

2018 – 2019



China Telecom (Europe) Limited
Modern Slavery Act Statement

Introduction from the board

We are proud of the steps we have taken to combat slavery and human trafficking. We have implemented the China Telecom Anti-Slavery Policy (the “Policy”) which is designed to ensure that we strictly prohibit the use of modern slavery and human trafficking in our operations and supply chains.

We have and will continue to be committed to implementing systems and controls aimed at ensuring that modern slavery is not taking place anywhere within our organisation or in any of our supply chains.

It is a priority within the group to ensure that the people we deal with (in particular suppliers and our representatives) share this responsibility and reflect our values to prevent slavery, servitude and forced or compulsory labour.

Organisation's structure

We are a telecommunication service provider, providing wireline and mobile telecommunications services, Internet access services and other telecommunications-related services. We have expanded our telecommunications business over the European continent covering most European countries.

Our parent company is China Telecom Global Limited, which is located in Hong Kong. Our ultimate parent company is China Telecom Corporation Limited, one of the world’s leading telecommunication service providers. The China Telecom Group has more than 280,000 employees worldwide, with more than 200 employees in Europe.

Our supply chains

Most of our supply chains involve large companies involved in: office supplies and administration, professional services, providing data centres, and supplying network equipment.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

Due diligence processes for slavery and human trafficking

As part of our initiative to identify and mitigate risk, we have in place systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistle-blowers.

Supplier adherence to our values and ethics

We have zero tolerance for slavery and human trafficking. Our suppliers are required to hold their own suppliers to the same high standards.

We consider that our supply chains are all at low risk of modern slavery, given that they largely involve professional services and/or low-risk industries such as the provision of data centres and the supply of network equipment.

However, we note that care must always be taken dealing with suppliers in jurisdictions without laws and regulations equivalent to those in the UK.

As part of our ongoing risk assessment and due diligence processes, we consider whether circumstances warrant us carrying out audits of suppliers for their compliance with our Policy.

We also assess whether the circumstances warrant the inclusion of specific prohibitions against the use of modern slavery and trafficked labour in our contracts with third parties. Using our risk-based approach, we will also assess the merits of writing to suppliers requiring them to comply with our Policy, which sets out the minimum standards required to combat modern slavery and trafficking.

If we find that other individuals or organisations working on our behalf have breached our Policy we will ensure that we take appropriate action. This may range from considering the possibility of breaches being remedied and whether that might represent the best outcome for those individuals impacted by the breach, to terminating such relationships.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff.

We invest in educating our staff to recognise the risks of modern slavery and human

trafficking in our business and supply chains. Through our training programmes, employees are encouraged to identify and report any potential breaches of our anti-slavery and human trafficking policy.

Employees are taught the benefits of stringent measures to tackle slavery and human trafficking, as well as the consequences of failing to eradicate slavery and human trafficking from our business and supply chains.

Measuring Effectiveness

We will continually monitor the effectiveness of our efforts to combat modern slavery and human trafficking, and will carry out a formal review each year to identify any issues or areas for improvement.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 31 December 2018. It was approved by the board of directors on 16 April 2019.

Li Cao 李力

Li Cao, Managing Director

China Telecom (Europe) Ltd

Date: 16 April 2019