

Advanced Governance

China Mobile continues to improve its modern corporate system, continuously optimizing the corporate governance mechanism with defined and transparent responsibilities, coordinated operation, and effective checks and balances. The Company regulates its corporate governance, actively integrating the concept of sustainability into the corporate governance process, continuously deepening reforms, consistently enhancing its risk control and compliance management system, all to ensure the Company's sustainable development through outstanding governance.



Optimizing the Corporate Governance System



Preventing and Resolving All Kinds of Risks

中国移动通信集团有限公司
China Mobile Communication Group

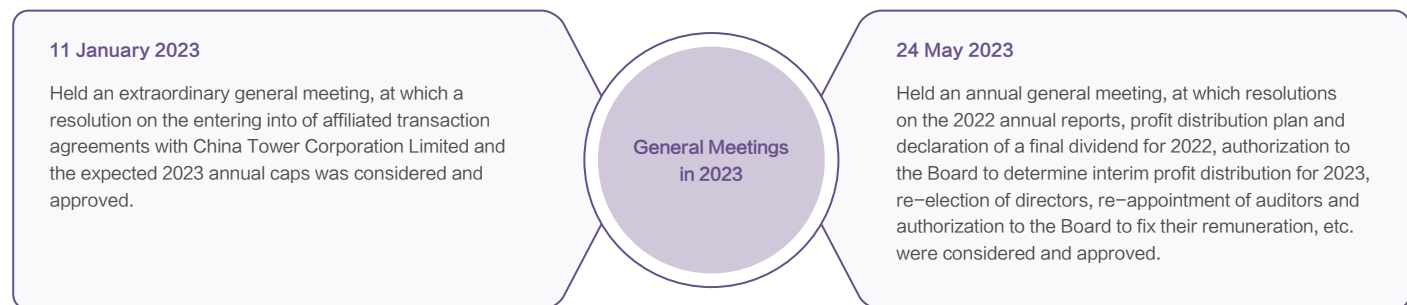


Optimizing the Corporate Governance System

Standardizing Corporate Governance

※ Protecting Shareholders' Rights

The Company has formulated shareholder communication policies, which are reviewed on a regular basis to ensure their effectiveness, and maintained effective communication with shareholders. We have established a securities affairs department as our "Bridge, Showcase and Information Center", dedicated to providing necessary information and services to shareholders and investors, to maintain an active dialogue with them as well as other participants in the capital markets, and to make sure they are fully informed of our operations and development. We treat shareholders and investors fairly, convene extraordinary and annual general meetings in a diligent manner, and safeguard the rights of all shareholders to attend general meetings.



Our senior management highly value engagement and interaction with shareholders, investors and other participants in the capital markets, and attended the 2022 Annual Results Presentation on 23 March 2023 and the 2023 Interim Results Presentation on 10 August 2023 in person. At the presentations, our Chairman, General Manager and Chief Financial Officer offered detailed explanation on the Company's overall results, and operational and financial performance, to promote mutual trust and understanding between the Company and relevant stakeholders, and contribute to the growth of our corporate value.

In 2023, the Company revised documents including the *China Mobile Information Disclosure Internal Control System* and the *China Mobile Information Disclosure Committee Charter*, and updated the manual for key business procedures including but not limited to performance material disclosure, public announcement, and procedure for appointing directors for the listed company, ensuring all information disclosed by the Company adheres to legal and ethical standards for truthfulness, accuracy, completeness, timeliness, and fairness. The Company further improves and diversifies communication channels with investors, and actively engages with capital market through disclosing the Company's performance and business conditions via formal channels including annual reports, interim reports, quarterly results announcements and other announcements, but also via events such as results announcement conference, roadshows and reverse roadshows, large investment banking conferences, and investor meetings to foster deeper understanding towards the development strategy, current status and prospects among investors.

We also took innovative measures to reshape investor interaction. We organized joint investor engagement events with peers in our industry, and applied technologies such as extended reality (XR) and Virtual Digital-Intelligent Human in innovative investor events to showcase our development and strengths.



Published over
200
announcements
and circulars in total



Fulfilling Dividend Commitment and Creating More Value for Shareholders

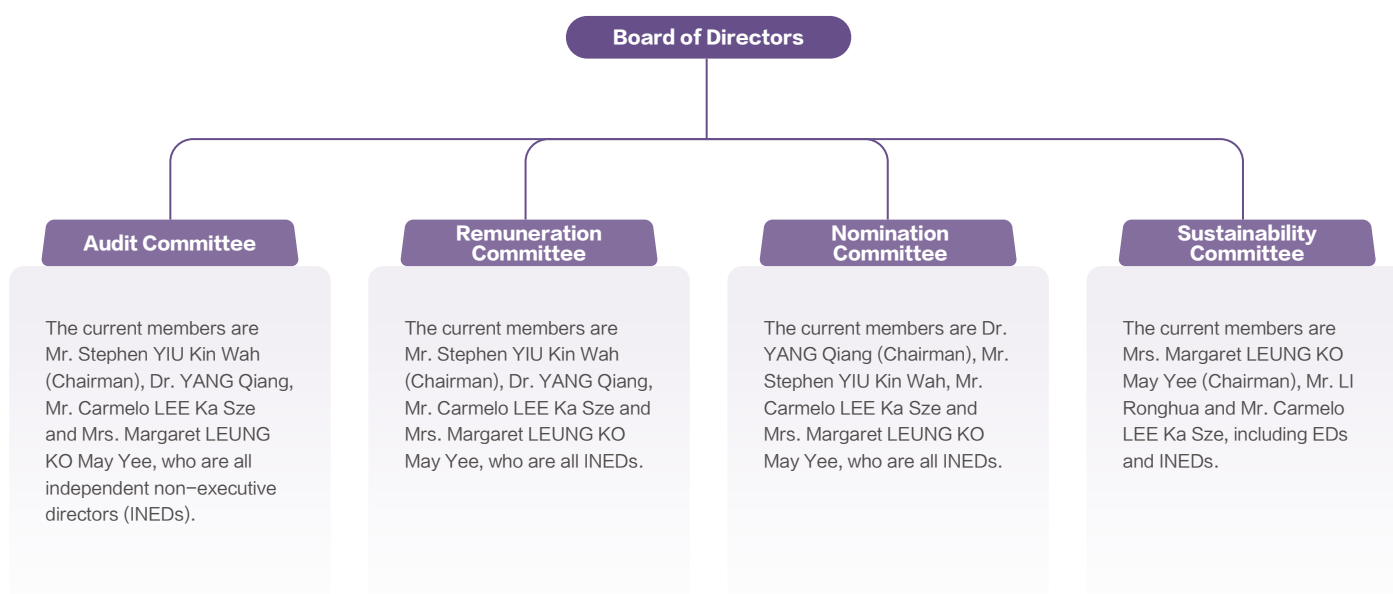
To create higher returns for our shareholders and share the results of our operating gains, after giving full consideration to the Company's profitability, cash flow generation and future development needs, the Company made a commitment that, in the three-year period from 2021, the profit to be distributed in cash for each year will gradually increase to 70% or above of the profit attributable to equity shareholders of the Company for that year. The Company fulfilled this commitment and created more value for shareholders in 2023.

Organizing the "Inside Listed Company" Event

In October 2023, the Company organized an investor event under the theme of "Inside Listed Company" as part of its efforts to bolster relations with investors, enhance investors' and capital markets' understanding of the Company and its industry, and foster market recognition and value realization. During the event, the Company had in-depth discussions with 20 institutional investors on the Company's latest development in different markets, AI strategies, plans and developments in satellite communications and more.

※ Enhancing the Board of Directors' Operations

The responsibilities of our Board of Directors include formulating overall strategies and objectives, setting management targets, overseeing internal controls and financial management, and supervising the performance of our management. Day-to-day operations and management are delegated by the Board of Directors to our management.



Board Independence

- Strictly adhere to requirements on appointment of independent directors and ensure Board independence in accordance with independence guidelines under the Hong Kong Listing Rules. By the end of 2023, the Company had four INEDs, accounting for more than one-third of the Board.

Board Professionalism

- Members of the Board possess professional qualifications and/or extensive experience in accounting, financial and risk management, artificial intelligence and sci-tech research, laws and regulations, finance and economics and so forth.

Board Diversity

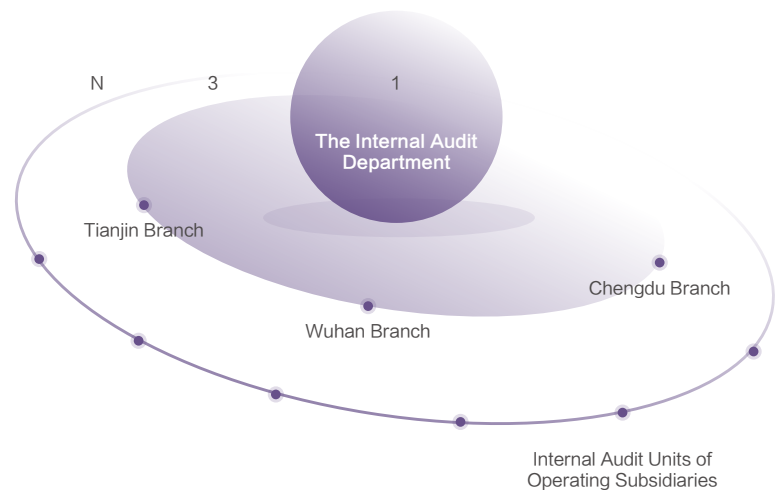
- Adhere to and adopt a policy of board diversity, when selecting directors, considering various diversity factors based on the Company's business model and specific circumstances, including professional experience and qualifications, regional and industry experience, educational and cultural background, skills, industry knowledge and reputation, knowledge of laws and regulations applicable to the Company, gender, race, language skills, and tenure of service. As of the end of 2023, there is one female board member.

※ Audit Supervision

The Company advanced a centralized, unified top-level design of internal audit, and refined our “1+3+N” audit working system. The Internal Audit Department of our Headquarters has set up branches in Tianjin, Wuhan and Chengdu. Each operating subsidiary has also set up its internal audit unit.

In 2023, the Company established a centrally unified, comprehensive, authoritative, and innovative leading audit supervision system, enhance precise audit efforts and tailored strategies, focus on the internal audit of key business areas for Company transformation, important cost expenses, technological innovation, equity investments, overseas operations, further consolidate audit rectification supervision, increase the transfer of audits, and strengthen accountability investigations. Additionally, the Company focuses on building a smart audit ecosystem, accelerating the release of digital intelligence value.

By conducting financial audits, internal control audits, economic responsibility audits, construction project audits, information system audits, data audits, and risk assessments, we independently and objectively verify the appropriateness, compliance, and effectiveness of the Company’s business activities, internal controls, and risk management. We also provide consulting services to assist in improving the effectiveness of corporate governance, risk management, and internal controls.



Improving Quality of Internal Audit Management Mechanism

Established a layered and graded internal audit standardization system and a three-level internal audit system of management systems, work standards and practical guides under the *Internal Audit Charter*.

Enhanced the meticulous control of audit quality and establish a comprehensive quality control standard for the entire audit process.

Fully implemented the assessment and supervision of audit quality, continuously improving the internal audit management and practices.

Promoting Data Intelligence Capability of Internal Audit

Promoted integration and application of audit information system, and expanded the application of a centralized system to all domestic subsidiaries.

Established a comprehensive remote risk prevention and control network, aggregate business and management data, deploy and operate audit models, and conduct continuous audit supervision remotely.

Innovatively constructed a “AI + audit” technological framework, comprehensively applying AI audit tools and digital audit personnel.

Comprehensively promoted the “on-site + remote + cloud-based” interactive collaborative audit mode, fully leveraging the Company’s cloud capabilities to streamline audit processes, and enhancing quality and efficiency.

Advancing Sustainability Management

Guided by globally recognized standards and best practices for sustainability management, China Mobile has set up and implemented a strategic sustainability management system since 2006. With effectiveness at the core, the system has been developed having regard to the realities of operation and management and utilized a suite of innovative management tools and approaches.

※ Sustainability Management Structure

The Company has established a Sustainability Steering Committee and built a three-level sustainability development management framework comprising. “Decision-Making, Organization and Implementation”, with in-depth participation from senior management, horizontal coordination and vertical linkage. The Sustainability Steering Committee is responsible for decision-making, the office organizes management, specialized departments and subsidiaries implement specific tasks. With clearly defined responsibilities and specialization, our sustainability efforts are carried out efficiently.

China Mobile’s Sustainability Management Structure



Decision-Making Level

A Sustainability Steering Committee has been established, chaired by the Company’s Chairman, with leaders in charge and main responsible persons from relevant units as members. This committee provides comprehensive guidance on the sustainability efforts of both the Company and its parent company.

In November 2023, the Company established a Sustainability Committee under the Board of Directors, which commenced its duties on January 1, 2024. This committee is responsible for providing recommendations to the Board of Directors on the goals, strategies, priorities, measures, and purposes related to the Company’s corporate social responsibility and sustainable development. It supports the Board of Directors in making decisions on issues concerning the Company’s social responsibility and sustainable development. The establishment of the Sustainability Committee will further strengthen the governance capabilities for sustainable development.



Organization Level

The Company has established a Sustainability Office, serving as a permanent entity to spearhead the management of critical sustainability topics and information disclosure within the Company.



Implementation Level

The sustainability management departments of various specialized departments and subordinate units are responsible for implementing the Company’s sustainable development requirements and management standards, and for regularly reporting on the progress of sustainability efforts.



Enhancing the Board’s Supervision and Management over Sustainability Efforts

On 14 November 2023, the Company held the Seventh Meeting of the Board of Directors in 2023. At this meeting, the Board of Directors received reports on the current status and future plans of the Company’s sustainable development, provided feedback and comments, and considered and approved the resolution on *China Mobile’s Environmental, Social and Governance Work*. A resolution on the Establishment of Sustainability Committee was also considered and approved, which approved the establishment of the Sustainability Committee with effect from 1 January 2024. The Committee’s duties include discussing issues related to environmental, social and governance matters, proposing and making recommendations to the Board of Directors on the Company’s corporate social responsibility and sustainability objectives, strategies, priorities, initiatives and goals, reporting to the Board of Directors on its decisions; reviewing and reporting to the Board of Directors on sustainability risks and opportunities. We have published the *Terms of Reference of the Sustainability Committee*, detailing its membership, frequency of meetings, duties and authority, through a variety of channels.

The Board of Directors considered and approved


Proposal on the China Mobile’s Environmental, Social and Governance Work

Proposal on the Establishment of Sustainability Committee


※ Sustainability Management System

The Company has established a series of sustainability policy systems, internal control mechanisms, and management mechanisms and processes. Moreover, the Company established a strategical closed-loop management system consisting of strategy, implementation, performance, and communication. Meanwhile, the Company has built a long-term ESG promotion mechanism covering all employees and the entire process by regularly compiling and publishing sustainability reports.

In 2023, the Company actively participated in sustainability-related research, discussions, and forums organized by the Ministry of Finance, the Shanghai Stock Exchange, the China Listed Companies Association, etc. It communicated with multiple investment institutions on the sustainability-related management practices and latest developments, further promoting mutual understanding between the company and professional institutions.

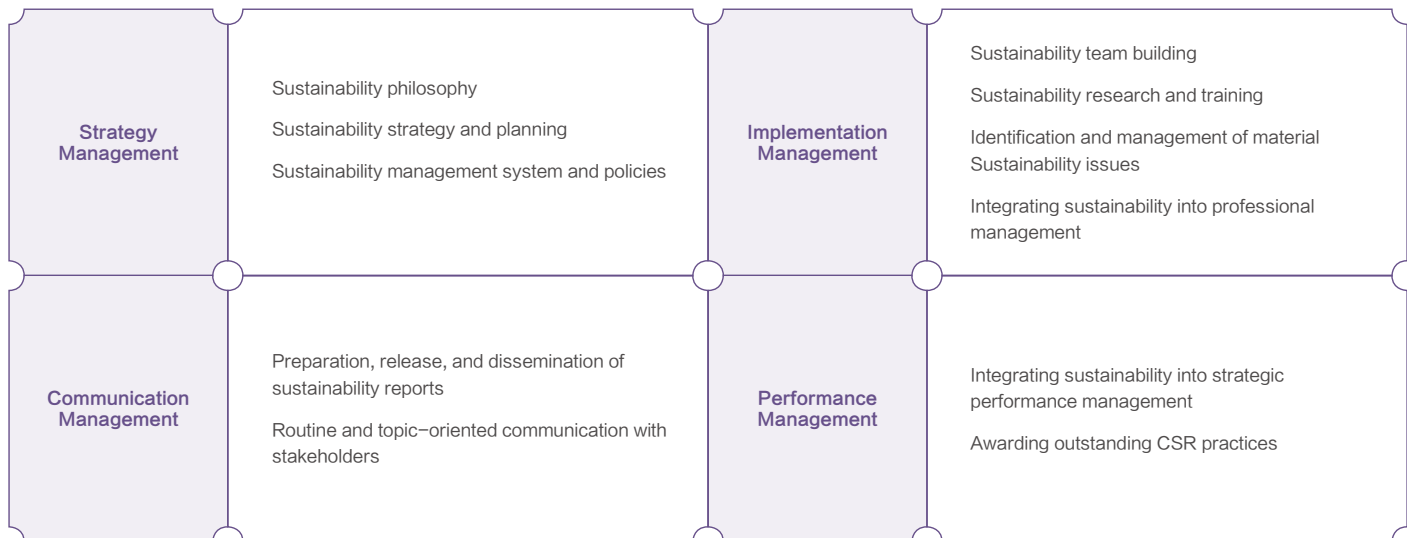


Corporate social responsibility training covered
602,600 person-times



Promoting Outstanding ESG Governance for Joint Development with the Whole Society campaign was selected as one of the
Best Practice Cases of ESG in Listed Companies in 2023
by the China Listed Companies Association

China Mobile's Sustainability Management System



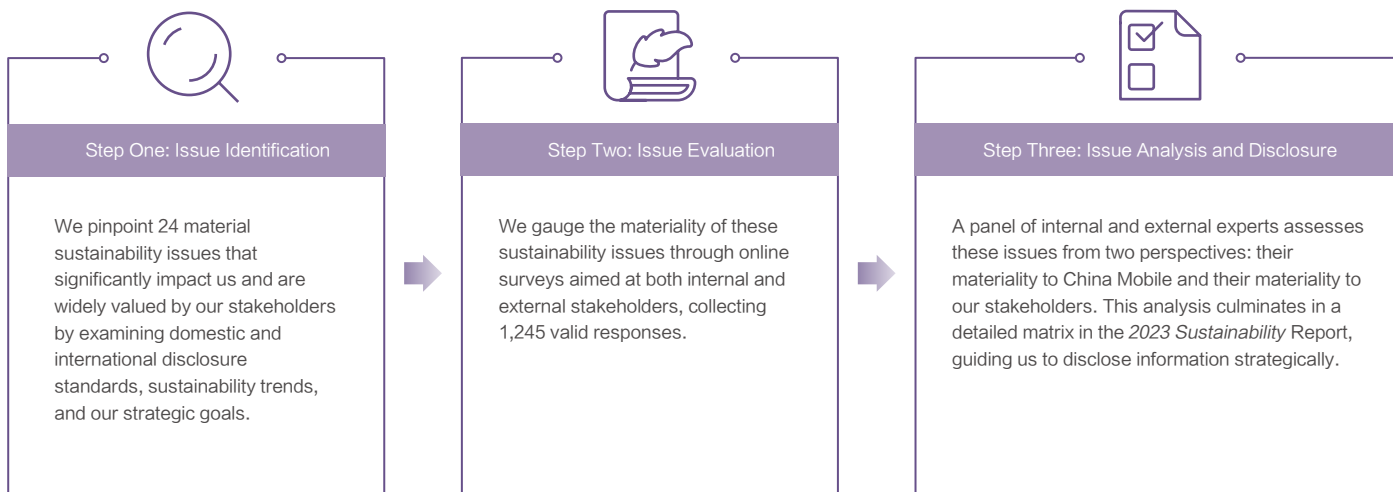


Conducting Annual Selection of Outstanding Practices in Corporate Social Responsibility For 16 Consecutive Years

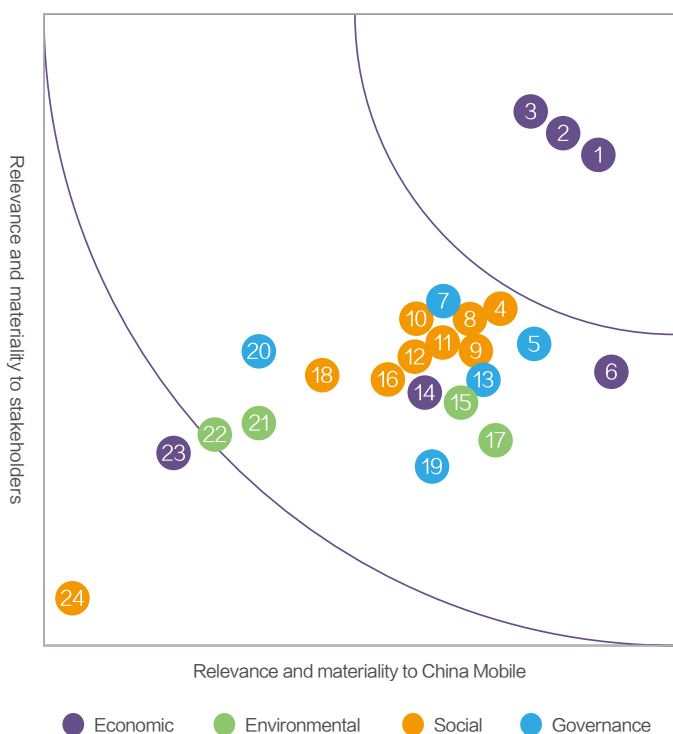
For 16 years in a row, the Company has innovated in showcasing its commitment to social responsibility by launching the Exemplary Social Responsibility Practice Awards in 2007. This initiative was designed to encourage and implement sustainability efforts across all departments, boosting their motivation to act responsibly. The awards program recognizes achievements through various categories, including the Annual Excellence in Social Responsibility, Annual Outstanding Social Responsibility, Social Responsibility Star, and the Social Responsibility Evergreen Award. The selection process brings together experts from government agencies, NGOs, academic circles, and leading media, along with the Company's own specialists, to ensure the awards reflect societal expectations accurately. In 2023, the Company updated its selection guidelines for these prestigious awards. By the year of 2023, it had gathered over **1,229** submissions of practical achievements from its units, selecting **268** exemplary initiatives.

✧ Materiality Assessment

The Company prioritizes the identification, assessment, and reporting of key sustainability issues as the heart of our sustainability management efforts. Every year, the Company systematically analyzes material issues and refines the sustainability frameworks and processes according to the findings.



Materiality Assessment Matrix of the *China Mobile Sustainability Report 2023*



High	Material Issues
4	Promoting digital-intelligent inclusion
5	Corporate governance and risk control
6	Construction of new information infrastructure and development of new information services systems
7	Business ethics and anti-corruption
8	Protecting employees' rights
9	Employee growth and development
10	Technology for disaster prevention and relief
11	Humanistic care for employees
12	Supporting regional development
13	Financial performance and tax payment
14	Research, development, and innovation
15	Enabling the green transformation of society
16	Supporting rural revitalization
17	Implementing carbon peak and neutrality goals
18	Supporting public welfare and charity
19	Sustainability management
20	Stakeholder engagement
21	Environmental utilization and natural resource use management
22	Greenhouse gas and waste emission management

Very High	Material Issues
1	Service quality and customer rights protection
2	Network quality assurance
3	Network and information security, and privacy protection

General	Material Issues
23	Responsible supply chain management
24	Deepening overseas responsibility fulfillment

※ Stakeholder Engagement

The Company's approach to sustainability begins with prioritizing the interests and concerns of our stakeholders, guided by principles that are strategic, holistic, systematic, and inclusive. We have chosen six key stakeholder groups whose interests significantly intersect with our business activities and operations. Furthermore, in the process of drafting our sustainability report, we proactively gather topics that matter to our stakeholders, ensuring these insights inform our decision-making and policy formulation.

Stakeholder	Expectations and concerns (top 5) ¹		Channels for communication and feedback	
 Customers	1 Network quality assurance 2 Network and information security, and privacy protection 3 Service quality and customer rights protection	4 Construction of new information infrastructure and development of new information services systems 5 Research, development and innovation	Customer Reception Day 10086 hotline New media such as Weibo and WeChat Online and mobile customer service hall	Customer Satisfaction Survey Mobile App CEO Mailbox
 Employees	1 Network quality assurance 2 Protecting employees' rights 3 Network and information security, and privacy protection	4 Employee growth and development 5 Service quality and customer rights protection	Employee Representative Congress Regular training Performance communication mechanism	Employee evaluation mechanism Employee complaint mechanism CEO Mailbox and President of Labour Union Mailbox
 Shareholders and investors	1 Research, development, and innovation 2 Network quality assurance 3 Service quality and customer rights protection	4 Construction of new information infrastructure and development of new information services systems 5 Network, information security and privacy protection	Annual reports, interim reports, and announcements General meetings of shareholders	Performance conference Roadshows and reverse roadshows Investor meetings
 Value chain partners	1 Network quality assurance 2 Network and information security, and privacy protection 3 Corporate governance and risk management and control	4 Service quality and customer rights protection 5 Stakeholder engagement	Procurement activities Supplier's web portal, service site and hotline	Training and assessment CEO Mailbox Forums and conferences
 Government and regulators	1 Network and information security, and privacy protection 2 Network quality assurance 3 Service quality and customer rights protection	4 Construction of new information infrastructure and development of new information services systems 5 Supporting regional development	Regular reports and communication Specific investigations and on-site meetings Relevant forums and information exchange activities	
 Representatives from communities and environmental organizations	1 Network and information security, and privacy protection 2 Network quality assurance 3 Service quality and customer rights protection	4 Construction of new information infrastructure and development of new information services systems 5 Research, development and innovation	Community activities Public welfare platform Mass media	New media such as Weibo and WeChat CEO Mailbox

1. The top 5 expectations and concerns of each stakeholder group have been identified based on the results of the 2023 stakeholder survey on key sustainability topics, which can be found on page 88.

Furthering Comprehensive Reforms

China Mobile has always regarded deepening reforms as a key strategy to drive high-quality development. In 2023, the Company focused on fully unleashing the dividends of reform, with a priority on enhancing core competitiveness and strengthening core functions. It took advantage of the situation to launch a new round of state-owned enterprise (SOE) reform actions for deepening and enhancement, accelerating the establishment of productive relations that match the Company's strategy, injecting new energy and advantages into the company's digital transformation and high-quality development.

Continuing the New Round of SOE Reforms

The Company developed an action plan and work ledger for deepening and enhancing SOE reforms, with a vertical focus on leveraging the three major roles of technological innovation, industrial innovation, and safety support. Horizontally, it aimed to enhance capabilities, build synergy, stimulate vitality, achieve systematic integration of reforms, and penetrate the grassroots level, comprehensively promoting the implementation and execution of the plan.

Achieving Notable Successes in Focused Domains



Technological Innovation

Essentially established the "Unified Five Rings" sci-tech innovation system, strengthened the advancement of the special research district mechanism, developed breakthrough scientific research achievements such as "Pofeng 8676", and outstanding experience was distilled into and promoted as "Special Zones".



Strategic Emerging Business Layout

Constructed the BASIC6 strategic emerging business system, established the China Mobile Artificial Intelligence Research Institute, and deeply pushed for specialized integration in fields such as computility, big data, and the Internet of Vehicles.



System and Mechanism Reform

Perfected the "Three Important and One Significant" decision-making mechanism, dynamically adjusted the list of subsidiaries that the board of directors should establish, continuously enhanced the quality of the managerial personnel tenure system and contractual management, further optimized and improved the market organization operation system and product settlement mechanism, and expanded the coverage of medium- and long-term incentive mechanisms.

Making Solid Progress in Dedicated Reform Initiatives



Recognized as "excellent" or above in the "Double-Hundred Action" and the "Sci-Tech Innovation Action"

Made it to the list for the "Sci-Tech Innovation Action" for the first time

Four teams were established as legal entities

China Mobile Cloud Center (China Mobile (Suzhou) Software Technology Co., Ltd.)

Smart Home Center (China Mobile (Hangzhou) Information Technology Co., Ltd.)

China Mobile IoT Co., Ltd.

MIGU Company Limited

China Mobile Design Institute Co., Ltd.

China Mobile Online Services Co., Ltd.

China Mobile Internet Company Limited

China Mobile Group Device Co., Ltd.

China Mobile Integrated Company

China Mobile Zijin (Jiangsu) Innovation Research Institute

BiLin Intelligent (Chongqing)

China Mobile Energy Technology (Beijing)

China Mobile ZhiJie Technology (Beijing)

China Mobile Haisuan Technology (Xiong'an)

The Shanghai Research Institute of China Mobile was awarded the "Specialized, Refinement, Differential, and Innovation" qualification by the Shanghai Municipal Commission of Economy and Information Technology.

During the World Semiconductor Conference and the Nanjing International Semiconductor Expo, China Mobile Xinsheng Technology was honored as the "2022-2023 (6th) China IC Unicorn Enterprise".

China Mobile Cloud Center (China Mobile (Suzhou) Software Technology Co., Ltd.) being selected by the State-owned Assets Supervision and Administration Commission of the State Council as one of the first batch of World-Class Professional Leading Enterprises.

Preventing and Resolving All Kinds of Risks

Deepening Internal Control Risk Management

China Mobile has established an organizational framework for internal control and risk management with clear responsibilities and a well-structured system. The Board of Directors and the management layer perform their duties diligently and the “three lines of defense” composed of business and functional departments, business management and risk management departments, and supervisory departments cooperate to promote our sustained, healthy, and stable development through comprehensive risk management.

※ Improving the Internal Control and Risk Management System

In 2023, centering on the overall operational goals, the Company embedded the basic process and system of risk management into every aspect of the Company’s production and operations, striving to build and form an integrated risk management system that is unified and operates in coordination. The Company formulated and issued top-level internal control risk management systems such as the *China Mobile Risk Management and Internal Control Management Measures*, the *China Mobile Major Project Special Risk Assessment Management Measures*, and the *China Mobile Major Business Risk Event Reporting Work Management Measures* to strengthen comprehensive risk prevention and control. The internal control manual and matrix are updated every six months to resonate with the business system process. Focusing on the three foundations of risk control organization, system, and means, the Company closely monitors the two outcomes of internal control management and risk prevention and control, setting 41 evaluation items, and conducting a trial evaluation of risk control quality for five units throughout the year. Enhance the professional management ability of risk control, establish a three-level risk control course system of beginner, intermediate, and advanced, and improve the professional level of risk control personnel.

The Company has clearly defined the supervisory role and guidance responsibility of the boards of its subsidiaries in risk assessment and internal control construction. This allows us to perfect the corporate governance structure, standardize the internal control system, and integrate risk assessment and internal control construction requirements into the plans for newly established institutions, to ensure compliant operations of new enterprises and institutions.

※ Enhancing Significant Risk Assessment and Management

The Company conducts major risk assessment on a regular basis every year implementing risk control and strategic coordination. According to the five-step risk method, it strengthens the scientific evaluation and precise prevention and control of major risks.

01

Comprehensive Collection and Identification

Construct a tiered and categorized risk map, covering specific risks related to sustainability such as network attacks, data breaches, telecom fraud, unstable network operation, insufficient service capacity and quality, declining customer satisfaction or excessive complaints, non-compliance with energy-saving policies, and personnel structure not meeting the Company’s business development needs. Departments and units use the risk map as a foundation to comprehensively collect and identify risk information, forming a risk inventory list.

02

Professional Analysis and Assessment

Gather risk assessment information and, through interviews and research by key business departments, scientific quantification of 48 assessment indicators, and comprehensive analysis of expert review opinions, identify significant company-level risks, pushing the risk assessment from experiential judgment to scientific quantification. In 2023, the Company identified five major risks: macroeconomic and international environment risks, information service transformation and market competition risks, technological innovation risks, network information security risks, and ecological construction risks.

03

Coordinated Response and Implementation

Build an action ledger for significant risk responses, incorporating the ledger into the annual key tasks of relevant departments, with clear time plans and management and control responsibility enforcement. In 2023, we developed 32 response measures for the five significant risks, ensuring risk control measures reach the grassroots level.

04

Quantitative Monitoring and Tracking

Construct over 100 risk monitoring indicators, including communication customer growth rate, customer satisfaction, user real-name rate, and data security compliance assessment rate. Track the implementation of measures monthly, monitor risk changes quarterly, promptly warn of risk fluctuations, and adjust risk control strategies as necessary.

05

Regular Summary and Reporting

Establish a significant risk control effectiveness evaluation mechanism. Departments and units conduct a major risk management summary and review every six months, and the Company simultaneously plans the summary of significant risk control effectiveness and the next year’s risk assessment work at the end of each year, achieving a comprehensive summary of risk items review, measure effectiveness scoring, and work execution.

※ Intensifying Risk Prevention and Control in Key Areas

In 2023, the Company continues to promote special risk prevention and control in key areas, combining regulatory focuses and key business links.

Carried out standardization projects in the business market field, formulated two risk control checklists, three project control guidelines, established 30 types of risks and more than 70 risk points, include major project risk assessments, risk maps, and audits on business market management system; built 13 risk warning models, embedded the requirements of risk standardized control into the full process of project control.

Carried out governance in key areas such as false trade, business market, transnational corruption, implemented the Ten Prohibitions requirements for trade businesses, promoted special rectification of transnational corruption control, carried out overseas safety risk investigations and improve the construction of overseas safety security system.

Continuously promoted the comprehensive management of “Strict Financial Discipline, Lawful Compliance Operation” historical legacy problem rectification, implement item by item according to the management ledger, track monthly, clarify responsibilities.

Carried out special rectification of information security internal control management, established a leading team that is headed by the Company leadership, investigated and managed internal control management, business security control, data management, contract management, third-party management, internal supervision, retrospective accountability, etc.

Established tax risk identification, assessment and response mechanism, strengthened the collection, analysis and response of applicable tax policy information, the assessment and management of tax risks at the business front, statistical analysis of tax-related data, internal communication of significant tax-related matters, inspection of the implementation of tax internal control, and prevention of tax violations.

※ Upgrading Digital-Intelligent Risk Control Measures

The Company strengthens the use of digital-intelligent risk control measures, relying on centralized system infrastructure and platform capabilities, actively promoting the digital transformation and upgrade of the risk control system, striving to create a risk control “Sky Eye”, and improving the efficiency and effect of risk control.

The internal control requirements were integrated into the front-end system of the business, and the solidification rate of information technology (IT) is increased to 90%. Through automatic system control and process solidification, the rigidity of internal control was strengthened.

Promoted the construction of centralized business and financial systems for budget, assets, costs, supply chain, network fee management, etc., through one account book, one set of forms, the automated control rules can be deployed at one point and apply to the entire network.

The centralized risk control system was fully launched in domestic units, which supports centralized risk supervision and disposal.



40 new risk supervisory models were added throughout the year reaching a total of **121**, covering fields such as market, funds, engineering, and network



More than **3,300** warning documents were distributed throughout the year

Adhering to Compliant Operations

China Mobile has always adhered to the compliance philosophy of “abiding by laws, respecting rules, honoring commitments and pursuing self-cultivation”, and strictly follows various laws, regulations, and industry regulatory policies and guidelines. The Company continuously enhances its capabilities in legal governance and compliance management, steadfastly becoming a practitioner, leader, and disseminator of lawful and compliant operations.

※ Advancing the “Rule of Law in China Mobile” Initiative

China Mobile establishes the “rule of law” culture philosophy of “operating according to the laws and following the rules”, perfects the five major rule of law work systems of “leadership responsibility system, legal governance system, regulations system, compliance management system and work organization system”, and comprehensively enhances the five major capabilities in legal corporate governance of “leading support ability, risk control ability, foreign-related safeguard ability, proactive rights protection ability and digital management ability”. In 2023, the Company established the China Mobile Rule of Law Construction Expert Committee, set up legal research centers in specialized fields; established a long-term mechanism for legal education for leadership and management personnel, holding the National Constitution Day theme activity for ten consecutive years; carried out the “Operate According to the Law, Protect Life” education activity, relying on the “He Fa Shu” online rule of law publicity and legal education platform, to enhance the legal governance concept among all employees.

※ Rigorous Execution of the “Compliance Escort” Plan

The Company steadfastly promotes compliance management alongside enhancing governance and mitigating risks. In 2023, we have prepared the annual compliance management report for the sixth consecutive year, and updated the foundational compliance systems. We have finished the introduction of chief compliance officers across its divisions, and extensive compliance training and culture programs, reinforcing a strong base for sustainable, high-quality compliance practices.

Aiming for Global Benchmarks, Enhancing the Compliance Framework

- **Synergizing Compliance with Corporate Governance:** The Company is committed to integrating compliance deeply within our governance structure, refining the roles and collaborative efforts between the board and executives in compliance activities; ensuring company leaders embody their roles as key drivers and enforcers of compliant practices, pushing forward comprehensive compliance initiatives; fortifying the Chief Compliance Officer’s role to lead and exemplify compliance efforts.
- **Merging Compliance Efforts with Risk Management:** Optimizing the responsibilities of the Three Lines of Defense, strengthening the linkage and system integration between compliance management and legal management, audit supervision, etc., enhancing control over key nodes to ensure effective implementation of compliance management responsibilities, solidifying a coordinated line of compliance defense; establishing and improving compliance risk identification, assessment, early warning, compliance reporting and evaluation mechanisms, perfecting compliance review and risk response mechanisms; focusing on key areas, key links, and key personnel in compliance management, driving and promoting overall compliance by focusing on key points.

Boosting Compliance Management and Fostering a Law-Abiding Culture

- **Conducting Multi-level and Various Forms of Compliance Thematic Training:** Incorporate compliance management training into the Company’s key training project plans, aimed at full-time and part-time compliance managers at the headquarters and various units, international management personnel, and main responsible persons of municipal-level companies, as well as key position employees. Conduct thematic compliance training on compliance management system construction, market competition, technological innovation, and overseas operations, effectively enhancing the compliance management capabilities of employees at all levels. In 2023, the Company conducted over a thousand compliance training sessions and cultural activities at various levels.
- **Telling the China Mobile Compliance Story Well:** Host a data governance and outlook conference, exchange compliance management work with partners, and carry out a variety of themed activities such as compliance initiative launches, compliance month, and compliance knowledge contests to create a good atmosphere for lawful and compliant operations.

Ensuring Compliance Through Rigorous Legal Reviews

- **Regulatory Framework:** Conduct legal reviews on the legality and compliance of the Company’s regulations and systems, providing legal opinions and improvement suggestions to solidify the foundation of the Company’s operational and management systems.
- **Key Decisions:** Serve the Company’s “six core strategies” layout, support the construction of a new type of information service system; review and control major decisions, aiding the Company’s diversified business expansion; review key investment projects of the company, manage and control the legal risks of investment projects, facilitating synergy in production and investment, as well as research and investment to enhance value.
- **Contract Management:** Strengthen contract review in the areas of technological innovation, international operations, strategic cooperation, etc.; achieve full coverage of domestic units through a centralized contract system, effectively promoting centralized and standardized contract management; advance the digital and intelligent transformation in contract management, independently develop the “China Mobile Xie Zhi” smart contract product system, empowering legal work to improve quality and efficiency.