

# 和谐共成长

GROWING TOGETHER HARMONIOUSLY

**GREEN GROWTH • MEETING OUR COMMITMENTS  
• DRIVING FORWARD**

China Mobile Communications Corporation 2008 CSR Report





## President's Letter



Mr. WANG Jianzhou  
President of China Mobile  
Communications Corporation

### Our Continued Commitment

2008 was a very significant year for China. From the Beijing 2008 Olympic Games to the Sichuan Earthquake on May 12, this was a year of great highs and lows. 2008 was also a significant year for our company. 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 2008 Olympic Games, we used cutting-edge technology to provide a broad range of mobile telecommunication products and services never before available at an Olympic event. After the Sichuan Earthquake and other major disasters this year, we took it as our responsibility 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 our company. 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, for example, focused on expanding network coverage to the most remote areas of China through our Village Connected program. In 2008, we brought mobile telecommunications access to more than 16,000 Chinese villages, for a total of more than 60,000 villages since program inception. Our rural services have become a major way in which rural residents can access agricultural information. Through our Life Program, donations to Sichuan Earthquake relief from across our operations totaled 286.2 million

RMB, the most of any centrally managed State-Owned Enterprise. We also acted as a lifeline to other disadvantaged groups; our work with our Warm China 12.1 Foundation is an example of our long-term support of 3,603 children orphaned by AIDS. In our Culture Program, we were able to continue efforts to mitigate the negative impact of unwanted and spam SMS messages while at the same time promote positive applications of mobile services through programs such as Red Sayings, which encourages the transmission of positive, inspirational messages. Promoting the advancement of our culture today and in the future, we also invested significantly in education. Through one of our programs, 3,600 primary and middle school principals from remote areas were able to advance their training; through another program, we built 1,000 libraries containing more than 2.3 million books in China's rural areas. Our Green Program dramatically advanced our environmental agenda this year. In 2008, our energy use per unit of telecommunications traffic decreased by 11% compared to 2007 levels, exceeding our annual target. Working with industry peers and partners, this has helped 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 and helped us build on our internal culture of individual responsibility. We were the first telecommunications company in China to establish a country-wide Employee Volunteering Association. The Association allowed our employees to show support for children orphaned by AIDS, the blind, and other disadvantaged groups; for the 2008 Games, through the Association, our employees logged a total of more than 25,000 hours 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 Index (DJSI), a strong recognition by the global community of our CSR performance so far. Looking forward to 2009, with the global financial crisis, the reorganization of China's telecommunications industry, and new advances in technology, we face some historic challenges and opportunities as a business. In the face of this change, 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.

王建国

January 2009

# Table of Contents

01	<b>President's Letter</b>	28	<b>Life Program</b>
03	<b>Opening</b>	28	Our Network as an Information Lifeline: Ensuring Network Stability
04	<b>About this Report</b>	30	Giving Back to Society and Caring for Disadvantaged Groups
04	Content Selection	32	Disaster Relief: The Sichuan Earthquake
04	Report Scope	34	<b>Culture Program</b>
04	Data Collection	34	Managing Spam and Positive Applications of Mobile Services
05	<b>Company Profile</b>	37	Supporting Education: Caring for Our Tomorrow
06	<b>Corporate Governance and Risk Management</b>	39	Promoting Culture and Athletics
06	Division of Management	40	<b>Green Program</b>
07	Managing Risk and Preventing Corruption	40	Implementing Our Green Action Plan
08	<b>CSR Strategy and Management</b>	46	Using Information Services to Promote Environmental Protection
08	CSR Strategy	49	Public Participation in Environmental Protection
09	CSR Management	50	<b>Employee Volunteering Program</b>
11	<b>Engaging and Responding to Our Stakeholders</b>	50	Improving Management of Our Employee Volunteering
12	<b>Stakeholder Engagement</b>	52	Expanding Our Employee Volunteering Activities
12	Our Approach to Stakeholder Engagement	53	<b>In-Focus: China Mobile and the Olympics</b>
13	Specific Dialogues with our Stakeholders in 2008	54	<b>Organizational Support for the Games</b>
14	<b>Responding to Stakeholders</b>	55	<b>Ensuring Stable and Reliable Communications</b>
14	Stable Development and Driving Economic Growth	55	Establishing a High Quality Network
16	Diligent Customer Service and Improving Customer Satisfaction	55	Network Security During the Torch Relay
19	Building a Motivated Workforce	56	Network Stability at Olympic Events
21	<b>Major CSR Programs</b>	57	<b>Innovative Service Offerings</b>
22	<b>Rural Program</b>	58	Providing Thoughtful and Convenient Support Services
22	Expanding Network Coverage and Reliability	59	Widespread Participation in Volunteering
23	Increasing the Use of Our Rural Information Services	60	<b>2008 Key Performance Indicators (KPIs)</b>
26	Expanding Rural Sales Channels	61	<b>Looking Forward</b>
27	Promoting Rural Development	62	<b>Stakeholder Commentary</b>
		65	<b>GRI Index</b>



# 正德厚生 臻于至善

---

以天下之至诚而尽己之性、尽人之性、尽物之性

---

Our core corporate value is Responsibility Makes Perfection. In 2008, we strove to align our daily operations with the positive development of our industry, society, and the natural environment.

We have continued to meet our CSR commitments, implementing our CSR strategy and making major strides in each of our five main CSR programs. This work has resulted in achievements in several thematic areas: bridging the digital divide, responding to 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. 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 China Mobile Communications Corporation's ("China Mobile") third Corporate Social Responsibility (CSR) Report, and it covers our activity between January 1, 2008, and December 31, 2008. The report has been published in both English and Chinese.

As we adhere closely to information disclosure rules for our listed company in Hong Kong, certain data related to company operations will be reported only up to September 30, 2008; when this is the case, it will be clearly marked.

We have compiled this report according to the 10 Principles of the United Nations Global Compact (UNGC), and 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 key issues facing our company and industry, we wrote 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;
- ◇ Conducted a materiality assessment to prioritize 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 Reporting Guidelines, the report covers the following:

- ◇ CSR Strategy, Management, and Implementation (see pages 8-10).
- ◇ Our engagement with key stakeholders (see pages 11-20).
- ◇ Our five main CSR programs (see pages 21-52).

### China Mobile Basic Company Information

Company Name	China Mobile Communications Corporation	Registration Capital	51.8 billion RMB
Company Founded On	April 20, 2000	Assets	In excess of 800 billion RMB
Headquarters Address	No. 29, Financial St., Xicheng District, Beijing, 100032, China	Ownership Structure	State-Owned Enterprise
Method of Going Public	China Mobile Communications Company holds 100% of the equity of China Mobile (HK) Group Limited. China Mobile Limited, of which China Mobile (HK) Group Limited is the major shareholder, has set up wholly-owned subsidiaries in 31 provinces (autonomous regions and municipalities directly under the central government) and the Hong Kong Special Administrative Region in China, and is listed on the Hong Kong and New York Stock Exchanges.		

## Report Scope

Unless otherwise stated, this report covers operations from across all 31 provinces, autonomous regions, and directly administered municipalities in Mainland China, Hong Kong Special Administrative Region (SAR), and our subsidiary operations in Pakistan, as well as the activities in our representative offices in the United States and England.

Under the 2008 Chinese telecommunications industry restructure, China Railway Communication Co., Ltd. (China Railcom) was merged into our company as a fully-owned subsidiary in the middle of 2008. In order to ensure that this year's report is comparable to that of 2007, we did not include data related to China Railcom this year. Based on our progress in the merger in 2009, we will include relevant Railcom data in next year's report.

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

For an update on our business strategy, please refer to this year's 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. Our data is collected through the following:

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

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

## Company Profile

Officially established on April 20, 2000, China Mobile Communications Corporation ("China Mobile") has a registered capital of 51.8 billion RMB and, as of September 30, 2008, holds assets worth more than 800 billion RMB. In terms of its market value, China Mobile is currently the largest mobile telecommunications operator in the world by network size and number of customers. We were an official partner of the 2008 Olympic Games and we are an official partner of the Shanghai World Expo.

We hold 100% of the equity of China Mobile (HK) Group Limited which is the major shareholder of China Mobile Limited, a company listed on the Hong Kong and New York stock exchanges. China Mobile Limited has set up wholly-owned subsidiaries in 31 provinces, autonomous regions, and municipalities directly under the central government and the Hong Kong SAR in China. China Mobile Limited is one of the largest Chinese companies listed overseas and is the largest telecommunications company in the world by market value.

We operate not only basic mobile voice services, but also value-added services such as data, Internet Protocol (IP) telephone, and multimedia. We have the right to operate internet services and international gateways, and are well-known for brands such as GoTone, Easy-own and M-zone.

Through years of work, we have established a comprehensive network with extensive coverage, a rich and high quality variety of businesses, and first-class customer service. As of the end of December 2008, all of the counties and major cities in China were covered by our network with seamless coverage in key urban areas. We have reached nearly 450 million users and provide GSM roaming services with 381 operators in 237 countries and regions, as well as GPRS roaming services with 179 operators in 252 countries and regions across the world.

### China Mobile 2008 (1-9) Key Figures

Indicator	Number
Revenue	324.2 billion RMB
Customers	453.0 million
Base Stations	361,888
Taxes Paid	44.3 billion RMB
Employees	158,400

Fortune Magazine has included China Mobile in the Fortune Global 500 for eight consecutive years. We are currently ranked 148th on this list. China Mobile Limited has been listed for three consecutive years on the Financial Times' Global 500 Financial Brands Index, ranking 15th with a brand value of \$57.2 billion USD in 2008. In 2008, we continued to be listed by the World Brand Laboratory as one of the World's 500 Most Valuable Brands, ranking 66th. In 2008, China Mobile Limited was recognized in the Dow Jones Sustainability Index (DJSI)—we are the first, and currently only, Mainland Chinese company to be listed in the DJSI.

As a signatory of the United Nations Global Compact (UNGC) we adhere to the 10 Principles of the Global Compact. In 2008, to help us address the global challenge of climate change, we joined the UNGC's Caring for Climate program and became members of The Climate Group. We were recipients of the 2008 China Green Action IT Leadership Award and, as a major supporter of philanthropic activities, we were recognized by the Ministry of Civil Affairs in both 2007 and 2008 with the government's highest philanthropy award—the China Charity Award.

Guided by our goal and strategy to "become a global leadership company, leapfrogging from excellence to pre-eminence," we seek to align the development of our business with our social responsibility, ensuring harmonious business growth that meets the needs of our stakeholders and accounts for our economic, social, and environmental impacts.

## Corporate Governance and Risk Management

The State-owned Assets Supervision and Administration Commission of the State Council (SASAC) represents the Chinese Government as our main investor. We indirectly hold a 74.25% stake in China Mobile Limited. We oversee subsidiaries

in 31 provinces, autonomous regions and municipalities directly under the government, China Mobile Hong Kong Limited Company, Communications Services Companies, CMPak and China Railcom.

### Division of Management



#### Mr. WANG Jianzhou (center)

President of China Mobile Communications Corporation, Party Committee Deputy Secretary-General, and Executive Director, Chairman, and Chief Executive Officer of China Mobile Limited. Mr. Wang is in charge of the overall management of the Company. He holds a Master's Degree in Engineering and a Doctoral Degree in Business Administration. He is a professor-level senior engineer with extensive knowledge and over 30 years of management experience in the telecommunications industry.

#### Mr. ZHANG Chunjiang (fifth from the right)

Party Committee Secretary-General and Vice President of China Mobile Communications Corporation, and Executive Director and Vice President of China Mobile Limited. Mr. Zhang is in charge of the overall management of China Mobile Communications Corporation's Party Affairs. He is a professor-level senior engineer and has over 27 years of management experience in the telecommunications industry.

#### Mr. LI Yue (fifth from the left)

Vice President of China Mobile Communications Corporation, Party Committee Member, and Executive Director and Vice President of China Mobile Limited. Mr. Li assists the President in relation to the company's planning, network and the Design Institute. He holds a Master's Degree and a Doctoral Degree in Business Administration. He is a professor-level senior engineer with over 32 years of management experience in the telecommunications industry.

#### Mr. LU Xiangdong (fourth from the right)

Vice President of China Mobile Communications Corporation, Party Committee Member, and Executive Director and Vice President of China Mobile Limited. Mr. Lu assists the President in relation to the company's marketing and data services. He holds a Master's Degree in Wireless Telecommunications and a Doctoral Degree in Economics. He is a professor-level senior engineer with over 26 years of management experience in the telecommunications industry.

#### Mr. ZHAO Jibin (fourth from the left)

Vice President of China Mobile Communications Corporation and Party Committee Member. Mr. Zhao assists the President in relation to the management of China Railcom. He holds a Master's Degree in Management Science and is a senior engineer with over 30 years of management experience in the telecommunications industry and railroad management.

#### Mr. XUE Taohai (third from the right)

Vice President of China Mobile Communications Corporation, Party Committee Member, and Executive Director, Vice President, and Chief Financial Officer of China Mobile Limited. Mr. Xue assists the President in relation to the company's financial management, human resources remuneration management, and internal audits. He holds a Master's Degree in Business Administration and is a senior accountant with over 28 years of management experience in the telecommunications industry and financial management.

#### Madam HUANG Wenlin (third from the left)

Vice President of China Mobile Communications Corporation, Party Committee Member, and Executive Director and Vice President of China Mobile Limited. Madam Huang is responsible for discipline and inspections. She assists the President in relation to corporate affairs, Party Affairs, and the Office of Supervision. She holds a Master's Degree in Business Administration and is a senior economist with over 38 years of management experience in the telecommunications industry.

#### Mr. ZHANG Xiaotie (second from the right)

Vice President of China Mobile Communications Corporation and Party Committee Member. Mr. Zhang is responsible for the Labour Union. He assists the President in relation to internal training and the China Mobile School of Management. He holds a Master's Degree, and is a senior economist with over 30 years of management experience in the telecommunications industry.

#### Mr. LI Zhengmao (second from the left)

Vice President of China Mobile Communications Corporation and Party Committee Member. Mr. Li assists the President in relation to the company's development strategy, corporate customers, and activities related to the Shanghai Expo. He holds a Doctoral Degree in Telecommunications and Electronic Engineering and is a professor with over 20 years of management experience in the telecommunications industry.

#### Mr. SHA Yuejia (far right)

Vice President of China Mobile Communications Corporation, Party Committee Member, and Executive Director and Vice President of China Mobile Limited. Mr. Sha assists the President in relation to technology, business support systems, and research and development. He holds a Master's Degree and a Doctoral Degree in Business Administration. He is a professor-level senior engineer with over 26 years of management experience in the telecommunications industry.

#### Mr. LIU Aili (far left)

Vice President of China Mobile Communications Corporation, Party Committee Member, and Executive Director and Vice President of China Mobile Limited. Mr. Liu assists the President in relation to overseas investments, service assets, management information systems, and CMPak. He holds a Master's Degree and a Doctoral Degree in Business Administration. He is a professor-level senior engineer with over 26 years of management experience in the telecommunications industry.





## Managing Risk and Preventing Corruption

In 2008, SASAC released guidelines that emphasized the importance of risk management in key State-Owned Enterprises, asking that enterprises integrate risk management into their daily operations and make it a major priority in 2009.

This year we improved our systems to identify, review, and manage risks. We have also improved our internal controls, legal risk management, and anti-corruption efforts, introducing new preventative measures and disciplinary controls.

### Improving Internal Control

We have increased independent auditing processes across all business units. All internal financial transactions are subject to review and, as needed, any relevant employees are also subject to interview and investigation. This level of oversight efficiently ensures the safety of our assets, manages risk, and improves governance.

Independence in our internal control processes is paramount. To meet this goal we have continuously improved our systems: our risk identification and assessment processes have been strengthened to ensure we take an in-depth, unified, systematic, and efficient approach to managing risk; we conduct regular reviews of risks associated with our business processes and management methods; and, based on the review results, we schedule additional audits throughout the financial year.

Risk varies in each part of our business. We have established targeted protocols that allow us to effectively audit, supervise, and assess financial data in accordance with the potential risks that exist in the different parts of our business.

Guided by the executive leadership team on internal control and our internal audit committee, we have undertaken several specific risk management projects. For example, we established an annual review process to ensure internal compliance with the Sarbanes-Oxley Act section 404. In response to the findings of this review, the executive team issues specific corrective action and recommendations. Senior management then sets goals and takes the necessary steps for improvement, ensuring that we are able to effectively implement practices to prevent and manage risk.

### Strengthening Legal Risk Management

As we strengthened our legal risk management processes in 2008, we found that about 70% of our company's legal risks fall in four categories:

market operations, value-added services, network roll-out, and employment practices. Based on this legal risk identification and review process, we revised company policies and legal guidelines on topics such as general business practice, sales management, marketing and advertising, new products and services, network roll-out, and employment practices. We also ran internal trainings on legal risk management issues such as contract law, labor contract law, anti-trust legislation, and business confidentiality.

In 2008, we continued to build a legal risk management system across our business—and, with the addition of 19 new legal risk management systems established at a subsidiary provincial level, all 31 of our subsidiary provincial operations had also established their own legal risk management systems.

### Preventing Corruption, Promoting Business Ethics

In 2008, we built a better system for addressing and preventing corruption, improved our anti-corruption efforts, and strengthened ethical business conduct—all with a specific focus on prevention. We also ran a series of business ethics trainings and sought to integrate ethical standards into our culture. In addition, we rolled out new measures in line with the Seven Business Ethics Standards for management staff within State-Owned Enterprises. Our monitoring efforts have also been reinforced. Management staff and their direct reports are more closely supervised during procurement processes, ensuring that we have effective controls in place when decisions are made on planning, staffing, and resource allocation. We are also running a company-wide audit to ensure we have oversight over major projects happening at a subsidiary provincial level.

Note: for further details on our approach to corporate governance and risk management, please see the China Mobile 2007 CSR Report and our 2008 Annual Report.

## CSR Strategy and Management

Corporate Social Responsibility (CSR) management starts at the highest levels of our company. CSR is a key component of our strategy to leapfrog from excellence to pre-eminence and we implement our CSR program through our core corporate value and CSR vision. To this end, we are integrating CSR into every aspect of our business in order to improve performance. This year we became the first and only company in Mainland China to be recognized on the Dow Jones Sustainability Index, a major recognition of our CSR performance from the international community.

- ◇ **China Mobile's Core Value:** Responsibility Makes Perfection
- ◇ **China Mobile's 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."

### CSR Strategy

In 2008, we continued to ensure that our growth contributes to the development of the economy, society, and the natural environment. In line with our CSR management framework, we concentrated our CSR efforts on five major themes and programs and on building a three-year plan for CSR management—a blueprint for the future of our CSR agenda.

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

- ◇ **Industry Leadership.** For us, this is not just about maintaining strong business results; it is also about vision and innovation in the way we contribute to economic development, social progress, and environmental protection. As an industry leader, we need to make major strides and create ways for business to thrive while contributing to sustainability objectives.
- ◇ **Respect.** We intend to realize our potential as mobile technology and information experts and bring value to society and the environment. We fully believe that technology has the ability to empower people toward building a better future.

### CSR Program Highlights

**I. Rural Program.** Alongside the expansion of our rural network and sales channels, we continued to design products and services tailored to the needs of rural users. We 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" in accordance with the government's strategy.

**II. Life Program.** We improved our ability to respond to emergencies and ensure network stability, maintaining a safe, high-quality network. We also

continued our support of society's disadvantaged, working to balance the distribution of society's resources 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 phones 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, waste 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 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 Volunteering 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 subsidiary provincial operations—ultimately meeting the needs of our stakeholders.

Diagram: China Mobile's CSR Strategy, 2008-2010



## CSR Management

In 2008, to ensure that we continued to run a high-quality CSR program, we implemented our CSR management framework at two levels: within headquarters and across our subsidiary provincial operations. At both levels, we improved CSR policy, implementation, monitoring, and communication—ultimately improving our CSR performance.

### Improving our CSR Management Structures, Policies and Processes

CSR continues to be managed at the highest levels of our company, with our President Wang Jianzhou leading our CSR Steering Committee. During the Committee's inaugural meeting in April 2008, the Steering Committee set the tone for our CSR program, clarifying CSR's position within our company and defining 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 Volunteering Association. As a result of the meeting, we are now 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 subsidiary provincial operations and our Hong Kong subsidiaries.

We have learned a lot through our data collection and communication efforts and are using that 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.

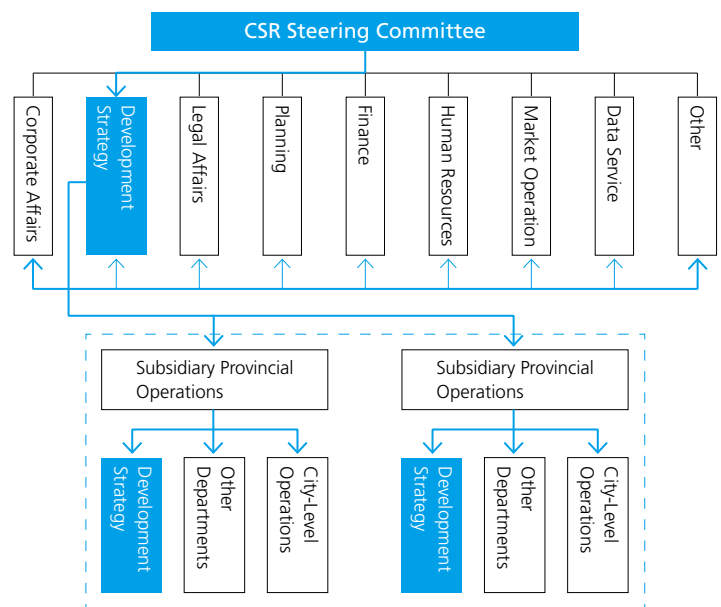
### Building a Management System for CSR Performance Metrics and Meeting CSR Standards

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, helping us measure and improve CSR performance, and achieve greater results with our program.

### Launching our Annual CSR Case Competition

In 2008, we launched our inaugural internal CSR Case Competition. Through the case competition, we collected 109 examples of CSR best practice from across our company and recognized examples of strong CSR performance. The judging process involved several internal and external stakeholders: government groups, NGOs, media organizations, and leaders from within our company. As a result of the judging, we distributed 21 CSR awards in categories including: CSR Top Ten, CSR Innovation, Employee Engagement, Awareness-Raising, and CSR Management. The event 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.

Diagram: China Mobile CSR Management Structure



### Internal Communication and our CSR e-Management Platform

In June 2008, we held a company wide CSR training which brought management staff from our 31 subsidiary provincial operations together to discuss and analyze our most material CSR issues and to review global best practices. This knowledge has subsequently been transferred across our company. To further increase internal awareness of CSR, we released three editions of our internal CSR Review this year, a publication distributed to all 31 subsidiary provincial operations that highlights examples of good CSR performance in our company. We have also completed our CSR e-Management platform. The e-platform has both an internal and external component—the internal component allows us to collect and disseminate internal CSR performance data, and the external component guides our interactions with external stakeholders.

### Improving CSR Reporting and Engaging Regularly with Stakeholders

At headquarters, we have released three consecutive CSR Reports, improving our approach to transparency each year. At the same time, several of our subsidiary provincial operations, including Heilongjiang, Jiangxi, Zhejiang, Guangdong, Sichuan, Shanghai and Shandong, have also released CSR Reports.

Using what we have learned through issuing these reports, in 2008 we made concerted efforts to improve upon how we learn, engage, and collaborate with both domestic and global stakeholders. (Please see pages 11-14 for more on our approach to stakeholder engagement.)

In 2009, we will continue to streamline and improve our approach to CSR management and will increase our effectiveness. 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 Competitions 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 subsidiary provincial operations



# Engaging and Responding to Our Stakeholders

Stakeholder engagement is an important part of our CSR management. On the one hand, engaging with our stakeholders can help us develop a deeper understanding of their 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 internal and external groups, our company developed a better way to systematically engage with our stakeholders. We had productive discussions with our stakeholders on major topics such as addressing climate change. The needs and priorities of our stakeholders are integrated into improvements in our own CSR management approach.

In 2008, we developed and implemented five main CSR programs that we believe meet the needs of our key stakeholders. 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.



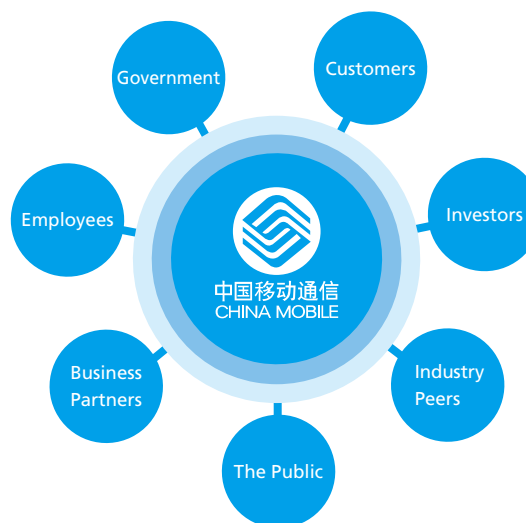
## Stakeholder Engagement

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.

### Our Approach to Stakeholder Engagement

We have seven major stakeholder groups: government, customers, employees, investors, business 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.

China Mobile Stakeholders



Stakeholders	Method of Engagement	Content of Engagement
Government	<ul style="list-style-type: none"> <li>◇ Daily communication</li> <li>◇ Business meetings</li> <li>◇ Cooperative projects</li> </ul>	<ul style="list-style-type: none"> <li>◇ Meeting regulatory demands</li> <li>◇ CSR focus areas for key State-Owned Enterprises</li> <li>◇ Cooperating on philanthropic activities.</li> </ul>
Customers	<ul style="list-style-type: none"> <li>◇ Customer satisfaction surveys</li> <li>◇ Customer relations activities</li> </ul>	<ul style="list-style-type: none"> <li>◇ Improving service and customer satisfaction</li> <li>◇ Ensuring the security of customer data</li> </ul>
Employees	<ul style="list-style-type: none"> <li>◇ Employee Representative Committee Meeting</li> <li>◇ Employee grievance systems</li> <li>◇ Training</li> </ul>	<ul style="list-style-type: none"> <li>◇ Defining employee participation in company operations</li> <li>◇ Labor rights</li> <li>◇ Employee career development</li> </ul>
Investors	<ul style="list-style-type: none"> <li>◇ Financial performance evaluation</li> <li>◇ Daily operations</li> <li>◇ Regular communication meetings</li> </ul>	<ul style="list-style-type: none"> <li>◇ Protecting and adding value to State-Owned assets</li> <li>◇ Managing and preventing financial risk</li> <li>◇ ESG considerations from the financial community</li> </ul>
Business Partners	<ul style="list-style-type: none"> <li>◇ Supply chain management systems</li> <li>◇ Training and communication</li> <li>◇ Conferences and forums</li> </ul>	<ul style="list-style-type: none"> <li>◇ Compliance, oversight, and corrective action</li> <li>◇ Soliciting commentary on business processes</li> <li>◇ Expanding the scope and potential of our industry</li> </ul>
Industry Peers	<ul style="list-style-type: none"> <li>◇ Conferences and meetings</li> <li>◇ Working groups</li> <li>◇ Regular dialogue</li> </ul>	<ul style="list-style-type: none"> <li>◇ The future and potential of our industry</li> <li>◇ Improving CSR management and sharing best practice</li> <li>◇ Discussing cooperative CSR projects</li> </ul>
The Public	<ul style="list-style-type: none"> <li>◇ Community engagement</li> <li>◇ Community investment</li> </ul>	<ul style="list-style-type: none"> <li>◇ Developing new mobile services</li> <li>◇ Disaster relief</li> <li>◇ Improving the lives of disadvantaged groups</li> </ul>

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 evolves our CSR performance.



## Specific Dialogues with our Stakeholders in 2008

In 2008, we focused our engagements on specific issues important to our stakeholders. We initiated dialogue and attended CSR events to engage several global and domestic CSR experts and company representatives. This helped us extend our influence globally and improve the quality of our CSR management.

### Engaging with Domestic Stakeholders

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

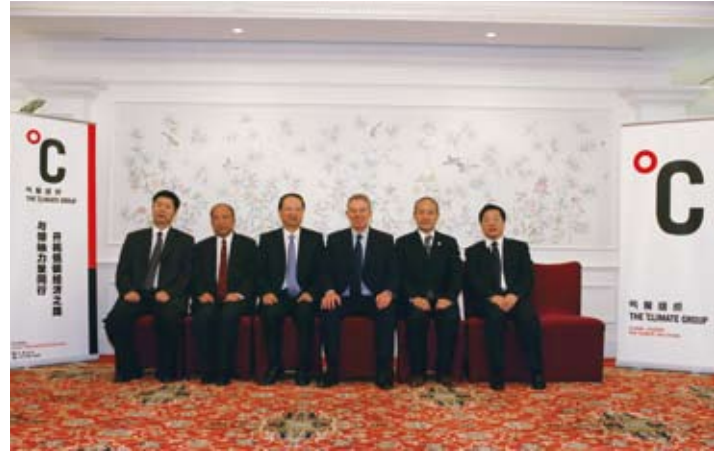
This year we also invited stakeholders to participate in our 2008 CSR Case Competition. We invited experts from SASAC, the Ministry of Industry and Information Technology, the China Consumer Association, the China Education Development Foundation, the United Nations Global Compact (UNGC), and China Central Television to help us review and select cases submitted from across the company in recognition of 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 Vice President Li Zhengmao spent a week in England engaging with external stakeholders on CSR issues. He met with ten organizations including FTSE4Good, Think London, OFCOM (the independent regulator and competition authority for the UK communications industries), Ericsson, Vodafone, and UK Trade and Investment, among others. They discussed topics including CSR trends, socially responsible investing, and good CSR management practices. These discussions allowed us to take in multiple perspectives on CSR management and integrate key learning into our own management and strategy.

We participated in several global conferences and dialogues dedicated to addressing major global issues. In these conversations, we shared our practices and learned how other companies have used the power of the ICT industry to create solutions that address issues such as global warming.

- ◇ In May 2008, company Vice President Li Yue spoke at B4E, the Global Business Summit for the Environment. At the meeting, Li shared our practices and plans for environmental management, and the steps we



In 2008, China Mobile CEO Wang Jianzhou met former UK Prime Minister Tony Blair to talk about addressing Climate Change

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 United Nations Global Compact.

- ◇ In June 2008, our President Wang Jianzhou met with former UK Prime Minister Tony Blair to discuss the role of ICT products and services in addressing climate change and promoting a low-carbon economy.
- ◇ In October 2008, company Vice President Li Zhengmao represented us at the Caring for Climate First Meeting of Signatories, where the United Nations Global Compact 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 emissions reductions.

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

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

## Responding to Stakeholders

By engaging our stakeholders we have become aware of what external groups expect of us and what steps we should take to improve our performance.

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 mobile culture, and energy conservation and emissions reductions (see pages 21-52).

Through our successful operations, we continued to drive economic development: growing together with our industry, building a satisfied workforce and customers, and meeting the basic expectations of our stakeholders.

Stakeholder Group	Expectation	Our Response	Relevant Report Content
Government	<ul style="list-style-type: none"> <li>◇ Maintain and increase the value of State-Owned assets</li> <li>◇ Economic development</li> <li>◇ Basic access to telecommunications</li> <li>◇ Environmental sustainability</li> </ul>	<ul style="list-style-type: none"> <li>◇ Paying Taxes</li> <li>◇ Job creation</li> <li>◇ Innovation</li> <li>◇ Rural telecommunications services</li> <li>◇ Energy Conservation &amp; Emissions Reductions</li> </ul>	P5, P14-15, P22-26, P40-49, P54-59
Customers	<ul style="list-style-type: none"> <li>◇ Network Stability</li> <li>◇ Improved customer service</li> <li>◇ Fair pricing</li> <li>◇ Meet our customers' individual needs</li> </ul>	<ul style="list-style-type: none"> <li>◇ Building a reliable network</li> <li>◇ Protecting customer privacy</li> <li>◇ Managing spam</li> <li>◇ Improving customer satisfaction</li> <li>◇ Developing innovative products and services</li> </ul>	P16-18, P28-29, P34-36, P54-59
Employees	<ul style="list-style-type: none"> <li>◇ Improve working conditions</li> <li>◇ Professional development</li> </ul>	<ul style="list-style-type: none"> <li>◇ Building a satisfied workforce</li> </ul>	P19-20, P50-52
Investors	<ul style="list-style-type: none"> <li>◇ Continued, stable returns</li> </ul>	<ul style="list-style-type: none"> <li>◇ Innovation</li> <li>◇ Stable operations</li> </ul>	P5, P14-15, P57
Business Partners	<ul style="list-style-type: none"> <li>◇ Win-win business partnerships</li> </ul>	<ul style="list-style-type: none"> <li>◇ Growing together with our business partners</li> </ul>	P15, P34-35, P40-45
Industry Peers	<ul style="list-style-type: none"> <li>◇ Build a harmonious industry environment</li> </ul>	<ul style="list-style-type: none"> <li>◇ Creating a platform for fair competition</li> <li>◇ Growing the industry</li> <li>◇ Promoting Chinese-owned intellectual property</li> </ul>	P14-15, P57
The Public	<ul style="list-style-type: none"> <li>◇ Benefit society</li> </ul>	<ul style="list-style-type: none"> <li>◇ Organizing and managing philanthropic activities</li> </ul>	P27, P30-33, P36-39, P43, P49, P50-52

## Stable Development and Driving Economic Growth

In 2008, we faced major natural disasters and a global financial crisis which brought an uncertain economic outlook. 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, opportunities, and risks for our business in 2009. In this context, we worked closely with our business partners to innovate, grow, and extend the scope of our industry, realizing our responsibility as a major State-Owned Enterprise to drive economic development in China.

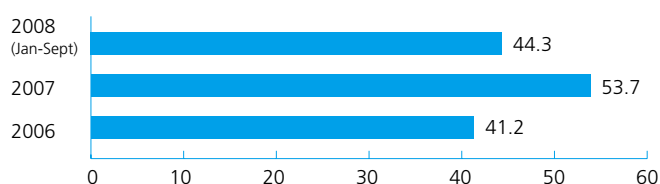
## Contributing to Economic Development in China

In 2008, we saw continued growth in our subscriber base, network size, and 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 since 2006, our contribution to China's National Income in 2008 was 1.35% and our impact on national economic demand was 2.36%.



According to the Ministry of Human Resources and Social Security, as of the end of 2007, registered unemployment in cities and counties was 4.0%, by the end of 2008, it was 4.2%. In light of the current financial crisis, 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, our company directly and indirectly contributed to the creation of 2.2 million job opportunities.

China Mobile Taxes Paid (billion RMB)



### Stimulating the Growth of our Industry

In 2008, we continued to work with our business partners to stimulate growth in our industry.

As of September 2008, we grew our business to we grew our business to 453 million customers, extending mobile phone coverage to 47.3% of the population of China. In 2008, we had established partnerships with 1,185 service providers and set up more than one million non-owned sales channels, spearheading industry growth.

In 2008, we promoted the development of China's technology standard and platform for mobile networking, TD-SCDMA. We formally joined the TD-SCDMA Technology Industry Association in 2008 and were selected to chair the organization, allowing us to improve our relationship and interaction with operational and manufacturing partners. We created several technical working groups that focused on issues such as systems equipment, handsets, testing equipment, applications, and milestones for technical advancement. This gave us a comprehensive understanding of the ramifications of implementing

In Sichuan, we initiated a program aimed at improving the way we manage and work with our suppliers. Every year, we contribute three million RMB to a fund which is paid out to recognize our highest performing sales channel partners. We also established management training programs at Sichuan University's MBA school for 30 high performing business partners, as well as hosting our own trainings to help our business partners better understand our products and services. As of 2008, we had provided training 260,000 person times. Additionally, we established regular communication channels through which we engage with our business partners and improve cooperation.

this technology and standard, resulting in major technical and industry achievements around TD-SCDMA. For the Beijing Olympic Games, TD-SCDMA was piloted in eight cities across China, providing China's own 3G technology services for a global audience to enjoy.

### Developing New Markets

Amidst an increasingly competitive telecommunications market, new subscribers, new services and new voice usage remain major drivers of company growth.

We used the Beijing Olympics as an opportunity to increase our portfolio of wireless mobile services, including mobile media and multiple-function services.

China Mobile Service Offerings (unit: million customers)

	2006	2007	2008(Jan-Sept)
SMS users	270.4	349.6	414.4
MMS users	61.9	90.8	118.8
Color Ring users	170.4	269.8	346.4
WAP users	41.82	39.03	55.2
Fetion users*	-	73.3	133.1
Mobile newspaper paid subscribers	-	23.6	41.9
Mobile Music Club, VIP members	-	35.5	51.3

\*A PC-to-mobile and mobile-to-mobile instant messenger client

We expanded our services globally, with offerings in Pakistan growing successfully and our representative offices in the US and the UK also showing promise. Our representative office in the US conducted research on roaming services for our customers who go abroad, improving the quality of our roaming services. In August 2008, our International Mobile Phone Card was rolled out for the first time at the Chinese Embassy in London. The card was well-received by local users and represented a breakthrough in the development of our business overseas.

In February 2007, we completed our acquisition of Pakistan's fifth largest mobile operator, Paktel, and renamed the company CMPak. In 2008, CMPak experienced unprecedented growth and development, building more new, high quality base stations than any other company in Pakistan that year. The number of CMPak base stations increased by 154%—from 1,574 at the end of 2007 to 4,002 as of the end of the year—making CMPak the nation's third largest operator by number of base stations. On April 5, 2008, we launched the brand ZONG to provide high-quality service directly to our customers in Pakistan. At present, CMPak has five million customers, more than it has ever had, and is continually increasing its capacity for sustainable long-term growth.

## Diligent Customer Service and Improving Customer Satisfaction

Effective customer service is not only the foundation of our business, but also of our support and care for society. In 2008, we improved the way we manage our payment systems, increased 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 the services offered by our three major brands: GoTone, M-zone and Easy-own. We simplified and better coordinated the service packages and pricing structures available under each brand and improved customer communications and sales channels. 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 payment structures. To improve pricing transparency, we have improved payment reminders and usage notifications. To improve billing accuracy, we have improved billing processes and promoted the most advanced billing systems. In 2008, our billing accuracy rates reached 99.999%.

### Improving Customer Privacy

Our privacy and data security practices have been certified according to global protocols, such as ISO27001. Protecting our customers' privacy is an important part of good customer relations and we 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 ensure strict management of customer data. We have 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 ensured that employees are only authorized to access very limited information across our system and signed agreements with our business partners to increase customer data security throughout our value chain. As a result of these efforts, we have had no major data security breaches.

We have integrated articles regarding customer privacy and data security into all our standard contracts. 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 in confidence, including any and all customer data they may access.

In Liaoning, we implemented a program that allows customers to easily see their GPRS monthly usage volume and remaining credit via SMS, WAP, the internet, or at a retail site. As of May 2008, we had sent 200,000 reminder messages about this service to customers, increasing pricing transparency and encouraging our customers to use the service without anxiety.

In Shanghai, we developed a Safe Document Control Center, which allows us to better manage data and protect customer privacy and data security. The system allows us to include an additional security process in any data import, distribute information, control customer document access, manage all end-user controls, and run a full-scale document control operating system. In addition, the system allows us to manage documents, monitor, log, and control on-site and remote access to customer documents, and provides statistics around data monitoring—all to ensure that customer privacy is well protected.





## Increasing 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; oversight of value-added services; and e-services and e-management. This program ensures that we are able to provide the newest technology, the most diverse range of products, and the best customer service.

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

First, we ensured that our management systems were customer-centric 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 subsidiary provincial operations, we created performance monitoring processes that cut across different departments, ensuring that we are well aligned internally to handle customer complaints as quickly as possible.

Third, we developed simulations that allow back-office management and technical staff to experience interacting with customers, enabling our staff to identify challenges and improve upon our back-end systems for better customer experiences.

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

In Henan, we ran a program to solicit comments and suggestions, and received 124,965 comments 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 special event in the province called Walking into China Mobile. We have held this event more than 30 times in Jiangsu, inviting nearly 1,000 customers to come into our service centers and experience services, such as 12580, outbound calling, and customer complaints handling, first-hand. 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 the customer experience

### China Mobile Customer Satisfaction Management

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

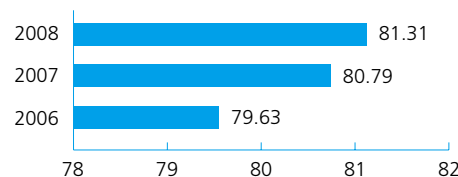
◇ Survey Timeline: The survey was conducted in five phases between mid-June and early December 2008.

◇ Survey Methodology: Computer assisted telephone surveys.

◇ Survey Results: Our customer satisfaction rates continue to rise. In 2008, our overall customer satisfaction scores increased to 81.31.

### China Mobile Total Customer Satisfaction Scores

(maximum score = 100)





In Jiangsu, we provided sign language services 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-ever Survey of Disabled Persons, there are 82.96 million disabled people living in China as of April 2006. Meeting the needs of the disabled is one of our major objectives.

Every year, May 17 is Global Telecommunications Day, and in 2008, the theme was providing telecommunications access to disabled users. On this day, we increased efforts across our company to promote services specifically designed for disabled users.

**In Jiangxi**, in March 2008, we set up an interactive text message-based customer service hot line specifically for deaf and mute users. The service allows deaf and mute customers to interact with customer service representatives via text message about new services, pricing, complaints, and other issues.

**In Liaoning**, we developed special Easy-own cards for deaf and mute customers to broaden the range of phone services that can be adapted for a reading-based 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 users enjoy the Olympics. These services were accessed more than 5,000 times.

We have also developed specific services for minority groups:

**In Inner Mongolia**, we provided users with China's very first Mongolian-language mobile phone and service, complete with Mongolian character sets. 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 across 16 regions in Xinjiang, increasing our ability to efficiently serve local customers. Customer satisfaction with the service is at 96.94%.

We have developed a series of products and services for elderly customers, considering their unique communications challenges:

**In Shanghai**, we set up a program that lets elderly users more conveniently access 10086 services, allowing our elderly Easy-own customers to get their service questions answered and requests processed more quickly.



## Building a Motivated Workforce

Employees are our most important resource and the foundation of our sustainable growth. In 2008, we continued to treat our employees with equality, to offer professional development opportunities, and to create a system that supported employee rights. Our working environment is designed to support employee development and build a motivated workforce, crucial components of our company's growth and development.

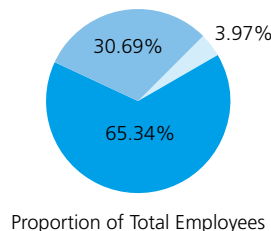
## Respecting Equal Opportunities

We are committed to the principles of equal work for equal pay, gender equality and assigning work based on skills and experience. Overseas, our company is committed to local hiring and the development of local talent. The number of ethnic minorities we employed increased from 4.55% to 6.14% between September 2007 and September 2008, demonstrating increased diversity in our workforce.

### China Mobile Employee Age Distribution

(September 30, 2008)

■ Under 30 ■ 30-50 ■ Over 50

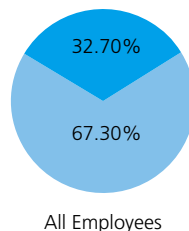


Proportion of Total Employees

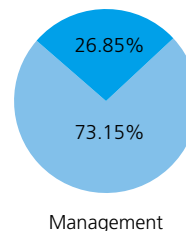
### China Mobile Employee Gender Distribution

(September 30, 2008)

■ Male Employees ■ Female Employees



All Employees



Management

### Localizing Human Resources Management at CMPak

Since acquiring CMPak in 2007, we have created more than 20,000 direct and indirect job opportunities. We have worked hard to recruit talent locally, particularly at senior levels.

At the start of 2008, we promoted a local Pakistani employee to become the company's Chief Operating Officer. As of the end of 2008, we had 1,622 direct CMPak employees, representing a growth of 205% from 2007 to 2008. During this time, Chinese staff decreased from 15 to 11 employees. In order to improve our management culture, we promoted local employees to middle management positions, increasing employee morale and further localizing our services.

Note: Management refers to all staff at Vice President level and above at provincial level operations and all staff at General Manager level and above at headquarters

## Upholding Employee Rights

Alongside the release of China's Labor Contract Law in 2008, we conducted several internal trainings to ensure that employees understand and are able to monitor company adherence to the law. As needed, we revised collective labor contracts across our company to adhere to the Labor Contract Law.

In 2008, we conducted an employee survey program aimed at ensuring that we uphold employee rights. The survey was deployed across nine subsidiary provincial operations and covered seven topics including policies on our employee representative committee, corporate transparency, fair negotiation of collective contracts, the rights of women workers, the use of contractors and sub-contractors, employee understanding of the labor contract law and its implementation, and the company's overall relationship with its employees.

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. We also uphold the rights of employees working for business partners and suppliers. For more on this, please see our 2007 CSR Report. In early 2008, we released a company-wide policy on personal protective equipment use in order to ensure a safe and healthy working environment in line with national guidelines. As a result, work-related injuries decreased in comparison to 2007.

### China Mobile Work-Related Employee Injuries and Fatalities

	2008 (1-9)
Work-related fatalities	1*
Work-related injuries	7

\*One employee's life was lost during the Sichuan Earthquake.

Employee Development

Investing in employee development through training builds an employee's skills, advances their careers and ensures the sustainable growth of our business. In 2008, we undertook new initiatives to improve our training policies, practices, and procedures. For example, we set up a systematic program at company headquarters to invest in our team of internal trainers, revise and implement new training evaluation metrics, and encourage increase use of our e-learning platform.

In Xinjiang, we launched a leadership and management training program in 2007 for employees from ethnic minority backgrounds. As of October 2008, we had conducted 52 of these training series with 2,678 employees. The program has been well-received as a career advancement opportunity.

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, 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, reaching a total of 2,803 person times.

Creating a Great 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. Twenty-one of our subsidiary provincial operations have implemented these EAPs.

In Beijing, we carried out an employee survey before we developed our EAPs. We found that the program significantly improved employees' perceptions on how they are treated and cared for in the workplace—this increase was 8.4% among regular employees and 15.3% among management staff. The program reduced work-related stress by 11.7%, and we saw employee satisfaction increase 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. Of those diagnosed with a strong need for mental health support, 84% reported that the EAP helped them significantly reduce their stress levels and 62% reported that they had fully recovered. Upon conducting a second mental health assessment, we found that 82.3% of the 1,853 employees who participated in the EAP saw improvements in mental health. In addition, the total number of employees diagnosed with more serious mental health issues decreased by 12.1% compared to the first assessment.

In Shanghai, we initiated EAPs in a few pilot sites. At the time only 10% of employees were aware of this program, but by 2008, that number had risen to more than 85%. After several years of program implementation, many of our employees actively seek out not only our EAP, but also external guidance for mental health issues.

China Mobile Training Statistics

	2008 (1-9)
Number of employees trained (person times)	646,351
Training for senior executives (person times)	187
Training for middle management (person times)	7,164
Training for regular employees (person times)	639,000
Percentage of employees attending diploma courses	5.42
Average investment in training per employee (RMB)	2,298
Average annual training time per employee (hours)	46.4

\*Total Training time = Average training time x total number of employees



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

Post-Earthquake Counseling

After the Sichuan earthquake we invited renowned domestic and international psychologists specializing in disaster-related post-traumatic stress to provide counseling to people who went through the earthquake. Group and individual therapy sessions were held for the 420 employees 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 wrote and released 4,100 copies of an employee self-help handbook aimed at helping employees deal with the stress related from going through a major natural disaster. In Sichuan, we set up an e-training focused solely on mental health, 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 meets the needs of our stakeholders and encourages world-class CSR performance. We tightly align our CSR activities with our business strengths as a mobile information expert, and organize them into five main CSR programs:

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. On October 12, 2008, during the Third Plenary Session of the 17th Central Committee Meeting of the Communist Party of China (CPC), China released a landmark new policy on rural reform, the "CPC Central Committee on rural reform, development and a number of major decisions." The policy promotes more balanced growth in rural areas. The policy clearly asks for business and industry to support agriculture and urban areas to support rural ones.

Providing stable and reliable voice and data services to rural users is a long-term priority for our company and a core component of our CSR strategy. In 2008, we continued to meet our commitment to rural development with our Rural Program. By extending the reach of our basic infrastructure network, our Rural Information Network, and our network of rural sales channels, we are using our "three networks" to support the development of Chinese agricultural and rural areas, and to improve the lives of rural residents.

Expanding Network Coverage and Reliability

We have 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, the telecommunications providers involved in this program were able to offer telecommunications access to 99.5% of China's administrative villages by the end of 2007.

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

Network Coverage

In 2008, we brought network access to 2,059 administrative villages, agricultural areas, and forest reserves across six provinces, including Sichuan,

Tibet, Inner Mongolia, Heilongjiang, Gansu, and Xinjiang. We also brought network access to 14,537 natural villages across 23 provinces, including Hebei, Shanxi, Inner Mongolia, Liaoning, Jilin, Heilongjiang, Anhui, Fujian, Jiangxi, Shandong, Henan, Hubei, Hunan, Hainan, Guangxi, Chongqing, Sichuan, Guizhou, Yunnan, Shaanxi, Gansu, Qinghai, and Xinjiang.

In the next two years, we plan to expand telecommunications coverage to 10,000 additional natural villages each year.

Improving Rural Network Quality

In remote rural areas, unreliable access to electricity negatively impacts network stability and quality. In 2008, alongside the expansion of our network, we also worked to increase the stability of the power supply to our base stations.

In pursuit of this goal, we optimized power supply stability by improving upon standards for base station construction and technical specifications for all auxiliary and power supply equipment. We have been particularly focused on improving 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 across our entire network from 10% to 7% by the end of 2008. The average duration of each power interruption also decreased, from 5.2 hours to 2.58 hours.

Our Village Connected project not only improved network coverage, it brought products and services that contribute to economic development in 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 nearly 10 rural base stations, expanding network coverage to 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 income per household in these areas increased by more than 7,000 RMB.

China Mobile Village Connected Project Data (2005-2008)

	2005	2006	2007	2008
Administrative Villages with Telecommunications Access	26,631	35,108	39,784	41,843
Natural Villages with Telecommunications Access	-	-	5,367	19,904

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

Our Village Connected project is about extending coverage, but we have also worked hard to ensure that rural information products and services are accessed widely by rural users to two ends: to help bridge the digital divide and to use the flow of information to contribute to rural development.

### Upgrading our Rural Information Network

In 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 information about rural science and technology, market information, employment opportunities, and other relevant information to rural users.

In line with our goals of decreasing the digital divide and increasing the flow of valuable information, this year we completed our third full-scale upgrade of our Rural Information Network, allowing us to automatically sort, generate, and share practical content for our rural users 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 subscribers. The Network has also become a critical source of practical agricultural information for rural subscribers, with at least 12.48 million rural households accessing the Agricultural Information Service. As of December 2008, the Agricultural Information Service sent an average of 13 million text messages per day; we received an average of 25,000 calls a day to our 12582 Rural Information Network hotline service; and we reached approximately 30.08 million hits on our [www.12582.com](http://www.12582.com) Rural Information Network website.

### New Applications for Rural Information Services

We have continued to broaden the range of information available through the Agricultural Information Service, tailoring it so that it directly contributes to the development of the agricultural industry, rural community growth, and the lives of rural residents. We continued to build our rural information services, running new product and service pilots across several provinces including Guangdong, Guangxi, Yunnan, Guizhou, and Chongqing, among others. Below is a review of a select number of our key services.

#### Application of Rural Information Services

	2006	2007	2008
Users of the Agricultural Information Service (million)	17.82	26.43	40.36*
Rural Users of the Rural Information Network (million)	1.20	6.27	12.48
Number of Agriculture-Related Items Posted on the Rural Information Network Website (million)	0.57	1.92	3.92

\*Note: Data current as of November 2008



In Henan, we expanded our Village Connected Project in remote areas



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

In 2005, we began our support of the Rural Mailbox program in Zhejiang. The program, which provides free portal by which to upload and send information, benefits rural residents and businesses by raising awareness on agricultural information and creating an effective communications platform.

Key usage statistics in Zhejiang include:

- ◇ Mailboxes reached 90 counties, 1,216 townships, and 30,000 administrative villages;
- ◇ Total subscribers exceeded two million;
- ◇ 770,339 items posted via the Rural Mailboxes;
- ◇ Trade volume of goods exchanged via the program totaled 1.74 billion RMB; and
- ◇ 1.18 people underwent training on how to use the website

## New Features Available Through our Agricultural Information Service

Service	Description and Key Functions
Rural Trade Network	<p>The Network is a comprehensive set of information services transmitted via Rural Information Terminals, the internet, mobile phones, voice services, and other electronic means. It serves the following purposes:</p> <ul style="list-style-type: none"> <li>◇ A channel for buying and selling agricultural products and services;</li> <li>◇ A data system that allows users to track and manage agricultural purchase orders and inventory;</li> <li>◇ A hub for transmitting agricultural market information; and</li> <li>◇ A service for wire transfers, bank withdrawals, and payments.</li> </ul>
Agricultural Business Web	<p>The Agricultural Business Web is a website for buying, selling, and managing agricultural sales data which features the following:</p> <ul style="list-style-type: none"> <li>◇ An online agricultural industry 'yellow pages';</li> <li>◇ An online procurement and inventory management tool for agricultural products and services;</li> <li>◇ An online customer management system; and</li> <li>◇ An online office automation (OA) system.</li> </ul>
Rural Policy Network	<p>By connecting local governments with rural residents and businesses, this Network has helped improve the way that government-related information is transmitted across rural areas. It supports the following:</p> <ul style="list-style-type: none"> <li>◇ Teleconference capabilities;</li> <li>◇ Information distribution systems;</li> <li>◇ The application of information technology to managing government data; and</li> <li>◇ 'One Village, One Product'—tools that allow the government to promote the development of specialized and unique products or services for different locations.</li> </ul>
Employment Information Network and the 1258266 Job Seeking Hotline	<p>This platform provides information services that connect employees looking for work in rural areas with employers looking to hire. Information is transmitted via mobile phones, information terminals, and the internet.</p>



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



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





In Guangxi, our Rural Information Services platform helped sugarcane farmers increase their incomes



In Jiangsu, our Agricultural Information Services helped shrimp farmers increase their incomes



In Shandong, our Agricultural Information Services helped farmers stay abreast of the latest vegetable prices

In addition to basic offerings available to all rural users, we have developed specific products and services according to the needs of different subsidiary provincial operations.

**In Hunan**, through mobile phones and Rural Information Terminals, we built a Modern Countryside Information Transmission System that allows products and information to flow between rural and urban areas. In addition, the system allows for the effective management of related transport logistics and payment mechanisms. This system connects the flow of commerce across county-level, large-scale chain supermarkets, town-level stores, and village-level shops.

We successfully rolled out this system in several pilot sites and have plans for expansion. By the end of 2008, we had placed Rural Information Terminals with these capabilities in more than 500 rural stores and shops, reaching at least two million rural residents.

**In Guangxi**, we developed a Sugar Trade Network that allows market information to efficiently flow between sugar manufacturers, logistics companies, and sugar cane farmers, optimizing the production process across the value chain. For sugar manufacturers, added 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 we built this service in 2006, the Sugar Trade Network has been adopted by 80% of Guangxi's medium- and large-sized sugar manufacturers. It has benefitted nearly one million rural households and has increased per capita income for these

farmers by an average of 300 RMB a year. We are currently expanding this service into other industries including tapioca, silkworms, and fishing.

**In Guangdong**, we developed a Digital Gardens program which aims to promote the application of innovative information technology in rural areas. Sixty-five services have been developed through the program. In addition, we have rolled out a Fishing Information Service, a Rural Healthcare Platform, Village Affairs Alerts, a Mobile + Internet Rural Affairs Management Platform, and a Fishery Monitoring System.

**In Sichuan**, as of June 2008, we had invested 150 million RMB in rural areas to set up 50,409 Rural Information Terminals across 90% of the area's administrative villages. We also put 741 Rural Information Terminals in 22 major chain stores in rural Sichuan.

**In Liaoning**, we developed a special Color Ring to help rural farmers market their product. A Color Ring is a ringtone that callers will hear when they dial a customer's phone number. For rural crop and livestock farmers, we designed this feature so callers hear a commercial promoting the farmers' product instead of the standard ringtone. This low-cost, high impact promotion mechanism has been very well-received.

**In Ningxia**, we set up a mobile phone based system to allow rural users to buy and sell their products. For example, during July 2008, the high season for selling melons, we sent out three million text messages related to local product information and sales trends based on the needs of local users. By the end of the season, 32,000 tons of melons had been sold via this system, a total value of more than 20 million RMB.





In Zhejiang, our service center 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

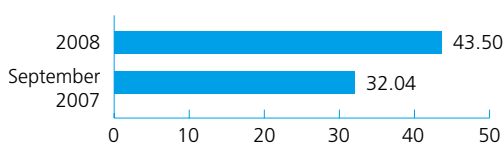
## Expanding Rural Sales Channels

With rural populations dispersed across large distances, ensuring that our sales and services can reach the greatest number of people is a primary goal for our company. In 2008, we developed innovative channels for delivering services to rural users. Through these channels, we are proactively creating new products and services for the rural market.

We built new wholly-owned sales and service centers, in addition to setting up several co-owned and third party sales and service centers in cooperation with partners. We also sought to make many service channels accessible remotely (i.e. via website or SMS). We aimed to make accessing services in rural areas as convenient as possible. By the end of the year, we had 435,000 sales and service centers in rural areas, and most of our services were also accessible via our network.

In 2008, we signed a partnership with China's Ministry of Commerce to launch 10,000 Villages, 1,000 Towns, a program designed to promote new modes of rural commerce. As the premier telecommunications and information services partner signed onto the program, our participation takes full advantage of the scope of our business, our diverse range of information services, and our broad sales and service channels. In addition to building a program website, we are designing new products and services to make rural commerce visible to business people in cities, making rural products and services more accessible. Ultimately, this connects and strengthens the development of business in both areas.

### Number of Retail Sales Channels (10,000 sites)



In Liaoning, we are reaching out to train businesses of all sizes on how to use information services to improve and grow their business. We hold general business and information service trainings for all businesses, including street side vendors and other small rural businesses.

In Hainan, in line with our 10,000 Villages 1,000 Towns program, we made a concerted effort to extend access to services in rural villages. With the installation of Rural Information Terminals and other resources, we aim to ensure that customers can conveniently access services without traveling far from their homes.

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

In Xinjiang, we designed products and services for local nomadic groups, taking into account their lifestyles, usage behavior, and income levels. We provided Agricultural Information Service Demonstration Sites, free Rural Information Terminals, training on information services, and free trial SMS services. As of September 2008, we had:

- ◆ Donated and installed Rural Information Terminals valued at four million RMB;
- ◆ Conducted 2,600 public training sessions on information services;
- ◆ Conducted 70,000 instances of training to designated local administrators of Rural Information Terminals;
- ◆ Set up 4,937 Agricultural Information Service Demonstration Sites;
- ◆ Reached 4.32 million Agricultural Information Service users; and
- ◆ Sent 160,000 messages to rural users via the Agricultural Information Service and 20 million SMS messages to rural users via Rural Information Terminals; rural users have sold more than 30,000 tonnes of product—valued at more than 30 million RMB—via these platforms.





## Promoting Rural Development

We want to make information services available in rural areas and to ensure that the content enriches the lives of local users. As part of our commitment, we have made direct contributions to rural development via information and rural technology training.

In 2008, to promote rural development, we 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 companion 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 regions, 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 both the Agricultural Information Service and advances in agricultural technology and science. During these campaigns, we sent large LED screens featuring agricultural news and information to the countryside, accompanied by

experts who discussed farming issues and the Rural Information Network 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 and pamphlets promoting our rural information hotline 12582. In addition, we put together eight technical committees comprised of 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 newest agricultural technology and science.

### Example: Golden Key Program

In Shanxi, we partnered with the Shanxi Agricultural College, local technical skills associations, 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, 6,000 university students went to rural areas and conducted training on internet basics and the newest rural technology. Since the program began, these students have been to 28,000 villages across the province, reaching 260,000 rural residents. Of the villages participating, 1,263 were large villages, 27,247 were small villages, and 165 were hamlets. 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 and provided one million rural residents with training on computer basics. We mobilized several local trade groups, university and high school teachers, and leading technicians as volunteer trainers. Our trainers held large lectures and smaller forums to teach rural residents the basics of using

the internet, searching for information, and exchanging information and communicating online. In addition, we developed and distributed one million copies of a training curriculum and an online training module. 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. In less than six months, the program reached its target, bringing basic computer literacy to more than one million rural residents.

Our commitment to this program continued in 2008. This year, to serve 28,000 rural villages in Shanxi, we worked with 10,000 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 with the guidance of these students, site users can get their questions answered, easily obtain market information, and send out adverts for products, services, and employment opportunities. By adding this human component to the technology, we were jointly able to build a highly effective website that allows rural users to access valuable information services.

# Life Program

Natural disasters have struck frequently in the past few years, threatening human life and stalling economic development. According to the Ministry of Civil Affairs, in 2007 alone, direct economic losses from natural disasters totaled more than 236.3 billion RMB.

We are making every effort to ensure that our telecommunications network can be a lifeline for Chinese society during times of need. At a basic level, this means enabling our staff to prepare for and respond to disasters, educating and alerting customers about disaster prevention and preparedness, and actively supporting disaster relief. We also realize that we can offer our company resources as a lifeline for disadvantaged groups. To this end, we continue to support society's disadvantaged through programs focused on children orphaned by AIDS, poverty alleviation, low-income families, and the disabled.

## 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 this past year. During major rainstorms, snowstorms, the Sichuan Earthquake, and flooding in southern China, we worked hard to immediately restore network stability. We also supported disaster relief in affected regions.

## Improving upon Network Quality and Stability

Our rapidly expanding customer base and growing network of base stations 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 user-related complaints; 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 maintenance conditions across our network. This simple new system consolidated several previous monitoring programs and allowed us to quickly identify the necessary resources to deploy during natural disasters and other major events.

In addition to building new systems to support emergency response, this year we improved the way we prepare for disasters. We continued to conduct regular network stability 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 company. Finally, we ran different disaster-specific trainings to prepare our team for a rapid response.



In Shandong, we restored damaged lines to minimize network disruptions



In Guizhou, we provided reliable communication services during flooding

## China Mobile 2008 Emergency Response Statistics

	2008
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
Connection Rates	95.66%	96.48%	96.79%
Dropped-Call Rates	0.85%	0.72%	0.62%
SMS Transmission Rates	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.

### Snowstorms in Southern China

In January 2008, southern China was hit with the region's most severe snowstorm in 50 years. The snowstorm affected operations at more than 20 subsidiary provincial operations and disrupted our power supply at 27,000 base stations. We immediately implemented a 24-hour monitoring system at headquarters to help us respond to the damage caused by the storms. During the storms, we deployed staff to the scene for network repairs 694,000 times; we 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. Maintaining network stability amidst the snowstorm ensured that access to communication channels was available to the community and rescue workers at a critical time. In addition to our efforts to restore network coverage, we also donated 44.55 million RMB toward rescue, relief, and reconstruction efforts, helping local residents rebuild their lives.

### 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 subsidiary provincial operations. Following the storms, our staff worked rapidly to restore power to our network. We deployed employees 92,000 times, dispatched emergency response vehicles 41,000 times. This year's work improved upon past

performance. In 2008, we experienced far fewer disruptions due to flash floods and rainstorms than in 2007, despite the fact that in 2007 flash floods and rainstorms took out power from fewer base stations.

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 Tibet, 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, we restored and maintained smooth access to information during critical rescue and relief periods.

In addition to our network stability efforts, we were actively involved with various local governments and other relevant agencies on disaster relief. We created a natural disaster forecasting and emergency response system for the public and worked on large-scale disaster preparedness and awareness campaigns 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.

**In Guangdong**, we worked in partnership with the local government to build a mechanism that immediately alerts locally responsible government officials of major natural disasters. 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. Taking into account both real-time data and forecasting projections, authorities are automatically notified when rainfall looks to be approaching levels that may lead to flooding of local dams, allowing authorities to mobilize resources for public safety.

## Giving Back to Society and Caring for Disadvantaged Groups

We are dedicated to battling poverty in China as part of our commitment to balanced growth. We believe in success that considers public welfare and is in line with our country's overall vision of 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 giving.

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 estimate 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 so poor they cannot even meet their basic survival needs.

Our poverty alleviation efforts in 2008 emphasized ensuring long-term support for critical projects we believe will make a real improvement in local living standards.

Since 2002, we have had a longstanding cooperation with local and national government officials to develop Gaize County, a high-altitude, low-oxygen community in Tibet. Our commitment to this work continued in 2008. Since launching projects in Gaize, we have seconded four groups of employees to help with regional development and contributed a total of 81.96 million RMB 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, and supporting projects that directly aid the development of local farmers and herdsmen.

Starting in 2002, we have seconded key staff into Tangyuan and Huanan counties in Heilongjiang to carry out a ten-year poverty alleviation project. After undertaking extensive investigations, we invested more 39.4 million RMB in education, health, road construction, water supply engineering, mobile communication, and other infrastructure improvements. In addition, we funded subscriptions to the Farmers Daily for 1,000 government offices, farmers, and schools.

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



In Tibet, we provided communication services to disaster stricken areas



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 Olympics



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

### Caring for Disadvantaged Groups

Our company has a responsibility to share our success with communities—bringing support to society's disadvantaged, helping with poverty relief, and continuing to meet our philanthropic commitment to balanced and fair development.

With guidance from the All-China Women's Federation, in December of 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 foundation was seeded with initial funding of 50 million RMB and we contributed an additional three million RMB to set up the Warm China 12.1 website and information management system.

The foundation has been formally launched, and the website is now active. To date, 1.8 million RMB of the funds have been spent, providing support for 3,603 children orphaned by AIDS in 16 provinces.

In line with our core value Responsibility Makes Perfection, all of our subsidiary provincial operations 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 RMB each year to help these families meet their basic housing needs. As of 2008, we had provided housing for 80 low-income single parent families. Between 2006 and 2008, we also set up programs to support families where 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

have donated 1.5 million RMB toward this program and funded surgery for 1,725 elderly residents. Working with local Zhejiang government agencies, we have committed another two million RMB over the next five years, which will fund surgery for an additional 1,750 elderly residents.

**In Fujian**, we ran a variety of programs to support migrant workers and their families. We offered a mobile-phone based job-seeking platform, information services to help them access information about labor rights, and scholarships. More than 800,000 migrant workers have participated in our programs overall. Our job seeking platform drew 13,000 migrant worker participants and 912 businesses—resulting in job matches for 8,067 workers and 706 businesses.

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

Throughout 2008, we worked to minimize damages to telecommunications infrastructure due to natural disasters and improved upon our disaster response procedures. We established coordinated inter-provincial programs for disaster relief and emergency response so that we could mobilize our staff and resources effectively in the face of major natural disasters. Alongside this, we continued to develop philanthropic programs that support disadvantaged groups and alleviate poverty. Using our resources and industry expertise, we have also set up new programs to inspire public participation in philanthropy, raising society's overall awareness of its importance.



## Disaster Relief: The Sichuan Earthquake

On May 12, 2008 at 2:28 pm, an earthquake measuring over 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 company 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. Across Sichuan, Gansu, and Shaanxi, this included 4,457 damaged base stations and 5,367 kilometers of damaged cable lines. At the same time, there was a dramatic spike in call volume after the earthquake hit: long-distance call duration was 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 faster relief organizations could smoothly run their operations. Given this, we mobilized resources across the company and all our subsidiary provincial operations to ensure a swift response to the disaster.

During the disaster relief efforts, we sent 648 Design Institute engineers from 26 of our subsidiary provincial operations to Sichuan to restore the network. With help from our other subsidiary provincial operations, 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, bring back mobile services, and support the employees working on earthquake relief and reconstruction, we spent more than 1.15 billion RMB in equipment, products, and services.

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 had been fully repaired representing a restoration of 51% of our network capacity. By the end of June 2008, after deploying more than 7,500 staff to areas affected by the disaster, we had restored telecommunications coverage to all of the 451 townships and 4,414 villages impacted by the earthquake.

**In Gansu**, after the earthquake, our local leadership immediately went to disaster areas to coordinate relief efforts, bringing their teams to provide support and to restore telecommunications coverage.

**In Shaanxi**, we immediately established a leadership council for earthquake relief. The council developed disaster response plans to manage the restoration of telecommunications networks, 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 took special care to ensure that local government disaster relief agencies had stable telecommunications coverage. By 10 pm on the night of the earthquake, 557 base stations had been fixed and all telecommunications coverage had been restored in the province. As of 4:30 am on May 17, all 719 base stations damaged by the earthquake had been completely restored.



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



In Shaanxi, we created an emergency communications network monitoring center to ensure communications security

### 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 more than 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. 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

While restoring network coverage, we were also developing new services to protect human life. Using SMS, MMS, community notices, and our mobile newspapers, we were able to aid the government in quickly releasing earthquake and disaster relief information to users 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 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 RMB.

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

Mobile telecommunications also became a 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 users 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. We also set up a

missing person's service through our 12580 hotline where friends and family could connect with loved ones in the affected areas.

## Reconstruction Efforts

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

### Restoring Network Access

Once affected cities had reconstruction plans in place, we worked alongside them to fully restore network access. First, we ensured that each village in the region had at least one sales and service outlet. Second, in accordance with local needs, we set up specialized service and pricing packages as well as mobile information terminals to allow local residents to more easily access information services. Third, for local residents who had lost their ID cards and other personal documents, we established processes that utilized our technology to let people quickly re-apply for and retrieve these important documents.

### Information Services Tailored for Reconstruction

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

## Philanthropic Programs

According to estimates, one quarter of the earthquake's victims were children. We worked with local philanthropic organizations and government agencies to donate 45 million RMB to rebuild two local middle schools. The schools will be operational by September 2009. We also set up a 30 million RMB fund to provide financial support to families of children who had been disabled 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.

### China Mobile Earthquake Relief Statistics

<b>1.9 billion</b>	Number of messages we sent to people in affected areas
<b>5.893 million</b>	Number of times people used our free call centers, which allowed them to call their loved ones and report on their whereabouts and condition
<b>1.717 million</b>	Number of people who called our 10086 hotline for support during the disaster
<b>1.203 million</b>	Number of people who called our 10086 for hotline disaster related information
<b>259,600</b>	Number of people who had found friends or relatives through our 10086 hotline

Data current as of 5 pm, June 25, 2008

## Culture Program

Mobile technology is a primary communications channel in our modern culture. The use of mobile phones has become increasingly common and they are emerging as an important way in which culture is transmitted and developed across society. Our Culture Program is about mitigating the risks associated with mobile phone use—such as spam and predatory content—as well as promoting positive uses for mobile phones in support of a modern culture. In addition, the Culture Program is about overall cultural advancement, promoting a 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 in China in 2007, an increase of 92.7% compared to 2006. Increasingly, text messages are being used to spam users, an activity that is becoming a major societal problem.

### Managing Spam, Reducing Unhealthy Content

In March 2008, we launched a program focused on one of our customers' most important issues: 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 subsidiary provincial operations.

As a part of this coordinated internal platform, we increased the functionality of our 10086999 spam reporting service. By investing major staff and resources into this service, we were able to reply to all customer complaints about spam. We have also engaged relevant 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 increased controls over companies and service providers that inappropriately send out mass SMS and MMS messages, reassessed the welcome text messages sent to customers when they enter into new neighborhoods or service areas, improved monitoring of fraudulent messages, improved customer complaint management, and enhanced customer information security measures.

Spam between different mobile operators is a very serious and growing trend in China. Between March and September 2008 alone, the number of spam messages reported by customers within China's entire telecommunications network 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. 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.



Just like any other telecommunications company, we need to abide by laws wherever we operate. In 2008, in accordance with the Ministry of Industry and Information Technology's Guidelines to Combat Online Pornography and Illegal Content, we established a department dedicated to meeting the government's requirements and improving governance systems for service providers.

We also 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 Shaanxi, Fujian, Guangdong, 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 established a cross-functional, multi-dimensional monitoring system overseen by both headquarters and provincial offices to improve the governance and management of our service providers across multiple channels. We began developing mechanisms to implement restrictions on service providers in order to aid authorities in combating illegal content.

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 channels through which 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 ensure that neither we nor our service providers used our network to send fraudulent messages. We saw complaints regarding spam that originated from our corporate customers decrease by 66% this year.

**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 about spam messages have decreased from an average of 1,200 per month to less than 100.

**In Hebei**, we set up a tiered approach to service provider management that tailors monitoring efforts based on tier. This approach also integrated integrity metrics into our management of service providers. In parallel, we created an internal service provider blacklist to help prohibit engagement with service providers who have violated our protocols. We have invested seven million RMB 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 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 the value chain of spam messages before, during, and after transmission. Between June and October 2008, we had received 95,404 customer complaints about spam messages which contributed to efforts to restrict 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 500 text message distribution channels and took disciplinary action against 21 service providers.

**In Tianjin**, we created a new text message control platform that manually reviews spam messages in addition to using technology filters. Between February and September 2008, we reviewed the 7,501 phone numbers flagged for restriction by our system and restricted 6,732 of them. We also increased our public monitoring and complaint efforts, allowing us to immediately respond to reports of spam messages more effectively than before.

Although we have made major improvements in the management of spam messages, we have not solved the issue and the problem is growing. We are committed to continued action to reduce spam. In the future, we will undertake measures to control the transmission of spam messages within our network from point to point, improve internal controls, and provide detailed feedback to regulators on developing regulations and policies.



## 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 phone culture. In 2008, we established several programs that encourage the positive use of mobile phones. By incorporating learning from past experience, we designed effective programs that built an emotional connection with our users and promoted the transmission of positive information.

**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 14,767,050 positive text messages, and winning entries, posted online and accessible via mobile phone, were downloaded a total of 3,532,509 times and forwarded 50,173,532 times. With our well-received Red Sayings program, we proactively engaged users in the creative use of mobile information services for positive cultural interaction.

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

**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 participants and describes different aspects of traditional Chinese culture. Currently, the program has more than 40,000 participants.



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





## Supporting Education: Caring for Our Tomorrow

Education is our top philanthropic priority. We are committed to improving the country's educational infrastructure and to 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 initiated a program to build libraries and provide advanced training to 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, 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 principals from central and western China.

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

**In Henan**, we contribute 800,000 RMB a year to support local education. The fund supports 800 children (500 RMB each), 100 high performing new university students (3,000 RMB each), and 100 leading educators (1,000 RMB each) from low-income rural areas. Further, we encourage the university students we supported to donate funds to future generations of university students after they have graduated. 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 left behind 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 by 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 while they develop professionally. Between 2006 and 2008, nearly 3,000 students participated in the program, earning a total of 4.3 million RMB.

**In Hubei**, we provided financial support and work experience to 110,000 low-income university students over the past three years, investing more than 11 million RMB into the foundation and maintenance of this program. We recently added an initiative that encourages these university students to donate a portion of their earnings to low-income middle school students or 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 inspire children to study

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 phone, text messages, and other electronic means.

In October 2007, we set up a program to encourage GoTone subscribers to donate their customer loyalty 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 Wellbeing of the Youth and other philanthropic organizations.

At the end of August 2008, this program had received 200,000 contributions and the fund was valued at nearly eight million RMB. In 2007, the donated money was used to purchase athletic equipment for more than 110 schools in rural Sichuan and Chongqing. In 2008, we used the funds to provide Olympic mascot toys to children living in regions impacted by the earthquake.

The following programs were organized by our subsidiary provincial operations.

In Fujian, we worked with the Fujian Youth Development Federation to establish the M-zone Customer Care Foundation. This foundation is dedicated to providing long term developmental support for local youth. We encouraged customer participation via multiple channels: dialing 12590101 to donate money or customer loyalty points, text message donation, and



In Shaanxi, we promoted public participation in the Care100 program

online donation sites. To date, the foundation has collected 1.63 million RMB, which will provide athletic equipment to 100 local schools and tuition support to 100 university students from low-income rural areas.

In Shaanxi, starting in 2006, we launched Care100, a three-year program to support the education of 1,500 low-income students. To date, the program has provided more than 4.32 million RMB in funding. In 2008 alone, we provided 1.7 million RMB to the program, giving each student 3,400 RMB in support.

China Mobile Data from our Points Donation Philanthropy Program

Program Phase	Phase 1 October 2007-January 2008	Phase 2 February-August 2008
Participation	154,672 donations	45,333 donations
Donations	5,524,259.70 RMB	2,022,326.60 RMB
Impact	Donated athletic equipment to more than 110 schools in rural Sichuan and Chongqing	Donated Olympic mascot toys to schoolchildren in regions impacted 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 enhance the lives of our employees and the communities in which they live.

### Anhui's Heroism Award

Since 2004, in partnership with local government agencies, we have recognized local acts of heroism to raise awareness of good deeds and encourage others to follow suit. Between 2004 and 2008, we recognized more than 100 local heroes.

In Jiangsu, in 2008, we developed a Happy Communities project, comprised of 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 and schools and reaching nearly two million people.

In Fujian, prior to the Olympics, we hosted a program sponsored by our Easy-own brand film showings in the Chinese countryside. Between August and October 2008, we sponsored 910 film showings.

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 improving our spam management, strengthening cooperative efforts with our service providers, and creating a healthy mobile phone culture. At the same time, we will keep using our technology and resources to engage the public in using mobile 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 the same.

## Green Program

We are reducing our own environmental footprint by meeting goals on conserving energy, reducing emissions, and proactively managing our other environmental impacts. We are also using our programs and technology to encourage our industry and the public to participate in environmental protection.

### Implementing Our Green Action Plan

In 2007, we initiated our Green Action Plan, focused on energy conservation, emissions reductions, and public participation in environmental protection. In 2008, we began to implement this program, advocating for environmental protection within our company, our industry, and the public.

We established multi-functional working groups to implement our Green Action Plan at headquarters and across our company. In addition, we drafted a 3-year plan (2009-2011) and set annual energy conservation and emissions reductions targets.

To help us meet these targets, we identified Key Performance Indicators (KPIs), created performance management systems, and enacted several new environmental policies and procedures. At the start of 2008, some of these environmental KPIs were integrated into our standard business performance reviews. Our improved environmental management system focuses on better data management, analysis, and reporting—this new information is critical to setting clear targets for future improvements.

We also raised employee awareness around environmental protection. In January 2008, we began a program entitled Environmental Protection: It Starts From Us, which encouraged our employees to sign a commitment to protect the environment. 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 Green Action 199. Through this awareness-raising program, we collected and recognized examples of best practices in environmental protection that employees encountered in their daily lives and the workplace. These programs have introduced new ideas and practices, and encourage our employees to become more environmentally-conscious.

China Mobile Energy Consumption	2006	2007	2008
Total Electricity (GWh)	6,380	8,090	9,330
Total Electricity Use, Buildings (GWh)	1,570	2,030	3,600
Transmission and Base Station Electricity Use (GWh)	4,810	6,060	5,730
Gasoline Use for Company Vehicles (millions of liters)	52.1	56.3	53.7
Diesel Fuel Use for Company Vehicles (millions of liters)	8.9	9.7	6.9
Gasoline Used to Power Base Station Generators (millions of liters)	7.4	8.2	12.7
Diesel Fuel Used to Power Base Station Generators (millions of liters)	11.8	12.7	11.2
Natural Gas (millions of cubic meters)	3.5	3.8	3.5
LPG (hundreds of tonnes)	1.0	1.4	1.5
Manufactured Gas (millions of 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

China has a national target to reduce energy use per unit of GDP by 20% between 2006 and 2010. Against this target, we formed our Green Action Plan goal: to reduce energy use per unit of telecommunications traffic by 40% in 2010 compared to 2005 levels. Setting clear targets and accountability for environmental performance ensures we will meet our 2010 goal. In 2008, we have already achieved an energy reduction per unit of telecommunications traffic of 11% compared to 2007. These results have exceeded our initial expectations.

### Working with Suppliers to Build a Green Telecommunications Value Chain

Since 2007, we have signed a strategic memorandum of understanding with 53 of our key suppliers to drive environmental performance in our value chain. We continue to focus on building partnerships to engage in technical research, manufacturing, logistics, equipment maintenance, and recycling and reuse. We created new standards that encourage energy efficiency and developed a tiered system to allow us to categorize our key equipment based on energy use. We run an assessment on our wireless equipment, core network equipment, data servers, and transmission equipment every two years. Through our collaborations with our business partners, we are conserving energy, reducing emissions, and decreasing the size and weight of our equipment—minimizing our impact on the Environment.

Note. In our 2008 data collection process, we improved the way we measure energy metrics; this year we also calculated 2006 and 2007 data based on these new measurement methods. Carbon dioxide emissions calculated using the following emissions factors: electricity, 0.849; gasoline, 2.3; diesel fuel, 2.63; natural gas, 0.559; LPG, 1.49; coal, 2.66; manufactured gas, 9.5.





## Energy-Efficient Technology in Network Equipment and Buildings

Thirty-five percent of our company's energy is used in the operation of our network equipment and 25% is used for air conditioning and heating. In 2008, we continually reduced our climate change impact 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 our need for space. At the end of 2008, we were using softswitch technology (an IP technology) in more than two-thirds of our base stations. This new technology can reduce our energy use by 50% to 80% and land use by 60% to 80%.

### Energy-Efficient Technology in Network Equipment

We have integrated innovative new technology features that reduce energy consumption in our network. In 2008, our experiments with new technology has shown the potential for major energy reductions:

- ◇ 10-20% reduction in energy use per base station through new energy management software for our wireless network equipment;
- ◇ 47% reduction in energy use and 67% reduction in land use through our new infrastructure platform;
- ◇ 47% reduction in energy use through wireless technology improvements related to carrier frequencies; and
- ◇ 12-20% of energy saved with 'smart' technology in our base stations, which closely monitors call volume and only supplies as much carrier frequency as needed to satisfy demand.

### Energy-Efficient Technology in Buildings

We are increasing energy efficiency in buildings using new lighting, air conditioning, and heating technology.

In 2008, at headquarters, we installed new air conditioning and lighting systems. The new air conditioning systems increased energy efficiency by more than 25% through 'smart' technology (which monitors temperatures more

closely, turning on only when needed), better ventilation, and water-efficient devices. The new lighting system increased energy efficiency by 20%.

We implemented several energy efficiency measures in the construction of our new research center in southern China. For example, the outer walls of the buildings are covered with plants and built in the shade, significantly decreasing the need for air conditioning. Our buildings are positioned to take full advantage of natural daylight, minimizing our need for lighting. Furthermore, lighting systems are equipped with 'smart' technology, energy-efficient light bulbs, and LED lighting equipment, resulting in significant energy savings.

We created a new data center construction standard which will reduce the amount of space we use for all data centers, increasing land efficiency by 20%. We expect that between 2008 and 2011, the new standard will prevent the use of 80,000 tonnes of metal and steel, 40,000 tonnes of cement, 20,000 cubic meters of wood, and 500,000 square meters of land.

**In Guangdong** this year, we improved our management structures to better meet our environmental goals. We created a new Green Action Plan Leadership Working Group and ten task forces that each focus on implementing specific environmental measures across the province. The Working Group and task forces designed a complete set of environmental policies for our company covering a range of topics related to planning, monitoring, and performance evaluation. We created an office to support this work that reports directly to the Working Group.

Using more than 20 different types of technology, we upgraded the environmental efficiency of our base stations, making a total of 2,300 upgrades. This resulted in total energy savings of 100 GWh of electricity, representing a 25% decrease in energy use per unit of telecommunications traffic and a 16% reduction per carrier frequency.

**In Shanghai**, in October 2008, we completed construction of our first set of seven green base stations. Using improved building enclosures, high efficiency equipment, and alternative energy sources, we achieved a 20% gain in energy efficiency.

## Energy Savings in Air Conditioning Systems

Across our network, we are taking advantage of the local climate and using new technologies to reduce the energy used for air conditioning.

We reduced the energy use of some of our base stations by 20% to 80% by mixing natural ventilation with air conditioning to control temperatures. We also took advantage of cool underground temperatures created by underground water reservoirs and placed air ducts underground, conserving between 80% and 90% of the energy typically used for cooling.

We also implemented precision air conditioning technology, which only cools critical temperature-sensitive equipment instead of cooling the entire base station. The result was a 45% decrease in energy consumption at these base stations.

New technologies are enabling our equipment to operate under a broader range of temperatures. For example, by broadening the 'temperature tolerance' of our network equipment to 25-35°C, we are seeing energy efficiency gains of up 20% or more.

At the end of 2008, we had implemented 'smart' temperature control technology in about 50,000 of our base stations.

**In Gansu**, by placing power station batteries underground, we took advantage of the naturally cooler underground temperatures and fully eliminated the need for air conditioning. This was done in 126 base stations, reducing energy consumption 350 KWh per base station per month.

**In Hebei**, starting in 2007, we researched, piloted, and implemented three types of new technologies: wind exchange-based cooling systems; 'smart' temperature controls; and air conditioning coolants. We applied these technologies in base stations that require year-round cooling. Our resulting energy savings were 80% in the winter and an average of 40% year-round. In 2008, we applied these technologies in 5,000 base stations and saved more than 13 GWh of energy.

**In Inner Mongolia**, we applied 'smart' air conditioning technologies in more than 7,000 base stations. 'Smart' technologies provide air conditioning on an incremental, as-needed basis, eliminating wasted energy and saving us more than four million KWh of energy per year. In addition, using a glycol-based air conditioning additive increased energy efficiency by 35%.

**In Guizhou**, we installed 'smart' ventilation systems in 5,421 base stations, saving us 38 GWh of energy in 2008. The new system also eliminated the need to purchase 3,650 air conditioning units and reduced air conditioning maintenance fees by 1.5 million RMB.



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



In Gansu, we installed 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

Together with our business partners, we implemented new green packaging measures focused on logistics. Instead of using traditional wooden packaging crates, we standardized the use of lighter, smaller crates smaller reusable frames, increasing our efficiency and conserving energy and resources.

According to estimates, our new green packaging achieved the following efficiencies and savings over traditional wooden packaging crates:

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

We see great potential in green packaging. Based on our calculations, we can prevent the use of 57,000 cubic meters of wood, the equivalent of preventing 670 hectares of deforestation a year. Green packaging can also allow us to decrease the fuel used in shipping by 1.37 million liters and the electricity used

### 2008 Milestones in Green Packaging

- ◇ February: working with Huawei, we rolled out green packaging pilot projects in Zhejiang and Sichuan. The pilots focused on research, development of standardized technology, evaluation of different packaging models, and new methods for recycling.
- ◇ July: we invited 11 key network equipment suppliers to attend the formal launch of our green packaging program and led an effort to integrate green packaging standards across our industry.
- ◇ August: based on learning from green packaging pilots in Guangxi and Hainan, we rolled out a standardized approach to green packaging for our entire company.
- ◇ October: we included green packaging requirements in our second round of competitive bidding for TD-SCDMA suppliers, actively encouraging our major TD-SCDMA suppliers to use green packaging.

in constructing the crates by 3.93 GWh, altogether preventing the emission of 120,000 tonnes of carbon dioxide emissions—equivalent to taking 40,000 cars off the road a year.

Currently ten of our business partners are committed to actively participating in our green packaging program. The use of green packaging for base station equipment has been rolled out in Zhejiang as well as seven other subsidiary provincial operations. One thousand sets of green packaging materials used for base station equipment have already been reused.

## Encouraging Reuse and Promoting a Circular Economy

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

### Green Boxes Environmental Protection Campaign

According to estimates, 43.7% of Chinese people have mobile phones and 20 million phones are discarded each year. China has few proper channels for disposing e-waste and these phones pose a major environmental risk.

In partnership with our major value chain partners, we launched our Green Boxes Environmental Protection Campaign in 2005. The campaign places green boxes in our retail sites and other public areas. A professional third party vendor reuses or properly disposes of mobile phones and accessories we have collected.

### Progress on the Green Boxes Environmental Protection Campaign

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

Phase 2 (Jan-Dec 2007): The Campaign became the focus of our activities for 2007's World Telecommunications Day. We installed green boxes in 60% of company retail sites at the county-level and above. By the end of 2007, we had properly disposed of and recycled 2.6 million mobile phones and accessories.

Phase 3 (Jan-Dec 2008): We created special programs to encourage proper mobile phone disposal and recycling during the 2008 Olympic Games. Throughout the Olympic programs, we collected more than 420,000 items. By December 2008, we had installed green boxes in 30,000 company retail sites. This year, we reused, recycled and disposed of 1.35 million mobile phones and accessories.

### Recycling Lead-Acid Rechargeable Batteries

We purchase lead-acid rechargeable batteries to act as back-up power for network equipment. We estimate we will need to dispose of 300 to 500 million Amp hours in batteries this year, a number that will likely increase over time.

We work closely with our business partners to implement recycling mechanisms and minimize damage associated with battery disposal. We are conducting research to extend the lifespan of lead-acid batteries and, in 2007, we formally included recycling and proper disposal in our supplier contracts. In 2008, we established new standard operating procedures for recycling and disposal. As part of this, we licensed six recycling companies that met our environmental protection standards to work with our provincial operations to collect, dispose of, and recycle 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—valued at 130 million RMB. These materials can be immediately reused, reducing our materials use, pollution, and emissions, and decreasing our environmental impact.

### Working toward a Green SIM Card

When customers change their mobile phone operators, they often purchase new phone numbers—buying new SIM cards and disposing of old ones. In Jiangsu province alone, customers discarded 9.73 million SIM cards in 2005, a waste of resources that damages the environment.

Minimizing the environmental impact of SIM cards and phone recharge cards is important to us. We are working to recycle and reuse SIM cards and SIM card packaging. In 2008, we reused 320,000 SIM cards. In addition, we are designing a standard new mini-SIM card that uses fewer 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%; reduce inks used in the printing process by more than 70%; reduce energy used in packaging by 45%; and reduce energy used in shipping and inventory by 50%. Altogether, we aim to create a low-emissions SIM card manufacturing process.

#### Jiangsu: Innovation in SIM Card Management

We have been building a Green SIM Card Management system to reuse old SIM cards, increase SIM card recycling, and minimize SIM card materials use. This has decreased wasted resources and environmental damage.

We designed new SIM card technology that lets us program new numbers into old SIM cards, allowing them to be reused. We have also run large-scale SIM card collections that allow us to send out old SIM cards for proper disposal.

In addition, we have worked to decrease the impact of SIM cards from the beginning of the production process. We invented a Plug-IN production process which encourages our business partners to supply us with mini SIM cards that use fewer materials in production. The materials saved as a result of this process are immediately used for other purposes, helping us achieve low emissions and low materials-use production processes.

Thus far, we have reused a total of 300,000 SIM cards and recycled 7.5 million sets of SIM card packaging. We have reduced our annual procurement costs by 7.8 million RMB and eliminated the use and disposal of dozens of tonnes of metals and plastics.



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







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 their radiation

## Alternative Energy in our Base Stations

Some remote areas have limited to no access to a stable power source. By using alternative energy to power our base stations, we have not only taken advantage of local climates to reduce our environmental footprint, we have secured a stable source of power. At some base stations, we are also testing the use of fuel cells and hydropower.

According to our research, if an average base station were to be switched to solar power, it would save 5,600 RMB in energy costs and its carbon dioxide emissions would be reduced by 4.9 tonnes per year. By the end of 2008, 25 subsidiary provincial operations were using alternative energy 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. We not only generated enough energy to ensure network stability, we were also able to meet the energy needs of the troops stationed on the island.

In **Hebei**, on a remote local island, we invested 477,500 RMB to install wind and solar energy equipment as a complement to our traditional base station power supply equipment. The new equipment has helped us meet energy demand while also lowering costs and energy use. We expect that by using alternative energy, we can reduce our energy consumption on this island by 20 MWh a year.

In **Inner Mongolia**, by the end of 2008, we had installed wind and solar energy technology in 265 base stations, saving us 2.9 GWh of electricity in 2008.

In **Shaanxi**, we installed wind and solar power systems in our base stations and implemented 'smart' technology at our base stations that allowed us to remotely monitor and manage the power systems via mobile phone and text message.

In **Xinjiang**, the natural environment is well-suited for using alternative energy. In the southern parts of Xinjiang, we used solar energy to power our network; in the western and eastern parts of Xinjiang, we used both solar and wind energy. At 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 in 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 Electromagnetic Field (EMF) Management

To better address risks related to Electromagnetic Field (EMF), we released a three year (2008-2010) guidance document for managing EMF within our company. The document set out specific goals and key work streams for each year, 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, which allowed us to have more open and engaged dialogue with our key stakeholders. For example, in 2008, we commissioned China Telecommunication Technology Labs (CTTL), an independent third party, to conduct a research study on EMF radiation. CTTL conducted investigations, research, and testing on EMF issues that concern the public, and helped raise public awareness about EMF by publishing the results. We also created new website content dedicated to EMF and health. In 2009, we plan to set up dedicated internal communications platforms to discuss EMF-related issues. Next year, we also seek to publish the results of our environmental impact assessments, which include EMF testing results, for the public.

In Sichuan, we conducted a thorough EMF audit of all existing base stations. By June 2008, we had invested over three million RMB in auditing more than 400 base stations against national guidelines. According to the audit results, our EMF radiation levels fall more than 80% below national regulatory limits.

In Xinjiang, in 2008, we worked with local environmental protection agencies to conduct audits and reviews of our base stations. There were no instances where EMF radiation exceeded national limits.

## Using Information Services to Promote Environmental Protection

### Environmental Information Services for our Business

We have created information services that help us reduce energy use in our offices. For example, we created an internal office system that provides more than 100,000 employees with automated office services, including IP telephones, collaborative office work systems, video-conferencing, and mobile communications managers. In 2008, we continued to implement new measures that allow users to access the office automation system via mobile phone. We have expanded these services to 31 provinces, reaching 23,600 employees. At the same time, we promoted new electronic office mechanisms to encourage green communications, web-based office work, and video-conferencing. By September 2008, we had used video-conferencing more than 10,000 times, significantly decreasing business travel and resource consumption.

We began using an electronic Business-to-Business (B2B) system in October 2008. The system is an online catalogue of products and services from 17 different categories available from 200 of our business partners. We use the system to conduct all transactions, increasing efficiency and reducing energy use.

Currently 44% of our customers use electronic channels to access mobile phone services. In 2008, we launched a program to encourage more customers to do the same. For example, we increased our use of electronic mobile phone payments. We also began to print out mobile phone recharge codes on small slips of paper at sales locations instead of having customers purchase mobile phone recharge cards that come on cardstock with plastic packaging. This not only eliminated the need to manufacture and package recharge cards, it also reduced our need to deliver recharge cards to different retail sites, minimizing the environmental



impact of transportation and logistics. In 2008, transactions worth 35 billion RMB were conducted through this retail service. Customers can also recharge their mobile phone credit via SMS, fully 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 RMB in transactions were processed through this service in 2008.

We used new information services to reduce energy use in our office administration and within each phase of our business operations.

**In Jiangxi**, we successfully researched and installed an automatic shut-down system for office computers. According to estimates, this simple act saves 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 new electronic document management processes that cut paper usage by 72%, or 900,000 pieces of paper.



In Liaoning, we developed a network management system that automatically turns off PCs, 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 in their homes. According to estimates, these pilot projects saved us 330 tonnes of water and 75 MWh of electricity per month. In addition, we saved nine million RMB in office equipment investments. Once this program is fully rolled out, we estimate that total operational costs will decrease by 5.4 million RMB per year.

#### E-Copies of Customer Identification

We launched a program that allows our customer service agents to read, save, and verify customer identification data electronically. This eliminated the need to photocopy and keep paper copies of customer identification cards, and reduced our use of paper and printing materials as well as the physical space required to store data. 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 decreased 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 sits in Zhenjiang City, saving us 11 million pieces of paper, cutting 1.2 million RMB in operating cost, and eliminating the need to purchase and maintain 1,200 filing cabinets.

## Environmental Information Services for Other Industries

In 2008, we designed new products and services to help our corporate customers in different industries reduce their energy consumption.

### Mobile Office

For our corporate customers, we created Mobile Office information solutions. Using our MAS server system, our corporate customers can remotely access their office systems with their mobile phones, potentially increasing employee efficiency. 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 use 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 fleet. Companies use the service to optimize traffic flows and ensure the entire fleet is more effectively utilized. This has increased fleet safety, improved the quality of customer service, reduced the number of cabs running without customers, decreased fuel consumption, helped mitigate city traffic, and lowered air pollution levels. In Tianjin, for example, a local taxi company increased its passenger volume by 20% after running the Vehicle Monitoring Service. The company also saved an average of three liters of fuel a day per taxi, equivalent to 3,000 tonnes of fuel per year for its 3,000 vehicle taxi fleet—preventing 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 issues and reduce their need to travel.

### Remote Meter Reading for Power Companies

Using GPRS technology we helped companies in the power sector remotely monitor supply, demand, and maintenance status across the electricity grid. The system uses several mobile technologies to collect real-time data for analysis and monitoring. The system is equipped with the ability to monitor the status of broken cable lines and electricity demand; it is further equipped to conduct capacity and demand forecasting, pricing analysis, and to support sales and marketing.

## 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 data monitoring.

**In Jiangxi**, for example, we worked with Wuxi City's Environmental Protection Bureau to design a water management system that uses wireless technologies to help the city remotely monitor water quality. Using GPRS-enabled monitors and sensors installed at different points across Taihu (Lake Tai) we 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—company pollution discharge monitoring, environmental monitoring, routine checks, data and records and office automation—into one wireless operating system.

**In Shandong**, in partnership with our business partners and customers, we developed a monitoring and management system for drilling sites based 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, one of China's largest oil producing regions. So far, the system has been installed at 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, pilot, and launch 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 reduces Fengcheng City's electricity use by more than 30%, equivalent to a savings of two million RMB in electricity fees, management fees, and maintenance.





## Public Participation in Environmental Protection

Protecting the environment is a challenge we share as a society—one that requires systematic, 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

In June of 2008, in line with new environmental regulation, all stores across China started charging customers for plastic bags. To encourage the public to use reusable bags, we hosted a variety of promotions, contests, and give-aways in Beijing, Shanghai, Fujian, Hubei, Hunan, Jilin, Jiangsu, Liaoning, and Shaanxi, among other areas.

**In Beijing,** we hosted a Green Olympics promotion encouraging the public to submit—via SMS or our website—their best ideas and slogans advocating for environmental protection. We collected 1.6 million entries; 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 one 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 bags that were distributed for free within the community.

**In Shaanxi,** we held give-aways for environmentally-friendly bags in our retail sites and in major retail stores. Over 300,000 bags have been distributed so far.

### Environment-Focused Philanthropy

In line with our environmental strategy, several subsidiary provincial operations have organized their own environmentally-focused philanthropic activities.

**In Gansu,** we held several tree-planting events, reforesting a total of 500 hectares of land in mountain 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 an ocean conservation group based in Sanya City on a Blue Ribbon Campaign. Through advertisements, on-site promotions at our retail sites, and text messages, 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 creating a protected green habitat in the province, and implemented environmental protection monitoring systems. In our own operations, we strictly adhered to green sourcing guidelines as well as green construction standards for building base station towers. To enlist the public's participation, we promoted our Green Boxes Environmental Protection Campaign and programs that encouraged customers to use environmentally-friendly bags.



In Zhejiang, our employees organized "I am an energy saving pioneer"



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



In Fujian, we carried out 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 the spirit of doing well throughout the company, guiding employees toward our core value of Responsibility Makes Perfection.

In 2008, in our headquarters, we established our Employee Volunteering 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 volunteer programs for 2008.

### Improving Management of Our Employee Volunteering

In order to combine our company strengths and our employees' strong desire to volunteer, on June 2, 2008, we established the China Mobile Employee Volunteering Association. The Association helps us create better options, policies, and practices for employee volunteering.

Our Employee Volunteering Association drives and defines the culture within the company, encouraging employees to help disadvantaged groups through partnerships with non-profit organizations. The Association's principle 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 developed and published the China Mobile Employee Volunteering Association Guide which specifies the purpose of the Association, management, activities, and other aspect of its operation. We have created a volunteer handbook to promote the Association and the spirit of volunteering, and to inform employees of some of the volunteer opportunities available to them.

To actively promote employee volunteering, we grant every employee one day of paid time-off each year to help in the community. Employees are able to apply this to company-organized activities or to activities they organize independently. We set up an internal website to help employees take advantage of this new policy.

After establishing the Association, our priority has been to make volunteering a systematic, regular, and strategic part of our business; to integrate volunteering activities within our overall CSR plan; to train staff in CSR; to create a 'do-good' atmosphere; and to pay attention to social issues in a way that brings maximum benefit to all our operations.



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



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



Thirteen of our subsidiary provincial operations have established local Employee Volunteering Associations and undertaken activities in the same spirit, with guidance from the central association. As of September 2008, there had been 103,313 individual cases of volunteering.

**In Xinjiang**, our Employee Volunteering Association has so far attracted 1,995 employees, representing 26.08% of the total workforce. The Association has 23 branches and its work supports two issues: rural development and society's disadvantaged. Currently more than 703 volunteers have participated in more than 36 activities hosted by the Association.

**In Guangdong**, in July 2008, we set up a local Employee Volunteering Association and declared October 16, 2008 as Volunteer Action Day. In 2008, 9,300 local employees participated in 179 volunteering activities.

**In Hainan**, we recruited more than 1,300 employees and established the Young Volunteers Association. Guided by the Hainan Government's Provincial Young Volunteers Association, we promoted entrepreneurship and social harmony through a series of innovative, 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

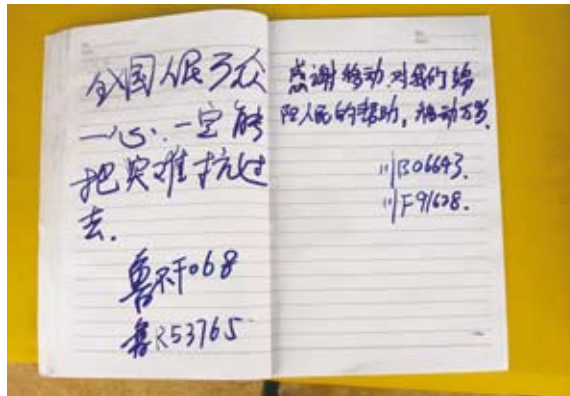


In Xinjiang, our young volunteers were involved in protecting wild animals





In Guizhou, we provided food for stranded passengers



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

## Expanding our Employee Volunteer Activities

Since we set up our Employee Volunteering Association, we have held several flagship volunteering activities, such as 12.1 Care for AIDS Orphans and Rebuilding Li Bing Middle School (a school in Sichuan affected by the earthquake). At the same time, the Association has piloted 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, staff went to the areas affected by the earthquake to help, and by October, 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 Sichuan's main highways we set up 32 service stations, which organized and distributed vital services such as communication, food, and oil. Vehicles passed through these 32 service stations 28,000 times, carrying 78,000 people. We provided free water, food, and medicine valued at 760,000 RMB.

**In Guangdong**, to assist travelers stranded by winter snowstorms, and to help residents in low-income areas 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 Festival's peak travel period. This included providing free telecommunications access, recharging mobile phones, and instructions to travelers.

**In Tianjin**, since 2006, our volunteers have supported special education programs for deaf-mute students, providing books, stationery, food, and other products for students and teachers. In 2008, volunteers also went onsite to interact with the children, asking the children to teach 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 local orphans. Our employees donated more than 60 radios and close to 500 RMB in recreational supplies to a local nursing home, and took part in cultural performances with the residents.

**In Xinjiang**, in order to help overcome the shortage of workers needed to collect cotton at harvest time, in Yili, Kashgar, Bozhou, and Bazhou 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 put by the Beijing Olympic Committee, 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 our country hosting the Olympics, and through our hard work, dedication, professionalism, innovation, and teamwork, we sought to fulfill our commitment to provide the Games with the most advanced technology, the most thoughtful customer service, and the most abundant set of services.

We signed on to be an Official Partner of the 2008 Beijing 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.

#### An organizational structure to meet our Olympic responsibilities

- ◇ May 2006, we created a specific Olympic management department—the Olympics Office.
- ◇ November 2006, we established six main goals for our Olympic-related activities and relevant evaluation systems.
- ◇ December 2007, several different departments related to the Olympics came together to create the 2008 Olympics Master Plan including 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.



In Gansu, we cheered on the Torch Relay

## Organizational Support for the Games

We attached great importance to the Olympics, and invested the 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 reports to it, and a Control Center for our Olympic activities. Within the Olympic Office, we set up six taskforces focused on the following: operations during Olympic events, guest accommodations, safety, network security, marketing services, and business support services.

We made major staffing investments to support the Games. At headquarters and in relevant provinces, we assigned more 175,000 employees and external contractors to work on the Olympics. This included 10,000 staff manning call-centers; 160,000 customer service agents; 2,500 on-site staff 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 staff worked full time to provide crucial systems support and network monitoring to ensure network stability and security. In Hong Kong we also provided 70 technicians and 73 customer service representatives to support the Games.

China mobile's Olympic communication security work was very smooth and broke records compared to previous Olympics.

-Ministry of Industry and Information Technology Vice President, Xi Guohua



## 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

At all 31 competition venues and seven non-competition venues, we established network capability support for GSM/EGPRS, TD-SCDMA, WLAN, and other relevant mobile communication standards, increasing our capacity by 140%. In the seven host cities of the Olympics, we constructed 5,074 GSM base stations. We also fulfilled our commitment to deliver 3G services. Despite tight schedules and high difficulty levels, in just one year we completed the roll-out of the TD-SCDMA network in eight cities and seven provinces, requiring 15,307 TD-SCDMA base stations and 10 TD-SCDMA operation platforms. During the Olympic period, the TD-SCDMA network met its goals, reaching wireless connection rates of 96.34% and a dropped call rate of 3.71%.

Furthermore, we built an Olympic network security management system that covered the Olympic venues in Beijing and six host cities. We created an integrated network that provided real-time data monitoring in one-minute increments, 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 provided a crucial support role during the

**In Tibet**, in order to provide support for the Torch Relay's leg to the top of Mount Everest, we began laying fiber optic cables in 2006 in Lhasa, Tibet, a city sitting at more than 4,000 meters above sea level. By 2008, more than eight 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 the field for more than 150 days, travelling over 30,000 kilometers.

Torch Relay. With support from our subsidiary provincial operations, 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 staff 36,000 times. In Tibet, this required overcoming a number of challenges—the path was riddled with glaciers, the elevation was 6,500 meters above sea level, and the temperature was -40°C. Despite this, on May 8, 2008, we provided support to protect the Olympic Flame and enabled multimedia messaging (MMS) at the summit of Everest, an altitude reaching over 8,844.43 meters—a world record that established us as a global pioneer.



In Tibet, 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 staff support at venues and set up more than 1,700 emergency response plans. We carried out 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 to protect the network during the Olympics.

During Olympic events, we coordinated internal working groups to maintain network stability in the seven cities where events were being held, requiring 660 people to work at the Olympic stadiums. 603 employees were seconded from 21 subsidiary provincial operations 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, 80 emergency response vehicles, 42 emergency power generation trailers, 50 satellite telephones, and various back-up and spare equipment were dispatched from six provinces. We also had emergency support resources at the ready in case they were needed.

In the seven 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 wireless connection rates of 99.24% and a dropped call 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 ten times higher than average. That day, we reached a wireless connection rate higher than 99.9%, with a dropped call rate lower than 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 do this, we deployed more than 4,800 staff, 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.

-Beijing Olympic Committee





## Innovative Service Offerings

Using our TD-SCDMA technology, we achieved our Olympic goal of providing 3G service at the 2008 Beijing Olympics. During the Games, we successfully created 25 special services for the Olympics that were the most innovative service, most widely used, and fastest spread 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.

### Using TD-SCDMA Technology to Support a High Tech Olympics

With guidance from the Ministry of Industry and Information Technology and other government departments, we were the first company to use TD-SCDMA, a new 3G technology standard. Providing these 3G services to the Olympic and Paralympic Games were a highlight of our telecommunications services during the events.

1. We promoted mobile television services that allowed customers to stream live video from Olympic events. The service was used 51,054 times during the Games: 28,029 times for streaming mobile media and 23,025 for broadcast mobile media.
2. We launched several products and services for the Olympics that utilized 3G technology. These new products and services included: customized Olympic event updates, multi-media Olympic Rings, latest Olympic news, and Push-to-Talk, among others. These services were accessed 50,000 times during the Games.
3. Using wireless mobile connections exceeding 1 Mbps, our customers were able to keep up-to-date with the most current Olympic news. By September 17, these services had been used 21,974 times.
4. In the Olympic Village, we set up a 3G experience center which allowed guests to stream videos, download music, use mobile television, and watch cultural programs using 3G technologies. During the Games, 250,000 guests visited the 3G experience center; 13,500 visitors passed through on our busiest day.

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 communication partners.

-International Olympic Committee President Jacques Rogge

### 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 100% 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 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 by mobile phone provided users with the quickest, 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 launch various games and services over mobile phones; these were downloaded more than one million times by 760,000 users.
- ◇ 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 issued over mobile phone for both the Olympic and Paralympic Games. In total, 1.05 million alerts were issued, allowing customers to access crucial information.
- ◇ For the first time in Olympic history, we promoted the official Olympic music by making the theme song "Me and You" available for download. Not only was it downloaded over 10 million times, it also set records for download speed and was forwarded 5.73 million times.
- ◇ 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 nine million times by 1.65 million users, 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. Users 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; relevant subsidiary provincial operations 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 subsidiary provincial operations, we worked to successfully meet our commitment to provide comprehensive high quality service during the Games.

2. At the Games, we targeted eight different audiences and set up seven major information channels and seven major programs with 56 products and services designed to meet the unique needs of our customers. The seven major channels were designed for Olympic stadiums, service centers, hotlines, reception areas, exhibits, our website, and volunteering sites. 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.

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 staff that together could provide services in more than 10 different languages, 24 hours a day, seven days a week. Foreign-language services on 10086 were used more than 100,000 times and on 12580 they 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 two million 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 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 Organising Committee of the Olympic Games and Paralympic Games



We provided excellent service to foreign visitors during the Games



We provided volunteer services throughout the Olympic Games



We provided thoughtful services for reporters during the Olympic Games

## Widespread Participation in Volunteering

Starting on August 1, after careful and meticulous preparation, the 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 two 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 conversation on "How the Olympics has Inspired Me," and other activities which contributed toward providing excellent service for the Olympics. Our staff 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.

Each provincial level company 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 2008 Beijing 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 president 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 the Olympic message of 'higher, faster, stronger' onwards.

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 Beijing, Olympic volunteers welcomed the World



In Fujian, we cheered on the Torch Relay

## 2008 Key Performance Indicators (KPIs)

KPIs	2006	2007	2008
<b>Company Performance</b>			
Number of Customers (1,000)	301,232	387,000	453,000*
Revenue (1 billion RMB)	295.358	357.900	324.200*
Score from Customer Satisfaction Survey	79.63	80.79	81.31
Taxes Paid (1 billion RMB)	41.2	53.7	44.3*
<b>Rural Program</b>			
Total Administrative Villages Covered via the Village Connected Project	35,108	39,784	41,843
Total Natural Villages Covered via the Village Connected Project	-	5,367	19,904
Agricultural Information Service Subscribers (10,000)	1,782	2,643	4,036**
Number of items listed on our Rural Information Network Website (10,000)	57	192	392
<b>Life Program</b>			
Completed Emergency Response Cases (Person Times)	-	124,792	1,379,260
Call connection rates (%)	95.66	96.48	96.79
<b>Culture Program</b>			
Number of times we responded and resolved customer complaints about spam (1 million)	-	-	8.43
<b>Green Program</b>			
Energy Use (GWh)	6,380	8,090	9,330
Carbon Dioxide Emissions (1 million tonnes)	5.4	6.9	7.9
Base Stations Using Alternative Energy	-	-	2,135
Total Number of Mobile Phones & Accessories Recycled Since Program Launch (10,000)	12	260	395
<b>Employee Volunteering Program</b>			
Employee Volunteering (Person Times)	-	-	103,313*

\*This figure is current as of September 2008

\*\*This figure is current as of November 2008





## Looking Forward

### CSR Management

<b>Management</b>	◇ Set up and roll out our annual plan for CSR as well as our China Mobile CSR Management Methods
<b>Systems</b>	◇ Complete our CSR KPI global benchmarking and improve upon our internal CSR KPI management system
	◇ Host our annual CSR Case Competition to collect and recognize internal best practice, building a culture that promotes the implementation of our CSR commitments
<b>Stakeholder</b>	◇ Improve our stakeholder engagement strategy, platform, and plans ensuring long term, regular engagement
<b>Engagement</b>	◇ Increase dialogue and cooperation with global stakeholders

### Our Main CSR Programs

<b>Rural Program</b>	◇ Continue our efforts to expand network coverage in natural villages, leveraging our progress with administrative villages
	◇ Develop new applications of our Rural Information Network, and increase the number of Agricultural Information Service subscribers
<b>Life Program</b>	◇ Maintain and improve network quality
	◇ Optimize emergency response processes, improve our capability to respond to natural disasters
	◇ Continue to support the Warm China 12.1 Program
	◇ Improve management of philanthropic endeavors and implement a Three-Year Philanthropy Plan
<b>Culture Program</b>	◇ Improve spam management
	◇ Design innovative new and positive mobile services, media and applications
	◇ Coordinate our education-focused philanthropy and determine positioning of philanthropic programs
<b>Green Program</b>	◇ Implement our Green Action Plan, meeting annual targets for reducing emissions
	◇ Continue to roll out environmentally-friendly SIM cards and green packaging
	◇ Extend our Green Boxes Environmental Protection Campaign
	◇ Work with business partners and peers to reduce carbon emissions
	◇ Continue to improve how we monitor and manage EMF, reducing our risks
<b>Employee</b>	◇ Improve management of our employee volunteering programs
<b>Volunteering</b>	◇ Coordinate training for employee volunteers, set up innovative and influential volunteering activities
<b>Program</b>	

## Stakeholder Commentary

### Modeling 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 President 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 with international stakeholders as well. 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 in this context of modern development. In accordance with China's development status, and taking into account China Mobile's position as a telecommunications 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 Index.

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



## 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 co-ordinated 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

# 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  
January 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 rate from 1-5, with 1 being the lowest and 5 being the highest.

You are welcome to contact the China Mobile 2008 CSR report writing team at:  
CR@chinamobile.com or via fax at 86-10-66006167.

We value your feedback and will use it to improve our CSR reporting process. We will maintain the anonymity of your feedback, and your information will not be shared with any third party.



China Mobile Communications Corporation

Address: No. 29, Financial St., Office 907, Xicheng District, Beijing 100032, China Report  
Fax: +86-10-6600 6167  
Cover art by Yang Yan.

All copyrights reserved.No reproduction by any means is allowed without acknowledgement.  
This report was printed on 100% recycled paper.





## GRI Index

No.	Index	Relevance	Page
<b>Strategy and Analysis</b>			
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
<b>Organizational Profile</b>			
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	4
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
<b>Report Parameters</b>			
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	4,10
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	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	—
<b>Governance</b>			
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	7
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	High	7
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
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	7
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	High	7
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
<b>Economic Performance Indicators</b>			
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	22-23
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	High	15,22-27
	<b>Society Performance Indicators</b>		
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	7
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	High	7
SO4	Actions taken in response to incidents of corruption.	High	7
SO5	Public policy positions and participation in public policy development and lobbying.	High	7
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	—
<b>Environmental Performance Indicators</b>			
EN1	Materials used by weight or volume.	Low	40
EN2	Percentage of materials used that are recycled input materials.	Medium	43,45
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	41-42
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	—



No.	Index	Relevance	Page
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	42-46
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	

## GRI Telecom Index

No.	Index	Relevance	Page
	<b>Internal Operations</b>		
IO1	Capital investment in telecommunication network infrastructure broken down by country/region.	High	15,22
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

No.	Index	Relevance	Page
IO6	Policies and practices with respect to Specific Absorption Rate (SAR) of handsets.	Not Applicable	—
IO7	Policies and practices on the siting 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	—
IO8	Number and percentage of stand-alone sites, shared sites, and sites on existing structures.	High	—
<b>Providing Access</b>			
PA1	Polices 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	18,22-27
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	5,15,22,24,26
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	43-46,48-49
<b>Technology Applications</b>			
TA1	Provide examples of the resource efficiency of telecommunication products and services delivered.	High	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



