

Comba

2023

Environmental, Social and Governance Report





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Summary and Scope of Report

This report is compiled under the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The disclosure in this report has objectively, fairly and truly reflected the work achievements and practices regarding the environmental and social matters of Comba Telecom Systems Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") in 2023. This report adopts a consistent information statistical method where the scope of information statistics in 2023 is consistent with that of 2022.

The Group recognizes "Connecting the World to Promote the Progress of Human Civilization" as its corporate vision and "Achieving Innovation and Development in the Information Communications Technology Areas to Provide Customers with Excellent Communications and Information Solutions and Services" as its corporate mission. Considering its customers, employees, shareholders and the government as the basic elements to achieve business core values, the Group is devoted to creating ideal values for customers, co-developing better life quality as well as leading the way and giving back to society. By adhering to the long-held core culture of "Pursuing Perfection and Harmony", the Group pays close attention to policy and market changes to effectively control risks and is committed to integrating sustainable development and social responsibility into its corporate culture from various aspects.

This report is designed to convey the Group's influence, policies and corresponding measures on environmental, social and governance ("ESG") aspects to relevant individuals in various sectors of the community.

This report covers the performance indicators from 1 January 2023 to 31 December 2023. The indicators related to environment are mainly sourced from Comba Telecom's headquarter and research and development (the "R&D") base in Guangzhou Science City, the manufacturing base in Guangzhou Development Zone and the main sales offices at Chinese Mainland and overseas (including Hong Kong and Macau) as their profit contributions to the Group are fairly representative and important.

ESG Responsibility Management

The board of directors (the "Board") of the Company assumes the overall responsibility on the Company's management tactics and reports on ESG as well as the identification, assessment and determination of the risks faced by the Company concerning ESG matter and ensures that the Company has established a proper and effective system of ESG risk management and internal control.

As changes in climate and environment have posed huge challenges to the production and development of human society, "Carbon Emission Peak and Carbon Neutrality" has become a common goal for global operators. As a professional solutions provider for wireless coverage and planning of antenna and subsystem, Comba Telecom adheres to the concept of green and low-carbon development and adopts low-loss and high-efficiency network technology as well as new green materials and techniques, with a view to providing operators with green antenna and subsystem solutions for 5G macro cells which are green, low-carbon, smart and efficient.

In addition to providing supervision and guidance, the Board regularly listens to management teams' reports on production safety, operation and management, internal control and performance of social responsibility. The Board assesses and ranks risk hierarchies, taking consideration of, among others, the impacts on our corporate strategies, policies, procedures and commitment, impacts on the Company's competitive edges and management excellence, and current and future financial impacts on the Company. Major considerations of external stakeholders conducting materiality assessment include impacts on the Company's evaluation and decision-making, and on the interests of themselves. The Company has established an ESG work leadership group which is responsible for making decisions on major issues during the process of the guideline implementation and conducting assessment and providing feedback on the effectiveness of its management. The management of major risks such as production safety, employee health, energy conservation and environmental protection, intellectual property rights, anti-fraud risk, implementation of internal control and corporate culture has already been incorporated into the daily operations of the Company and comprehensively ensured the effectiveness and applicability of the Company's ESG management.

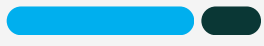
ESG Responsibility Management

The Group manages the enterprise in accordance with the law, insists on operating in accordance with the law, operating with integrity, abides by relevant laws and regulations and industry regulatory rules, and establishes a law-abiding and compliance system in terms of internal control construction, audit supervision, corruption prevention and comprehensive risk management. It establishes and improves long-term communication mechanism, standardizes the disclosure of corporate information, and consciously accepts governmental supervision and social supervision. It improves communication with stakeholders such as investors, customers, employees, governmental and regulatory authorities, and communities by ways of announcements, reports, conferences, service hotlines and events, listens carefully to stakeholders' expectations and demands, and actively responds to them.

As a company committed to green development, the Group takes its environmental impact seriously and continually enhances its management systems for production and operations. We actively fulfill our environmental responsibilities, considering the environmental impact of each step in our operations. The Group aligns with international initiatives such as the Intergovernmental Panel on Climate Change (IPCC), the United Nations Sustainable Development Goals (SDGs), and complies with national laws and regulations. We have established greenhouse gas management standards based on the Science-Based Targets (SBT) guidelines and are committed to having them assessed and recognized by the Science Based Targets initiative (SBTi).

At the product level, the Group prioritizes Life Cycle Assessment (LCA), measuring the total greenhouse gas emissions at each stage of the product's life cycle, from raw material acquisition through production, use, and disposal. We strive to minimize the environmental impact of our products, contributing to a greener and healthier environment through collective efforts. The Group will continue to integrate the concept of green and low-carbon development into all aspects of product design and operational management. Additionally, the Group will collaborate with partners, customers, and suppliers to foster a sustainable, green, and low-carbon business environment.

ESG Responsibility Management



The Group has been committed to achieving the sustainable development goal of environmental protection and energy saving. By implementing the Environmental and Quality Management System to manage the environment in a systematic manner, the Group strives to deliver the development strategy of balancing environment, society and economy. We adhere to the core values of “Creating Ideal Values for Customers, Co-developing Better Life Quality as well as Leading the Way and Giving back to Society”. The Group has adopted the management concept of life cycle in all the business activities worldwide to minimize adverse effect on environment while producing and offering services, perform its compliance obligations and enhance environmental performance, thus contributing to the improvement of the sustainable development of environment and society.

During the reporting period, the Group did not have any material non-compliance with relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharge of wastewater and removal of spoil and generation of hazardous and non-hazardous waste.

Communications with Stakeholders and Importance Assessment

The Group attaches great importance to communication with all stakeholders by learning about their varying expectations of the Group's ESG aspects through a variety of different channels, as well as by representing in this report its efforts put in issues that are of concern to stakeholders, in a bid to enhance the Group's transparency and stakeholders' confidence in its promotion of sustainable development.

Key Stakeholder	Main Communication Channel	Main Contents Covered
Shareholders/ Investors	General meeting, results presentation, non-deal roadshow, institutional investigation conferences, regular report, press announcement, telephone, email, website, the Company's platform on WeChat	Operating results and financial performance, future development prospect and strategy, corporate governance and social responsibility, protection of investors' benefits
Customers	Daily business dealings, project progress meeting, technology exchange meeting, customer exchange forums	Quality of product and service, level of technology, customer feedback, demand from potential customers
Employees	Training programs, intranet and the Company's platform on WeChat, employee engagement surveys, staff meetings, employees' group activities, regular performance assessment	Development plan and deployment of the Company, efficiency and effectiveness of all processes through R&D, manufacturing and sales to services, staff reasonable proposals, occupational health and safety, development of and reward to staff
Suppliers	On-site inspection and evaluation, daily business dealings, exchanges on project progress	Corporate reputation and recognition, scale of enterprise and delivery capability, successful experiences of peers, requirements of environmental and social responsibility, staff cultivation and reward
Regulatory authorities	Communication document, government hotline, face-to-face meeting	Integrity operation, legality and compliance, joint development of economy, environment and the society, amendments to government policies, promulgation of preferential policies
Communities	Community activities, public welfare activities	Active participation of enterprises, contribution to the community, sustainable development of enterprises



Creating Ideal Values for Customers,
Co-developing Better Life Quality as well as
Leading the Way and Giving back to Society.



Environmental Protection and Resource Utilization

(I) EMISSIONS

To implement relevant laws and regulations promulgated by the People's Republic of China ("PRC") such as Environmental Protection Law (《環境保護法》), the Law on the Prevention and Control of Air Pollution (《大氣污染防治法》), the Law on the Prevention and Control of Water Pollution (《水污染防治法》), the Group sets a goal of environmental management to achieve pollution reduction and emission control and strictly monitors waste discharge during the course of production by setting up ISO14001 Environmental Management System and carrying out environmental control procedures as well as environmental monitoring and measurement control procedures pursuant to the working guideline of "standardizing the works of environmental management, taking precaution as the main task, fulfilling regulation requirement, satisfying the standards of emission to make sure that it is under control and continuing to save energy and reduce consumption", with the aim to ensure the management and control of pollution at source. The Group is committed to achieving environmental and social sustainability in its daily operations. In terms of environmental aspects of the 2023 sustainable development goal, we continue to ensure zero fine in exhaust gas emission. Wastes in each production area are discharged after treatment in accordance with the approved requirements based on the evaluation on the impact on the environment and the production areas shall perform annual review to ensure legal and compliant emission of exhaust gas. Designated dumping areas in each production base segregated wastes by licensed waste collectors and the garbage in the bases was strictly sorted and recycled.

During production process of the Group, there is no emission of industrial wastewater. We classify wastes generated during the course of operation into non-hazardous wastes and hazardous wastes, which are then disposed of through different methods according to their types, thereby mitigating the negative impact on the environment. All the toxic waste generated by the Group, including waste silicone, glues, waste activated carbon and waste engine oil etc., will undergo professional recycling and processing by qualified waste recycling and processing companies. The Group has entered into contracts for hazardous waste treatment with companies that have obtained national qualification for hazardous waste treatment to carry out regular waste disposal. The Group has also signed treatment orders for hazardous wastes to be regularly reported on the government website for reporting hazardous wastes. Non-hazardous waste mainly includes domestic waste generating from daily office works and canteen of the Company, which has been treated in strict compliance with the sorting principle. Raw material wastes should be treated as domestic wastes; swills should be disposed into swill buckets as required; canteen garbage should be dumped into the garbage pool in a centralized and timely manner and dumping at will is prohibited.

Environmental Protection and Resource Utilization

In 2023, the equivalent amount of carbon dioxide (CO₂) emission for sales revenue per ten thousand was 1.26 tones. The emission density of greenhouse gas continued to decline.

Emissions		Unit	2023	2022	Comparison
Air contaminant	• NOx	tonne	0.365	0.409	↓ 10.87%
	• SOx	tonne	0.002	0.002	↑ 14.94%
	• PM	tonne	0.034	0.025	↑ 39.08%
Waste	• Household wastewater	tonne	149,501	106,736	↑ 40.07%
	• Non-hazardous wastes	tonne	473	450	↑ 5.11%
	• Hazardous wastes	tonne	12	6	↑ 100.00%
Greenhouse gas emission		thousand tonnes of equivalent amount of CO2	756	1,384	↓ 61.25%
• Direct greenhouse gas emission			1	1	↓ 9.66%
• Energy indirect greenhouse gas emission			11	16	↓ 30.82%
• Other indirect greenhouse gas emission			744	1,367	↓ 45.59%
Annual sales revenue in total		ten thousand HK\$	598,197	636,468	↓ 6.01%
Emission density of greenhouse gas		tonne/ten thousand HK\$	1.26	2.17	↓ 41.77%

- Greenhouse gas emissions are calculated based on, amongst others, EMFAC-HK Vehicle Emission Calculation Model issued by The Hong Kong Environmental Protection Department and the MOBILE6. Particulate Emission Factor released by the United States Environmental Protection Agency. Direct greenhouse gas emissions (scope 1) include the greenhouse gas emissions arising from using petrol, diesel and refrigerants. Indirect greenhouse gas emissions (scope 2) represent such indirect energy greenhouse gas emissions resulted from internal consumption of electricity, heating, refrigeration and steam within the Company. Scope 3 covers other indirect greenhouse gas emissions generated outside of the Company, including emissions from wastepaper, sewage treatment, business trips of employees as well as purchasing and sales of upstream and downstream products.
- The total greenhouse gas emissions are the sum of the direct greenhouse gas emissions (scope 1), indirect greenhouse gas emissions (scope 2) and other indirect greenhouse gas emissions (scope 3).
- The volume of sewage discharge is calculated according to the amount of water used. The sewage discharge coefficient is based on National Standard for Urban Drainage Works Planning Specification of the People's Republic of China (《中華人民共和國國家標準城市排水工程規劃規範》) and relevant documents of the National Bureau of Statistics of the PRC.
- The volume of non-hazardous waste emission is measured based on the per capita household waste output coefficient as specified in the guidance released by the State Council of the PRC.



Carrying out scenario-based allocation based on demands while balancing full network coverage and economic development with environmental protection and low carbon emission.



(III) RESOURCE UTILIZATION

The Group takes a careful consideration of environment factors throughout the life cycle of its products and services to provide its products with the characteristics of energy and natural resource saving and non-pollution in each procedure of R&D, production, sales, transportation, utilization and disposal.

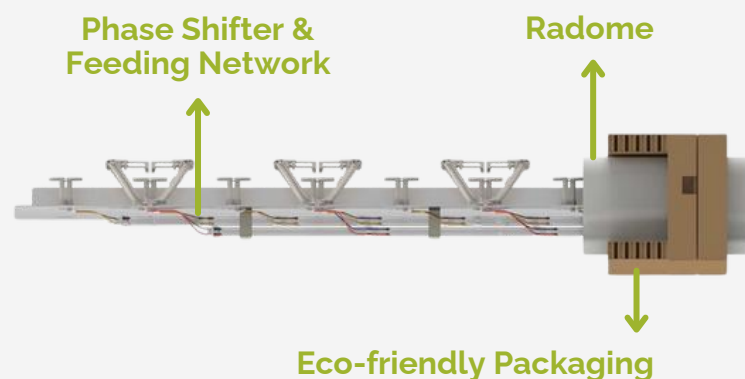
In respect of low-carbon network deployment, the Group supports the low-carbon deployment of 5G network based on the development vision of **"carrying out scenario-based allocation based on demands while balancing full network coverage and economic development with environmental protection and low carbon emission"**, at the same time focusing on meeting the capacity and coverage requirements. In an effort to achieve low-carbon network operation, the Group released a low-loss and high-efficiency green antenna.

In building a green industrial chain, the Group curbed the amount of material used in equipment through technological innovation to reduce the weight of equipment, increased the integration of equipment as well as preferred and adopted high-efficiency power supplies to reduce power consumption of equipment. To reduce the energy consumption of equipment, technologies were used in new products such as the promotion of digital technology, the improvement of chips' integration, the upgrade of structural processes, the enhancement of efficiency of power amplifiers, the dynamic power management, and the software-controlled switches for energy-saving.

Green industrial chain: reduced material and power consumption, improved integration, adopted high-efficiency power supplies, and advanced energy-saving technologies.

Through improving the operational efficiency of the products themselves, the Group achieved energy conservation and consumption reduction, and formulated strict procedures in accordance with the Waste Electrical and Electronic Equipment (WEEE). In addition, **The Group curbed unnecessary product appearance design and materials and reduce excessive packaging to improve the recyclability and reusability of products.**

The Group continues to monitor energy consumption, particularly in regard to controlling the growth of electricity consumption by marking and increasing the frequency of daily inspection and performing around-the-clock regular and non-regular inspections on power and water utilization in each floor and each department of the base to minimize excessive lighting, maintaining proper inspection records and publicly criticizing the departments with behaviors of wasting. In addition, promotional activities in respect of energy conservation and emission reduction are held to educate and encourage employees to save energy and reduce emissions, at the same time raising their environmental protection awareness.



Environmental Protection and Resource Utilization



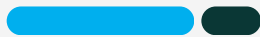
The Company also increased the use of renewable energy. **Distributed photovoltaic power generation projects have been launched in both Science City and Development Zone, which generated 2.2 million kWh of electricity per annum and saved power fees of approximately RMB2.10 million annually.** The Company has replaced the obsolete main units of the central air conditioners in the Development Zone and optimized the operation modes of the exhaust hoods, demonstrating remarkable energy-saving effects. During the year, the electricity consumption of the Group reduced by 1% year-on-year.

The Company effectively manages the water consumption and wastewater treatment to reduce environment pollution, actively promotes the concept of water conservation through publicity and educational activities, routine inspection and regular reporting and posting of wasting behaviors. The Group did not encounter any difficulties in seeking appropriate water sources.

The Group formulated specific energy-saving and emission-reduction measures based on the actual situation. In an effort to promote green office operation, the Group incorporated energy-saving and emission-reduction practice into every aspect of business operation from purchasing, production to office operation. Starting from all aspects of office energy consumption (air conditioners, energy-saving lamps), personnel control and regional control, the Group advocated “start with me”, adopted new technologies, new materials and new processes for energy saving and consumption reduction, and strove to make due contributions to facilitate energy saving and consumption reduction by some good methods.

Type of energy	Total amount		Unit	Density (Unit/ten thousand HK\$)	
Electricity	21,060,965	21,218,793	kWh	35.21	33.33
Municipal water	191,136	140,622	cubic meter	0.32	0.22





(III) ENVIRONMENT AND NATURAL RESOURCES

The Group is proactive in enhancing staff awareness and responsibility towards environmental protection. All the employees in each of its branches worldwide are required to comply with local laws and regulations in respect of environment, safety and health. In the absence of local laws and regulations, they are encouraged to provide assistance in solving environmental issues as possible as they can under relevant standards of the Group.

The Group has set up scientific goals in environment and energy consumption, and continuously evaluates, improves and consolidates the synergy among the Group's operating activities, products and the environment. In addition, the Group communicates environmental information with stakeholders in a timely manner. Furthermore, the Group also focuses on environmental factors in selecting and managing suppliers and outsourcers.

The Group has reduced its negative impact on the environment and natural resources by pursuing high quality products, as evidenced by the reduction in repair rate of products and reported damage rate of machines. The Group has implemented flexible layout and upgraded its intelligent manufacturing equipment in its production workshops during the reporting period. All pieces of equipment have been connected to optimize the intelligent deployment in the life cycle of products so as to improve operation efficiency of products, reduce the repair rate in the market, and increase the useful life of machines.

Climate change has become one of the common challenges facing the human society in the 21st century. Amid a series of environmental crises and social problems caused by climate change, the Group has actively responded to the national "Dual Carbon" strategy, kept abreast of the climate change issues involved in its daily operations, and strived to identify and assess the climate risks and opportunities that may have an impact on its business, implement and continuously optimize the responsive measures in order to enhance its climate risk management capabilities. In terms of transformation risks, against the backdrop of accelerating popularity of the low-carbon economy, the Group has actively responded to the trend of green and low-carbon development by closely monitoring the developments of the industry, market and policies, and formulating timely measures to strengthen its carbon emission management in a bid to cope with the risks arising from policy and market changes. The Group has implemented a series of internal energy-saving and carbon-reducing initiatives in its daily operations and retail store management, primarily based on the green office model, resource recycling and other dimensions, to enhance the climate resilience of the Group's business development and daily operations.

Environmental Protection and Resource Utilization

(IV) CLIMATE CHANGE

The Group's major sales offices in Chinese Mainland pay attention to major climate policies and comply with local laws and regulations related to environmental protection. Currently climate factors have no material impact on the Company's production and operation. The Company will closely monitor the impact of extreme weather conditions, such as typhoons, strong wind, extreme cold and humidity, on the production and logistic processes, make corresponding predictions and take preventive measures such as upgrading and optimizing environmental protection products and enhancing product performance so as to reduce the impact of climate change on product performance and direct operation.



Employment and Labour Practices

(I) EMPLOYMENT

The Group has standardized labor management in accordance with national laws and regulations. It also strictly regulates the employment system including recruitment, resignation, promotion, staff salary and benefits, and resolutely eliminates the employment of child labor and forced labor.

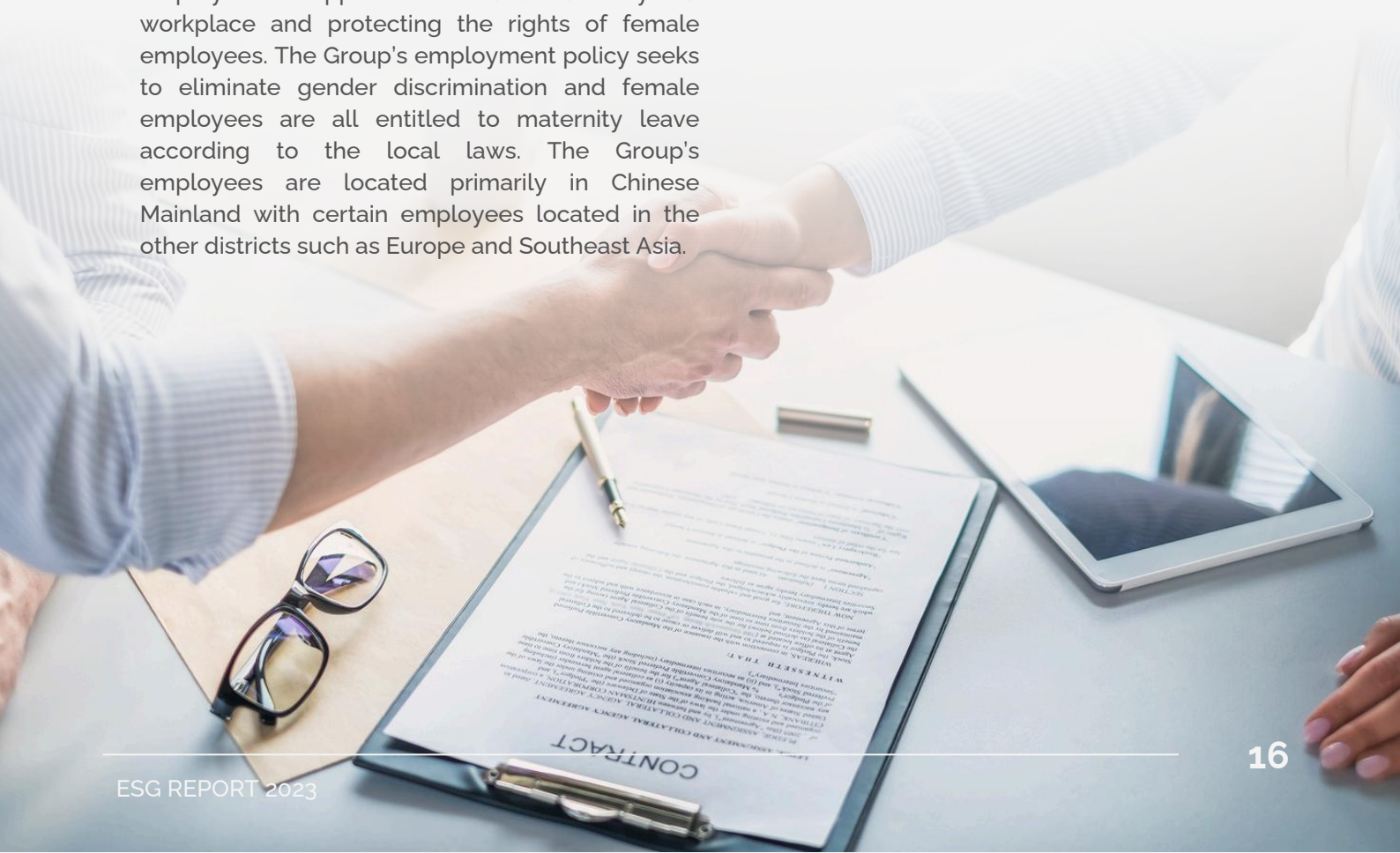
The Group considers its employees as an important resource, attaches great importance to safeguarding their interests, offers them competitive remuneration packages and contributes towards the relevant insurances. The Group established corporate annuity mechanism and its employees are entitled to national statutory holidays. Employees are also given an appropriate number of leaves or compensation depending on their entitlement under their respective employment agreements with the Group and in accordance with the relevant laws and regulations.

As of 31 December 2023, the Group had approximately 5,084 employees in total. The Group is committed to ensuring equal employment opportunities and diversity at workplace and protecting the rights of female employees. The Group's employment policy seeks to eliminate gender discrimination and female employees are all entitled to maternity leave according to the local laws. The Group's employees are located primarily in Chinese Mainland with certain employees located in the other districts such as Europe and Southeast Asia.

The Group has always attached importance to the competitiveness of employees' remuneration packages. It adjusted the annual organizational incentive model to further motivate the organization and employees. It also improved its long-term incentive framework and optimized the flexible benefit system, in a bid to satisfy the diversified demands of employees and enhance core employees' satisfaction of remuneration.

The Group has a robust performance management system in place and has implemented performance assessment for all employees. It has improved the assessment and incentive system and the restraint and supervision mechanism to ensure the fairness and credibility of performance assessment.

During the reporting period, the Group has complied with relevant laws and regulations that have a significant impact on the Group relating to employment.



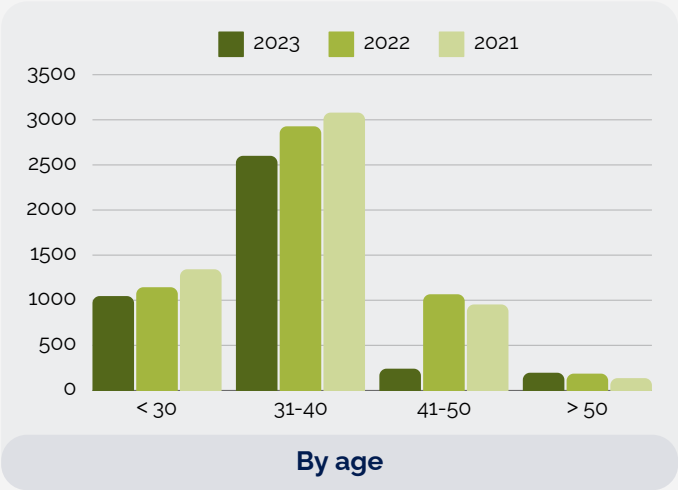
Employment and Labour Practices



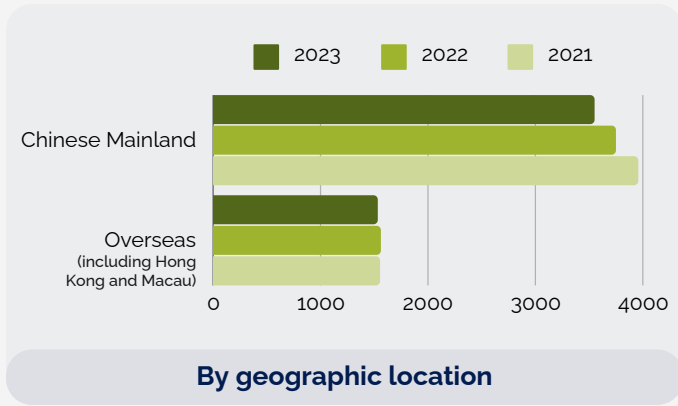
- Total number of employees

5,084

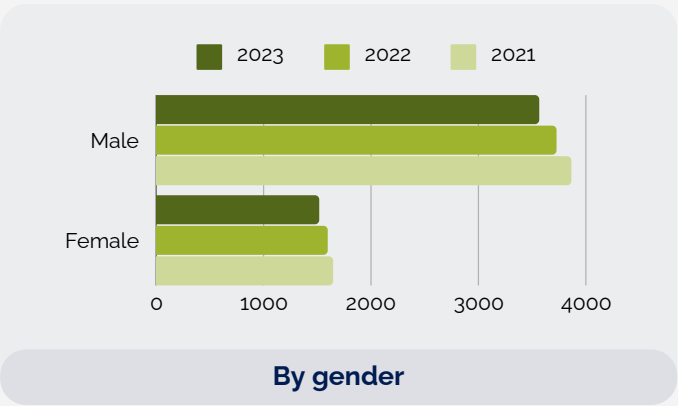
Employees
(As of 31 Dec. 2023)



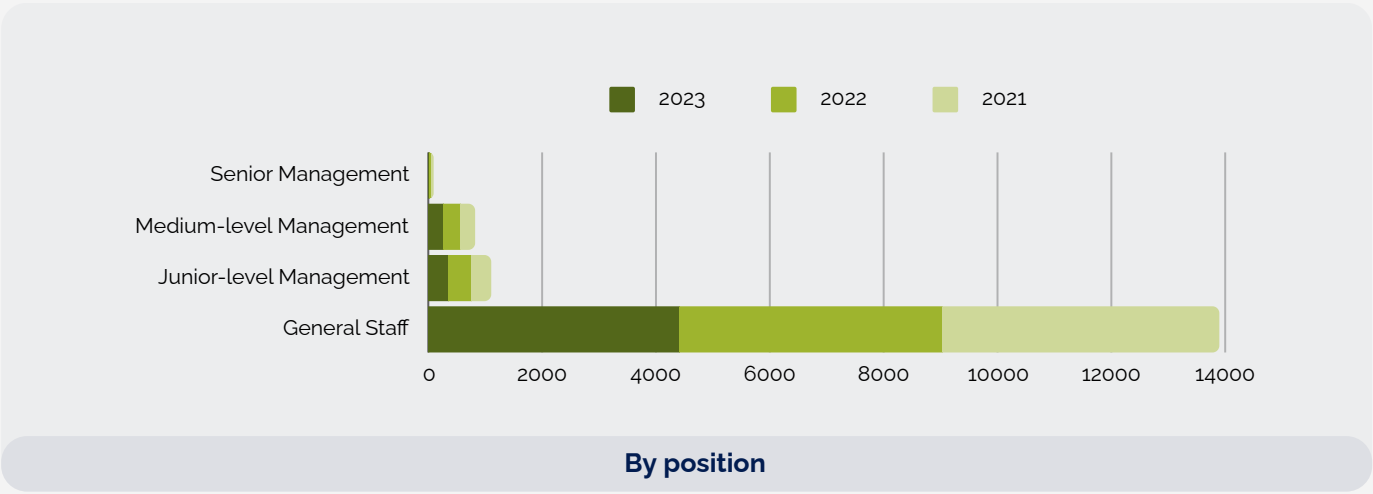
By age



By geographic location



By gender

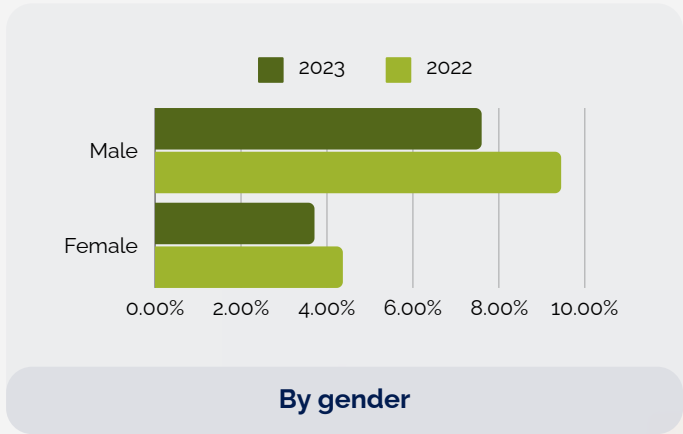
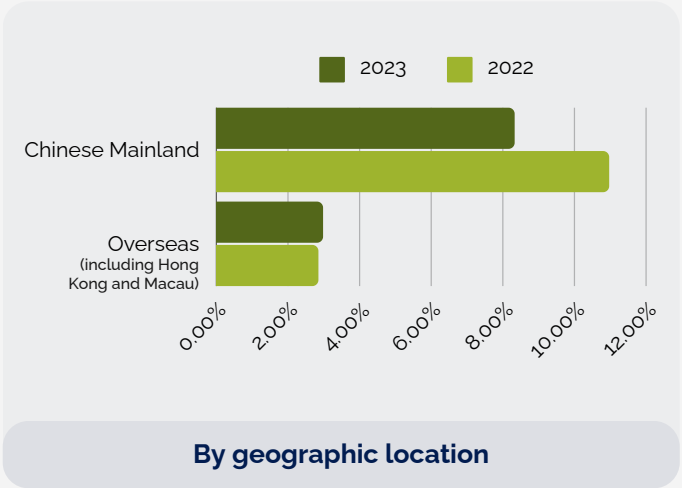
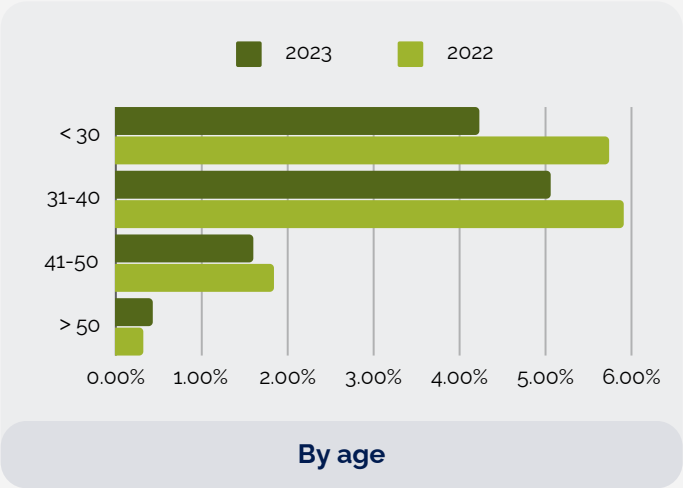


By position

Employment and Labour Practices



- Turnover rate of employees



(III) HEALTH AND SAFETY

Striving to create a safe, healthy and comfortable working environment for its employees, the Group has established the ISO45001 Occupational Health and Safety System and SA8000 Social Responsibility System to protect employees' health and safety. Such systems are operated in combination with quality management system to deliver the Group's commitment to the community and its employees.

There had not been any workplace fatalities in previous 3 years including the reporting period. No fire accidents were reported across all business units, and there were no loss days caused by work-related injury. The safety of employees was improved significantly.

The Group continued to ensure the proactive and proper implementation of control measures for safety risks with a view to ensuring the target of "six zeroes" in production safety, namely zero fatal accident of staff, zero fire accident above general level, zero accident on environmental protection, zero accident on occupational diseases, zero widespread contagious disease and zero incident of mass poisoning.

The Group reported its progress in fulfilling the annual safety production goals, and reviewed the result based on its annual responsibility goals. Monthly reports on management and control of energy, as well as inspection of production safety have been prepared, while management and control responsibilities have been assigned to individuals, with a view to raising and cultivating awareness of energy conservation and production safety amongst all staff. Targeted trainings for department leaders, project leaders and employees were organized from time to time to improve the awareness on safety responsibilities and production safety, thereby ensuring that everyone has the awareness of safety, and everyone manages safety. All staff are required to sign the Safety Production Responsibility Paper (《安全生產責任書》).

In 2023, the Group fulfilled its primary responsibilities of safety management and effectively carried out safety management and pandemic prevention and control. In addition, the Group resolutely adhered to the "Safety First, Prevention Dominance and Comprehensive Governance" guidelines and paid close attention to work safety.



Employment and Labour Practices

• Ensuring Safe Production

1. Conscientiously implementing the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), fully implementing the main responsibility of the enterprise, establishing a sound responsibility system, and implementing safety responsibilities at every level. Establishing safety management policies and procedures: The Group has established safety management policies such as the Management Procedure of Safety and Environmental Protection for Construction Project (《建設項目安全和環境保護管理程序》), the Fire Control and Safety Management Regulations (《消防安全管理規定》), the Safety Production Responsibility System (《安全生產責任制》), the Labor Protection Standards of Production Position (《生產崗位勞動保護標準》) and the Transportation Safety Management Regulations (《運輸安全管理規定》). At the same time, it has refined various safety management policies and safe operating procedures of all levels. Pursuant to which, all persons in charge are required to sign the Safety Production Responsibility Paper (《安全生產責任書》), and all the division principals are directly responsible for safety performance of their respective areas and timely rectifying potential safety hazards.

2. Continuing to put efforts to improve environmental safety, regularly organizing the supervision and inspection of employees' work sites, and continuously improving the working environment and working conditions of employees. The Group attaches great importance to the physical and mental health of its employees and provides free medical examinations for all employees every year. Health consultation, critical illness insurance and other related services are also offered to employees. In order to enhance the living quality of employees, the Group replaced 44 water purifiers in Science City. Furthermore, maternal and childcare rooms are set up to cater to the special needs of female employees.

The Group keeps improving working environment and protects the personal safety and health of its employees with special positions equipped with corresponding appliances for labor protection. Also, its employees' safety awareness and self-defense capability are strengthened through safety training. The Group puts up educational safety posters in its bases and dormitories, striving to instill the consciousness of safe production in every employee.

3. The Group continues to strengthen the publicity and promote training with regard to health and safety of all staff and formulates a safety manual in respect of production operation for staff compliance, with a view to promoting general improvement of health and safety awareness of all staff and thus creating a good atmosphere of production safety. The Group organized 52 training programs in relation to health and safety, fire extinguishing system, chemical safety and fire safety.

During the year, regular annual fire drills and 5 drills for other types of emergencies, including heat stroke, food poisoning and elevator safety training, were held for all employees so as to continuously enhance their emergency response capability. Meanwhile, a fire emergency team, which is responsible for urgent evacuation of personnel in emergency, is established to protect its employees' life and property security.

4. The Group has established special safety inspection system and conducted 12 major safety inspections during the year, which covered a variety of measures, including daily fire safety, electrical safety and hazardous chemicals management. Inspection results are promptly reported, so that potential hazards can be identified and rectified in a timely manner within a prescribed time period to prevent the occurrence of related risks. The Group was repeatedly awarded as "Advanced Enterprise in Production Safety (安全生產先進單位)" and "Enterprise with Qualified Work Safety Standardizations (安全生產標準化達標企業)" in Guangzhou City.

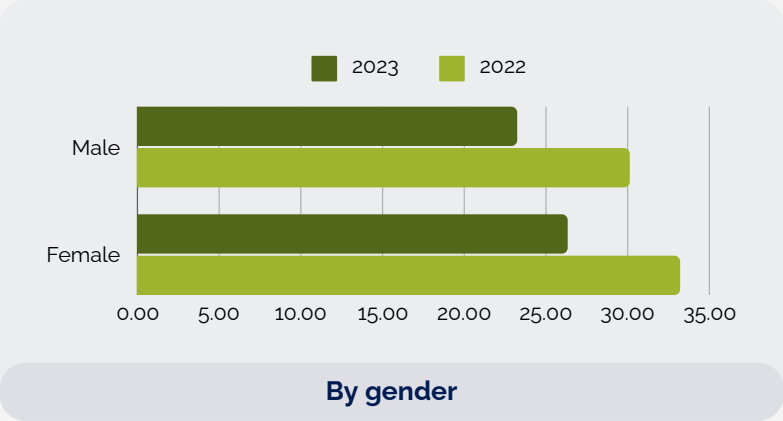
During the reporting period, the Group has complied with relevant laws and regulations that have a significant impact on the Group relating to health and safety.



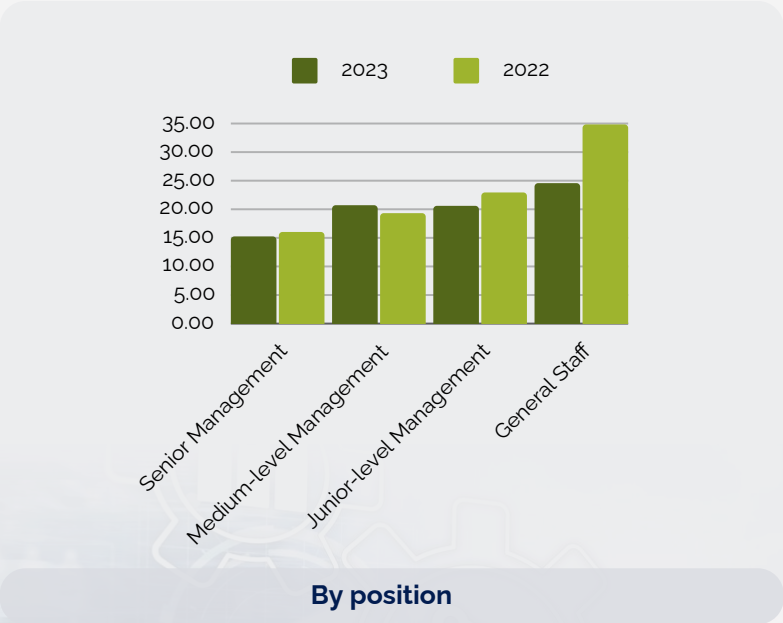
(III) SUPPORTING EMPLOYEE DEVELOPMENT

The Group attaches importance to employees' long-term career development, enhancing the talent pool building of operation and management staff as well as professional staff. The Group offers dual promotion paths, namely "promotion for management functions" and "promotion for technical expertise" and implements a system that links remuneration and promotion to employees' working experience, capabilities and performance to stimulate their enthusiasm at work. All employees of the Group must receive training every year and 100% of both male and female employees at all levels attended training.

• Average hours of training completed by each employee



Promote the outstanding among flourishing talents



Employment and Labour Practices

Faced with changes in both external and internal environment, the Company stays committed to its culture and core values. With a focus on setting targets and reaching a consensus, the Group carried out an all-round publicity of the Group's annual strategies, objectives, policies, initiatives and business progress to build consensus among all officers and employees and facilitate all employees to act in concert towards the same objective. The Group carried out a series of interviews covering its outstanding projects, benchmarking teams and elite employees and disseminated its excellent track records, behavioral characteristics and mindsets and concepts in the internal magazine of the Group, so as to promote the inheritance of its corporate spirit and culture and encourage all employees to learn from role models. The Group planned and organized various online and offline activities for the 20th anniversary of the listing, and employees participated in a wide variety of activities. Meanwhile, the Group organized various cultural and sports activities during the year and continued to innovate and enrich the contents of its internal magazine and other communication media of corporate culture and motivate all officers and employees to adhere to corporate values, insist on integrity and innovation, and created a good atmosphere within the organization for the implementation of corporate strategies and business expansion.

The Group is committed to providing its employees with opportunities for personal development and growth, including organizing internal and external training and development programs and regular performance evaluation of employees in all departments, hence providing relevant professional development opportunities for employees, at the same time encouraging self-initiated personal development by providing a diversified learning platform to keep abreast of the world's top and new professional techniques in communication and telecommunication services. Outstanding employees were promoted based on the regular performance evaluation, as such they could lead the Group to progress and develop together. In the past two years, the Group devoted continuous effort in carrying out specialized works to boost its project management capability. It organized special exchange studies, optimized the mechanism and enhanced its capabilities in various areas, including marketing, research and development, services and functional management.

The Group has been focusing on the cultivation of talents. On such basis, the Group advocates the talent concept of "promote the outstanding among flourishing talents" and establishes an effective and systematic talent training system, which is designed to enhance its employees' knowledge, capability and skills. In view of the Group's demand for talents arising from its development goals, the Group ensures effective implementation of training from the five aspects of training regulation system, training program system, training instructor system, training material system and training operation system. The Group has been granted the qualification of independent recognition of national occupational skill with respect to telecommunication and awarded "national" qualification certificates to over 680 persons in total upon performance assessment.

Employment and Labour Practices

1. Enhancing Orientation Training for New Employees

In order to help employees quickly integrate into the team and enhance the cohesion of the Group, the Group offers well-established orientation training programs to new employees, which cover training on occupational health and safety, corporate culture, rules and regulations, organization management, quality management, trade secrets and intellectual property rights, anti-fraud, process and IT know-how and the application of office software, information security, product and professional knowledge, job practice and other aspects.

2. Building a Stronger Talent Pool of Operation and Management Staff

The management serves as the core strength in the operation and management of a corporate. Therefore, the Group has formulated and released the Comba Telecom Leader Competency Model (《京信通信幹部勝任力模型》) and Comba Telecom Leader Management Manual (《京信幹部管理手冊》) in a bid to adaptively enhance its management standard and operation capacity. The Group continuously nurtures management personnel and issued the Guidelines for Development and Management of Leadership Talent Team of Comba Telecom (《京信幹部人才梯隊建設管理》). It strengthens the leadership and management skills of its management team by optimizing the leader management mechanism, recommending high-quality strategies and management training courses and providing practical training. It also fosters a culture of continuous learning and cultivates the strategic, innovative and team skills of management, so as to comply with the position-specific requirements for Comba Telecom management and meet the demand for future development of the Group. Meanwhile, such training programs also boost management's self-management skills, promote their career development in a more systematic way and better motivate and retain high-calibre managers.

3. Devoting Greater Efforts in Developing the Professional Competence of Employees

We provide technical, software, safety and compliance training in a timely manner in order to enhance the expertise and skills of employees and keep them abreast of the latest market changes and development trends. The Group has provided external professional training for China Tower, which is a good opportunity for experience exchange with external customers.

4. Establishing a Better Team of Internal Lecturers

The Group regularly organizes skills upgrading training and certification works in order to build up the team of internal lecturers, improve their teaching skills, broaden their horizons and promote the accumulation and inheritance of its corporate culture. So far, there are 227 internal lecturers. In addition, the Group invites industry experts to provide its internal lecturers with full set guidance on curriculum development, teaching and presentation. Furthermore, the Group builds its branded lecturer team and delivers a series of excellent courses through after-class practices and getting certification and approval of internal lecturers.

5. Position-specific and Professional Knowledge Training and Competitions

In order to improve the competence of employees, the Company has continuously carried out position-specific and professional knowledge training and practices through a three-level training system and by ways of instructor coaching, internal training, training by external lecturers, external training and on-the-job practice. Extensive On the job Training (OJT) has been provided to better align the training with actual job needs. Various branches and subsidiaries have repeatedly held skills competitions to encourage employees to develop their personal professional ability based on the requirements of the Company and the position, laying the foundation for the Company's stable business operation and employees' career development.

6. Training on i-learning Online Platform

The Group upgraded a new learning platform, the "i-learning" platform, based on the SAAS platform, which substantially broadened the knowledge pool and enriched the learning experience of online learning. As of the end of December 2023, there are more than 1,500 online courses on the platform and over 3,458 persons have used this learning platform, with an average learning hour of over 15.4 hours. This online learning platform has opened up the training channels among departments and employees and ensured the consistency and efficiency of learning information and through which, the employees may always use their fragmented spare time to study in a systematic manner. Meanwhile, this platform also facilitates the development and improvement of the Group's training system, thereby contributing to developing the Group into a learning-oriented organization.

(IV) SAFEGUARDING THE BENEFITS OF EMPLOYEES

To safeguard employees' rights and benefits in compliance with applicable legal requirements, the Group strictly implements relevant national and local laws and regulations on labor and enhances its employment management. Various subsidiaries carry out stringent management on recruitment and employment matters in compliance with the requirements under the Labor Law of the PRC, the Labor Contract Law of the PRC and the relevant national laws and regulations, and uphold the principles of equality, voluntariness and consensus to guarantee staff's rights and interests in conformity with legal provisions.

The Group has entered into labor contracts with employees in writing to safeguard their basic rights and ensure fulfillment of obligations by both parties. Working hours as well as holidays and leaves are specified under the contract, and the Group undertakes to pay full salaries and make social insurance contributions. Detailed requirements in relation to termination of the labor contract by employees are also stipulated and executed in compliance with relevant laws and regulations.

Committed to creating an equal working environment for employees, the Group has strictly abided by the regulations on equal opportunities and anti-discrimination and adhered to fair employment policies, such as gender equality and equal pay for equal work. It also specifies the recruitment requirements and form of employment, at the same time strictly implementing the relevant requirements of Prohibition of Child Labor Provisions. In order to prohibit the use of child labor and forced labor in compliance with relevant laws, it conducts strict identification verification on the interviewee to make sure the age meets the minimum working age stipulated by the government.

The Group treats employees equally and makes sure that they are free from discrimination in recruitment and real-life practice such as promotion, receiving awards, gaining training opportunities and dismissal due to reasons including race, skin color, age, gender, ethnicity and disability. Additionally, the Group also develops and maintains an effective grievance and complaint procedures to protect its employees' human rights and labor interests. In 2023, there were no incidents of discrimination, use of child labor and employee abuse.

In accordance with labor laws and regulations in relevant countries and areas, employees are remunerated accordingly and provided with paid leaves, such as minimum wage, overtime compensation, statutory benefits, annual leave, marriage and funeral leave and maternity leave and compensations to resigned and retired employees are paid according to both national policies and regulations of the Company.

The Group formulates the staff holiday system, offers job skills training and establishes a labor union. Besides, it also attaches much value to staff care, health and safety as well as boosting their sense of belonging.

The Group respects and protects its employees' right of freedom, including freedom to be employed, freedom to resign, freedom to work overtime and freedom of action. The Group also respects and protects their rights to freedom of association and collective bargaining.



The Group strives to develop a fair and stable supply chain, actively undertaking social responsibilities with partners to create a harmonious business environment.





(I) SUPPLY CHAIN MANAGEMENT

The Group carries out the Bidding Law of the People's Republic of China and other procurement related laws and regulations strictly. The Group has established supplier acceptance, performance appraisal and exit mechanisms, by which the regulated management of the key processes of supply chain such as the placing of purchase order, the entering into of contracts, product acceptance and the settlement is achieved.

The Group strives to develop a fair and stable supply chain and actively undertakes social responsibilities together with partners to create a harmonious business atmosphere.

Locations of suppliers	2023	2022	Comparison
First-tier cities in Chinese Mainland	326	341	↓ 4.40%
Other cities in Chinese Mainland	239	247	↓ 3.24%
Overseas (including Hong Kong and Macau)	413	434	↓ 4.84%
Total	978	1,022	↓ 4.31%

Strengthening the regulated management

The Group implements comprehensive certification of its newly introduced suppliers, and has formulated the Supplier Code of Conduct (《供應商行為準則》), Supplier Social Responsibility Control Procedures (《供應商社會責任控制程序》) and Procedures for Supplier Certification and Management (《供應商認證與管理的流程》) based on the international standards such as SA8000, ISO14001 and ISO45001, as well as social responsibility concepts such as new requirements for energy conservation and environmental protection. The Group has incorporated supplier CSR into the supplier certification, selection and management process, formulated corresponding systems and templates, and carried out CSR review and improvement for key suppliers. Among which, the Group achieves a full accreditation on the comprehensive capability of the suppliers through a multi-dimensional inspection, assessment of systems and technical capability of suppliers, and regards sustainable development as one of the basic conditions and requirements in introducing suppliers, so as to assess suppliers' capability and level to comply with laws and regulations and sustainable development agreements. To ensure the bidding of our projects is lawfully processed, we strictly comply with the requirements of the national laws and regulations and consistently select the suppliers by way of open tendering. Suppliers are required to undertake that they carry out business in compliance with applicable laws and regulations and meet the requirements for sustainable development. The Group has entered into Agreement of Corporate Social Responsibility (《企業社會責任協議》) with material suppliers to establish a code of conduct on integrity and law abiding, human rights, labor standards, health and safety, environment and prohibited business acts, which is a necessity to carry out supplier certification, audit and performance assessment. During the year, more than 534 suppliers have signed the agreement.

Pursuing the fair, just and open principle, the Group has exercised standardized management on each procedure of procurement, while incorporating the social and environmental considerations into the whole process such as selection and engagement of suppliers, signing of contracts and assessment.

Conducting hierarchical management

The results of supplier performance assessment are utilized for supplier management to enhance the cooperation with suppliers and promote their sustained improvement. Suppliers are subject to annual comprehensive assessment based on various factors such as their business volume, daily assessment, quality performance, RoHS risk, environment and safety. Over 36 suppliers have been selected for on-site audit in 2023. Suppliers with excellent performance are entitled to increase purchase percentage on the same conditions and provided with priority of business cooperation. Suppliers with poorer grades in performance assessment are provided with respective training and coaching so as to drive suppliers to regard corporate social responsibility as a requirement of product and related production process and integrate it into business decision making and daily operation, thus establishing effective management system.

Performing responsible purchase

The Group attaches great importance to the issue of conflict minerals and publicly states that it will not purchase or support the utilization of conflict minerals. All suppliers are required not to purchase conflict minerals and their sub-suppliers are also so required. The Group identifies the material lists and supplier lists relating to conflict minerals in accordance with OECD Guidelines for Due Diligence of Conflict Minerals (《OECD 衝突礦物盡職調查指南》) and adopts conflict mineral questionnaire (CMRT Form) under Global Conflict Free Sourcing Initiative (全球無衝突採購倡議) (CFSI) to carry out due diligence and analysis on 95% of its suppliers.

The Group also attaches importance to environmental risks. For the acceptance of suppliers, the Group collects the RoHS testing qualified report from suppliers and formulates a period for the renewal of such report in order to carry out regular monitoring on suppliers' results of RoHS testing, thereby promoting the use of environmentally-friendly materials by suppliers. Over 208 renewed RoHS testing qualified report are collected during the year.

During the year, the Group continued to optimize and reform its product packaging. The Group prioritized the adoption of environment-friendly technologies in the construction of new projects, during which an inspection report shall be submitted regarding the materials used so that all materials can meet the national requirements for environmental protection, the use of recyclable packaging material can be enhanced, and all materials will not cause contamination to the surrounding environment when used.

Operation Management

Type of Packing Material	Unit	Consumption in 2023	Consumption in 2022	Comparison
Paper boxes and paperboards	tonne	1,615	1,754	↓ 0.31%
Wooden boxes	tonne	602	610	↓ 1.31%
Packing accessories	tonne	341	391	↓ 12.79%
Straps	tonne	115	121	↓ 4.17%
Other packing materials	tonne	261	240	↑ 8.75%
Total packing materials	tonne	2,934	3,116	↓ 1.58%
Consumption of packing materials per ten thousand HK\$ sales revenue	tonne/ten thousand HK\$	0.0049	0.0049	↑ 0.19%

1. Packing accessories include assembly materials, plastic bags, labels and packaging accessories (discs, manuals and certificates)
2. Packaging materials include straps and carton-sealing tapes
3. Packaging boxes include paper boxes and wooden boxes
4. Other packing materials include expandable polyethylene, stretch film and foam, etc.

(II) PRODUCT RESPONSIBILITY

By adhering to its corporate value and core culture, persistently seeking higher working quality and constantly promoting improvement and innovation, the Group is committed to building its brand reputation featured with "excellence" and "value-for-money".

The Group has established the ISO9001 international quality management system and the TL9000 quality management system in telecommunication industry that have gained international accreditation, as well as an automatic product testing and reliability measurement system to secure its product quality and provide the customers with safe and reliable products and services. The specialty team of quality improvement solves key quality issues identified from its customers' feedback and its production.

The Group has established the RoHS (Restriction of Hazardous Substances in electrical and electronic equipment) management system, a product control system for hazardous and toxic substances. Under the system, operational processes and regulations are developed for implementing RoHS management and control over the whole life cycle of products, including the process of product R&D and design, purchase and supplier management, incoming inspection, production and manufacturing procedure control, transportation and storage and product recall. All products produced by the Group have met the requirements under the Measures for Administration of the Pollution Control of Electronic Information Products (《電子信息產品污染控制管理辦法》) of the PRC, while all the products sold to the European Union have met the requirements under RoHS of the European Union.

(III) PROTECTION OF INTELLECTUAL PROPERTIES

Persisting in the long-term investment in R&D, the Group continues to build its own pool of intellectual properties. It not only puts emphasis on the protection of its proprietary intellectual properties and trade secrets, but also respects the intellectual properties and trade secrets of others.

The Group attaches great importance to the protection of its intellectual properties as well as the protection of and respect for the intellectual properties of others. The Group has taken "combination of attack and defense, innovation, appropriate layout and creation of values" as its development strategy of intellectual properties and stipulated systems such as Management Measures of Business Secrets (《商業秘密管理辦法》), Pilot Management Measures on Intellectual Properties for Exhibition (《展會知識產權管理辦法(試行)》), while revising Management Measures on Intellectual Properties (《知識產權管理辦法》), Management Measures on Patents (《專利管理辦法》) and Incentive Measures on Intellectual Properties (《知識產權獎勵辦法》) to regulate the utilization and protection of intellectual properties. We designated specific personnel to conduct daily supervision and management of the trademarks held by the Group, help identify risks and maintain the trademarks properly, and make claims against any infringement on the Group's trademarks or names in a timely manner to protect the Group's intellectual property rights by legal means. Since 2020, we have taken out the national liability insurance policy in respect of foreign infringement of intellectual properties for four consecutive years, which safeguard the Group's expansion in the overseas market.

Operation Management

The Group has applied for patents since 2002. The number of patents applied has increased on an annual basis. As of the end of 2023, the Group has applied for over 5,800 patents in total at Chinese Mainland and overseas and over 4,100 patents have been granted, of which more than 3,900 patents have been applied for with respect of invention and more than 2,200 patents have been granted. The main trademark of the Group, "Comba", has been granted approval for registration in 51 countries and regions across the world.

In 2023, the Group was awarded the Golden Prize and Excellent Prize of the 10th Guangdong Patent Award, the Gold Award of the 2023 Guangdong-Hong Kong-Macao Greater Bay Area High-Value Patent Portfolio Layout Competition and the Excellent Prize of the 24th China Patent Award. In addition, the trademark "Comba" was included in list of the first batch of national "1,000 Enterprises in 100 Cities" Trademark Brand Value Enhancement Initiative ("千企百城"商標品牌價值提升行動). Comba Telecom Systems (Guangzhou) Limited and Comba Network Systems Company Limited have successfully passed the national assessment and review on qualifications of the demonstration IP enterprises. Comba Telecom Technology (Guangzhou) Limited have successfully passed the assessment on qualifications of National Intellectual Property Advantageous Enterprise. Comba Network Systems Company Limited, Comba Telecom Systems (Guangzhou) Limited and Comba Telecom Technology (Guangzhou) Limited have successfully passed the annual monitoring, assessment and review under the 2023 National Regulated Management Standard of Intellectual Property. The Group has received wide recognition from the public with respect of its achievement in intellectual properties.

(IV) PRODUCT QUALITY

The Group regards quality as its life. Hence, the Group has built up a robust quality control team to take charge of incoming inspection, production process and delivery inspection of products, so as to make sure all its outgoing products meet its customers', corporate and national or international relevant standards and requirements. It has put in place all-process quality management and developed a complete quality system to ensure integration of various requirements such as compliance, reliability, quality, internal control, network safety and privacy protection and information security into various business areas including marketing, R&D, delivery and services, supply chain, procurement and manufacturing. All domestic products of the Group have conformed with and passed the "3C" certifications, namely the National Safety Certification (國家安全認證) (CCEE), the Imported Products Safety and Quality Licensing System (進口安全質量許可制度) (CCIB) and the Electro Magnetic Compatibility Certification in China (中國電磁兼容認證) (EMC), while all its overseas products have conformed with and obtained the certification of American Underwriters Laboratories (美國保險商試驗所) (UL). In 2023, they also successfully passed the IATF16949 certification and review of the quality management system for the automobile industry.

Operation Management

The Group's products have undergone strict reliability tests in terms of high and low temperature, water spilling and electro-magnetic compatibility and the staff performing such tests have undergone strict professional quality training and obtained relevant certificates. The Group carried out sample testing regarding the manufacturing process of products and products ready for final shipment underwent 100% testing and will only be shipped when the requirements are met. In 2023, the Company received 19 complaints regarding products and services. Neither sold or shipped products of the Company has been recalled for safety and health reasons. Our company established product recall procedures and set up multiple online and offline channels for gather customers' feedback, ensure the maintenance and replacement of products comply with the relevant requirement of local laws and regulations during the implementation process. For returned and repaired products, a solution solving team was established in accordance with the 8D reporting management principles to prevent such problems from occurring in the future.

The Group is committed to ensuring the security of product throughout its whole life cycle. Upholding the principle of life cycle analysis, the Group strives to make sure that every stage in life cycle is taken into consideration, which includes manufacturing, transportation, installation, utilization, after-sale service and recovery. The Group develops free or compensated recovery mechanism in every province nationwide while internationally, the Group enters into cooperation with local enterprises qualified for recovery processing by entrusting them with the recovery processing of its products.

During the reporting period, the Group has complied with relevant laws and regulations that have a significant impact on the Group relating to product responsibility.

(V) INFORMATION SECURITY

The Group upholds its responsibilities to protect customers' privacy and the security of their personal information. The Group strictly implements the information security and confidentiality policy, and formulates and implements confidentiality management policies for strict protection of the Company's and customers' secrets. Through various systems such as VI Standards on Management and Utilization (《VI管理及使用規範》) and Management Measures on External News and Publicity of the Group (《集團對外新聞宣傳管理辦法》), the Group has strengthened its management of corporate brand image and sensitive information so as to ensure all the business activities of its employees are in compliance with the laws and relevant contracts. In order to effectively ensure the security of the Company's information system and improve the ability of the information system to serve the Company's production and operation, the Group has formulated and continuously revised and improved the Information Security Management System (《信息安全管理制度》) and Information Security System (《信息安全體系》). The Group actively conducts hidden threat clearance and rectification work regarding cybersecurity loopholes of the network and systems, continuously enhances the management of cybersecurity and information security, optimizes practices and procedures for handling online information security and improves the capability of handling risks regarding online information security. In respect of data security, we adhere to the overall working philosophy of "management-based and supported by technology; give due regards to both security and efficiency and maintain appropriate management and control over information security" and follow up the management progress, thereby realizing our strategy for information security of "protection against external attacks and internal information leakage".

Operation Management

Information security is comprehensively managed from six aspects: IT infrastructure protection, computer terminal management, application system management, data management, network management, data backup and emergency disaster recovery system to ensure information security and prevent data breach. Meanwhile, the Group also organizes relevant training to effectively raise the staff awareness of privacy and data protection. The Group strictly performs relevant non-disclosure terms in accordance with the requirements set out in the contracts entered into with the customers to prevent misuse of customers' information without permission. It also enters into non-disclosure agreements with employees based on actual needs, so as to minimize the risks relating to leakage of private information and business information.

At the same time, the Group has established and continuously improved the internal rules and regulations for the management of trade secrets. With the implementation of an online systematic management model, it manages the various trade secrets of the Group through standardized sorting and classification, sets up confidentiality warning signs, defines confidential areas, formulates confidentiality clauses and confidentiality agreements, and standardizes information confidentiality disciplines. The Group constantly updates and improves its trade secret management system from multiple dimensions such as physical environment security, electronic information security and human resource management.



Anti-corruption

In compliance with the requirements of national laws and regulations and the Group's relevant systems, the Group establishes and improves its internal audit rules and regulations and the internal control system with the aim of strengthening internal supervision, risk management and anti-corruption management. It adopts a zero-tolerance attitude towards corrupt practices and insists on operating in a lawful and compliant manner. The Group also encourages its associated third parties (such as suppliers) to comply with the relevant policies and principles. During the reporting period, the Group did not have any concluded corruption litigation against the company or its employees.

The Group strictly complies with the relevant policies and regulations on the prevention of bribery, extortion, fraud and money laundering in the locations where it operates. It strictly abides by the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), the Provisional Provisions on the Prohibition of Acts of Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) and other relevant laws and regulations, so as to improve the internal control and management system and strengthen the anti-fraud supervision on an ongoing basis. It conducts training on fraud risks and anti-fraud procedures to promote the development of a corruption-free culture and create a fair and just business environment. The Group has developed a series of anti-fraud and anti-corruption systems focusing on the development of a sound corporate culture of fighting corruption, comprising (among others) the Code of Conduct and Management Code on the Group's Managers (《集團經理人行為準則及管理守則》), Accountability System of Marketing Platform Operation (《市場營銷平台經營問責制》), Purchasing Accountability System (《採購問責制度》), Regulations on Integrity of Purchasing Staff (《採購業務人員廉潔從業規定》), Accountability and Incident Management System in relation to Key Responsibility (《關鍵責任事件問責管理制度》), Anti-corruption Policy (《反舞弊制度》) and Standards of Commercial Conduct (《商業行為準則》). The Group has also implemented various operation procedures, including the Management Regulations for Anti-Fraud and Anti-Corruption (《反舞弊反腐敗管理規範》), Compliance Management Regulations (《合規管理規範》) and Management Regulations for the Integrity of Staff in Sensitive Positions (《敏感崗位從業人員廉潔管理規定》). The Group clearly demonstrates a zero-tolerance attitude towards corruption in behavior or finance and encourages all employees to participate in supervision by giving feedback and reporting any internal operational defects or irregularities of the Group through multiple channels including telephone, email and WeChat, thus curbing any forms of illegal operation activities such as bribery, fraud and corruption and fostering its corporate culture of integrity and compliant operation. The Group addresses the identified issues in a timely manner in accordance with the laws and regulations to ensure the implementation of the relevant systems.

Anti-corruption

The Audit Department of the Group is responsible for the execution of internal control, inspection and supervisory management, coordinating and organizing the relevant divisions to carry out the assessment, sorting out and formulation of preventive measures for businesses with high integrity risks, making recommendations on the improvement of deficiencies in the internal control system and management measures, and supervising the responsible divisions to implement rectification measures.

New employees have to receive orientation training in relation to the publicity of anti-fraud and anti-corruption culture. The Group also organizes publicity of its anti-corruption culture in daily operation through various ways including offline special training, Comba Colorful Classes, Comba Lessons (京日說法) and E-Learning online learning platform. Besides, the Group has organized special training on integrity and anti-corruption for specific personnel, including marketing staff and procurement staff. In respect of audit, the Group puts emphasis on the issues such as business ethics and anti-corruption and accordingly, carries out internal control and audit and risk assessment regularly.

In order to strengthen the awareness of anti-corruption of all employees, a total of 28 training sessions were held with a total of 67 training hours during the last few years.



Community & Public Welfare

In 2023, the Group actively put efforts in employee care by paying condolences to sick and hospitalized employees to reflect the corporate humanistic care and enhance employees' sense of belonging. It organized flower distribution activities on Women's Day, and distributed consolation gifts for Spring Festival, Dragon Boat Festival and Mid-Autumn Festival to send season's greetings and care to employees; it assisted 75 employees in applying for inpatient care and academic qualification upgrading subsidies of the higher-level trade unions; more than 30 employees were assisted to analyze, coordinate and solve their children's problems of, among others, enrolment in schools; seminars were organized for female employees to analyze and solve their problems by attentively listening to what the employees think and how they feel; 4 Automated External Defibrillators (AED) were equipped in the bases and training in first-aid skills were organized to enhance employees' awareness and skills in first-aid and mutual rescue in case of emergencies; social and dating activities were organized for single workers in Guangzhou in pursuit of compatible partners to broaden the dating platform for single employees and enhance their sense of well-being; health check-ups were organized for all employees in the Group's headquarters to help them detect, prevent and treat common and frequent diseases at an early stage in order to safeguard their physical and mental health; and meetings were convened to review the Management Measures on the Retirement and Early Retirement of Employees of Comba Telecom (《京信通信員工退休和提前榮休管理辦法》) and the Special Collective Contract for Collective Negotiation of Salaries and Wages (《工資集體協商專項集體合同》) to specify the rights and obligations of the enterprise and its employees and to protect the legitimate rights and interests of the enterprise and its employees.

The Group organized and participated in various cultural and sports activities on a continuous basis in 2023. These activities mainly included the opening ceremony of the Group's Sports Day and walking events, matches such as badminton, basketball and table tennis, hosting the Best-Voice Singers' Competition, chess match and Guandan card game of the Group. It regularly carried out the exchange events of the associations of badminton, yoga, dance and swimming respectively to enhance team cohesion, promote exchanges and cooperation among divisions, and promote physical fitness and enrich leisure life of employees.

Whilst accelerating its own development in a healthy and rapid manner, the Group is devoted to supporting social charity and proactively fulfills its social responsibilities and obligations. It was rated as the "Star of Helping the Disabled" advanced group in Huangpu District, Guangzhou City. In 2023, a total of HK\$485,000 was donated in the areas of social charity, poverty alleviation and relief and public welfare activities.





Comba

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Comba Telecom

