

The Chairman's Statement



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Fostering New Quality Productive Forces, Boosting Core Capabilities, and Embracing the Future of Sustainability

In 2023, China Mobile positioned itself as a world-class information services and sci-tech innovation enterprise, advanced the “1-2-2-5” strategy and reached new milestones, with revenue surpassing the RMB trillion mark for the first time in its history of development, and net profit attaining a record high. We have emerged as a world-class information services enterprise with the largest network, customer scale, and revenue, alongside leading the way in innovation, brand value, market capitalization, and profitability. While advancing high-quality development of the Company, China Mobile remains steadfast in its commitment to sustainability, focusing on promoting the widespread application of digital-intelligent information technology, continuously leveraging the empowering role of the next-generation of information technology, to powerfully drive the digital-intelligent transformation and sustainable development of the entire society with its own development.

Fostering new quality productive forces and igniting new development dynamics.

Technological innovation is the core element in the development of new quality productive forces. As the fusion and innovative expansion of information and energy deepen, qualitative changes occur in laborers labor, materials, and labor objects as well as their optimized combination, turning data into a new factor of production, computility into a new fundamental energy, and artificial intelligence into a new tool of production. Those changes have jointly constituted important driving factors for new quality productive forces. China Mobile actively leverages its advantages, **thoroughly advances digital-intelligent infrastructure construction**, strives to bridge the digital divide, continues to strengthen the globally leading new type of information infrastructure, has established over 1.94 million 5G base stations, with Gigabit broadband covering 390 million households, ensuring the free flow of the society's digital transformation “main artery”; **comprehensively forges new digital intelligent services**, actively promotes the societal uptake of “cloud services, data utilization, and intelligent empowerment”, enhances the supply capability of information services, data center capacities cover all hub nodes of the country's “East Data West Computing” initiative, providing general-purpose computing services with a capacity reaching 8 EFLOPS, accelerates the creation of a multi-level, wide-coverage intelligent computing capability layout, providing intelligent computing services with a capacity reaching 10.1 EFLOPS, the “capabilities middle platform” has been invoked more than 580 billion times over the year, effectively promoting the integration and development of the digital economy with the real economy on a larger scale, in broader areas, and at deeper levels; **comprehensively invigorates the dynamism of scientific and technological innovation**, implements the “BASIC6”¹ scientific and innovative plan targeting “six major areas”, and hastens the cultivation of strategic emerging industrial clusters.

Boosting core capabilities and robustly underpinning society and economy. China Mobile is steadfast in its role as the mainstay of economic growth, the national team for technological

innovation, the leader in industrial development, the stabilizer for market failures, the ballast stone for maintaining security, and the supporter for common prosperity. **We're strengthening our system layout and enhancing our technological innovation capabilities.** We have upgraded the “Unified Five Rings” scientific and innovative system; successfully developed the country's first reconfigurable 5G radio frequency transceiver chip “Pofeng 8676”; promoted the computility network as a national strategic emerging industry direction, launched the integrated computility and network platform, and began the commercialization pilot test of CN brain; improved the Jitian artificial intelligence network, launching the Jitian Zhongqing foundation large model, as well as five large industry models covering customer service, public administration, network, corporate calling and dynamic travel analytics; released the 6G research and development test device 1.0; created a data element circulation infrastructure, released the DSSN data network platform, and the data access integrated machine (all-in-one data router). **Driving industrial development and enhancing industry leadership.** We have deepened the construction of the strategic partnership system, with strategic partners reaching 121; played the role of a leading industry chain, gathering more than 1,300 companies into the chain; improved the “direct investment + fund” capital operation system, with a number of invested companies performing impressively in their respective fields. **Reinforcing development barriers and enhancing security support.** We have worked hard to enhance the resilience and security level of the industrial and supply chain; improved the data security governance system, continuously maintained a high-pressure situation against telecom network fraud, and cumulatively intercepted 371 million fraudulent calls, 279 million fraudulent messages, and 8.8924 million fraudulent websites over the year.

Embracing and advancing sustainability and sharing developing achievement.

China Mobile has continuously advanced sustainable development, with its achievements widely recognized by all sectors of society. In 2023, China Mobile ranked at the top of the China ESG Listed Companies Pioneer 100 Ranking and the China ESG Listed Companies Technology Innovation Pioneer 30 Ranking released by the China Media Group, obtaining the AAA rating from Wind ESG for the second consecutive year and being selected as one of the top ten model enterprises at the first China ESG Model grand ceremony by the China Media Group. **Green development aids the construction of beautiful China.** We have been actively adopting green development as the underlying tone to push for high-quality corporate development, swiftly transitioning to green development modes. We also place a high premium on addressing climate change efforts, deeply advancing the C² Three Energy – China Mobile Carbon Peaking and Carbon Neutrality Action Plan, establishing 86,000 minimalist stations, improving the energy efficiency of new 5G base station by 9% compared to last year, reducing the average power utilization efficiency (PUE) of large and super-large data centers to below 1.32, and achieving clean energy capabilities such as wind and solar power reaching 210 million peak watts. Leading the green development of the supply chain, we have released the *Green Supply Chain Guidance*. We have utilized the new information service system to

empower the green transformation of society, helping to reduce greenhouse gas emissions by 310 million tonnes. **Inclusive growth to share development achievements with the entire society.** We are striving to meet the digital needs of all people and have constructed over 390,000 digital villages and 155,900 intelligent communities. We have built an efficient and collaborative new type of emergency communication support system, successfully completing emergency communication support tasks for the Chengdu World University Games, Hangzhou Asian Games and Asian Para Games, the Belt and Road International Cooperation Summit Forum, flood prevention, earthquake rescue etc. We have been deeply cultivating public welfare and charity that our parent company has won the China Charity Award related awards for nine consecutive sessions. We have also been deeply implementing the “Talent Strengthens Enterprise” project, genuinely forging talent into our core competitiveness. We have been respecting and protecting employees' rights, and continued to carry out “Five Small” program, “Happiness 1+1” and employee assistance programs, etc., providing employees with a friendly work environment. **Advancing governance and continuously enhancing sustainable development capabilities.** China Mobile has conducted high-proportion shareholder dividends, standardizing the operation of the board of directors. We established a sustainability committee under the board of directors to further enhance sustainability governance capabilities. We have been implementing a new round of State-Owned Enterprise reform to deepen and enhance actions, especially deepening key area reforms such as the “Double Hundred Action”, “Scientific Reform Action” and “Specialized and Innovative” projects. We have been building a centralized, comprehensive, authoritative, efficient, and innovation-leading audit supervision system. We have advanced the construction of “Legal Compliance” in China Mobile, Carrying out “Compliance Escort Plan” in all domain to strengthen the legal guarantee for high-quality development and persistently advancing anti-corruption work, creating a clean and upright atmosphere.

The stream hits the water and the brave who strive for the boat wins. Looking forward to 2024, China Mobile will fully, accurately, and comprehensively implement the new development concept, seek progress while maintaining stability, and adhering to innovation. We will accelerate the development of new quality productive forces and comprehensively advance digital intelligence transformation and high-quality development. With the joint efforts from all sectors of society to explore successful practices of information technology serving social progress, we will create broader social value and contribute to the comprehensive construction of modernization with Chinese characteristics!

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1. The “BASIC 6” refers to Big Data, Artificial Intelligence, Security, Integration Platform, Computility Network and 6G.