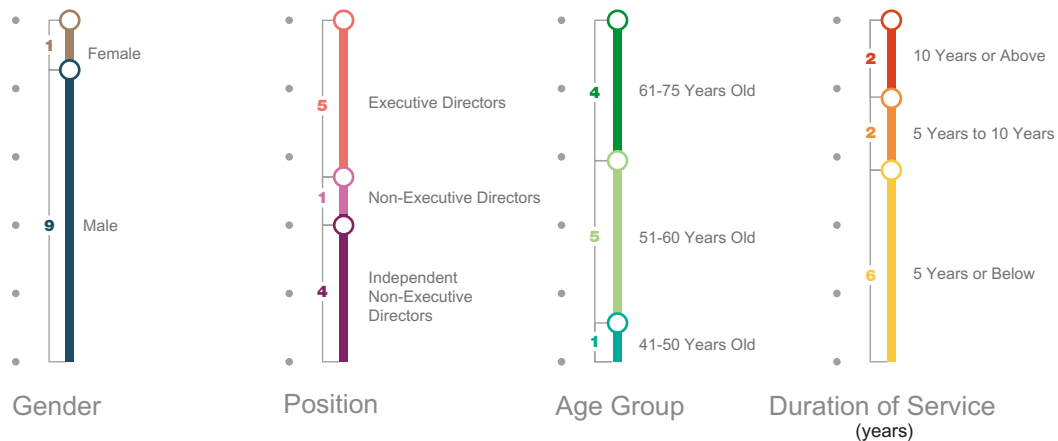
In August 2013, the Company implemented the Board Diversity Policy. The Company strongly believes that board diversity will contribute significantly to the enhancement of the overall performance of the Company. The Company views board diversity as the

key element for accomplishing its strategic goals and sustainable development. In determining the composition of the Board, the Company takes into account diversity of the Board from a number of perspectives, including but not limited to gender, age, educational background, professional experience, skills, knowledge, duration of service and time commitment, etc. All appointments made or to be made by the Board are merit-based, and candidates are selected based on objective criteria taking full consideration of board diversity. Final decisions are comprehensively made based on each candidate's attributes and the consideration for his/her valuable contributions that can be made to the Board. The Nomination Committee oversees the implementation of Board Diversity Policy, reviews the existing policy as and when appropriate, and recommends proposals for revisions for the Board's approval.

There is currently one female Director on the Board. The Board currently comprises experts from diversified professions such as telecommunications, accounting, finance, law, banking, regulatory, compliance and management with diversification in terms of gender, age, duration of service, etc., advancing the enhancement of management standard and the further standardisation of corporate governance practices, which results in a more comprehensive and balanced Board structure and decision-making process. Each Director brings to the Board different views and perspectives. Both the Nomination Committee and the Board believe that the gender, age, educational background, professional experience, skills, knowledge and the duration of service of the Board members are in alignment with the Board Diversity Policy.



The below chart sets out the analysis of the current Board composition:



The Company strictly complies with the Corporate Governance Code to rigorously regulate the operating procedures of the Board and its Committees, and to ensure that the procedures of the Board meetings are in compliance with related rules in terms of organisation, regulations and personnel. The Board responsibly and earnestly supervises the preparation of financial statements for each financial period, so that such financial statements truly and fairly reflect the financial condition, the operating results and cash flows of the Company for such period. In preparing the financial statements for the year ended 31 December 2021, the Directors adopted appropriate accounting policies and made prudent, fair and reasonable judgements and estimates, and prepared the financial statements on a going concern basis.

The Articles of Association clearly defines the respective duties of the Board and the management. The Board is accountable to the shareholders' meetings, and its duties mainly include the execution of resolutions, formulation of major operational decisions, financial proposals and policies, formulation of the Company's basic management system and the appointment of

senior management. The management is responsible for leading the production, operation and management of the Company, the implementation of Board resolutions and the annual operation plans and investment proposals of the Company, formulating the proposal of the Company's internal administrative organisations and suborganisations, and performing other duties as authorised by the Articles of Association and the Board. In order to maintain highly efficient operations, as well as flexibility and swiftness in operational decision-making, the Board may delegate its management and administrative powers to the management when necessary, and shall provide clear guidance regarding such delegation so as to avoid impeding or undermining the capabilities of the Board when exercising its powers as a whole.

The Board formulates and reviews the Company's policies and practices on corporate governance; reviews and monitors the training and continuous professional development of Directors and senior management; reviews and monitors the Company's policies and practices on compliance with legal and regulatory requirements; formulates, reviews and monitors the code of conduct for employees; and reviews the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

(7) Directors' training and continuous professional development

The Company provides guidelines including on directors' duties, continuing obligations, relevant laws and regulations, operation and business of the Company to newly appointed Directors so that they are provided with tailored induction relating to their appointment. To ensure that the Directors are familiar with the Company's latest operations for decision-making, the Company arranges for key financial data and operational data to be provided to the Directors on a monthly basis. Meanwhile, through regular Board meetings and reports from management, the Directors are able to have clearer understanding of the operations, business strategy, and the latest development of the Company and the industry.

In addition, the Company reminds the Directors of their functions and duties by continuously providing them with information regarding the latest development of the Two Listing Rules and other applicable regulations, and arranging internal training on topics related to the latest development of the industry and operational focus of the Company for mutual exchange of ideas and discussion. The Directors actively participate in training and continuous professional development to develop and refresh their knowledge and skills in order to contribute to the Company.

During the year, the Directors have participated in training and continuous professional development activities, and the summary is as follows:

Directors	Types of training
Executive Directors	
Ke Ruiwen	A, B
Li Zhengmao	A, B
Shao Guanglu	A, B
Liu Guiqing	A, B
Chen Zhongyue *	A, B
Zhu Min *	A, B
Non-Executive Director	
Chen Shengguang	A, B
Independent Non-Executive Directors	
Tse Hau Yin, Aloysius	A, B
Xu Erming	A, B
Wang Hsuehming	A, B
Yeung Chi Wai, Jason	A, B

A: attending relevant seminars and/or conferences and/or forums; or delivering speeches at relevant seminars and/or conferences and/or forums

B: reading or writing relevant newspapers, journals and articles relating to economy, general business, telecommunications, corporate governance or directors' duties

* On 19 January 2021, Mr. Chen Zhongyue resigned from his positions as an Executive Director and Executive Vice President of the Company due to change in work arrangement. On 27 December 2021, Madam Zhu Min resigned from her positions as an Executive Director, an Executive Vice President, the Chief Financial Officer and the Secretary to the Board of the Company due to change in work arrangement.



(8) Compliance with the Model Code for Securities Transactions by Directors and Supervisors and confirmation of independence by the Independent Non-Executive Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules to govern securities transactions by the Directors and Supervisors. Based on the written confirmation from the Directors and Supervisors, the Company's Directors and Supervisors have strictly complied with the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules regarding the requirements in conducting securities transactions for the year 2021. Meanwhile, the Company has received annual independence confirmation from each of the Independent Non-Executive Directors and considered them to be independent.

5. BOARD MEETINGS HELD DURING THE REPORTING PERIOD

Session	Date	Resolutions of the Meeting
Written Resolution No. 1 of the seventh session of the Board in 2021	2021-02-09	To approve the resolution in relation to the "2021 Share Appreciation Rights Grant Proposal for Key Personnel of China Telecom Corporation Limited".
The fourth meeting of the seventh session of the Board	2021-03-09	<ol style="list-style-type: none">1. To approve the proposal in relation to the annual results for the year 2020;2. To approve the proposal regarding the plan for the initial public offering and listing of RMB ordinary shares (A Shares);3. To approve the risk management and internal control implementation and assessment report for the year 2020, and to consider and approve the external auditor's attestation report on the internal control of the Company;4. To consider and approve the evaluation on the performance of the audit work of the external auditors, Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu for the year 2020; To approve the proposed appointment of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers as the external auditors of the Company for the year 2021;5. To approve the proposal in relation to the authorisation to issue debentures of the Company;6. To consider and approve the structure and operation review of the Board;7. To approve the convening of the 2020 Annual General Meeting;8. To approve the proposal in relation to liabilities insurance for 2021-2022 for directors, senior management and the Company.

Session	Date	Resolutions of the Meeting
Written Resolution No. 2 of the seventh session of the Board in 2021	2021-03-10	To approve the grant date and exercise price of the The Phase II Incentive Scheme for Share Appreciation Rights of China Telecom Corporation Limited.
The fifth meeting of the seventh session of the Board	2021-03-19	To approve the proposal in relation to the transfer of equity interests in E-surfing Pay Co., Ltd. and China Telecom Leasing Corporation Limited.
The sixth meeting of the seventh session of the Board	2021-04-08	<ol style="list-style-type: none">1. To approve the proposal in relation to the prospectus for the initial public offering (A Shares) of the Company;2. To approve the proposal in relation to the Entrusted Operation and Management Contract entered into between the Company and China Telecommunications Corporation;3. To approve the relevant financial and accounting documents of the Company for the offering and listing of A Shares;4. To approve the new connected transaction of “Payment and Digital Finance Related Services” and the application for the annual cap for the year 2021;5. To approve the appointment of Deloitte as the auditor of the Company for the offering and listing of A Shares and the relevant fees;6. To approve the basic management system documents applicable to the Company after the offering and listing of A Shares.
Written Resolution No. 3 of the seventh session of the Board in 2021	2021-04-28	<ol style="list-style-type: none">1. To approve the proposal on the 2021 first quarterly results of the Company;2. To approve the proposal in relation to the Form 20-F for the year 2020;3. To approve the proposal in relation to the conversion of China Telecom Cloud Technology Co., Ltd into a wholly-owned subsidiary.
Written Resolution No. 4 of the seventh session of the Board in 2021	2021-05-17	To approve the proposal in relation to the review report issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP on the financial report of the Company for the first quarter of 2021 prepared in accordance with Chinese Accounting Standard.



Session	Date	Resolutions of the Meeting
Written Resolution No. 5 of the seventh session of the Board in 2021	2021-05-31	To approve the proposal in relation to the tender of China Telecom Global Limited in bidding for the land parcel in Tseung Kwan O Industrial Park, Hong Kong and the investment and operation plan after securing the tender.
Written Resolution No. 6 of the seventh session of the Board in 2021	2021-06-07	To approve the proposal that the Executive Order signed by the President of the United States on 3 June 2021 does not constitute inside information of the Company.
Written Resolution No. 7 of the seventh session of the Board in 2021	2021-06-18	To approve the proposal in relation to the order made by the Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants regarding Mr. Tse Hau Yin, Aloysius, an independent non-executive director of the Company and the relevant announcement made by the Company.
Written Resolution No. 8 of the seventh session of the Board in 2021	2021-06-20	To approve the proposal on the adjustment of the dividend policy of the Company.
Written Resolution No. 9 of the seventh session of the Board in 2021	2021-07-15	To approve the proposal in relation to the updated Prospectus.
The seventh meeting of the seventh session of the Board	2021-08-10	<ol style="list-style-type: none"> 1. To approve the proposal in relation to the 2021 interim results; 2. To consider and approve the report on the progress of the 2021 Environmental, Social and Governance Report; 3. To approve the proposal in relation to the appointment of independent financial adviser for continuing connected transactions; 4. To approve the proposal in relation to the increase in registered capital of China Telecom Cloud Technology Co., Ltd; 5. To approve the appointment of the securities affairs representative of the Company.
The eighth meeting of the seventh session of the Board	2021-08-30	To approve the proposal regarding the payment of funds required for investment projects by way of telegraphic transfer by banks, bills of exchange, letters of credit, etc. and the replacement of the proceeds in equivalent amount.

Session	Date	Resolutions of the Meeting
The ninth meeting of the seventh session of the Board	2021-09-09	To approve the proposal regarding the termination of the American Depositary Shares program of the Company.
The tenth meeting of the seventh session of the Board	2021-09-29	To approve the proposal regarding the use of proceeds for capital injection into wholly-owned subsidiaries and provision of loans for implementation of investment projects.
The eleventh meeting of the seventh session of the Board	2021-10-22	<ol style="list-style-type: none"> 1. To approve the proposal on the 2021 Third Quarterly Report; 2. To approve the proposal regarding the renewal of continuing connected (related-party) transactions and the application for annual caps for 2022-2024; 3. To approve the proposal regarding the amendments to the articles of association; 4. To approve the proposal on convening the second extraordinary general meeting in 2021.
The twelfth meeting of the seventh session of the Board	2021-11-10	<ol style="list-style-type: none"> 1. To approve the proposal regarding the replacement of self-raised funds previously invested in investment projects and paid offering expenses with proceeds; 2. To approve the proposal on the use of part of temporarily idle proceeds for cash management; 3. To approve the proposal on the plan for external guarantee.
The thirteenth meeting of the seventh session of the Board	2021-11-29	To approve the proposal regarding the appointment of Executive Vice President and Director of the Company.
The fourteenth meeting of the seventh session of the Board	2021-12-20	<ol style="list-style-type: none"> 1. To approve the proposal on the fees of external auditors for the year 2021; 2. To consider and approve the work progress report on the 2021 Environmental, Social and Governance Report; 3. To approve the proposal on convening the first extraordinary general meeting in 2022.

In 2021, the Company convened 20 Board meetings in total (including various written resolutions); the Chairman held a meeting to independently communicate with the Independent Non-Executive Directors without the presence of any other Directors to ensure their opinions can be fully expressed, which further facilitated the exchange of different views within the Board.



6. PERFORMANCE OF DUTIES BY DIRECTORS

Attendance of Directors at Board meetings and general meetings

Name of Director	Whether as an Independent Director	Required attendance during the year	Attendance at Board meetings				Failure to attend two consecutive meetings in person	Attendance at general meetings
			Attendance in person	Attendance by way of communication	Attendance by proxy*	Absent Times		Number of general meetings attended
Ke Ruiwen	No	20	20	15	0	0	No	5
Li Zhengmao	No	20	20	15	0	0	No	5
Shao Guanglu	No	20	20	15	0	0	No	5
Liu Guiqing	No	20	20	15	0	0	No	2
Chen Shengguang	No	20	19	15	1	0	No	4
Tse Hau Yin, Aloysius	Yes	20	20	15	0	0	No	5
Xu Erming	Yes	20	20	15	0	0	No	4
Wang Hsuehming	Yes	20	18	14	2	0	No	2
Yeung Chi Wai, Jason	Yes	20	20	15	0	0	No	2
Chen Zhongyue (resigned)	No	0	0	0	0	0	No	0
Zhu Min (resigned)	No	20	20	15	0	0	No	5
Number of Board meetings held during the year					20			
Including: Number of on-site meetings					5			
Number of meetings held by communication					15			
Number of meetings held both on site and by means of communication					0			

* Certain Directors could not attend some of the Board meetings due to other arrangement. Such Directors have reviewed the relevant Board meeting proposals before the meetings and authorised other Directors in writing to vote on their behalf so as to ensure their views were fully reflected in the meetings.

7. SPECIAL COMMITTEES UNDER THE BOARD

(1) Members of the special committees under the Board

Category of special committees	Name of Members
Audit Committee	Tse Hau Yin, Aloysius, Xu Erming, Wang Hsuehming, Yeung Chi Wai, Jason
Remuneration Committee	Xu Erming, Tse Hau Yin, Aloysius, Wang Hsuehming
Nomination Committee	Wang Hsuehming, Tse Hau Yin, Aloysius, Xu Erming

(2) Audit Committee

As at 31 December 2021, the Audit Committee comprised 4 Independent Non-Executive Directors, Mr. Tse Hau Yin, Aloysius as the Chairman and Mr. Xu Erming, Madam Wang Hsuehming and Mr. Yeung Chi Wai, Jason as the members. The Audit Committee is responsible to the Board. The Rules of Procedures of the Audit Committee clearly defines the status, structure and qualifications, work procedures, duties and responsibilities, funding and remuneration, etc. of the Audit Committee. The Audit Committee's principal duties include the supervision of the truthfulness and completeness of the Company's financial statements, the effectiveness and completeness of the Company's internal control and risk management systems as well as the work of the Company's Internal Audit Department. It is also responsible for the supervision and review of the qualifications, selection and appointment, independence and services of external independent auditors. The Audit Committee ensures that the management has discharged its duty to establish and maintain an effective risk management and internal control system including the adequacy of resources, qualifications and experience

of staff fulfilling the accounting, internal control and financial reporting functions of the Company together with the adequacy of the staff's training programmes and the related budget. The Audit Committee also has the authority to set up a reporting system on whistleblowing to receive and handle cases of complaints or complaints made on an anonymous basis regarding the Company's accounting, internal control and audit matters.

In 2021, pursuant to the requirements of the governing laws and regulations of the places of listing and the Rules of Procedures of the Audit Committee, the Audit Committee fully assumed its responsibilities within the scope of the clear mandate from the Board and communicated independently with the external auditors twice a year. The Audit Committee proposed a number of practical and professional recommendations for improvement based on the Company's actual circumstances in order to promote the continuous improvement and perfection of corporate management. The Audit Committee has provided important support to the Board and played a significant role in protecting the interests of the independent shareholders.

**The Audit Committee convened 9 meetings during the Reporting Period**

Date	Agenda of meeting	Important comments and suggestions	Other Performance of Duties
2021-03-08	<ol style="list-style-type: none"> 1. To approve the 2020 annual results and recommend the same to the Board for approval; 2. To approve the report on the implementation of connected transactions of the Company for the year 2020; 3. To approve the risk management and internal control report for the year 2020 and recommend the same to the Board for consideration and approval; 4. To consider and approve the report on the internal audit of the Company for the year 2020 and the work plan for 2021; 5. To consider and approve the review of the operation and charter of the Audit Committee for the year 2020; 6. To consider and approve the audit performance of Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu for the year 2020 and approve and recommend to the Board the appointment of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers as the Company's external auditors for the year 2021. 	Nil	Nil
2021-03-19	To approve the proposal in relation to the transfer of equity interests in E-surfing Pay Co., Ltd. and China Telecom Leasing Corporation Limited and to recommend the same to the Board for approval	Nil	Nil

Date	Agenda of meeting	Important comments and suggestions	Other Performance of Duties
2021-04-08	<ol style="list-style-type: none">1. To approve the proposal in relation to the prospectus for the initial public offering (A Shares) of the Company and to recommend the same to the Board for approval;2. To approve the proposal in relation to the Entrusted Operation and Management Contract entered into between the Company and China Telecommunications Corporation and to recommend the same to the Board for approval;3. To approve the relevant financial and accounting documents of the Company for the offering and listing of A Shares, and to recommend the same to the Board for approval;4. To approve the proposal in relation to the new connected transaction of "Payment and Digital Finance Related Services" and the application for the annual cap for the year 2021, and to recommend the same to the Board for approval;5. To approve the proposal in relation to the appointment of Deloitte as the auditor of the Company for the offering and listing of A Shares and the relevant fees, and to recommend the same to the Board for approval.	Nil	Nil
2021-04-28	<ol style="list-style-type: none">1. To approve the proposal in relation to the results of the Company for the first quarter of 2021 and to recommend the same to the Board for approval;2. To approve the proposal in relation to the Form 20-F for the year 2020 and to recommend the same to the Board for approval.	Nil	Nil



Date	Agenda of meeting	Important comments and suggestions	Other Performance of Duties
2021-05-17	To approve the proposal in relation to the review report issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP on the financial report of the Company for the first quarter of 2021 prepared in accordance with Chinese Accounting Standard and to recommend the same to the Board for approval	Nil	Nil
2021-06-16	<ol style="list-style-type: none"> 1. To consider and approve the report on the implementation of connected transactions of the Company for the first quarter of 2021; 2. To consider and approve the internal audit report of the Company for the first quarter of 2021; 3. To approve the review plan of PricewaterhouseCoopers on the 2021 interim results of the Company. 	Nil	Nil
2021-08-09	<ol style="list-style-type: none"> 1. To approve the proposal in relation to the 2021 interim results and to recommend the same to the Board for approval; 2. To consider and approve the report on the implementation of connected transactions for the first half of 2021; 3. To consider and approve the internal audit report for the second quarter of 2021; 4. To consider and approve the report on the progress of the 2021 Environmental, Social and Governance Report. 	Nil	Nil
2021-10-22	<ol style="list-style-type: none"> 1. To approve the proposal on the 2021 Third Quarterly Report and to recommend the same to the Board for approval; 2. To approve the proposal on the renewal of continuing connected (related-party) transactions and the application for annual caps for 2022-2024, and to recommend the same to the Board for approval. 	Nil	Nil

Date	Agenda of meeting	Important comments and suggestions	Other Performance of Duties
2021-12-20	<ol style="list-style-type: none"> 1. To consider and approve the proposal on the report of external auditors on the audit work plan for the year 2021; 2. To consider and approve the proposal regarding the report of preliminary results of internal control assessment by external auditors for the year 2021; 3. To approve the proposal on the fees of external auditors for the year 2021, and to recommend the same to the Board for approval; 4. To consider and approve the proposal regarding the report on the implementation of connected transactions for the first three quarters of 2021; 5. To consider and approve the proposal on the 2021 third quarter internal audit work report and internal audit work plan for the year 2022; 6. To approve the proposal in relation to the report on the progress of the 2021 Environmental, Social and Governance Report and to recommend the same to the Board for approval; 7. To approve the proposal on the meeting plan of the Audit Committee for the year 2022. 	Nil	Nil

The attendance of each member is as follows:

Name of Members	Actual attendance/Required attendance
Tse Hau Yin, Aloysius	9/9
Xu Erming	9/9
Wang Hsuehming *	7/9
Yeung Chi Wai, Jason	9/9

* Madam Wang Hsuehming, a member of the Audit Committee, was unable to attend some of the meetings of the Audit Committee due to other arrangements. She reviewed the relevant proposals in advance and authorised another member in writing to vote on her behalf to ensure that her opinions were fully reflected in the meetings.



(3) Remuneration Committee

As at 31 December 2021, the Remuneration Committee comprised 3 Independent Non-Executive Directors, Mr. Xu Erming as the Chairman and Mr. Tse Hau Yin, Aloysius and Madam Wang Hsuehming as the members. The Remuneration Committee is responsible to the Board. The Rules of Procedures of the Remuneration Committee clearly defines the status, structure and qualifications, work procedures, duties and responsibilities, funding and remuneration, etc. of the Remuneration Committee. The Remuneration Committee assists the Board to formulate overall remuneration policy and structure for the Company's Directors and senior management, and to establish related procedures that are standardised and

transparent. The Remuneration Committee's principal duties include giving recommendations to the Board in respect of the overall remuneration policy and structure for the Company's Directors and senior management and the establishment of a formal and transparent procedure for developing remuneration policy, and determining, with delegated responsibility by the Board, the remuneration packages of individual Executive Directors and senior management including benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment). Its responsibilities comply with the requirements of the Corporate Governance Code.

The Remuneration Committee convened 1 meeting during the Reporting Period

Date	Agenda of meeting	Important comments and suggestions	Other Performance of Duties
2021-02-09	To approve the proposal in relation to the 2021 Share Appreciation Rights Grant Proposal for Key Personnel of China Telecom Corporation Limited and to recommend the same to the Board for approval.	Nil	Nil

The attendance of each member is as follows:

Name of Members	Actual attendance/Required attendance
Xu Erming	1/1
Tse Hau Yin, Aloysius	1/1
Wang Hsuehming	1/1

(4) Nomination Committee

As at 31 December 2021, the Nomination Committee comprised 3 Independent Non-Executive Directors, Madam Wang Hsuehming as the Chairlady and Mr. Tse Hau Yin, Aloysius and Mr. Xu Erming as the members. The Nomination Committee is responsible to the Board. The Rules of Procedures of the Nomination Committee clearly defines the status, structure and qualifications, work procedures, duties and responsibilities, funding and remuneration, etc. of the Nomination Committee, and it specifically requires that the Nomination Committee members shall have no significant connection with the Company, and comply with the regulatory requirements related to “independence”. The Nomination Committee

assists the Board to formulate standardised, prudent and transparent procedures for the appointment and succession plans of Directors, and to further optimise the composition of the Board. The principal duties of the Nomination Committee include regularly reviewing the structure, number of members, composition and diversity of the Board; identifying candidates with the appropriate qualifications for the position of Directors and senior management and advising the Board on the same; reviewing the Board Diversity Policy as appropriate to ensure its effectiveness; evaluating the independence of Independent Non-Executive Directors; advising the Board on matters regarding the appointment or re-appointment of Directors and succession plans for the Directors.

The Nomination Committee convened 2 meetings during the Reporting Period

Date	Agenda of meeting	Important comments and suggestions	Other Performance of Duties
2021-03-08	To consider and approve the structure and operation review of the Board, and to recommend the same to the Board for approval.	Nil	Nil
2021-11-29	To consider and approve the proposal on the appointment of Executive Vice President and Director of the Company, and agree to submit the proposal to the Board for consideration.	Nil	Nil

The attendance of each member is as follows:

Name of Members	Actual attendance/Required attendance
Wang Hsuehming*	1/2
Tse Hau Yin, Aloysius	2/2
Xu Erming	2/2

* Madam Wang Hsuehming, the Chairlady of the Nomination Committee, was unable to attend a meeting of the Nomination Committee due to other arrangements. She reviewed the relevant proposal in advance and authorised other member in writing to vote on her behalf to ensure that her opinions were fully reflected in the meeting.



(5) Independent Board Committee

Pursuant to the requirement under the Listing Rules, the Company convened 1 Independent Board Committee meeting in 2021, with all 4 Independent Non-Executive Directors attending the meeting. The meeting reviewed the continuing connected transactions and the applicable annual caps thereto and gave the relevant confirmation as well as submitted the recommendations on these matters to the independent shareholders.

The attendance of each member is as follows:

Name of Members	Actual attendance/Required attendance
Tse Hau Yin, Aloysius	1/1
Xu Erming	1/1
Wang Hsuehming	1/1
Yeung Chi Wai, Jason	1/1

8. DESCRIPTION OF RISKS IDENTIFIED BY THE SUPERVISORY COMMITTEE

The Supervisory Committee had no objection to the matters under supervision during the Reporting Period.

9. INFORMATION ON EMPLOYEES AT THE END OF THE REPORTING PERIOD

In 2021, work on human resources has closely centered around the Company's "Cloudification and Digital Transformation" strategy. The Company coordinated and promoted the reform of labor, personnel and distribution systems, gave full play to the decisive role of the market in resource allocation, comprehensively implemented the tenure system and contractual management of management members, promoted market-oriented labor deployment, strengthened the construction of cadres, talents and employees, continuously optimised the team layout and structure, established a market-oriented talent selection and employment mechanism, improved the market-oriented operation mechanism and incentive and restraint mechanism and improved the level and efficiency of human resources management, to provide sound organisational assurance and talent support for the Company's sustainable and healthy development.

(1) Employees

Total number of employees	278,922
Composition of professions	
Categories of professions	Number of professionals
Sales and Marketing	132,407
Operations and Maintenance	82,825
Sci-tech Research and Product Development	15,376
Management, Finance and Administration	48,314
Total	278,922
Education level	
Categories of education level	Number (person)
Doctoral degree	373
Master's degree	26,690
Bachelor's degree	153,871
Vocational school	74,117
High school and below	23,871
Total	278,922

(2) Emolument policy

In accordance with the income distribution principle reflecting efficiency and promoting fairness, while improving the market-oriented remuneration distribution mechanism with efficiency as the priority, the Company focuses on protecting the basic salary income of grassroots employees and sharing the benefits of the Company's growth. The Company actively implemented medium and long-term incentives such as equity incentives for listed companies and equity and dividend incentives for state-owned technology enterprises to further stimulate the enthusiasm and creativity of core talents at all levels.

(3) Training program

The Company attaches great importance to talent training. Through the online and offline integrated digital training model, the Company carried out training for leading cadres at different levels and categories and provided high-level professional talent training by promoting top-notch driving scale and tackling key scenarios. Focusing on the implementation of the "Cloudification and Digital Transformation" strategy, with the help of the online platform, the Company carried out large-scale, targeted skill talent training integrating training, practices and competition as a whole.



10. PROPOSAL FOR PROFIT DISTRIBUTION OR CONVERSION OF CAPITAL RESERVE

(1) Formulation, implementation or adjustment of cash dividend policy

Pursuant to the Articles of Association, under the premise that the Company's profit distribution does not exceed the cumulative distributable profit and that the Company takes into account the continuous profits, meeting regulatory requirements, operating normally and development in the long term, the Company will give priority to cash distribution of dividends. If the Company has no events such as major investment plans or significant cash expenditures, and the Company's risk control indicators can meet regulatory requirements and the normal operating capital requirements of the Company can be satisfied after the distribution of cash dividends, within any three consecutive years, the cumulative profit distributed by the Company in cash shall be no less than 30% of the annual average distributable profit realised in such three years.

The Board approved the resolution to adjust the dividend policy of the Company on 20 June 2021, agreeing that the profit to be distributed by the Company in cash for year 2021 shall be no less than 60% of the profit attributable to equity holders of the Company for that year, and that within three years after the A Share Offering and Listing, the profit to be distributed by the Company in cash for each year will gradually increase to 70% or above of the profit attributable to equity holders of the Company for that year. Meanwhile, the dividend arrangement will be adjusted to provide for the declaration and payment of interim dividends from year 2022.

According to Article 190 of the Articles of Association, the Company shall distribute its after-tax profits for the year 2021 at the lower of the amounts in the financial statements prepared in accordance with the Chinese Accounting Standard and IFRSs. As a result, RMB25,948,191,708 applies for profit distribution. After fully considering the return to shareholders, the Company's profitability, cash flow level and capital needs for future development, the Board proposed at the 16th meeting of the seventh session of the Board a dividend in an aggregate amount of RMB15,568,915,025 to all shareholders which represents 60% of the profit attributable to equity holders of the Company in the amount of RMB25,948,191,708 for the year 2021. Calculated based on 91,507,138,699 shares, being the total number of issued share capital of the Company as at 31 December 2021, a dividend of RMB0.170 per share (pre-tax) will be declared and paid to all shareholders. In case of any change in the total number of issued share capital of the Company before the record date for the implementation of the dividend distribution, the total distribution amount will remain unchanged and the distribution amount per share will be adjusted accordingly.

The profit distribution plan will be submitted to the Annual General Meeting of the Company for the year 2021 for consideration and approval.

(2) Specific description of cash dividend policy

Compliance with the Articles of Association or the resolutions of the general meeting	✓ Yes	<input type="checkbox"/> No
Clear and definite standards and proportion of dividend distribution	✓ Yes	<input type="checkbox"/> No
Complete relevant decision-making procedures and mechanisms	✓ Yes	<input type="checkbox"/> No
Independent Directors fulfilled their duties and played their role	✓ Yes	<input type="checkbox"/> No
Minority shareholders have the opportunity to fully express their opinions and appeals, and their legitimate rights and interests have been fully protected	✓ Yes	<input type="checkbox"/> No

11. EQUITY INCENTIVE PLAN, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES OF THE COMPANY AND THEIR IMPLICATIONS

(1) Share appreciation rights

The Company implemented two phases of share appreciation rights scheme in 2018 and 2021, respectively, to provide mid- to long-term incentives for key personnel (excluding the Executive Directors, Non-Executive Directors, Independent Directors, Supervisors and senior management of the Company). As approved by the Board, according to the 2021 Share Appreciation Rights Proposal, the Company granted a total of approximately 2,402 million H share appreciation rights to 7,908 key personnel of the Company with an exercise price of HK\$2.686.

Firstly, share appreciation rights are distributed based on contribution, adhering to the value-oriented principle and tilting towards units with remarkable high-quality development. Secondly, share appreciation rights are distributed based on potential, which adheres to the development orientation and tilts to the key areas of

“Cloudification and Digital Transformation” and high-end and high-quality talents. Thirdly, share appreciation rights are granted based on performances. The Company adheres to the performance-oriented principle and closely links the number of rights exercised with the Company’s performance and employees’ individual performance, and imposes penalties for failure to achieve performance targets.

The scheme does not involve the grant of options over new shares or other new securities that may be issued by the Company (or any of its subsidiaries) and therefore, it does not fall within the scope of, and is not subject to, the requirements under Chapter 17 of the Listing Rules.

(2) Establishment and implementation of the appraisal mechanism and incentive mechanism for senior management during the Reporting Period

During the Reporting Period, the incentives of senior management were closely linked to the overall operating results of the Company. The senior management are evaluated for work performance within their scope of duties, focusing on the financial performance, customer and market performance, compliance and risk control, completion of annual key tasks and cadre training in their areas of responsibilities.



12. ESTABLISHMENT AND IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM DURING THE REPORTING PERIOD

The Board attaches great importance to the establishment and perfection of the risk management and internal control systems. The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems, and the Board acknowledges that it is responsible for the risk management and internal control systems and for reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatements or losses. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems. The Board takes effective approaches to supervise the implementation of related control measures, whilst enhancing operation efficiency and effectiveness, and optimising corporate governance, risk assessment, risk management and internal control so that the Company can achieve long-term development goals.

The risk management and internal control systems of the Company is built on clear organisational structure and management duties, an effective delegation and accountability system, definite targets, policies and procedures, comprehensive risk assessment and management, a sound financial accounting system, and continuing analysis and supervision of operational performance, etc. which plays a pivotal role in the Company's overall operation. The Company has formulated a code of conduct for the senior management and employees which ensures their ethical value and competency. The Company attaches great importance to the prevention of fraud and has formulated its internal

reporting system, which encourages anonymous reporting of situations where employees, especially Directors and senior management, breach the rules.

The internal control management system of the Company mainly includes internal control manual, implementation guidance, list of authority and relevant systems and measures. The Company continuously revises and improves the internal control system according to the changes in the internal control environment and the needs of business development. In accordance with the internal control management system of the Company and based on the management needs of the Company, each subsidiary has refined and improved its internal control manual, forming a complete, comprehensive and effective internal control system.

The Company views comprehensive risk management as an important task within the Company's daily operation. Pursuant to regulatory requirements in capital markets where the shares of the Company are listed, the Company has achieved closed-loop management of risk identification, risk assessment, key risk analysis, risk response and tracking and monitoring of risk management based on risk management theory. In continuously strengthening the risk process control and management and focusing on significant risk which may be encountered, the Company follows and reports the status of risk management and control regularly to ensure risks are manageable and controllable. Following the efforts made over the years, the Company has established a structured and highly effective comprehensive risk management system and has gradually perfected its comprehensive risk monitoring and prevention mechanism.

In 2021, pursuant to the requirement of code provision D2 of the Corporate Governance Code promulgated by the Stock Exchange, the Company concentrated resources on the prevention of significant potential risks, and strived to reduce negative effect from significant risks. The Company was not confronted by any major risk event throughout the whole year.

The Company has identified, assessed and analysed potential major risks faced by the Company in 2022, including areas of economic and policy environment adaptation, business operation, network and information security and international operation etc., determined major risk points and put forward detailed response plans. For details of the major risks that the Company may face and the response measures thereof, please refer to the section headed “Management’s Discussion and Analysis (Report of the Directors)” in this annual report. Through strict and appropriate risk management procedures, the Company will ensure the potential impact from the above risks on the Company is limited and within an expected range.

The Company highly values the compliance with the laws and regulations of the PRC as well as the places of listing of the Company and where the Company’s business operations are located, strictly complies with all laws and regulations and timely and proactively incorporates the laws and regulations into the Company’s rules and regulations to protect the Company’s legitimate business management, maintain the Company’s legitimate rights and interests and support the Company to achieve long-term healthy development target. Please refer to the section headed “Management’s Discussion and Analysis (Report of the Directors)” of this annual report for the newly published policies, laws and regulations relating to the industry in which the Company operated during the Reporting Period.

Since 2003, based on the requirements of the U.S. securities regulatory authorities and the COSO Internal Control Framework, and with the assistance of other advisory institutions including external auditors, the Company has formulated manuals, implementation rules and related rules in relation to internal control, and has developed the Policies on Internal Control Management and Internal Control Accountability Management to

ensure the effective implementation of the above systems. The Company has all along continuously revised and improved the manuals and implementation rules in view of the ever changing internal and external operation environment as well as the requirements of business development over the years. While continuing to improve the internal control related policies, the Company has also been strengthening its IT internal control capabilities, which has improved the efficiency and effectiveness of internal control and enhanced the safety of the Company’s information system so that the integrity, timeliness and reliability of data and information are maintained. At the same time, the Company attaches great importance to the control and monitoring of network information safety. The Company persistently optimises the relevant rules and guidances, further defines the responsible entities and regularly commences the inspection of network safety and information safety in order to promote the enhancement of the awareness of network information safety and relevant skills and knowledge.

In 2021, the Company conducted annual revision of internal control manuals, list of authority and implementation guidance based on external regulatory supervision, changes in policy environment and requirements for prevention and control of the Company’s key risks, while taking into account measures for deepened reform and changes in business development and focusing on responding quickly to market demands and supporting business innovation and operational innovation for enterprises. The Company optimised and adjusted systems and regulations such as the Internet of Things business, single-point settlement business, risk management and capital internal control supervision, supplemented and improved the management of proceeds, management of related-party (connected) transactions, guarantee management, information disclosure management, research and development and other processes.



The Internal Audit Department plays a vital role in supporting the Board, the management and the risk management and internal control systems. The functions of the Internal Audit Department are independent of the Company's business operations, complementary with the functions of the external auditors and plays an important role in the monitoring of the Company's internal management. The Internal Audit Department is responsible for internal control assessment of the Company, and provides an objective assurance to the Audit Committee and the Board that the risk management and internal control systems are maintained and operated by the management in compliance with agreed processes and standards. The Internal Audit Department regularly reports the internal audit results to the Audit Committee on a quarterly basis, and reports the internal audit results to the Board through the Audit Committee.

Annual evaluation of risk management and internal control systems

The Company has been continuously improving the risk management and internal control systems to meet the regulatory requirements of the places where the Company's shares are listed and strengthening its internal control while guarding against operational risk.

The Company has adopted the COSO Internal Control Framework (2013) as the standard for the internal control assessment. With the management's internal control testing guidelines and the Auditing Standard No. 2201 that were issued by The Public Company Accounting Oversight Board (PCAOB) as its directives, the Company's internal control assessment system is composed of the self-assessment conducted by the persons responsible for internal control together with the independent assessment conducted by the Internal Audit Department. In order to evaluate the nature of internal control deficiencies and reach a conclusion as to the effectiveness of the internal control system, the Company

adopts the following 4 major steps of assessment: (1) analyse and identify areas which require assessment, (2) assess the effectiveness of the design of internal control, (3) assess the operating effectiveness of internal control, (4) analyse the impact of deficiencies in internal control, judge the nature of deficiencies in internal control and conclude on the effectiveness of the internal control system. At the same time, the Company rectifies any deficiencies found during the assessment. By formulating the amended "Measures for the Internal Control Assessment", the "Manual for the Self-Assessment of Internal Control", the "Manual for the Independent Assessment of Internal Control" and other regulations, the Company has ensured the assessment procedures are in compliance. In accordance with the requirements of the Basic Standards for Enterprise Internal Control and its ancillary application guidelines and other relevant laws, regulations and regulatory rules, the Company conducts internal control assessment. In 2021, the Company's Internal Audit Department initiated and coordinated the assessment of internal control all over the Company, and reported the results to the Audit Committee and the Board. In response to the problems identified in the audit and evaluation, the Company implemented the rectification responsibility one by one, fully completed the rectification tasks, and effectively controlled and prevented risks. During the year, the effectiveness of internal control implementation continued to improve, which provided a strong guarantee for the healthy development of the Company.

In terms of internal control self-assessment, the Company continued to insist on 100% coverage of all units (including the newly incorporated professional companies). Through the self-assessment for the year 2021, management responsibilities were further strengthened, to promote the closed-loop management of internal control design, implementation, evaluation, and rewards and penalties, further create a good internal control atmosphere, and promote the continuous improvement of internal control management. The

Company deepened horizontal coordination and vertical integration, adhered to the risk joint prevention work model, increased the evaluation of cross-level, cross-department, cross-system and cross-professional processes, and prevented the occurrence of systematic risks and major risks. Various departments were coordinated to jointly carry out special self-assessment and solve key and difficult problems in operation and management. Based on the changes in internal and external environment and the focus of risk prevention and control, the Company focused on the risk management and control in the fields of authenticity and reliability of financial reports, legal compliance of operation and management, security of overseas state-owned assets, network information security, emerging business and quasi-financial business in accordance with the national major decision-making and deployment, corporate strategic transformation and high-quality development. The Company assessed the comprehensiveness and effectiveness of the design and implementation of risks, compliance and internal control. Causes of the problems found would be analysed with strict rectification measures formulated and implementation. At the same time, it strengthened the assessment, rewards and penalties, and implemented the application of the evaluation results.

In 2021, in accordance with the three-year full coverage requirements of its affiliated units and the annual internal control audit work plan, the independent internal control assessment was conducted on 4 provincial branches, 4 professional companies and the financial sharing service centre of the headquarters, and special assessment was conducted on channel management and user personal information protection. During the year, the independent assessment of internal control continued to strengthen the tracking, analysis and judgment of changes in the internal and external environment of the enterprise development, and focused on the selection of evaluation units and contents. Firstly, the Company conducted

independent assessment and self-assessment to promote the improvement of self-assessment ability and the implementation of problem rectification. Secondly, key points were highlighted to ensure the breadth and depth of projects and improve the overall evaluation efficiency. Thirdly, the Company conducted independent assessment on emerging businesses, quasi-financial businesses and professional companies in the transformation period, timely alerted potential risks and promoted the rectification of problems. Through the combination of independent assessment and self-assessment, the Company conducted multi-perspective inspection and evaluation on the risk areas that affect the development of the Company, supervised comprehensive rectification, to promote the improvement of self-recovery ability of the Company and support high-quality development.

Furthermore, the Company organised the risk management and internal control assessment team and other relevant departments to closely coordinate with the external auditors' audit of internal control over financial reporting. The internal control audit performed by the external auditor covered the Company and all of its subsidiaries as well as the key processes and control points in relation to material financial statements items. The external auditors regularly communicated with the management in respect of the audit results.

The Company attaches great importance to rectifying internal control deficiencies. In response to the defects and problems found in the audit, the Company implemented account management, strengthened the effect of rectification, carried out special rectification of key issues, promoted the effectiveness of rectification through various means and strengthened closed-loop management. The internal control deficiencies and issues identified by the Company during the year have been basically rectified and passed the year-end attestation undertaken by the external auditors.



The Board oversees the Company's risk management and internal control systems on an on-going basis and the Board, through the Audit Committee, conducted an annual review of the risk management and internal control systems of the Company and its subsidiaries for the year ended 31 December 2021, which covered all material areas including financial controls, operational controls and compliance controls, as well as its risk management functions. After receiving the reports from the Internal Audit Department and the confirmation from the management to the Board on the effectiveness of the Company's risk management and internal control systems (including Environmental, Social and Governance risk management and internal control systems), the Board is of the view that these systems are solid, well established, effective and sufficient. The annual review also confirms the adequacy of resources relating to the Company's accounting, internal control and financial reporting functions, the sufficiency of the qualifications and experience of staff, together with the adequacy of the staff's training programmes and the relevant budget.

13. MANAGEMENT CONTROL OVER SUBSIDIARIES DURING THE REPORTING PERIOD

In order to make every effort to build a more mature and established modern enterprise system with Chinese characteristics and promote the modernisation of governance system and capability, China Telecom issued a series of documents related to the promotion and improvement of modern enterprise system with Chinese characteristics for its subsidiaries at all levels to guide them to standardise and strengthen corporate governance. Firstly, the Company strengthened the construction of the corporate fundamental system of the Articles of Association, improved the basic internal regulations, enhanced the internal system of the Company, and promoted all governance bodies of the Company to perform their duties in accordance

with the Articles of Association in decision-making, implementation, supervision and other aspects, leading to the better transformation and integration of system construction and governance efficiency. Secondly, the Company strengthened the establishment of the board of directors of subsidiaries with terms of reference to promote the fulfillment of the requirements to strengthen the construction of the board of directors, standardise the operation of the board of directors, reasonably determine the size of the board of directors, scientifically allocate directors, achieve the majority of external directors and implement the terms of reference of the board of directors. Thirdly, the Company strengthened the delegation of authority, streamlined decision-making procedures and improved the quality of decision-making. The Company encouraged the subsidiaries to improve the working system of each governance body, established a management system authorised by the board of directors to the management in accordance with practices and strengthened the management before, during and after the events, so as to promote each subsidiary to become a more independent market operation entity.

In order to further establish and improve the legal entity management system that is more suitable for strategic development, the Company continuously improves its governance level and efficiency. In 2021, the Company invested in 5 new subsidiaries, including China Telecom Digital City Technology Co., Ltd., Lingang Computing Power (Shanghai) Technology Co., Ltd., E-surfing Digital Life Technology Co., Ltd., China Telecom Cloud Technology Co., Ltd and E-Surfing Security Technology Co., Ltd.. The Company manages and controls its subsidiaries in accordance with the requirements of the Company Law and relevant laws and regulations, and fully mobilises the vitality and enthusiasm of its subsidiaries and their employees in accordance with the requirements of modern corporate governance and market-oriented operation.

14. EXPLANATION ON THE AUDIT REPORT ON INTERNAL CONTROL

PricewaterhouseCoopers Zhong Tian LLP engaged by the Company has issued an audit opinion on the effectiveness of the Company's internal control over financial reporting and issued the Internal Control Audit Report, and is of the view that the Company has maintained effective internal control over financial reporting in all material aspects in accordance with the Basic Standards for Enterprise Internal Control and relevant regulations as at 31 December 2021. There was no disagreement between the 2021 Internal Control Assessment Report of China Telecom Corporation Limited disclosed by the Company and the Internal Control Audit Report.

For details of the above reports, please refer to the relevant documents disclosed on the websites of the SSE (www.sse.com.cn) and the Company (www.chinatelecom-h.com).

15. DIRECTOR NOMINATION POLICY AND PROCEDURES

The Company will identify suitable Director candidates through multiple channels such as internal recruitment and recruiting from the labour market. The criteria of identifying candidates include but not limited to their gender, age, educational background, professional experience, skills, knowledge and length of service and capability to commit to the affairs of the Company and, in the case of Independent Non-Executive Director, the candidates should fulfill the independence requirements set out in the Two Listing Rules from time to time. After the Nomination Committee and the Board have reviewed and resolved to appoint the appropriate candidate, the relevant proposal will be put forward in writing to the shareholders' meeting for approval.

Directors shall be elected at shareholders' general meeting for a term of three years. At the expiry of a director's term, the director may stand for re-election and reappointment for a further term. However, independent directors shall not serve for more than six consecutive years. Pursuant to the Articles of Association, before the Company convenes a shareholders' general meeting, the board of directors, the supervisory committee or shareholders, individually or jointly, holding 3% or more of the total voting shares of the Company shall have the right to propose new motions (such as election of directors) in writing, and the Company shall place such proposed motions on the agenda for such general meeting if they are matters falling within the functions and powers of shareholders in general meetings. Pursuant to the Articles of Association, shareholders can also request to convene an extraordinary general meeting. Shareholder(s) individually or collectively holding 10% or more of the Company's issued and outstanding voting shares may sign a written proposal requesting the board of directors to convene an extraordinary general meeting. If the board of directors decides to convene an extraordinary general meeting, a notice to convene such meeting shall be issued within five days after the resolution to convene an extraordinary general meeting is adopted by the board of directors. The Company shall convene an extraordinary general meeting for election of directors within two months. The minimum period during which written notice given to the Company of the intention to propose a person for election as a director, and during which written notice to the Company by such person of his/her willingness to be elected may be given, will be at least 7 days. Such period will commence no earlier than the day after the despatch of the notice of the meeting for the purpose of considering such election and shall end no later than 7 days prior to the date of such meeting. An ordinary resolution for election of directors must be passed by votes representing half or more of the voting rights represented by the shareholders (including proxies) present at the meeting.



16. SUPERVISORY COMMITTEE

As at 31 December 2021, the Company's Supervisory Committee comprised 5 Supervisors, including 2 Employee Representative Supervisors. The principal duties of the Supervisory Committee include supervising, in accordance with the law, the Company's financials and performance of its Directors, managers and other senior management so as to prevent them from abusing

their powers. The Supervisory Committee is a standing supervisory organisation within the Company, which is accountable to and reports to all shareholders. The Supervisory Committee convened 9 meetings in 2021. The term of office for the seventh session of the Supervisory Committee lasts for 3 years, starting from 26 May 2020 until the day of the annual general meeting for the year 2022 to be held in year 2023, upon which the eighth session of the Supervisory Committee will be elected.

Number of Supervisory Committee Meetings Attended/Held in 2021

Supervisors	Number of Meetings Attended/Held
Sui Yixun (Chairman of the Supervisory Committee and Shareholder Representative Supervisor)	9/9
Zhang Jianbin (Employee Representative Supervisor)	9/9
Dai Bin (Employee Representative Supervisor)	9/9
Xu Shiguang (Shareholder Representative Supervisor)*	8/9
You Mingqiang (Shareholder Representative Supervisor)	9/9

* Mr. Xu Shiguang, a Supervisor of the Company, was unable to attend a meeting of the Supervisory Committee due to other arrangements.

17. EXTERNAL AUDITORS

The Company's external auditors are PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian LLP. The non-audit services provided by the external auditors did not contravene the requirements of the US Sarbanes-Oxley Act and therefore enabling them to maintain the independence.

A breakdown of the remuneration received by the external auditors for audit and non-audit services provided to the Company for the year ended 31 December 2021 is as follows:

Service item	Fee (excluding value-added tax) (RMB million)
Audit services	57
Non-audit services (mainly tax and other advisory services)	7
Total	64

The Directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Directors were not aware of any material uncertainties relating to any events or conditions which may cast a serious impact upon the Group's ability to continue as a going concern. The statements by the external auditors of the Company, PricewaterhouseCoopers, regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the Independent Auditor's Report on pages 180 to 185 of this annual report.

The term of appointment of Deloitte Touche Tohmatsu and Deloitte Touche Tohmatsu Certified Public Accountants LLP, the international and domestic auditors for the year 2020, expired on the date of the annual general meeting for the year 2020 (7 May 2021). PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian LLP were appointed as the external auditors of the Company for the year 2021 at the annual general meeting for the year 2020. The Audit Committee and the Board of the Company have agreed on the re-appointment of PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian LLP as the external auditors of the Company for the year 2022 and will propose to the annual general meeting for the year 2021 of the Company for consideration and approval.

18. INVESTOR RELATIONS AND TRANSPARENT INFORMATION DISCLOSURE MECHANISM

The Company established an Investor Relations Department which is responsible for providing shareholders and investors with the necessary information, data and services in a timely manner. It also maintains proactive communications with shareholders, investors and other capital market participants so as to allow them to fully and timely understand the operation and development of the Company. The Company's senior management presents the annual results and interim results every year. Through various activities such as analyst meetings, press conferences, global investor telephone conferences and investors road shows, senior management provides the capital market and media with important information and responds to key questions which are of prime concerns to the investors. This has helped reinforce the understanding of the Company's business and the overall development of the telecommunications industry in China. Since 2004, the Company has been holding the annual general meeting in Hong Kong to provide convenience and encourage its shareholders, especially the public shareholders, to actively participate in the Company's annual general meeting and to promote direct and two-way communications between the Board and shareholders. Due to the Covid-19 Epidemic in 2021, the management was unable to attend the results announcement briefings and the annual general meeting in person in Hong Kong. Therefore, the management announced the results and communicated with investors, shareholders and the media through online and video conferencing. Meanwhile, the Company set up a dedicated investor relations enquiry line, for the purpose of providing a direct channel to address enquiries from the investment community. This allows the Company to better serve its shareholders and investors.



In 2021, the Company commenced and successfully completed its A Share Offering. The Company therefore organised a dedicated roadshow for domestic investors, with an aim to further strengthen communications with domestic capital market and effectively enhance domestic investors' knowledge and understanding of the Company's business and operation. The Company also proactively invited domestic analysts to visit the Company's annual Tianyi Intelligent Ecological Expo held in Guangzhou and hosted a Q&A session to communicate with investors. In addition, in order to deepen domestic and international investors' knowledge and understanding of the Company's emerging business, the Company also organised a dedicated non-deal roadshow to specifically introduce 5G, cloud, IDC and other new services which are of interest to most investors in the year. Domestic investors could visit relevant exhibition halls in person and have face-to-face communications with business department heads. Meanwhile, the Company set up a webcast platform for international investors who could not visit in person due to travel restriction and facilitated two-way communications through means such as video presentation and telephone conference. The roadshow was a great success and received favorable feedback from both domestic and international investors.

With an aim of strengthening communications with the capital market and enhancing transparency of information disclosure, the Company has provided quarterly disclosure of revenue, operating expenses, EBITDA, net profit figures and other key operational data, and monthly announcements of the number of access lines in service, mobile and wireline broadband subscribers. The Company attaches great importance to maintaining daily communication with shareholders, investors and analysts. In 2021, facing travel restriction brought by the Covid-19 Epidemic, the Company proactively participated in a number of investor conferences held by a number of major international investment banks and domestic securities firms around the globe both in person and through online meetings, which facilitated communications with institutional investors.



Management held results announcement meetings and communicated with investors and media through conference call in Beijing due to the Covid-19 Epidemic

In 2021, the Company attended the following investor conferences held by major international investment banks and domestic securities firms:

Date	Name of Conference
January 2021	Citi 2021 Global TMT West Virtual Conference
January 2021	Morgan Stanley Virtual China New Economy Summit 2021
January 2021	UBS Greater China Conference 2021
March 2021	BofA 2021 APAC TMT Conference
March 2021	24th Credit Suisse Asian Investment Conference
March 2021	Morgan Stanley Virtual Hong Kong Summit 2021
April 2021	Daiwa ESG Virtual Conference 2021
April 2021	Industrial Securities 2021 Taiwan & South Korea H-Share Online Corporate Day
June 2021	CITIC Securities Mid-year Strategy Conference 2021
June 2021	Huatai Securities Mid-year Investor Conference 2021
June 2021	Citi Pan-Asia Regional Investor Conference 2021
July 2021	Huatai Securities TMT Summit 2021
August 2021	UBS China TMI Virtual Conference 2021
August 2021	Nomura Virtual China Investor Forum 2021
September 2021	Jefferies Asia Forum 2021
September 2021	CLSA 28th Investors' Forum
November 2021	Jefferies 5G, Software & Data Centers Access Days 2021
November 2021	Goldman Sachs China Conference 2021
November 2021	12th Credit Suisse China Investment Conference
November 2021	Citi China Investor Conference 2021
November 2021	Hua Chuang Securities Investment Strategy Conference 2022
November 2021	CITIC Securities Investment Strategy Conference 2022
November 2021	Guotai Junan Investment Strategy Conference 2022
November 2021	Huatai Securities Investor Conference 2022
November 2021	CICC Investment Conference 2021
December 2021	BOCI TMT Corporate Day
December 2021	Zheshang Securities Investment Strategy Conference 2022
December 2021	Essence Securities Investment Strategy Conference 2022
December 2021	BOC International (China) Investment Strategy Conference 2022



The Company's investor relations website (www.chinatelecom-h.com) not only serves as an important channel for the Company to disseminate press releases and corporate information to investors, media and the capital market, but also plays a significant role in the Company's valuation and its compliance with regulatory requirements for information disclosure. The Company launched a responsive website with the latest technology, which allows automatic adjustment to fit for different screen resolution and user interface, assuring the best browsing experience of website content with desktop computers, tablets or mobile devices. This allows investors, shareholders, reporters and the general public to browse the latest information on the Company's website with any device more easily and promptly anytime anywhere. The Company's website is equipped with a number of useful functions including interactive stock quote, interactive KPI, interactive FAQs, auto email alerts of investors activities, downloading to excel, RSS Feeds, self-selected items in investors briefcase, html version annual report, financial highlights, investor toolbar, historical stock quote, adding investor events to calendars, content sharing to social media, etc. The Company's website has recently introduced the push notification function, which pushes important content update to terminals including desktop computers, tablets and mobile devices through browsers, timely informing website users of the Company's latest news. In addition to setting up a dedicated investor relations enquiry line, a specialised appointment function to schedule a meeting with investor relations professionals was also launched on the Company's website, to promote direct and close communication between the Company and investors, as well as to increase transparency.

The Company also strives to enhance the disclosure quality and format of annual report. The Company further enhanced the transparency of disclosure in environmental, social and governance areas, by following the guidelines of *Environmental, Social and Governance Reporting Guide*, Appendix 27 of the Listing Rules as well

as other relevant regulatory requirements of its places of listing, to report the Company's achievements and key performance indicators on environmental protection. For details, please refer to the *Corporate Social Responsibility Report 2021* which is published on HKEx website (www.hkexnews.hk) and the Company's website (www.chinatelecom-h.com). Relevant indicators and data were analysed and assessed by independent third party to ensure compliance with relevant requirements.

The Company also actively seeks recommendations on how to improve the Company's annual report from shareholders through survey, and prepared and distributed the annual report in a more environmentally-friendly and cost-saving manner according to the recommendations received. Shareholders can ascertain their choice of receiving the annual reports and communications by electronic means, or receiving printed version in English and/or Chinese. The Company clearly and precisely delivered the messages about its strategies and goals in its 2020 Annual Report "*Digitalising the Future*", so that shareholders and investors can easily understand the Company's development directions and focus. The printed and online versions of our 2020 Annual Report won a number of top accolades in international competitions, including earning 11 gold awards in total in "2021 International ARC Awards", while further winning two grand awards in categories of "Best of Hong Kong" and "Interactive Annual Reports". They received in total four platinum and six gold awards, and ranked No.10 of "Top 100 Reports Worldwide" in "LACP 2020 Vision Awards". They have also won in aggregate three gold awards in this year's "Galaxy Awards" and "W³ Awards". These prestigious honours reflect the unanimous worldwide recognition towards China Telecom's tireless pursuit of excellence and globally leading performance on corporate governance and disclosure, on both conventional and digital channels.

The Company has always maintained a sound and effective information disclosure mechanism while keeping highly transparent communications with media, analysts and investors. Meanwhile, we attach great importance to the handling of inside information and have formulated rules on information disclosures and guidelines on inside information which encompass (including but not limited to) disclosure of sensitive information and rules on confidential information, identifying the scope of inside information, procedure and management guidelines on handling inside information. In general, the authorised speakers only clarify and explain on information that is available on the market, and avoid providing or divulging any unpublished inside information either as an individual or as a team. Before conducting any external interview, if the authorised speaker has any doubt about the information to be disclosed, he/she would seek verification from the relevant person or the person-in-charge of the relevant department, so as to determine if such information is accurate. In addition, discussions on the Company's key financial data or other financial indicators are avoided during the blackout periods.





19. SHAREHOLDERS' RIGHTS

Procedures for convening of an extraordinary general meeting or a class meeting

According to the Articles of Association, shareholders who request for the convening of an extraordinary general meeting or a class meeting shall comply with the following procedures:

- (1) Shareholders who individually or jointly hold more than 10% of the Company's issued and outstanding shares with voting rights (the "Requesting Shareholders") may sign a written proposal requesting the board of directors to convene an extraordinary general meeting or a class meeting. The board of directors shall reply in writing agreeing or disagreeing to convene an extraordinary general meeting or a class meeting within ten days upon receipt of such proposal in accordance with laws, regulations and the Articles of Association.
- (2) If the board of directors decides to convene an extraordinary general meeting or a class meeting, a notice to convene such meeting shall be issued within five days after the resolution is adopted by the board of directors. Any changes to the original proposal in the notice require the consent of the Requesting Shareholders.
- (3) If the board of directors decides not to convene an extraordinary general meeting or a class meeting or does not reply within ten days upon receipt of such request, the Requesting Shareholders have the right to propose to the Supervisory Committee to convene an extraordinary general meeting or a class meeting by way of written request(s).
- (4) If the Supervisory Committee agrees to convene an extraordinary general meeting or a class meeting, a notice to convene such meeting shall be issued within five days upon receipt of such request. Any changes to the original proposal in the notice require the consent of the Requesting Shareholders.
- (5) If the Supervisory Committee does not issue the notice of the shareholders' general meeting within the required period, it will be deemed as having failed to convene and preside over the shareholders' general meeting, and shareholders individually or jointly holding 10% or more of the shares of the Company for 90 consecutive days or more (the "Convening Shareholders") have the right to convene and preside over the meeting on their own.
- (6) In the event where shareholders convene a shareholders' general meeting on their own initiative, the Convening Shareholders must hold no lower than 10% of shares in the Company immediately before the resolution of such meeting is announced.

Procedures for proposing resolutions at the annual general meeting

When the Company convenes an annual general meeting, shareholders who individually or jointly hold 3% or more of the total voting shares of the Company shall have the right to propose new motions in writing, and the Company shall place such proposed motions on the agenda for such annual general meeting if they are matters falling within the functions and powers of shareholders' meetings.

Process of forwarding shareholders' enquiries to the Board or requesting for convening of an extraordinary general meeting or a class meeting or proposing new motions

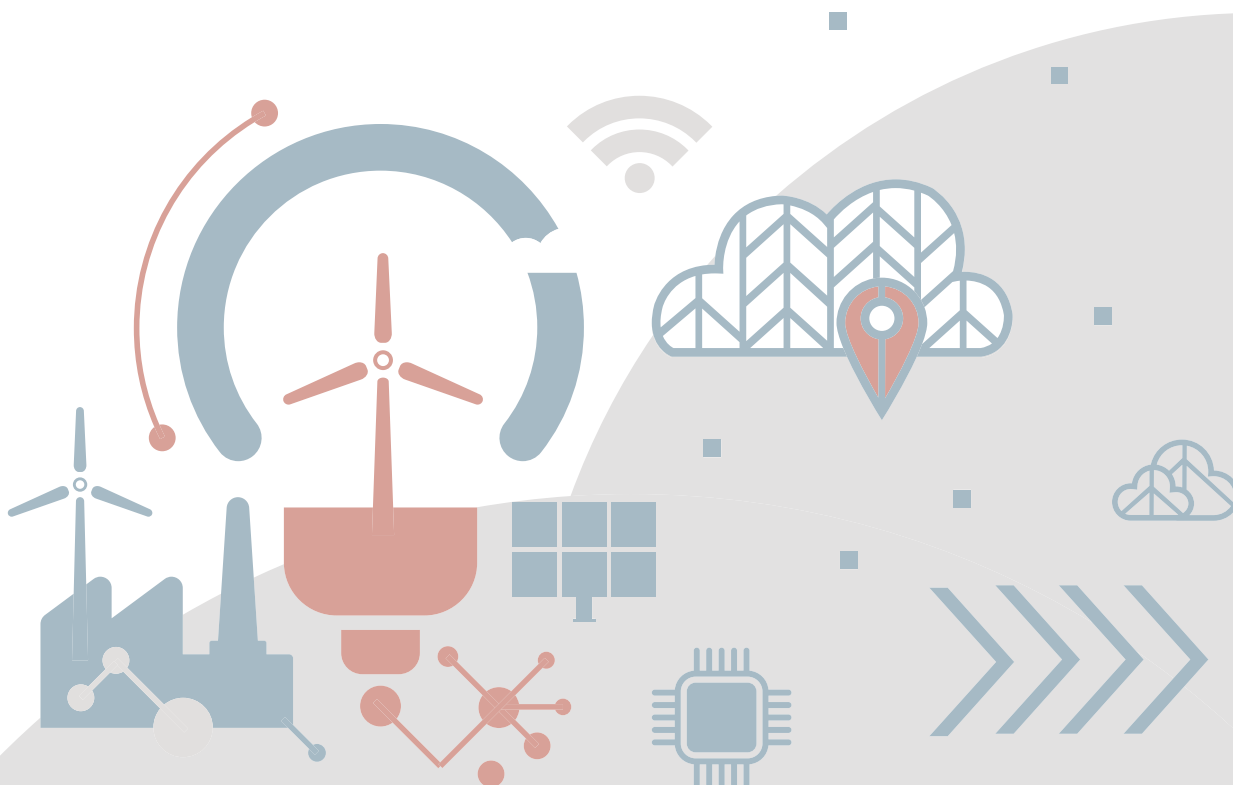
Shareholders may at any time send their enquiries, requests, proposals and concerns to the Board in writing through the Company Secretary and the Investor Relations Department.

The contact details of the Company Secretary are as follows:

The Company Secretary
China Telecom Corporation Limited
28th Floor, Everbright Centre,
108 Gloucester Road, Wanchai,
Hong Kong

Email:	ir@chinatelecom-h.com
Tel No.:	(852) 2877 9777
IR Enquiry:	(852) 2582 0388
Fax No.:	(852) 2877 0988

A dedicated "Investor" section is available on the Company's website (www.chinatelecom-h.com). There is a FAQ function in the "Investor" section designated to enable timely, effective and interactive communication between the Company, shareholders and investors.





Company Secretary and the Investor Relations Department of the Company handle both telephone and written enquiries from shareholders of the Company from time to time. Shareholders' enquiries and concerns will be forwarded to the Board and/or the relevant Board Committees of the Company, where appropriate, which will answer the shareholders' questions. Information on the Company's website is updated regularly.

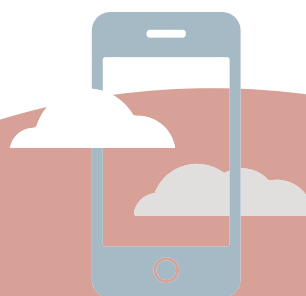
20. AMENDMENTS TO ARTICLES OF ASSOCIATION

In 2021, the Company amended the Articles of Association twice in total:

To satisfy relevant needs for corporate governance and normative operations after the A Share Offering and Listing of the Company, the amendments to the

corresponding provisions of the Articles of Association were considered and approved at the extraordinary general meeting held on 9 April 2021. For details of the amendments, please refer to the circular of the Company dated 17 March 2021. Such amendments have become effective on 20 August 2021, i.e. the date of the A Share Offering and Listing.

In light of the status of A Share Listing and the actual operational needs of the Company, the amendments to the Articles of Association regarding the number of issued share capital and the scope of business were considered and approved at the extraordinary general meeting held on 30 November 2021. For details of the amendments, please refer to the announcement of the Company dated 22 October 2021 in relation to the proposed amendments to Articles of Association and the circular of the Company dated 9 November 2021.





G O V E R -
N A N C E



GOVERNANCE

