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GROWING TOGETHER HARMONIOUSLY

GREEN GROWTH • MEETING OUR COMMITMENTS • DRIVING FORWARD

China Mobile Limited
2008 Corporate Social Responsibility Report

Chairman's Letter

Mr. WANG Jianzhou
Chairman and
Chief Executive Officer
China Mobile Limited

Our Continued Commitment

2008 was a very significant year for China. From the Sichuan Earthquake on May 12 to the Beijing 2008 Olympic Games, this was a year that brought us both deepest pain and great joy and fulfillment. 2008 was also a significant year for China Mobile. In line with our core value, "*Responsibility Makes Perfection*," we promoted "green growth" for our business as we continued to meet our CSR commitments and progress forward.

At the Beijing 2008 Olympic Games, we initiated cutting-edge technology to provide a broad range of mobile telecommunication products and services never before available at an Olympic event. After the snowstorms and Sichuan Earthquake, we took it as our responsibility in these times of need to immediately restore network coverage and contribute to disaster relief. To realize our CSR commitments, we set up and implemented a comprehensive CSR management system across the Group. We ran five main CSR programs to help us reach our goal of growing together harmoniously and responding to the needs of our stakeholders.

Our Rural Program focused on expanding network coverage to the most remote areas of China through the Village Connected Project. In 2008, we helped our parent company (China Mobile Communications Corporation) bring mobile telecommunications access to more than 16,000 remote villages, and since inception of the program, we have brought mobile telecommunications access to more than 60,000 villages in total. Our rural information services have become a major channel through which rural residents can access valuable agricultural information. Through our Life Program, donation of money and other supplies to Sichuan Earthquake relief from across our operations amounted to 286.2 million yuan. Our work with the "Warm China 12.1" Foundation is an example of our long-term support to disadvantaged groups — the first group of beneficiaries, 4,665 children orphaned by AIDS, have all received financial assistance. In our Culture Program, our dedicated program has made initial progress in the formidable task of combating unwanted and spam SMS messages, while programs such as Red Sayings have continued to promote a green communication culture. The completion of our program to offer assistance to education in rural areas in Mid and Western China has seen a total of 3,600 primary and secondary school principals from remote areas receiving training, 1,000 libraries containing more than 2.317 million books having been built in China's rural areas and millions of rural primary and secondary students benefiting. Our Green Program dramatically advanced our environmental agenda this year. In 2008, power consumption per telecommunication traffic unit decreased by 11% compared to 2007 levels, exceeding our annual target and helping us make strides to reduce energy use and address the global issue of climate change. Finally, our Employee Volunteering Program really took shape this year. We were the first telecommunications company in China to establish a country-wide Employee Volunteers Association which fostered a volunteering culture. The Association allowed our employees to show support for children orphaned by AIDS, the handicapped and other disadvantaged groups; for the Beijing 2008 Olympic Games, our employees logged more than 25,000 hours in total in volunteering time.

In 2008, we were recognized for our CSR efforts as Mainland China's first and only company listed on the Dow Jones Sustainability Indexes, a strong recognition by the global community of our CSR performance and sustainable development.

Looking forward to 2009, with the global financial crisis, the new configuration of China's telecommunications industry and new advances in mobile communication technology, we face historic challenges. In the face of these challenges, our objective in 2009 is to ensure that our continued growth aligns with the advancement of our CSR agenda. In 2009, with sincerity and responsibility, we will meet our commitments to work together with our stakeholders to drive economic, social and environmental advancement, building a harmonious society.

王建宙

March 2009

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正德厚生 臻于至善

以天下之至誠而盡己之性、盡人之性、盡物之性

Our core corporate value is *Responsibility Makes Perfection*, which is reflected in our day to day operations through our strive for the harmonious development with our industry, society and the natural environment.

We have continued to meet our CSR commitments, implemented our CSR strategy and made major strides in each of our five main CSR programs in 2008. This work has resulted in significant achievements in bridging the digital divide, responding to major natural disasters, improving the lives of disadvantaged groups, building a culture that promotes positive applications of mobile services, conserving energy and reducing emissions and promoting employee volunteering.

This report is a reflection of our achievements, challenges and future ambitions — all grounded in our CSR strategy and its implementation in 2008. It is also our response to key stakeholders and a progress report on important milestones in our five main CSR programs.

About this Report

This is the third Corporate Social Responsibility (CSR) Report of China Mobile Limited ("China Mobile"), and it covers our activity between January 1, 2008, and December 31, 2008. The report has been published in both English and Chinese.

We have compiled this report according to the 10 Principles of the United Nations Global Compact (UNGC), the Global Reporting Initiative's (GRI) G3 Sustainability Reporting Guidelines and the GRI Telecommunications Sector Supplement. We have also sought to align the report with the unique attributes of our business and industry.

Content Selection

Taking into consideration the key issues facing our company and industry, we have prepared this report according to the GRI Reporting Principles of Materiality, Completeness, Sustainability Context and Stakeholder Inclusiveness. In particular, we:

- Ensured that the content aligns with overall business strategy;
- Assessed the relevance and materiality of our most relevant CSR disclosures;
- Engaged with our key stakeholders to understand their needs; and
- Ensured that the 2008 report is comparable year-on-year to our previous reports and public commitments.

In line with the GRI Sustainability Reporting Guidelines (G3), the report covers the following:

- CSR Strategy, Management and Implementation (see pages 8-10);
- Our engagement with key stakeholders and their responses to our key CSR disclosures (see pages 11-20); and
- Our five main CSR programs (see pages 21-52).

Scope of Report

Unless otherwise stated, the case studies and data contained in this report relate to China Mobile Limited and our operating subsidiaries from across all 31 provinces, autonomous regions and directly-administered municipalities in Mainland China and Hong Kong Special Administrative Region (SAR).

On December 5, 2008, our operating subsidiary in Hong Kong SAR, China Mobile Peoples Telephone Company Limited changed its name to China Mobile Hong Kong Company Limited.

For information on our business strategy and performance, please refer to our 2008 Annual Report.

Data Collection

We have already established a CSR management system that allowed us to collect CSR performance metrics across all of our operations. We systematically rolled out this management system in the middle of 2008 and will continue to collect this data on a quarterly basis. CSR cases are reviewed by a panel of external experts. Our data in this 2008 Report is collected through the following:

- The China Mobile CSR Performance Metrics and Data Collection System;
- The China Mobile Operating Subsidiary CSR Case Collection System; and
- The 2008 China Mobile CSR Case Competition.

Currency

Except otherwise specified, all monetary figures shown in this Report are expressed in Renminbi (yuan).

Unaudited Data

Except otherwise specified, the data in this Report is unaudited. Please refer to our 2008 Annual Report for the audited financial statements of the Group for the year ended December 31, 2008 and other details of our financial performance and operating results. The 2008 Annual Report as well as previous Annual Reports of the Company are available on the Company's website, www.chinamobileltd.com.

Company Profile

China Mobile Limited (the "Company", and together with its subsidiaries, the "Group") was incorporated in Hong Kong on September 3, 1997. The Company was listed on the New York Stock Exchange and The Stock Exchange of Hong Kong Limited on October 22, 1997 and October 23, 1997, respectively. The Company was admitted as a constituent stock of the Hang Seng Index in Hong Kong on January 27, 1998. As the leading mobile services provider in China, the Group boasts the world's largest mobile network and the world's largest mobile subscriber base. In 2008, the Company was once again selected as one of the "FT Global 500" by Financial Times, and "The World's 2000 Biggest Public Companies" by Forbes magazine, and was recognized on the Dow Jones Sustainability Indexes, a major recognition of our CSR efforts from the international community. In 2008, China Mobile Communications Corporation was recognized by the Ministry of Civil Affairs with the Chinese government's highest philanthropy award — the China Charity Award. Currently, the Company's corporate credit rating is A+/Outlook Stable by Standard and Poor's and A1/Outlook Stable by Moody's (respectively equivalent to China's current sovereign credit rating).

The Company owns 100 per cent. interest in the following operating subsidiaries:
China Mobile Group Guangdong Company Limited ("Guangdong Mobile")
China Mobile Group Zhejiang Company Limited ("Zhejiang Mobile")
China Mobile Group Jiangsu Company Limited ("Jiangsu Mobile")
China Mobile Group Fujian Company Limited ("Fujian Mobile")
China Mobile Group Henan Company Limited ("Henan Mobile")
China Mobile Group Hainan Company Limited ("Hainan Mobile")
China Mobile Group Beijing Company Limited ("Beijing Mobile")
China Mobile Group Shanghai Company Limited ("Shanghai Mobile")
China Mobile Group Tianjin Company Limited ("Tianjin Mobile")
China Mobile Group Hebei Company Limited ("Hebei Mobile")
China Mobile Group Liaoning Company Limited ("Liaoning Mobile")
China Mobile Group Shandong Company Limited ("Shandong Mobile")
China Mobile Group Guangxi Company Limited ("Guangxi Mobile")
China Mobile Group Anhui Company Limited ("Anhui Mobile")
China Mobile Group Jiangxi Company Limited ("Jiangxi Mobile")
China Mobile Group Chongqing Company Limited ("Chongqing Mobile")
China Mobile Group Sichuan Company Limited ("Sichuan Mobile")
China Mobile Group Hubei Company Limited ("Hubei Mobile")
China Mobile Group Hunan Company Limited ("Hunan Mobile")
China Mobile Group Shaanxi Company Limited ("Shaanxi Mobile")
China Mobile Group Shanxi Company Limited ("Shanxi Mobile")
China Mobile Group Neimenggu Company Limited ("Neimenggu Mobile")
China Mobile Group Jilin Company Limited ("Jilin Mobile")
China Mobile Group Heilongjiang Company Limited ("Heilongjiang Mobile")
China Mobile Group Guizhou Company Limited ("Guizhou Mobile")
China Mobile Group Yunnan Company Limited ("Yunnan Mobile")
China Mobile Group Xizang Company Limited ("Xizang Mobile")
China Mobile Group Gansu Company Limited ("Gansu Mobile")
China Mobile Group Qinghai Company Limited ("Qinghai Mobile")
China Mobile Group Ningxia Company Limited ("Ningxia Mobile")
China Mobile Group Xinjiang Company Limited ("Xinjiang Mobile") and
China Mobile Hong Kong Company Limited ("Hong Kong Mobile"),
and operates nationwide mobile telecommunications networks in all 31 provinces, autonomous regions and directly-administered municipalities in Mainland China and in Hong Kong SAR through these 32 subsidiaries.

As of December 31, 2008, the Group had a total number of 138,368 employees and a subscriber base of over 457 million, and enjoyed a market share of approximately 72.4%. The Group's GSM global roaming services covered 237 countries and regions and its GPRS roaming services covered 179 countries and regions.

The Company's majority shareholder is China Mobile (Hong Kong) Group Limited, which, as of December 31, 2008, indirectly held an equity interest of approximately 74.25 per cent. in the Company through its wholly-owned subsidiary, China Mobile Hong Kong (BVI) Limited. The remaining equity interest of approximately 25.75 per cent. of the Company was held by public investors.

China Mobile 2008 Key Figures

Indicator	2008
Operating Revenue (million yuan)	412,343
Total Number of Subscribers (million)	457
Number of Base Stations	390,000
Taxation (million yuan)	36,789
Number of Employees	138,368

Corporate Governance

The Company's goal has always been to enhance its corporate value, to ensure its sustainable long-term development and to generate greater returns for its shareholders. In order to better achieve the above objectives, we shall practice good corporate governance adopting the principles of sincerity, transparency, openness and efficiency and implement persistently sound corporate governance structure and measures. With respect to key participants involved in the practice of good corporate governance including shareholders, board of directors, management, internal audit, external auditors and other stakeholders (including our customers, communities, peers, regulatory authorities, etc.), we established and improved various policies, internal controls and other mechanisms.

For more information about our Corporate Governance practices, please refer to our 2008 Annual Report and website www.chinamobileltd.com.

Biographies of Directors and Senior Management

Executive Directors

Mr. WANG Jianzhou

Age 60, Executive Director, Chairman and Chief Executive Officer of the Company, joined the Board of Directors of the Company in November 2004. Mr. Wang is in charge of the overall management of the Company. He is also the President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company), and Chairman of China Mobile Communication Co., Ltd.. He formerly served as Deputy Director General and Director General of the Posts and Telecommunications Bureau of Hangzhou, Deputy Director General of the Posts and Telecommunications Administration of Zhejiang, Director General of the Department of Planning and Construction of the Ministry of Posts and Telecommunications, Director General of the Department of General Planning of the Ministry of Information Industry ("MII") , Director, Executive Vice President, President and Chairman of China United Telecommunications Corporation, Executive Director, President, Chairman and Chief Executive Officer of China Unicom Limited, and Chairman and President of China United Telecommunications Corporation Limited. Mr. Wang graduated in 1985 from Department of Management Engineering of Zhejiang University with a Master's Degree in Engineering, and holds a doctoral degree in business administration from Hong Kong Polytechnic University. Mr. Wang is a professor-level senior engineer with extensive knowledge and 31 years of experience in the telecommunications industry.

Mr. ZHANG Chunjiang

Age 50, Executive Director and Vice Chairman of the Company, joined the Board of Directors of the Company in June 2008. He has also held the posts of Secretary of the CPC Committee and Vice President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company) since May 2008 and the Vice Chairman of China Mobile Communication Co., Ltd. Mr. Zhang previously served as the Deputy Director General of the Liaoning Posts and Telecommunications Administration, Director General of Mobile Telecommunications Administration of the Ministry of Posts and Telecommunications, Director General of Telecommunications Administration and Deputy Minister of the MII, President of China Network Communications Group Corporation, Chairman of China Netcom (Group) Company Limited, Chairman and Executive Director of China Netcom Group Corporation (Hong Kong) Limited and Non-Executive Director of PCCW Limited. Mr. Zhang graduated from the Beijing University of Posts and Telecommunications in 1982 with a bachelor's degree in telecommunications. Mr. Zhang is a professor-level senior engineer with extensive knowledge and 27 years of experience in the telecommunications industry.

Mr. LI Yue

Age 50, Executive Director and Vice President of the Company, joined the Board of Directors of the Company in March 2003. Mr. Li assists the Chief Executive Officer in relation to the matters of network, planning and design institute of the Company. He has also held the post of Vice President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company) since April 2000. Mr. Li is also a director of China Mobile Communication Co., Ltd.. He previously served as the Deputy Director General of the Tianjin Posts and Telecommunications Administration and the President of Tianjin Mobile Communications Company. Mr. Li graduated from Tianjin University with a Master's Degree in business administration, and holds a doctoral degree in business administration from Hong Kong Polytechnic University. Mr. Li is a professor-level senior engineer with over 33 years of experience in the telecommunications industry.

Mr. LU Xiangdong

Age 49, Executive Director and Vice President of the Company, joined the Board of Directors of the Company in March 2003. Mr. Lu assists the Chief Executive Officer principally with respect to marketing and data matters of the Company. He has also held the post of Vice President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company) since April 2000. Mr. Lu is also a director of China Mobile Communication Co., Ltd., Chairman of Aspire Holdings Limited and Union Mobile Pay Limited, and a director of Phoenix Satellite Television Holdings Ltd.. He previously served as the Director General of the Fujian Wireless Telecommunications Administration and the Deputy Director General of the Mobile Telecommunications Administration of the Ministry of Posts and Telecommunications. Mr. Lu graduated from the Academy of Posts and Telecommunications of the Ministry of Posts and Telecommunications with a Master's Degree in wireless telecommunication, and holds a doctoral degree in economics from Peking University. Mr. Lu is a professor-level senior engineer with nearly 27 years of experience in the telecommunications industry.

Mr. XUE Taohai

Age 53, Executive Director, Vice President and Chief Financial Officer of the Company, joined the Board of Directors of the Company in July 2002. Mr. Xue assists the Chief Executive Officer in relation to the management of corporate finance and internal audit of the Company. He is also a Vice President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company) and a director of China Mobile Communication Co., Ltd.. Mr. Xue previously served as the Deputy Director General of the Finance Department of the former Ministry of Posts and Telecommunications, Deputy Director General of the Department of Financial Adjustment and Clearance of the Ministry of Information Industry and Deputy Director General of the former Directorate General of Telecommunications. He graduated from Henan University and received an EMBA degree from Peking University. Mr. Xue is a senior accountant with over 29 years of experience in the telecommunications industry and financial management.

Madam HUANG Wenlin

Age 54, Executive Director and Vice President of the Company, joined the Board of Directors of the Company in September 2007. Madam Huang assists the Chief Executive Officer in relation to the corporate affairs and human resources matters of the Company. She is also a Vice President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company), and a director of China Mobile Communication Co., Ltd.. Madam Huang previously served as Director of Domestic Communications Division and Director of Communications Organization Division of the Directorate General of Telecommunications of the Ministry of Posts and Telecommunications, Vice President of China Telecommunications Corporation, Executive Director and Executive Vice President of China Telecom Corporation Limited. Madam Huang graduated in 1984 from Beijing University of Posts and Telecommunications with a major in management engineering and received an EMBA degree from Peking University. Madam Huang is a senior economist with 33 years of operational and managerial experience in the telecommunications industry.

Mr. SHA Yuejia

Age 51, Executive Director and Vice President of the Company, joined the Board of Directors of the Company in March 2006. Mr. Sha assists the Chief Executive Officer in relation to business support, technology and R&D of the Company. He is also a Vice President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company) and a director of China Mobile Communication Co., Ltd.. He previously served as Director of the Engineering Construction Department IV Division of Beijing Telecommunications Administration, President of Beijing Telecommunications Planning Design Institute, Deputy Director General of Beijing Telecommunications Administration, Vice President of Beijing Mobile Communications Company, Director and Vice President, Chairman and President of Beijing Mobile. Mr. Sha graduated from Beijing University of Posts and Telecommunications, and received a Master's Degree from the Academy of Posts and Telecommunications of the Ministry of Posts and Telecommunications and a doctoral degree in business administration from Hong Kong Polytechnic University. He is a professor-level senior engineer with over 26 years of experience in the telecommunications industry.

Mr. LIU Aili

Age 45, Executive Director and Vice President of the Company, joined the Board of Directors of the Company in March 2006. Mr. Liu assists the Chief Executive Officer in relation to business expansion, industrial management and management information systems of the Company. He is also a Vice President of China Mobile Communications Corporation (the ultimate controlling shareholder of the Company), a director of China Mobile Communication Co., Ltd. and China Communications Services Corporation Limited, and Chairman of CMPak Limited. He previously served as Deputy Director General of Shandong Mobile Telecommunications Administration, Director General of Shandong Mobile Telecommunications Administration and General Manager of Shandong Mobile Communications Enterprises, Vice President of Shandong Mobile Communications Company, Director-General of Network Department of China Mobile Communications Corporation, Chairman and President of Shandong Mobile and Zhejiang Mobile. Mr. Liu graduated from Heilongjiang Posts and Telecommunications School with an associate degree and completed a post-graduate program in economics at Shandong University. Mr. Liu also received a Master of Management degree from Norwegian School of Management BI and a doctoral degree in business administration from Hong Kong Polytechnic University. He is a professor-level senior engineer with over 26 years of experience in the telecommunications industry.

Madam XIN Fanfei

Age 52, Executive Director and Vice President of the Company, joined the Board of Directors of the Company in January 2006. Madam Xin assists the Chief Executive Officer in relation to the general administration and investor and media relations of the Company. She previously served as Deputy Director of the Foreign Affairs Division, Deputy Director of the Planning Division and Chief of the Planning Office, Director of the Planning Division, Director of the Department of Planning and Construction of Tianjin Posts and Telecommunications Administration, Vice President of Tianjin Mobile Communications Company, Director and Vice President of Tianjin Mobile, Chairwoman and President of Heilongjiang Mobile, and Chairwoman of former China Mobile Peoples Telephone Company Limited. Madam Xin graduated from Xidian University, and received an EMBA degree from Peking University. She is currently pursuing a doctoral degree in business administration from Hong Kong Polytechnic University. Madam Xin is a professor-level senior engineer with many years of experience in the telecommunications industry.

Mr. XU Long

Age 52, Executive Director of the Company, joined the Board of Directors of the Company in August 1999. Mr. Xu is the Chairman and President of Guangdong Mobile, responsible for the Company's mobile telecommunications operations in Guangdong. He previously served as the Deputy Director of the Shaoxing Posts and Telecommunications Bureau, President of Zhejiang Nantian Posts and Telecommunications Group Company, Director of the General Office and Deputy Director General of the Posts and Telecommunications Administration in Zhejiang, and Chairman and President of Zhejiang Mobile. He graduated from Zhejiang Radio and Television University in 1985, and holds a doctoral degree in business administration from Hong Kong Polytechnic University. Mr. Xu is a senior economist with 31 years of experience in the telecommunications industry.

Non-Executive Director

Mr. Nicholas Jonathan Read

Age 44, Non-Executive Director of the Company, joined the Board of Directors of the Company in March 2009. Mr. Read is currently Vodafone's Regional Chief Executive Officer for Asia Pacific and Middle East Region. He is also a director of Vodafone Essar Limited, Vodafone Essar Towers Limited, Vodafone Egypt Communications Limited, Vodafone Australia Limited, Vodafone Qatar Limited and JIL BV. Prior to his appointment as Vodafone's Regional Chief Executive Officer for Asia Pacific and Middle East Region, Mr. Read was the Chief Executive Officer of Vodafone UK. Mr. Read joined Vodafone UK in 2002 as Chief Financial Officer, and in 2003 was appointed the Chief Commercial Officer of Vodafone UK. Prior to joining Vodafone, Mr. Read had been the Chief Financial Officer of Miller Freeman Worldwide and the Chief Financial Officer for the EMEA (Europe, Middle East and Africa) Region of Federal Express. Mr. Read graduated in 1986 from the Manchester Metropolitan University with a Bachelor of Arts (Honours) degree in Accountancy and Finance. Mr. Read is a Fellow Chartered Management Accountant. His other directorships held in the last three years in listed public companies include Emtel Europe Plc and Mobile Telecom Plc.

Independent Non-Executive Directors

Dr. LO Ka Shui

Age 62, Independent Non-Executive Director of the Company, was appointed to the Board of Directors of the Company in April 2001. He was appointed Chairman of Audit Committee, Remuneration Committee and Nomination Committee of the Company. Dr. Lo is the Chairman and Managing Director of Great Eagle Holdings Limited, the Non-executive Chairman of Eagle Asset Management (CP) Limited (Manager of the publicly listed Champion Real Estate Investment Trust). He is also a Non-executive director of The Hongkong and Shanghai Banking Corporation Limited and an Independent Non-executive Director of Shanghai Industrial Holdings Limited, Phoenix Satellite Television Holdings Limited, Winsor Properties Holdings Limited, Melco International Development Limited and City-e-Solutions Limited. Dr. Lo is a Vice President of the Real Estate Developers Association of Hong Kong, a Trustee of the Hong Kong Centre for Economic Research and a Board Member of the Hong Kong Airport Authority. Dr. Lo graduated from McGill University with a Bachelor of Science Degree and from Cornell University with a Doctor of Medicine (M.D.) Degree. He was certified in Internal Medicine and Cardiology. He has more than 29 years of experience in property and hotel development and investment both in Hong Kong and overseas.

Mr. Frank WONG Kwong Shing

Age 61, Independent Non-Executive Director of the Company, joined the Board of Directors of the Company in August 2002. Mr. Wong is also an Independent Non-Executive Director of the following companies: Industrial and Commercial Bank of China Limited, China; PSA International Pte Ltd, Singapore; National Healthcare Group Pte Ltd, Ministry of Health of the Singapore Government; and Mapletree Investments Pte Ltd, Singapore. He previously served as Vice Chairman of DBS Bank, a member of the DBS Bank and DBS Group Holdings boards, and Chairman of DBS Bank (Hong Kong). He held a series of progressively senior positions with regional responsibility at Citibank, JP Morgan and NatWest from 1967 to 1999. Mr. Wong also served in various positions with Hong Kong's government bodies including the Chairman of the Hong Kong Futures Exchange. Mr. Wong has many years of finance and commercial management experience and has since January 2009, assumed the role of Chairman, Galleon Asia Pte Ltd, an Asian subsidiary of Galleon Group, NY.

Dr. Moses CHENG Mo Chi

Age 59, Independent Non-Executive Director of the Company, joined the Board of Directors of the Company in March 2003. Dr. Cheng is a practising solicitor and the senior partner of Messrs. P.C. Woo & Co. Dr. Cheng was a member of the Legislative Council of Hong Kong between 1991 and 1995. He is the Founder Chairman of the Hong Kong Institute of Directors of which he is now the Honorary President and Chairman Emeritus. His other directorships held in listed public companies in the last three years include ARA Asset Management Limited, City Telecom (HK) Limited, Beijing Capital International Airport Company Limited, China COSCO Holdings Company Limited, China Resources Enterprise, Limited, Guangdong Investment Limited, Kader Holdings Company Limited, Galaxy Entertainment Group Limited (formerly known as K. Wah Construction Materials Limited), Liu Chong Hing Investment Limited, Shui On Construction and Materials Limited, Tian An China Investments Company Limited, Towngas China Company Limited and Hong Kong Exchanges and Clearing Limited.

CSR Strategy and Management

China Mobile placed great emphasis on CSR and CSR is a key component of our strategy to leapfrog from excellence to pre-eminence. Reflecting our core corporate value, "*Responsibility Makes Perfection*," and our CSR vision, "With perfect sincerity and integrity, we will strive to fulfill our triple-sided responsibilities: our economic responsibility; our social responsibility; and our environmental responsibility." We are integrating CSR into every aspect of our business in order to improve CSR performance. This year we became the first and only company in Mainland China to be recognized on the Dow Jones Sustainability Indexes, which was a major recognition of our CSR performance from the international community.

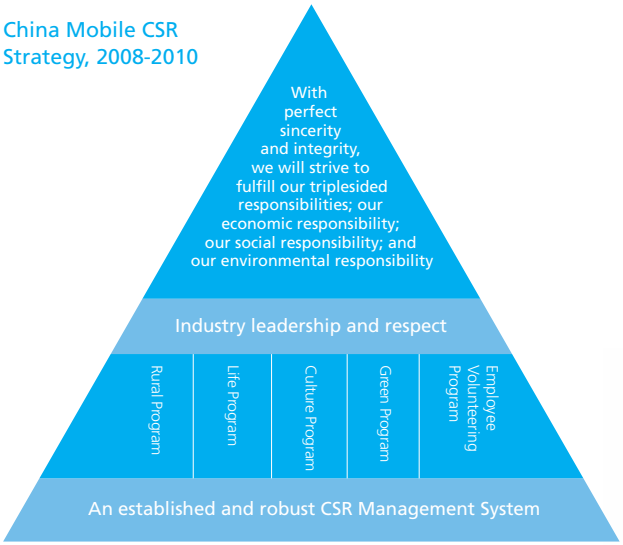
CSR Strategy

In 2008, we have adopted the sustainable development of the economy, society and the environment as our vision and we have committed ourselves to grow our enterprise together with our stakeholders harmoniously. In line with our CSR strategic framework, we concentrated our CSR efforts on five major programs and on building a three-year plan for CSR management between 2008 and 2010, which will serve as a blueprint for the future of our CSR agenda.

By actively fulfilling our responsibilities, we will achieve both industry leadership and respect.

- **Industry Leadership.** For us, this is not just about achieving sustainable development in the areas of economic development, social progress and environmental protection. It is also the leveraging of our position as an industry leader to make major strides and create ways for business to thrive while contributing to sustainability objectives.
- **Respect.** We intend to realize our expertise as mobile technology and information experts and bring value to society and the environment toward building a better future.

China Mobile CSR Strategy, 2008-2010



China Mobile believe we can help build a harmonious society through expanding the network to reach the most remote areas, equipping people with information and communication technology, bridging the digital divide, providing reliable services, reducing our impact on the environment and promoting philanthropy and caring for the disadvantaged.

CSR Program Highlights

I. Rural Program. We expanded the rural basic telecommunications network steadily, stepping up the pace on the development of the Agricultural Information Service and the Rural Information Network, expanded our network of sales channels and consistently sought ways to use our mobile telecommunications expertise to benefit the development of China's agricultural sector, rural areas, and rural residents, building a "new Chinese countryside" by extending the reach of our "three networks."

II. Life Program. We improved our ability to respond to emergencies and ensure network stability, maintaining a safe and high-quality network. We also continued our support of society's disadvantaged, in order to enhance the well being of the society and build a harmonious society.

III. Culture Program. We implemented measures to prevent the distribution of harmful content and spam messages; we also promoted positive uses of mobile telecommunications by introducing new mobile media services. In addition, we supported education programs in low-income areas to provide the best start in life for future generations.

IV. Green Program. Within our company, we continued to integrate energy conservation, emission reduction and EMF (electromagnetic field) management processes into the construction, operation and maintenance of our network. Within our industry, we continued to work with our suppliers to improve environmental management with the goal of building a "green telecommunications industry value chain." With our corporate customers, we continued to implement new technologies to optimize energy use and minimize environmental impacts. And with the public, we raised awareness with the goal of increasing public participation in environmental protection.

V. Employee Volunteering Program. Employee volunteering at our company is fundamentally grounded in the idea that "It Starts From Us." In this spirit, we launched our Employee Volunteers Association, making the workplace a platform for employee action and building a culture of personal responsibility through philanthropic efforts to help society's disadvantaged.

VI. CSR Management. Focusing on our CSR policies, implementation, performance tracking and communications, we continued to coordinate CSR management at headquarters and across our provincial subsidiaries, strengthen our communication with stakeholders, and enhance our ability to grow harmoniously with our stakeholders.

CSR Management

In 2008, we implemented our CSR management framework at two levels: within headquarters and across our provincial subsidiaries. At both levels, we improved our management around CSR policy, implementation, performance and communication — ultimately aligning our CSR performance with business operations.

Improving our CSR Management Structures, Policies and Processes

CSR continues to be managed at the highest level of our company, with our Chairman and CEO, Mr. Wang Jianzhou, leading our CSR Steering Committee. During the Committee's first annual meeting in April 2008, the Steering Committee set the tone for our CSR programs, clarified CSR's position within our company and defined our CSR management approach. The Committee approved a range of CSR activities, including our plans for 2008, our three-year commitments to CSR and the establishment of a company-wide Employee Volunteers Association. As a result, we are now formally implementing a two-tiered approach to CSR management — one that allows us to effectively mobilize and coordinate CSR action across our 20 departments at headquarters and within our 31 provincial subsidiaries and our Hong Kong subsidiary.

At provincial level, we have gained a lot of experience through our data collection and communication efforts and are using such information to set clear CSR processes and to build a coordinated approach to CSR planning. We are integrating CSR performance metrics into performance evaluations and are building electronic platforms to ensure that we take a systematic approach to CSR.

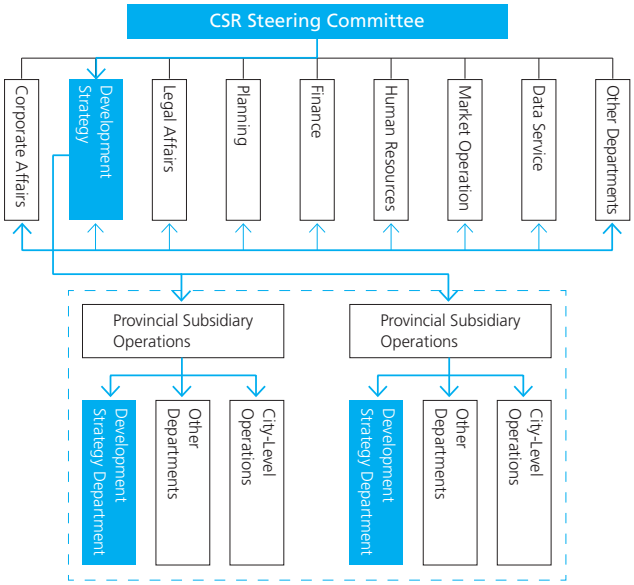
Building a Management System for CSR Performance Metrics and Meeting CSR Standards

Our CSR performance management revolves around 37 key CSR issue areas and 211 CSR Key Performance Indicators (KPIs). By managing our company activities using these issue areas and KPIs, we are able to direct, monitor, analyze and improve our CSR performance. We can also compare our CSR performance against global and domestic standards, which will help us to measure and improve CSR performance and achieve greater results with our programs.

Launching our Annual CSR Case Competition

In 2008, we launched our first internal CSR Case Competition. Through the Case Competition, we collected 109 examples of CSR best practice from across our group and recognized examples of strong CSR performance. The judging process involved several internal and external stakeholders including Chinese government authorities, non-governmental organizations, media organizations and experts from within our company. As a result of such process, we distributed 21 CSR awards in categories including: CSR Top Ten Implementation, Best CSR Innovation, Employee Engagement, Awareness-Raising, and CSR Management. The competition helped us strengthen our internal CSR culture and was also an opportunity to showcase examples of a 'closed-loop' approach to CSR management, which incorporates CSR planning, implementation and monitoring.

China Mobile CSR Management Structure



Strengthening Internal Communication and Building a CSR e-Management Platform

In June 2008, we held a company-wide CSR training which brought management personnel from our provincial subsidiaries together to discuss and analyze our key CSR issues and to review global best practices. This knowledge has subsequently been transferred across our Group. To further increase internal awareness of CSR, we released three editions of our internal *CSR Review* this year, a publication distributed to all provincial subsidiaries that highlights examples of good CSR performance in our Group. We have also established our CSR e-Management system. The system comprises an internal platform which allows us to collect and disseminate internal CSR performance data and an external platform which allows us to interact with external stakeholders. Both platforms were rolled out in October.

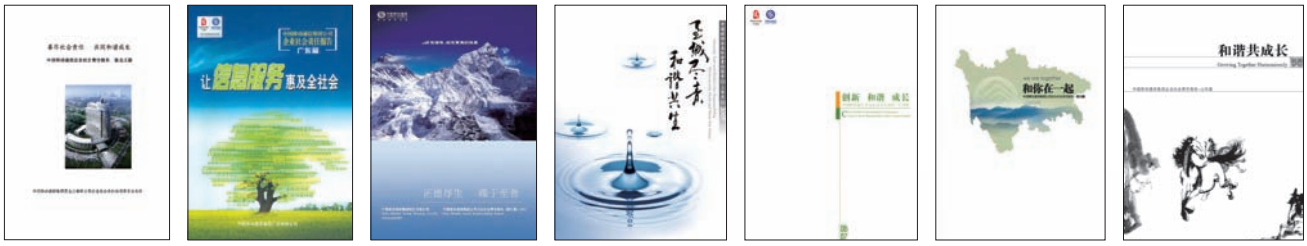
Improving CSR Reporting and Engaging Regularly with Stakeholders

At headquarters, we have released three consecutive CSR Reports, in the process of which a coherent way of collating and reporting on our CSR efforts has been formed. At the same time, several of our provincial subsidiaries, including Heilongjiang, Shanghai, Zhejiang, Jiangxi, Shandong, Guangdong and Sichuan, have also released their own CSR Reports. Corporate transparency around our responsibility efforts is an important part of keeping us accountable and engaged with our key stakeholders.

Using what we have learned through issuing these reports, in 2008 we made concerted efforts to improve upon how we learn from and engage and collaborate with both domestic and global stakeholders. (Please see pages 11-20 for more on our approach to stakeholder engagement.)

In 2009, our goal is to establish a leading global CSR management system and we will continue to streamline and improve our approach to CSR management and will increase the effectiveness of our CSR performance. We have five goals for 2009:

- Continue our CSR benchmarking program, refine and clarify our CSR Key Performance Indicators (KPIs), and achieve real improvements in our CSR performance against our KPIs;
- Continue our Annual CSR Case Competition as a means of encouraging and recognizing strong CSR performance;
- Internally release our China Mobile CSR Management Methods, a guidance document designed to improve how we manage CSR performance;
- Improve the management of our philanthropic activities and roll out a Three-Year Philanthropy Plan; and
- Improve our engagement with stakeholders and continue to find opportunities to share, learn and collaborate.



China Mobile CSR Reports from provincial subsidiaries

Engaging with and Responding to Stakeholders

Stakeholder engagement is an important part of our CSR management. On one hand, engaging with our stakeholders can help us develop a deeper understanding of their concerns and needs and thus ensure our responses are tailored to their specific needs. On the other hand, by cooperating with key CSR industry experts, our company can more effectively participate in the global CSR dialogue — finding private sector solutions to major social, economic and environmental challenges. By sharing best practices and experiences, we can develop these solutions together.

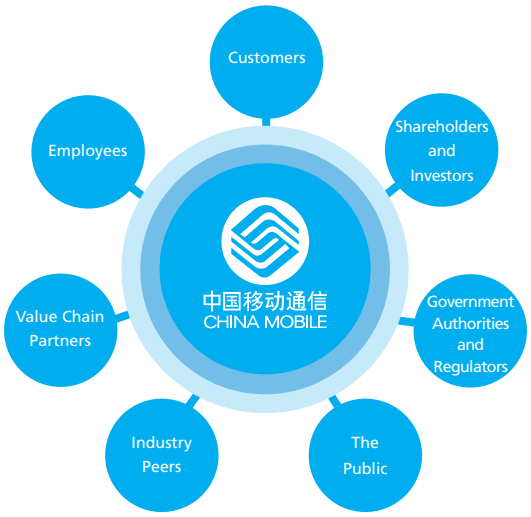
In 2008, working with seven key groups of internal and external stakeholders, our company developed a better strategy to systematically engage with our stakeholders. We had productive discussions with our stakeholders on major topics such as climate change. The needs and priorities of our stakeholders are integral in guiding improvements in our CSR management approach.

In 2008, responding to the needs of our stakeholders, we developed and implemented five main CSR programs to address their key concerns. Through our business operations, our company continued to drive economic development, grow with our business partners, and work toward the goals of customer and employee satisfaction, taking concrete action to create tangible value for our key stakeholders.

Engaging with Stakeholders

In order to align our CSR efforts with their needs, we must ensure regular and open communication with our stakeholders. In 2008, we improved upon our engagement approach with global and domestic stakeholders, focusing our dialogue on material CSR issues which made for richer, more productive conversation and cooperation.

China Mobile Stakeholders



Our Approach to Stakeholder Engagement

We have seven major stakeholder groups: customers, shareholders and investors, employees, government authorities and regulators, value chain partners, industry peers and the public. Through regular engagement and specific dialogues with our stakeholders, we are able to understand and quickly respond to their needs.

Stakeholder Group	Methods of Engagement	Content of Engagement
Customers	◇ Customer satisfaction survey ◇ Customer complaint handling and management	◇ Improve customer service and satisfaction ◇ Protect customer data privacy
Shareholders and Investors	◇ Results announcement meetings ◇ Shareholder general meetings ◇ Regular communication ◇ Investor road shows and reverse road shows	◇ Stable and sustainable investment returns ◇ Transparent, open and fair disclosure systems ◇ Sound management and corporate governance approaches
Employees	◇ Employee representatives committee meeting ◇ Employee grievance systems ◇ Employee training	◇ Ensure employee rights are respected ◇ Collect and respond to employee suggestions
Government Authorities and Regulators	◇ Regular communication	◇ Comply with relevant laws and regulations ◇ Reduce energy use and emissions ◇ Participate in corporate philanthropy
Value Chain Partners	◇ Training for and communication with value chain partners ◇ Contract bidding and procurement management ◇ Supplier assessment and management	◇ Monitor the implementation of our policies and standards ◇ Collect suggestions on improving our business processes ◇ Expand and pursue new business opportunities together
Industry Peers	◇ Conferences and meetings ◇ Industry workshops ◇ Networking events	◇ Discuss the development of our industry and future opportunities ◇ Share experience around CSR management ◇ Collaborate on CSR programs
The Public	◇ Community engagement ◇ Philanthropic activities	◇ New telecommunications services ◇ Participate in disaster relief ◇ Improve the lives of society's disadvantaged ◇ Protect the environment

In 2008, our engagements with stakeholders were guided by three main principles: learn, share and collaborate. We strive to ensure that proactive engagement with our stakeholders improves and enhance our CSR performance.

Specific Dialogues with Stakeholders in 2008

In 2008, we focused our engagements on specific issues which are important to our stakeholders. We initiated dialogues and attended CSR events to engage several global and domestic CSR experts and industry peers. This helped us make more specific and material improvement around our CSR management.

Engaging with Domestic Stakeholders

Between August and September 2008, we held stakeholder dialogue sessions in Heilongjiang, Jiangsu and Shaanxi provinces, with approximately 30 stakeholders participating in such sessions. The stakeholders included local customers, business partners, the media and employee representatives. We presented our CSR efforts to these stakeholders and sought their opinions and suggestions.

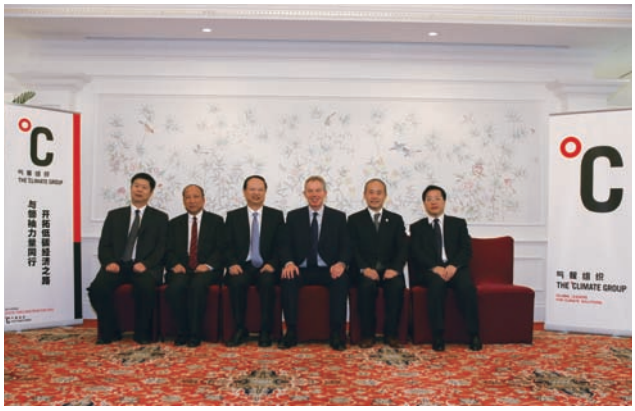
This year we also invited stakeholders to participate in the judging process of our internal 2008 CSR Case Competition. We invited experts from our regulatory authorities, the China Consumer Association, the China Education Development Foundation, the United Nations Global Compact (UNGC) and China Central Television to help us review and select cases submitted from across the Group in recognition of CSR best practice. This allowed our stakeholders to have a more in-depth understanding of our CSR activities and helped us continue on the path toward CSR leadership.

Engaging with Global Stakeholders

In October 2008, in order to better understand CSR trends and developments in Europe and to better engage in the global CSR dialogue, our CSR management team spent a week in England discussing CSR issues with external stakeholders. We met with 10 organizations including FTSE4Good, Think London, OFCOM (the regulator for UK communications industries), Ericsson, Vodafone and UK Trade and Investment. We discussed topics including international CSR practices and implementation of CSR in the telecommunications industry. These discussions allowed us to take in multiple perspectives on CSR management and integrate key learning into our own management and strategy.

We also participated in several global conferences and dialogues dedicated to addressing major global issues such as climate change. We shared our practices and learned how other companies have used the power of the information and communications technology (ICT) industry to create solutions that address climate change issues.

- In May 2008, our Executive Director and Vice President, Mr. Li Yue, spoke at B4E, Business for Environment Global Summit 2008. At the meeting, Mr. Li shared our practices and plans for environmental management, and the steps we have taken to address climate change. He also officially announced our endorsement of and participation in Caring for Climate: the Business Leadership Platform, a project of the UNGC.
- In June 2008, our Chairman and CEO, Mr. Wang Jianzhou, met with former UK Prime Minister Tony Blair to discuss the issue of climate change and the role of mobile operators in promoting a low-carbon economy.
- In October 2008, Mr. Li Zhengmao, Vice President of our parent company, attended the Caring for Climate First Meeting of Signatories, where the UNGC released its 2008 survey of Caring for Climate signatories, best practices and policy frameworks. We were the only telecommunications company featured in a climate success story on energy conservation and emission reduction.



In 2008, China Mobile Chairman and CEO, Mr. Wang Jianzhou, met former UK Prime Minister Tony Blair to discuss climate change

In 2008, we continued regular engagement and cooperation with stakeholders, including the UNGC, the Global Reporting Initiative, The Climate Group, DNV, CSR Asia, WWF and Harvard Business School. This dialogue has resulted in the launch of joint projects on topics such as bridging the digital divide and responding to climate change.

In 2009, we will expand our efforts to engage stakeholders on key issues material to our industry and will extend our influence as a company to promote responsible business practices in China.

Responding to Stakeholders

Through effective communication with our stakeholders, we have become more aware of our stakeholders' concerns and expectations and have begun taking steps to better align our performance with those concerns and expectations.

In 2008, we prioritized our CSR activities into five main programs in order to better meet the needs of our stakeholders. These programs address topics such as: bridging the digital divide, disaster relief, helping disadvantaged groups, building a healthy communications culture, and energy conservation and emission reduction (see pages 21-52).

Through our successful operations, we continued to drive economic development: growing together with our value chain partners, increasing employee and customer satisfaction and meeting the expectations of our stakeholders.

Stakeholder Group	Expectation	Our Response	Report Page References
Customers	◇ Network stability ◇ Improved customer service ◇ Reasonable pricing ◇ Meet our customers' individual needs	◇ Building a reliable network ◇ Protecting customer data privacy ◇ Managing spam ◇ Improving customer satisfaction ◇ Developing innovative products and services	P15-18, P28-29, P34-36, P53-59
Shareholders and Investors	◇ Sustainable and stable investment returns	◇ Good corporate governance ◇ Innovation ◇ Stable operations	P5, P6-10, P14-15, P57
Employees	◇ Compensation and benefits ◇ Improved working conditions ◇ Career development	◇ Competitive compensation and benefits ◇ Equal opportunities and anti-discrimination ◇ Occupational health and safety ◇ Protecting employee rights ◇ Employee training and development ◇ Caring for our employees	P19-20, P50-52
Government Authorities and Regulators	◇ Legal compliance ◇ Abide by regulations and supervision ◇ Meet our CSR commitments	◇ Complying with relevant laws and regulations ◇ Paying taxes ◇ Job creation ◇ Innovation ◇ Bridging the digital divide ◇ Energy conservation and emission reduction	P5, P14-15, P22-27, P40-49, P53-59
Value Chain Partners	◇ Fair business practices ◇ Industry growth	◇ Good management practices ◇ Industry expansion and development ◇ Supporting the development of value chain partners	P15, P34-35, P40-45
Industry Peers	◇ Build a fair competitive environment ◇ Promote the healthy development of the industry	◇ Promoting fair competition ◇ Industry expansion and development ◇ Innovation	P14-15, P57
The Public	◇ Build a harmonious society ◇ Invest in philanthropic programs ◇ Protect the environment	◇ Promoting philanthropic activities ◇ Implementing our Green Action Plan	P27, P30-33, P36-39, P40-49, P50-52

Stable Development and Driving Economic Growth

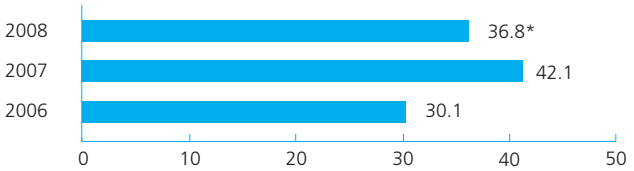
In 2008, we faced major natural disasters and global financial crisis which brought uncertain economic outlook and challenges for overall economic stability and development. In addition, as part of the Chinese telecommunications industry, we faced an industry restructuring and rapid advancements in telecommunications technology. All of these events bring uncertainty and challenges for our business in 2009.

In this context, we strive to innovate and promote collaborative growth with our business partners, promoting industry growth and development and realizing our responsibility to drive economic development in China.

Contributing to Economic Development in China

In 2008, we saw continued growth in our subscriber base, network size and operating revenue. Steady growth in our business also resulted in a reliable stream of tax revenue for the government as well as growth for China's economy. Using the same calculation methodology we have used previously, our contribution to China's National Income in 2007 was 1.35% and our impact on increasing national economic demand was 2.36%.

China Mobile Taxation Paid (billion yuan)



* Affected by the impact of change in China's enterprise income tax rate in 2008

According to the Ministry of Human Resources and Social Security, as of the end of 2008, registered unemployment rate in cities and counties was 4.2%, slightly higher than the 4.0% at the end of 2007. In light of the current economic uncertainty, unemployment is going to become an even more urgent issue. Our steady growth allows us to have an impact by continuing to develop opportunities for employment. Between January and September 2008, we directly and indirectly contributed to the creation of more than 2.2 million job opportunities.

Promoting Industry Growth and Development

In 2008, we continued to work with our business partners to stimulate continuous, stable and healthy development in our industry.

As of December 31, 2008, we grew our business to 457 million subscribers, helping extend mobile penetration rate in China to 48.5%. In 2008, we established partnerships with 1,185 service providers and set up more than 1 million sales channels, spearheading industry growth.

In Sichuan, we initiated a program aimed at improving the way we manage and work with our suppliers. Every year, we contribute 3 million yuan to a fund which is paid out to recognize our highest performing sales channel partners. We and Sichuan University also jointly established management research and training programs for 30 high performing dealerships. We also hosted our own training to help our dealerships better understand our products and services and provided training 260,000 person-times in the year in Sichuan. Additionally, we established regular communication channels through which we engaged with our business partners and improved cooperation.

As a frontrunner in the telecommunications industry in China, we have an obligation to lead the direction of intellectual property development of the industry. To this end, we are proactively involved in patented technology partnerships with domestic and international mobile telecommunications operators, equipment manufacturers and academic and research institutes. Together, we are removing barriers to continuous technology innovation and business development. Our influence is seen in three aspects of technology and innovation: in standardizing the formulation of intellectual property related policies for organizations, negotiation for patent licensing, and in the development of policies against patent-related barriers, thereby leading to the healthy development and innovation of intellectual properties within the telecommunications industry.

At the same time, our standard management system for technology and business has allowed us to significantly improve standardization of our processes and quality. We have made breakthroughs around global standards. In 2008, our company established 600 corporate standards which helped satisfy most needs related to network construction and business development. We participated in 73 projects focused on setting industry standards and 6 projects focused on setting national standards with respect to relevant technology and business. For 3 consecutive years, we have been awarded "Top Scientific Innovation" by China Communications Standards Association.

Developing New Markets

Amidst an increasingly competitive telecommunications market, new customers, new voice usage, new business and the development of new markets remain major drivers of growth.

We used the Beijing 2008 Olympic Games as an opportunity to develop our portfolio of mobile data services, including mobile media and multiple-function services.

China Mobile Data Services Customer Statistics (million subscribers)

	2006	2007	2008
Value-added business users	270.4	349.6	419.8
Fetion subscribers	—	73.3	146.9
Mobile Paper paying subscribers	—	23.6	41.5
Wireless Music Club, senior members	—	35.5	52.7

Diligent Customer Service and Improving Customer Satisfaction

Effective customer service is not only the foundation of our business, but also an important factor of our support and care for the society. In 2008, we improved the way we manage our tariff systems, continuously enhanced privacy protection for our customers, fully implemented our Gold Standard Services, and strove to provide new services to special groups. Ultimately, we believe these steps have improved customer satisfaction.

Fair Pricing and Billing Accuracy

In 2008, we continued to clarify our service packages based on our three major brands: GoTone, M-zone and Easy-own. We simplified and better coordinated the service packages and tariff structures, improved communications in relation to pricing issues with customers and sales channels, and refined product design, advertising, promotion and customer service procedures. Our ultimate goal is to make it as easy as possible for our customers to select the service that best suits their needs.

We also want customers to fully understand our pricing and billing structures. To improve pricing transparency, we have further improved payment reminder mechanisms.

To improve billing accuracy, we have improved billing processes and promoted the most advanced billing systems. In 2008, our billing accuracy rate reached 99.99%.

In Liaoning, we implemented a program that allows customers to easily perform a real-time check of their GPRS monthly usage volume and account balance via SMS, WAP, the internet or at a retail site. In May 2008 alone, we sent 200,000 reminder SMS's on GPRS monthly usage volume to customers.

Improving Customer Data Privacy

Protecting customer data privacy is an important part of good customer relations. We strictly comply with the relevant laws and regulations in China regarding customer data privacy protection and have always used the most cutting-edge global technology to build systems that protect customer privacy and the safety of personal information. We have many protocols in place to implement strict management and protection of customer data against hacking. Our privacy and data security practices have been certified according to global protocols, such as ISO27001. We have strictly implemented our policies on privacy audits, account passwords, remote access, data back-ups and server management.

Improving programs, management and systems to protect customer privacy and data security continued to be a major focus for us in 2008. We signed agreements with all of our business partners to require protection of customer data security and guard against unlawful divulgence throughout our value chain.

In addition, we have added non-disclosure agreements (NDAs) to all our contracts. These NDAs require any business partner to hold all data collected through the course of interacting with our company, including any customer data they may access, in confidence and are strictly prohibited to disclose or use such data for any other purpose than the fulfillment of their contracts.

Like all telecommunications companies we need to balance our commitment to customer privacy with the need to work with law enforcement authorities as part of their legitimate efforts to investigate illegal activities. We have processes in place to protect our customers, and have implemented a very strict set of internal policies, procedures and processes that guide our employees on how and when we need to cooperate with law enforcement authorities on legal enforcement and to ensure legal compliance.

In Shanghai, we developed a Safe Document Control Center in 2008, which allows us to better manage data and protect customer privacy and data security. The system allows us to include additional security process in the encryption and distribution of data imported, control customer document access and transfer, manage all end-user controls, and run a full-scale document control operating system. In addition, the system allows us to refine document management and authority management, customer interface and supervision, information processing, offline document management, and provides daily log and statistics regarding data monitoring — all to ensure that customer data privacy is well protected.

Improving Customer Satisfaction

In 2008, we initiated our Gold Standard Customer Satisfaction 100 program focusing on areas of major concern to our customers. The program is guided by the principles of Responsibility, Trust and Convenience, and has five key components: high quality services for the Olympics; spam management; simplified and clear service packages; close monitoring of value-added services; and e-services and e-management. This program ensures that we are able to provide the best customer service as well as more service options and greater protection to customers.

Based on our Gold Standard Customer Satisfaction 100 program, we have undertaken four major measures to improve customer satisfaction in 2008:

First, we ensured that our services management systems were customer-centered so as to serve their needs, and we set up 10 inter-departmental management cycles to achieve this.

Second, we promoted a principle of "Customers First." At both headquarters and within our provincial subsidiaries, we established performance monitoring processes that run across different departments, ensuring that we are well aligned internally to handle customer complaints as quickly as possible.

Third, we developed Satisfaction 100 simulations that allow back-office management and technical staff to experience interacting with customers, enabling our employees to identify challenges and customer needs so as to enhance our back-end systems for better customer experiences.

Fourth, we created a two-tiered customer service support system that coordinates processes across our provincial subsidiaries. This system enables us to immediately respond to issues customers may encounter when roaming outside of their home province.

In Henan, we ran the Golden Keys to Customer Satisfaction 100 Program to solicit comments and suggestions, and received 124,965 comments and suggestions from customers and 14,899 comments and suggestions from our employees. We implemented many of the comments and suggestions that were proposed.

In Jiangsu, we held a series of special events in the province called Walking into China Mobile. We have held this series of events more than 30 times in Jiangsu, inviting nearly 1,000 customers to come to our service centers and experience our services live, such as 12580, outbound calling and customer complaints handling. The program has brought our customers closer to our business and vice versa.

In Jilin, we carried out the Walking into China Mobile campaign to improve customer experience and understanding

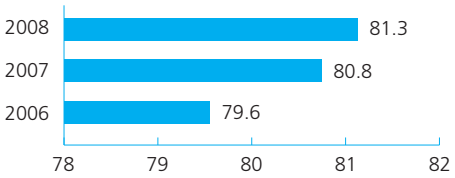
China Mobile Customer Satisfaction Management

In 2008, we continued to perform independent customer satisfaction computer-assisted telephone surveys with the goal of truly understanding the customer experience and identifying any major weaknesses. We surveyed more than 400,000 customers over the telephone on topics including overall service, network quality, new services, promotional activities, and payment and support systems. Based on the survey results, we made critical improvements to relevant programs.

The survey was conducted in five phases between mid-June and early December 2008. The survey results reflect that our customer satisfaction has continued to rise. In 2008, our overall customer satisfaction scores increased to 81.3.

China Mobile Overall Customer Satisfaction Scores

(maximum score = 100)



In Jiangsu, we provided sign language service for customers with hearing difficulties

In Xinjiang, we provided customer service in the local Uigur dialect

Attending to Groups with Special Needs

In order for mobile telecommunications services to benefit the widest number of people possible, we have taken special care to make our services accessible to all people, particularly groups with special needs.

According to China's second Survey of Disabled Persons, there are 82.96 million disabled people living in China as of April 1, 2006. Meeting the telecommunications needs of the disabled is one of our major objectives regarding social responsibilities.

May 17 of each year is Global Telecommunications Day, and in 2008, the theme was providing telecommunications access to disabled customers. Revolving around this theme, we increased efforts across our company to promote services specifically designed for disabled customers.

In Jiangxi, in March 2008, we set up an interactive text message-based customer service hotline specifically for hearing- and speech-impaired customers. The service allows hearing- and speech-impaired customers to interact with customer service representatives via text message in relation to services, enquiry, customer service, complaints and other issues.

In Liaoning, we developed special Easy-own cards for hearing- and speech-impaired customers to broaden the range of mobile data services, including the promotion of daily news and Fetion services, that can be adapted for a reading-based text message platform, allowing them to more conveniently communicate with the hearing and speaking community using their mobile phones.

In Beijing, we offered a series of products and services designed to help our disabled customers enjoy the Olympic Games via their mobile phones. These services have been accessed more than 5,000 times to date.

We have also developed specific and comprehensive services for minority groups.

In Neimenggu, we provided customers with China's very first Mongolian language mobile handset, complete with Mongolian character sets and interface. The mobile phone has been used broadly in the Mongolian community across several local minority groups.

In Xinjiang, we developed a Uigur-language customer service hotline that can be accessed from across 16 regions in Xinjiang, increasing our ability to efficiently serve local customers and respond to their issues promptly. Customer satisfaction with the service reached 96.94%.

Considering their unique communications challenges, we have also developed a series of products and services for elderly customers.

In Shanghai, we set up a program that allows elderly customers access 10086 services more conveniently and also gives priority to these elderly customers when attending to the 10086 services, such that elderly customers can get their service questions answered and requests processed more quickly.

Upholding Employee Rights and Promoting Career Development

Employees are our most important resources and the foundation of our sustainable growth. In 2008, we continued to improve our employee relationship management to meet the goals of treating our employees with equality, upholding employee rights and focusing on employees' career development. Our working environment is designed to build a harmonious workforce and increase job satisfaction for our employees.

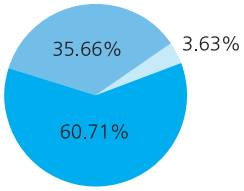
Respecting Equal Opportunities

We are committed to the principles of equal pay for equal work, gender and racial equality and assigning work based on skills and experience.

The percentage of ethnic minorities in our workforce increased from 5.47% to 5.94% between the end of 2007 and the end of 2008, demonstrating increased diversity in our employee structure.

China Mobile Employee Age Distribution

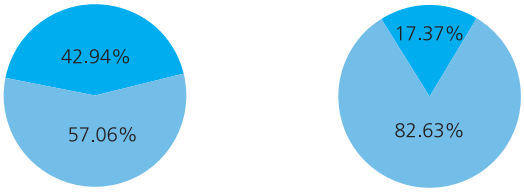
(December 31, 2008)



All Employees

China Mobile Employee Gender Distribution

(December 31, 2008)



All Employees Senior Management

Note: Senior management refers to all employees at Vice President level and above at provincial subsidiaries and all employees at Deputy General Manager (Department) level and above at headquarters

Upholding Employee Rights

Alongside the implementation of China's new Labor Contract Law in 2008, we conducted several internal trainings to ensure that employees understand and are able to monitor company compliance with the law as well as to protect their own rights. At the same time we have revised collective labor contracts across our Group so as to adhere to the Labor Contract Law.

In 2008, we conducted an employee survey program aimed at ensuring that we uphold employee rights and create a harmonious working environment. The survey was deployed across nine provincial subsidiaries and covered seven topics including policies on our employee representative committee, corporate transparency, fair negotiation of collective contracts, protection of the rights of women workers, the use of contractors and sub-contractors, employee understanding of the Labor Contract Law and its implementation, and our overall relationship with the employees. Such results provided the necessary information for us to further our next steps in relation to upholding employee rights and optimizing employee structure.

In some provinces, the local labor union and women's committee highlighted the needs of women workers during discussions on collective contracts. We created a draft contract specific to the rights of women workers, which was approved by our Employee Representative Committee.

With respect to employee health and safety, in January 2008, our parent company, China Mobile Communications Corporation, released and implemented a companywide policy on the use of personal protective equipment in order to ensure a safe and healthy working environment which is in line with national guidelines. As a result, the number of work-related injuries significantly decreased as compared to 2007.

China Mobile Work-Related Employee Injuries and Fatalities

	2008 (Jan-Sep)
Work-related fatalities	1*
Work-related injuries	7

* One employee's life was lost during the 5·12 Wenchuan Earthquake in Sichuan

Promoting Career Development

Investing in training resources is important to employee development and career advancement. In 2008, we focused our human resources management efforts on employee training and undertook new initiatives to improve our training policies, practices and procedures. For example, we improved our training mechanisms, developed an internal training team, implemented new training evaluation metrics, and encouraged increased use of our e-learning platform.

Several of our provincial subsidiaries also carried out their own local training programs.

In Xinjiang, we launched a leadership and management training program in 2007 for employees from ethnic minority background. As of October 2008, we had conducted 52 of these training series for a total of 2,678 person times. The program has produced results in improving quality of their work and career development.

In Shandong, we developed a training program tailored to the needs of management, technical and sales staff. We offered a broad range of courses and training formats that covered a comprehensive set of topics. Between 2007 and 2008, we held 21 of these training series for management staff and conducted 25 3G technical training series for a total of 1,124 person times. We held the training series 19 times for sales staff, providing 2,803 person times of training in total.

China Mobile Training Statistics

	2008
Number of employees trained (10,000 person times)	86.2
Training to senior executives (person times)	224
Training to middle management (person times)	9,552
Training to regular employees (10,000 person times)	85.2
Percentage of employees attending diploma courses (%)	5.42
Average investment in training per employee (yuan)	3,067
Average annual training time per employee (hours)	59.6

Creating a Better Place to Work

In 2008, we rolled out Employee Assistance Programs (EAPs) to aid our employees in times of need and to prevent or eliminate stress. To date, 21 of our provincial subsidiaries have implemented these EAPs with remarkable results.

In Beijing, we rolled out an EAP with the objective of caring for and supporting our employees in 2008. We found that the program significantly improved employees' perceptions on how they are treated and cared for in the workplace — this perception increased by 8.4% among regular employees and 15.3% among management staff. The program also effectively lowered the level of stress and job burnout of employees, and reduced perception of work-related stress by 11.7%, and employee satisfaction rate increased by 16.4% among management staff.

In Hebei, 1,853 employees participated in EAPs in 2008. At the start of the program, participants underwent an initial mental health assessment, where 256 participants were diagnosed with some degree of mental health issue. Of those diagnosed with a need for mental health support, 84% reported that the EAP helped them reduce their stress levels and 62% reported that they had fully recovered.

In Shanghai, we initiated EAPs in a few pilot sites in April 2005. At the beginning, only 10% of employees were aware of this program, but by 2008, that percentage had risen to above 85%. After several years of program implementation, many of our employees actively seek assistance from internal volunteers under our EAP, as well as external guidance for mental health issues.

In Sichuan, we developed self-help handbooks for employees to deal with the psychological effects of the earthquake

Post-Earthquake Counseling

In Sichuan, after the Sichuan earthquake we invited renowned domestic psychologists specializing in disaster-related post-traumatic stress to provide counseling to employees. Group and individual therapy sessions were held for a total of 420 employees, including those who were part of emergency rescue efforts, as well as for employees in the affected cities: Beichuan, Qingchuan, Shifang, Mianzhu, Pengzhou, Dujiangyan and Hanyuan.

We also prepared and published more than 4,100 copies of an employee self-help handbook aimed at dealing with the psychological effects of the earthquake. In Sichuan, we set up an e-training tool focused solely on mental health and counseling, helping our employees confront and heal the emotions caused by the disaster.

Major CSR Programs

Our main CSR programs are strategically designed to improve the quality of our CSR management in a way that aligns our CSR activities with our business strengths as a mobile information expert, meets the needs of our stakeholders, and encourages world-class CSR performance.

Rural Program: Bridging the digital divide;

Life Program: Being a lifeline in the face of natural disasters and improving the lives of those in need;

Culture Program: Promoting a healthy mobile culture and supporting education;

Green Program: Conserving energy, reducing emissions and engaging with others to encourage greener behavior; and

Employee Volunteering Program: Creating a platform to encourage employee volunteering.

Rural Program

Modernizing the Chinese countryside and promoting balanced development between the country's rural and urban areas is a major national priority for China. In 2008, China released a landmark new policy on rural reform to promote more balanced growth between urban and rural areas. The policy clearly requests business and industry to support agriculture and urban cities to support the development of the rural areas.

Providing stable and reliable voice and data services to rural customers is a long-term priority for our company and a core component of our CSR strategy. In 2008, we continued to support our parent company in implementing its Rural Program and meeting its commitment to rural development. By extending the reach of our "three networks" — basic infrastructure network, Rural Information Network, and network of rural sales channels, we benefitted the rural residents, rural businesses and rural governments and supported and assisted in the development of Chinese rural areas.

Expanding Network Coverage and Reliability

Our parent company has been a major partner in the Chinese government's Village Connected Project, an initiative to extend coverage and improve services in the most remote areas of China with limited transportation infrastructure. With guidance from the government and great efforts of many involved, mobile and fixed line telecommunications coverage rates reached 99.7% of China's administrative villages by the end of 2008.

In 2008, we continued our support of the Village Connected Project, and as of the end of 2008, our parent company had in aggregate invested approximately 19.5 billion yuan in extending China's telecommunications network infrastructure to more than 60,000 remote villages.

Expanding Network Coverage

In 2008, we assisted our parent company to further implement the Village Connected Project and continued to enhance network coverage in administrative villages and natural villages in remote areas. Our parent company brought network access to 2,059 administrative villages, agricultural areas and forest reserves across six provinces and autonomous regions, including Neimenggu, Heilongjiang, Sichuan, Gansu, Xinjiang and Xizang. They also brought network access to 14,537 natural villages across 23 provinces, autonomous regions and cities, including Hebei, Shanxi, Neimenggu, Liaoning, Jilin, Heilongjiang, Anhui, Fujian, Jiangxi, Shandong, Henan, Hubei, Hunan, Hainan, Guangxi, Chongqing, Sichuan, Guizhou, Yunnan, Shaanxi, Gansu, Qinghai and Xinjiang.

China Mobile Village Connected Project Data (2005-2008)

	2005	2006	2007	2008
Cumulative number of administrative villages covered	26,631	35,108	39,784	41,843
Cumulative number of natural villages covered	–	–	5,367	19,904

In 2009, we will continue to support our parent company's efforts around the Village Connected Project and bring basic mobile coverage to remote rural areas, working gradually to bridge the digital divide.

Improving Network Quality

In remote rural areas, unreliable electricity supply can often adversely affect network stability. In 2008, alongside the expansion of our network, we also worked to improve the stability of power supply to our base stations.

In pursuit of this goal, we refined technical specifications for auxiliary and power supply equipment of all base stations. Based on these, we optimized the power supply in all rural base stations around China, thereby enhancing power supply quality and emergency back-up power.

As of the end of 2008, we had upgraded 2,800 sets of switch mode power supplies, installed 60,000 new batteries with improved capacity and deployed 4,200 generators. This resulted in a decrease in power interruption (cumulative number of power interruptions at rural base stations for the month divided by total number of rural base stations) across rural base stations from 10% to 7%. The average duration of a single power interruption also decreased from 5.2 hours to 2.58 hours.

Our Village Connected Project not only provided rural residents with modernized communication methods, it also significantly contributed to economic development in the rural areas.

Starting in 2006, in Zhangjiajie City, Hunan — home to China's largest agricultural production of reed leaf used in Chinese cooking — we built 10 base stations, expanding network coverage to all 12 villages in Wudao Shui County. By enabling access to market information, we helped local residents and businesses effectively manage agricultural production and sales to better meet market demand. Within two years, average annual income per household in these areas increased by more than 7,000 yuan.

China Mobile Rural Network Quality

	2008
Rural Network Coverage Rate	97.35%
Rural Network Call Connection Rate	96.92%
Rural Network Call Drop Rate	0.75%

Increasing the Use of Our Rural Information Services

In assisting our parent company to promote the Village Connected Project, we worked hard to ensure that rural information products and services can be widely accessed by remote rural customers. At the same time, through the development and promotion of the application of rural informatization, we helped to bridge the digital divide and contributed to rural development by the provision of valuable information to rural customers.

Upgrading our Rural Information Network

Since 2006, we began efforts to create a unified nationwide Rural Information Network — a service platform built to meet the needs of rural residents, rural businesses and rural governments. The platform brings a diversity of information covering rural lifestyle, business and politics, including guidance on rural science and technology, market information, employment opportunities and other relevant information to rural customers.

In line with our goals of bridging the digital divide and increasing the flow of valuable information, this year we completed the third phase of the full-scale upgrade of our Rural Information Network, allowing us to automatically sort, generate and share practical content for our rural customers via a centralized data center.

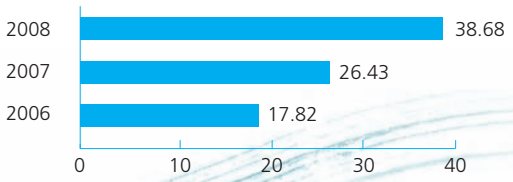
Within just two years, our Rural Information Network has become an invaluable resource as our main channel for reaching rural customers. The Network has also become a critical ground for the sharing and communication of practical agricultural information among rural customers. As of December 2008, there were more than 12.48 million subscribers to the central platform of the Rural Information Network and an average of 13 million text messages were sent per day; our 12582 Rural Information Network hotline service received an average of 25,000 calls a day; and our www.12582.com Rural Information Network website reached approximately 30.08 million hits. The Rural Information Network has become an important platform to exchange rural information for the rural population.

New Applications for Rural Information Services

We have actively developed new information services for our Rural Information Network and continued to broaden the range of information available through the Agricultural Information Service to ensure that it meets the needs of rural customers and to enhance the effectiveness of the network.

In view of the issues associated with the rural community, we rolled out a series of new products and services, such as "Agricultural Trade Network," "Labor Market Information Easy Search," "Agricultural Information Platform," and "Easy Trade Service," which assisted in resolving trading difficulties faced by rural residents. These products and services were being tested in Guangdong, Guangxi, Chongqing, Guizhou, Yunnan and other locations.

Agricultural Information Service Subscribers (million)



In Henan, we expanded our Village Connected Project and extended our network coverage in rural areas

In Xinjiang's remote Aketao Kusilafu, we built a new base station

In Zhejiang, since 2005, with the support from our mobile communication resources and our telecommunications business, we have promoted the development of mobile network and information services in rural villages through the provision of agricultural products and sales information and the effective enhancement of the information sharing platform, which have brought about real benefits to the rural residents.

Key usage statistics in Zhejiang to date include:

- Registered subscribers who enrolled in the Rural Mailbox program reached 90 counties, 1,216 townships and more than 30,000 administrative villages;
- Total subscribers exceeded 2 million;
- 770,339 trading items posted via the Rural Mailboxes;
- Volume of successful trades via the program totaled 1.74 billion yuan; and
- Training for the Mailbox Service reached 1.18 million person-times cumulatively

New Features Available Through our Agricultural Information Service

Service	Description and Key Functions
Agricultural Trade Network	The Network is a comprehensive set of information services transmitted via wireless Rural Information Terminals, which improves the liquidity of agricultural products, promotes a modernized communication platform and increases efficiency of the operation and services of the rural businesses. It serves the following purposes: ◇ A channel for buying and selling agricultural products and services; ◇ A real-time data system that allows customers to track and manage agricultural purchase orders and inventory; ◇ A hub for disseminating and receiving agricultural market information; ◇ A service for wire transfers, bank withdrawals and payments; and ◇ A centralized information, cash flow and logistics management system for agricultural products.
Agricultural Business Web	The Agricultural Business Web is a website for managing agricultural sales data which features the following: ◇ An online agricultural industry 'yellow pages'; ◇ An online procurement and inventory management tool for agricultural products and services; ◇ An online customer relationship management system; and ◇ An online office automation (OA) system.
Rural Policy Network	By connecting local governments with rural residents and businesses, this Network becomes the new rural information service stations and has helped improve the efficiency and the way that government-related information is transmitted across rural areas. It supports the following: ◇ Teleconference capabilities; ◇ Information dissemination systems; ◇ The application of information technology to managing government data; and ◇ 'One Village, One Product' — tools that allow the government to promote the development of specialized and unique products or services for different locations.

In Guizhou, our high-quality network brought a wealth of information to the villagers

In Chongqing, our Agricultural Information Service helped rural workers find jobs

In Guangxi, our rural information platform helped sugarcane farmers increase their income

In Jiangsu, our Agricultural Information Service helped fish and shrimp farmers increase their income and wealth

In Shandong, our Agricultural Information Service helped farmers stay abreast of the latest vegetable prices and other market information

In addition to basic offerings available to all rural customers, our provincial subsidiaries have developed specific rural informatization products and services tailored to the unique economic development needs of different regions.

In Hunan, through mobile phones and e-commerce terminals for the Agricultural Information Service, we built a Modern Countryside Information Transmission System that connects the flow of commerce across county-level, large-scale chain supermarkets, town-level stores, and village-level shops. This system allows products and information to flow between rural and urban areas. In addition, the system promotes market penetration of agricultural products and services into cities and villages and the congregation of funds and resources.

We have successfully rolled out this system in several pilot sites. By the end of 2008, we had placed e-commerce terminals in more than 500 rural retail stores and shops, serving at least 2 million rural residents.

In Guangxi, in view of its dominant sugar industry, we developed a Sugar Trade Information Service that allows market information to efficiently flow between sugar manufacturers, logistics companies and sugar cane farmers, thereby optimizing the production process across the value chain. For sugar manufacturers, additional information ensures a stable high quality supply; for logistics companies, it aids in effective planning; and for farmers, the increased transparency ensures that their crop production and harvesting is in line with market demand. Since the implementation of this service in 2006, the Sugar Trade Information Service has been adopted by more than 80% of Guangxi's medium- and large-sized sugar manufacturers. It has benefitted nearly 1 million sugar cane farmers and has increased per capita income per annum for these farmers by an average of 300 yuan. We are currently expanding this service into other industries including tapioca, silkworms and fishing.

In Guangdong, we developed a Digital Garden program which aims to promote innovative information applications in the rural markets. Sixty-five rural information applications have been developed through the program including Fishing Information Service, Rural Healthcare Platform, Village Affairs Color Ring, Mobile + Internet Rural Affairs Management Platform and Fishery Monitoring System.

In Sichuan, as of June 2008, we had invested 150 million yuan in rural areas to set up 50,409 information terminals across 90% of the administrative villages in the province, successfully bringing agricultural information into the rural villages. We also put 741 terminals to access to our Agricultural Trade Network in 22 major chain stores in Sichuan as of June 2008.

In Liaoning, we developed a unique Color Ring to help rural farmers market their product. This unique Color Ring enables the subscribed farmers to formulate and set their own promotion messages or commercial as ring-back tones which will be heard by incoming callers. This low-cost, high-impact promotion mechanism has been very well-received.

In Ningxia, we set up a mobile phone based agricultural trading platform, which facilitated better business communications among rural customers via the posting of supply and demand related messages to such customers. For example, during July 2008, the high season for selling melons, we sent nearly 3 million text messages related to local product information and sales trend based on the needs of local customers. By the end of the season, 32,000 tons of melons had been successfully traded via this system, with a total value of more than 20 million yuan.

In Zhejiang, our service centers provided convenient services to customers

In Guangxi, we reached out to serve customers in rural areas

In Qinghai, a third-party sales channel provided convenient services

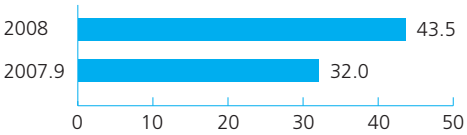
Expanding Rural Sales Channels

With rural populations dispersed across large distances, ensuring that our sales and services can reach the greatest number of people conveniently at affordable prices is a primary goal for our rural marketing initiative. In 2008, we carried out extensive market research and developed innovative channels for delivering services to rural customers. Through these channels and effective pricing mechanisms, we are proactively creating products and services of high quality and convenience for rural customers.

With respect to the construction of sales channels to the rural community, we built new sales and service centers in cooperation with partners. We also sought to make many services accessible remotely (i.e. via website or SMS). We aimed to make accessing services and payment in rural areas as convenient as possible. By the end of the year, we had 435,000 sales outlets in rural areas, and most of our services were also accessible via our network.

In 2008, we signed a Memorandum of Understanding with China's Ministry of Commerce to jointly launch a program designed to promote new modes of rural commerce. As the premier telecommunications and information services partner signed onto the program, the scope of our business, our diverse range of information services and our extensive sales and service channels are fully utilized. We helped the participants and their rural shops build up the connection network so as to provide telecommunication and information services. The rural shops can then expand their scope of business to include the provision of telecommunication services. This increases their income and profitability and ultimately helps link up products, services and information between rural and urban areas, strengthening the development of business in both areas.

Number of China Mobile Rural Sales Outlets (10,000 sites)



In Liaoning, we are reaching out to develop sales outlets of all sizes, including street side convenience stores, small shops, drug stores and other small rural businesses, providing them with visual identification badges, marketing materials and training so that they know how to use information services to improve and grow their business.

In Hainan, in line with our cooperation with local Ministry of Commerce Bureau, we developed service access points at participating stores so that rural customers can conveniently handle payment and recharging stored value cards. The installation of Rural Information Terminals and other mobile information products has also been planned.

We are also ensuring that our products and services reflect the usage patterns and market requirements of rural customers. As part of this commitment, we have created affordable and practical usage and pricing packages for rural customers.

In Xinjiang, we provided Agricultural Information Service Demonstration Sites, free Rural Information Terminals, training on information services and free trial SMS services, all of which were of great use for rural and nomadic groups. As of September 2008, we had:

- Donated and installed Rural Information Terminals valued at 4 million yuan;
- Conducted 2,600 free training sessions to more than 70,000 designated local administrators of Rural Information Terminals;
- Set up 4,937 Agricultural Information Service Demonstration Sites;
- Reached 432,000 Agricultural Information Service subscribers, representing 14.6% of the total number of rural subscribers; and
- Sent 160,000 messages to rural subscribers via the Agricultural Information Service and more than 20 million SMS messages to rural subscribers via Rural Information Terminals; rural subscribers have sold more than 30,000 tonnes of products valued at more than 30 million yuan via these platforms.

Promoting Rural Community Development

Promoting comprehensive development and developing public utilities is an important part of rural reform in China. We want to make information services available in rural areas and help raise the income level of rural residents. As part of our commitment, we have made direct contributions to rural development and improving the quality of life of rural residents by providing extensive information and rural technology training.

In 2008, to promote rural development, various provincial subsidiaries initiated the following programs across the country.

In Jiangsu, we worked with local government departments in Yangzhou City on a series of agricultural science and technology training programs. We also started a helpline to let rural residents quickly access up-to-date agricultural information.

In Fujian, we worked with the local Communist Youth League to build China Mobile Rural Information Libraries in 46 low-income villages, giving local farmers access to agricultural information.

In Guizhou, with cooperation from the local government, we launched public awareness campaigns in 21 low-income regions to promote advances in agricultural technology and science. During these campaigns, we sent large LED screens featuring agricultural news and information to the countryside, accompanied by "Information Wagons" with experts who discussed farming issues with local community members.

In Hubei, in cooperation with the Provincial Committee Organization Department, we developed a website and messenger service aimed at encouraging future leaders in rural villages. The program provided recent university graduates from rural areas with traineeship and work exchange opportunities, and encouraged talented individuals to stay in their rural communities where their work would be valued. In the first round of this program, 808 of the student participants became members of a website established specifically for the program.

In Shaanxi, we ran a two-month campaign to promote agricultural science and technology in rural areas. Through the campaign, we distributed thousands of booklets on new farming techniques, pamphlets promoting our rural information hotline 12582 and nearly 1,000 packs of life necessities. In addition, we put together eight technical committees comprising more than 50 experts, academics and agricultural technology practitioners who went on-site to local farms and provided training, lectures, technical consulting and live demonstrations of the most needed and practical agricultural technology and science. Thousands of local farmers have received our consultation services.

Golden Key Program

In Shanxi, we partnered with the Shanxi Agricultural College, Shanxi Technical Association, and the local Women's Federation to develop and conduct a series of trainings on topics including internet use and computer basics. This program has been in effect since 2005.

In 2006, through a program we jointly launched with Shanxi Agricultural University, approximately 6,000 university students went to rural areas and conducted training on internet basics and the rural technology. Since the program began, these students have been to 28,000 administrative village sites across the province, reaching 260,000 rural residents. Of the villages participating, 1,263 were large villages and 27,247 were small village, and 165 chosen villages have established internet connections. This partnership resulted in the establishment of China's largest rural information exchange platform.

In 2007, the program continued to evolve and grow. Working with the Shanxi Technical Association and the local Women's Federation, we expanded the program to provide rural residents with training on computer basics. We mobilized several local technical associations, university and high school teachers, and leading technicians as volunteer trainers. Based on easy-to-read computer training materials, 1 million copies of which have been distributed, and the online training module, our trainers held large lectures and smaller forums to teach rural residents the basics of using computers and the internet, searching for information, and exchanging information and communicating online. Working with local media, we also set up special newspaper columns where local residents could submit questions about computer use and have them answered in print. Within five to six months, the program reached its target, bringing basic computer literacy to at least 1 million rural residents.

Our commitment to this program continued in 2008. This year, to serve 28,000 rural villages in Shanxi, we worked with numerous university student volunteers and Shanxi Agricultural University to create what has become the nation's largest website dedicated to rural information. Student volunteers moderate and provide website support. Each student is assigned a specific topic and assists in getting questions answered. Market and employment opportunities information and advertisements for products and services are published. By adding this human component to the technology, we were able to build a highly effective website that allows rural customers to access valuable information services.

In Guangxi, we restored damaged lines caused by snowstorms

In Shandong, we restored damaged lines to minimize network disruptions

Life Program

According to the Ministry of Civil Affairs, in 2007 alone, direct economic losses from natural disasters totaled more than 236.3 billion yuan. Natural disasters threaten human life and stall economic development. Safeguarding lives and properties by information technology and organizing charitable activities for disadvantaged groups form a major component of our Life Program.

In 2008, we made every effort to ensure that our telecommunications network, with its wide coverage and cutting edge technology, can be a lifeline during times of need. We also work with the wider community in supporting the disadvantaged and together build a harmonious society.

Our Network as an Information Lifeline: Ensuring Network Stability

Ensuring network stability and responding to network disruptions is our most basic responsibility as a company, and making improvements in these systems has been a focus of ours for the past year.

In 2008, we improved network quality and stability while expanding network coverage, thus ensuring undisrupted telecommunications services. During major rainstorms, snowstorms, the Sichuan Earthquake, and flooding in southern China, we worked hard to promptly restore network stability. We also supported disaster relief in affected regions.

Improving upon Network Quality and Stability

Our rapidly expanding subscriber base and growing network coverage can be a challenge to our network quality and stability. To address this challenge, we undertook measures at every phase of network operations to improve quality and stability: we set up an early warning monitoring mechanism; we evenly distributed call volume; we ensured that network construction projects had minimal impact on network stability; we strengthened preventative maintenance and fault management, focusing on quality-related complaints from customers; we increased targeted network testing; and we established specific communications protection modes to be used during major holidays when telecommunications traffic is generally high.

Improving our Emergency Response Procedures

This year we rolled out a network monitoring system using red, orange, yellow and blue alerts to inform us of different maintenance conditions across our network. This new system consolidated and refined several previous monitoring programs and allowed us to quickly identify the necessary resources to deploy during natural disasters and other major or emergency events.

We believe preventive measures are our primary concern while emergency procedures are a necessary complement to our entire system. We continued to conduct regular network stability assessments and inspections and were able to identify potential problems before they manifested. We also set up new policies and protocols to strengthen efforts on emergency drill exercises across our Group. Finally, we ran different disaster-specific trainings to prepare our team for a rapid response.

China Mobile 2008 Emergency Response Statistics

Total Number of Times Emergency Response Mechanisms were Deployed	2,314
Number of deployments specifically for:	
Major Political or Economic Events	1,736
Significant Natural Disasters	329
Large-Scale Accidents or Catastrophic Events	83
Critical Public Health Situations	89
Public Safety Concerns	77
Number of Times Emergency Response Vehicles were Deployed	9,487
Sets of Emergency Response Systems Installed	710,316
Number of Times Employees were Deployed for Emergency Response	1,379,260

China Mobile Network Quality and Stability (Yearly Averages)

	2006	2007	2008
Wireless Connection Rate	99.3%	99.2%	99.2%
Voice Call Drop Rate	0.85%	0.72%	0.62%
SMS Delivery Rate	98.80%	99.10%	99.35%

In Yunnan, our response to the snowstorms ensured network stability

In Guangxi, we provided free mobile phone charging services for travelers stranded by snowstorms

In Chongqing, we rushed supplies to disaster struck areas

Responding to Natural Disasters

During several natural disasters in 2008 we were able to use our products and services to contribute to disaster relief and to save human lives and safeguard properties.

Snowstorms in Southern China

In January 2008, southern China was hit with the region's most severe snowstorm in nearly 50 years. The snowstorm affected operations at 20 provincial subsidiaries and disrupted our power supply at as many as 27,000 base stations.

We immediately implemented a 24-hour monitoring system at headquarters to help us respond to the damage caused by the snowstorms. During the snowstorms, the various provincial subsidiaries affected deployed employees to the scene for network repairs 694,000 times and dispatched emergency response vehicles 245,000 times; and we successfully switched on back-up emergency power 462,000 times, for a total of 5.15 million hours of electricity. Due to the rapid response, we prevented any major network or service disruptions and cable line breaks and avoided critical damage to key base stations, and as a result communication was undisrupted in areas above country-level. In addition to our efforts to restore network coverage, we also organised a donation of 44.55 million yuan toward rescue, relief and reconstruction efforts, helping local residents rebuild their lives. To appeal for donations, we have also set up an SMS platform through which the public can make donations.

The Sichuan Earthquake

For information on our earthquake relief efforts please see pages 32-33 of this report.

Rainstorms and Flooding in Southern China

Flash flooding and rainstorms in southern China were very severe in 2008. We experienced electricity disruptions in 25,000 base stations across 21 of our provincial subsidiaries after 78 major incidents. Following the rainstorms, our employees worked rapidly to restore power to our network and repair damaged lines. We deployed employees 92,000 times and dispatched emergency response vehicles 41,000 times for such purposes. This year's work improved upon past performance. In 2008, we experienced far fewer service disruptions due to flash floods and rainstorms than in 2007, despite the fact that more base stations suffered from disruptions in power supply in 2008.

We were also able to respond quickly to a variety of other disasters affecting China in 2008, including the Tian Mountain avalanches in Xinjiang, the Dangxiong earthquake in Xizang, the Xiaoxing'anling Mountain fires in China's northeastern provinces, and the typhoons in the southeast as well as the train derailment in Shandong. In all of these instances, our emergency procedures guaranteed full network coverage in the affected regions, ensuring undisrupted communications for rescue efforts, outgoing calls, and information release.

In addition to our network stability efforts, our provincial subsidiaries were actively involved with various local agencies on natural disaster alert and emergency response systems to reduce possible casualties and economic losses.

In Fujian, in cooperation with Xiamen observatory, we launched a weather forecasting platform that provided local residents and migrant workers seeking to return home with real-time updates and inquiry services regarding local weather conditions and disaster information.

In Guangdong, we worked in partnership with the local emergency management office to build a mechanism that alerts the responsible local government officials of major natural disasters in a timely and accurate manner. Through this mechanism, we provide real-time information to their mobile devices, allowing them to quickly mobilize local emergency-response resources.

In Hebei, we worked with local meteorological departments to develop a flood control platform that uses technology to gather and provide precipitation data specific to different regions. Relevant authorities are able to promptly disseminate alerts when adverse weather hits to enable speedy and safe evacuation of the public affected.

Giving Back to Society and Caring for Disadvantaged Groups

We are dedicated to battling poverty, caring for disadvantaged groups and raising standards of living. These are important tasks in meeting our social responsibilities and achieving a harmonious society.

In 2008, we worked to optimize our company's charitable endeavors for alleviating poverty and helping disadvantaged groups, and adopted a strategic, systematic approach to such endeavors.

Not only have we committed company resources to support poverty alleviation and care for disadvantaged groups, we used our ability to reach out to greater society to enlist public support and participation in these efforts.

Poverty Alleviation

National statistics from 2007 estimated that although economic growth has resolved the basic food, shelter and clothing needs of 28.41 million people in China, many of them are still very poor. Furthermore, there are still about 14.87 million people in China who are living in absolute poverty and cannot even meet their basic survival needs.

Our poverty alleviation efforts in 2008 emphasized ensuring long-term support for critical projects and made a real improvement in the living standards of the local people.

Since 2002, under the arrangement of the government, our parent company helped to develop Gaize County, a high-altitude, low-oxygen community in Xizang. Our commitment to this work continued in 2008. Since launching projects in Gaize, we have seconded four groups of volunteers to help with regional development and our parent company has contributed a total of 81.96 million yuan to the area. We invested in multiple activities to take the county out of poverty, including building and opening middle schools, working on county infrastructure and buildings, increasing the county hospital's capacity for in-patient services, setting up local cultural centers, building roads, supporting projects that directly aid the development of local farmers and herdsmen and improving medical facilities.

Starting in 2002, our volunteering employees took part in a ten-year poverty alleviation project in Tangyuan and Huanan counties in Heilongjiang. Our parent company invested more 39.4 million yuan in education, health and hygiene, road construction, water supply, mobile communication and other infrastructure improvements. In addition, our parent company funded subscriptions to the *Farmers Daily* for 1,000 government offices, farmers and schools.

In Shaanxi, we ran a program to combat poverty in Huanghaojie Village between 2006 and 2008, making a total investment of 300,000 yuan in the area. This investment has provided drinking water to more than 400 people and more than 3,000 livestock — helping local farmers' average annual revenues reach more than 4,600 yuan.

In Xizang, we provided communication services to those affected by the Dangxiong earthquake

In Gansu, we provided free phone calls for migrant cotton pickers to call their families

In Shanghai, we helped cancer patients fulfill their dreams of attending the Olympic Games

In Guangxi, we provided free phone calls for children to call their migrant parents

Caring for Disadvantaged Groups

Our company aims to share our success with communities — bringing support to society's disadvantaged, promoting the development of poverty-stricken areas, and continuing to meet our commitment to a balanced and fair growth of society.

Together with the All-China Women's Federation, in December 2007, we established Warm China 12.1, a foundation that seeks to help children orphaned by AIDS, placing them with new families and providing these families with training and financial support. Our parent company provided seed funding of 50 million yuan to subsidize the living and education expenses of these children in new families and contributed an additional 3 million yuan to set up the Warm China 12.1 website and information management system. The website was formally launched in 2008. To date, first batch of the funds has been applied to provide support for 4,665 children orphaned by AIDS.

All of our provincial subsidiaries have also initiated philanthropic programs that support disadvantaged groups.

In Hubei, we developed programs to support single parent families in poverty. Between 2005 and 2008, we donated 200,000 yuan each year to help these families meet their basic housing needs. As of 2008, we provided housing for 80 low-income single parent families. Between 2006 and 2008, we also set up programs to support families from which both parents had migrated to other provinces for work. For these families, we provided free mobile phones and service to allow the family members to stay in touch.

In Zhejiang, starting in 2003, we covered the cost of cataract surgery to restore the sight of elderly residents in poverty-stricken areas. In five years, we donated a total of 1.5 million yuan toward this program and funded surgery for 1,725 elderly residents.

Working with local Zhejiang government agencies, we have committed another 2 million yuan over the next five years, funding cataract surgery for an additional 1,750 elderly residents.

In Fujian, we ran a variety of programs to support migrant workers and their families, such as job opportunities platform, rights advocacy and scholarships, which reached out to more than 800,000 migrant workers. For instance, we offered a mobile-phone based job-seeking platform, which drew 13,000 migrant worker participants and 912 companies — resulting in job matches for 8,067 migrant workers and 706 companies.

In Shanghai, we joined a five-month campaign in partnership with the Shanghai Cancer Rehabilitation Center. This program helped to fulfill patients' dream to attend the Beijing 2008 Olympic Games. Through the program we gave the patients free tickets to the Olympic Games, sent them to Beijing, brought them to watch the Torch Relay, and had volunteers to escort them to the Olympic Games.

Throughout 2008, we went through various challenges to the stability of our system caused by several natural disasters. We will continue to optimize our disaster response procedures to enhance our coordinated inter-provincial programs for disaster relief and emergency response, so that we could mobilize our employees and resources effectively when major natural disasters happen. Alongside this, we will continue to develop philanthropic programs that support disadvantaged groups and alleviate poverty and to launch related charitable projects, so as to raise the awareness of the society to disadvantaged groups and to contribute to the wellbeing of the society.

Disaster Relief: The Sichuan Earthquake

On May 12, 2008 at 2:28 pm, an earthquake registering 8.0 on the Richter scale struck Wenchuan County in Sichuan Province. As of August 25, 2008, the Ministry of Civil Affairs listed the death toll at 69,226 people. At least 374,643 people had been injured and 17,923 were still missing. In response to this disaster, we worked with the public, using our resources to provide aid and support for the victims and affected communities.

Restoring Network Stability

The damage to telecommunications infrastructure due to the Sichuan Earthquake was very significant. At its most severe, the earthquake impacted telecommunications networks spanning 96 cities and counties and 1,263 townships in the country. Across Sichuan, Gansu, Shaanxi and other provinces, network facilities were severely damaged and transmission was disrupted. As many as 4,457 base stations and 5,367 kilometers cable lines were damaged. At the same time, there was a dramatic spike in voice usage volume after the earthquake hit: long-distance calls were three times the average; the number of calls to Sichuan increased 17-fold; and total telecommunications traffic within Sichuan increased to five to six times the average.

The faster we could restore telecommunications networks during this disaster, the sooner relief organizations could smoothly run their operations, thereby reducing casualties and economic loss. To this end, we mobilized resources across the company and all our provincial subsidiaries to ensure a swift response to the disaster. During the disaster relief efforts, we sent 648 engineers and technicians from 26 of our provincial subsidiaries and China Mobile Group Design Institute Co., Ltd to Sichuan to restore the network. With help from our provincial subsidiaries, the Sichuan operation dispatched a huge volume of emergency response equipment, including 3,349 generators, 317 satellite telephones, and 52 emergency response vehicles. To restore our network, re-open our sales outlets, and support the employees working on earthquake relief and reconstruction, we spent more than 1.15 billion yuan in telecommunications equipment, products and basic necessities for delivery to the affected regions.

Within 10 hours of the earthquake, we were able to restore basic telecommunications coverage and access in the region. Within 24 hours, 42% of base stations, representing 51% of our network capacity, had been fully restored. All these were attributable to the hard work of our devoted Sichuan employees, with support from the entire Group. As of June 30, 2008, Sichuan Mobile deployed employees more than 7,500 times to areas affected by the disaster, restoring mobile telecommunications coverage to all of the 451 townships and 4,414 villages severely impacted by the earthquake.

In Gansu, after the earthquake, our teams were sent to the disaster areas immediately. Supervisors at all levels also went to severe disaster areas to coordinate relief efforts, bringing their teams to provide support and to restore telecommunications coverage. With emergency telecommunications services were restored, government officials were able to more smoothly carry out relief efforts.

In Shaanxi, we immediately established a leadership council for earthquake relief. The council developed disaster response plans to manage telecommunications traffic, coordinating across different regions to collect generators and provide power for local base stations. We carefully monitored key equipment to ensure that local base stations and cable lines had been inspected and ran no risk of failure. We dispatched emergency vehicles to ensure that provincial government and local government disaster relief agencies had stable telecommunications coverage. By 10 pm on the night of the earthquake, 557 base stations had been restored and full telecommunications coverage had been restored in the province. As of 4:30 am on May 17, all 719 base stations in the province damaged by the earthquake had been completely restored.

It is particularly noteworthy that many of our employees worked around the clock to be at the frontline, risking injury and even death. Their spirit enabled the continuity of the communication lifeline.

We deployed our airborne rescue team in Sichuan to respond to the disaster, the first in China's telecommunications industry

In Shaanxi, we established an emergency communications network monitoring center to ensure network stability

Ensuring Support in Key Affected Regions

The earthquake in Sichuan caused the Tangjia Mountains to collapse, disrupting the flow of a river, creating a temporary lake. In order to ensure smooth communications during operations to prevent the newly formed lake from flooding and causing additional damages, we deployed a team of more than a dozen internal telecommunications experts via helicopter five times to help coordinate relief efforts and ensure telecommunications access. The team set up two satellite base stations on a barge on the lake and deployed three emergency response vehicles. The team worked on site until the situation was fully resolved. On behalf of Sichuan's military personnel, leadership from the People's Liberation Army and local provincial officials expressed their gratitude for our work.

A Coordinated Response to Natural Disasters

Apart from restoring communication, we also provided various services to help those affected by disasters. First, we provided information dissemination and specific telecommunications services to the public. Using SMS, MMS, community notices and our Mobile Paper, we were able to assist the government in quickly releasing earthquake and disaster relief information to those in need in specific communities. As soon as any base station had been restored, we immediately sent notifications to customers in the affected coverage area. In addition, we provided our customers with trauma counseling and support services via both SMS and hotline numbers. In the areas hit hardest by the disaster, we did not discontinue service for customers who had not made mobile phone payments during the month of May, ensuring their continued access to telecommunications during this critical time. To assist those who had lost their phones during the disaster, we set up special call centers where people could contact their loved ones and inform them of their whereabouts and condition. In a few instances, we were even able to provide certain customers with spare phones and SIM cards. We also set up service centers in evacuation areas that allowed evacuees to charge, fix, and add credit to their phones, or sign up for new service. Finally, between May 12 and May 31 — a critical time for rescue and relief — as a measure of support for rescue and relief workers, we waived all roaming fees for anyone traveling to five of the most affected cities. This measure affected 3.329 million people and was valued at 262 million yuan. Such measure provided effective support to the rescue team, enabling their rescue mission to progress smoothly.

Our employees also took action by donating towards disaster relief. Altogether, employees donated 86.2 million yuan in cash and 200 million yuan in in-kind donations.

We provided the public with the most updated information about disaster relief via methods such as SMS and Mobile Paper. Mobile telecommunications also became a convenient way for the public to donate to disaster relief efforts. Immediately after the earthquake, we launched an SMS donation platform in partnership with the Red Cross Society of China, allowing customers to conveniently send donations via SMS message. Another program allowed customers to convert points they had earned through our customer loyalty program into cash donations for earthquake relief.

China Mobile Earthquake Relief Statistics

1.95 billion	Number of messages regarding relevant disaster information we sent to people in affected areas
5.893 million	Number of times people used our free call centers, which allowed them to call their loved ones and report on their whereabouts and condition
1.717 million	Number of times customers called our 10086 hotline for assistance
1.203 million	Number of times people called our 10086 hotline for disaster related information
259,600	Number of cases where missing persons were found via our 10086 hotline

Note: Data current as of 5 pm, June 25, 2008

Reconstruction Efforts

Although rescue and relief efforts for the Sichuan Earthquake have ended, we are committed to supporting the long-term reconstruction of Sichuan through the following three local efforts.

Restoring Network Access

Once affected cities have reconstruction plans in place, we would work alongside to fully restore network access. First, we would ensure that each village in the region has at least one temporary sales and service outlet. Second, in accordance with local needs, we would design specialized service and pricing packages and provide mobile information terminals to local residents. Third, for local residents who have lost their ID cards and other personal documents, we would establish new and simple procedures which allow us to quickly provide our services and business to these customers.

Information Services Tailored for Reconstruction

We provided local governments with tools and services to disseminate information in affected regions and aided them in reconstruction efforts. For example, using our 12580 service and Mobile Paper, we released relevant disaster information, including disease prevention, disaster prevention, agricultural production, and notices about fostering and adopting children orphaned by the earthquake. Assisting the Ministry of Education, we lined up a team of the nation's top psychologists and counselors and offered nationwide free counseling services through our 12581 service. Our 100865 service was transformed into a nationwide service for searching for lost loved ones. We also added an additional job-seeking hotline to 12580 service that helped about 4,000 people in the affected areas find new employment.

Philanthropic Programs

As an important part of our efforts to support disaster relief, our parent company donated 45 million yuan to Sichuan Dujiangyan charity for the reconstruction of two local middle schools. The schools will be operational by September 2009. According to estimates, one quarter of the earthquake's victims were students. Our parent company also donated 30 million yuan to a special fund in Sichuan which provides financial support to families of children who were disabled or killed by the earthquake.

Looking forward, we will continue to commit resources to support the rehabilitation and reconstruction of the areas affected by the Sichuan Earthquake.

Culture Program

With the increasing popularity of mobile phones, mobile technology is becoming a primary communications channel in our modern culture. Our Culture Program is about mitigating the risks associated with mobile telecommunications — such as spam and predatory content — as well as promoting positive uses for mobile telecommunications in support of a modern culture. In addition, the Culture Program is about overall cultural advancement, promoting society that values education and cultural activities.

In Shaanxi, the police confiscated equipment used in mobile phone fraud schemes

Managing Spam and Positive Applications of Mobile Services

According to the China Internet Network Information Center's 2007 Mobile Phone Text Message Research Report, 353.8 billion spam messages were sent to mobile phone users in China in 2007, representing an increase of 92.7% compared to 2006. Spam messages have become a major societal problem.

To promote the healthy development of the mobile communication industry, we continued our efforts in combating unwanted messages and also encouraged positive use of mobile technology through programs such as Red Sayings.

Managing Spam, Reducing Unhealthy Content

In March 2008, in addressing the complaints of the general public regarding spam messages, we launched a program to manage and combat against unwanted and spam text messages. The program is designed to improve our customers' experience by better managing this predatory content.

Our first action was to clearly define what constitutes a spam text message. Second, we assessed the path of spam messages through our networks, from initiation through delivery. This allowed us to improve upon our internal management systems and platforms so that spam control is executed in a unified way across our provincial subsidiaries.

As a part of this coordinated internal platform, we increased the functionality of our 10086999 spam reporting service. By investing major human resources and other resources into this service, we were able to reply to all customer complaints about spam. We have also engaged relevant law enforcement departments in handling these complaints, taking a comprehensive approach to addressing the root of the problem and ensuring the most effective response.

In March 2008, eight major departments worked together to implement SMS and MMS spam control measures. We have taken other spam control measures as well. We have implemented, and attained initial progress in, the following measures: handling accounts with very low SMS and MMS tariff plan and overdue payments, increasing controls over companies and service providers that inappropriately send out mass SMS and MMS messages, reassessing the welcome text messages sent to customers when they enter roaming service areas, improving identification of fraudulent messages, improving spam reporting and enhancing customer information security measures.

We also see a growing trend in cross-network spam between different mobile operators. Based on the customer complaints received, between March and September 2008 alone, the number of spam messages sent accoss networks increased five-fold. In September 2008, an estimated 27.68% of SMS and MMS messages sent were spam — a number that is on the rise. Given the seriousness of cross-network spam messages, cooperating with other mobile operators and with the support of our most senior executives, we are working to ensure immediate action to control and manage the transmission of spam and have provided recommendations to the government on a more effective approach.

In 2008, we improved our governance systems for service providers to manage content in line with China's legal requirements.

We strengthened and improved our network data storage protocols and implemented a blacklist system in close cooperation with relevant government departments. This allowed for the investigation of, and subsequent action against, websites and service providers featuring illegal information. In particular, in Fujian, Guangdong, Shaanxi and many other provinces, we actively cooperated with local public security agencies and other government departments to uncover websites providing false information or undertaking fraudulent activities.

We also established a cross-functional, multi-dimensional monitoring system overseen by both headquarters and provincial offices and supporting agencies to improve, strengthen and standardize the governance and management of our service providers across multiple channels. To align management activities with government authorities, we began developing mechanisms to implement restrictions on service providers that mirror the administrative penalties and requirements of the Telecommunications Supervision Department.

Starting in March 2008, we worked to eliminate SMS and MMS pricing schemes that are attractive to spammers. In addition, we closed down 6,760 distribution channels through which mass and inappropriate SMS and MMS messages were being sent and tightened our management controls on service providers. We prevented the transmission of 5.413 billion text messages with a filtering platform and effectively responded to 8.43 million customer complaints about spam. We improved our internal management to work towards restricting our operators and service providers from using our network to send fraudulent messages. We have begun to see results from our initiatives — we saw complaints regarding spam that originated from our corporate customers decrease by 66% this year.

At the same time, our provincial subsidiaries also implemented new program to manage spam.

In Anhui, we developed a spam filtering program that reduces spam messages by 98% and lowers the number of phone numbers sending spam messages by 95%. Customer complaints of point to point spam messages have decreased from an average of 1,200 per month to less than 100.

In Hebei, we set up a tiered service provider integrity rating and management system. We also created an internal service provider blacklist to help prohibit engagement with service providers who have violated our protocols. We have invested 7 million yuan in managing spam messages in Hebei, dramatically decreasing the number of spam messages transmitted and restricting more than 60,000 phone numbers from sending out text messages.

In Jiangsu, we developed new technology to better identify and filter spam text messages, unsolicited sales calls and other unwanted phone calls. This effort has thus far restricted 24,073 phone numbers that were sending spam messages and increased our ability to identify spam messages to 80.45%, with 98.36% accuracy.

In Henan, we conducted a thorough analysis of spam messages before, during and after transmission and had consolidated our management efforts throughout the transmission path of spam messages, from initiation through delivery. Between June and October 2008, we had received 95,404 customer complaints about spam messages and restricted 87,903 phone numbers used to send spam messages. We also increased disciplinary controls over the improper use of information channels to send text messages. Based on customer complaints, we increased controls on more than 500 text message distribution channels and took disciplinary action against 21 service providers.

In Tianjin, we created a new text message control platform that identifies and blocks spam messages and identifies the source phone numbers of such messages. This platform has effectively controlled the number of phone numbers involved in sending spam messages, as well as the number of spam messages sent from each phone number. We also increased our efforts in handling complaints of spam messages, allowing us to immediately restrict or shut down the messaging function of the related phone numbers once the reported claim has been verified.

Although we have made major improvements in the management of spam messages, the problems associated with spam messages nonetheless remains serious. In the future, we will undertake measures to control the transmission of point to point spam messages within our network and cross-network unwanted messages, and actively participate in providing recommendations for the formulation of spam management policies and regulations, in order to reduce the negative impact from spam messages and to establish a healthy network.

A Culture that Encourages Positive Applications of Mobile Services

Along with implementing controls to manage spam messages, we are working to engage the public in creating a positive mobile telecommunications culture. By incorporating learning from past experience, in 2008, we established several programs that encourage the positive use of mobile telecommunications, built on the goal of building an emotional connection with our customers while promoting the transmission of positive information. The Red Sayings program is one of these programs.

In Guangdong, we ran Red Sayings programs between 2005 and 2008 that promoted public participation in creating a healthy mobile culture. Each of these programs focused on a different type of mobile technology (i.e. text messages, our Color Ring service, and other core business offerings). Some programs enlisted public support for environmental protection, while others encouraged customers to submit entries to a contest or pass along positive messages. One example is the My New Guangdong Red Sayings program, a four-month contest we held this year to encourage the public to submit inspirational messages and quotes. A total of 466,896 participants submitted 14.77 million positive text messages, and winning entries, posted online and accessible via mobile service, were downloaded a total of 3.53 million times and forwarded 50.17 million times. With our well-received Red Sayings program, we proactively engaged customers in the creative use of mobile information services for positive cultural interaction.

In Fujian, in May 2008, we worked with several corporations to hold the first Mobile Culture Day. For the occasion, we set up a 106582228 contest platform that allowed customers to upload, download and forward positive SMS and MMS messages and had awarded contestant accordingly. As a result of the program, 22,570 SMS and MMS submissions were received and forwarded more than 2 million times. On average, each participant sent 3.08 text messages.

In Hunan, to promote cultural preservation, we set up a service to educate the public about traditional Chinese culture. The service periodically sends out photos and text messages to subscribers regarding cultural stories and traditional cultural themes. Currently, the program has more than 40,000 subscribers.

In Guangdong, we started the 4th My New Guangdong Red Sayings program

Supporting Education: Caring for Tomorrow

Education is our top philanthropic priority. We are committed to improving the country's educational infrastructure and promoting philanthropic endeavors focused on education. In 2008, we were recognized by the China Disabled Persons Federation, the Red Cross Society of China, the China Charity Federation, and the China Environmental Protection Foundation in a joint award identifying best practice in education-related philanthropy.

During 2008, we used our network and resources to increase public awareness and concern for the development of China's education system.

Scholarships and Educational Development

In 2006, we supported our parent company to initiate a program to build libraries and provide advanced training to primary and secondary school principals in central and western China. The program's goal was to increase the quality of education in these areas through both infrastructure and people development. Currently, we have built libraries in more than 1,000 rural villages across 23 provinces in central and western China, and our total donation of 2.317 million books reaches millions of rural school children. We have also provided national-level training to more than 3,600 school principals from western China.

Our provincial subsidiaries have also launched their own programs focused on education.

In Henan, we contributed 800,000 yuan a year to support local education. The fund supports 800 children (500 yuan each), 100 high performing new university students (3,000 yuan each), and 100 leading educators (1,000 yuan each) from low-income rural areas. Further, we encouraged the university students we supported to donate funds after they have graduated to future university students. In 2008, the program focused its support on a region impacted by the Sichuan Earthquake, supporting new university students in the area and building a new elementary school.

In Jiangsu, beginning in 2007, we encouraged our employees and the public to donate books to children who remain in the countryside with friends or relatives when one or more parent has left home in search of work. We collected more than 210,000 books, which we put into 100 libraries built through the China Mobile Library Project. These libraries are accessible to more than 100,000 children. To encourage children to read these books, we designed a promotional campaign in which children comment on the book they have read, leaving this message for the next reader. The campaign resulted in these 210,000 books being borrowed over one million times in 2008.

In Jilin, we created a vocational training and work experience program in partnership with Jilin University. This program provides low-income university students with the means to support themselves financially and build their self-esteem while they develop professionally. Since 2006, nearly 3,000 students participated in the program, earning a total of 4.3 million yuan.

In Hubei, we provided financial support and work experience to 11,000 low-income high school students over the past three years, investing more than 11 million yuan into the foundation and maintenance of this program. We recently added an initiative that encourages university students to donate a portion of their earnings to low-income high school students and students affected by the Sichuan Earthquake. Our goal is to promote a culture of gratitude, generosity and philanthropy.

Our donations established libraries to improve education in western China

In Henan, we launched the Relay of Love program to fund poor students

In Anhui, we helped fulfill children's dream to go to school

Creating a Platform for the Public to Show Its Concern

While we work to directly support the development of China's education system, we also use our networks and services to encourage the public to donate money via mobile phones, text messages and websites to support related causes.

In October 2007, we set up a program to encourage GoTone customers to donate via SMS or the internet their customer points to a fund that aggregated the donated points. We converted these points to cash and donated them on their behalf to the China Education Development Foundation, China National Committee for the Well-Being of the Youth and other philanthropic organizations.

As at the end of August 2008, this program had received more than 200,000 contributions and nearly 8 million yuan was donated as a result. The funds were used to reconstruct facilities and purchase athletic equipment for more than 110 schools in Sichuan and Chongqing and provide Olympic mascot toys to children living in the regions affected by the earthquake to aid their recovery.

The following programs were organized by our provincial subsidiaries along the theme of using customer points for charity.

In Fujian, we worked with the Fujian Youth Development Federation to establish the M-zone Customer Care Foundation.

In Shaanxi, we promoted public participation in the Care100 program

We encouraged customer participation via multiple channels: dialing 12590101 to donate money or customer points, and online donation sites. To date, the foundation has collected 1.63 million yuan, which will be used to provide athletic equipment to 100 local schools and tuition support to 100 university students from low-income rural areas.

In Shaanxi, starting from 2006, we launched Care100, a three-year program to provide subsidy for education. To date, the program has provided more than 4.32 million yuan in funding and assisted 1,500 low-income students. In 2008 alone, we collected through SMS campaign and employee fund raising and donated 1.7 million yuan to the program, giving each student 3,400 yuan in support.

China Mobile Data from our Points Donation Philanthropy Program

Program Phase	Phase 1 October 2007 to January 2008	Phase 2 February 2008 to August 2008
Participants	154,672 times	45,333 times
Donation	5.52 million yuan	2.02 million yuan
Donations Impact	Donated athletic equipment to more than 110 primary schools in Sichuan and Chongqing	Donated Olympic mascot toys to children in the regions affected by the earthquake

In Shanghai, we celebrated Children's Day with children from areas affected by the earthquake

In Ningxia, we showed films in the countryside to enrich the cultural life of rural residents

In Guizhou, we organized community activities

Promoting Culture and Athletics

In addition to promoting the development of a healthy mobile culture and providing educational assistance, we work to promote society's overall cultural advancement. We believe that by promoting culture and athletics, we can diversify and enrich the cultural life of the society and advocate a proactive, healthy and harmonious culture.

Good Citizen Award

As a socially responsible company. we actively encourage those who take the initiative to help those in need.

In Anhui, since 2004, in partnership with local government agencies, we have recognized local good citizens to raise awareness of good deeds and encourage others to follow suit. Between 2004 and 2008, we recognized more than 100 local good citizens.

In Jiangsu, in 2008, we developed a Happy Communities project comprising several initiatives. Through one of the initiatives, Movies to the Countryside, we played more than 5,000 movies for 500,000 residents. Another initiative provided safety training in local areas. In 2008, we held more than 1,800 Happy Communities events, spanning 5,000 communities, schools, factories and mines and reaching nearly 2 million people.

In Fujian, during the Olympic Games, we hosted film showings in the countryside. Between August and October 2008, we sponsored 910 film showings in rural villages.

In Gansu, we donated libraries, athletic equipment and leisure products to local communities. We also invited cultural organizations from the province into rural villages, and supported them in offering more than 30 large cultural events.

In the future, we will continue placing emphasis on preventing the negative impact of unwanted and spam messages, improving our spam management, strengthening cooperative efforts with our service providers in striving to create a healthy mobile telecommunications culture. At the same time, we will keep using our technology and resources to engage the public in using telecommunication services for positive cultural advancement. In addition, we will continue to directly invest in education and use our technology and resources to mobilize society to do so as well.

Green Program

We are reducing our own environmental footprint by focusing on conserving energy, reducing emissions, and proactively managing our environmental impacts. By using our technology and influence, we have developed environmentally-friendly services and increased public awareness and participation in environmental protection.

Implementing Our Green Action Plan

In 2007, we initiated our Green Action Plan focusing on energy conservation and emission reduction. In 2008, we further enhanced and enriched the coverage of our Green Action Plan. Taking into consideration the characteristics of the telecommunications industry, we advocated for environmental protection within our company, our industry and the community.

We established a two-tiered working group across headquarters and our provincial subsidiaries to implement our Green Action Plan. Further, we formulated a 3-year plan (2009-2011) and set annual targets for energy conservation and emission reduction. To help us meet these targets, we identified environmental Key Performance Indicators (KPIs) and set up systems to evaluate performance. Beginning in 2008, these environmental KPIs were formally integrated into our internal performance appraisal system. We have set up an initial environmental management system with data collection, analysis, reporting, and appraisal procedures.

In addition, we actively engaged in raising employee awareness of environmental protection. In January 2008, we initiated a program entitled Environmental Protection Starts From Us. We also ran a series of trainings designed to show employees how they can contribute to environmental protection. In June 2008, we launched a 199-day program called My Green Action 199 across the Group. Through this awareness-raising program, we collected and recognized innovative ideas for energy conservation and emission reduction, examples of best practices in environmental protection that employees encountered in their daily lives and the workplace, and Green Olympics. These programs have introduced new ideas and practices, and encourage our employees to become more environmentally-conscientious.

China Mobile Energy Consumption

	2006	2007	2008
Total Electricity (GWh)	6,380	8,090	9,330
for buildings (GWh)	1,570	2,030	3,600
for transmission and base stations (GWh)	4,810	6,060	5,730
Gasoline Use for Company Vehicles (millions of liters)	52.1	56.3	53.7
Diesel Fuel for Company Vehicles (million liters)	8.9	9.7	6.9
Gasoline for Power Generators (million liters)	7.4	8.2	12.7
Diesel Fuel for Power Generators (million liters)	11.8	12.7	11.2
Natural Gas (million cubic meters)	3.5	3.8	3.5
LPG ('00 tonnes)	1.0	1.4	1.5
Manufactured Gas (million cubic meters)	0.3	0.3	0.5
Coal (10,000 tonnes)	2.1	2.4	2.3
Total Carbon Dioxide Emissions (million tonnes)	5.4	6.9	7.9

Note 1: In our 2008 data collection process, we improved the way we collect data and measure energy metrics and measured consumption of additional types of energy. This year we also revised our 2006 and 2007 data based on the actual circumstances.

Note 2: We use the following conversion coefficient for carbon dioxide emissions as officially published by the State: electricity 0.849; gasoline 2.3; diesel fuel 2.63; natural gas 0.559; LPG 1.49; coal 2.66; manufactured gas 9.5.

The Chinese government has declared its target to reduce energy consumption for each unit of GDP by 20% between 2006 and 2010. Taking this into account, in our Green Action Plan we have declared our own target: to reduce power consumption per telecommunication traffic unit by 40% by 2010 compared to 2005 levels. In 2008, by setting clear targets for environmental performance, we achieved significant progress on our Green Action Plan, reducing annual power consumption per telecommunication traffic unit by 11% compared to 2007, which exceeded our annual target.

Working with Suppliers to Build a Green Telecommunications Value Chain

Since 2007, we have entered into strategic memorandums of understanding (MOU) with 53 suppliers for our Green Action Plan to strengthen cooperations in equipment R&D, manufacturing, logistics, maintenance, recycling and other aspects so as to build a healthy and harmonious industry environment. We promulgated standards that encourage energy efficiency and developed a rating system to allow us to categorize our key equipment based on energy use. We run an assessment on wireless equipment, core network equipment, data servers and transmission equipment every two years. The results from these assessments encourage our business partners to advance their technical research, reduce the size, weight and energy consumption (while enhancing the performance) of their products, with an aim to minimizing the impact on the environment.

Energy-Efficient Technology in Network Equipment and Buildings

The power consumption of our network equipment and air conditioning accounts for 35% and 25% respectively of our total energy consumption. By introducing new technologies to increase energy efficiency, and by innovative applications, we have reduced our own energy consumption and emissions. In 2008, we continually reduced our environmental footprint through new energy-efficient technologies in our network and buildings.

Using Internet Protocol Technology

Internet Protocol (IP) technology has increased the capacity, efficiency and lifespan of our network equipment while simultaneously minimizing both energy use and space requirements. At the end of 2008, we were using soft-switch technology (an IP technology) in more than two-thirds of our network.

Energy-Efficient Technology in Network Equipment

We have integrated innovative technology and products in our network to reduce energy consumption. In 2008, our applications with new technologies have shown the potential for major energy reductions:

- 10-20% reduction in energy use for base stations through new energy management software for our wireless network equipment;
- 47% reduction in energy use and 67% reduction in land use for our core network equipment through our new platform structure;
- 47% reduction in energy use for base stations through bi-density wireless carrier technology improvements; and
- 12-20% of energy saving with intelligent carrier shut-off technology in our base stations which closely monitors call volume to control power and shut off carrier.

Energy-Efficient Technology in Buildings

We are increasing energy efficiency in our buildings using new light capturing, lighting and air conditioning technologies. In 2008, we revamped our headquarters buildings to improve energy efficiency. The new air conditioning and lighting systems increased energy efficiency by more than 25% and 20% respectively through intelligent temperature managing technology, ventilation control and water-efficient devices.

In the construction of our R&D center in southern China, by adopting energy efficiency measures such as rooftop greening and sun shading, heat radiation has been significantly reduced, thereby reducing energy consumed by air conditioning. Our buildings are positioned to take full advantage of natural daylight and by using energy-efficient light bulbs and LED lighting devices equipped with intelligent lighting technology, we have significantly reduced power consumption.

In addition, we implemented a new equipment cabinets standard and increased space efficiency by 20%. We expect that between 2008 and 2010, this new standard will save the use of 80,000 tonnes of steel, 40,000 tonnes of cement, 20,000 cubic meters of wood and 500,000 square meters of land.

In Guangdong a consolidated management system was established for energy conservation and emission reduction, with a Green Action Leadership Working Group, Green Action Planning Office, and 10 task forces each focusing on implementing specific environmental measures across the province. Based on this, a complete set of environmental policies and procedures were set up relating to planning, monitoring and performance evaluation.

In 2008 in Guangdong, we applied over 20 environmental technologies in our business and made more than 2,300 upgrades in our base stations, which resulted in total energy savings of 100 GWh of electricity a year, representing a 25% decrease in energy consumption per telecommunication traffic unit and a 16% reduction per carrier unit.

In Shanghai, construction on a first set of 7 green base stations was completed and the base stations were made operational in October 2008. Using energy saving building enclosure structures, energy saving building equipment and facilities and renewable energy, a 20% gain in energy efficiency was achieved.

Energy Savings in Air Conditioning Systems

Across our network, we are adapting to local climates and environment and using new technologies to reduce the energy used for air conditioning.

For base stations, we make full use of natural cooling sources instead of air compressors. We would be able to achieve energy savings of 20% to 80% by using intelligent ventilation devices and by using a mix of natural ventilation and air conditioning to control temperatures. We may also see energy savings by 80% to 90% where land temperature control systems that use underground water as a cooling source can be installed. We also implemented temperature management to raise cooling efficiency in our infrastructure facilities by using precision air conditioning technology, which directly cools equipment first and then the surroundings, which can lead to a 45% increase in air conditioning efficiency. In addition, new technologies are enabling our equipment to operate under a broader range of temperatures and as a result achieve energy conservation. For example, more than 20% energy efficiency gains can be achieved from air conditioning if the 'temperature tolerance' ceiling of our network equipment can be raised from 25°C to 35°C.

By the end of 2008, we had implemented intelligent temperature control technology in about 50,000 of our base stations.

In Gansu, by placing power station batteries underground, we took advantage of the natural underground temperatures and eliminated the need for air conditioning. This was adopted in 126 base stations, each of which saved an average of 350 KWh of power per month.

In Hebei, we have piloted and promoted wind exchange-based cooling systems, intelligent temperature controls, and air conditioning coolant technologies since 2007. By applying these technologies in core infrastructure facilities with base stations that require year-round cooling, we achieved reductions of 80% in winter and an annual average of 40% in energy use. In 2008, we applied these technologies in 5,000 base stations and saved more than 13 GWh of energy in the year.

In Neimenggu, we applied intelligent air conditioning technologies in more than 7,000 base stations and saved more than 4 GWh of energy per year. In addition, by using a glycol-based air conditioning additive, we achieved average energy efficiency of 35%.

In Guizhou, we installed intelligent ventilation systems in 5,421 base stations by the end of 2008, saving us 38 GWh of energy per year. It also meant 3,650 fewer air conditioning units were needed, reducing related maintenance costs by 1.5 million yuan.

In Jiangsu, we used precision air conditioning technology to reduce energy consumption

In Gansu, we installed power station batteries underground to reduce energy consumption

In Ningxia, we recycled mobile phones and accessories

In Hainan, customers participated in the Green Boxes Environmental Protection Campaign

Green Packaging and Materials Efficiency

As an important part of our Green Action Plan, green packaging is a pioneering undertaking which allows for significant reductions in the amount of wood and other packaging materials used in the transport of our equipment.

Together with our business partners, we implemented new green packaging measures in the logistics system. Instead of using traditional wooden crates, we standardized the use of lighter and smaller reusable frames. This allowed us to save on the use of wood as well as increase our efficiency in logistics, resulting in further energy saving.

On July 30, 2008, joining hands with 11 of our suppliers including Huawei, Alcatel Shanghai Bell, Datang Telecom, Ericsson, FiberHome Technologies, Motorola, Nokia-Siemens Networks, Nortel Networks, China Potevio, New Postcom and ZTE, we kicked off our green packaging program and called upon our global peers to participate in reducing the use of wood and protecting natural resources.

According to estimates, green packaging can achieve the following efficiencies and savings over traditional wooden crates:

- Weight of materials decreasing by 22%;
- Time needed to pack and unpack decreasing by 65%;
- New packaging can be reused 5 to 7 times more than before;
- Overall costs decreasing by 8%.

Based on our calculations, we can reduce the use of 57,000 cubic meters of wood a year by using green packaging, equivalent to preventing the deforestation of 670 hectares a year. Green packaging can also allow us to decrease the fuel used in transportation by 1.37 million liters and the electricity used in constructing the crates by 3.93 GWh, equivalent to preventing 120,000 tonnes of carbon dioxide emissions or taking 40,000 cars off the road a year.

Currently 10 of our business partners have committed their participation in our green packaging program. The use of green packaging for base station equipment has been launched in Zhejiang and 7 other provincial subsidiaries. 1,000 sets of reusable packaging materials used for base station equipment have already been used.

Encouraging Reuse and Promoting a Circular Economy

Taking a scientific approach to managing waste and mitigating negative environmental impacts through recycling is a key component of our Green Action Plan. In 2008, we expanded our Green Boxes Environmental Protection Campaign and encouraged the recycling of lead-acid batteries, and the green use of SIM cards.

Green Boxes Environmental Protection Campaign

As of the end of 2008, mobile penetration rate in China reached 48.5% and over 30 million mobile phones are discarded each year. This poses major environmental challenges.

Since 2005, together with our business partners, we have promoted our Green Boxes Environmental Protection Campaign to recycle mobile phones and accessories by placing green boxes in our and our partners' retail sites. We then sent these mobile phones and accessories to our waste management partners for recycling and proper disposal. Through this campaign, we have created a platform for collecting used mobile phones and accessories and has been recognized as a renowned environmental protection campaign in the industry.

2008 Milestones in Green Packaging

- In February: working with Huawei, we piloted green packaging projects in Zhejiang and Sichuan focused on the formulation of technical standards and evaluation of different recycling methods.
- In July: we invited 11 suppliers to the launch of our green packaging program and together called for our peers in the telecommunications industry to participate in green packaging.
- In August: based on the experiences of our green packaging pilot programs in Guangxi and Hainan, we rolled out a standardized green packaging manual across our Group.
- In October: we included green packaging requirements in our bidding conditions to encourage our major suppliers to use green packaging.

Progress on the Green Boxes Environmental Protection Campaign

Phase 1 (Dec 2005-Dec 2006): We launched the program with Motorola and Nokia in 2005 and recruited another 6 major partners by April 2006. We installed green boxes in nearly 1,600 retail sites, mobile phone sales points and service centers across 40 cities in China. By the end of 2006, we had collected over 120,000 mobile phones and accessories.

Phase 2 (Jan-Dec 2007): The Campaign became the focus of 2007 World Telecommunications Day. We further extended its coverage and installed green boxes in 60% of our retail sites at the county-level and above. By the end of 2007, we had collected a total of 2.6 million used mobile phones and accessories.

Phase 3 (Jan-Dec 2008): During the Beijing 2008 Olympic Games, we collected more than 420,000 used mobile phones and accessories, accounting for 56% of our collections from January to August. We placed green boxes in 30,000 of our retail sites throughout the country and by December 2008, we had exceeded our target for the year by collecting more than 1.35 million mobile phones and accessories.

Recycling Lead-Acid Rechargeable Batteries

We use a large number of lead-acid rechargeable batteries in our network equipment as back up power. In 2008 alone, we purchased over 1.2 billion Amp hours of rechargeable batteries. Beginning in 2008, we will be disposing of 300 to 500 million Amp hours of batteries, a number that will likely increase every year.

We work closely with our business partners to implement recycling mechanisms and minimize the environmental impacts associated with battery disposal. We are increasing our efforts to manage the life cycle of lead-acid rechargeable batteries. In 2007, we formally included recycling requirements in our supplier contracts. In 2008, we established new standard operating procedures for battery recycling and disposal. As a result, through a tender process, we licensed 6 qualified recycling companies to bid in our provincial operations' disposal of lead-acid batteries.

Since program inception, we have recycled an annual average of 10,000 tonnes of lead, 600 tonnes of copper and 400 tonnes of plastic, generating a direct benefit worth approximately 130 million yuan. These materials can be reused in production, which reduces consumption of resources, pollution and greenhouse gas emissions, and decreases our environmental impact.

In Shaanxi, we set up green environmental protection waste recycling bins

Working toward a Green SIM Card

When customers change their mobile phone operators, they have to buy new SIM cards while disposing of old ones, resulting in a huge waste of resources that damages the environment.

To minimize the environmental impact of SIM cards and phone recharge cards, we are working to recycle and reuse SIM cards and SIM card packaging materials. In 2008, we reused 320,000 SIM cards. In addition, we are exploring the design of a standard new mini-SIM card that uses less materials and resources.

Designing a Green SIM card will have many noticeable environmental benefits. Based on our estimates, we will reduce raw materials use in production by 50%, printing inks by more than 70%, energy use in the packaging process by 45% and energy use in logistics and inventory by over 50%.

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Jiangsu: Innovation in SIM Card Management

By reusing and recycling SIM cards and redesigning a smaller SIM card packaging, we have been building a Green SIM Card Management system to decrease the waste of resources and environmental damage.

We have conducted research and developed a SIM card re-writing technology that allows us to program new data into old SIM cards so they can be reused in our network. We have also run large-scale collection campaigns of SIM card packaging materials. Collected materials are sent to professionals for recycling. In addition, we have worked to reduce the impact of SIM cards from the beginning of the production process. We have invented a Plug-IN production process which allows our business partners to produce and supply mini SIM cards and reuse SIM card packaging material in their production process.

Thus far, we have reused a total of over 300,000 SIM cards and recycled over 7.5 million sets of SIM card packaging, which could help us in reducing our annual procurement costs by 7.8 million yuan while also eliminating tonnes in emissions and waste.

In Shaanxi, we introduced wind-solar hybrid power supply systems for base stations

In Gansu, we promoted hydrogen fuel powered Generators

In Sichuan, technical staff tested base stations for radiation

Alternative Energy in our Base Stations

We endeavored to introduce alternative energies to remote areas where there is no access to a stable power source. By using alternative energies such as solar or wind energy to power our base stations, we have not only taken advantage of local natural resources to reduce our environmental footprint, but also secured a stable source of power for our base stations. At the same time, we are also testing the use of fuel cells and hydropower.

According to our research, if a typical base station with standard power equipment was to be switched to solar power, it would save up to 5,600 yuan in energy costs each year and its carbon dioxide emissions would be reduced by 4.9 tonnes per year. By the end of 2008, 25 provincial subsidiaries were using alternative energies in 2,130 base stations.

In Jiangsu, on Cheniushan Island in the Yellow Sea, we built a green base station powered by solar and wind energy, which not only generated enough power to ensure network stability, but also provided power for some of the residents on the island.

In Hebei, on a remote local island, we invested 477,500 yuan to install wind and solar energy equipment to provide power to our newly-built base stations. It helped us meet our energy demand and lowered our costs and energy use. We expect that 20 MWh of power can be saved each year.

In Neimenggu, by the end of 2008, we had adopted wind and solar energy technology in 265 base stations, saving consumption of 2.9 GWh of electricity each year.

In Shaanxi, we installed wind and solar power systems in many of our base stations and implemented intelligent technology allowing us to remotely monitor the power systems via SMS.

In Xinjiang, the natural environment is well-suited for the use of alternative energies. In the southern part of Xinjiang, we used solar energy to power our network, and in the western and eastern parts of Xinjiang, we used both solar and wind energies. By the end of 2008, we integrated alternative energy technology into the construction of 405 new base stations, saving us a total of 4.16 GWh of electricity.

In Gansu, in August 2008, we piloted China's very first hydrogen-driven power system to support our base stations. This power system kick starts whenever there are breaks in the traditional power supply, reducing our use of lead-acid batteries, decreasing our reliance on traditional power generators and minimizing our environmental impact.

China Mobile Base Stations Using Alternative Energy in 2008

Base Stations Powered by Alternative Energy	2,135
Solar Energy	1,615
Solar and Wind Energy	515
Other Alternative Energy	5

Improving EMF Management

To better address risks related to electromagnetic field (EMF), we released a three year (2008-2010) guidance for managing EMF within our Group. The document set out specific goals and key work streams for each of the three years, increasing our capability to systematically manage EMF-related risks and meet relevant regulations via a self-auditing process and better accountability mechanisms.

We also improved our internal knowledge of EMF management via training and awareness-raising campaigns. We increased information transparency around EMF to allow us to better engage with our stakeholders. In 2008, we sponsored China Telecommunication Technology Labs (CTTL), an independent third party, to conduct a research study on EMF radiation. CTTL conducted investigations, research and tests on EMF issues that concern the public, and helped raise public awareness about EMF by publishing the results. Meanwhile, we also posted specific EMF and health information on our parent company's website. In addition, we plan to explore the feasibility of publicizing our base station construction environmental assessments in 2009.

In Sichuan, we conducted a thorough EMF audit of existing base stations. By June 2008, we had spent over 3 million yuan in auditing more than 400 base stations against national requirements. According to the audit results, our EMF radiation levels are on average lower than one-fifth of the national regulatory standards.

In Xinjiang, in 2008, we completed internal review in accordance with the three-year plan. In sample reviews by local environmental protection agencies of our phase 1 to 13 base stations, no instance of EMF radiation exceeding national limits was found.

Using Information Services to Promote Environmental Protection

Environmental Information Services for our Business

We take advantage of modern telecommunications techniques and information solutions to save energy in our offices. Through our intranet platform, we provide more than 100,000 employees with automated office services, including IP telephony, synchronized collaboration video-conferencing, communications assistant and others. In 2008, we further expanded our mobile office automation system to reach 23,600 of our employees in 31 provincial subsidiaries. At the same time, we promoted e-Office across the group and encouraged our employees to make more use of the internet, video-conferencing and other green communication channels. By September 2008, we had used video-conferencing more than 10,000 times, significantly reduced business travel and resource consumption.

Our Business-to-Business (B2B) e-Commerce system began commercial trials in October 2008. The system is an online catalogue of products from 17 different categories available from 200 of our suppliers, through which we can conduct our transactions with suppliers electronically at all stages, significantly increasing efficiency and reducing energy use and resource consumption.

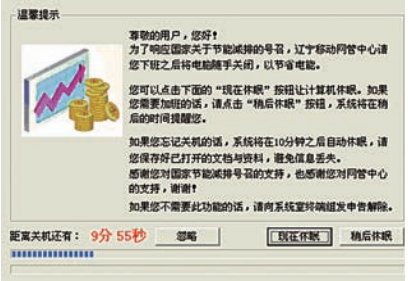
In 2008, we continued to develop our e-Sales Channels. Currently, 44% of our business is done through these e-channels. Using electronic recharge vouchers can save on printing and transportation. In 2008, transactions worth 35 billion yuan were conducted through this electronic service. Customers can also recharge their mobile phone credit via SMS, eliminating the need for a mobile phone recharge card. This service has also reduced the cost and

environmental impact of customers traveling to our service centers. Over 60 billion yuan in transactions were processed through this service in 2008.

Our provincial subsidiaries also used new information services to save energy in our office administration and within each phase of our business operations, which achieved marked results.

In Jiangxi, we successfully developed an automatic shut-down system for idle office computers. According to estimates, this could save us more than 850 MWh of electricity across the province every year.

In Hebei, we installed a new electronic document management system. Between January and October 2008, we designed 713 projects using electronic documents, using only 900,000 pieces of paper and reducing paper usage by 72%.



In Liaoning, we developed a network management system that automatically turns off idle computers, reducing energy consumption

In Jiangsu, our customer service agents are able to work at home

Jiangsu: Comprehensive Innovation Program for Conserving Energy and Cutting Emissions

Working at Home for Customer Service Agents

In March 2008, we formally launched a pilot program to let night shift customer service agents work from home, allowing for seamless customer service during night hours. Customer service agents work from home by logging onto the internet via specially designed secure connections set up on their computers. This pilot program dramatically changed the traditional call centre model and removed limits posed by geographical location, time and work patterns. According to estimates, these pilot projects saved us 330 tonnes of water and 75 MWh of electricity per month in Jiangsu alone due to reduced office use. In addition, we saved approximately 9 million yuan in office equipment investments. Once this program is fully rolled out, we estimate that total operational costs will decrease by 5.4 million yuan per year.

E–Copies of Customer Identifications

We launched a program that allows our customer service agents to read, save and verify customer identification data electronically. This eliminated the need to make and keep copies of customer identification cards, and reduced our use of paper and printing materials as well as the physical space required to store such records. In addition, the system has new features that allow us to better control customer confidentiality and data security.

Electronic Invoicing Pilot Project

In 2008, in Zhenjiang City, Jiangsu, we ran a pilot program to eliminate the need for carbon copies of customer invoices by storing back-up copies electronically. This reduced both paper use and the amount of physical space required to store copies of customer invoices. In addition, this increased the efficiency of our office administration systems. Currently this program is being run in 411 retail sites in Zhenjiang City, saving us 11 million sheets of paper, cutting 1.2 million yuan in operating cost and eliminating the need for almost 1,200 filing cabinets.

Industry-Specific Information Solutions

Leveraging our core expertise, we design various information solutions for our corporate customers in different industries, which improve their operational efficiency and reduce their energy consumption.

Mobile Office

We provide information solutions for our corporate customers. Connecting our MAS server system to customers' office automation systems, our corporate customers can at anytime remotely access their office systems with their mobile phones. Currently, services available via the Mobile Office program include document approval, calendar management, sending out internal alerts and employee-to-employee messaging and communication. For our customers, Mobile Office has helped to cut both energy consumption and costs.

Remote Monitoring for Vehicle Fleets

We developed a Vehicle Monitoring Service for taxi services that allows companies to remotely monitor and direct their taxi fleets. Companies use the service to optimize resource allocation and ensure their entire taxi fleets are more efficiently and effectively utilized. This has not only increased fleet safety, improved the quality of taxi service and reduced the number of cabs running without customers, but also decreased fuel consumption, helped mitigate city traffic and lowered air pollution levels. In Tianjin, for example, a local taxi company increased the hiring of its cabs by customers by 20% after using the Vehicle Monitoring Service. The company also saved an average of three liters of fuel a day per taxi, which means more than 3,000 tonnes of fuel per year can be saved for a 3,000 vehicle taxi fleet, equivalent to preventing approximately 7,400 tonnes of carbon emissions a year.

Data Monitoring and Management on Drilling Platforms

For oil companies with drilling platforms spread across remote areas, we developed a new service that uses our mobile telecommunications network to gather data from these platforms and transmit real-time information back to headquarters for monitoring, analysis and management. With real-time information, our customers can respond more quickly to new situations and reduce travel.

Remote Meter Reading for Power Companies

Using GPRS wireless data transmission technology, we helped companies in the power sector remotely read meters and monitor supply and demand and maintenance status across the electricity grid. The system is equipped with the ability to monitor the status of broken cable lines, analyze electricity demand, conduct capacity demand forecasting, conduct pricing analysis, and to support decisions on sales and marketing.

In Shandong, with our business partners and customers, we developed a monitoring and management system for drilling sites in remote areas. The system is equipped with four major features: remote monitoring of the status of oil wells, remote control of water pressure, remote meter reading and remote monitoring and control of electricity demand at drilling platforms. The system was used widely in Shengli oilfields. So far, the system has been installed at more than 1,000 different sites using 2,400 sets of GPRS equipment and 4,000 sets of remote monitoring and control equipment. The system has automated several data collection processes, increased efficiency, reduced energy use and cut costs.

In Jiangxi, we worked with the Fengcheng City government to set up a city-wide street light management system. The system is equipped with 89 lighting monitors, each with its own GPRS card. The GPRS cards allow for remote control of individual lighting, regional lighting, lighting time, power levels, anti-theft devices and data collection. According to estimates, the system can reduce Fengcheng City's electricity usage by more than 30%, equivalent to a savings of 2 million yuan in electricity fees, management fees and maintenance fees.

Information Services for Environmental Protection

Using GPRS systems, we have worked with the environmental protection agencies to develop new information services that address pollution through real-time remote monitoring.

In Jiangsu, for example, we worked with Wuxi Environmental Protection Bureau to design a water management system that uses wireless technologies to remotely monitor water quality. Using GPRS-enabled monitors and sensors installed at different points across Taihu (Lake Tai), the system collected, managed and analyzed real-time data from a central location, allowing authorities to take action and quickly respond to any water quality issues.

In Hebei, we helped Tangshan City set up a 24-hour system to monitor the environmental performance of local businesses. The system was installed at 147 companies during Phase One of implementation.

In Shandong, we worked with Binzhou City to develop and install a comprehensive system to monitor the environmental performance of local businesses, tracking real time data on pollution discharges and their overall impact on water currents and hydrology. The system combines several previously separate mechanisms — pollution charges, environmental monitoring, routine checks, data and records and office automation — into one wireless operating system.

Public Participation in Environmental Protection

Protecting the environment is a challenge we share as a society, one that requires systematic and holistic solutions. In addition to improving our own environmental performance, we are raising environmental awareness among our employees and the public and using our influence to increase public knowledge and participation in environmental protection.

Promoting Reusable Bags

Starting from June 1, 2008, in line with new environmental regulations, all retail stores across China started charging customers for plastic bags. To encourage the public to use reusable bags, we sponsored a variety of promotions, contests and giveaways in Beijing, Shanghai, Fujian, Hubei, Hunan, Jilin, Jiangsu, Liaoning and Shaanxi, among other areas.

In Beijing, we held a Green Olympics promotion encouraging the public to submit via SMS or our website their best ideas and slogans advocating environmental protection. We received more than 40,000 SMS messages and collected 1.6 million entries in our website. The top 10 entries were printed on reusable cloth bags and distributed for free to the public.

In Hubei, we donated reusable bags and information booklets on environmental protection to local citizens. In addition, we worked with the local Environmental Protection Bureau to send 1.8 million text messages promoting environmental protection.

In Hunan, we worked with several local retailers on a promotion to give away environmentally-friendly bags. We sent participants a bar code coupon via their mobile phones which they could redeem for a reusable shopping bag. To date, nearly 1 million people have taken part in the program.

In Jiangsu, we held a contest for designing environmentally-friendly bags. The winning designs were printed on nearly 1 million bags that were distributed for free in our retail stores.

In Shaanxi, we held giveaways for environmentally-friendly bags bearing slogans promoting environmental protection at our retail stores and in major department stores. Over 300,000 bags have been distributed so far.

Environment-Focused Philanthropy

In line with our environmental strategy, our provincial subsidiaries have organized their own environment-focused philanthropic activities.

In Gansu, we held several tree-planting events, reforesting a total of 500 hectares of land in mountainous areas near Lanzhou City. We also set up an environmental protection club for customers, hosting regular clean-up and conservation events.

In Hainan, we worked with Sanya Ocean Conservation Association on a Blue Ribbon Campaign in March 2008. Through newspaper advertisements, on-site promotions at our retail stores and SMS, we organized volunteering events to promote ocean conservation. Through the campaign, we distributed 10,000 Blue Ribbon booklets promoting awareness of ocean conservation and handed out 30,000 Blue Ribbon wrist bands to local volunteers.

In Jiangxi, we supported the local government in establishing a PoYang Lake Ecological Economic Zone and implemented environmental protection monitoring systems around the Lake. In our own operations, we strictly adhered to green sourcing guidelines as well as green construction standards for building base station towers. To enlist participation by the public, we also promoted our Green Boxes Environmental Protection Campaign and other programs that encouraged customers to use environmentally-friendly bags.

In Zhejiang, our employees participated in the "I am an energy saving pioneer" program

In Hainan, we called for public participation in our Green Boxes Environmental Protection Campaign

In Fujian, we conducted environmental protection awareness-raising activities

Employee Volunteering Program

We believe the best way to realize our CSR strategy is to involve our employees in implementing it.

We have always encouraged, and attached great importance to, employee participation in our CSR activities. We proactively cultivate our employees' sense of responsibility in order to build a supportive company culture that infuses civic consciousness throughout the company, guiding employees toward our core value of Responsibility Makes Perfection.

In 2008, in our headquarters, we established our Employee Volunteers Association as well as systems to support and manage volunteers, driving efforts to help the poor, improve education and protect the environment. Earthquake relief activities and supporting the Olympics both played a prominent role in our volunteering programs for 2008.

On June 2, 2008, our Employee Volunteers Association was formally established

In Guangxi, employee volunteers sign their names in support of the Olympics

Our Employee Volunteering Organization

In order to combine our company's strengths and our employees' volunteering enthusiasm, on June 2, 2008, we officially established the China Mobile Employee Volunteers Association for better options, policies and practices for employee volunteering.

Our Employee Volunteers Association drives and defines the culture within the company, encouraging employees to help disadvantaged groups. The Association's motto is "voluntarily participate, volunteer to the best of your ability, volunteer regularly," in the spirit of "dedication, love, selflessness and progress." It is a platform that utilizes the company's resources and our employees' individual talents to support community philanthropy and promote social development through volunteering.

We issued the China Mobile Employee Volunteers Association Guide which specifies the purpose of the Association, its management, activities and other aspects of its operations. We also published a volunteer handbook to promote the Association and the spirit of volunteering.

To actively promote employee volunteering, we grant every employee one-day paid leave each year to help in the community. Employees at the headquarters are able to apply this to company-organized activities or other charitable activities. Moreover, we have set up an online management system to help employees take advantage of this new policy.

Establishing the Association makes volunteering a systematic, regular and strategic part of our business, further strengthens our employees' sense of social responsibilities and helps integrate our CSR plan into our operations.

13 of our provincial subsidiaries have also established local Employee Volunteers Associations and undertaken activities in the same spirit. As of September 2008, 103,313 instances of employee volunteering have been recorded.

In Xinjiang, our Employee Volunteers Association has so far attracted 1,995 employees, representing 26.08% of the total workforce. The Association divides the volunteers into 23 teams and devised two main themes of volunteering work: helping with farm work and caring for the disadvantaged. The Association has organized a variety of volunteering activities and to date, 703 volunteers have participated in 36 activities hosted by the Association.

In Guangdong, in July 2008, we set up a local Employee Volunteers Association and declared October 16, 2008 as Volunteer Action Day. By September 2008, we held 179 volunteering activities and 9,300 instances of employee participation have been recorded.

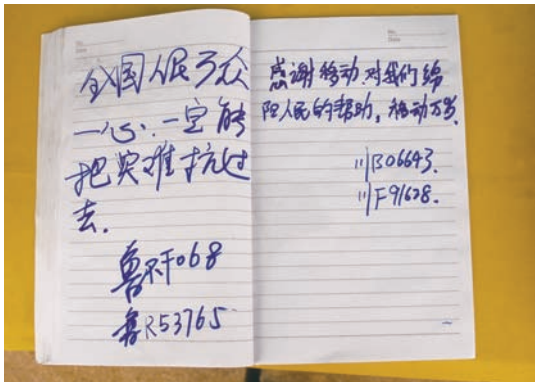
In Hainan, we recruited about 1,300 employees and established the Young Volunteers Association. Guided by the Hainan Provincial Young Volunteers Association, we promoted entrepreneurship and social harmony through a series of innovative and high-impact activities.

In Anhui, our volunteers donated blood for disaster stricken areas

In Guangxi, volunteers helped traffic police in areas affected by the snowstorm

In Xinjiang, our volunteers were involved in protecting wild animals

In Guizhou, we provided food for stranded passengers



In Shaanxi, we delivered relief supplies and received words of gratitude from the drivers

Our Employee Volunteering Activities

Since the establishment of our Employee Volunteers Association, we have held several flagship volunteering activities such as Caring for Children Orphaned by AIDS and Rebuilding Dujiangyan Xingfu Middle School and Li Bing Middle School in Sichuan (schools affected by the earthquake). At the same time, the Association has also launched several other activities to support the disabled, such as Touching the Great Wall Together with the Blind and Explaining Films to the Blind.

In Sichuan, we initiated a volunteering program called Taking Action to Show Our Concern. As part of the program, employees went to the areas affected by the earthquake to help, and by October 2008, nearly 200 of our 500 local employee volunteers had taken part in this program.

In Shaanxi, after the Sichuan Earthquake, we worked to mobilize teams of young volunteers to participate in local blood drives. We also raised both cash and in-kind donations for disaster relief agencies. On the main highways in Sichuan, we set up 32 service stations to provide services including communication, food and automotive repair to help those travelling in the most affected areas. 28,000 vehicles passed through these 32 service stations, carrying a total of 76,000 people. We provided free drinking water, food and medicine valued at 760,000 yuan.

In Guangdong, to assist travelers stranded by winter snowstorms, and to help residents in low-income areas to get through the harsh winter, more than 150 volunteers took part in Sending Warmth and Love, a series of charitable activities held during the Spring peak travel period. This included providing free long distance calls, recharging mobile phones and guiding travelers.

In Tianjin, for three consecutive years beginning 2006, our volunteers have supported special education schools for hearing- and speech-impaired students, providing books, stationery, food and other materials for students and teachers. Our volunteers went on-site to interact with the children, asking the children to show them how to make tissue boxes, mobile phone decorations, yarn satchels and other handicrafts.

In Liaoning, our employees volunteered in a local child welfare center in Anshan to provide care for the orphans. Our employees also donated more than 60 radios and other recreational supplies to a local nursing home, and took part in cultural performances with the residents.

In Xinjiang, in order to help overcome the shortages of workers needed to collect cotton at harvest time, in Yili, Kashgar and other cities, we organized 228 volunteers to go to the countryside and help harvest the cotton. Each volunteer harvested at least 40 kilograms a day, reaching a total of 9.12 tonnes.

In 2008, through our Employee Volunteering Program, we have been able to build a culture that actively promotes volunteering. Looking forward, we will continue to improve the way we manage employee volunteering, designing sustainable, innovative programs that encourage participation. Ultimately, we hope that through our Employee Volunteering Program we can build a culture that inspires our employees to give back and contribute to building a harmonious society.

In-Focus: China Mobile and the Olympics

In 2008, Beijing successfully hosted the Olympic and Paralympic Games. China put on one of the most spectacular Olympics in history, achieving the country's vision to host a high quality, unique Olympic experience, or, as the Beijing Olympic Committee put it, a "high-level Olympics with distinguishing features."

As an official partner of the Beijing Olympic Games, in line with our core value of Responsibility Makes Perfection, we provided high quality and reliable service to customers during the Olympics. We took great pride in China hosting the Olympics, and through our hard work, dedication, professionalism, innovation and teamwork, we fulfilled our commitment to provide the Games with the most advanced technology, the most thoughtful customer service and the most abundant range of services.

We signed on to be an Official Partner of the Beijing 2008 Olympic Games on July 21, 2004. In the subsequent four years, we made every effort to meet the three commitments we made to the Olympic Committee. Some highlights from our work include:

- Setting up a wireless platform that allowed — for the first time in history — the Olympic Committee to transmit the Olympic slogan to the public;
- Establishing an Olympics Office internally to support the Games;
- Building the world's highest base station, 6,500 meters above sea level on Mount Everest; and
- Ensuring constant telecommunications coverage throughout the Torch Relay.

By aligning internal management, ensuring network stability, providing innovative services, and rallying employee support, we took every effort to help make the Games a success.

In Gansu, we cheered on the Torch Relay

An organizational structure to meet our olympic responsibilities

- May 2006, we created a specific Olympic management department — the Olympic Office.
- November 2006, we established six main goals for our Olympic-related activities and relevant evaluation systems.
- December 2007, several different departments relevant to the Olympics came together to create the Beijing 2008 Olympics Master Plan. These included the comprehensive department, the planning department, the finance department, the human resources department, the marketing department, the data department, the network department, the Party Affairs Department, and the Olympic Office. This ensured we would be fully prepared for the Olympics.

Organizational Support for the Games

We attached great importance to the Olympics, and invested human, material, and financial resources needed to make the Games a success. To ensure that we managed our Olympic commitments in a well-coordinated and organized way, we established an Olympic Leadership Working Group, an Olympic Office that reported to it, and a Control Center for our Olympic activities. Within the Olympic Office, we had set up six taskforces focused on the following: operations during Olympic events, guest accommodations, safety, network security, marketing services, and business support services.

We devoted substantial human resources to support the Games. At headquarters and in relevant provinces, we assigned around 175,000 employees and external contractors to work on the Olympics. This included 10,000 employees manning call-centers, 160,000 customer service agents and client managers, 2,500 on-site employees at the Olympic venues, 660 full-time technical support staff, and 60 experienced managerial, technical, and operational level staff who were specially transferred to the headquarters. In addition, 170 employees from the headquarters and various provincial subsidiaries worked full time to provide essential systems support and network monitoring to ensure network stability and security. In Hong Kong we also devoted 70 technicians and 73 customer service representatives to support the Games.

> China Mobile's Olympic communication security work was very smooth and broke many records in the Olympic history.
>
> - Mr. Xi Guohua, Deputy Minister of Ministry of Industry and Information

Ensuring Stable and Reliable Communications

We worked to ensure high quality communications during the events by extending coverage, improving network quality and increasing efforts to promote network stability.

Establishing a High Quality Network

We undertook several new innovative programs to ensure network stability during the Olympics. Addressing some major technical challenges, we developed a new high-capacity, adaptable technology platform based on high capacity GSM network design and our EDGE network, with back up support coming from our WLAN service and our emergency response mobile communications vehicles. Using an advanced small-gain antenna for our WLAN service, we increased our network capacity by 5 fold and reached a concurrent use rate of 80%. All of these technical advances ensured that we were able to meet high volume usage requirements during the Games. Across China, at 36 Olympic stadiums and 15 other sporting arenas, we set up high-capacity GSM/EGPRS and WLAN systems. Overall, wireless network capacity increased by 140%. In the six host cities of the Olympics, we constructed 5,074 maximum-capacity GSM base stations.

At the same time, we increased our ability to adapt to international standards – completing several projects on network optimization and capacity building. By achieving real-time network monitoring and coverage for the Games, we successfully ensured coverage for 610,000 international roaming customers.

Furthermore, we built an Olympic network security management system that covered the Olympic venues in Beijing and the six host cities. We created an integrated network that provided real-time data monitoring in one-minute intervals, giving us a precise way to analyze call quality and volume at the Olympic venues.

Network Security during the Torch Relay

In 2008, for the first time in the history of the Olympics, emergency communications vehicles played a crucial support role during the Torch Relay. With support from our provincial subsidiaries, we followed the Torch during the 97-day Torch Relay as it was carried through 104 cities in China, traveling a total of 40,000 kilometers. We used vehicles 364 times to provide communications services and deployed network employees 36,000 times. In Xizang, this required overcoming a number of challenges — the path was riddled with glaciers, the elevation was 6,500 meters above sea level (where the world's highest base station was built), and the temperature was -40˚C. Despite this, on May 8, 2008, we ensured that communication was undisrupted as the Olympic Flame reached the summit at an altitude of 8,844.43 meters, an image that was relayed around the globe through our network with multimedia messaging (MMS) technology — a world record that established us as a global pioneer.

In Xizang, in order to provide support for the Torch Relay's leg to the top of Mount Everest, we began surveying the route from Lhasa to Mount Everest and laying fiber optic cables in 2006 in Lhasa, Xizang, a city sitting at more than 4,000 meters above sea level. By 2008, more than 8 separate projects had been completed, and on May 5, when the Torch Relay reached the summit of Mount Everest, we successfully maintained telecommunications coverage. Between 2006 and 2008, our employees worked in adverse and challenging conditions for more than 150 days, travelling over 30,000 kilometers.

In Xizang, we worked to overcome the harsh environmental conditions to ensure communications for the Torch Relay

Network Stability at Olympic Events

In order to ensure the highest quality communication services during Olympic events, we invested heavily in network quality and stability and ran a systematic set of drills, tests and simulations. We organized employee support at venues and set up more than 1,700 emergency response plans. We carried out more than 3,000 emergency drills, re-established or improved 183 technical procedures, and created a Red-Orange-Yellow-Blue Emergency System. We provided the organization, resources and systems required to protect the network during the Olympics.

During Olympic events, we coordinated internal working groups to maintain network stability in the six cities where events were being held, assigning more than 660 people to work at the Olympic stadiums. 603 employees were seconded from 21 provincial subsidiaries to support Beijing during the Games and a further 50 key technical experts were also brought in from different provinces as part of a special taskforce focused on network stability during the Olympics. Altogether, more than 80 emergency response vehicles, 42 emergency power generation trailers, more than 50 satellite telephones, and various back-up and spare equipment were dispatched from six provinces. We also had emergency support resources on standby in case they were needed.

In the six cities that hosted the Olympics, our communication system had zero faults, and we were able to ensure smooth operation of the network from the opening ceremony to the closing ceremony. Network coverage in Olympic cities reached 99.94%, with a wireless connection rate of 99.24% and a voice call drop rate of only 0.54%, reaching the highest quality levels in the world. During the opening ceremony, we provided record-breaking call coverage for the 84,600 customers at the Bird's Nest, a 0.26 square kilometer area. At peak levels, 220,000 calls were made from the Bird's Nest simultaneously — a volume 10.6 times higher than average volume during the Games. That day, we reached a wireless connection rate higher than 99.9%, with a voice call drop rate below 0.57%. Overall, our performance during the Olympics set new records.

In Beijing, we completed installation of a complex communication network in 46 Olympic venues. To achieve this, we deployed more than 4,800 employees, improved 81 work protocols, and updated 95 types of maintenance plans. To fully ensure network quality and stability during the Games, we prepared 596 emergency response plans and ran emergency response drills 841 times.

In Hebei, we provided reliable communications for the Olympics

In Shandong, we provided technical support to protect the Torch Relay communications

At this Olympic Games, China Mobile opened a new chapter in history, helping the Olympic Organizing Committee deliver true 3G Olympic service and successfully supporting the opening and closing ceremonies as well as excelling in providing communications support for the Torch Relay to Mount Everest.

- The Beijing Organizing Committee for the Games of the XXIX Olympiad

Innovative Service Offerings

Providing the most abundant range of mobile telecommunications services was one of our commitments for the Beijing 2008 Olympic Games. Given our role as a mobile telecommunications expert, during the Games, we successfully created 25 special services (falling into 3 categories) for the Olympics to serve the Olympic Committee, the media, the audience, athletes and umpires. This helped us realize our commitment to provide the most innovative, the most widely used and the fastest services in history. New media was widely used on mobile phones for the first time in Olympic history, ushering in a new phase of Olympic media coverage.

China Mobile's innovative technology brought the world a high-tech Olympics. Your experiences from the success of the Beijing Olympic Games will be a major asset for future host countries and other mobile telecommunication partners.

- Jacques Rogge, President of the International Olympic Committee

China Mobile's 'Olympic Firsts'

- For the first time in Olympic history, photos could be taken and instantaneously sent and uploaded. This completely changed the Olympics for photographers, who were able to send an average of one photo every six seconds. During the opening ceremony, more than 2,600 photos were taken and all were successfully transmitted.
- Simultaneous wireless video broadcast withstood the tough ocean conditions so that, for the first time, real-time live images of the sailing competition could be broadcast.
- The first Olympic INFO system was provided to correspondents, giving wireless access and services throughout the venues to more than 2,970 Chinese and foreign reporters.
- For the first time in Olympic history, a special version of the official Olympic website was accessible by mobile phone. This became an important source of information and was accessed by more than 10 million people, a landmark in the development of mobile media.
- Olympic reports sent via mobile telecommunications networks provided customers with the quickest and most up-to-date information on gold medals, Olympic schedules, and more. These personalized services were used by more than 13 million people during the Olympics.
- For the first time in Olympic history, we were authorized by the International Olympic Committee to distribute and launch various games and services over mobile telecommunications networks; these were downloaded more than 1 million times by 760,000 customers.
- For the first time in Olympic history, we provided Push-to-Talk services over mobile phone for the Olympic Committee, which became a critical tool in managing the Olympics.
- For the first time, news alerts were sent over wireless networks for both the Olympic and Paralympic Games. In total, 1.05 million alerts were sent, allowing customers to access crucial information.
- For the first time in Olympic history, we promoted the official Olympic music by making the theme song "You and Me" available for download. Not only was it downloaded over 10 million times, it also set records for download speed and at its peak was forwarded 5.73 million times a day.
- This was the first time the Olympics were broadcast over mobile phone TV. Mobile phone TV coverage of the Olympic and Paralympic Games was watched 9 million times by 1.65 million customers, reaching a combined total of 436,000 hours.
- For the first time in Olympic history, electronic images of a Torch were relayed via MMS and Fetion. Customers could download the image and forward it to their friends — allowing the public participate in their own Torch Relay electronically. 204,000 participated via MMS and 10.25 million via Fetion.

Providing Thoughtful and Convenient Support Services

The Beijing 2008 Olympic Games was a grand occasion for the world and for all of humanity. We brought meticulous service to diverse groups so that friends, both local and foreign, could feel at home in Beijing. Our mobile telecommunications services will always be part of China's Olympic history. We provided high quality, comprehensive, multimedia, personalized Olympic services which brought seamless coverage to Olympic customers in all venues.

1. We worked to ensure network stability during the Games in three main ways: our organizational structure, our work procedures, and our response plans in the event of any disruptions. From an organizational perspective, we put together a specific taskforce led by one of our Vice Presidents focused on implementing a management system to ensure high quality service during the Games. The relevant provincial subsidiaries also created their own taskforces. We released a series of work procedures and protocols for service during the Games: an internal communications system, a coordination system, and a major events reporting system. With support from our provincial subsidiaries, we worked to successfully meet our commitment to provide comprehensive high quality service during the Games.

2. At the Games, we targeted 8 different groups of audience and set up 7 major service channels providing 56 products and services falling into 7 categories designed to meet the unique needs of our customers. The 7 major service channels were the Olympic stadiums, service centers, hotlines, reception centres, exhibits, our website, and volunteering sites. The broad range of services met the personalized needs of customers. We established service support according to the requirements of the Beijing Olympic Committee and the needs at each venue. For example, we set up systems that allowed for more than 21,600 journalists to quickly access, download and upload information. We also provided a multi-lingual information hotline, international roaming and handset and SIM card rental service for the convenience of visitors.

3. To ensure high-quality service for overseas guests at the Games, we improved our cooperation with foreign mobile telecommunications companies and tailored services specific to these people's needs. For example, our service hotlines 10086 and 12580 were staffed with 32,446 employees that together could provide services in more than 10 different languages around the clock. Foreign-language services on 10086 were used more than 100,000 times and those on 12580 were used more than 10,000 times. Both services had a connection rate higher than 90%. Overseas visitors used more than 50,000 minutes of WLAN, received more than 2 million welcome SMS messages, and, at the 787 service centers near Olympic sites, we provided them with services more than 20,000 times. We also distributed more than 700,000 booklets in multiple languages about the Olympic services available. Ultimately this allowed overseas customers to conveniently access and enjoy mobile telecommunication services just as they would in their home countries.

> Thanks China Mobile for all your help and great service during the Olympic Games.
>
> - Tony Dudley, London Organizing Committee of the Olympic Games and Paralympic Games

We provided excellent service to foreign visitors during the Games

Our volunteers provided services throughout the Olympic Games

We provided thoughtful services for reporters during the Olympic Games

Spreading the Olympic Spirit

Starting on August 1, 2008, after careful and meticulous preparation, China Mobile Olympic City Volunteers manned their posts. At both the Olympic and Paralympic Games, we coordinated and supported 400,000 City Volunteers, covering 18 of Beijing's administrative districts. With more than 500 posts, the Volunteers were on the streets providing advice, translation and emergency relief support for Chinese and foreign tourists. By the end of the Games, the 2 million City Volunteers had racked up over 47.05 million volunteering hours. During the same time period, our employee volunteers had logged 25,000 hours of volunteering time.

In order to promote the Olympic spirit within our company, we launched a number of programs in November 2007, including a short message (SMS) knowledge quiz, a debate on "How the Olympics has Inspired Me," and other activities which contributed toward providing excellent service for the Olympics. Our employees participated in these activities 270,000 times, setting a record among all the Olympic Partners for being the company with the most well-supported internal communication activities.

To enhance our quality of service during the Olympics, more than 100,000 employees across 31 provinces participated in a race to learn English.

Various provincial subsidiaries also organized a series of activities inspiring employees to think about how they could contribute toward the Olympic spirit and support its success.

As a partner of the Beijing 2008 Olympic Games, we fulfilled our role as the mobile information expert, making a unique contribution to the success of the Olympic Games. After these valuable experiences, we will be able to better serve the upcoming Shanghai Expo in 2010. In addition, due to our company's unique contribution to the Beijing Games, the mayor of London has invited our Chairman and CEO, Mr. Wang Jianzhou, to be an expert consultant for the 2012 London Olympic Games.

Our next step is to share our experiences with others in the industry to support human prosperity, the development of sports and to carry onward the Olympic message of 'higher, faster, stronger'.

> In the history of the Olympics, there has not been a company quite like China Mobile, who has promoted the spirit and the values of the Olympics with so much vigor.
>
> - Gerhard Heiberg, International Olympic Committee, Marketing and Development Chairman

In Hong Kong, we cheered on the Torch Relay

In Beijing, Olympic volunteers welcomed visitors from all over the world

In Fujian, we cheered on the Torch Relay

2008 Key CSR Performance Metrics

Key Performance Indicators	2006	2007	2008
Company Performance			
Total Number of Subscribers (million)	301.232	369.339	457.250
Operating Revenue (million yuan)	295,358	356,959	412,343
Overall Customer Satisfaction Scores	79.6	80.8	81.3
Taxation (billion yuan)	30.1	42.1	36.8
Rural Program			
Cumulative Number of Administrative Villages Covered via the Village Connected Project	35,108	39,784	41,843
Cumulative Number of Natural Villages Covered via the Village Connected Project	–	5,367	19,904
Agricultural Information Service Subscribers (1,000)	17,820	26,430	38,680
Life Program			
Number of times employees were deployed for emergency response	–	124,792	1,379,260
Wireless Connection Rate (%)	99.3	99.2	99.2
Culture Program			
Number of customer complaints about spam handled (million)	–	–	8.43
Green Program			
Energy Use (GWh)	6,380	8,090	9,330
Carbon Dioxide Emissions (million tonnes)	5.4	6.9	7.9
Base Stations Using Alternative Energy	–	–	2,135
Cumulative Number of Mobile Phones & Accessories Recycled (1,000)	120	2,600	3,950
Employee Volunteering Program			
Number of employees volunteering (person times)	–	–	103,313*

* This figure is reported for January 2008 to September 2008

Looking Forward

CSR Management

Management Systems	◇ Set up and release our China Mobile CSR Management Methods ◇ Initiate the CSR KPI global benchmarking and refine our internal CSR KPI management system ◇ Host our annual CSR Case Competition to stimulate a culture that promotes our CSR commitments
Stakeholder Engagement	◇ Improve our stakeholder engagement strategy, platform, and plans ensuring long term, regular engagement ◇ Promote CSR dialogue and cooperation on a global basis

Our Main CSR Programs

Rural Program	◇ Continue to support our parent company's efforts in the Village Connected Project to expand network coverage in natural villages by leveraging our progress with administrative villages ◇ Develop new applications of our Rural Information Network, and increase the number of Agricultural Information Service subscribers
Life Program	◇ Maintain and improve network quality ◇ Optimize emergency response processes and improve our capability to respond to natural disasters ◇ Improve management of philanthropic endeavors and implement a Three-Year Philanthropy Plan
Culture Program	◇ Improve spam control ◇ Design innovative and positive mobile telecommunication services, media and applications ◇ Coordinate our education-focused philanthropy and cultivate public recognition of our philanthropic programs
Green Program	◇ Implement our Green Action Plan, meeting annual targets for energy conservation and emission reduction ◇ Continue to roll out environmentally-friendly SIM cards and green packaging ◇ Continue to promote our Green Boxes Environmental Protection Campaign ◇ Develop research on the role of the telecommunications industry in combating climate change ◇ Continue to improve how we monitor and manage EMF and establish system of internal assessment as precautions against our risks
Employee Volunteering Program	◇ Improve management of our employee volunteering programs ◇ Coordinate training for employee volunteers and develop effective and continual volunteering activities

Stakeholder Commentary

Promoting the UNGC Theme, "Every Human Has Rights"

China Mobile's 2008 CSR Report is truly a world class report. The report makes it clear that the company is working to meet the commitment China Mobile Chairman and CEO Wang Jianzhou made to United Nations Secretary-General Ban Ki-moon when he signed onto the UN Global Compact. As a core part of this commitment, corporate signatories promise to abide by The Ten Principles of the Global Compact, which include principles on human rights, labor, the environment, and anti-corruption.

China Mobile has established a comprehensive CSR strategy and management system, developing well-thought-out policies and procedures, a scientific set of CSR performance metrics, and a streamlined CSR e-management platform. The company's CSR activities align with The Ten Principles of the UN Global Compact. It is clear that Mr. Wang did not make an empty promise, but one that is clearly reflected by and integrated into the way China Mobile is managed.

I attended China Mobile's 2008 CSR Case Competition. The event was a clear example of how all of the company's employees are proactively working to innovate and design new ways to meet China Mobile's commitment to CSR — yet another example of how Mr. Wang's commitment is shared by management and staff across the entire company.

In terms of stakeholder engagement, China Mobile's CSR program not only includes dialogue with domestic stakeholders, but also with international stakeholders. China Mobile is learning from and engaging with international CSR organizations, attending key events on issues of global concern, continuing dialogue with the UN Global Compact, and finding ways to cooperate with other global companies. This demonstrates that Mr. Wang's commitment was not solely made to United Nation Secretary-General Ban Ki-moon, but to the entire global community.

In 2008, the Human Rights Working Group of the UN Global Compact took on the new theme "Every Human Has Rights." How is this new theme relevant to countries, companies, and even individuals? According to Chinese President Hu Jintao, "Respecting basic human rights while also taking into account China's development path first means prioritizing people's right to meet their basic needs and their right to develop. On the basis of driving rapid economic and social advancement, we must ensure the right to equal participation and equal development." China Mobile's main CSR programs — the Rural Program, the Life Program, the Culture Program, the Green Program, and the Employee Volunteering Program — are models which are based upon China's development status and China Mobile's advantage as a telecommunication and information expert. It is a new model for empowering people's individual development. This new model is a prime example of how the UN Global Compact's theme is gradually becoming a reality and will be a major contribution to not only the state of China's human rights, but to human rights globally.

It well worth congratulating China Mobile as the first and only Mainland Chinese company listed on the Dow Jones Sustainability Indexes.

I hope that China Mobile will truly become a company all of China can rely on as a "backbone".

I have only chosen to comment on a few highlights that represent international challenges or opportunities for Chinese companies.

The only flaw in this report is that there are no flaws

Chen Ying
United Nations Global Compact, Board Member
China Enterprise Management Science Foundation, Vice Chairman
January 2009

Comprehensive CSR Performance and Management Improvements

The International Business Leaders Forum congratulates China Mobile Communications Corporation on the comprehensive nature of its 2008 Corporate Social Responsibility Report. The report particularly demonstrates that responsible business practice is an integral part of sustainable business management and that social investment, when built around a company's core skills and services, has sustainable impact on community development. China Mobile has embraced leading international practice by framing its CSR report in line with the Global Reporting Initiative, and its promotion of the 10 principles of the UN Global Compact is an important demonstration of leadership both in its sector and to other Chinese companies.

The company is clearly striving to ensure that its internal policies and processes support its aspiration to align daily operations with the positive development of its industry, society, and the natural environment, and its engagement with external stakeholders is a welcome added development. The company should be encouraged to take this even further by ensuring that its governance arrangements are well coordinated internally and made subject to greater external supervision and transparency. Engaging in collective action with other companies to improve business standards generally would also be an important next step.

Giving affordable access to mobile technology to enhance enterprise development in rural communities is making a significant contribution to local economic development. If this continues to be built on the foundation of responsible use of technology, with appropriate controls over access, security, and privacy, the company will be an example for others to follow.

The company's promotion of employee volunteering that is in line with the company's overall social strategy is a very positive example to the wider business community. Measuring and reporting the collective impact of such volunteering would demonstrate the value it brings to the company and its communities.

Peter Brew
Director, Asia Pacific
International Business Leaders Forum
January 2009

Feedback

Dear Reader,

Thank you for taking time out of your busy schedule to read our 2008 Corporate Social Responsibility Report. There are inevitably some flaws and omissions in this report and we very much welcome your comments and suggestions.

Thank you,

China Mobile 2008 CSR Report Writing Team
March, 2009

Name				
Contact Information	Telephone		Email	
Company				
Report Feedback*	Readability	Objectivity	Logic and Structure	Completeness
CSR Strategy and Management				
Stakeholder Engagement				
Major CSR Programs				
In-Focus: China Mobile and the Olympics				
Closing Sections				
Overall Feedback				

* Please use a rating between 1 and 5, 1 being the lowest and 5 being the highest

You may send email to the China Mobile 2008 CSR Report Writing Team at CR@chinamobile.com, or send the above form to +86-10-66006167 by fax. China Mobile will earnestly consider your opinion and suggestions and promise that your information will be properly protected against disclosure to any third party.

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GRI Index (G3)

No.	Index	Relevance	Page
	Strategy and Analysis		
1.1	Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	High	1
1.2	Description of key impacts, risks, and opportunities.	High	1
	Organizational Profile		
2.1	Name of the organization.	High	4-5
2.2	Primary brands, products, and/or services.	High	5
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	High	—
2.4	Location of organization's headquarters.	High	—
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	High	4
2.6	Nature of ownership and legal form.	High	4-5
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	High	5
2.8	Scale of the reporting organization.	High	4-5
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	High	4
2.10	Awards received in the reporting period.	High	5
	Report Parameters		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	High	4
3.2	Date of most recent previous report (if any).	High	4
3.3	Reporting cycle (annual, biennial, etc.)	High	4,10
3.4	Contact point for questions regarding the report or its contents.	High	64
3.5	Process for defining report content.	High	4
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	High	4
3.7	State any specific limitations on the scope or boundary of the report.	High	4
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	High	4
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	High	4
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	High	40
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	High	4
3.12	Table identifying the location of the Standard Disclosures in the report.	High	4,65-70
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	Medium	—
	Governance		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	High	6

No.	Index	Relevance	Page
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	High	6
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	High	6-7
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	High	6,12
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	High	6
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	High	6
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	High	6-7
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	High	1,3,8
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	High	9-10
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	High	6
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	High	6
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	High	4-5
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization.	High	5
4.14	List of stakeholder groups engaged by the organization.	High	12
4.15	Basis for identification and selection of stakeholders with whom to engage.	High	12
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	High	12
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	High	12-20
	Economic Performance Indicators		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	High	5,14-15
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	High	14
EC3	Coverage of the organization's defined benefit plan obligations.	High	19-20
EC4	Significant financial assistance received from government.	Not Applicable	—
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	High	19
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	High	14-16
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	Medium	19

No.	Index	Relevance	Page
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	High	22-33
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	High	15,22-27
	Society Performance Indicators		
LA1	Total workforce by employment type, employment contract, and region.	High	5
LA2	Total number and rate of employee turnover by age group, gender, and region.	High	—
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	High	—
LA4	Percentage of employees covered by collective bargaining agreements.	Not Applicable	—
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	High	—
LA6	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.	High	—
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	High	19
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	High	19-20
LA9	Health and safety topics covered in formal agreements with trade unions.	High	19
LA10	Average hours of training per year per employee by employee category.	High	20
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	High	20
LA12	Percentage of employees receiving regular performance and career development reviews.	High	20
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	High	19
LA14	Ratio of basic salary of men to women by employee category.	High	19
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Not Applicable	—
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Not Applicable	—
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Not Applicable	—
HR4	Total number of incidents of discrimination and actions taken.	High	19
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Not Applicable	—
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	High	19
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	High	19
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not Applicable	—
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	High	19
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	High	12,22-23,25-27

No.	Index	Relevance	Page
SO2	Percentage and total number of business units analyzed for risks related to corruption.	High	6
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	High	6
SO4	Actions taken in response to incidents of corruption.	High	6
SO5	Public policy positions and participation in public policy development and lobbying.	High	6
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Not Applicable	—
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	High	—
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	High	—
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	High	46
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Low	—
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Medium	16
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	High	16-17
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	High	16-18
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	High	16-17
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	High	—
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	High	16
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	High	—
	Environmental Performance Indicators		
EN1	Materials used by weight or volume.	Low	40
EN2	Percentage of materials used that are recycled input materials.	Medium	43-44
EN3	Direct energy consumption by primary energy source.	High	40
EN4	Indirect energy consumption by primary source.	High	40
EN5	Energy saved due to conservation and efficiency improvements.	High	40-42
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Low	44-48
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Low	40-45
EN8	Total water withdrawal by source.	Medium	—
EN9	Water sources significantly affected by withdrawal of water.	Low	—
EN10	Percentage and total volume of water recycled and reused.	Low	—
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Low	—
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	High	—
EN13	Habitats protected or restored.	Low	—

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EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Low	—
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Low	—
EN16	Total direct and indirect greenhouse gas emissions by weight.	High	40
EN17	Other relevant indirect greenhouse gas emissions by weight.	High	43-44,47-48
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	High	40-49
EN19	Emissions of ozone-depleting substances by weight.	Low	—
EN20	NO, SO, and other significant air emissions by type and weight.	Low	—
EN21	Total water discharge by quality and destination.	Low	—
EN22	Total weight of waste by type and disposal method.	High	43-44
EN23	Total number and volume of significant spills.	Low	—
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Low	—
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Low	—
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	High	40-47
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Low	43-44
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	High	—
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Low	43
EN30	Total environmental protection expenditures and investments by type.	High	

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	Internal Operations		
IO1	Capital investment in telecommunication network infrastructure broken down by country/region.	High	4,22
IO2	Net costs for service providers under the Universal Service Obligation when extending service to geographic locations and low-income groups, which are not profitable. Describe relevant legislative and regulatory mechanisms.	High	18,22-23
IO3	Practices to ensure health and safety of field personnel involved in the installation, operation and maintenance of masts, base stations, laying cables and other outside plant. Related health and safety issues include working at heights, electric shock, exposure to EMF and radio frequency fields, and exposure to hazardous chemicals.	High	19,46
IO4	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) standards on exposure to radiofrequency (RF) emissions from handsets.	High	46
IO5	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) guidelines on exposure to radiofrequency (RF) emissions from base stations.	High	46
IO6	Policies and practices with respect to Specific Absorption Rate (SAR) of handsets.	Not Applicable	—
IO7	Policies and practices on the sitting of masts and transmission sites including stakeholder consultation, site sharing, and initiatives to reduce visual impacts. Describe approach to evaluate consultations and quantify where possible.	High	—

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IO8	Number and percentage of stand-alone sites, shared sites, and sites on existing structures.	High	—
	Providing Access		
PA1	Policies and practices to enable the deployment of telecommunications infrastructure and access to telecommunications products and services in remote and low population density areas. Include an explanation of business models applied.	High	18,22-26
PA2	Policies and practices to overcome barriers for access and use of telecommunication products and services including: language, culture, illiteracy, and lack of education, income, disabilities, and age. Include an explanation of business models applied.	High	18
PA3	Policies and practices to ensure availability and reliability of telecommunications products and services and quantify, where possible, for specified time periods and locations of down time.	High	23,28-29,32-33
PA4	Quantify the level of availability of telecommunications products and services in areas where the organisation operates. Examples include: customer numbers/market share, addressable market, percentage of population covered, percentage of land covered.	High	5,22,24,26
PA5	Number and types of telecommunication products and services provided to and used by low and no income sectors of the population. Provide definitions selected. Include explanation of approach to pricing, illustrated with examples such as price per minute of dialogue/bit of data transfer in various remote, poor or low population density areas.	High	18,24,26
PA6	Programmes to provide and maintain telecommunication products and services in emergency situations and for disaster relief.	High	28-29,32-33
PA7	Polices and practices to manage human rights issues relating to access and use of telecommunications products and services.	High	12,14,16,22-27,30-31
PA8	Policies and practices to publicly communicate on EMF related issues. Include information provides at points of sales material.	High	46
PA9	Total amount invested in programmes and activities in electromagnetic field research. Include description of programmes currently contributed to and funded by the reporting organisation.	High	46
PA10	Initiatives to ensure clarity of charges and tariffs.	High	16
PA11	Initiatives to inform customers about product features and applications that will promote responsible, efficient, cost effective, and environmentally preferable use.	High	43-44,46-48
	Technology Applications		
TA1	Provide examples of the resource efficiency of telecommunication products and services delivered.	High	43-44,46-48
TA2	Provide examples of telecommunication products, services and applications that have the potential to replace physical objects.	High	24-25,46-48
TA3	Disclose any measures of transport and/or resource changes of customer use of the telecommunication products and services listed above. Provide some indication of scale, market size, or potential savings.	High	24-25,46-48
TA4	Disclose any estimates of the rebound effect (indirect consequences) of customer use of the products and services listed above, and lessons learned for future development. This may include social consequences as well as environmental.	High	24-25,46-48
TA5	Description of practices relating to intellectual property rights and open source technologies.	High	15,57