FiberHome

Fiberhome Journey Connect to the Future

FiberHome Telecommunication Technologies Co., Ltd.
2020 Sustainability Report

About the Report

This is the twelfth sustainability report issued by FiberHome Telecommunication Technologies Co., Ltd. It concerns all stakeholders of FiberHome Telecommunication Technologies Co., Ltd. and discloses the opportunities and challenges encountered by the company and stakeholders during the process of co-creating values, as well as their efforts to achieve sustainable development. FiberHome publishes information on corporate social responsibility (CSR) in the form of a sustainability report every year.

Basis of the Report

This report is prepared with reference to the latest "G4 Sustainability Reporting Guidelines" issued by the Global Reporting Initiative (GRI), the "Guiding Opinions on the Implementation of Social Responsibilities of Central Enterprises" by the State-owned Assets Supervision and Administration Commission of the State Council, the "Chinese Corporate Social Responsibility (CSR) Report Preparation Guide (CASS-CSR3.0)" by the Chinese Academy of Social Sciences, and the "Guidelines on Environmental Information Disclosure of Listed Companies" by Shanghai Stock Exchange.

Notes to the Report

The reporting period is from January 1, 2020 to December 31, 2020. Some statements and data are appropriately traced back to previous years.
This report is an annual report, and appropriately traces back to some critical years. Annual continuity measures will not be shown in this report. If you want to learn much more, please refer to the sustainable reports in former years.
This report covers economic, social and environmental responsibility information of FiberHome Telecommunication Technologies Co., Ltd. and its important subsidiaries. Related case studies from the company and its subordinated companies. The changes in the share capital structure of the company during the period are detailed in the "2020 Annual Report of FiberHome Telecommunication Technologies Co., Ltd."
For the convenience of presentation, "FiberHome Telecommunication", "FiberHome", "company" or "the company" refers to FiberHome Telecommunication Technologies Co., Ltd. in the report.
The financial data in this report are derived from the 2020 annual financial report of the company. Some historical data are retrospectively restated according to changes in accounting standards. There are no significant changes in data acquisition and calculation methods compared with previous annual reports. If the data contained herein are inconsistent with those in the financial report, the financial report shall prevail. Unless otherwise stated, all amounts in this report are expressed in RMB.

Commitment of the Report

This report is prepared by the Social Responsibility Management Team, reviewed by relevant senior management, examined and approved by the Board of Directors of FiberHome Telecommunication. FiberHome guarantees that there are no false or misleading statements in this report.
This report is available in environmentally-friendly printed form, electronic form, etc. for your reference. You can download the electronic version of the report at http://www.fiberhome.com.
This report is published on April 17, 2021 (The previous report was released in April 2020).

Welcome to
FiberHome WeChat

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Address from the Chairman

Lu Guoqing
Chairman, FiberHome

In 2020, the way we are fighting against the "epidemic" is winding and unforgettable. Under the strong leadership of the Party Central Committee and under the correct guidance of Comrade Xi Jinping's socialist ideology with Chinese characteristics in the new era, FiberHome has been moving forward under pressure, gathering the spirit of resistance in the midst of ruggedness and hardship, showing fearlessness in the midst of unpredictable changes, promoting the Company to withstand severe tests in the face of adversity and developing its overall operation steadily.

In this year, in the face of the great test of the epidemic, the Company put all its efforts into the work of preventing and fighting the epidemic and resuming work and production, always ensuring the stable operation of the social public network and infrastructure, quickly promoting the Company's production and operation back to the normal, and writing a glorious "Chapter of FiberHome".

This year, in the face of the booming tide of new infrastructure, FiberHome has strengthened its industrial layout, aggregated its advantageous resources, continuously improved the comprehensive strength of 5G network and applications, strengthened its "core" fixed network, and made a shining "FiberHome pace" in the journey of helping the the build of strong network and smart society".

In this year, when fighting against poverty and fighting for prosperity, FiberHome insists on "helping the poor" and "helping the education" at the same time, and helps revitalize the countryside by "taking a targeted approach to poverty alleviation", which has branded the beautiful "FiberHome Mark" on China's answer sheet of poverty alleviation in the world ".

This year, in the sharpening of independent innovation and breakthroughs, FiberHome kept the important speech of General Secretary Xi Jinping during his visit to the Group in mind, and strived to tackle key technology bottlenecks, and contributed "FiberHome Power" to the competition of scientific and technological self-reliance and self-improvement.

This year, in response to unprecedented pressure and difficulties, we keep a foothold on the new development stage, implement the new development concept, build a new development pattern, deepen the reform and innovation integration breakthrough, and continue to improve the quality and efficiency of management in the action of benchmarking world-class, walking out a solid "FiberHome Road".

Time is engraved with the footprint of struggle, and the blueprint is marked with the confidence of development. Looking to the future, FiberHome will succeed in carrying out its mission, and will move forward to contribute to the rejuvenation of the nation with stronger light and heat of information technology, thus contributing information technology note to the time and information technology power to national rejuvenation.

Address from the President

Ge Jun
President

Brave the Wave against the Wind

Many people will refer to the keyword of "extraordinary" when talking about the year 2020. The world has never seen such a big change in a hundred years, the sudden novel coronavirus epidemic has intensified the evolution of the international landscape, and the external environment is like a rough sea, rocking every one of us in the world economic ship. However, when we shift our perspective and gain deeper insight, we can find the sky that has gradually cleared in the distance and strengthen the direction of our voyage. We shall nurture new opportunities in the crisis, and create a new situation in the turbulent situation. As General Secretary Xi Jinping stressed in the fifth plenary session of the 19th Central Committee of the Communist Party of China (CPC), we should fully estimate the difficulties, keep confident and be undaunted by repeated setbacks to accomplish our own goals. Against difficulties and setbacks, FiberHome people will hold the rudder and forge ahead, contributing a solid force to the miracle of China's economic "positive turnaround".
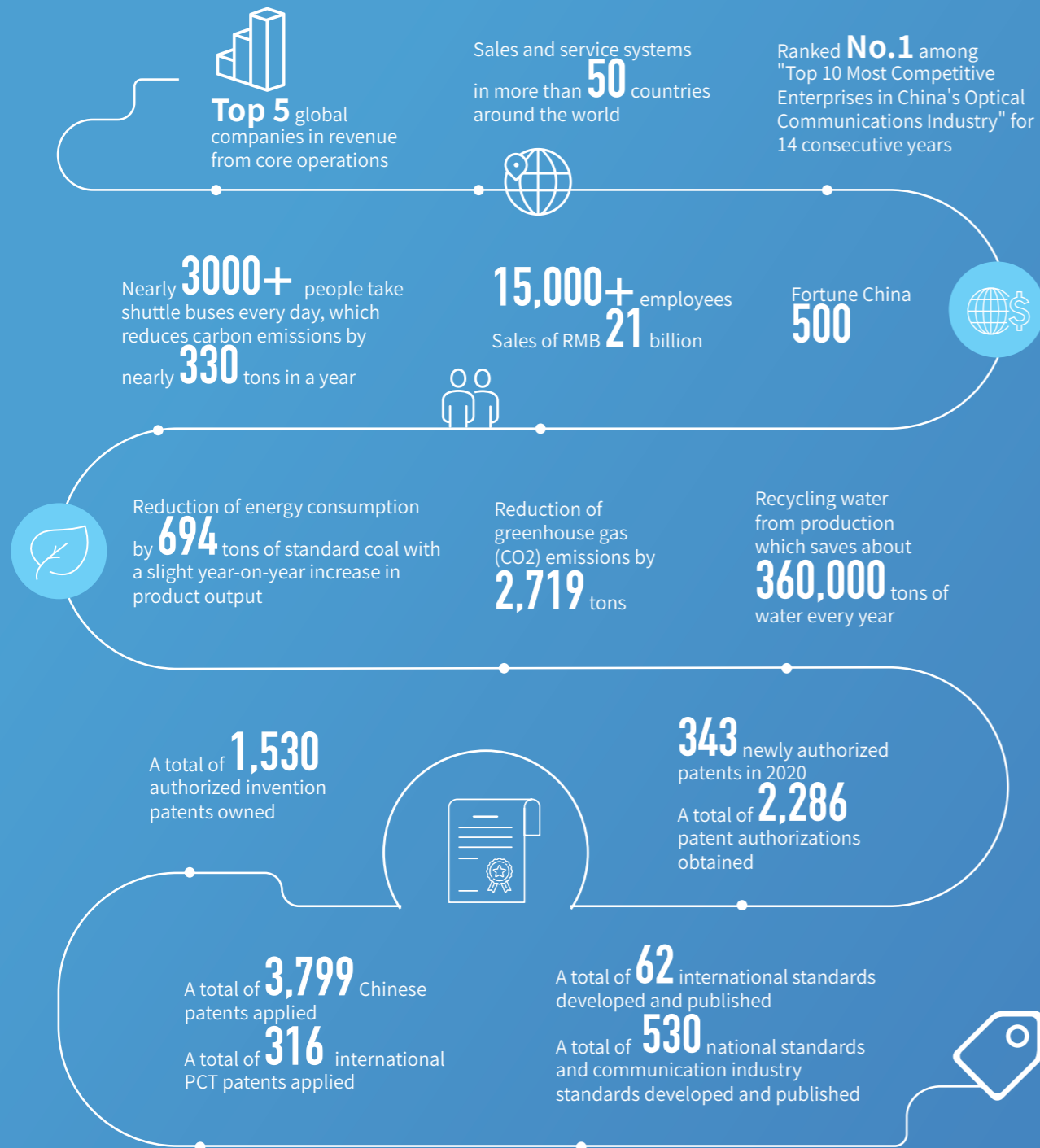
During the epidemic, FiberHome went against the odds and set up an epidemic prevention and protection team at the first time, and all service teams and technicians were on standby to rush to the emergency communication network construction of Huoshenshan Hospital, Leishenshan Hospital and Module hospitals to ensure the stable operation of public network and various private line services in the society. Not only fighting against the epidemic, FiberHome also performs the duties of an information and communication high-tech enterprise, giving full play to 5G, big data, cloud computing and other technologies to provide scientific and technological weapons for fighting the epidemic. A series of information technology tools represented by "Hubei Health Code" have put the wings of wisdom into the national anti-epidemic and resumption of work.

In the past year, with the joint efforts of the entire industry chain, China has achieved milestone effect in 5G construction, and has built the world's largest, fastest-growing, independently-organized 5G network with the "China label". As the core force of 5G industry, FiberHome takes 5G, cloud and data center as the key basis and works together with operators to focus on creating omni-domain solutions for individuals, families, government enterprises and emerging markets, providing strong support for economic and social transformation needs and people's needs for better digital life.

Today, not only is the epidemic still raging overseas, but the Company is also facing a complex international situation with trade frictions and rising unilateralism. However, the trend of economic globalization will not change, and FiberHome will not slow down the pace of "going global" in response to the Belt and Road Initiative. Many FiberHome people are far away from their homeland, they have been holding their positions for more than 400 days without flinching, and practicing their commitment to customers with physical actions. We are happy to see that more and more partners are joining our route, with firm goals and high ambition. Information highways reach all directions and connect the future. More and more people of different colors are using high-speed, convenient and secure information and communication networks because of the solutions from China.

The glorious "13th Five-Year Plan" is about to close, and the magnificent "14th Five-Year Plan" has set sail. FiberHome will adhere to innovation-driven development, stimulate the innovative vitality of talents, enhance the enterprise's technological innovation capability, start the 14th Five-Year Plan with high-quality development, and dedicate to the 100th birthday of the Party with excellent results.

2020 Sustainable Development Overview

Top 5 global companies in revenue from core operations

Sales and service systems in more than **50** countries around the world

Ranked **No.1** among "Top 10 Most Competitive Enterprises in China's Optical Communications Industry" for 14 consecutive years

Nearly **3000+** people take shuttle buses every day, which reduces carbon emissions by nearly **330** tons in a year

15,000+ employees
Sales of RMB **21** billion

Fortune China **500**

Reduction of energy consumption by **694** tons of standard coal with a slight year-on-year increase in product output

Reduction of greenhouse gas (CO_2) emissions by **2,719** tons

Recycling water from production which saves about **360,000** tons of water every year

A total of **1,530** authorized invention patents owned

343 newly authorized patents in 2020
A total of **2,286** patent authorizations obtained

A total of **3,799** Chinese patents applied
A total of **316** international PCT patents applied

A total of **62** international standards developed and published
A total of **530** national standards and communication industry standards developed and published

Honors & Awards in 2020

1. 2020 "China ESG Golden Award" – Sustainable Development Award
2. Silver Award of the 21st China Patent Award
3. 2020 Top 100 Competitive Enterprises of Software and Information Technology Services
4. 2020 Top 10 Most-Globally Competitive Enterprises of Optical Transmission and Network Access Equipment
5. 2020 Top 10 Most Competitive Chinese Enterprises of Optical Transmission and Network Access Equipment
6. 2020 Top 10 Most-Globally Competitive Enterprises of Optical Fiber and Cable
7. 2020 Top 10 Most Competitive Chinese Enterprises of Optical Fiber and Cable

8. 2020 Open Infrastructure Community Enterprise Achievement Award – Leading Edge Cloud Solution Award
9. The second prize of Hubei Science and Technology Progress Award won by FiberHome "R&D and Application of Key Technologies for Smart City Public Services"
10. "Telecom World" 2020 Optical Communication Technology Innovation Award won by FiberHome DCI Product
11. "Telecom World" 2020 Green Technology Innovation Award won by FiberHome New-generation Passive Optical LAN (POL) solution

12. 2020 ICT industry outstanding solutions awarded by "Telecom World": FiberHome Power Edge Data Center Solution, FiberHome Mobile Government Affairs Collaborative Office Platform Solution
13. 2020 ICT Industry Influential Enterprise and 2020 Operator and Value-added Service Innovation Award by "Telecom World"
14. FiberHome H9A00 V5 Server won the 2020 "ICT Innovation Award" by "People's Post & Telecommunication"
15. Social Responsibility Award won by Supervision System for Implementation of Policies in Poverty Alleviation and People's Livelihood
16. IT Innovation Award won by H9A00 V5 Server
17. Wireless Access Innovation Award won by MIFON X1 Router
18. Epidemic Prevention Technology Pioneer Award won by Big Data Analysis Platform for Epidemic in Hubei Province
19. Excellent Bearer Network Solution Award won by FiberHome Marine EPC General Contracting Solution
20. Excellent Industry Application Solution Award won by FiberHome Power Edge Data Center

21. Civilized Unit in Hubei Province
22. Advanced Collective of Labor Competition in Hubei Province
23. Advanced Grass-roots Party Organization in Hubei Province
24. 2020 Worker Pioneer in Hubei Province
25. Winner of Ankang Cup Competition awarded by the All-China Federation of Trade Unions

1 Sustainability Management

● **Core Values**

Relying on its profound accumulation in the field of information and communication, FiberHome shoulders the core value of "Customer Oriented, Dedication & Integrity, Continuous Innovation, and Incremental Development" and is committed to maximizing the potential of digital connections and bringing greater benefits to human society.

● **Industrial Layout**

Xinjiang Optical
Communication Industrial Base

Changchun Optical Cable
Industrial Base

Beijing Northen FiberHome
R&D Center

Xi'an Industrial Base

Nanjing R&D Center
Nanjing Cloud Technologies
Nanjing Optical Cable Industrial Base

Chengdu Optical Cable Industrial Base

Zhuhai Marine Communication
System Industrial Base

Wuhan FiberHome Science Park
(Headquarters)
Wuhan Optical Communication
Industrial Building
Wuhan FiberHome Preform
Research and Production Base
Wuhan Optical Fiber and Cable
Manufacturing Base

India System Devices
Production Base

Indonesia Joint Innovation Center
Ecuador Optical Fiber
Cable Production Base
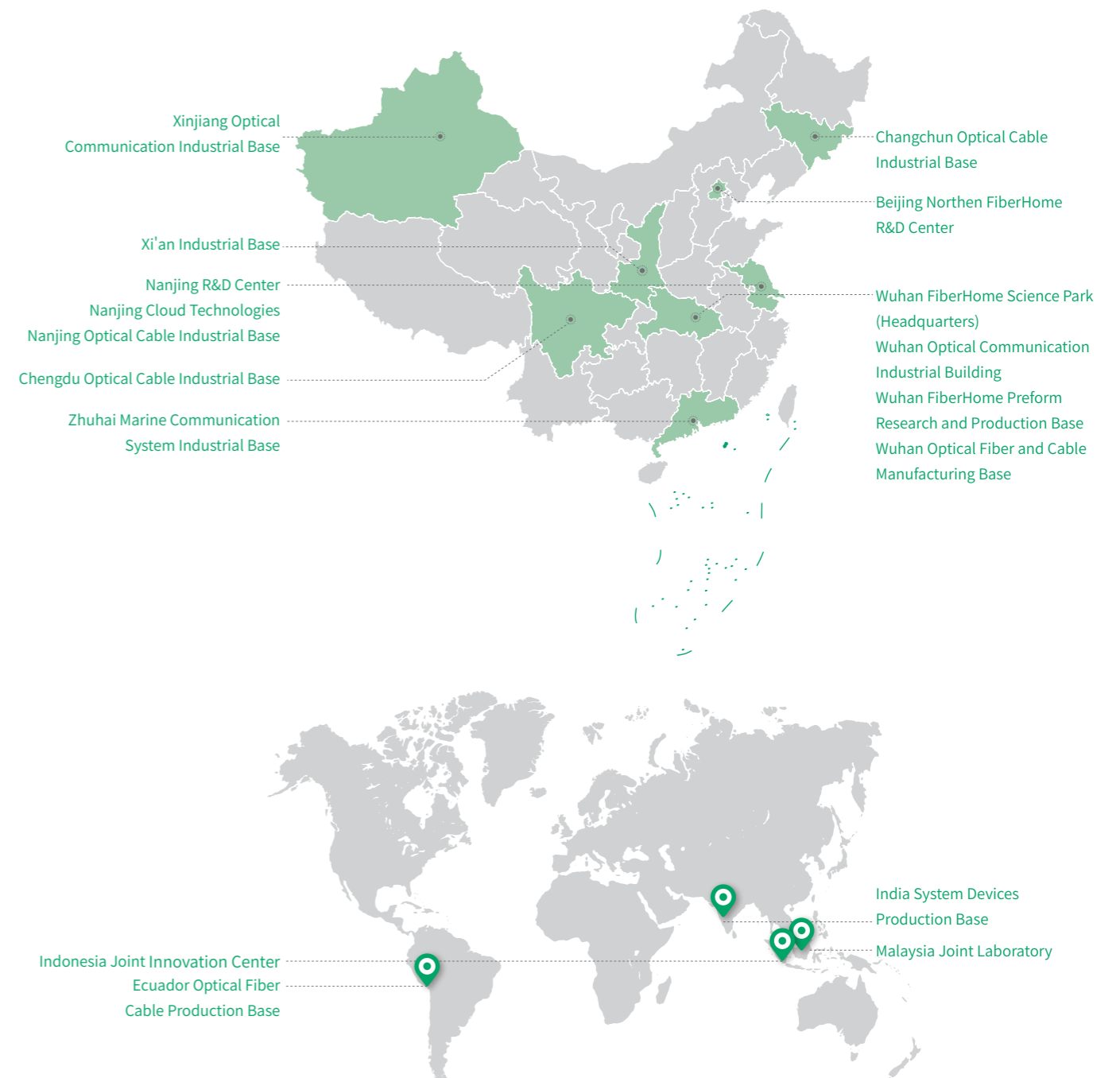
Malaysia Joint Laboratory

1. About FiberHome

FiberHome Telecommunication Technologies Co., Ltd. (stock code: SH600498) is an internationally renowned information and communication network products and solutions provider. It is an industrialization base of 863 Program achievements and an innovation-based enterprise recognized by the Ministry of Science and Technology of the PRC in the field of optical communication. Since its establishment in 1999, FiberHome has been devoted to the progress and development of global information and communications and accumulated profound understanding and creativity on human communications, which has grown into a benchmarking enterprise in the information and communication industry of China.

FiberHome mainly engages in optical communication, and has expanded its business to a wide range of areas where information technology and communication technology are integrated. It owns industrial bases in Central China, Northeast China, East China, Northwest China, South China, Southwest China, South America, South Asia, North Africa, and dozens of wholly-owned, holding or share-holding subsidiaries. The company has well-developed sales and service systems in more than 50 countries, and provided products and services to more than 100 countries and regions. The company ranks No. 5, No.4 and No.7 respectively in terms of revenue of optical transmission products, broadband access products, and operators' switching and routing equipment, and No.4 on optical fiber cable comprehensive strength in the world. It has become a core enterprise in the fields of smart city, industry information, intelligent application, etc., and has been ranked among Top 10 most-globally competitive optical communication enterprises for consecutive years. (Sources: OVUM, CRU, China Optical Communications Development and Competitiveness Forum)

Welcome to
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WeChat

● Corporate Governance

In strict accordance with the "Company Law", "Securities Law", "Code of Corporate Governance for Listed Companies", as well as the requirements of the China Securities Regulatory Commission and Shanghai Stock Exchange on corporate governance, the company has established and improved internal control systems, promoted standardized and programmed management, increased corporate governance level, fulfilled information disclosure obligations, and strengthened investor relationship management, which has protected the legitimate rights and interests of investors, and promoted the sustainability of the company. The company has established a corporate governance structure with clear powers and responsibilities, checks and balances, as well as an effective internal control system of supervision in accordance with the requirements for listed companies, and carries out operations in strict accordance with the law. The general meeting of shareholders is the highest decision-making body of the company; the board of directors is the decision-making body of the company, which is responsible for strategic decision-making and management; the board of supervisors is the supervisory body of the company, and performs the functions of supervising both the board of directors and the management of the company. The company makes decisions on strategic development and major business management issues of the company through the general meeting of shareholders, the board of directors and the board of supervisors, and implements them. It has established three special supervision committees, i.e. Strategy Committee, Audit Committee, and Remuneration and Appraisal Committee, which are responsible for researching major issues in the management, proposing opinions and suggestions for decision-making, evaluating and improving management systems and business operation procedures, and supervising the implementation of resolutions.
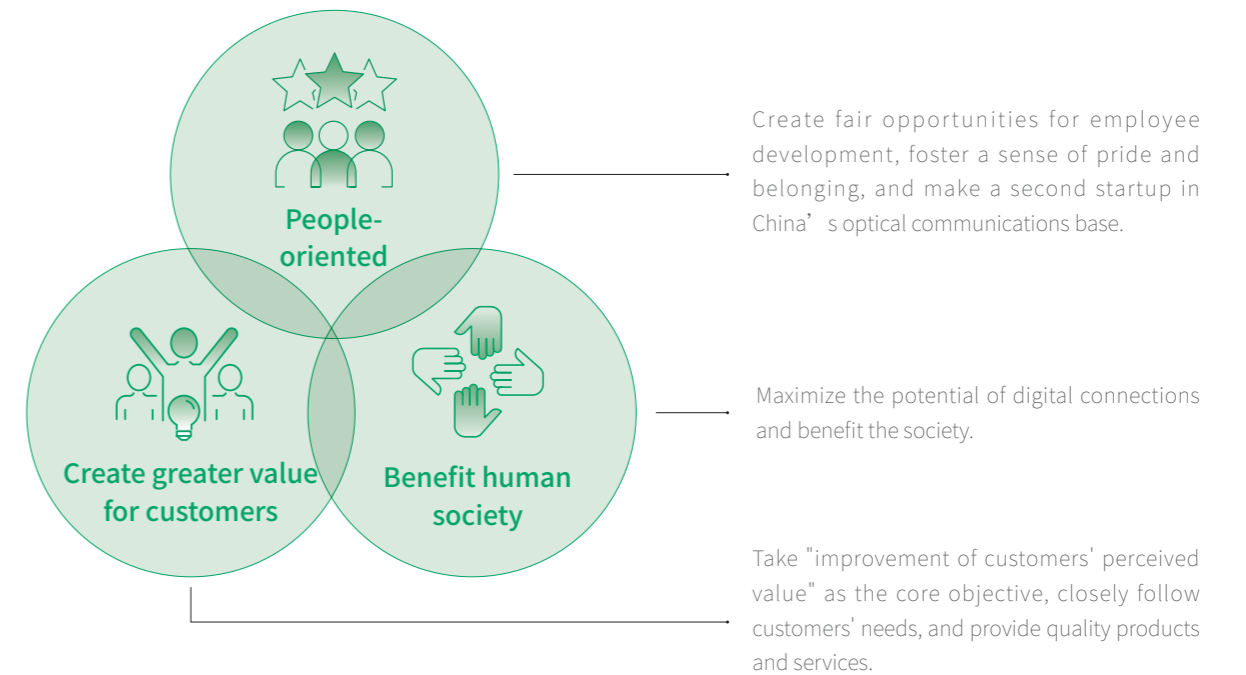
Information Disclosure

FiberHome discloses relevant information truthfully, accurately and completely in accordance with the laws, regulations, "Articles of Association" and "Information Disclosure System", and keeps confidential before information disclosure to ensure that all shareholders can obtain information in a fair and impartial manner. The board of directors of the company has set up a special agency and staffed it to perform information disclosure obligations, receive visits, answer inquiries, etc. in accordance with the law. It proactively discloses decision-making, operation and management information on the company's website without involving business secrets, so that all investors are given equal opportunities to obtain real, accurate, and complete information in a fair and timely manner.

Investor Relations Management

FiberHome focuses on the protection of shareholders' legitimate rights and interests, attaches importance to investor relations management, and creates a good communication environment for investors. By participating in the collective reception day activities for investors of listed companies in Hubei Securities Regulatory Bureau and other ways, FiberHome actively answers various questions which investors care about through online platform. The Company treats stakeholders in an open, fair and equitable manner, and can fully respect the legitimate rights and interests of other stakeholders such as investors, employees and customers while safeguarding the interests of the company's shareholders.

● Sustainable Development Goals

People-oriented

Create greater value for customers

Benefit human society

Create fair opportunities for employee development, foster a sense of pride and belonging, and make a second startup in China's optical communications base.

Maximize the potential of digital connections and benefit the society.

Take "improvement of customers' perceived value" as the core objective, closely follow customers' needs, and provide quality products and services.

● Sustainable Development Strategies

FiberHome endeavors to be a leading enterprise focusing on social responsibilities and sustainable development. Full of dreams, FiberHome will continue to move forward and keep innovation. In the new era of full communication, FiberHome will take serving the country through industry and benefiting mankind as its mission, and share the results of corporate development with the society.

Green and Environmental Protection	We have not only made significant achievements in the energy conservation and emission reduction of our own products, but also have helped operators build energy-saving and green broadband optical networks.
Employee Care	We follow the "people-oriented" value, treat talents with respect, provide staff with diversified training and career development opportunities, and strive to create a pleasant working environment for transparent communication and self-improvement of employees.
Social Welfare	We always care about the needs of the community and the public, and bear the responsibilities of a corporate citizen. From disaster relief to donations initiated by our staff, everything demonstrates FiberHome's care and love of the community, and our commitment to standing together through thick and thin with the motherland.

Sustainability is the cornerstone of the company's business operations and the core platform required to conduct compliance business, such as legitimate operation, protection and care of employees, etc.. Sustainability also indicates our business model, which reflects our commitment to research and development of communication products and solutions with low energy consumption and high performance, and our participation in research and construction of industry rules to help stakeholders reduce environmental impact, and benefit the whole society with the company's sustainable development results.

We believe that outstanding enterprises can take the initiative to meet social challenges and grasp the needs of society to open up larger markets, realize the benign interaction between economic value and social value of enterprises, and ultimately create shared value to promote the sustainable development of enterprises and society.

● Sustainability Management System

FiberHome has perfected the mechanism and devoted great energy to the addressing of key issues in operation. According to internal and external environmental requirements, the company continues to deepen the reform of management, and has established a reform management system. Through reform planning, reform program, project management, and reform operation management, the company has achieved improvements in the quality and efficiency of businesses in the fields of customer development, product development, supply chain, etc.

FiberHome adheres to the concept of smooth operation facilitating good quality, and strengthens top-level connection. In order to achieve its strategic goals, the company needs to connect business processes, organizational responsibilities, and IT systems. Therefore, the company has started planning and building its enterprise architecture through collaboration of business department, management department, and IT department to lay the foundation for reform planning and implementation.

FiberHome promotes timely resolution of problems from customers to improve their satisfaction, optimizes the end-to-end process of solving customer problems, and provides corresponding systems, methods and tools. FiberHome has established SLA and OLA systems to achieve effective linkage between front and back ends. The company focuses on main channels and optimizes service and product development strategies in line with LTC, MM, and FPD processes.
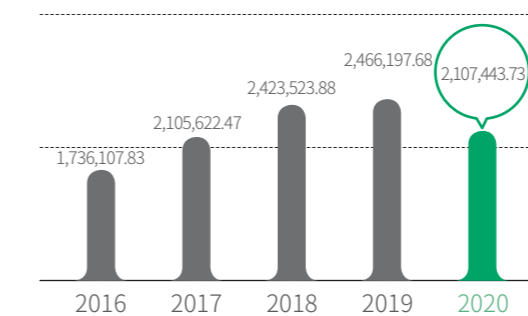
By promoting systemic management reform, the company will become an organization that "changes due to reform". In a changing environment, the company can timely, incisively, and accurately target customers to be served, as well as products and services required by customers. In addition, the company can quickly respond to and meet customer needs relying on the strong system adaptability of the organization for sustainable development in a changing environment.
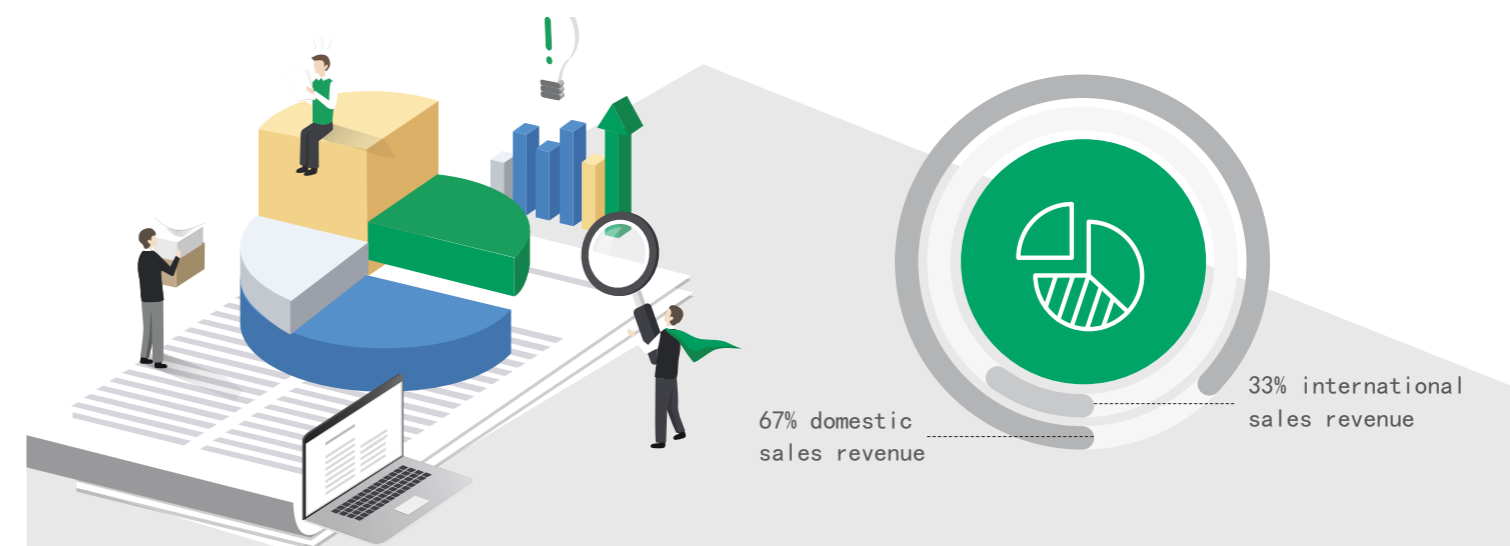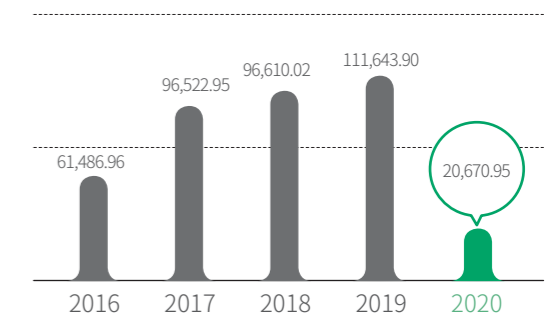
● Sustainable Economy

Sales Revenue, Operating Profit and Cash Flow from Operating (5 Years)

Year/Category	2020	2019	2018	2017	2016
Sales Revenue	2,107,443.73	2,466,197.68	2,423,523.88	2,105,622.47	1,736,107.83
Operating Profit	20,670.95	111,643.90	96,610.02	96,522.95	61,486.96
Cash Flow from Operating	11,257.51	35,367.14	35,112.19	33,599.98	34,783.96

5-Year Sales Revenue (10, 000 RMB)

1,736,107.83 — 2016
2,105,622.47 — 2017
2,423,523.88 — 2018
2,466,197.68 — 2019
2,107,443.73 — 2020

5-Year Operating Profit (10, 000 RMB)

61,486.96 — 2016
96,522.95 — 2017
96,610.02 — 2018
111,643.90 — 2019
20,670.95 — 2020

67% domestic sales revenue

33% international sales revenue

2. Stakeholder Engagement

Stakeholders	Communication	Focus
Stakeholders	• General meetings of shareholders • Investor investigation and survey • Public disclosure of information • "Invest interaction" platform	• In strict accordance with laws, regulations and the "Listing Rules" • Real, accurate, complete and timely disclosure of relevant information • Public disclosure of the value and market value information of the company • Protection of shareholders' rights and interests • ICT transformation
Customers	• 800/400 Customer Service • Customer satisfaction survey • Senior-level exchanges, reciprocal visits • Work with third-party professional advisory bodies	• Cost-effective products and services • Customer satisfaction • Privacy and network security
Government	• Daily government meetings of reporting and communication • Special investigations and on-site meetings Relevant forums for exchange	• Honest and law-abiding operation • Promotion of local economic development • Contribution to tax revenue • Provision of jobs Discharge and treatment of effluents and waste gas Circular economy
Suppliers	• Core supplier conference • Supplier training • Supplier exchange • Field supplier examination Building communication and cooperation platforms	• Anti-corruption and anti-commercial bribery • Financial status • Staff capacity building • Social impact Green products and services Green supply chain Health and safety systems
Employees	• Internal websites and forums of Fiberhome • President's reception day • CICT Periodicals of Fiberhome Trade unions, workers' congress Questionnaire survey	• Rights and interests • Salary and benefit • Career • Employee health and safety • Working environment Employee training
Media, non-governmental organizations	• Media visit • Collection of comments and suggestions • Active provision of promotional materials Participating in formulation of industry standards and industry exhibitions Communication, dialogue and benign interactions with NGOs Establishment of public accounts of WeChat and other new media	• Community public service and charitable activities • Interaction with media • Contribution to NGOs Impact on the sustainable development
Communities or public welfare organizations	• Community communications • Organizing and carrying out public welfare activities	• Focus on environmental protection • Construction of a harmonious community Support to public welfare undertakings

● Stakeholder Engagement

01

In January, since the COVID-19 outbreak in Wuhan, FiberHome quickly responded to it and took a number of actions to care for the health of employees, including introducing a special plan for the use of party dues for epidemic prevention and control, providing subsidies to employees fighting on the front line of epidemic prevention and control and those suffering from the epidemic in life, organizing personnel to conduct a thorough disinfection of the park, and raising anti-epidemic materials for employees returning to work.

02

On March 19, Wang Zhonglin, member of the Standing Committee of the Hubei Provincial Party Committee and Secretary of the Wuhan Municipal Party Committee, carried out a field investigation at the manufacturing workshop of FiberHome system equipment. He asked about the epidemic prevention and control and resumption of work and production, and affirmed FiberHome's contributions to the epidemic prevention and control.

03

On April 30, FiberHome invited Professor Xu Shunsheng, Director of the Mental Health Center of Wuhan University People's Hospital, to give a remote live lecture for overseas employees about epidemic prevention and control and psychological counseling. More than 170 employees from 18 countries including the Philippines and Thailand attended the lecture.

04

On June 3, Zhang Jianhong, Secretary of the Party Committee and Chairman of Hubei Radio & Television Information Network Co., Ltd., and his entourage visited FiberHome. They learned about FiberHome's research, innovation, production, operation, market development, human resources, corporate culture, etc. and conducted in-depth exchanges with the company's leaders.

05

In July, FiberHome took the lead in establishing the Information Technology Commission of the China Society of Emergency Management. At the founding conference, Lan Hai, vice president of FiberHome, was elected as the chairman of the Information Technology Commission. FiberHome will uphold the profound technologies accumulated in respect to intelligent emergency response, big data governance for emergency response, emergency communication, etc., and join forces with outstanding experts and scholars in the industry as well as ecological partners to promote the application of information technologies in emergency management in China.

06

In August, the "2020 OpenInfra Days China" conference was held, which was a top event in the field of open source cloud computing. At the conference, Zou Suwen, Director of FiberHome Cloud Computing System, delivered a speech themed "Intelligent Fusion Cloud Platform Enables Cloud-Side Collaboration". She discussed with the participating experts on the opportunities and challenges for the development of cloud-based platforms in the 5G era, and shared the typical practice of FiberHome in cloud-side collaboration.

07

In September, Shanghai Telecom and FiberHome completed the first single-wavelength 800G+OXC pilot network in China. The test verified the technical maturity of ultra-high-dimensional optical cross-connect products and the technical reliability of the 800G ultra-high-speed transmission board, marking that Shanghai Telecom is striving to advance the high-bandwidth flexible scheduling optical transmission network to the commercial stage of the existing network.

08

On October 23, the 11th China Open Source Hackathon was held in Changsha. FiberHome sent several senior technical experts to participate in the open source projects of OpenStack, openEuler, Hadoop, KubeEdge, etc. They shared experience and technologies with other participants on infrastructure cloud platform, edge computing, etc.

09

On November 20, the 2020 China 5G + Industrial Internet Conference opened in Wuhan. Zhang Bin, vice president of FiberHome network production line, was invited to attend the conference and made a speech on the theme of "creating all-optical base, assisting new infrastructure" at 5G New Infrastructure Forum.

10

On November 25, FiberHome brought "FitDC Data Center Solution and Network Energy Infrastructure" to the 8th China Data Center Code Summit, discussed with leading companies and experts in the IDC industry on industry application cases, technical standards, industrial ecology, etc. and exchanged practices and experiences with each other.

11

On December 25, the signing ceremony of the strategic cooperation between Shanghai Telecom and FiberHome was held in Shanghai. Taking this as an opportunity, the two parties have further achieved resource sharing and complementary advantages. Under the new situation of new infrastructure, they will work together to improve smart city construction in Shanghai and create a new benchmark for cooperation in the industry.
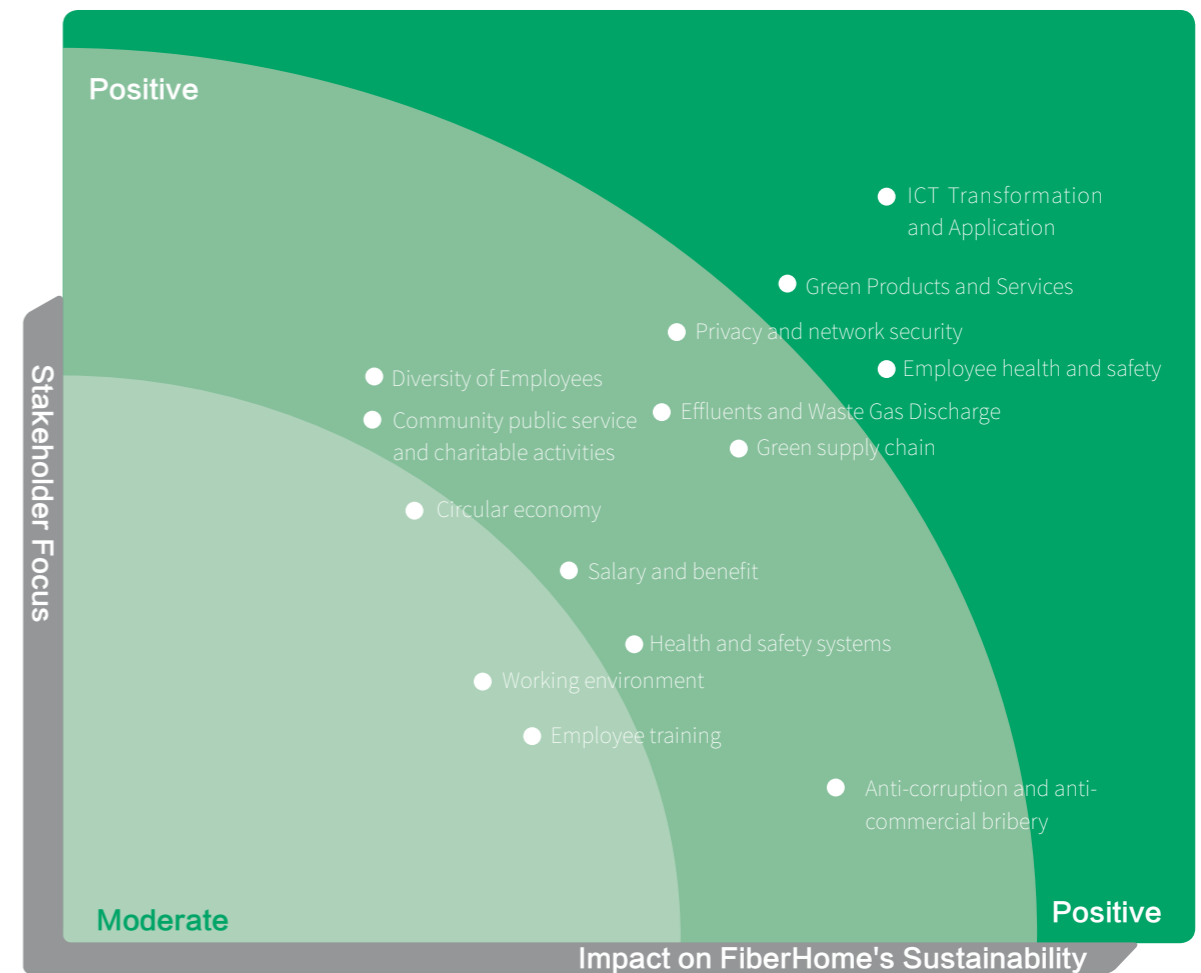
12

On December 30, FiberHome signed a strategic cooperation agreement with Huazhong University of Science and Technology. The two parties agreed to establish a comprehensive and stable partnership on the premise of mutual benefit and complementary advantage to create the "Future Broadband and Smart Media Enterprise-School Joint Innovation Center".

Materiality Assessment

FiberHome listens to and deeply analyzes the voices of stakeholders, and identifies materiality issues by assessing the importance of stakeholders' concerns and their impact on the sustainable development of FiberHome to provide guidance for decisions on optimizing the sustainability strategies and further improving the businesses of the company.

FiberHome carefully studies national policies and industry trends, analyzes them based on the company's strategies and stakeholders' concerns, as well as their impact on FiberHome's sustainable development, and finally chooses the materiality issues as shown in the following matrix for disclosures in the report.

Stakeholder Focus

Positive

- ICT Transformation and Application
- Green Products and Services
- Privacy and network security
- Employee health and safety
- Diversity of Employees
- Community public service and charitable activities
- Effluents and Waste Gas Discharge
- Green supply chain
- Circular economy
- Salary and benefit
- Health and safety systems
- Working environment
- Employee training
- Anti-corruption and anti-commercial bribery

Moderate

Positive

Impact on FiberHome's Sustainability

● Organization for Sustainable Development Joined by FiberHome

FiberHome joined the United Nations Global Compact (UNGC) in November 2017. The United Nations Global Compact was proposed by Annan, then UN Secretary-General Kofi in 1995 and officially launched at the UN Headquarters in July 2000. The "Global Compact" requires compliance with internationally recognized principles in respects of business ethics, respect for human rights, labor standards, and environment by autonomous behaviors, and establishment of a global mechanism for promoting sustainable economic development and improving social benefits through responsible and creative corporate examples to display humanity to world markets. FiberHome will publicly advocate the "Global Compact" and its principles to make it a part of management, strategies, culture and daily operations, and will disclose the methods and progress in supporting the "Global Compact" and its principles in the annual social responsibility report.

You can view the information about FiberHome's participation on the official website of the UN Global Compact:
http://unglobalcompact.org/participant/122731

THE GLOBAL COMPACT

Network China
WE SUPPORT

Ten Principles of the UN Global Compact

1. Businesses should support and respect the protection of internationally proclaimed human rights.
2. Businesses should make sure that they are not complicit in human rights abuses.

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Businesses should uphold the elimination of all forms of forced and compulsory labour.
5. Businesses should uphold the effective abolition of child labour.
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.

7. Businesses should support a precautionary approach to environmental challenges.
8. Businesses should undertake initiatives to promote greater environmental responsibility.
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.

10. Businesses should work against corruption in all its forms, including extortion and bribery.

2 Sustainability Operate

Compliance Operation ■
Safety and Environmental Protection ■
Employee Care and Development ■
Supply Chain Responsibility ■
Business Continuity ■

1.Compliance Operation

● Compliance Management

To implement the "Guidelines for Compliance Management of Central Enterprises (Trial)" issued by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and unified deployment of the company, and build a law-based central enterprise with sound governance, compliance operation, standard management and integrity, the company promotes the implementation of the "Regulations for Corporate Compliance Management" and has established the Corporate Compliance Committee for high quality development of the company. The Corporate Compliance Committee is responsible for organizing, leading and coordinating the work, discussing and deciding on major issues or making suggestions for guidance, supervision and evaluation of compliance management. Meanwhile, the compliance management model by integrating the compliance management office, business department & related administrative departments, and discipline inspection & audit office has formed, which provides an organizational guarantee for the company to standardize the construction of compliance systems, improve its compliance operation and management capabilities, and deepen the reform for sustained and healthy development of the company.

The standardization of processes and regulations is the standard and basic requirement for compliance operation of the company. To follow the international situation and meet the needs of the company's development, the company has carried out special construction of the export compliance system, and issued the "Rules for FiberHome Export Compliance Management" and the "Guidelines for FiberHome Export Control Compliance" in 2020 to ensure that the company can carry out businesses in accordance with laws and regulations.

Meanwhile, the senior management of FiberHome take the initiative to implement the overall compliance requirements in the daily operation and management of the company, and make decisions on the company's major business operations at party committee meeting and president's office meeting in strict accordance with the procedures stipulated by the rules and regulations to ensure the overall operation of the company. In addition, at the manager business analysis meetings (quarterly, semi-annual, or annual) and the congress of the staff and workers of the company, FiberHome senior executives all repeatedly propose that the company should be built to last based on legal and compliance operations, and require all departments and subsidiaries to take legitimacy and compliance first before starting business. A good compliance culture atmosphere has formed in the company due to good examples set by the leadership.

In order to help employees understand the compliance requirements and create a good compliance culture atmosphere, the company has organized six company-level compliance trainings in 2020, laying a good foundation for comprehensively cultivating the company's compliance culture.

● Trade Compliance

The company has developed internationalized operation strategy. To meet the regulatory requirements of different countries, the company attaches great importance to trade compliance to achieve smooth internationalized operations. In order to ensure trade compliance, the company has carried out a comprehensive construction of trade compliance covering all processes in the trade of goods, services, etc. In particular, the company has developed a range of rules and regulations, management measures, and corresponding procedures in respects of trade control, quality safety and technical standards, intellectual property protection, etc. to ensure that the company will not touch the red line in foreign trade. During the process of developing business, the company focuses continuously on trade remedy investigations of anti-dumping, anti-subsidy, safeguards, etc. carried out by countries (regions) involved to ensure that foreign trade can proceed smoothly.

The company attaches great importance to the compliance construction in the context of globalization. For the management of import and export of goods, the company has established an internal management department in strict accordance with the regulatory requirements of each country's government departments of customs, foreign trade management, etc., formulated corresponding business management methods, regulations and procedures, and carried out monitoring through information systems and other modern management tools. The imports and exports department regularly audits the procedures and systems regarding import and export trade, and timely optimizes the existing management systems and procedures based on the audit results. Audits associated have also been incorporated into the overall audit plan of the company.

The imports and exports department regularly audits the import and export documents and compares them with system data, and conducts spot checks on documents and goods to ensure the compliance of documents with credit terms, consistence of documents with goods, and consistence of receipts with system records to guarantee all records of documents, data, etc. are authentic and effective. The regulatory agencies of customs, foreign trade management, etc. also conduct routine inspections on enterprises aperiodically to ensure that the businesses are authentic, legal and compliant.

In the face of the complex international situation this year, the company has established a customer evaluation system to determine the compliance of businesses based on a series of indicators such as client's country and customer's credit status to reduce risks of international trade.
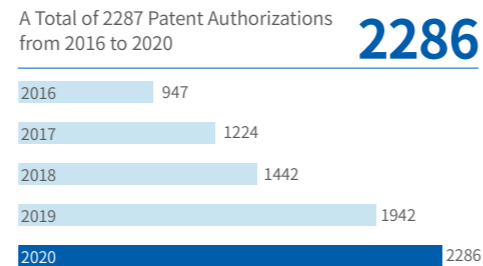
The overseas subsidiaries and representative offices of the company comply with local laws and regulations when carrying out operations in the countries where they are located. Meanwhile, the headquarters strictly controls fund and contract risks in accordance with the procedures stipulated in the rules and regulations in the daily management of overseas subsidiaries and representative offices, and has hired permanent legal advisors from legal service agencies in major countries or regions to ensure compliance operation.

● Protection of Intellectual Property

FiberHome has always valued intellectual property. Under the guidance of the scientific outlook on development, the company comprehensively implements the national intellectual property strategy and has formulated its own intellectual property strategy in accordance with the policy of encouraging creation, effective use, legal protection, and scientific management. The company has specially set up an intellectual property department which undertakes the implementation of the intellectual property strategy. In addition, the company has established a relatively perfect enterprise intellectual property management system to strengthen the guiding role of intellectual property in company management. FiberHome invests more than 10% of sales revenue in research and development every year, and encourages R&D personnel to apply for patents through incentives.

FiberHome pays attention to the protection of intellectual property, and upholds the market order of fair competition, creating an intellectual property culture focusing on respecting knowledge, advocating innovation, honest and law-abiding.

As of December 31, 2020, a total of 2,286 patents have been authorized. FiberHome has owned 1,530 authorized invention patents, and applied for 3,799 Chinese patents and 316 international PCT patents. In 2020, the company won one China Patent Silver Award and one Hubei Province High-value Patent Gold Award. The company has developed and published more than 60 international standards, formulated more than 530 national standards and communication industry standards, and submitted more than 800 proposals to the International Organization for Standardization.

A Total of 2287 Patent Authorizations from 2016 to 2020

2286

2016	947
2017	1224
2018	1442
2019	1942
2020	2286

2020

A total of **1,530** authorized invention patents owned

A total of **3,799** Chinese patents applied

A total of **316** international PCT patents applied

1 China Patent Silver Award
1 Hubei Province High-value Patent Gold Award

A total of **1,530** authorized invention patents owned

A total of **3,799** Chinese patents applied

A total of **316** international PCT patents applied

● Anti-corruption and anti-commercial bribery

FiberHome has always adhered to honest operations and shows zero tolerance to bribery and corruption. FiberHome requires its employees or third parties who engage in business activities on behalf of the company to comply with the laws and regulations of the host country as well as anti-corruption and anti-commercial bribery requirements of customers. The company requires employees in key positions to learn about integrity employment and sign integrity commitments before taking up their jobs, and delivers anti-commercial bribery

requirements to partners and signs integrity agreements with them. Meanwhile, the company has set up reporting channels publicly to encourage reporting violations of discipline and regulations.

Focusing on the overall deployment of its reform and development, FiberHome adheres to the policy of "addressing both symptoms and root causes, comprehensive treatment, simultaneous punishment and prevention, and attention to prevention", and has taken a number of measures to strengthen the construction of anti-corruption and anti-commercial bribery management systems.

Continuing the Construction of Systems and Standards

The company has established a working mechanism integrating discipline inspection, audit, legislation, and human resources, and promoted the construction of integrity risk prevention and control mechanism for corrosion prevention and punishment. In 2020, the company has updated management systems regarding human resources, finance, procurement, administration, etc., tightened institutional constraints focusing on key projects, areas, and positions, established and optimized relevant systems and documents. FiberHome has developed the "Measures of FiberHome's Commission for Discipline Inspection on Strengthening the Daily Supervision of Directly-Managed Cadres", and updated the "List of Supervisory Responsibilities of FiberHome's Commission for Discipline Inspection for the Construction of the Party's Work Style and Clean Government", "Measures of FiberHome for Implementing the Supervision and Inspection of Three Importance and One Greatness Policy-Making System" and other systems.

The company continues to standardize power exercise and management behavior, and improves rules and regulations against problems and loopholes found in disciplinary reviews, inspections, internal and external audits, such as "Measures of FiberHome for Supplier Certification and Management", "Regulations on Strengthening the Management of Local Logistics Business (Interim)", etc. Meanwhile, the company continues to establish and improve the "great supervision" mechanism of party work style and clean government and corruption prevention, and has developed and issued the "Implementation Measures on Establishing a Coordination Mechanism for Party Work Style and Clean Government Building and Anti-corruption". Meanwhile, FiberHome has optimized the processes during supervision and disciplinary review, and handled clues to

Strengthening Routine Supervision and Review

The company continuously strengthens the personnel selection and appointment supervision regarding the management and supervision of "critical minority" of leading cadres. The company's Commission for Discipline Inspection and HR Department have created clean administration files for more than 800 administrators and updated them dynamically, realizing the full coverage of cadre supervision. In regard to the supervision of practices of leading cadres when performing their duties, the company's Commission for Discipline Inspection conducts a yearly integrity evaluation review on cadres whom the company intends to promote or appoint, and proposes opinions for nearly 200 cadres on their integrity evaluation to prevent "sick promoted" or "sick employed".

During supervision and management of daily behavior, FiberHome focuses on implementing the spirit of the CPC Central Committee's eight-point decision and the requirements of the company's systems on discipline, and continuously carries out supervision and inspections in major holidays and key business areas. Meanwhile,

FiberHome opens channels for reporting through letters and visits, improves the democratic supervision mechanism, and encourages employees to participate in supervision.

In order to better play the role of inspection and supervision, the company conducted an inspection on its subordinate company - Wuhan FiberHome Integration Technology Co. Ltd. The company found problems and risks in the "examination" of the inspected unit regarding the strengthening of party's leadership, building of party style and clean government and anti-corruption, operation management and risk control, and has urged the inspected unit to make corrections to promote regular supervision.

Integrity Culture Construction and Training

FiberHome continues to strengthen the ideological education of leading cadres and employees, takes the company's intranet and mobile Apps as the main platforms for promotion of style correction and anti-corruption work, honesty education and risk prompts. Every year, FiberHome produces products regarding integrity culture and sends them to leading cadres for reminding them of keeping cleanness in their daily work. Every quarter, FiberHome prepares brief reports for middle and senior managers to strengthen ideological education on them. More than 3,000 employees in key positions have been trained regarding incorruption education. FiberHome has organized hundreds of employees in key positions to sign the "Letter of Commitment for Incorruptible Employment", and promoted the incorruption culture to all employees to help them recognize the anti-corruption situation and untouchable "red line" of discipline. Through lectures, columns, exchanges and sharing, FiberHome has educated and trained all employees about incorruption culture, and spread the culture to grass-roots staff.

FiberHome practices a zero-tolerance approach against corruption in procurement and promotes sunlight procurement. FiberHome requires all cooperative suppliers to sign an agreement on incorruption and honest with the requirements as follows:

The supplier shall abide by applicable laws on incorruption and self-discipline, and comply with relevant industry regulations;
The supplier shall carry out honesty and integrity education on its employees to allow them to develop good professional ethics and practice;
The supplier and its employees shall not bribe, or bribe in any disguised form, the employees of the buyer and its affiliates;
The supplier and its employees shall not present "gifts, securities and payment vouchers" and "communication equipment, vehicles, non-low-value cultural articles and other valuables" to the employees of the buyer and its affiliates in any form;
The supplier and its employees shall not organize the employees of the buyer and its affiliates to participate in activities such as tourism, high-consumption entertainment, and meetings in tourist attractions;

The supplier and its employees shall not arrange jobs for the relatives or friends of the employees of the buyer and its affiliates, nor pay them expenses that should be paid by the employees of the buyer and its affiliates on their own;
If the supplier is related to the buyer and employees of its affiliates, no related transactions shall be carried out between the parties to this agreement;
The supplier shall support the buyer's honest and integrity building. If the buyer and employees of its affiliates solicit bribes from the supplier in daily business activities, the supplier must reject them and complain to the procurement inspection department or competent department of the buyer;
Without the buyer's consent, the supplier shall not deliver to the buyer products that he knows well they do not meet the material technical specifications;
Without the buyer's consent, the supplier shall not promote to the buyer products that do not conform to the development trend of the industry or do not meet the supplier's development roadmap;
Documents, materials, data, statements and oral statements provided by the supplier to the buyer and its affiliates shall be authentic and accurate;
The supplier shall strictly keep commitments made to the buyer, and provide products with good quality and correct quantity on time. The supplier shall make reasonable quotation and shall not commit fraud in business activities;
The supplier shall not discontinue production in advance, nor stop supplying products in violation of promises. The supplier shall not provide shoddy products or cut corners;
Where there is a direct relationship (including parents, children, spouse) and other close relationships between employees of both parties, they shall apply for withdrawal when conducting business transactions.

FiberHome provides opportunities to appeal for any cooperation with suppliers, and the company's Disciplinary Inspection Office independently reviews its compliance and fairness on behalf of the company. The company's Disciplinary Inspection Office conducts independent investigations on any clues of corruption, feeds back the results, and keeps confidential the identity of the reporter. FiberHome will strictly hold violators accountable for any verified violations of discipline and corruption, and will never shield them.

FiberHome has developed the requirements and measures for purchasing staff against corruption:

FiberHome has zero tolerance for corruption during procurement and promotes sunlight procurement. The company requires all cooperative suppliers and its procurement personnel to sign a letter of incorruption commitment, regarding compliance with laws and regulations, rejection of corruption, integrity and self-discipline, confidentiality obligations, etc.

2. Safety and Environmental Protection

● Building Emergency Response System

In 2020, the company has made adjustments to the Safety Production Committee, the Fire/Occupational Health/Environmental Protection Leading Group, and updated eight system documents of safety plan for emergency filed at the Emergency Management Bureau of the East Lake New Technology Development Zone to ensure the operation of the emergency system.

2020

Safety drills by
15,000
person-time

● Safety Compliance

Safety Production

The company has assessed the safety status of Guandong Science & Technology Industrial Park, and found 159 problems, all of which have been resolved for correction. The company's risk map has been updated.

### Occupational Health Monitoring

The company strictly implements the occupational health and safety management systems, and physical examinations of employees before, during and after jobs to minimize occupational health and safety risks. In 2020, the company has completed the occupational disease hazard factor testing, and organized 820 employees to take the annual occupational disease physical examination where no occupational disease has been found. The company has passed the on-site review of "Hubei Healthy Enterprise".

Environmental Protection

The company has passed the "clean production" audit by external organizations in 2020, with all up-to-standard monitoring data on environmental protection, and has been awarded the "Whitelist" enterprise in the East Lake New Technology Development Zone.

Fire Safety

The company has established a fire control room in accordance with the "211" standard, and FiberHome Fire Control Room has been rated as the model fire control room in the the East Lake New Technology Development Zone.
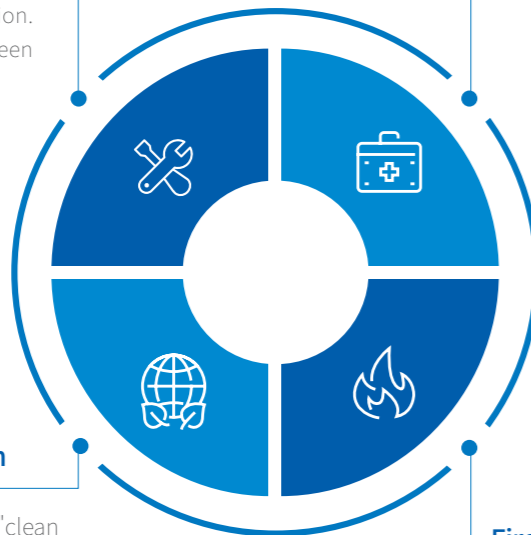
● Resource Investment and Responsibility Implementation

Detection and rectification of hidden danger

In 2020, an expert group has formed by 8 registered safety engineers, with a full participation of 83 employees from the safety management system. Focusing on the three-year campaign to solve production safety problems, the expert group has carried out 21 routine inspections, 11 company-level joint inspections, 4 night inspections, 3 document reviews, identification and rectification of 171 safety hazards, with a rectification rate of 100%.

Implementing the Primary Responsibility of Safety Management

The company has signed letters of responsibility and commitment on integration objective management with its 39 subordinates, further clarifying the work objectives and corresponding responsibilities in aspects of safety production, fire protection, comprehensive public security management, etc. All subordinates have carried out their work in strict accordance with the requirements of the "Letter of Responsibility for 2020 Integration Objective Management" issued by the company, and no security accidents occurred in the company throughout the year.

Environmental Protection Compliance

The Company continues to introduce "safety housekeeper" and "environmental housekeeper" to provide comprehensive technical support and services internally and help the company analyze laws and regulations and policies externally, and has completed environmental impact assessment/acceptance 6 times and safety assessment/acceptance 3 times this year to ensure that the company's "three simultaneous" legal compliance and emissions of four wastes (waste gas, waste water, waste heat, waste residue) are strictly up to standard.

● Epidemic Prevention Management

The company has held a special meeting for 2020 epidemic prevention and safety production, and comprehensively arranged the epidemic prevention work. 200 employees including safety system personnel, voluntary firefighters, and property security personnel from each unit have engaged in the epidemic prevention and control. The company has issued the "COVID-19 Prevention and Control Handbook", "Regulations for Distribution of Epidemic Prevention Materials", "Interim Provisions on Medical Treatment" and special emergency plans. 10,734 employees from the company have participated in the training and assessment and resumed work after passing the training and assessment. After the resumption of work and production, the company has strictly implemented body temperature monitoring of personnel entering and exiting the park and "health code" checking. The company has carefully implemented "double temperature measurement", and organized all departments and subsidiaries to measure the temperature of each employee twice a day; strictly implemented the emergency procedures, and sent 13 persons with abnormal body temperature for doctor; organized all employees to take nucleic acid testing in December with all negative results. Conducted disinfection of the park to ensure the health and safety of employees.

With concerted efforts of all parties, the company has collected 6.01 million masks, 10 sets of integrated infrared temperature measurement equipment, 15,000 pairs of gloves, 1.25 tons of disinfectant, more than 300 sets of protective clothing, 15,000 pairs of goggles, and 150 infrared temperature measuring guns, to provide support for the epidemic prevention.

● Strengthening Team and Culture Construction

The concept of "people oriented, incremental health, and total involvement" on healthy development proposed by the company has been highly praised by China Enterprise Confederation, China Entrepreneurs Association, and Wuhan Municipal Health Commission. In October 2020, FiberHome was selected as one of the 7 pilot enterprises for Healthy China Initiative.

FiberHome has carried out 375 security trainings in the company, and answered questions by 50,000 person-times online. There have been 12,000 views of security education video, and 15,000 participants in 24 emergency drills.

The company continues to strengthen the education and training on security system personnel. In 2020, a total of 240 direct-managed cadres and managers have obtained certificates, among whom 67% headquarters managers have certificates.

2020

375
security trainings

50,000
person-times

● Energy Conservation and Environmental Protection

As a responsible central enterprise, the company fulfills the obligations of leading and demonstrating in fulfilling corporate social responsibilities, abides by the requirements of relevant national laws and regulations, conducts environmental protection publicity work, and popularizes environmental protection knowledge to all employees through platforms to strengthen employees' awareness of environmental protection.

Reducing energy consumption by **694** tons of standard coal through energy saving and emission reduction

Reduction of greenhouse gas (CO_2) emissions by **2,719** tons

Disposing **4.88** tons of HW06 waste organic solvents and waste containing organic solvents in 2020

Disposing **8.1** tons of waste circuit boards (HW49) and **25.14** tons of other waste (HW49) in 2020

Recycling waste water from production which can save about **360,000** tons of water every year

Packaging products with environment-friendly materials which can be reused and degraded naturally
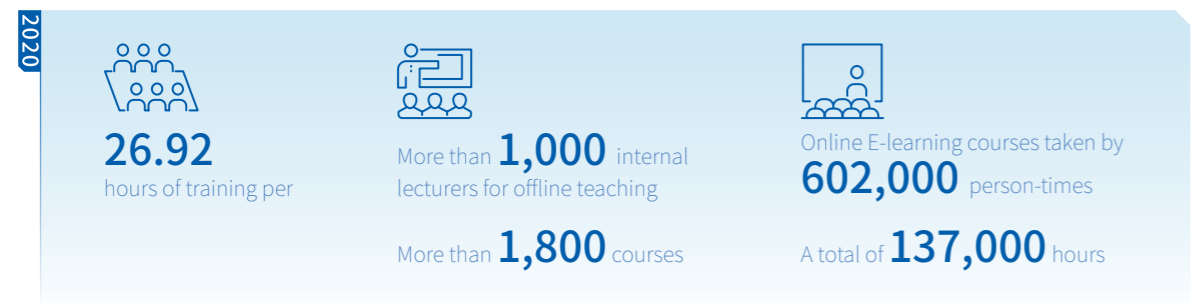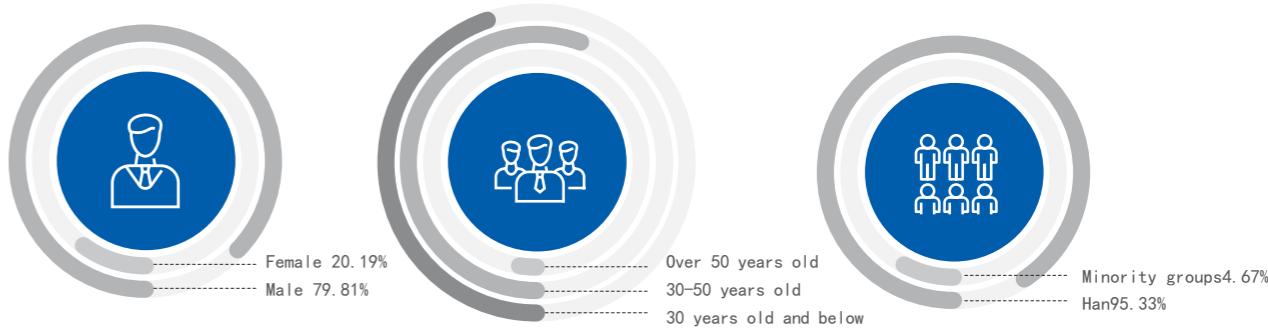
3. Employee Care and Development

Fiberhome follows the talent value of "people-oriented" and regards employees as most precious wealth. The company has built a talent training system with FiberHome characteristics to provide employees with opportunities for training, learning and career development and inspire employees to give full play to their potential to realize self-development and value. The company tries to create a pleasant and harmonious working environment to enhance employees' sense of belonging and happiness, and impels employees continuously to improve themselves.

Care for employees with people orientation, agglomerate mental efforts by heart-warming measures. The company established "FiberHome Employee Care Fund" in 2019. Since then, the company has always adhered to the principles of fairness, justice, openness, emergency relief, and use of funds for specific purposes to solve the difficulties of employees in practical life. At present, many colleagues and family members have received care and help.
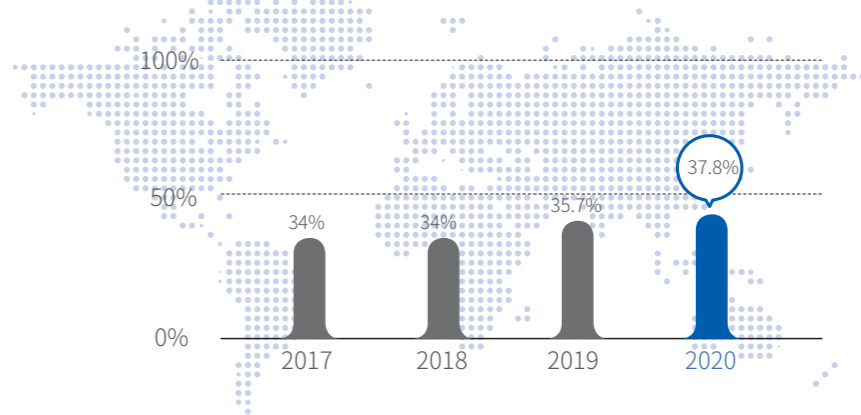
FiberHome encourages internal knowledge sharing, creates a learning atmosphere, and organizes training on employees by means of offline teaching, online learning, etc. In 2020, the company's employees have received 26.92 hours of training per person. In 2020, more than 1,000 internal lecturers have carried out offline training, covering more than 1,800 courses for nearly 4,000 hours, providing employees with sufficient opportunities for learning. E-learning courses from online platform have been taken by 602,000 person-times, with a total of 137,000 hours, providing a convenient way for employees to learn.

2020

26.92
hours of training per

More than **1,000** internal lecturers for offline teaching

More than **1,800** courses

Online E-learning courses taken by **602,000** person-times

A total of **137,000** hours

关爱基金
申请通道
烽火通信员工关爱基金

Personnel Structure

Female 20.19%
Male 79.81%

Over 50 years old
30-50 years old
30 years old and below

Minority groups4.67%
Han95.33%

Overseas Localization

100%

50%

0%

34%   34%   35.7%   37.8%

2017   2018   2019   2020

Cadre Management

Over the years, FiberHome has been strictly following the cadre evaluation standards for cadre assessment and appointment, basically realizing the orderly flow of the cadre, i.e., enrollment and dismission, as well as promotion and demotion of personnel.

Women account for 10% of top management positions.

Female
Male

10%

● Employee Welfare Guarantee

The Company strictly abides by national and local laws and regulations in all aspects such as salary, welfare and insurance, paid leave and protection of female employees to protect the personal interests of employees and the enjoyment of various rights and benefits.

The Company strictly follows the national regulations to provide "five insurance and one fund" (pension, unemployment, medical, maternity, work injury and housing fund) for employees. At the same time, the Company provide employees with supplementary medical insurance, accident insurance, overseas insurance, overseas rescue, corporate annuity and "talent house" benefits, etc. In addition, the Company formulates other welfare policies according to the annual business performance.

The Company strictly implements national policies and regulations on employees' working hours and leave management, and implements leave systems such as paid leave for employees and leave for female employees during pregnancy and breastfeeding. The percentage of male employees returning to work after paternity leave is 100%, and the percentage of female employees returning to work after maternity leave is 100%.

The company has set up a special medical station, and formulated different medical checkup packages according to the age and work nature of employees for annual health checkups, and provided a full range of health management services for employees, such as health consultation, health program promotion, various health cultural and sports activities, first aid training and emergency drills. To facilitate employees' commuting to and from work, the Company has provided more than 60 shuttles to the three towns of Wuhan. In order to ensure the health, safety and nutrition of employees' catering, the Company strictly formulates the system standards of each link of canteen operation, scientifically dividing the functional blocks of canteen, configuring the food sample retention area, and registering and managing the reserved food sample every day. At the same time, for different groups, the Company provides other types of welfare guarantee in a timely manner, such as female employees' health fee, solatium for the International Women's Day on 8 March, solatium for the Army Day, high and low temperature allowance, nutrition fee, etc.

● Diversity and Equal Opportunities

As an international company, we actively create a diverse, respectful, equal and harmonious employment environment, strengthen a diverse talent pool, form systematic rules and regulations, act in accordance with the rules and regulations in practice, and continue to make continuous improvements so that all employees have the same opportunities to work, learn and develop regardless of their gender, ethnicity, race or religious beliefs.

The Company stipulates that the hiring, promotion and remuneration of personnel are not affected by race, ethnic or social origin, social class, family background, religion, disability, pregnancy, gender, sexual orientation, family responsibilities, marital status, group membership, political views, age or any other circumstances that can cause discrimination, explicitly prohibits forced labor, restriction of freedom, use of child labor, and respects employees' rights to freedom of association and collective bargaining in accordance with the law. In addition, the Company has established a series of policies and procedures in compliance with laws and regulations, including the Discrimination Control Procedures, which cover employees' personal rights and interests, respect for personality, freedom of association, working hours, wages and benefits, health and safety, environmental protection, and improvement of working conditions, and treats all employees equally. The Company has set up a multi-channel and effective communication mechanism, with a dedicated line to receive and accept employees' complaints and opinions. Personnel belonging to the Company and outside personnel, social groups have the right to monitor or complain about the company's behavior. The union organization represents the interests of the employees and negotiates with the Company. There is no incidents of discrimination, recruitment of child labor, forced labor and limitation of freedom in 2020, and participation in collective bargaining agreements covers 100% of the total percentage of employees.

All employees shall learn a series of human rights policies and procedures, including the Discrimination Control Procedures, in accordance with company requirements, and have received 23.96 hours of training per person in 2020.

● Employee Compensation and Performance

In order to ensure the realization of the company's organizational performance objectives, carry out employee performance management. By evaluating the actual achievement of employee performance objectives and performance in the process of accomplishing performance goals, we can assess employee contribution and ability and make fair distribution, and the gap analysis and improvement plan implementation in employee performance management can help employees improve their performance level and enhance their professional competency. Doing so allows them to achieve their own needs and increase their satisfaction while achieving organizational goals.

Employee compensation is determined by the value of the position, the competency of the incumbent, and the value created by the incumbent, and is determined through job evaluation, competency evaluation, and performance evaluation, and there is no differentiation of minimum wage rates by gender.

Basic principles of compensation management of the Company:

1 Employee compensation is in line with the Company's business results and team performance

2 Determine employee compensation levels based on the employee's position, competency and contribution to the organization

3 High stakes brings out high returns, the Company gives higher reward expectations to those who take higher risks

4 Encourage extra efforts and unique contributions by giving special rewards to personnel with unique contributions

5 Encourage incremental and excess output, and give excess incentives to personnel with excess output

4. Supply Chain Responsibility

As a responsible enterprise, FiberHome encourages long-term cooperation based on win-win situation, opposes short-term behavior, pays attention to supply security and supply risk, keeps a watchful eye on supply chain compliance and sustainability, continuously improves the integration of sustainable development into procurement management business, enhances the weight of sustainable development in supplier certification, performance evaluation and procurement decision, etc., promotes suppliers to develop sustainably together through procurement business management, reduces supply chain risk and improves supply chain competitiveness.

● Sustainable Sourcing

FiberHome extends the requirement of enhancing sustainable development business to its suppliers and their downstream, continuously improving the level of social responsibility of suppliers, strengthening the common development of strategic partners, promoting the sustainability of the industry, and providing effective guarantee for a healthy and stable society.

Supplier Management

The Company has established a full lifecycle supplier management structure by integrating sustainability requirements into new supplier certification management and stabilizing the implementation through performance management.

Risk Management

Integrate a team of category management experts to continuously optimize the management of the supplier resource pool, identify potential risks to the pool in a timely manner, and incorporate sustainable supply into the resource pool management.

Supplier Capacity Building

Organize communication and training with suppliers as needed to guide them to incorporate sustainable development into their strategic planning, improve efficiency and reduce operational risks. We have signed integrity agreements with our suppliers to create a fair, open, just and honest "Sunshine Purchase" platform.

Environmental Requirements

FiberHome requires and guides suppliers to restrict and reduce the application of restricted chemical substances in products and components. Based on the QC080000 Management System, the company has developed hazardous substance control requirements and implementation rules, further strengthening the prior control of risks of hazardous substances and guaranteeing the implementation of the comprehensive RoHS compliance strategy.

Global Sourcing

As our overseas business grows, we continue to promote local sourcing and supply chain diversification to reduce procurement costs and promote local employment and economic development. We encourage suppliers from different countries and cultures to join our sourcing cooperation more fairly, equitably and openly, while also continuously coaching and enhancing the capabilities of our suppliers to create a global diversified supply chain platform. Responding to the Belt and Road Policy, FiberHome is now developing rapidly in the Asian regional market, gradually diversifying local procurement categories, driving local appreciation, establishing a good image for Chinese enterprises overseas, and gaining praise and trust from local customers, suppliers and employees.

60% expenditures of the company for purchasing some products in Wuhan， **85%** expenditures of overseas subsidiaries for local procurement

● New Supplier Certification Management

New supplier development follows the principles of targeting, complementing each other's advantages, and admitting the best examinees, and requires comprehensive inspection and evaluation of procurement, quality, technology and process before introduction. The backbone of new supplier certification is introduced by going through a preparatory supplier certification process, with the following key control factors.

Investigation and evaluation phase

Perform credit investigation of new suppliers and confirmation of relevant information through communication, and new suppliers must sign "Supply Cooperation Agreement" of FiberHome, which contains subsidiary agreements such as "Confidentiality Agreement", "Supplier PCN Management Agreement", "Supply Assurance Agreement", "Quality Agreement" and "Environmental Protection Agreement", specifying the requirements in safety, integrity and honesty, social responsibility, intellectual property rights, life cycle, HSF (environmental protection) system, etc. According to the credit information and documents provided by the suppliers, we will evaluate the suppliers according to the supplier threshold evaluation table, select the suppliers that meet the threshold criteria and exclude the suppliers that fail to meet FiberHome's threshold requirements. The Supply Cooperation Agreement specifies the buyer's requirements for the supplier in terms of safety, integrity and honesty, social responsibility, intellectual property rights, product life cycle, etc.

FiberHome requires all cooperative suppliers to sign the SA8000 Social Responsibility Commitment and Environmental Protection Agreement, and performs due diligence on all cooperative suppliers, and requires those who fail to meet requirements to rectify the situation within a definite time.

1. For new suppliers who pass the investigation and evaluation stage, an examination factory team composed of quality, technical, technological and commercial personnel is formed to conduct a full range of on-site management audits on suppliers, including: quality, technology, technology, environment, environmental protection, safety, supply, social responsibility, etc., where social responsibility is audited specifically on suppliers in accordance with the "Social Responsibility System Audit Form (CSR)", with audit elements and items involving child labor, forced labor, health and safety, freedom of association and collective bargaining rights, discrimination, disciplinary measures, working hours, wages and compensation, management systems and other aspects. Suppliers fail to meet CSR audit cannot be introduced. In 2020, a total of 49 on-site CSR system audits of suppliers for new brand introduction were implemented, no non-conformities were found, and the audit conclusions were all up to qualification.

After the inspection, the supplier quality engineer will summarize and organize the site inspection form and inspection report. For the non-conforming items found in on-site audit, FiberHome requires suppliers to complete the rectification by the deadline, and re-audit and confirm the actually completed rectification.
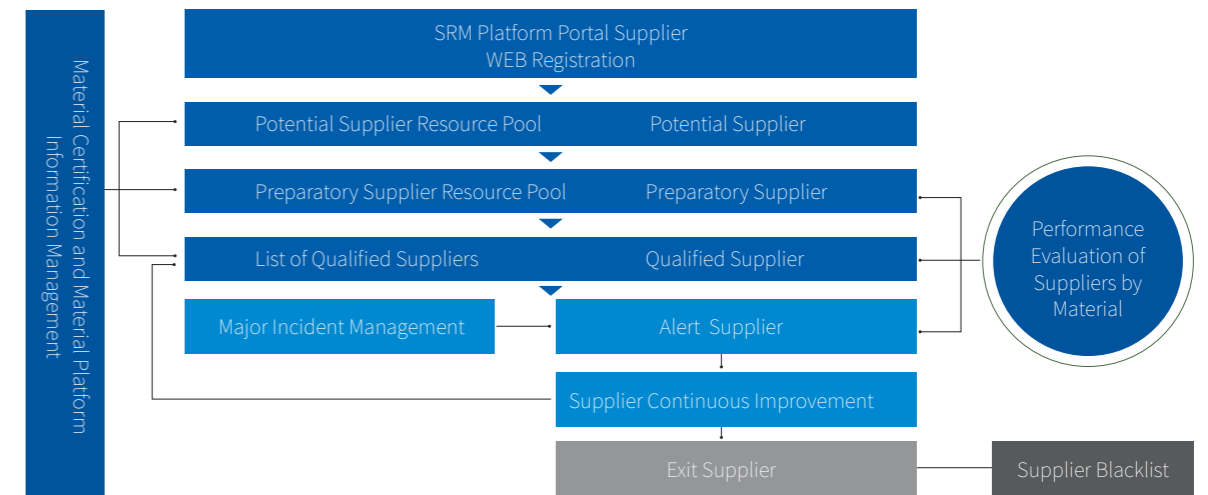
2. For suppliers who have passed the examination of factory certification, start the certification of supplier materials, for sample test certification.

Factory examination/ sample certification stage

Comprehensive Review for Approval Stage

New suppliers who have passed the stage of factory certification and sample certification will be submitted by the supplier management engineer to the working group leader for review of the application for approval of the preparatory suppliers, and will be submitted by the working group leader to the members of the decision making group for review and approval before the new suppliers can be included in the supplier resource pool.

● Supplier Life–Cycle Management

1. The supplier management structure, for strict control of the introduction of new suppliers is as follows. Through the comprehensive performance assessment of cooperative suppliers by material classification and guiding cooperation of suppliers, promote continuous improvement of suppliers, and timely eliminate non-cooperative and unqualified suppliers.

Material Certification and Material Platform Information Management

SRM Platform Portal Supplier WEB Registration

Potential Supplier Resource Pool — Potential Supplier

Preparatory Supplier Resource Pool — Preparatory Supplier

List of Qualified Suppliers — Qualified Supplier

Major Incident Management — Alert Supplier

Performance Evaluation of Suppliers by Material

Supplier Continuous Improvement

Exit Supplier — Supplier Blacklist

Optical Device, IC, Structure, General Electronics, Small Device, O Products

Excellent
Good
Moderate
Poor

Supplier Performance Appraisal System

Quality | Delivery | Technology | Cost

Supplier Continuous Improvement Program

2. FiberHome strengthens sustainable cooperation with suppliers from the following aspects:

FiberHome respects the intellectual property rights of cooperative suppliers and cooperates with mainstream suppliers in the industry;

FiberHome strengthens communications with suppliers, develops improvement plans with major suppliers every year, and conducts quarterly communications with them on a routine basis. The company develops factory inspection plans every year, reviews suppliers' field management to help suppliers improve quality management, process management, safety management, environmental management, product life cycle management, honest and integrity management, social responsibility management, etc., follows up and supervises improvement of suppliers' non-conformance, restricts cooperation with unfavorable suppliers, and conducts closed-loop management.

FiberHome conducts supplier status management, implements life-cycle management of suppliers, and has established supplier management mechanisms by category and level for dynamic management of entrances and exits of suppliers. The company adopts different approaches for sustainable management of suppliers in different states to continuously optimize the existing resource pool and guarantee vitality of suppliers for sustainable cooperation.

FiberHome conducts management of supplier performance evaluation and improvement. The company assesses and evaluates suppliers in respects of quality, delivery, technology, cost, etc. every quarter. FiberHome develops improvement plans for unqualified suppliers, and formulates collaborative improvement plans for key suppliers which determine key items regarding supplier quality, delivery, business, service, etc. to guide and assist suppliers for improvement and sustainable cooperation between both parties. In 2020, 32 suppliers have been improved through collaboration.

FiberHome strengthens risk management to ensure the sustainability of supply and cooperation. 1. Pay attention to supplier's financial data and operating conditions, identify suppliers with risk warning in advance, and take measures to respond; 2. Timely identify potential risks in resource pool and material supply and take measures to deal with them, and continuously optimize the resource pool of each category; 3. Pay attention to industry supply and demand, impact of related policies on industry development, supply, etc., conduct coordinations between company and supplier for making response strategies; 4. Establish and improve the supply risk management mechanism, eliminate or reduce risks as much as possible to ensure business continuity through early warning and reverse promotion.
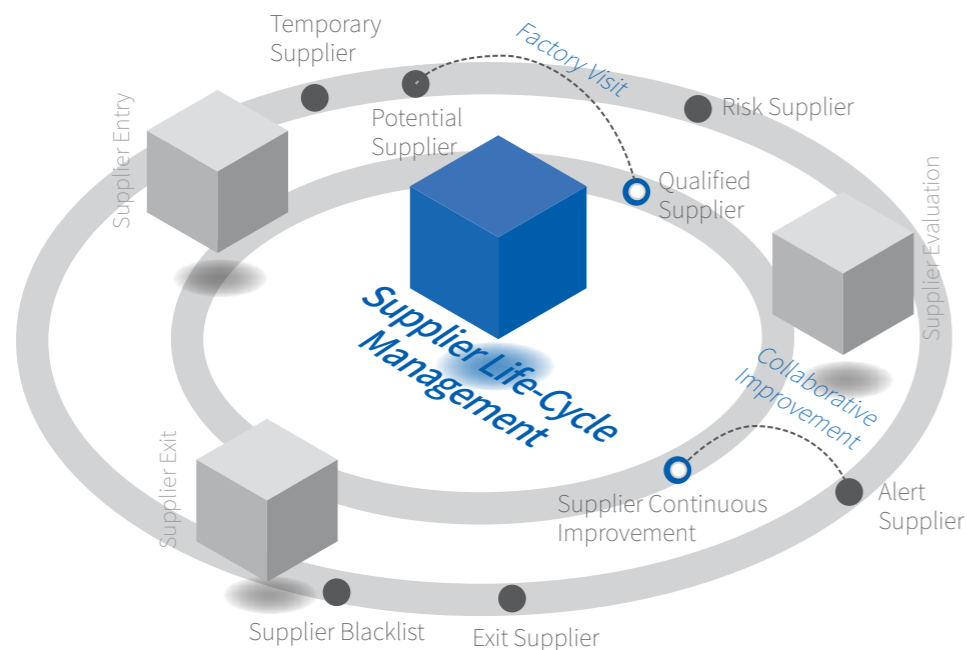
5.Business Continuity

In recent years, natural disasters and human error accidents have occurred frequently, which brings great uncertainties and risks to the company's environment. In the context of the current international division of labor, the procurement, manufacturing, logistics, and services of the company have to rely on third-party vendors and professional institutions, so business continuity management is at least important for the company.

In 2018, FiberHome introduced the ISO 22301 Business Continuity Management System and obtained the certificate in accordance with the requirements of the ISO22301 standard and the company's current situation. After more than two years of construction, the company has established an end-to-end (supplier-to-customer) business continuity management system in the fields of procurement, manufacturing, logistics, services, etc.

1. The organizational structure and responsibilities of FiberHome business continuity management system are as follows:
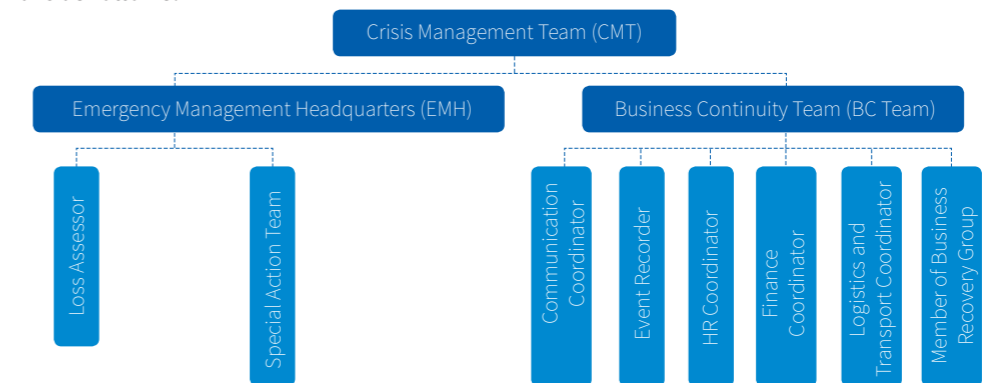
- The Crisis Management Team (CMT) is composed of the top management of the company and is the highest management body for the company to respond to crises. It is mainly responsible for decision-making and guidance on crisis response and disposal, and providing support for mobilizing resources required;
- The Emergency Management Headquarters (EMH) takes full responsibility for directing and coordinating emergency response services of the company;
- The Business Continuity Team (BC Team) is responsible for handling business interruptions of the company;
- EMH is composed of general commander (acted as by the president), deputy commander, person in charge of party and league union, first responsible person of each department's subsidiary and leader in charge of safety.

2. FiberHome Business Continuity Plan

By business impact analysis and risk assessment, FiberHome has established 8 business continuity plans regarding key material interruption, key material delivery and transportation interruption, technology interruption, and long-term power supply interruption against major risks that cause company's interruptions. In addition, the company continuously improves the awareness of business continuity and its ability to respond to emergencies through trainings and drills to ensure suppliers-to-customers business continuity of the company.
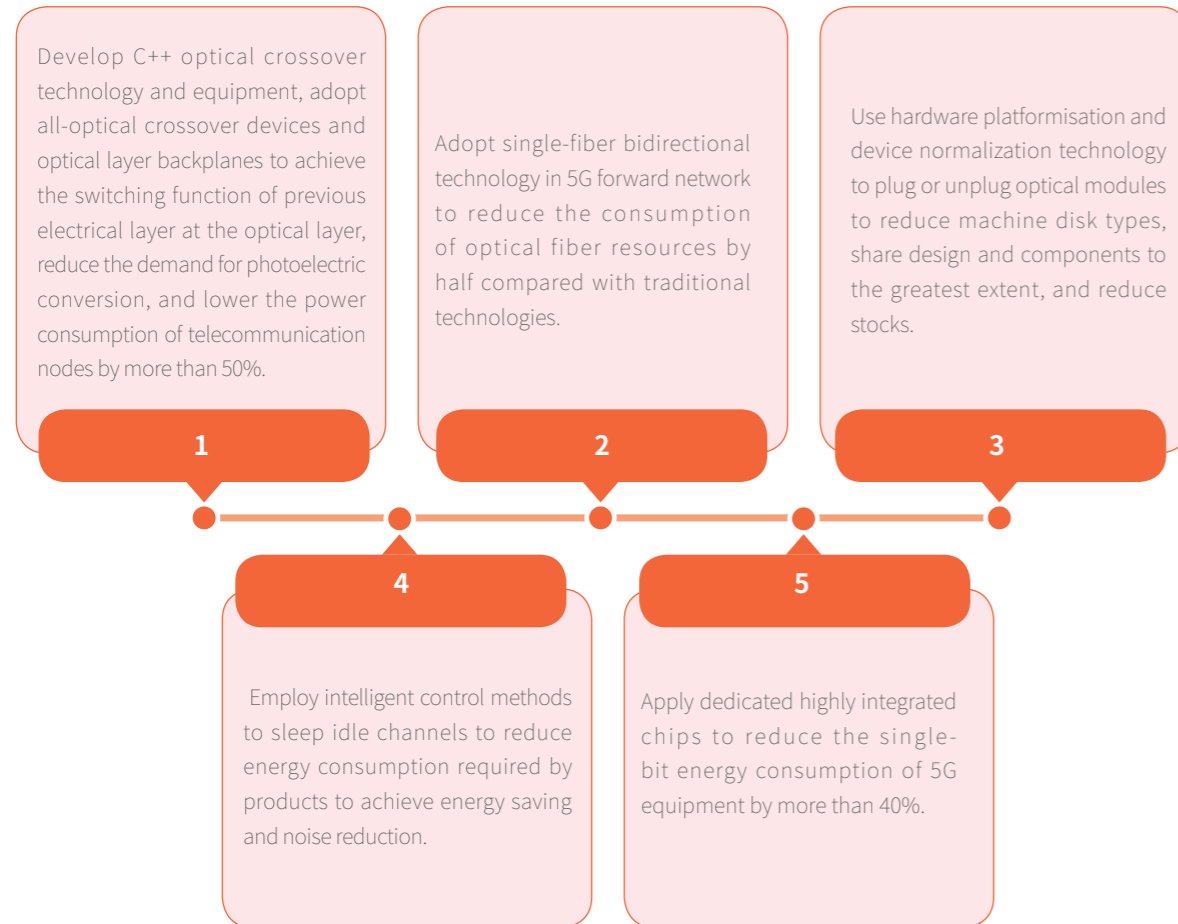
3 Sustainable Products and Services

Green Products ■
Green Production ■
Green Certification ■
Security and Privacy Protection ■

1. Green Products

● Commitment of Green Optical Network to Energy

1 Develop C++ optical crossover technology and equipment, adopt all-optical crossover devices and optical layer backplanes to achieve the switching function of previous electrical layer at the optical layer, reduce the demand for photoelectric conversion, and lower the power consumption of telecommunication nodes by more than 50%.

2 Adopt single-fiber bidirectional technology in 5G forward network to reduce the consumption of optical fiber resources by half compared with traditional technologies.

3 Use hardware platformisation and device normalization technology to plug or unplug optical modules to reduce machine disk types, share design and components to the greatest extent, and reduce stocks.

4 Employ intelligent control methods to sleep idle channels to reduce energy consumption required by products to achieve energy saving and noise reduction.

5 Apply dedicated highly integrated chips to reduce the single-bit energy consumption of 5G equipment by more than 40%.

● Reducing Impact of Products and Services on the Environment

01 Adopt advanced heat dissipation air duct to improve heat dissipation efficiency and reduce energy consumption of computer room air conditioning;

02 Use high-voltage DC power supply technology to reduce the complexity of computer room power supply design and wiring, improve power conversion efficiency, and save energy.

03 Employ optical layer intelligent system and rapid fault diagnosis technology to improve the automation efficiency of opening and maintenance, lower the demand for personnel, and reduce impact on the service environment;

04 Apply self-developed, highly integrated, low-power chips and components to lower power consumption and reduce dependence and impact on the environment;

05 Vigorously promote lead-free technology and lead-free devices to protect the ecological environment.

06 Invest to build an EMC electromagnetic radiation testing laboratory to ensure all products pass EMC testing and meet relevant domestic and international standards to minimize the impact of electromagnetic radiation of products on the environment.

● Commitment of End Products and Broadband Access Products to Energy Conservation, Emission Reduction and Environmental Protection

For terminal products and broadband access products, continue to carry out power consumption reduction design, optimize design to improve power conversion efficiency, reduce overall power consumption, and introduce intelligent energy-saving logic algorithms, conduct switches in the modes of deep sleep, standby and normal operation according to business status, and further reduce power consumption of products in light-weight business mode.

Continue miniaturized product design to improve design integration, reduce materials consumed by equipment, and minimize impact on the environment.

Carry out material normalization to reduce material types, improve the universality of product materials, reduce waste caused by scrap of materials and the impact of waste disposal on the environment.

Follow the RoSH2.0 standard when selecting materials to reduce the impact of toxic and hazardous substances on the environment.

Comply with relevant national EMC standards for product design to reduce the impact of electromagnetic radiation of products on the environment.

● Commitment of Optical Cable Products to Environmental Protection

In response to the implementation of "Made in China 2025", FiberHome submitted its optical fiber cable products for Green-design Product Evaluation organized by the Office of the Ministry of Industry and Information Technology, among which outdoor GYTA, GYTS, GYTA53, GYTZA53, GYDTA, GYDXTW, ADSS and OPGW, and indoor GJYXCH, GJYXFCH, GJXH and GJXFH passed the evaluation. For the green manufacturing list, refer to "Notification of the Ministry of Industry and Information Technology on Announcement of the Fifth Batch of Green Manufacturing List" on the website:
https://www.miit.gov.cn/jgsj/jns/wjfb/art/2020/art_3d75f03cc9214d1f8ab92485df22d5e2.html

For green design products, companies are required to comprehensively consider the impact of raw materials selection, production, sales, use, recycling, and disposal on resources in the product design and development stage in accordance with the life cycle concept to minimize energy and resource consumption, minimize ecological environmental impact and maximize renewable rate.

The success in application for a national-level green design product is a strong evidence that the product strictly conforms to various standards in terms of production technology, resources, energy consumption and ecological environmental impact.

● Air−blown Micro Cable

Product Structure Design

FiberHome air-blown micro cable adopts compact design with a size of only about 40% that of traditional optical cable products, and a core density increased by more than 100%. The micro cable is a new-generation optical communication product characterized by low specific gravity, high core density, good bending performance, high construction efficiency, and environmental protection. The raw materials do not contain lead, cadmium, mercury, polybrominated biphenyls and other components which are harmful to the environment. The semi-dry series products have low relative specific gravity and no cable paste pollution. The outer sheath of the product can be made of low-friction materials according to customer needs. The air-blown micro-cable can be used by air-blown, with a blowing distance of up to 1500 meters at a time, and high laying efficiency. The air-blown micro-cable can be laid at a speed of up to 3000 meters per hour, which significantly improves the construction efficiency compared with traditional laying methods, and effectively solves the common problem of low construction efficiency in the industry.

● FiberHome Indoor Distributed 5G Photoelectric Hybrid Cable

In the product structure, an optical unit is a 1.6*2.1mm small-size butterfly optical cable, and an electrical unit is a 1.5-4.0 mm2 power cord. This series of products meet indoor layout under small bending radius and simple construction with a reduction in construction and O&M costs. All the raw materials comply with RoHS Directive. Even if finished cables passively burn, small amount of smoke is released without corrosive components. In general, the design of the product meets environmental protection requirements in aspects of product structure, materials, and production processes, which reduces equipment damage, operating costs, gas emissions, and improves the production environment.

● Support of ICT Products to Epidemic Prevention

Hubei Health Code

The year 2020 opened in a special way, and 1.4 billion Chinese people have invested in a war without gunpowder. When the epidemic was the most serious, the company has developed a health code platform within one month to help overall monitoring, analysis, and trace of the epidemic data in Hubei, which is of great significance for epidemic prevention and control, contributing to the life and health of the people in Hubei.

The application of "Hubei Health Code" realizes display of records for codes showed, and helps relevant government departments better understand the trip of persons. Relying on the big data platform, the health code has collected information on medical personnel in the province, private cars through high-speed expressway inspection spots, Hubei nucleic acid testing, list of persons with health code, list of confirmed suspects, list of close contacts, etc., which is managed and classified properly for external services to provide accurate data to support Hubei's epidemic prevention and control.

Enterprise Big Data Architecture

Enterprise-level Data Operation

Data Monetization

Enterprise Data Exchange	Transaction Inquiry and Report	Data Analysis Service

Data Warehouse

Audio and Video Database
Full-text Database
Structured Database

Thematic Database
Relational Database
Full-text Database

Data Dictionary
Metabase

Basic Data Application Data Configuration Data

Data Management

Data Standard Management
Data Quality Test
Data Resources Monitoring
Data Resources Directory
Data Value Evaluation
Data Security Management

Big Data Platform

Distributed MPP Database	Hadoop / Spark

Construction of Big Data Talent
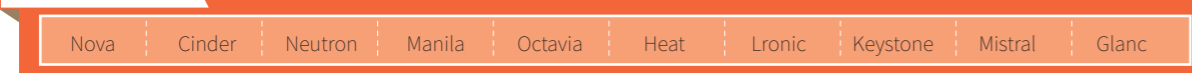
FiberHome FitOS Cloud Platform

FitOS is a cloud data center operating system platform independently developed by FiberHome. Based on the mainstream cloud platform architecture - OpenStack in the industry, combined with independent architecture optimization and reinforcement, a safe, reliable, flexible, and intelligent infrastructure cloud platform has formed for information infrastructure.

During the 2012 epidemic, FitOS has provided Hubei Chu Tian Yun Co., Ltd. with information infrastructure platform. By deploying anti-epidemic information guarantee systems on the cloud, including the epidemic big data analysis system, epidemic headquarters material assurance platform, government service network and "Ehuiban" mobile epidemic service platform, Wuhan epidemic platform, provincial passenger transport station epidemic prevention and control platform, and provincial education cloud platform, the cloud platform ensures stable operation of each system and deployment of businesses, and effective implementation of anti-epidemic work.
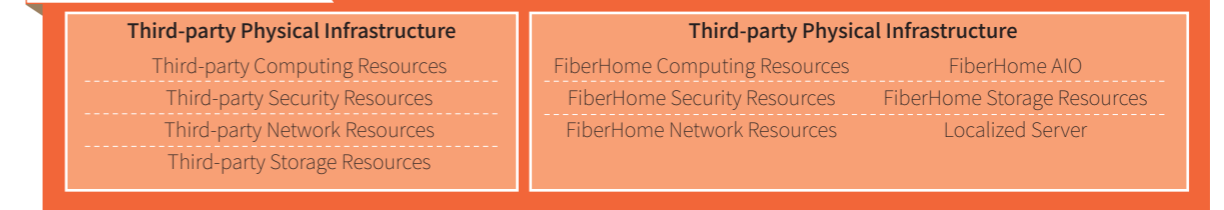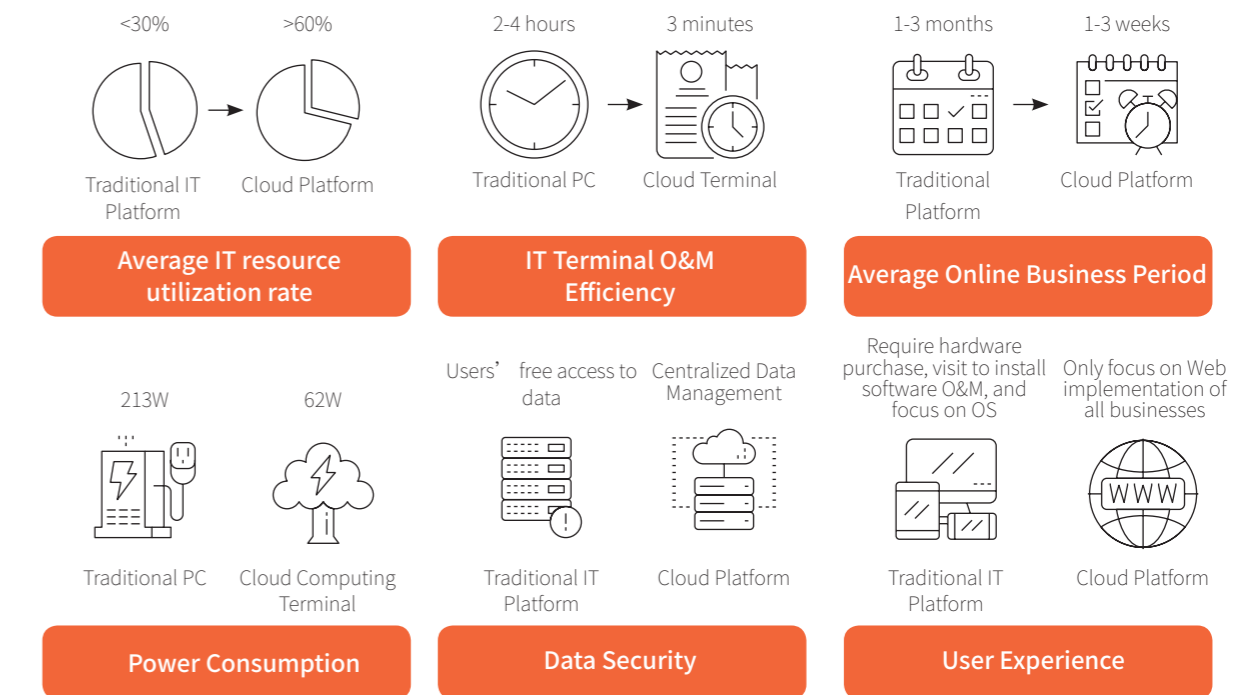
Virtual Infrastructure

FitOS Portal

User Management	Permissions / Log Management	App Store Service
Cloud Physical Machine Service	Work Order Management	O & M Reporting Service
Cloud Hosting Service	Cloud Network Service	Alarm Monitoring Service
Cloud Storage Service	Cloud Orchestration Service	Cloud Security Service

FitCont Portal

Container Registry	Container App Store
Container Engine	Container Network
Container Orchestration	Container Storage
Container Scheduling	Container Management

Cloud OS

Nova	Cinder	Neutron	Manila	Octavia	Heat	Lronic	Keystone	Mistral	Glanc

Virtual Infrastructure

Third-party Virtual Infrastructure

Third-party Virtual Computing	Third-party Virtual Network
Third-party Virtual Security	Third-party Virtual Storage

FiberHome Virtual Infrastructure

FitVM	Ceph
FitSec	FitLAN/SDM

Physical Infrastructure

Third-party Physical Infrastructure

Third-party Computing Resources
Third-party Security Resources
Third-party Network Resources
Third-party Storage Resources

Third-party Physical Infrastructure

FiberHome Computing Resources
FiberHome Security Resources
FiberHome Network Resources

FiberHome AIO
FiberHome Storage Resources
Localized Server

Expansion Service

Operation Management Platform Fit Mgr O & M Center Operation Center	Physical Resources Management PIM	Physical Resources Management FitStor	Unified Storage FitBackup	Unified Storage OpenStackAPI

<30% → >60%	2-4 hours → 3 minutes	1-3 months → 1-3 weeks
Traditional IT Platform → Cloud Platform	Traditional PC → Cloud Terminal	Traditional Platform → Cloud Platform
Average IT resource utilization rate	**IT Terminal O&M Efficiency**	**Average Online Business Period**

213W → 62W	Users' free access to data → Centralized Data Management	Require hardware purchase, visit to install software O&M, and focus on OS → Only focus on Web implementation of all businesses
Traditional PC → Cloud Computing Terminal	Traditional IT Platform → Cloud Platform	Traditional IT Platform → Cloud Platform
Power Consumption	**Data Security**	**User Experience**

### FitPC Desktop Cloud Platform

FiberHome Desktop Cloud Platform (FitPC) is an enterprise-level desktop cloud platform developed by FiberHome based on cloud computing technology, which has achieved centralized management of computing, storage, and network resources for uniform scheduling and flexible expansion. With desktop cloud technology, centrally managed desktop systems, applications, and data are quickly pushed to diversified front-ends via the network to achieve safe, convenient, and low-cost desktop services. Users can connect to cloud desktops through desktop transfer protocols anywhere for office work with cloud terminals/mobile devices. This can effectively improve resource utilization, reduce hardware waste (increase hardware resource utilization to 80%); reduce depreciation costs, extend hardware

life by 2-3 years, and use software for life; reduce labor costs for one administrator can manage 1,000 desktops to improve management capabilities by 5 times; save energy and reduce emissions, use low-power cloud terminals and data center load balancing strategies to reduce energy consumption by 70%; save time, effort, and power, help users reduce overall cost of ownership and improve production efficiency.

Desktop Cloud Data Center
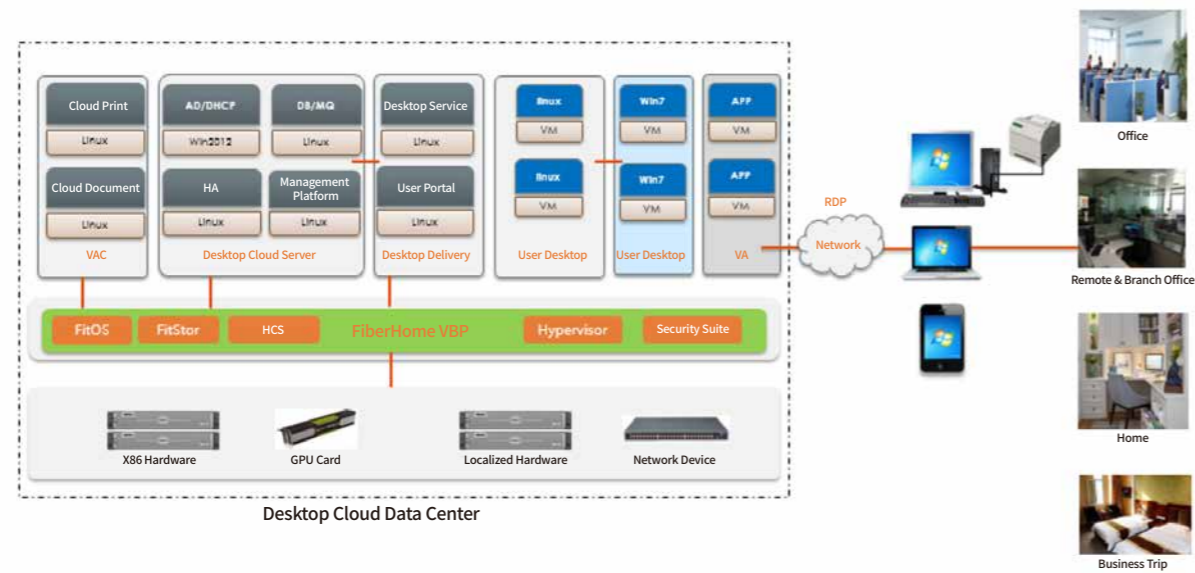
FitPole Support to Smart City Construction

FitPole multi-function smart pole integrates 5G facilities, display screens, traffic signs, monitoring equipment, etc., and realizes multiple functions such as communication base station, city monitoring, traffic management, environmental monitoring, information interaction, face recognition, one-key alarm, charging pile, etc. by mounting devices on the basis of intelligent control of street lighting and greatly saving power resources. 5G micro base station interfaces are reserved, which can serve applications such as urban Internet of Things and unmanned driving in the future. With this multi-function integrated pole, integrated data collection terminals and transmission lines for public security, transportation, urban management, environmental monitoring, etc., the repetitive construction of basic construction and data transmission can be reduced with less maintenance cost. At the same time, the number of poles in public areas can be reduced to improve the urban landscape.

FitPole multi-function smart pole is "new public infrastructure" for smart city construction. With the empowerment of ICT technology, it can be efficiently used for new public services in various fields such as municipal administration, transportation, security, environmental protection, etc.. Rational layout of smart pole and tower networks in urban can provide massive amounts of city operation data in real time, and is the basis for building digital twin cities.

The use of FitPole multi-function smart poles can reduce public lighting energy consumption by about 50% based on the strategy of on-demand lighting. The use of LED lights can save more energy based on lighting with light sensors, longitude and latitude, seasons, specific dates. It is designed based on the lighting strategy of automatic triggering via light sensors. Its built-in intelligent power control equipment can remotely control switches and monitor the power supply to improve operation and maintenance efficiency and reduce maintenance cost.

2. Green Production

FiberHome has always attached importance to energy conservation, emission reduction, and green production.

Air Conditioning Technical Transformation

In 2020, the System Equipment Manufacturing Department has carried out technical transformation of the air conditioning units in the existing production areas, and adjusted the operating frequency according to the actual demand to avoid energy waste, which can save more than 100,000 kWh of electricity throughout the year.

Large Equipment Noise Reduction and Energy Saving

With the rapid development of technology, the increase of bandwidth and capacity of new equipment, and the enlargement of mainstream communication equipment, their power consumption and noise level have increased correspondingly. The insertion of simulation disk in the empty frame slot before power-on in the final assembly of the manufacturing department maximizes the air duct effect of the equipment, reduces fan speed, noise, and power consumption. Take the large-scale U series equipment as an example, the noise of each equipment has been strictly controlled below 75 decibels, which has improved the comfort of employees in work. In addition, the power consumption of each terminal device is reduced by 0.24KW per hour. In 2020, 6,659 terminal devices have been shipped, saving a total of 19,200 kWh of electricity.

Reducing the Consumption of Nitrogen

Nitrogen is mainly used for reflow soldering during SMT process. The main purpose of filling nitrogen into the reflow furnace is to protect PCBA from oxidation under high temperature soldering and improve soldering quality. If much nitrogen is contained in the air, people will have difficulty in breathing. In order to reduce the nitrogen usage, the installation and testing department of the manufacturing department has reduced the use of nitrogen per unit product by 32% through management and technical optimization, which has saved costs by 700,000 yuan in 2020. The measures include: 1. Optimize process parameters and reduce nitrogen usage; 2. Strengthen nitrogen pipeline inspection and equipment maintenance to reduce nitrogen leakage; 3. Install nitrogen flow meters to monitor nitrogen usage and deal with abnormalities in time.

WMS Sustainable Solution

The WMS (Warehouse Management System) sustainable solution is developed based on WMS standard modules, and business processes are combined through standard modules to achieve high adaptability and scalability to changes in business development. WMS has entered the trial operation stage. The realization of its functions such as real-time control of material consumption and recycling, isolation and quantity monitoring of non-ROSH materials, material data analysis and storage location recommendation, etc. will consume control materials and educe material pollution for tracing material recycling and increasing utilization rate of warehouse capacity to help sustainable development of the company.

Pallet Recycling

FiberHome reuses pallets that are loaded with raw materials of steel wire, steel strands, aluminum-clad steel wires, etc. After being identified and evaluated, recyclable pallets are reused. In 2020, a large number of recyclable pallets have been identified, which reduces the usage of pallets by about 28%.

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Energy Conservation and Consumption Reduction

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<td>

The workshop reduces the waste of power during production by preventing equipment from standby idling; improves air compressor supply scheme for grading supply, reduces the waste of nitrogen used at terminals, and the power consumption of air compressor. In 2020, the plan for starting the central air-conditioning in the workshop has been further optimized, and two LED curing and coloring production lines have been introduced, which has saved 320,000 kilowatt-hours of electricity; the compressed air pipeline reconstruction project has been implemented, which has reduced waste and improved compressed air supply efficiency; the fiber optic cable air drying technology has been improved reducing the use of compressed air. By taking measures for comprehensive energy saving and consumption reduction, the power consumption per kilometer has been reduced by 9.1% in 2020.

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3. Green Certification

FiberHome always adheres to the concept of green environmental protection and incorporates it into the design, R&D, and manufacturing of products. Through the management and control of toxic and hazardous substances in the whole supply chain, FiberHome continuous to conduct innovation and improvement, and reduce the adverse effects of products on the environment and users to provide customers with leading green products and solutions. With the continuous transformation of FiberHome ICT, FiberHome will strengthen the control of toxic and hazardous substances to make contributions to global environmental protection.

IECQ QC080000 Certification

With continuous increase in global awareness of environmental and energy protection, the company aims to build green factories. After introducing and passing the IECQ QC080000 certification in 2019, the company keeps on reducing risks from violating laws and directives through system management. The company will reduce the frequency of RoHS product testing through standard compliance audits to reduce production testing costs, which also indicates the respect of the company for the environment and strategy for its sustainable development.

Certification of Energy Conservation Products in China
FitServer adopts a whole life cycle green design with low power consumption and energy conservation. In 2020, 4 models of FitServer have passed the national environmental labeling product certification.

4. Security and Privacy Protection

FiberHome has passed the ISO15408 certification (Common Criteria for Information Technology Security). Audits and tests conducted by authorities have demonstrated that FiberHome products display effective information security in the entire supply chain to ensure the security of information on customer privacy. Currently, FiberHome has not received any complaints from customers globally regarding privacy security. With the transformation and development of ICT, FiberHome will pay more attention to customer privacy protection, and provide comprehensive guarantee for customers' information security based on their value orientation.

● Network Products

The company had no incidents regarding breaches of customer privacy and losses of customer data during 2020.

The company adopts internal hierarchical management of key information related to customers, and strictly controls the transmission scope and channels of related information. Currently, the management and control mainly concerns customer contract information, network structure information, personal information, etc. It is strictly prohibited to use and publish the above information without the customer's permission. If it is actually used for publicity and other purposes, it is necessary to seek customers' opinions in advance, and use in a limited range after fuzzy treatment without infringing the privacy of customers.

Internal staff shall be specially arranged for management and control of customer information, and know well about the management responsibilities and handover procedures of related information to ensure that any information is checkable, controllable, and manageable. Customer information involves contract price, product use, networking, etc.

● Cloud Computing Products

FiberHome has developed the strategy of protecting customers' privacy when they use cloud computing products, which is self-controlled, safe and reliable. FiberHome takes security as the first priority, and abides by the three-level standard of "Information security technology - Baseline for classified protection of cybersecurity" (version 2.0) (hereinafter referred to as Classified Protection 2.0) and the "Information security technology — Security technical requirements for cloud operating system". Based on the characteristics of the customer's industry, FiberHome has built an overall security solution from perspectives of network layer, data layer, and application layer to achieve a six-level full-stack security protection solution:

Application Security
- ✓ Web Application Firewall
- ✓ Application Vulnerability Scanning
- ✓ Injection Attack Protection
- ✓ Privacy Protection

Network Security
- ✓ DDOS Attack Protection
- ✓ Intrusion Detection
- ✓ Firewall
- ✓ Secure Resource Pool

Cloud Platform Security
- ✓ Service Access Control
- ✓ System Security Audit
- ✓ Service Interface Security
- ✓ Edge Cloud Security

Virtuali-zation Security
- ✓ Security Container
- ✓ Virtual Resource Isolation
- ✓ Virtual Machine Antivirus
- ✓ Virtual Network Security

Data Security
- ✓ Data Encryption Storage
- ✓ Data Backup and Recovery
- ✓ Secure Data Deletion
- ✓ Perfect Encryption Algorithm

Host Security
- ✓ Physical Host Antivirus
- ✓ Kernel Bug Fix
- ✓ Host Port Control
- ✓ Host Authority Control

● Broadband Access Products

Adhering to the principle of "customer oriented", the strengthening of network security protection and protection of privacy of customers' needs are of vital importance to users who get access to network.

For broadband access products, refer to industry standards and track international and domestic security standards, collect and enrich product security requirements, and isolate development projects and data area of each product to ensure the security of software development area and product development environment. For each security feature requirement, and security design principles (construction of minimum permissions, defense in depth, minimum publicity, separation of permissions, untrustworthiness, open design, complete arbitration, fail-safe, protection of weak links, economy of security mechanisms, user acceptance and security systems used to strengthen privacy protection), ensure the confidentiality, integrity, availability, and traceability of systems, network and data, and establish a program library for each security feature. For customer needs and program design, targeted design of security test case database, "three-database connection", perform functional verification to ensure the consistency of product safety functions. Through the introduction of a security requirement database, establishment of a development security environment, and formulation of a security plan, verify and release end-to-end security closed-loop process to continuously improve product security protection capabilities.

● FitCloud Full-stack Security Protection Capability

Full-stack Security Protection

- ● Capable of cloud business security protection;
- ● Capable of data center network security protection;
- ● Capable of cloud platform security protection;
- ● Capable of virtual platform security protection;
- ● Capable of cloud data security protection;
- ● Capable of physical host security protection.

FiberHome ensures security of communication networks, regional boundaries, and computing environments ranging from cloud data center to cloud platform software, so that users can feel at ease to use them.

Since 2012, FiberHome has independently researched and developed key product systems such as secure cloud computing platform, third-generation national secret (SM series) firewall, and core application software based on "Zhongke Loongson". The design and application of all these products meet the requirements of Level III classified protection standard system specified by the National Administration of State Secrets Protection "BMB26/27" and the Ministry of Public Security. The company has established complete management mechanisms of three-power separation, strong identity authentication, behavior log audit, analysis and trace to ensure the security and controllability of message data, and protect the interests of customers from infringement to the greatest extent.

4 Global Corporate Citizenship

As a central enterprise, FiberHome continues to shoulder the responsibility of a backbone force in the industry. The company promotes the transformation and upgrading of the industrial structure and enhances its core competitiveness to demonstrate "Created in China" on the global market on solid steps. As a listed company, FiberHome has always adhered to the concept of integrity and responsibility to improve its corporate governance, create value for society, and fulfill social responsibilities. As a mainstream supplier in the communications market, FiberHome always focuses on customer needs, innovates core technologies, and improves products and services to provide reliable support and guarantee for customers and partners. The company strives to be a responsible corporate citizen and always gives back to the society when it is growing. FiberHome has taken practical actions to fulfill the responsibilities of an internationally renowned high-tech enterprise in aspects of emergency rescue, disaster relief, and public welfare undertakings of culture, education, sports, etc. in China and some overseas countries and regions. The company always focuses on the needs of the community and the public, and strives to be a corporate citizen with social responsibility. From disaster relief to donations initiated by our staff, everything demonstrates FiberHome's care and love of the community, and our commitment to standing together through thick and thin with the motherland.

1.Fight of Epidemic Prevention and Control

CASE

Overcome Difficulties to Support Epidemic Prevention and Control

During the COVID-19 epidemic in 2020, FiberHome takes responsibilities bravely demonstrating a strong sense of social responsibility. Since the outbreak of the epidemic, FiberHome quickly started emergency communication support work, providing 24-hour network support for major operators; fully guaranteeing the smooth flow of important communications such as party policies, medical and electric power; fully supporting the

construction of communication networks of Huoshenshan Hospital, Leishenshan Hospital and module hospitals; fully supporting government departments in scientifically fighting against "epidemic" with information technology --FiberHome responds to the data analysis needs of the National Health Commission of the People's Republic of China, emergency response and other relevant government departments; fully utilizes big data analysis technology to provide efficient technical support for provinces in monitoring the epidemic among mobile workers, precise policy-making and other prevention and control measures; assists in the emergency construction of a collaborative office platform for government affairs; utilizes the independently developed big data public opinion platform to help relevant media respond to public concerns in a timely manner. Even in the most serious period of the epidemic, FiberHome has nearly 1,000 emergency security personnel standing by on the front line nationwide.

While fully guaranteeing the stable operation of the network during the epidemic, the Company also actively donated money and supplies such as communication equipment, protective clothing and medical masks that were urgently needed in the affected area to fully support the prevention and control of the epidemic in Wuhan. At the same time, our overseas representative offices and subsidiaries in Russia, the Philippines, Malaysia and other places also acted quickly to raise funds to purchase epidemic prevention supplies and send them to the Hubei Charity Federation and major designated hospitals after learning that various medical supplies were in urgent need in China, while another part was handed over to local overseas medical suppliers for procurement, taking overseas advantage to provide badly-needed supplies for coming back to China.

Certificate on Receiving Donated Materials

关于接收捐赠物资的证明

我院已经知悉武汉烽火国际技术有限责任公司拟向我院护目镜76个，防护服265件，并愿意接收这批物资，我院感谢武汉烽火国际技术有限责任公司对抵抗新型冠状病毒肺炎的支持，并希望有关方面给以必要协调为感。我院委派潘宗伟（联系方式：18627336467）或洪洪权（联系方式：13297015094）接收该物资。

特此证明。

武汉大学人民医院医疗设备处

Our hospital has been informed that FiberHome Telecommunication Technologies Co., Ltd. provided 76 pieces of goggles and 265 pieces of protective clothing for our hospital, and we are willing to receive this batch of materials, and we owe our thanks to FiberHome Telecommunication Technologies Co., Ltd. for its support in fighting the novel coronavirus pneumonia, and express our thanks for necessary coordination of relevant parties. Our hospital assigned Pan Zongwei (contact: 18627336467) or Hong Quan (contact: 13297015094) to receive the material.
It is hereby certified.
Medical Equipment Division, Renmin Hospital of Wuhan University (RHWU)
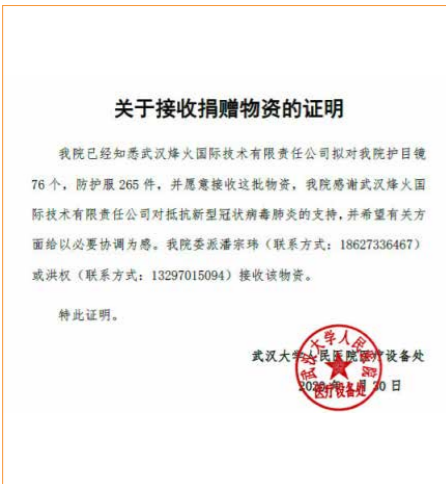
CASE

FiberHome Donates Epidemic Prevention Materials to Telekom Malaysia

Since the outbreak of the epidemic, FiberHome, as the largest telecommunications operator in Malaysia and the backbone of the national infrastructure services in the fight against the epidemic, TM's communication security engineers and technicians have always been fighting on the front line of the fight against the epidemic. Considering the shortage of domestic health protection materials in Malaysia, and after learning that TM ran out of personal protection materials and could not obtain suitable procurement channels in the short term, FiberHome's subsidiary in Malaysia lent a helping hand at the first time and expressed its willingness to donate and assist TM in the procurement of related materials to solve TM's urgent needs and better fight against the epidemic. At the same time, FiberHome's subsidiary in Malaysia also contacted the Embassy of the People's Republic of China in Malaysia and the China Enterprises Chamber of Commerce In Malaysia and received unanimous support and recognition. The Embassy and the China Enterprises Chamber of Commerce In Malaysia are also actively committed to providing the required guidance and facilitation services for the shipment. Under the guidance of the Embassy and with the full cooperation of all departments, the delivery of all 200,000 masks was completed in only 4 days.

CASE

Partner with Thai Operator AIS to Donate Masks to Pranangklao Hospital

While the epidemic situation in China has gradually stabilized, overseas epidemics continue to spread. Now, the epidemic in Wuhan has gradually subsided, but the people of Thailand who helped us and survived us are still suffering from the epidemic. Although the number of infected people in Thailand is relatively small compared to other countries, the spread of the epidemic is still not under control, and the supply of medical supplies in Thailand is getting tighter by the day.

In May 2020, under the guidance of Thailand's regional ministry, the mobile government and enterprise client base manager took the lead in working with Thai telecom operator AIS to import 16,000 medical masks from China, and the company donated all the masks to Pranangklao Hospital after a short donation handover ceremony with the medical representatives. This has expressed the gratitude and feedback of China's enterprises to the Thai people.


After receiving the masks, Pranangklao Hospital published articles on their social media platform, public website, official website and Facebook to thank FiberHome and AIS, and sent a letter of thanks to our company.

2.Plugging the Digital Gap

The information and communication industry is reshaping its position and pattern in the new industry development channel of "fast upgrade, big connection and general intelligence", and is beginning to nurture new momentum and vitality for China's economic and social transformation and development. The further integration of information technology and human production and living has strengthened the important driving role of data for economic development, social governance, national management and the continuous improvement of people's living standards. More and more governments, enterprises and even other social organizations are choosing to use ICT technologies to achieve digital transformation in terms of products and services, business models, cultural concepts, organizational structures, IT processes, etc.

FiberHome is exploring how to find a home for its value in the pulse of technological innovation. The rise of the digital economy has injected abundant kinetic energy into the construction of information infrastructure and brought unlimited imagination for the exploration of data value. We seize this opportunity to deeply lay out an autonomous and controllable ecosystem along the value chain of data transmission, computing, storage, governance, analysis, and application, and drive our products and services to be recognized and affirmed by more and more customers.

We promote the further upgrade of the three super technologies of "super speed, super capacity and super distance" to make massive data run faster and farther, helping more people to welcome the arrival of the 5G era. We continue to accumulate the understanding of users, persistently promote the process of industry informationization, and help the majority of government and enterprise customers to take the road of digital transformation. We are actively promoting cloud data center, cloud computing and smart city business, vigorously laying out industry application software, continuously improving our independent security and controllable capability, and providing vertically integrated end-to-end industry solutions. FiberHome nowadays has more and more experts going deeper and deeper into customers' business, listening to customers' ideas and even working side by side with them, and contributing FiberHome's wisdom to solve customers' practical problems.

CASE

Make full efforts to ensure the three operators to achieve 5G signal coverage at Everest base camp

In the middle of April 2020, FiberHome joined hands with China Telecom Tibet, China Unicom Tibet and China Mobile Tibet in the Everest Base Camp to carry out the special construction and opening for operation of 5G base station simultaneously. On April 14, FiberHome took the lead in completing

the construction of 5G stations of China Telecom Tibet and China Unicom Tibet at an altitude of 5300 meters, realizing the first coverage of 5G network at Everest Base Camp; then it helped China Mobile Tibet to complete the opening of many 5G base stations at Everest Base Camp at an altitude of 5300 meters, Transition Camp at an altitude of 5800 meters and Advance Camp at an altitude of 6500 meters, realizing the first coverage of 5G signals at the summit of Everest and setting a new record for the construction of plateau of China's mobile communication technology. After the 5G signal covers Everest, it can provide communication guarantee for Everest climbing, scientific research, environmental monitoring, high-definition live broadcast and other activities.

In this 5G construction task on the roof of the world, in accordance with the concept of "environment first", China Mobile Tibet and FiberHome take the lead in adopting the FiberHome armored fiber optic cable deployment method with minimal damage to the natural environment, realizing zero pollution operation without excavation and destruction.

CASE

Helping Wuhan to Build "Super Brain" of A Smart City

In June 2020, when Wuhan is in the key development stage of post-epidemic revitalization, the construction of Smart City Infrastructure Platform (Phase I) project in Wuhan is an urgent need to promote the high-quality development of Wuhan's economy and society, and a strategic choice for Wuhan to play the role of "core engine" in the rise of the central region, which is of breakthrough significance.

In the project, FiberHome joins hands with Tencent to build the city's basic data collection service system, construct a support system covering the city's security, operation and maintenance, and standards, create smart applications for government services, and widely empower city operations, social governance, livelihood services and other fields. Relying on the construction of the first phase

of the project, the foundation of Wuhan's urban data resources has been further strengthened, the management of basic urban data resources and data services have been improved, and a smart city pivot system with data integration and coherence, intelligent perception of things, unified support for applications, accurate analysis of operations, and efficient command coordination has been formed, providing support for Wuhan to accelerate the economic revitalization after the epidemic and build a new type of smart city.

At present, FiberHome's self-developed series of cloud computing and big data products have been applied on a large scale in Hubei, Yunnan, Northwest, Nanjing and many other regions. Especially during the epidemic, FiberHome makes full use of information technology such as cloud platform and big data analysis to help the government improve the effectiveness of epidemic prevention and control governance and accelerate the resumption of work and production.

CASE

Fiber Optic Submarine Cable of FiberHome Improves Quality of Communication Network in Chile

Lake General Carrera is surrounded by the Andes Mountains, and communications between the surrounding cities are mainly connected by terrestrial fiber optic cables and microwave stations. With the development of the economy and tourism, cell phone signals are often delayed or even interrupted in densely populated areas, which brings inconvenience to the lives of local residents and makes the tourist experience much less enjoyable.

As the region is in a mountainous area, land fiber optic cable is difficult to lay with high investment, and difficult to maintain the communication network; while microwave stations have a short and ineffective communication distance and limited application in the local area; therefore, the Chilean government plans to build an underwater fiber optic cable communication system to connect the eight major cities along the lake to fundamentally solve the problem of poor communication in the region.

In May 2020, FiberHome started to build the underwater communication network project of Lake General Carrera. After investigating the local hydrological environment and sea survey data, it was found that the deepest depth of the lake reached 600m and the underwater environment was complicated, to which the underwater fiber optic cable was usually difficult to adapt. Based on the rigorous requirements of mechanical strength and application water depth of fiber optic cable in this area, FiberHome designed and developed the solution of submarine fiber optic cable underwater

communication system based on submarine fiber optic cable technology, which makes the submarine cable structure apply to greater water depth and achieves higher mechanical strength, thus better matching with the application scenario of the project. In addition, FiberHome also considered the construction environment of the project, developed customized underwater splice box for the customer, and conducted online teaching for the splicing technology of large-core submarine cable, and successfully completed the splicing training for the customer's engineers.

The successful delivery of the submarine cable project in Lake General Carrera in Chile not only fills the gap of long-distance and large-scale application of 96-core submarine cable in the industry, but also changes the status quo of poor communication in the area of Lake General Carrera, enabling local residents and tourists to enjoy advanced communication services.

3. Guaranteeing Network Operation

Network security is the prerequisite and guarantee for the stable development of the economy and society in the information age. As a strong supporter of the "network powerful nation", FiberHome has been committed to ensuring the stable operation of networks and business. To this end, the company deeply mines customer needs and actively innovates service models to ensure safe and reliable networks by providing service products in a differentiated, normalized and standardized manner. Meanwhile, the company has established global rapid response service systems regarding organizational structure, personnel, processes and IT tools to provide people with stable communication services from anywhere at any time.

FiberHome has established 11 regional service centers around the world and 57 local service centers, and developed 8 service product categories. The company has more than 3,000 front-line service engineers who provide zero-distance 7×24 technical support services for customers in more than 300 cities across the country and 100 countries worldwide. In 2019, FiberHome provided smooth networks and guaranteed communications for rescue after natural disasters such as Yibin earthquake in Sichuan, and major national-level events, such as the 7th CISM Military World Games, the 6th World Internet Conference, the 2nd China International Import Expo, the China Smart Expo, and the Two Sessions.

CASE

Guaranteeing Stable Operation of Networks during "Two Sessions" and the 3rd CIIE
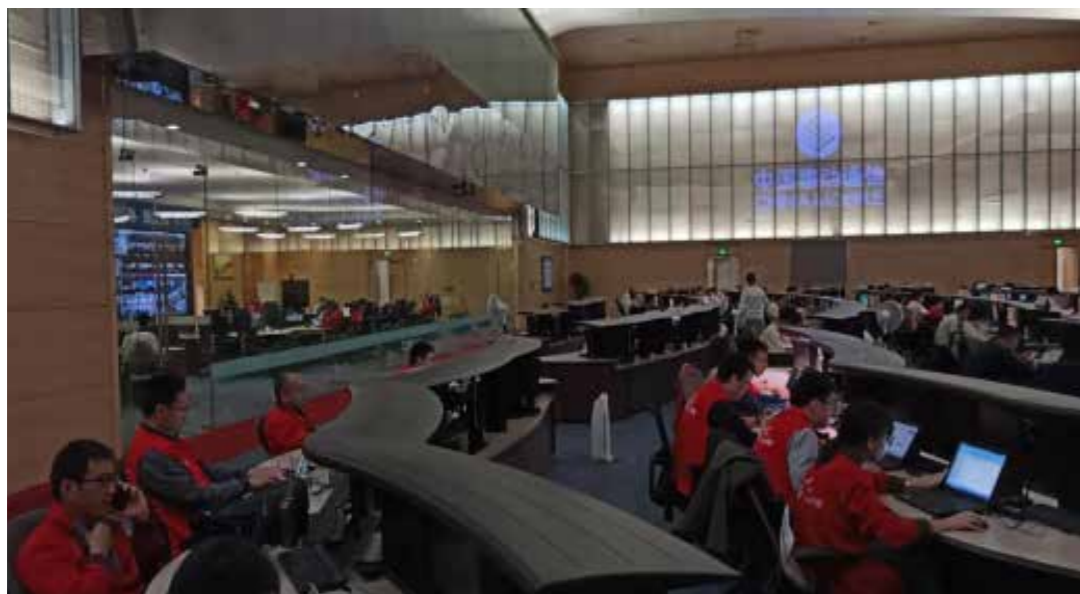
The Third Session of the 13th CPPCC National Committee was held on May 21, followed by the Third Session of the 13th National People's Congress on May 22. FiberHome has always kept the communication guarantee of "Two Sessions" as its top priority every year. The company continuously improves its political position, optimizes its service systems, and strengthens its security plans. Especially when the epidemic prevention and control was normal at that time, the company took the initiative to strengthen network inspections and kept staff on duty for 7*24 hours to closely monitor network operation and eliminate hidden dangers timely for guaranteeing network security.

On November 5, the 3rd China International Import Expo was held in Shanghai. In order to ensure smooth communications during the CIIE, FiberHome has responded to the requirements of Shanghai Mobile, Shanghai Telecom and Shanghai Unicom, formulated detailed guarantee and emergency plans, and cooperated with customers at all levels to conduct comprehensive network inspections and switching tests on the network to ensure that the networks reach a "highly healthy" state for their stable operation during the CIIE.

CASE

Fighting against Extreme Weathers for Communication Guarantee

Since the flood season started in June, heavy rainfalls sustained in Heilongjiang, Anhui, Jiangxi, Wuhan, and Sichuan, causing large-scale base station power outages, optical cable damage, transmission interruption, etc. FiberHome responded rapidly to the flood and moved against the water. The company quickly devoted itself to the rescue, and arranged staff to keep on duty to guarantee communication for several days round the clock, which has rapidly restored interrupted services in important sites of counties and towns, eliminated communication islands, and ensured smooth communication for on-site emergency rescue and joint flood control in all towns.

CASE

Support to the Communication of Lahore Orange Line Metro in Pakistan

On October 25, the opening ceremony of Pakistan Lahore Orange Line Metro Project (transportation project of the China-Pakistan Economic Corridor) was held and the metro line was officially opened for operation.

The Lahore Orange Line is 27 kilometers long and has a total of 26 stations adopting B1-type subway trains based on Chinese standards. It is the first urban rail line in Pakistan, and the first large-scale rail transit project of the China-Pakistan Economic Corridor under the strategic framework of the "Belt and Road" Initiative. In this project, FiberHome has provided communication subsystem integration services, including the supply and integration of optical cables, clocks, telephones, broadcast and access control systems for stations, control centers, and parking lots throughout the line. To deal with special overseas business environment, changing engineering needs, and risk of worsening epidemic, the delivery team of FiberHome

has overcome many difficulties and completed the installation, commissioning, opening and on-site training of the communication system with high quality and efficiency, which has been recognized by the customers.

The delivery of the project has enabled Pakistan to own the most advanced urban rail transit operating system in South Asia and open up the main artery of economy of the Lahore to provide advanced, efficient and safe transportation services for more than 12 million people, help improve the development of local economy and society, and further promote long-term and stable development of economy along the China-Pakistan Economic Corridor.

CASE

Ensuring Normal Operation of Networks to Welcome the 70th Anniversary of Liberation of Qamdo, Tibet

On October 19, 1950, the first five-star red flag was raised in Qamdo, Tibet, marking the liberation of Qamdo, followed by the liberation of the whole of Tibet. Therefore, the liberation of Qamdo is of great significance to Qamdo, Tibet and even China. Stable operation of networks is very important for the celebration of the liberation of Qamdo from the aspects of operators and people.

In order to welcome the 70th anniversary of the liberation of Qamdo, FiberHome has arranged technicians to carry out an emergency opening of mobile and telecom base stations during the National Day. With the efforts of the operators and our background technicians and timely provision of spare parts, the celebration was held smoothly due to normal operation of the networks in Qamdo during the National Day, allowing national people to witness the rapid development and present style of Qamdo.

4.Giving Back to the Community

Striving to Be Lei Feng in the New Era against the Epidemic without Hesitation

Since the outbreak of the epidemic, FiberHome's grassroots party organizations, party members, and youth league members have actively responded to the call of the country and devoted themselves to volunteer work. They have been active in the front line of community volunteer services in Wuhan, Huanggang, Guangshui, Xi'an, Xianning and other cities. Considering the actual situation of living with aged parents or children, taking care of children and working from home, many party members have used their expertise and participated in community volunteer activities, such as public opinion management, publicity, population registration, material distribution and statistics, etc.

FiberHome's volunteers have joined local volunteer teams and built platforms to deliver raised medical supplies to primary hospitals as quickly as possible. They have joined "Wuhan is My Home" volunteer fleets, and transported anti-epidemic supplies to hospitals, medical teams, shelters, communities, police departments in Wuhan; joined community volunteer teams nearby to help distribute caring vegetables, group-buying vegetables, and medical disinfection supplies to residents of buildings, conduct digital registration of community entrances and exits (providing guidance or collecting information of health codes), purchase daily necessities from supermarkets and distribute them to residents; guard at checkpoints of communities and villages, check entry and exit documents, measure body temperature, and complete registrations.

When all of us join hands and hearts, there is no mountain that cannot be turned over; when all of us work together, there is no barrier that cannot be overcome. FiberHome's young volunteers are composing a heartwarming hymn of the new era! Our young volunteers will never retreat before the epidemic disappears. We are beholding the dawn of victory!

CASE

FiberHome Party Committee Organizing Party Members to Work in Grassroots Community

FiberHome has participated in the patriotic sanitation campaign, voluntary service activities, and the seventh National Census carried out by the community, making contributions to Wuhan's application for the sixth National Civilized City. During the Spring Festival of 2021, in accordance with the requirements of the Hubei Provincial Epidemic Prevention Headquarters, FiberHome arranged party members to work with the community staff of Wuhan Research Institute of Posts and Telecommunication to manage the community by turns for four consecutive weeks, making contributions to the epidemic prevention and control. In order to protect and care for employees who stayed on their posts during the Spring Festival, FiberHome has delivered holiday gifts to more than 300 employees, and organized activities such as New Year's Eve Dinner.

Appendix: GRI Indicators Index

General Standard Disclosures

Strategy and Analysis

Disclosure Indicator	Overview	Page
G4-1	Statement from the most senior decision-maker (such as CEO, chairman or person in equivalent senior position) of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	2-5
G4-2	Description of key impacts, risks and opportunities.	2-5

Organization Profile

Disclosure Indicator	Overview	Page
G4-3	Name of the organization.	10
G4-4	Primary brands, products and services.	10
G4-5	Location of the organization's headquarters.	11
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	11
G4-7	Nature and legal form of ownership.	12
G4-8	Markets (including geographic breakdown, sectors served, and types of customers / beneficiaries) served by the organization.	10-11
G4-9	Scale of the organization.	6
G4-10	Total number of employees by employment contract and gender.	32
G4-11	Percentage of total employees covered by collective bargaining agreements	32
G4-12	Description of the organization's supply chain.	34-37
G4-13	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	/
G4-14	Whether and how the precautionary approach or principle is addressed by the organization.	12
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or which it endorses.	19
G4-16	Associations (such as industry associations) and national or international advocacy organizations joined by the organization.	19

Identifed Material Aspects and Boundaries

Disclosure Indicator	Overview	Page
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the sustainability report.	11

Disclosure Indicator	Overview	Page
G4-18	Explain the process for defining the report content and the aspect boundaries. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	11、18
G4-19	List all the material Aspects identified in the process for defining report content.	11、18
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	11、18
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	18
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	/
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	/

Stakeholder Engagement

Disclosure Indicator	Overview	Page
G4-24	Provide a list of stakeholder groups engaged by the organization.	14
G4-25	Report the basis for identifcation and selection of stakeholders with whom to engage.	14
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	14
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	14-15

Report Profle

Disclosure Indicator	Overview	Page
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	1
G4-29	Date of most recent previous report (if any).	1
G4-30	Reporting cycle (such as annual, biennial).	1
G4-31	Provide the contact point for questions regarding the report or its contents.	1
G4-32	Report the 'in accordance' option the organization has chosen (core or comprehensive). Report the GRI Content Index for the chosen option (see tables below).	1
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report.	/

Governance

Disclosure Indicator	Overview	Page
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	12

G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	12
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	12
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	12
G4-38	Report the composition of the highest governance body and its committees.	12
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	12
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	/
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.	12
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	12
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	/
G4-44	Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment.	/
G4-45	Report the highest governance body's role in the identification and management of economic,environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.	/
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	/
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	/
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	/

G4-49	Report the process for communicating critical concerns to the highest governance body.	/
G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	/
G4-51	Report the remuneration policies for the highest governance body and senior executives.	/
G4-52	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	32
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	32
G4-54	Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	/
G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	/

Ethics and Integrity

Disclosure Indicator	Overview	Page
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	22-25
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	22
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	24

Specific Standard Disclosures

Economic

Disclosure Indicator	Economic – Economic Performance	Page
G4-EC1	Direct economic value generated and distributed	14
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	/
G4-EC3	Coverage of the organization's defined benefit plan obligations	/
G4-EC4	Financial assistance received from government.	/

Disclosure Indicator	Economic – Market Presence	Page
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	/
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	/

Disclosure Indicator	Economic – Indirect Economic Impacts	Page
G4-EC7	Development and impact of infrastructure investments and services supported	52-55
G4-EC8	Significant indirect economic impacts, including the extent of impacts	50-51

Disclosure Indicator	Economic – Procurement Practices	Page
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	35

Environmental

Disclosure Indicator	Environmental – Materials	Page
G4-EN1	Materials used by weight or volume: Report the total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period.	/
G4-EN2	Percentage of materials used that are recycled input materials: Report the percentage of recycled input materials used to manufacture the organization's primary products	/

Disclosure Indicator	Environmental – Energy	Page
G4-EN3	Energy consumption within the organization	30
G4-EN4	Energy consumption outside of the organization	30
G4-EN5	Energy intensity	30
G4-EN6	Reduction of energy consumption	30
G4-EN7	Reductions in energy requirements of products and services	30

Disclosure Indicator	Environmental – Water	Page
G4-EN8	Total water withdrawal by source	30
G4-EN9	Water sources significantly affected by withdrawal of water	30
G4-EN10	Percentage and total volume of water recycled and reused	30

Disclosure Indicator	Environmental – Biodiversity	Page
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	/
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	/
G4-EN13	Habitats protected or restored	/
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	/

Disclosure Indicator	Environmental – Emissions	Page
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	/
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	27
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	/
G4-EN18	Greenhouse gas (GHG) emissions intensity	27
G4-EN19	Reduction of greenhouse gas (GHG) emissions	27
G4-EN20	Emissions of ozone depleting substances (ODS)	/
G4-EN21	NOx, Sox and other significant air emissions	27

Disclosure Indicator	Environmental – Effluents and Waste	Page
G4-EN22	Total water discharge by quality and destination	27
G4-EN23	Total weight of waste by type and disposal method	27
G4-EN24	Total number and volume of significant spills	/
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported hazardous wastes shipped internationally	/
G4-EN26	Identity, size, protection status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and other (surface) runoff	/

Disclosure Indicator	Environmental – Products and Services	Page
G4-EN27	Reducing Impact of Products and Services on the Environment	38-45
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	/

Disclosure Indicator	Environmental – Compliance	Page
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	/

Disclosure Indicator	Environmental – Transport	Page
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	6

Disclosure Indicator	Environmental – Overall	Page
G4-EN31	Total environmental protection expenditures and investments by type	/

Disclosure Indicator	Environmental – Supplier Environmental Assessment	Page
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	32-33
G4-EN33	Significant actual and potential negative environment impacts in the supply chain and actions taken	32-35

Disclosure Indicator	Environmental – Environmental Grievance Mechanisms	Page
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	/

Social

Disclosure Indicator	Labor Practices and Decent Work – Employment	Page
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	32
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees by significant locations of operation	32
G4-LA3	Return to work and retention rates after parental leave, by gender	32

Disclosure Indicator	Labor Practices and Decent Work – Labor/Management Relations	Page
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	/

Disclosure Indicator	Labor Practices and Decent Work – Occupational Health and Safety	Page
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	33
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	/
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	/
G4-LA8	Health and safety topics covered in formal agreements with trade unions	33

Disclosure Indicator	Labor Practices and Decent Work – Training and Education	Page
G4-LA9	Average hours of training per year per employee by gender, and by employee category	31
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	33
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	32

Disclosure Indicator	Labor Practices and Decent Work – Diversity and Equal Opportunity	Page
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	32

Disclosure Indicator	Labor Practices and Decent Work – Equal Remuneration for Women and Men	Page
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	/

Disclosure Indicator	Labor Practices and Decent Work – Supplier Assessment for Labor Practices	Page
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	34
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	34-35

Disclosure Indicator	Labor Practices and Decent Work – Labor Practices Grievance Mechanisms	Page
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	/

Disclosure Indicator	Human Rights – Investment	Page
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	/
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	32

Disclosure Indicator	Human Rights – Non–discrimination	Page
G4-HR3	Total number of incidents of discrimination and corrective actions taken	31

Disclosure Indicator	Human Rights – Freedom of Association and Collective Bargaining	Page
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	31

Disclosure Indicator	Human Rights – Child Labor	Page
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	35-36

Disclosure Indicator	Human Rights – Forced or Compulsory Labor	Page
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	31
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	/
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	/
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews and / or impact assessments	31-33
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	35

G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	35
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	35
Disclosure Indicator	**Society – Local Communities**	**Page**
G4-SO1	Percentage of operations with implemented local communities engagement, impact assessments, and development programs	/
G4-SO2	Operations with significant actual and potential negative impacts on local communities	/
Disclosure Indicator	**Society – Anti-corruption**	**Page**
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	24
G4-SO4	Communication and training of anti-corruption policies and procedures	24
G4-SO5	Confirmed incidents of corruption and actions taken	24
Disclosure Indicator	**Society – Public Policy**	**Page**
G4-SO6	Total value of political contributions by country and recipient/beneficiary	/
Disclosure Indicator	**Society – Anti-competitive Behavior**	**Page**
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	/
Disclosure Indicator	**Society – Compliance**	**Page**
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	/
Disclosure Indicator	**Society – Supplier Assessment for Impacts on Society**	**Page**
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	35
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	35
Disclosure Indicator	**Society – Grievance Mechanisms for Impacts on Society**	**Page**
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	/
Disclosure Indicator	**Product Responsibility – Customer Health and Safety**	**Page**
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	46-47
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	46-47
Disclosure Indicator	**Product Responsibility – Product and Service Labeling**	**Page**
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	/

G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	/
G4-PR5	Results of surveys measuring customer satisfaction	/
Disclosure Indicator	**Product Responsibility – Marketing Communications**	**Page**
G4-PR6	Sale of banned or disputed products	/
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	/
Disclosure Indicator	**Product Responsibility – Customer Privacy**	**Page**
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	47
Disclosure Indicator	**Product Responsibility – Compliance**	**Page**
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	/

Appendix 2:
Ten Principles of the Global Compact

No.	Indicator	Page
	Human Rights	
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	19, 31-33
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	19, 31-33
	Labor Standards	
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	19, 31-33
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	19, 31
Principle 5	Businesses should uphold the effective abolition of child labour.	19
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	19, 31
	Environmental	
Principle 7	Businesses should support a precautionary approach to environmental challenges.	19, 30
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	19, 30
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	19, 30
	Anti-corruption	
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	24-25