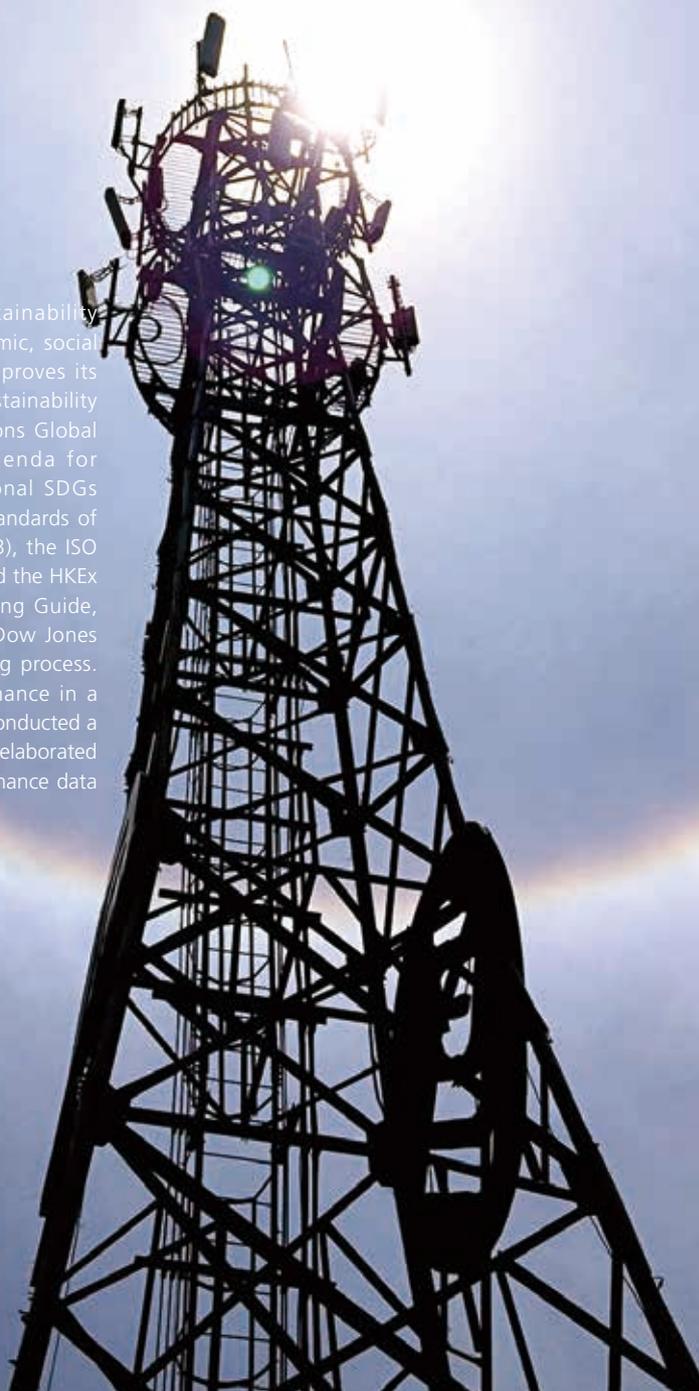


Performance Report

China Mobile adheres to standardized sustainability frameworks, actively identifies its own economic, social and environmental impact, and constantly improves its management approach to and practice on sustainability issues. In 2017, we followed the United Nations Global Compact Ten Principles, the UN 2030 Agenda for Sustainable Development and China's national SDGs action plan, the GRI Sustainability Reporting Standards of the Global Sustainability Standards Board (GSSB), the ISO Guidance on Social Responsibility (ISO 26000) and the HKEx Environmental, Social and Governance Reporting Guide, and referred to the evaluation criteria of the Dow Jones Sustainability Indices (DJSI) during our reporting process. In order to present our sustainability performance in a comprehensive, objective and accurate way, we conducted a stakeholder survey and a materiality analysis, and elaborated on our management approach as well as performance data on each sustainability issue.



Stakeholder Engagement and Materiality Analysis

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Stakeholder Engagement and Materiality Analysis

We have established various communication channels and maintained regular and close communication with six groups of stakeholders, including customers, employees, shareholders and investors, governments and regulators, value chain partners, and community and environment representatives. During report preparation, we issued questionnaires to identify the sustainability issues that different stakeholder groups were concerned with and conducted a materiality analysis of these issues to determine the key disclosure of this report. In 2017, we were awarded the Bronze Award of "Stakeholder Engagement - Best Practice" by the international independent award organization Mer-Comm Inc. under the Questar 2017 Awards.

Stakeholders	Key Issues of Concern (Top 5) *	Engagement Approaches
 Customers	1.Information Security and Privacy Protection 2.Network Quality 3.Service Quality and Customer Rights Protection 4.R&D and Innovation 5.Corporate Governance and Risk Management	1.Customer Day 2.10086 Hotline 3.Weibo and WeChat Communication 4.Online and Mobile Customer Service Platforms 5.Customer Satisfaction Surveys 6.Mobile App 7.CEO Mailbox
 Employees	1.Network Quality 2.Information Security and Privacy Protection 3.Service Quality and Customer Rights Protection 4.Workplace Health and Safety 5.Financial Performance and Tax Payment	1.Employee Representative Conferences 2.Regular Trainings 3.Performance Communication Mechanism 4.MMS Magazine Mobile Weekly 5.Employee Recognition Mechanism 6.Employee Grievance Mechanism 7.CEO Mailbox
 Shareholders and Investors	1.Service Quality and Customer Rights Protection 2.Financial Performance and Tax Payment 3.Anti-corruption and Compliance 4.Information Security and Privacy Protection 5.Network Quality	1.Annual Reports, Interim Reports and Announcements 2.Annual Shareholders General Meetings 3.Investor Briefings and Conferences
 Governments and Regulators	1.Network Quality 2.Information Security and Privacy Protection 3.Service Quality and Customer Rights Protection 4.Financial Performance and Tax Payment 5.Anti-corruption and Compliance	1.Regular Reports and Communication 2.Specific Investigation and Meetings 3.Relevant Forums 4.CEO Mailbox
 Value Chain Partners	1.Information Security and Privacy Protection 2.Service Quality and Customer Rights Protection 3.Network Quality 4.Corporate Governance and Risk Management 5.Financial Performance and Tax Payment	1.Procurement 2.Supplier Web Portal, Service Station and Supplier Hotline 3.Training and Assessment 4.Forums and Meetings 5.CEO Mailbox
 Community and Environment Representatives	1.Information Security and Privacy Protection 2.Service Quality and Customer Rights Protection 3.Network Quality 4.Corporate Governance and Risk Management 5.R&D and Innovation	1.Community Activities 2.Mass Media 3.New Media (Weibo, WeChat) 4.Charity Platform 5.CEO Mailbox

*Note: The top 5 key issues of concern of each stakeholder group come from results of the stakeholder survey. Please refer to the materiality analysis on P38.



CSR Communication Day

On 15 June 2017, concurrent with the release of our 2016 Sustainability Report, we held our first "CSR Communication Day" event which, together with our "Customer Day" event, aimed to get opinions and suggestions from our stakeholders regarding our corporate social responsibility practices. 4,872 self-owned sales outlets participated in these events and organized a variety of activities with local characteristics. 1,004 China Mobile representatives, including general managers of branch companies and department directors of provincial subsidiaries, were present to communicate with 75,000 customers.

Indicators	2015	2016	2017
CSR trainings participation (person-times)	276,519	353,958	471,669
Number of emails received in CEO Mailbox	2,058	1,033	1,279
Number of customer visits on Customer Day (person-times)	106,289	105,076	102,060
Number of complaints and inquiries handled on Customer Day (cases)	101,560	106,020	91,960

In 2017, based on the materiality analysis of various sustainable development issues, we evaluated the economic, environmental and social impact of these issues on stakeholders and the impact of our operations on these issues and identified issues of high materiality to be highlighted in this report.

Identification

- International Standard Benchmarking
- HKEx Guide on Environmental, Social and Governance Reporting
- GRI Standards
- DJSI
- SDGs
- UNGC Ten Principles
- Sustainability Key Issues and Industry Key Issues Analysis
- Corporate strategy analysis

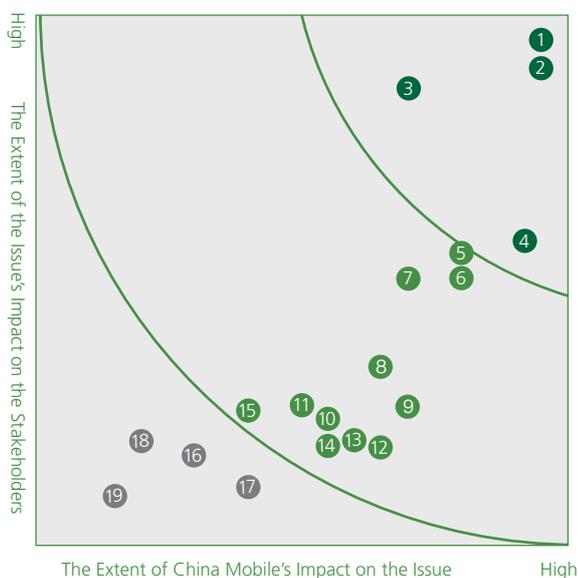
Evaluation

With respect to sustainability issues, we carried out key stakeholder survey, using online questionnaires (2,609 valid questionnaires received) to collect stakeholders' feedback on the impacts of different issues on them.

With reference to industry practice, we teamed up internal and external experts to evaluate the impact of China Mobile's operations on different sustainability issues.

Report Preparation

Constructed a materiality matrix (see the figure below) to highlight issues to be prioritized in the report



- | | |
|--|--|
| 1 Information Security and Privacy Protection | 11 Human Rights |
| 2 Network Quality | 12 Supply Chain Management |
| 3 Service Quality and Customer Rights Protection | 13 EMF Safety |
| 4 Financial Performance and Tax Payment | 14 Carbon Emissions |
| 5 Corporate Governance and Risk Management | 15 Corporate Charity |
| 6 Anti-corruption and Compliance | 16 Equal Opportunity Employment and Non-discrimination |
| 7 R&D and Innovation | 17 Waste Management |
| 8 Workplace Health and Safety | 18 Stakeholder Engagement |
| 9 Human Resources Development | 19 Overseas CSR |
| 10 Resource Use | |

	Issue	Report Content	Boundary
High Materiality Issues	Information Security and Privacy Protection	Optimizing Connectivity Capabilities Economic Performance	Internal
	Network Quality	Economic Performance	Internal
	Service Quality and Customer Rights Protection	Optimizing Connectivity Capabilities Economic Performance	Internal
	Financial Performance and Tax Payment	Economic Performance	Internal
Moderate Materiality Issues	Corporate Governance and Risk Management	Economic Performance	Internal
	Anti-corruption and Compliance	Economic Performance	Internal
	R&D and Innovation	Optimizing Connectivity Capabilities Empowering the Digital Economy Sharing a Better Life Economic Performance	Internal & External
	Workplace Health and Safety	Social Performance	Internal
	Human Resources Development	Innovation-inspired Dynamics Social Performance	Internal
	Resource Use	Environment-friendly Development Environmental Performance	Internal & External
	Human Rights	Social Performance	Internal & External
	Supply Chain Management	Economic Performance	Internal & External
	EMF Safety	Environmental Performance	Internal & External
	Carbon Emissions	Environment-friendly Development Environmental Performance	Internal & External
Low Materiality Issues	Corporate Charity	Sharing a Better Life Social Performance	Internal
	Equal Opportunity Employment and Non-discrimination	Social Performance	Internal
	Waste Management	Environmental Performance	Internal & External
	Stakeholder Engagement	Stakeholder Engagement and Materiality Analysis	Internal & External
	Overseas CSR	Social Performance	Internal

Economic Performance

► Corporate Governance and Risk Management

Challenges and Priorities

With the implementation of the “Big Connectivity” strategy and expansion of our business scope, our operation and management are faced with new requirements and risks. China Mobile improved its corporate governance structure and accountability system, optimized its risk and crisis management systems and strengthened the construction of its internal control and internal audit management systems, thereby providing system assurance for the continuous reform, innovation and capacity building of the Company.

Management Approach

1. Governance Overview: China Mobile has established sound corporate governance structure and practices following the principles of integrity, transparency, openness and efficiency. We have established and improved various policies, internal control systems and other management mechanisms and procedures over the past years. In 2017, the Board of Directors of China Mobile Limited (“Board”) comprised eight directors, namely Mr. SHANG Bing (Chairman), Mr. LI Yue (Chief Executive Officer), Mr. SHA Yuejia and Mr. DONG Xin as executive directors, and Mr. Frank WONG Kwong Shing, Dr. Moses CHENG Mo Chi, Mr. Paul CHOW Man Yiu and Mr. Stephen YIU Kin Wah as independent non-executive directors (INEDs). The Board currently has three major committees, including an Audit Committee, a Remuneration Committee and a Nomination Committee, all comprising INEDs, which provide advice and suggestions for the decision-making of the Board. Each of the Board committees is appointed and authorized by the Board and operates under its respective terms of reference. (For more information on our corporate governance, please refer to our annual report or website www.chinamobileltd.com)
2. Risk Management: We continuously assess the internal and external risks of business development and optimize our comprehensive risk management framework in line with our corporate structure and business characteristics. Our business divisions and subsidiaries extensively participated in risk assessment. We established a three-level hierarchical risk management structure, including the Audit Committee at the Board level, functional departments, business units, and supervision and evaluation departments at the department level, and the Internal Control and Risk Management Expert Bank at the functional position level, with which we achieved specialized management over planning, decision-making, execution and implementation. Having established regular risk assessment mechanism and procedures, we conduct major risk assessment annually to evaluate our risk exposures and levels in areas such as strategy, market, finance, operations, legal compliance and information technology, and implement risk control measures and requirements at each level of the risks assessed.
3. Internal control: We make continuous improvements in a risk-oriented manner to our internal control system and internal control risk training system in compliance with Section 404 of the *Sarbanes-Oxley Act* and the principles of systematization and standardization. We formulated the *China Mobile Management Measures for Internal Control* and relevant guidelines for guiding the construction of internal control sys-

tems at all internal units. We developed and maintained internal control manuals and matrices for key business operations and key control points selected by focusing on high-risk areas and management key points, thereby optimizing our risk control requirements in a holistic way from the framework to the content and from the substance to the process.

4. Internal audit: Internal audit departments are set up at the Company's headquarters and its subsidiaries to carry out independent internal audit for the respective entities. We revised the *China Mobile Internal Audit Regulations* to lay out more specific provisions on the definition, tasks, reporting mechanism as well as organizational and personnel requirements of internal audit. We also established auditing units in Tianjin, Wuhan and Chengdu directly managed by the Internal Audit Department at the Company's headquarters. The operation of these units further strengthened our auditing capabilities and independence.

Progress in 2017

1. In 2017, we carried out major risk assessments, completed the 2017 Annual Risk Assessment and Midterm Risk Review, and prepared the *2017 Comprehensive Risk Management Report* and the *2017 Mid-Term Risk Assessment Report*. In addition, we formulated specific countermeasures regarding two emerging risks, namely the risk of competitive substitution of the Internet and transformation of traditional businesses and the risk of network technology evolution and IT support.
2. We revised 76 internal control requirements, including 13 newly added control points, focusing on improving the internal control requirements for capital, asset and project management processes and the prevention against fundamental management risks at the end level.
3. We further intensified our audit supervision over 4G development, home broadband business, business outsourcing, information security, engineering investment and fundamental management to support the implementation of our strategic initiatives and enhance our risk prevention and management. We applied big data and cloud computing technologies in the auditing process and saw significant improvements in the capability, efficiency and coverage of our audit. We also focused on rectification of audit findings to improve the effectiveness of our audits.
4. We convened four Board meetings during the year, and mainly discussed our annual results, interim results, dividends, renewal of continuing connected transactions, the annual investment report, adjustments to the composition of the Board and its committee, and the sustainability report.

► Financial Performance and Tax Payment

Challenges and Priorities

To effectively cope with financial risks and optimize our financial performance, China Mobile actively attached great importance and responded promptly to government taxation reform policies, and studied and implemented government policies on invoice management and tax collection system updates to ensure tax compliance.

Management Approach

1. The Company strictly abides by the taxation laws and regulations of China and other regions where it operates and is listed, upholds business ethics, and pays taxes in accordance with relevant laws and regulations. In terms of tax system, we formulated the *China Mobile Tax Management Measures* and the *China Mobile Invoice Management Measures* to improve our tax management system and guidance for tax operations and prevent tax management risks.
2. We formulated the *China Mobile Tax Management Manual* and the *China Mobile VAT Invoice Operational Guideline*. We also regularly issued *China Mobile Tax Information Briefing* based on recent updates and changes in tax laws and regulations related to the Company to ensure prompt and standardized compliance with tax obligations.
3. The Company maintained a sound communication and reporting mechanism with tax authorities and continued to improve our compliance with tax laws and regulations.

Progress in 2017

1. The Company compiled the *China Mobile 2018-2020 Tax Management Work Plan* with the objectives of complying with tax laws and supporting the strategic transformation of the Company and enhanced tax management capabilities focusing on IT and personnel, aiming at establishing a tax risk management and support system by 2020 in support of the strategic transformation of the Company.
2. For the specific performance of financial indicators such as operating revenue, operating costs, employee salaries and benefits, and payments made to investors, please refer to our *2017 Annual Report*.

Indicators	2015	2016	2017
Operating revenue (RMB billion)	668.3	708.4	740.5
Wireless data traffic revenue (RMB billion)	200.9	288.2	364.9
Taxation (RMB billion)	35.1	35.6	33.7

➤ Anti-corruption and Compliance

Challenges and Priorities

To fully and effectively comply with domestic and foreign legal and regulatory requirements, China Mobile gradually established and perfected the enterprise compliance management system and worked together with stakeholders to improve the awareness and management of compliance. Meanwhile, the Company established an integrity and anti-corruption work system integrating “education, prevention, discipline and accountability” to ensure the Company’s healthy development with integrity.

Management Approach

1. To ensure the governance compliance, business compliance and management compliance of the Company, we continued to promote the “Compliance Escort Plan” and innovated the China Mobile Compliance Management System through the construction of a sound compliance organizational structure, the perfection of compliance management systems, the standardization of compliance processes, and the nurturing of a compliance culture. We also focused on the continuous im-

provement of our governance compliance and management compliance capabilities with measures such as clarifying the responsibilities of compliance management, formulating the basic systems of compliance management, issuing compliance guidelines for key areas, establishing a compliance management process mechanism step by step, and advocating a culture of compliance within the whole group.

2. The China Mobile integrity and anti-corruption work system blends the four fundamental tasks of “education, prevention, discipline and accountability” into a coordinated whole to realize systematic integration and implementation procedure optimization. The Company uses “execution and effectiveness” as the acceptance standards, and seeks to address problems thoroughly through implementation of the four tasks and two standards. In terms of policy systems, we established and updated a series of policies and regulations to promote business integrity and punish corruption, including the *China Mobile Guidelines on Fostering a Culture of Business Integrity*, the *China Mobile Business Integrity Commitment System*, the *China Mobile Regulations on Employee Discipline*, the *China Mobile Management Measures on the Registration of Gifts to Employees*, and the *China Mobile Accountability Regulations for Management Staff*.
3. The Company has established a multi-dimensional supervision framework. It adopts a problem-oriented approach and carries out inspection and supervision in innovative ways. It also has open channels for internal and external supervision with a variety of whistle-blowing channels, such as mailbox, dedicated number, the CEO Mailbox, and on-site whistle-blowing during supervision and inspection. We also strengthened the collaboration of our internal audit and anti-corruption efforts, and continuously supervises the economic responsibility performance of key areas and the management of our subsidiaries.

Progress in 2017

1. In 2017, the Company released ten compliance guidelines on market competition, anti-commercial bribery, cooperation with law enforcement, information security, bidding and procurement, project construction, labor and employment, network security, conflict minerals and export control. We also issued a series of compliance requirements and guidelines for 306 key aspects and key issues and sorted out 663 compliance risks in key areas to strengthen the closed-loop management of compliance risks. Regarding hot issues and newly promulgated laws and regulations, we regularly release *Risk Compliance Briefing* to provide risk alerts and relevant management suggestions.
2. All our business units implemented the series of actions required by the compliance guidelines to promote the culture of compliance, such as announcing compliance initiatives, organizing employee awareness activities, trainings and education, putting up posters, and showing “Compliance Escort Plan” videos. We organized special trainings for personnel from key areas, such as bidding and procurement and project construction. 95% of the legal staff of the Group have participated in compliance training. Some of our subsidiaries required their suppliers to sign a compliance commitment as part of the bidding documents.
3. We promoted the construction of embedded risk prevention and control mechanism, further clarified responsibilities and strengthened the hard constraints on systems. Over 10,000 person-times were interviewed for reminder or reprimand cumulatively.

4. We carried out special inspections, “Look-Back” inspections and unscheduled inspections to monitor the rectification of problems. In the past five years, we have dispatched 47 inspection teams consisting of 606 people. More than 800 problems were identified during internal inspections, and 920 policies were established or revised.
5. We organized 3,580 awareness-raising monthly events on anti-corruption education, covering over 90% of our employees. We also innovated the anti-corruption and compliance education to attract employees to participate, such as website and app of the Discipline Inspection Group, Online University, mobile classroom, MMS classroom and other online education and training platforms.
6. During the year we received a total of 1,240 petitions, and 82% of the cases were handled and closed.



Publishing the China Mobile Compliance Initiative

The Company actively promoted governance and operational compliance and officially released the *China Mobile Compliance Initiative* that upheld the compliance philosophy and concepts to “abide by laws, respect rules, honor commitments and pursue self-cultivation”. Our management staff all signed the initiative and made collective commitment and led their units to support the initiative to ensure compliance.

Establishing the Compliance Management Mechanism for Key Areas

The Company formulated the “Six-Step Method” of compliance management for key areas. The six steps included optimizing systems, standardizing procedures, devising guidelines, preventing risks, providing training and setting up platforms. We selected eight key special areas closely related to our operations, and embedded compliance review into business processes, and incorporated compliance requirements into business content. Our compliance management mechanism for key areas was awarded the 2017 “First Class Achievement of China Communications Industry Fourteenth Corporate Management Modernization Innovation”.

Indicators	2015	2016	2017
Number of anti-corruption education activities in year	1,986	3,951	3,580
Participation of anti-corruption education and trainings (person-times)	761,800	696,106	722,720
Number of corruption cases disciplined in year	96	232	275
Number of employees dismissed and disciplined for corruption in year	140	302	414

Information Security and Privacy Protection

Challenges and Priorities

The *Network Security Law*, which came into effect on 1 June 2017, put forward comprehensive requirements for the protection of personal information. Meanwhile, various new forms of information fraud pose severe challenges to information security and privacy protection. China Mobile actively implements policy and regulatory requirements, takes the initiative in improving information security capabilities, strengthens the centralized control of spam messages, and coordinates resources to prevent and crack down on communication and information fraud.

Management Approach

1. Regarding customer information protection, we improved our consumer information protection regulations and brought them fully in line with the requirements of national laws and regulations; constantly improved our capabilities by expanding technological applications, such as the “Vault Mode” and customer information masking, and strengthening account management and performance audit; and strengthened inspection and supervision, carried out regular third-party monitoring of our customer information security work, inspected provincial subsidiaries for their customer information protection, and identified risks and made rectification accordingly.
2. Regarding spam messages, we continued to improve our centralized business governance system, strategically allocated our resources nationwide to cover 3 categories and 10 specific projects, forming a closed-loop management cycle of generation, allocation, disposal and optimization.
3. Regarding preventing and combating information fraud, first, we strictly implemented real-name registration and punished distributors for resale of phone numbers and other unlawful practices; second, we standardized our key businesses, including the dedicated voice line, 400 number services and more; third, we strengthened the crack down on falsified caller ID; fourth, we promoted the use of technological solutions such as Customized Phone-Call Signature; fifth, we launched campaigns to improve customer awareness, improved our violation reporting mechanism by setting up sections on our portal website for whistle-blowing and fraud alerts, and disseminating fraud alert information through multiple channels, etc.; sixth, we explored the timely detection and intervention of fraud cases based on big data technology; seventh, we strengthened the tracing and accountability mechanisms, including the establishment of a tracing and investigation process for suspected fraud numbers covering 31 provinces, and the formulation and issuance of the China Mobile Accountability Measures for Information Fraud Prevention and Treatment; eighth, we formulated and issued the China Mobile Management Measures for Information Fraud Prevention and Treatment, shaping a long-term mechanism with standardized process.

Progress in 2017

1. We revised the *China Mobile Regulations on Customer Information Protection*, which strengthened the requirements of customer authorization, “Vault Mode” technology coverage, and the management of third-party personnel. We also carried out on-site inspections regarding customer information protection of our provincial subsidiaries with 74 risks identified and rectified. In 2017, we did not have any major incident of customer data leakage.
2. We intercepted more than 200 million spam messages each month, and during the year we blocked over 562,000 harassment phone numbers, detected and intercepted over 2,273,000

pieces of information with pornographic content, shut down over 82,000 illegal websites, monitored and intercepted over 646,000 types of malware, and shut down 6,500 control terminals of malware.

- We launched the All-in-one National ID Inquiry System to further enhance user authentication and ensure compliance with the real name registration requirements. For key businesses, we required existing users to sign a new user contract, which contained specific prohibition on the resale and leasing of numbers, identity theft, use of forged ID, use of services against laws and regulations as well as abnormal patterns of use.
- In 2017, we blocked over 3.14 million fraud calls from overseas and over 37.08 million calls with false caller IDs and invalidated 21,000 numbers that violated regulations by making group voice calls each month on average.
- We organized provincial subsidiaries in Zhejiang, Yunnan and Shanghai etc. to explore big data-based solutions to identify and prevent fraud by suspending fund transfers in time. In collaboration with law enforcement authorities, we helped suspend RMB520 million from being transferred to fraud perpetrators.
- Regarding fraud alert, we actively carried out the integrated fraud scenario analysis with big data. In 2017, we published 71 typical fraud cases and sent out 3,640 million SMS fraud alerts cumulatively, identified and successfully terminated over 3.7 million fraud incidents and provided relevant support for their subsequent disposal, and sent a total of 7.2 billion Customized Phone-Call Signature fraud alerts over the year.
- Our "Big Data Spam Automatic Identification project" was awarded the "Best Practice Award for Big Data Application" by China Computer Federation (CCF). The "Telecom Operator Business Security Technological Guide" we drafted was recognized as an international standard by the International Telecommunication Union Telecommunication Standardization Sector (ITU-T), and our six projects including "Vulnerability Analysis, Detection and Automation Control Platform" and "Security Vulnerability Collection, Analysis and Alert Management" were recognized as the "2017 Telecommunication and Internet Industry Network Security Pilot Projects".



Mobile Guardian Protects Mobile Phone Security

The Mobile Guardian toolbox developed independently by China Mobile can accurately identify security vulnerabilities in the mobile phone operating system, applications, components and configuration in 3-5 minutes without installing any software on the mobile handset. At the same time, because the entire analysis of the Mobile Guardian toolbox is completed in the phone memory with desensitization encryption, it will not retain or store user-related information, thus effectively preventing the leakage of user information. By the end of 2017, the Mobile Guardian toolbox had been used in more than 100 units and found and solved more than 100 thousand problems.

Indicators	2015	2016	2017
Decrease of complaints about spam messages year on year (%)	29.4	24.0	29.3
Number of fraud numbers dealt with	96,000	136,000	50,700

► Network Quality

Challenges and Priorities

As digital services become increasingly integrated into everyday life, the impact of network interruptions on customers also increases. China Mobile endeavors to build a high quality network and attaches great importance to enhancing its emergency communication support capabilities to provide high quality communication services to cope with extreme weather, provide relief efforts after major natural disasters, and support various types of public events. We also make timely and transparent disclosure of network outages and the causes.

Management Approach

- We allocate network resources in a scientific way to ensure coverage for important scenarios, optimize our end-to-end networks, improve the quality of our VoLTE service, and maintain our leadership position in 4G network quality.
- We constantly improve our communication support system focusing on "two mechanisms and three control forms", namely to ensure organizational and personnel readiness with the support mechanism for major events, ensure equipment and resource readiness with the emergency resource pool mechanism, ensure orderly preparation with the process and responsibility breakdown control form, ensure full coverage of emergency plans and exercises with the emergency plan and exercise control form, and ensure smooth on-site support with the on-site communication support matrix control form.
- We have developed a network security support system characterized by 4 "Rs", namely "clear responsibility, readily available resource, manageable risk, and timely response", and coordinated our capabilities from different fronts to enhance our overall support capability by using the same task list across different management levels, different business processes and different specialized fields.
- We continue to strengthen the training of our emergency response team, ensure the readiness of equipment and supplies and transport emergency supplies to coastal areas and areas along rivers to enhance our responsiveness in providing support for significant natural disasters such as nationwide floods.
- We publicly disclosed network disruptions and failures and their causes in accordance with the *Supervision and Management Method of Telecommunication Network Operations*.

Progress in 2017

- We formulated the *China Mobile 2017 4G Wireless Network Construction Guideline* to focus on improving network access on common network blind spots including high-speed trains, university campuses, high-rise buildings, and places with limited upstream link.
- We completed a series of communication support tasks for major events and natural disasters and achieved the goal of "zero major network failure, zero major safety incident and zero complaint from key customers".
- We applied several new technologies and new approaches in carrying out communication support tasks, such as UAV high altitude base stations, 4G emergency satellite vehicles, and big data disaster relief support platform, etc.

- Our “Research and Application of Network Big Data Based Key Technologies for Intelligent Operation and Maintenance System” won the “2017 Science and Technology Second Class Award issued by China Institute of Communications, and our “Construction of New Home Broadband Operation and Maintenance Support System” won the “Third Class Award of the Communication Industry’s Modern Management Innovation Excellence Achievement” issued by China Association of Communications Enterprises.
- The VoLTE connection rate increased from 98.88% to 99.78%, the call delay was reduced from 3.23s to 2.80s, and the full call success rate of voice calls on high-speed trains increased from 84.67% to 89.87%.



Emergency Communication Support after the Jiuzhaigou Earthquake

At 9:19 PM on 8 August 2017, a magnitude 7 earthquake occurred in Jiuzhaigou county, Aba prefecture, Sichuan. China Mobile Sichuan Company promptly set up an emergency support working group. For the first time, we applied the world’s leading UAV aerial base station in disaster relief, providing mobile communication signal coverage to the over 30 square kilometer area of Heyezha in the scenic area of Jiuzhaigou through the 4G base station mounted on the UAV.

Communication Support for the Hoh Xil World Heritage

In July 2017, Hoh Xil successfully applied for recognition as world heritage, and was officially listed in the “World Heritage List”. China Mobile Qinghai Company set up a special communication support task force, who visited the main sites of the Hoh Xil world heritage area and developed a detailed communication support plan with full coverage of the main sites, providing high quality voice communication and stable data service for the world heritage application working group. Along the over 2,000 kilometers world heritage route in the alpine area, “there was a lack of oxygen but never a lack of mobile signal”.

Communication Support for BRIC Summit

On 3-5 September 2017, the Ninth BRIC Summit was held in Xiamen. China Mobile Fujian Company ensured “high-speed, secure and stable” mobile communication service for the Summit by upgrading the network in key support areas, formulating emergency plans and carrying out emergency drills and network interruption repair exercises for different scenarios.

Information Disclosure of Network Disruption

At 8:45 AM on 12 July 2017, China Mobile Beijing Company experienced a network disruption due to an equipment hardware failure, which affected the use of 4G data service of 96,000 users. China Mobile Beijing Company made a public announcement about this service disruption through its official Weibo at 4:27 PM the same day. The emergency support crew reacted promptly and the service was successfully restored at 9:30 PM on 12 July.

Indicators	2015	2016	2017
Number of 4G base stations (10,000)	110	151	187
Number of emergency communication support tasks	3,219	4,128	4,476
Significant political/economic event support	2,807	3,748	4,253
Significant natural disaster support	371	347	190
Significant accident or catastrophic event support	24	25	23
Public health incident support	0	2	0
Social safety incident support	17	6	10
Number of emergency support vehicles deployed	8,212	15,425	7,362
Number of emergency support equipment deployed (set time)	58,624	56,625	30,642
Emergency communication support personnel activated (person-times)	207,822	386,214	201,250

► Service Quality and Customer Rights Protection

Challenges and Priorities

Nowadays, customer interactions are conducted increasingly through the Internet and new media platforms. The traditional service interfaces and service relationships between communications operators and their customers are also changing accordingly. Meanwhile, with the rapid implementation of our integrated development model with “four growth engines” consisting of the personal mobile market, corporate market, household market and emerging business, the complexity related to products, marketing, tariff and network is increasing tremendously, posing great challenge to our service support capabilities. Adhering to its service concept of “customer-centered and service-oriented”, China Mobile continuously explores new technologies, such as artificial intelligence and big data, to create an integrated service support system both online and offline, and strives to provide customers with responsive, timely, efficient and convenient services to their satisfaction.

Management Approach

- Speed up system upgrades, carry out internal tests and whole-network technological verification tests, to ensure billing accuracy after canceling domestic long-distance charges and roaming charges.
- Focus on preventing unauthorized charges. We independently developed the SDK core technology to make our systems more difficult to crack for unlawful uses. We established a shared customer service center in Chengdu, set up a centralized 400 complaint hotline, and applied centralized management to our digital services.
- Introduce critical-time service measures, including the out-of-province SIM card replacement service that allows roaming customers to replace lost or damaged SIM card away from home conveniently, and the 08641 one-click service suspension self-service that allows customers to promptly suspend their services under urgent circumstances.

- We ensured the quality of products of our own brands by strengthening the supervision and control over production quality during the development, approval, manufacturing and sales stages.
- We carried out customer satisfaction surveys and customer net promoter score (NPS) surveys. We conducted 360-degree monitoring of key perception elements of 4G, home broadband and key corporate customers covering both on-line and offline service contact points, and both the front-end and back-end processes, so as to provide important insights to help us improve products and service quality in a targeted manner.
- We set up the centralized service supervision hotline 4001110086 to further improve the centralized handling of customer complaints and follow-ups. We also continuously organized the "Customer Day" events and participated in service quality evaluations organized by industry organizations to gain insight into customer needs and improve the quality of service.

Progress in 2017

- We released a new version of the *Customer Service Agreement* and the template for *Home Wireline Broadband Business Service Agreement*, which contained enhanced provisions on the protection of customer privacy and communication rights, and specific descriptions of the service standards for home broadband access service.
- We developed a full-channel Internet service platform by consolidating all service channels, including 10086 WeChat, 10086 Weibo, 10086 mobile app, customer service email, intelligent answering system, Alipay, WeChat Mini Program, Fetion, WeChat mobile service portal, etc., forming a funnel shaped service system with the layers of "self-service, self-assistance, peer assistance, automatic service and manual service" that provided online customer service under various circumstances.
- In 2017, our manual service hotline handled 1.68 billion customer calls in total, averaging 140 million calls per month, and the overall 30-second connection rate was higher than 90%. Our Internet service channels such as WeChat, mobile app, etc. handled over 1.02 billion service requests each month. Our customer service undertaken by the intelligent robot named "Yi Wa" covered 31 provinces.
- In 2017, our timely handling rate of customer complaints reached 100%, and the overall customer satisfaction rate reached 79.09%.



Intelligent Answering Service System

China Mobile Online Service Co., Ltd. uses intelligent voice navigation to overcome the problems of long waiting time and poor customer experience of traditional manual customer service. When a customer called, if our customer service representatives were busy, the customer would be prompted to enter the voice navigation system to have their request answered. Once entering the system, the customer would only need to voice his/her request to get the information and services required. For simple requests, the system could answer directly; for more complicated requests, the system would automatically guide the customer to the corresponding manual service representative team.

Indicators	2015	2016	2017
Connection scale			
Number of customers (million)	826	849	887
Number of 4G customers (million)	312	535	650
Number of VoLTE customers (million)	—	38.25	200.02
Number of wireline broadband customers (million)	55.03	77.62	112.69
Number of IoT connections (million)	65	103	229
Roaming service			
Number of countries and regions with 4G international roaming service	114	143	172
Number of countries and regions covered by our data roaming services	215	218	229
Annual percentage decrease of international data roaming tariff year on year (%)	58	40	42.2
International data roaming user growth year on year (%)	21	67.6	59.19
Network capacity			
Average 4G network downloading rate on urban roads (Mbps)	over 37	40	42
International transmission bandwidth (G)	2,983	12,942	23,750
Customer Rights Protection			
Number of complaints per million customers	38.5	46.2	35.4
Number of reported spam messages handled (10,000)	145	149	128
Overall customer satisfaction rate (%)	78.72	79.26	79.09

► Research, Development and Innovation

Challenges and Priorities

As we enter the era of Internet of Everything, greater demands are being placed on telecommunications companies to achieve key technological breakthroughs and take ownership of the core capabilities. In the new era, China Mobile keeps strengthening capacity building in R&D and innovation to firmly cement its leadership in 5G development and promote the construction of a well-blended ecosystem where industry partners work together to achieve win-win development.

Management Approach

- Taking our R&D in 5G technologies and applications up a gear, we initiated and led the formulation of international standards for 5G system framework in 2017. We were deeply involved in the national 5G technology testing to advance industrial maturity.
- We accelerated the R&D and deployment of smart hardware, and facilitated the independent R&D and formulation of standards and technological policies in our key product areas including digital home, cellular Internet of Things, Internet of Vehicles and more.
- We published the notice of *Regulations on China Mobile Incubational Entrepreneurship and Innovation Management* and other documents to offer online entrepreneurship and innovation services, dedicated access by entrepreneurship

and innovation teams to innovation knowledge, idea incubation, technology sharing and R&D collaboration, and a channel for product sharing, demonstration and test run through low-cost, comprehensive and open IT services.

Progress in 2017

1. We formulated the China Mobile smart hardware R&D plan and pioneered the idea of promoting customized smart hardware. We built the whole-lifecycle R&D capacity and management systems for own-brand smart hardware and set up the smart hardware innovation center.
2. We submitted applications for key national research projects, namely overall 5G testing planning and large-scale 5G testing and demonstration and confirmed the testing cities and scale. We released the *White Paper on China Mobile Capability Openness 2.0*, introducing 53 capabilities and five major solutions in eight primary fields.
3. We greatly enhanced the quality of independent R&D and industrial products relevant to digital home. We organized the formulation of enterprise standards and R&D in respect of converge gateways, fully connected gateways and smart gateways, etc. We took the lead in drawing up the *Industrial Standards for Universal IoT Modules*, greatly facilitating the development and deployment of IoT applications.
4. We invested RMB79.55 million to support entrepreneurship and innovation projects. Cumulatively, our entrepreneurship and innovation platform has hosted 154,000 users. 1,819 teams are currently engaged in innovation and entrepreneurship projects, with 99 teams working at the And-Creation Space.
5. As of 31 December 2017, our communication capacity open platform has served more than 130,000 enterprises, our unified authentication platform processed an average of more than 500 million accreditations per day, and our OneNET IoT platform has converged 6,500 enterprises and has provided capacity building services to 56,000 enterprises.



Cooperation on “Innovative Second-grade Stroke Prevention and Control System”

Stroke is a common disease that is highly recurrent and prone to causing disability. China Mobile Research Institute joined forces with Duke Kunshan University and Beijing Tiantan Hospital to develop the Innovative Second-grade Stroke Prevention and Control System. With “Internet plus” enabled medical methods and technologies, the system enables medical interventions for strokes and follow-up visits during recovery, and provides training to village doctors, among other functions, thus ensuring coordination among the city, country, town and village levels.

Indicators	2015	2016	2017
Number of patent applications (pieces)	1,319	1,684	2,006
Number of newly registered patents (pieces)	576	684	753
Investment in entrepreneurship support (RMB10,000)	—	400	7,955

► Supply Chain Management

Challenges and Priorities

Under the business context of globalization, the challenges faced by Chinese enterprises in supply chain management are mainly related to cost control, customer service, supply and demand coordination, and visualization and informatization management. As China Mobile works together with our suppliers in the fields of production, services and business processes, it also shares responsibilities and risks as well as opportunities with its suppliers. Therefore, it is an important sustainability measure to identify, monitor and manage the risks and opportunities in its supply chain and actively implement centralized and efficient procurement strategy.

Management Approach

1. We formulated a standardized procurement process that follows relevant requirements and integrated it into our supply chain management system (SCM) and the electronic procurement and bidding system (ES).
2. We issued the *Notice on Standardizing the e-Procurement and Tendering and Bidding System Applications and Promoting the Traceability and Transparency of Procurement*, aiming at ensuring the “open operation, controllable process, whole process on file and perpetual traceability” of our full procurement process.
3. We formulated the *China Mobile Suppliers Cooperation Guidelines*, explicitly requiring cooperating suppliers to actively fulfill their responsibilities to pay taxes, cover the social security payment of their employees, abide by labor laws and regulations, protect labor rights, ensure workplace health and safety, and support social responsibility and environmental protection, etc. Meanwhile, we require all procurement personnel to sign a *Business Integrity Commitment* to ensure the standardization and fairness of our procurement activities.
4. We incorporated supplier management risks into our comprehensive risk assessment and carried out comprehensive assessment of the economic, environmental and social risks of suppliers in various ways, including site visits, questionnaires, external sustainability agencies, stakeholder information, external databases and public opinion monitoring.
5. We included SA 8000, OHSAS 18001, ISO 14000 and other social responsibility, occupational health and safety and environmental management system certifications into our supplier assessment criteria. Suppliers who failed to pass certain certifications were required to give explanations on their working hours management, remuneration and payment, safety and health management, environmental assurance of products, environmental protection management, etc. We also included a new evaluation criterion of “social contribution”, which measured the charitable donations the supplier made within the previous year.
6. We formulated the *China Mobile Supply Chain Policy on Conflict Minerals* and the *China Mobile Guidelines on Supply Chain Due Diligence Procedures for Conflict Minerals*, requiring suppliers to investigate and report on the use of conflict minerals in their supply chain.

Progress in 2017

1. We extended the China Mobile Compliance Initiative to cover our business partners and strengthened the supervision and assessment of business partners' integrity and compliance through due diligence, qualification review, performance control, post-evaluation and compliance commitment. We organized special compliance trainings for employees of key areas such as bidding procurement and project construction. Some of our subsidiaries also required their suppliers to sign compliance commitments.
2. We issued the *China Mobile Management Measures on Negative Acts of tier 1 Centralized Suppliers* to promote the development of the business integrity system of suppliers, regulate suppliers' negative behaviors, and specify criteria for and procedures for disciplinary actions.
3. Our case, "Building a Centralized, Efficient and Open Supply Chain Management System", was recognized as the "2017 Outstanding Case of Logistics and Supply Chain Informatization" by China Federation of Logistics and Purchasing; while another case "China Mobile Digital Supply Chain Management System" was named the "Leader in Operational Model Transformation" at the "Digital Transformation Award" by the International Data Corporation (IDC).
4. There were 99,117 registered experts and 178,670 registered suppliers in our electronic procurement and bidding system, and approximately 38,000 transactions were posted on the system.

Indicators	2015	2016	2017
Number of suppliers	6,235	7,243	8,039
Number of first-level suppliers	419	553	571
Percentage of first-level local suppliers ¹ (%)	100	100	100
Number of second-level local suppliers	6,105	7,148	7,468
Percentage of second-level local suppliers ² (%)	47.41	44.29	55.69
Number of assessments on first-level suppliers ³	2,252	2,393	2,417
Percentage of assessed suppliers in confirmed first-level all suppliers (%)	100	100	100
Number of suppliers disqualified because of quality problems found during on-site assessments	0	0	0
Number of contracted service providers	210	192	156

Note:

1. Percentage of first-level centralized procurement suppliers means the proportion of domestic suppliers (registered in Mainland China) in all suppliers for the first-level centralized procurement. We did not conduct any international tendering projects in 2017, thus did not have any international supplier.
2. Percentage of second-level centralized procurement suppliers means the proportion of suppliers registered in a province for the second-level procurement of that particular China Mobile provincial subsidiary.
3. Number of assessments on first-level suppliers refers to the number of supplier assessments carried out by our Procurement Shared Service Center, covering both winning and non-winning suppliers. This number does not cover second-level procurements.

Environmental Performance

► Reducing Carbon Emissions

Challenges and Priorities

Climate change is a severe challenge facing humanity. By reducing carbon footprint and GHG emissions, companies can contribute positively to achieving the national emissions reduction targets and limiting global climate change. Acting on our energy-conservation-and-emissions-reduction-centered environmental strategy, we commit ourselves to reducing our own energy use as well as engaging industrial stakeholders in environmental protection to cut down on our environmental impact.

Management Approach

1. We formulated the *Special Planning about Energy Conservation and Emission* during the 13th Five-Year Plan, and specified the 2020 national emissions reduction targets, setting the goal of reducing the overall energy consumption per unit of information flow by 45% and the overall energy consumption per unit of total telecommunication business volume by 40% by 2020, and strive to use our ICT-based low-carbon solutions to help enable CO₂ emissions reduction to remain 10 times the emissions in the society.
2. We push forward the implementation of environmental management policies and have embedded an energy conservation perspective into the entire business process including feasibility research, design, procurement, construction and maintenance. We run evaluations and inspections on energy conservation and emissions reduction measures and invest in carbon offset projects to optimize our closed-loop management. We help reduce carbon emissions along our supply chain at all stages like R&D, manufacturing, transportation and recycling. We leverage IT-based low-carbon solutions to facilitate the transformation and upgrade of traditional industries and the green development of the society.
3. In 2017, we provided our customers with long-distance and paperless conferencing services via our video and audio office terminals like the Cloud Video and Conference Assistant, helping them cut down on business travels and paper use. We also promoted the use of paperless office systems inside the Company like OA and email to reduce our carbon emissions.

Progress in 2017

1. We reviewed and disclosed our performance in climate change strategy and management system, risk and opportunity assessment, and carbon emissions management against the global disclosure system CDP from multiple perspectives. We used companies selected for the CDP's A List and DJSI annual list as benchmarks, and made improvements in the management of waste discharge, resource use, the environment and natural resources, and the management of supply chain based on the ESG Reporting Guide.
2. We updated the *China Mobile Provisions on Carbon Emissions Rights Trading* and formulated the *Guideline on China Mobile "Green Action Plan" 2017*, specifying plans for promoting energy conservation and emissions reduction measures as well as detailed requirements regarding the construction of carbon trading management system and promotion of ICT-based low-carbon services.

- In compliance with requirements of the CDP questionnaires, we offered training to our top 25 suppliers by value of procurement to coach them on GHG emissions data statistics and disclosure.
- In 2017, we submitted our carbon emissions report, and concluded third-party verification as well as carbon trade and performing the agreement. We set up the carbon emissions calculation system in accordance with the emissions disclosure requirements. Our relevant practice was included in *China's Policies and Actions for Addressing Climate Change 2017*.
- In 2017, China Mobile Zhejiang Company and Guangdong Company obtained the ISO 14001 environmental management systems certification, and China Mobile Beijing Company obtained the ISO 50001 certification.
- Revenue from low-carbon ICT applications reached 6.24% of the operating revenue in 2017.



Energy Conservation Awareness Week

During its Energy Conservation Awareness Week in 2017, China Mobile was engaged in a rich variety of energy conservation awareness-building activities via its own business platform and green communication channels like new media, including the promotion of the eight best practices including the "4G Symbol Shut-down" by China Mobile Jiangsu Company, and the selection of the Best Organization of Energy Conservation Awareness Week 2017 and Top 100 China Mobile Employees in Energy Conservation, among others.

Indicators	2015	2016	2017
CO ₂ emissions (million tonnes)	15.70	14.38	15.98
Direct GHG emissions (Scope 1) (million tonnes)	0.39	0.35	0.33
Indirect GHG emissions (Scope 2) (million tonnes)	15.31	14.03	15.65
Carbon emission intensity (tCO ₂ e/ RMB10,000)	0.235	0.203	0.216
SO ₂ emissions (tonnes)	—	95.22	23.59
NO _x emissions (tonnes)	—	0	0
CH ₄ emissions (tonnes)	—	0	0
Carbon emissions from commute (10,000 tonnes)	—	59.87	37.79
Carbon emissions from business travels (10,000 tonnes)	15.87	9.25	29.44

► Reducing Environmental Resource Consumption

Challenges and Priorities

Telecommunications companies are to build massive infrastructure such as 4G networks and data centers to match the rapid growth in network scale and data demand. This will result in continued growth in energy and water consumption and put more pressure on energy

conservation and environmental protection governance. China Mobile makes a continued effort to develop and promote energy efficiency technologies to help reduce energy use and carbon emissions. We regard this as an important strategic step in lowering our operating costs, exploring the new and emerging environmental protection market, and turning challenges into opportunities.

Management Approach

- We formulated the *Regulations on Management of Machinery Room Energy Efficiency during Construction of Telecommunications Projects* and built the machinery room energy conservation and emissions reduction database to intensify management of machinery room energy consumption.
- We built the energy management system that covers our 31 provincial companies. We hire certified third parties every year to carry out carbon verification and assurance and run full monitoring of the Company's daily energy consumption indicators to improve the accuracy of our energy management and statistics.
- We conducted dedicated energy conservation and emissions reduction inspections, and complemented self-inspection required of each unit with random inspections on the key units. We continued with our evaluation of energy conservation measures after its implementation.
- We promoted energy conservation and emissions reduction through technological innovation. This included basic research on 5G energy efficiency, promoting energy efficiency indicators to be included in key requirements of 5G technology development, which was included in the international standards for the first time. We researched and realized the separation between the cold and hot passageways in machinery rooms to reduce and eliminate regional hotspots. We conducted new energy research, including wind and solar power generation.
- We promoted mature energy conservation technologies across the Company such as 2/3/4G-based smart dormancy and optimization of the multi-network coordination energy efficiency system, air-conditioning system and power source system to reduce electricity consumption.
- We strengthened management of water consumption at the base stations, machinery rooms, administrative premises and business stores, and realized zero growth of water consumption per person at the administrative premises. Measures were taken by companies with favorable conditions to recycle and reuse rain water and reclaimed water to help save water.
- In keeping with the specified requirements, we retired 7,000 pieces of old and worn-out equipment in use across our networks in a timely fashion. This stood to help us reduce annual electricity use by 100 million kWh and the floor area of machinery rooms by 45,000 square meters, a boost to the Company's energy conservation and efficiency augmentation.

Progress in 2017

In 2017, we launched independent R&D of IoT and 5G and promoted mature energy efficiency technologies. We updated the 4G energy conservation standards and realized their application in procurement. By doing so, we cut the single-carrier frequency power consumption of newly added 4G networks by 61%, which helped reduce our annual electricity use by 1.2 billion kWh alone. Our overall energy consumption per unit of total telecommunications business was 21 kilograms of standard coal per RMB10,000, decreasing by 29% compared with 2016.



Green Data Center

China Mobile pioneered the liquid/gas dual-channel forward heat dissipation technology, which could significantly bring down the data center PUE to below 1.2 and cut energy use by over 45%. When fully implemented, this technology would help save the annual electricity use at our domestic data centers by over 50 billion kWh, and facilitate green development of the telecommunications sector.

Multi-network Coordination Energy Conservation System

The China Mobile multi-network coordination energy conservation system has been deployed for use in about 300,000 communities in Guangxi, Jiangxi, Shanghai and other provinces and cities. The system allows the networks to shut down during non-peak hours, thus maximizing the reduction in network resource consumption to save about 12 million kWh in electricity use annually.

139 Electronic Invoicing

China Mobile 139 Mail collaborated with a major tax-control services company in China to introduce a total electronic invoicing (e-invoicing) solution in September 2017. By joining forces, the two companies would enable a one-stop e-invoicing service that provides nationwide consumers with the issuance, filing, online reimbursement and title management of e-invoices. The service would cover a rich variety of areas such as e-commerce, catering, business traveling and retailing.

Environmentally-friendly Mixed-case Shipping Pallet Project

China Mobile worked with Apple on the environmentally-friendly mixed-case shipping pallet project in 2017 to cut down on the use of wooden pallets. The mixed-case pallet technology was estimated to reduce the number of wooden shipping pallets used at the terminal trunk line of Apple by 400 per year, 25% less than the one before system implementation.

Indicators	2015	2016	2017
Energy Consumption			
Total electricity consumption (100 GWhs)	200.9	197.1	223.3
Natural gas consumption (million m ³)	8.9	9.1	7.9
LPG consumption (100 tonnes)	3.3	3.7	3.1
Coal gas consumption (million m ³)	0.5	0.2	0.1
Coal consumption (10,000 tonnes)	1.2	0.5	0.1
Total gasoline consumption (million liters)	127.8	126.9	121.5
Total diesel fuel consumption (million liters)	20.6	17.6	19.4
Purchased heating costs (RMB million)	147.7	150.4	160.9
Energy Savings			
Total electricity saving in this year (100 GWhs)	3.0	3.8	21.4
Equivalent costs saving by saving electricity in this year (RMB100 million)	3.9	5.2	28.9
Equivalent GHG emission reduction by saving electricity in this year (10,000 tonnes)	22.7	26.4	148.5
Water Use			
Total amount of water consumption (million tonnes)	37.57	41.25	42.24
Average amount of water consumption per employee (tonnes)	86	90	91
Green Office			
Cross-provinces video conferences usage at headquarters (times)	855	800	882
Green Operations			
Online business sales of electronic channels (RMB100 million)	3,209	3,934	4,648
Reduction in overall energy consumption per unit of information flow (%)	17.5	36	40
Investment in "Green Action Plan" (RMB100 million)	1.8	1.9	1.4

► Waste Management

Challenges and Priorities

As digital economy sustains rapid development and takes the world by storm, electronic waste (e-waste) is becoming an environmental issue challenging the global ICT sector. China Mobile keeps reinforcing specialized disposal and recycling management of e-waste and other kinds of waste, and rallies value chain partners to be environmentally engaged to promote reduced and recycled use of resources and contribute to the development of an ecological civilization.

Management Approach

1. We hire certified third parties to handle and recycle the waste produced during the daily operations at our machinery rooms, base stations and data centers.

- We increase the use of green packaging and promote waste recycling and reuse. We urge our suppliers to fulfill the centralized procurement commitment to enhance the percentage of green packaging for newly purchased equipment.
- We continue to conduct the Green Box Environmental Protection Campaign by combining it with our "And Trade-In" program. We help raise public awareness of the impact of e-waste on the environment and encourage citizens to participate in environmental protection through public recycling of discarded handsets, accessories and batteries. We ran the Green Box volunteer campaign on 1,926 occasions in 2017, recycling 37,255 pieces of electronic equipment in total.

Progress in 2017

The percentage of newly purchased equipment using green packaging reached 67% in 2017, equivalent to 140,000 m³ of wood saved.

Indicators	2015	2016	2017
Weight of Waste Recycled by Qualified Third Parties (tonnes)			
Network Waste	26,637	21,046	32,531
Acid batteries	19,195	13,997	20,219
Telecommunications equipment	4,598	3,366	6,869
Cables	907	1,088	2,136
Other waste	1,937	2,595	3,307
Office Waste	1,323	1,512	2,367
Electronic equipment	937	1,234	1,895
Other waste	386	278	472
Devices	44	184	137
Total	28,004	22,742	35,035
Value of Waste Recycled by Qualified Third Parties (RMB10,000)			
Network Waste	13,546	10,574	21,255
Acid batteries	10,392	7,942	13,220
Telecommunications equipment	1,914	1,513	3,727
Cables	578	386	3,313
Other waste	662	733	995
Office Waste	551	712	892
Electronic equipment	473	612	798
Other waste	78	100	94
Devices	142	140	122
Total	14,239	11,426	22,269

Indicators	2016	2017
Hazardous waste (tonnes)	22,742	35,035
Non-hazardous waste (tonnes)	0	0
Waste emission intensity (kg/RMB10,000)	0.32	0.47
Total usage of material producing terminal devices (tonnes)	3,171	8,847

► Electromagnetic Radiation Management

Challenges and Priorities

With the rapid development of mobile telecommunications, the number of base stations keeps growing. Disputes regarding electromagnetic radiation that result from ineffective communication are prone to expose telecommunications companies to legal or financial risks. China Mobile constantly strengthens supervision of electromagnetic radiation, and firmly aligns its electromagnetic radiation levels with the national requirements. We also actively seek communication with communities near where our base stations are located to help eliminate misunderstanding.

Management Approach

- We formulated the *Regulations on China Mobile Electromagnetic Radiation Management* and have a relatively well-established electromagnetic radiation management and operations system in place to guide the electromagnetic radiation environmentally friendly management work of our base stations.
- We combine random inspections by experts with daily monitoring by provincial companies to ensure continuous monitoring of our base stations and keeping electromagnetic radiation within the regulatory limits.
- We carry out education campaigns to dispel myths and make the public well-informed of the impact of the electromagnetic radiation of base stations. We have vans dedicated to such education campaigns and produced educational programs with mainstream TV stations on electromagnetic radiation of the base station. We compiled a series of educational materials including *Literature Review on International Telecommunications Electromagnetic Radiation and Health, and Electromagnetic Radiation Risk Communication*, and had papers published in newspapers and online, to eliminate the public's misunderstandings about electromagnetic radiation.

Progress in 2017

Our electromagnetic radiation training and education vans have traveled for 60,000 kilometers since they were first used in 2015. We have organized 304 education campaigns in 128 counties throughout 65 cities and been interviewed by various TV stations and media on 129 occasions.

Social Performance

► Fair Employment and Non-discrimination

Challenges and Priorities

It is a basic code of conduct for a business to ensure that its hiring and employment practices are fully in compliance with the laws and regulations of where it operates. Upholding the principles of diversity and non-discrimination, China Mobile supports equal employment opportunities, actively protects the rights and interests of its employees, and ensures the compliance of the Company.

Management Approach

1. We strictly abide by the *Labor Law of China* and the *China Mobile Management Approach on Recruitment* and ensure that our hiring process is open, fair and transparent. We forbid the mentioning of discriminating content, such as height, appearance, ethnicity and gender, in job descriptions except for certain positions with specific requirements. We strictly forbid the use of child labor and forced labor.
2. We strictly comply with labor laws and regulations where we operate and provide employees with competitive remuneration as well as insurance and welfare package. Employees' wages are all higher than the minimum wage levels of the respective locations.

Progress in 2017

1. To create a fair, equal and open talent selection environment, we adjusted our campus recruiting practice for the 2018 recruiting season, requiring all recruiting parties within the Company to conduct campus recruiting at the same time and use only one unified written exam.
2. To optimize a normal employee mobility mechanism, we revised our *Labor Management Regulations* and further standardized our labor practice on job classification, employment category, number of positions, employee composition, recruitment, labor contract, working hours, vacation system, labor outsourcing management and employee exit, etc.
3. We revised the *Management Methods on the Cooperation with Labor Dispatch Units* to further standardize the management of labor dispatch agencies, protect the lawful rights and interests of dispatched personnel, and ensure harmonious and stable employment relationship.
4. In 2017, 100% of the female employees at our headquarters returned to work after maternity leave.
5. We won the "Best Campus Recruiter Award" at the "2017 China Talent Selection Award" event.
6. In 2017, we created a total of over 2.6 million employment opportunities.

Indicators	2015	2016	2017
Total number of employees (person)	438,645	460,647	464,656
Employee Composition			
Percentage of employees under 30 years old (%)	39.64	35.15	29.62
Percentage of employees between 30 and 50 years old (%)	55.85	61.25	65.95
Percentage of employees over 50 years old (%)	4.51	3.60	4.43
Percentage of female employees (%)	54.79	55.54	55.11
Percentage of female employees at senior management level (%)	14.15	18.00	13.18
Percentage of ethnic minority employees (%)	6.80	7.16	6.83
Employee Turnover			
Total number of employees newly hired in the year (person)	28,512	16,842	27,011
Number of female employees newly hired (person)	15,452	9,040	14,194
Number of male employees newly hired (person)	13,060	7,802	12,817
Total number of employees resigned in the year (person)	10,711	10,404	14,831
Number of resigned female employees (person)	5,088	5,950	8,242
Number of resigned male employees (person)	5,623	4,454	6,589
Total number of employees dismissed in the year (person)	510	636	925
Number of female employees dismissed (person)	199	347	589
Number of male employees dismissed (person)	311	289	336
Percentage of employees resigned or dismissed among employees under 30 years of age (%)	—	1.94	2.24
Percentage of employees resigned or dismissed among employees between 30 to 50 years of age (%)	—	0.95	1.59
Percentage of employees resigned or dismissed among employees over 50 years of age (%)	—	0.02	0.21

Note: The indicators of Employee Compositions and Employee Turnover are measured based on regular employees.

► Human Resources Development

Challenges and Priorities

The loss of key employees and the lack of capability to adapt to the business transformation among employees are common challenges for state-owned communication enterprises. China Mobile strives to maintain our competitive edge in talents and further improve our competence for sustainable development by continuously improving its employee incentive mechanism, streamlining employee career development channels and fostering core competences in new technology and new businesses.

Management Approach

1. We set up a multi-channel career development mechanism scheme, which includes the category of job function, career development levels and job system, and link up with salary system, improve human resources management system, promote job matching, retain core talents, and improve employee's enthusiasm and initiative.
2. Revised and issued *Training Management*, to further establish the training principles, management system and requirements, define training object, contents and methods, specify training implementation and evaluation to ensure more institutionalized, standardized and meticulous training management of the Company.
3. Continue to carry out the annual training project evaluation, formulate the project evaluation report based on the whole process training management and assessment system, and provide the training needs analysis and project implementation suggestions to departments to constantly improve the training of each business unit.
4. Continue to organize "The Most Beautiful Mobiler" activities, select outstanding employees who can represent China Mobile, communications industry and central enterprises, expand the influence of the advanced personas, and enhance the incentive effect of employees.

Progress in 2017

1. We constructed an incentive system covering various position levels and career paths, including: adjusted the salary structure for senior positions to increase the weight of variable income and allow greater differences in income; implemented quantitative performance-based salary structure for front-line employees, creating greater incentive for "more work more pay" by highlighting the linkage between income and performance; and increase the share of income for core employees to strengthen the retention of core talent.
2. We optimized the evaluation and career development mechanism for professional technology staff, including: established an H-shaped career development channel for management and professional technology staff, and made improvements to the qualification and capability system for technology staff, such as the development of expert appraisal mechanism, evaluation mechanism and the dynamic optimization of expert database.

3. We implement our annual training plan, including: organized various trainings for management staff, such as executives seminar, leadership training for new deputy executive staff, training for young managers, management training for headquarters department managers; organized dedicated trainings for key professional staff, such as the advanced training in network technology, IT training for business support operation and maintenance specialists, training camp for headquarters customer managers, and certified trainings such as PMP training and ACCA training; and set up a special channel at our Online University on the ten major projects of the "Big Connectivity" strategy. In 2017, these were 405,000 users in our Online University system, of which 291,000 users studied over their mobile phones, and spent 50 hours per user on average.
4. We organized 402 online certification exams for network maintenance personnel and a total of 128,000 people participated.
5. The professional composition and education level of our employee continued to optimize, and as of 31 December 2017, the percentage of employees with college or higher degrees increased by 6% on year-on-year basis.
6. We organized the second annual selection of "The Most Beautiful Mobiler" for outstanding individuals, teams and grass-roots groups.
7. China Mobile University was awarded the "China Talent Development Award for Outstanding Enterprise University" by China Human Resources Development and Research Association, and the "Best Enterprise University Award" in the Top Chinese Enterprise University Rankings, and the "China Talent Development Award for Outstanding Enterprise University".



"New Momentum Program"

To better support its transformation, the Company initiated the New Momentum Program to help key technology talents develop needed capabilities. The Program leveraged internal and external resources, and offered a variety of trainings for a total of 54,000 people in 2017, including those on new technology and intermediate and high-level network technology, and those on IT technology that supports business.

Developing Trainings on New Technologies and New Businesses

In 2017, we strengthened the development of training resources on new technologies and new businesses and designed a total of 226 courses in this regard. We launched learning programs on "Intelligent IoT for Future", "Words of Tech", "Network Maintenance and Optimization", "Unified Communication" etc. We constantly improved the business line course resource system, and extended the reach of education by means of online learning features and live broadcast of lectures, to help our technical talents acquire needed capabilities during the phase of transformation.

Indicators	2015	2016	2017
Human Resources Composition			
Percentage of technology personnel (%)	—	—	23.34
Percentage of marketing personnel (%)	—	—	56.56
Percentage of managerial personnel (%)	—	—	7.25
Percentage of administrative personnel (%)	—	—	10.09
Other personnel (%)	—	—	2.76
Human Resources Development			
Training expense per employee (RMB)	1,944	1,646	1,717
Total number of employees trained (10,000 person-times)	116.9	154.9	183.9
Number of senior management trained (person-times)	741	867	986
Number of middle-level management trained (person-times)	12,139	15,546	28,669
Number of general employees trained (10,000 person-times)	115.6	153.2	181.0
Average training time per employee (hours)	57.6	64.4	88.5
Average training time per senior management (hours)	92.0	99.8	106.9
Average training time per middle-level management (hours)	66.4	79.8	88.1
Average training time per general employee (hours)	57.3	64.2	88.6
Number of Online University users (10,000 persons)	33	39.5	40.5
Average Online University study hours per user (hours)	31	38.2	50.0
Number of Online University users via mobile phone (10,000 persons)	14	27.8	29.1

► Workplace Health and Safety

Challenges and Priorities

To ensure workplace health and safety for employees is not only the foundation for smooth operation of the Company, but also an important indicator of how we protect the rights and interests of employees. China Mobile attaches great importance to raising the employees' awareness of workplace safety, promoting work-life balance, supporting employees in need, protecting the physical and mental health of employees, and enhancing the sense of belonging and cohesion of its employees.

Management Approach

1. We develop and improve safety management policies, carry out in-depth inspections and remediation of safety hazards, and ensure workplace safety with awareness raising activities, such as Safety Month, Fire Prevention Month, etc.

2. We attach great importance to the mental and physical health of our employees by continuously launching Employee Assistance Program (EAP) and the "Happiness 1+1" employee caring activities, provide physical examination for employees annually to help them better manage their health; and set up a special fund at provincial subsidiaries to support employees who suffered from major diseases.
3. We attach great importance to preserve the rights of female employees to give birth, grant pregnant employees maternity leave, and provide female employees with a work environment meeting their special demand such as nurseries or the "Mommy's Room".

Progress in 2017

1. In 2017, we issued several management policies such as the *China Mobile Safety Management Regulations for Sales Outlets* and the *China Mobile 2017 Workplace and Security Priorities*. We also applied information technology to improve our safety supervision and management capabilities, including the development of a safety inspection management platform.
2. We organized a series of events during the Safety Month and Fire Prevention Month to promote safety awareness and enhance safety capabilities among our employees, such as trainings for safety management supervisors, an essay competition with the theme of "Responsibility Creates Safety", and safety knowledge competition among our employees.
3. In 2017, our Employee Assistance Program (EAP) covered 31 provincial subsidiaries and 20 professional companies and organizations directly affiliated with us, covering a total of over 320,000 employees. Cumulatively, we have trained 3,062 EAP specialists and set up 114 facilities to help deal with employees' pressure such as relaxing lounge or counselling rooms, etc.
4. In 2017, a total of 318,000 employees were covered by the "Happiness 1+1" program that cared for the physical and mental health of our employees.



Enhancing EAP Capabilities

From 2007 to 2017, China Mobile organized 7 EAP experience sharing conferences, 4 EAP forums and 9 EAP trainings, and trained a team of in-house EAP specialists. With years of experience, we have developed many outstanding cases and best practices that were promoted across the Company, such as the "Happy Sales Outlet" program of Zhejiang Company, the "Happy Work Approach" of Anhui Company and the "Melting Heart" program of Jiangxi Company.



“Happiness 1+1” Caring for Employee Health

The “Happiness 1+1” program is a long-term employee care program that focuses on promoting the physical and mental health of our employees. In 2017, we continued our support to the program and organized a series of employee activities to promote a positive workplace and healthy living. Our headquarters worked together with the MIGU Company and jointly launched a series of “MIGU fun” activities including reading, running and music. We also organized the second employee group talent show and badminton competition, organized employees to participate in industry-wide bridge, light volleyball and badminton tournaments, organized employee calligraphy, painting and writing interest groups, and hosted the “China Mobile And You” employee mobile phone photography exhibition, etc.

“Five Smalls” Warming Hearts of Employees

We continuously promoted the construction of the “Five Small” projects (small canteens, small lounge, small bath, small activity room and small library) in order to improve the working and living conditions of grassroots employees. In 2017, we invested over RMB600 million in upgrading the “Employee Home” facilities of grassroots operating units and extended the program's coverage to cover township sales units, the lowest level of operating units. 28,000 facilities were newly built and upgraded, benefiting 350,000 employees in total.

Targeted Employee Care System

China Mobile has established a targeted employee care system, providing special support for employees whose children suffered from congenital heart disease, including remote diagnosis services. We also provided condolence payments to employees who needed urgent help, such as employees in disaster areas, which helped improve the solidarity of our organization.

Indicators	2015	2016	2017
Participation rate of employee health checkup (%)	94	97	97
Number of safety emergency drills	1,156	1,214	1,250
Participation rate of safety emergency drills (%)	86	86	86
Accident fatalities per 1,000 employees	—	0.0065	0.004

➤ Respect and Protect Human Rights

Challenges and Priorities

Respecting and protecting human rights is an important principle and choice of values for any responsible business. China Mobile con-

sistently practices its core value of “Responsibility Makes Perfection”, respects and protects human rights in business practices, and actively safeguards the interests of vulnerable groups.

Management Approach

1. We became a member of the UN Global Compact in 2007. Since then, we have supported and actively implemented the UNGC Ten Principles, respected and protected internationally recognized human rights, and forbid any involvement in any act of ignoring and violating human rights.
2. We issued the *China Mobile Guiding Opinions on Business Transparency*, promoted the process of democratic management at the grassroots level, and actively upheld employees' rights to participate in corporate affairs and express their opinions. The Company continued to implement the employee representative conference system, formed a closed-loop management of the handling and follow-up of propositions, and actively protected the lawful rights and interests of employees. In 2017, 100% of our headquarters, provincial subsidiaries and professional companies signed collective bargaining contracts with employees.
3. We set up a smooth grievance mechanism for employees, who can make inquiries and suggestions to the Company through channels such as the CEO Mailbox, Letters and the Petition Office and the labor union. The Company will respond to and deal with the received opinions and suggestions in a timely manner.
4. We safeguard human rights among suppliers at all levels. We revised the *Supplier Management Measures*, requiring the certifying of the labor rights of suppliers based on the supplier certification template. We also included labor practice inspection into the review process for tier-one suppliers to urge better protection of human rights.
5. We continue to improve the closed-loop management system for customer information protection to improve customer information security and actively protect the lawful rights and interests of customers.
6. We support the development of poverty-stricken areas with poverty alleviation programs and efforts to bridge the digital divide, helping people who live in remote areas improve their living conditions and obtain access to education and decent living.

Progress in 2017

1. We strengthened the cooperation with governments at all levels to promote the construction of information platforms such as e-commerce, remote health care, education and finance and provided higher tariff discounts for mobile and broadband services for poverty-stricken areas to further lower the threshold for information services.
2. In 2017, we carried out the “Telecommunication Universal Service Project” and provided broadband connection to more than 20,000 administrative villages.
3. Since 2014, six provincial subsidiaries, Yunnan, Chongqing, Guizhou, Neimenggu, Jiangxi and Gansu, have been participating in the “Rural Broadband Demonstration Project”. By the end of 2017, we have brought optical fiber broadband connection to 9,499 administrative villages cumulatively, of which 1,826 were connected in 2017, further increasing the percentage of villages using China Mobile's broadband Internet.

4. To protect the rights of disadvantaged groups to use information services, we continued to organized outreach and service events in rural areas and residential neighborhoods to better serve rural residents as well as disadvantaged groups such as the elderly and the handicapped by upgrading their mobile apps and repairing and cleaning their mobile phones.

Indicators	2015	2016	2017
Number of sales channels in township-level areas (10,000)	59.5	55	46.2
Number of Rural Information Service users (10,000)	6,349	6,487	7,480
Cumulative number of rural information messages sent via Rural Information Network (100 million)	532.4	656.1	595.7
Union participation rate of regular employees (%)	100	100	100
Union participation rate of contracted employees (%)	98	98	98

Public Welfare

Challenges and Priorities

The eradication of poverty is a major global challenge. It is an important responsibility of China Mobile to assist with targeted poverty alleviation efforts in China and implement the UN Sustainable Development Goals by leveraging our expertise in connectivity and our corporate resources to empower the poor with development capabilities and provide them with better access to public resources such as education and medical care.

Management Approach

1. We formulated the *China Mobile 2016-2018 Plan for Targeted Support (Poverty Alleviation)* and cooperated with our parent company to carry out targeted poverty alleviation work in eight counties in Qinghai, Xizang, Xinjiang, Heilongjiang and Hainan, such as supporting infrastructure construction, promoting industry development and supporting cultural and education development in impoverished areas.
2. China Mobile Charity Foundation continued to carry out our two well-known charity programs: the "Blue Dreams" program that aims at providing primary and middle schools in middle and western rural areas with educational resources and improving their quality of teaching, and the "Heart Caring" Campaign that aims at enabling impoverished children with congenital heart disease to grow up healthily.
3. We developed a targeted poverty alleviation platform to assist government and other partners to improve the efficiency of targeted poverty alleviation efforts.
4. Based on technologies such as big data, cloud computing, etc., we developed distant education and medical care products, and provided technical and platform support for impoverished areas and disadvantaged groups to obtain access to related resources.

Progress in 2017

1. We continued to increase our support for areas in extreme poverty, and actively cooperated with local governments to support the construction of local communications, education and

transportation infrastructure and the launch of other poverty alleviation programs such as rural e-commerce and intelligent tourism.

2. Our targeted poverty alleviation platform has been applied in 45 cities and counties in 6 provinces and trial used in 11 other provinces, serving 6.44 million impoverished people and 330,000 poverty alleviation cadres.
3. Our China Mobile "Blue Dream" Educational Aid Plan trained 11,296 rural primary and secondary school principals, and donated 270 multimedia classrooms, together with our "And-Education" products, to primary and middle schools in poor areas in Sichuan, Jiangxi and Shaanxi provinces.
4. Our China Mobile "Heart Caring" Campaign provided free congenital heart disease screening for 6,071 children from families in poverty and sponsored the surgery treatment for 865 of the children who were diagnosed with the disease.
5. Our parent company invested RMB44.15 million in targeted aid and poverty alleviation operations.
6. Our MIGU Running platform has attracted 42 charity funds, 3 million charity supporters, 1,500 participating businesses and 30,000 running clubs.
7. Currently, the China Mobile "And-Education" cloud platform serves 90 million users and the "And-Health" product serves 106 million users, playing a significant role in enabling vulnerable groups in poverty-stricken areas to obtain equal education opportunities and medical resources.



"Jiangxi Selected", Promoting Local Agricultural Products

"Jiangxi Selected (*Gan Po Youpin*)" is an e-commerce platform for specialty agricultural products set up under "And-Trust", the core Internet product, introduced by China Mobile Jiangxi Company. We constructed a complete industrial chain from production to sales and logistics for the "Jiangxi Selected" platform, offering users full-process, high-quality Internet e-commerce services that cover both online and offline operations. As the largest e-commerce platform for high quality agricultural product and tourism services in Jiangxi province, the "Jiangxi Selected" platform has already attracted 500 local businesses, making concrete contribution to the development of the local economy.

Targeted Poverty Alleviation Big Data Management Cloud Platform

China Mobile Guangdong Company, entrusted by Guangdong Poverty Alleviation Office, developed the Targeted Poverty Alleviation Big Data Management Cloud Platform and the poverty alleviation client-side app, providing a powerful and convenient collaboration tool for poverty alleviation workers stationed in villages. Meanwhile, the company integrated the platform with its e-commerce platform "Guangdong Selected (*Lingnan Youpin*)", aiming to raise the income of local farmers by supporting the development of specialty e-commerce models such as "One County, One Trade" and "One Village, One Product".



The “And-Seeding” Rural Education Support Program

In 2017, our employee volunteers actively participated in the “And-Seeding” rural education support program. Under the theme of “The Book-crossing Journey”, the volunteers brought over 1,000 books, 120 gift sets and several desks and chairs donated by our employees to Miaoqian Primary School in Gaoping Town, Liuyang City, Hunan Province and carried out seven days of education support program. They taught the class “The Magical World in A Class” and visited the families of students with the donated gifts. They also paired up with students from impoverished families to give them long-term one-on-one support to broaden their horizons and help them grow.

Indicators	2015	2016	2017
Total number of registered employee volunteers (10,000 persons)	11.9	13.1	11.1
Total amount of employee volunteer services (10,000 hours)	48.3	50.2	56.8
Cumulative number of impoverished children to receive free congenital heart disease screenings	27,717	33,417	39,488
Cumulative number of impoverished children diagnosed with congenital heart disease and assisted and treated	2,744	3,633	4,498
Cumulative number of China Mobile Libraries built	2,310	2,310	2,310
Cumulative number of multimedia classrooms built	1,260	1,760	2,030
Cumulative number of principals of rural primary and secondary schools trained	80,981	92,532	103,828
Cumulative donation made by China Mobile Charity Foundation (RMB10,000)	19,565	23,395	27,225

► Overseas CSR

Challenges and Priorities

Faced with the integration of and competition for resources brought about by globalization, how businesses fulfill their corporate social responsibilities abroad has a profound impact on their business development and expansion. China Mobile examined the social responsibility risks regarding our overseas operations, promoted staff localization, and actively engaged local communities to strive for win-win development. We also took the initiative to support the development of network infrastructure in “Belt and Road” countries and regions, laying the foundation for information highways for the increasing number of Chinese businesses that expand overseas.

Management Approach

1. China Mobile International Limited proactively promoted the construction of key telecommunication network infrastructure projects that connect the world, such as the cross-border optical fiber cable that connects China with Myanmar, Nepal, Pakistan and Kyrgyzstan. We also built 29 information stations (POPs, Internet service access points) in the “Belt and Road” countries and regions to facilitate international communications and information exchange.
2. During the construction of our data centers, we attached great importance to our environmental impact. We applied several leading environmental design initiatives at the Global Network Center (GNC) of China Mobile Hong Kong Co., Ltd. located in Tseung Kwan O, Hong Kong, which has received the LEED Gold certification and the BEAM Plus certification.
3. China Mobile Hong Kong Co., Ltd. strengthened employee volunteer management and led employee volunteers to do community service and make charitable donations.
4. During each stage of making overseas investments, such as making investment plans, screening investment opportunities, implementing investment projects and making investment decisions, we conducted an in-depth analysis of the macro-environment and industry trends of the investment location and a comprehensive assessment of the economic, social and environmental impacts of the investment projects as an important basis for making investment decisions.

Progress in 2017

1. We cooperated with our parent company and built 3,500 4G base stations in Pakistan, achieving full 4G coverage in cities with a population of 3.1 million or above in Pakistan.
2. The percentage of local employees in China Mobile Hong Kong Co., Ltd. was 89.4% for all employees and 75% for management personnel.
3. In Hong Kong, we were awarded the 2017/18 “Partner Employer Award”, the “Best Employer Award 2017” by Job Market, and the 2017 Big Data SMART Award.