Issue Management and Performance Report

We are deeply aware of our social responsibilities and continue to ramp up the integration of information technology into the economy, society and people's lives to facilitate higher-quality, fairer, safer, more efficient and more sustainable development. In this performance report, we summarize and disclose information on sustainability-related issues at China Mobile in 2021. The information has been compiled in compliance with relevant domestic and international benchmarks and frameworks based on a materiality analysis. The disclosure rests on two dimensions, namely "management approach" and "actions and performance". We strive to present the information in a comprehensive, objective and accurate manner.

Stakeholder Engagement and Materiality Analysis

We engage with stakeholders as part of our sustainability efforts. We have identified six stakeholder groups that may have or have had a significant impact on the Company's business and operations. This process complies with our guiding principles for CSR management, namely strategic, comprehensive, systematic and participatory. We also take the initiative to collect stakeholders' concerns during the preparation of the sustainability report and incorporate them into the Company's relevant decision-making processes.

Stakeholders	Expectations and Demands (Top 5)[1]	Channel for Communication and Feedback
Customers	• Network quality • Protection of cybersecurity, information security and privacy • Service quality and customer rights protection • R&D and innovations • Digital-intelligent solutions	• Customer Reception Day • 10086 hotline • New media such as Weibo and WeChat • Online and mobile customer service platforms • Customer Satisfaction Survey • Mobile App • CEO Mailbox
Employees	• Network quality • Protection of cybersecurity, information security and privacy • Employee rights protection • Corporate governance and risk management • Employee growth and development	• Employee Representative Conference • Regular training • Performance communication mechanism • MMS Magazine *Mobile Weekly* • Employee review mechanism • Employee complaint mechanism • CEO Mailbox
Shareholders and investors	• Network quality • Protection of cybersecurity, information security and privacy • Financial performance and taxpaying • Service quality and customer rights protection • Stakeholder communication	• Annual reports, interim reports and announcements • General Meetings of Shareholders • Investor meetings
Value chain partners	• Network quality • Protection of cybersecurity, information security and privacy • Corporate governance and risk management • Service quality and customer rights protection • Stakeholder communication	• Procurement • Supplier web portal, service site and hotline • Training and assessment • CEO Mailbox • Forums and conferences
Government and regulators	• Network quality • Protection of cybersecurity, information security and privacy • Service quality and customer rights protection • Digital-intelligent solutions • New infrastructure construction	• Regular reports and communication • Specific investigations and meetings • Relevant forums
Communities and environmental organizations	• Network quality • Protection of cybersecurity, information security and privacy • Service quality and customer rights protection • R&D and innovations • Stakeholder communication	• Community activities • Philanthropic platform • Mass media • New media such as Weibo and WeChat • CEO Mailbox

Note:1.The top 5 issues listed in "Expectations and Demands" are concluded from the findings of the 2021 CSR issue survey among stakeholders (for further information, please refer to page 49).

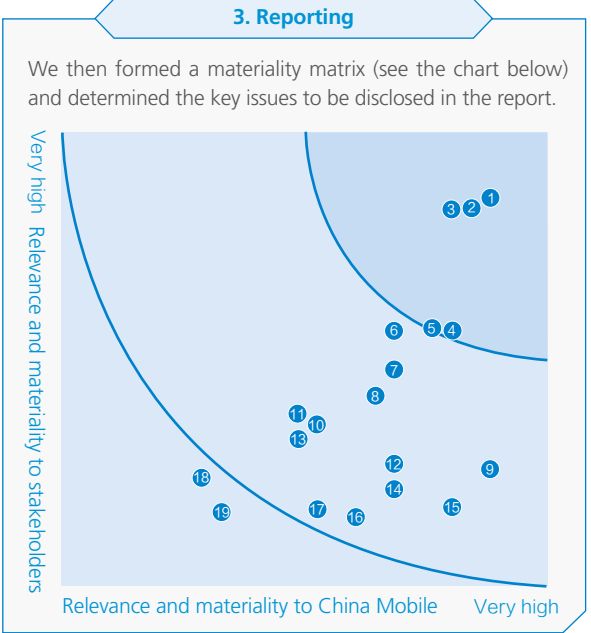| Indicators (unit)	2019	2020	2021
Number of participations in CSR training (person-times)	418,507	926,288	781,393
Number of outlets hosting "CSR Communication Day"	3,184	3,504	2,929
Number of managers participating in "CSR Communication Day"	1,508	1,548	1,748
Number of customers participating in "CSR Communication Day" (person-times, thousand)	37	24	32

We identify issues that are both important to our own development and highly relevant to the stakeholders from the two dimensions of "relevance and materiality to China Mobile" and "relevance and materiality to stakeholders". We then develop issue management and disclosure strategies accordingly. In 2021, we identified 19 material issues of high relevance both to our own development and to the stakeholders based on this process. We streamlined the topics of 2020 while taking into account the latest sustainability trends. This led us to update "anti-corruption" to "business ethics and anti-corruption", "5G development" to "new infrastructure construction", "information security and privacy protection" to "protection of cybersecurity, information security and privacy", "coping with climate change" to "implementing carbon peaking and carbon neutrality goals", "supply chain management" to "responsible supply chain management", and "charity (including targeted poverty alleviation, emergency relief, etc.)" to "supporting public welfare and charity". We also combined "social development solutions" and "environmental development solutions" into "digital-intelligent solutions", added "serving rural revitalization", and deleted "occupational health and safety" and "environmental management system". No significant change occurred in terms of topic boundary.

1. Identification

❯ Domestic and international benchmarks
  - HKEX ESG Reporting Guide
  - GRI Standards
  - UN SDGs
  - UNGC Ten Principles
  - The Financial Stability Board (FSB) Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations
  - China CSR Reporting Guidelines (CASS-CSR)
❯ Analysis of key sustainability issues and key industry issues
❯ Corporate strategy analysis

2. Evaluation

We distributed online questionnaires to key stakeholders to study the relevance and materiality of the sustainability issues and collected 2,827 valid responses in total. With reference to industrial practices, our panel consisting of internal and external experts evaluated the relevance and materiality of each issue to China Mobile.

3. Reporting

We then formed a materiality matrix (see the chart below) and determined the key issues to be disclosed in the report.

Materiality	No.	Issue	Page(s)	Boundary
Very high	1	Network quality	10-11, 13-14, 18, 55	Customers, value chain partners, government and regulators, community and environmental organizations
	2	Service quality and customer rights protection	17-20, 29-30, 55	Customers, government and regulators, community and environmental organizations
	3	Protection of cybersecurity, information security and privacy	17-18, 54	Customers, government and regulators, community and environmental organizations
	4	R&D and innovations	13-16, 21-24, 51-52	Customers, government and regulators, value chain partners
	5	New infrastructure construction	13-14	Customers, government and regulators, value chain partners, community and environmental organizations
High	6	Digital-intelligent solutions	21-23, 31-34, 51-52, 59	Customers, government and regulators, value chain partners, community and environmental organizations
	7	Business ethics and anti-corruption	52	Employees, government and regulators, value chain partners
	8	Stakeholder communication	48	Customers, employees, shareholders and investors, government and regulators, value chain partners, community and environmental organizations

Materiality	No.	Issue	Page(s)	Boundary
High	9	Corporate governance and risk management	6-7, 40-41, 50	Employees, shareholders and investors, government and regulators
	10	Serving rural revitalization	31-34, 59-60	Customers, government and regulators, community and environmental organizations
	11	Supporting public welfare and charity	36-38, 59-60	Customers, community and environmental organizations
	12	Realizing carbon peaking and carbon neutrality goals	40-47, 60-62	Customers, employees, government and regulators, value chain partners
	13	Reducing environmental resource consumption	42-46, 60-62	Customers, employees, government and regulators, value chain partners
	14	Employee rights protection	27-28, 55-59	Employees, value chain partners
	15	Employee growth and development	24, 26, 57-58	Employees, shareholders and investors
	16	Financial performance and taxpaying	8-9, 51	Shareholders and investors, government and regulators
	17	Responsible supply chain management	44, 53	Value chain partners, community and environmental organizations
Moderate	18	Waste discharge	61-62	Customers, employees, value chain partners
	19	CSR fulfillment overseas	35, 59	Customers, value chain partners

Governance and Economic Performance

Corporate Governance

Management approach

We are committed to the corporate governance principles of integrity, transparency, openness and efficiency. We have developed a sound governance structure with a package of measures in order to create long-term and sustainable value for our stakeholders by efficient governance.

Our Board of Directors consists of eight directors, including four executive directors and four independent non-executive directors. The Board of Directors has three principal committees, namely the Audit Committee, the Remuneration Committee, and the Nomination Committee, all of which are composed of independent non-executive directors. Our corporate governance structure and decision-making mechanism are further improved with their experience and expertise. As appointed and authorized by the Board of Directors, each committee operates in accordance with its terms of reference.

Our Board of Directors has adopted a diversity policy since September 2013. The Board ensures that its composition reflects diversity in a number of measures given the Company's business model and particular needs, including, but not limited to, professional experience and qualifications, regional and industry experience, educational and cultural background, skill sets, industry knowledge and reputation, knowledge of the laws and regulations applicable to the Group, gender, race, language proficiency and tenure. The Nomination Committee shall take into account the diversity policy when considering recommendation for appointment and re-appointment to the Board and continuously monitor its implementation.

In terms of internal audit, we have an internal audit department at the headquarters and all the subsidiaries. They give assurance in relation to the appropriateness, compliance and effectiveness of the Company's business activities, internal controls and risk management in an independent and objective manner by carrying out financial audits, internal control audits, information system audits and risk assessments. They also provide advisory services to improve the effectiveness of corporate governance, risk management and internal controls.

Actions and performance

In 2021, we held seven board meetings, seven audit committee meetings, one remuneration committee meeting and one nomination committee meeting. The Nomination Committee reviewed the structure and composition of the Company's Board of Directors. At the meeting, the members had a discussion on the provisions for board diversity policy set out in the *Consultation Conclusions on Review of Corporate Governance Code & Related Listing Rules* released by the Stock Exchange of Hong Kong. They also contributed opinions and suggestions on board diversity policy and director succession plan in light of the Company's overall business situation.

As regards board oversight and governance of ESG issues, the Company's Audit Committee and Board of Directors reviewed and discussed the sustainability report in 2021. The Audit Committee discussed and supervised ESG-related issues reported by relevant departments from time to time, such as anti-corruption, cybersecurity, and employee training and development, and provided opinions and suggestions accordingly.

We also revised the *China Mobile Internal Audit Charter* to continuously facilitate the direct interaction between internal audit department and the Board of Directors. We instituted audits of 5G construction, information security, R&D investment and other focus areas. Meanwhile, we upgraded "on-site + remote + cloud" auditing model, using innovative means to ensure better risk prevention.

Risk Management, Internal Controls and Compliance

Management approach

China Mobile strives to strengthen internal controls, prevent risks and promote compliance. Our top-level management policies, such as the *China Mobile Internal Control Management Measures* and the *China Mobile Special Risk Assessment Management Measures for Major Projects,* specify the objectives, requirements and content for managing different types of risks and serve as the basis for the risk management across the Group. We have a professional internal control and risk management system composed of internal control manuals, matrixes and professional management approaches, which we regularly optimize and update in light of new business forms and models, new businesses, organizational change, etc.

Actions and performance

Internal control and risk management: We strengthened key risk management and control, conducted risk management by means of risk collection, risk identification, combined assessment, measure decomposition and quantitative monitoring, and formulated 24 measures and more than 30 quantitative monitoring indicators with respect to five key risks. We regularly tracked down the implementation of these measures and indicators and found no major operating risks or losses that occurred throughout the year. We continued to strengthen risk management and control in key areas and carried out special risk assessments on 559 major projects throughout the year, whereby we used the assessment results to inform decision-making and implemented risk management throughout the entire process of the projects. We pioneered digital-intelligent means of risk monitoring and implemented centralized monitoring of major risks across the Group. We built 88 models in 2021, which enabled more effective and timelier risk identification. We embedded internal control requirements in the system and enhanced the IT solidification rate of internal controls from 75% to 80%. This led to more rigidly binding internal controls and more effective prevention and control of human fraud.

Compliance management: Based on the "Compliance Escort" plan, we continued to deepen the construction of the compliance management system. The management team emphasized that one should always keep compliance in mind in all processes in order to serve the Company's strategy and support high-quality

development; strengthened the compliance pre-review and risk warning in 5G new infrastructure, 5G+ vertical applications, supply chain security innovation and other strategic areas; based on extensive studies on online transactions and personal information protection, we extended the key areas of compliance management and formulated relevant compliance guidelines; the Company took advantage of the Joint Session on Accountability for Illegal Operations and Investments to strengthen closed-loop compliance management; continued to cultivate and consolidate a compliance culture and shared outstanding compliance management experience within the Company through business briefings, WeChat subscription account, and the Online Talent Development Center.

Direct Economic Impact

Management approach

Striving towards the new positioning of becoming a world-class information services and sci-tech innovation enterprise, China Mobile has been seizing the opportunities to expand our information services, furthering the development strategy to build a world-class dynamic "Powerhouse", advancing our "5G+" plan and the comprehensive and integrated development of our CHBN markets, leveraging technological innovation to foster a new growth model driven by information technology and data, and finally comprehensively promoting digital-intelligent transformation.

We strictly abide by relevant tax laws and regulations in China and all locations where we operate or get listed, acting with integrity and paying taxes as required by law. We also keep up to date with any changes in relevant tax laws, regulations and policies, ensuring that all taxes and fees are paid in full.

Actions and performance

Indicators (unit)	2019	2020	2021
Operating Performance			
Operating revenue (RMB billion)	745.9	768.1	848.3
Taxes paid (RMB billion)	35.3	34.2	35.9
Service Scale			
Number of total mobile customers (million)	950	942	957
Number of 4G customers (million)	758	775	822
Number of 5G package customers (million)	/	165	387
Number of wireline broadband customers (million)	187	210	240
Number of corporate customers (million)	10.28	13.84	18.83
Number of IoT smart connections (million)	884	873	1,049
Network Scale			
Number of 4G base stations (thousand)	3,090	3,280	3,320

Indicators (unit)	2019	2020	2021
Number of 5G base stations (thousand)	/	390	740
Number of cities with NB-IoT	347	337	337
5G SA average download speed (Mbps)	/	>750	>750
Internet backbone bandwidth (Tbps)	302	347	456
International Services			
Number of countries and regions covered by our data roaming services	247	255	264
Number of countries and regions with 4G international roaming services	191	207	212
Number of countries and regions with 5G international roaming services	/	33	51
International transmission bandwidth (G)	70,855	90,898	105,683
Year-on-year decrease in international data roaming tariff (%)	32.62	28.92	8.56

R&D and Innovation

Management approach

We push for continuous technological upgrades, business transformation and business model innovation. With the "One System and Four Rings" technological innovation layout, we fully engage all the business segments in R&D planning, the commercialization of R&D output and R&D effectiveness evaluation to better serve industrial transformation and upgrading and high-quality development. We continue to strengthen the protection of intellectual property (IP) rights and promote employee awareness of IP protection and have held the Intellectual Property Awareness Week for 12 consecutive years.

Actions and performance

As of the end of 2021, we had cumulatively obtained over 3,900 registered copyrights and over 7,500 registered trademarks, and our international trademarks were certified in over 100 countries/regions. In 2021, the "Centralized, Standardized and Coordinated Digital-Intelligent Contract Management Platform" established by the Parent Company won the second prize of the 28th National Enterprise Management Modernization Innovation Achievements.

Indicators (unit)	2019	2020	2021
R&D and Innovation			
R&D expenses (RMB million) [1]	2,843	4,898	6,676
Number of patent applications	2,683	3,497	4,760
Number of newly granted patents	1,384	1,659	1,886

Indicators (unit)	2019	2020	2021
Open Cooperation			
Number of enterprises served by full-volume capabilities (thousand) [2]	>440	>480	>540
Average number of daily authentication processes carried out on the mobile authentication platform (million)	1,212	1,444	1,777
Number of developers on OneNET	148,642	197,582	247,507
Number of enterprises on OneNET	11,825	13,917	15,049
Number of devices connected to OneNET (thousand)	160,927.7	186,280.3	216,471.7
Number of developers on Andlink	115,900	131,200	153,300
Number of enterprises on Andlink	1,000	1,200	1,384
Number of GTI operator members	136	139	140
Number of GTI industry partners	237	247	251
Number of China Mobile's Smart Home Cooperation Alliance members	230	360	473
Number of China Mobile's IoT Alliance members	1,400+	1,664	1,743
Entrepreneurship			
Investment in innovation and entrepreneurship support (RMB million)	88.30	69.69	56.92
Number of users of the innovation and entrepreneurship platform (thousand)	161	171	179
Number of projects created from innovation and entrepreneurship events	3,183	3,468	3,528
Number of teams participating in innovation and entrepreneurship events	2,817	4,112	3,616
Number of teams participating in "HeChuang Incubation"	128	141	191
Number of people participating in "HeChuang Incubation"	517	577	645

Indicators (unit)	2019	2020	2021
Number of jobs created (million)	2.68	2.16	2.17

Notes:

1. This data does not include depreciation and amortization and employee benefit and relevant expenses related to research and development.
2. This data includes the number of companies served by our communications capability open platform, mobile authentication service, CM Pay service and IoT link service, among other China Mobile services.

Business Ethics and Anti-Corruption

Management approach

We institutionalize every facet of our anti-corruption and integrity efforts. We printed and distributed responsibility checklists and seven annual task lists, to ensure that each unit takes its responsibilities and makes contribution from its perspective.

The reporting channels at China Mobile include: mailing address (address: Building A, 29 Financial Street, Xicheng District, Beijing, China, 100033); on-site supervision and inspections; general manager mailbox is also open to employees and the public to report any violations or illegal conduct.

Actions and performance

Integrity management: We formulated guidelines for embedded integrity risk prevention and control and strengthened accountability for duty fulfillment, risk prevention and control, risk management, and risk monitoring; established an integrated management platform for embedded risk prevention and control, building and piloting early warning models in key vulnerable areas at the grassroots level by technological means; comprehensively standardized and controlled integrity risk points and implemented layered and graded integrity risk prevention and control efforts. In 2021, we added/revised 9,762 prevention and control measures, called off 1,089 illicit projects, and reassigned 623 employees in key positions.

Integrity training: We carried out Anti-Corruption and Integrity Education Month activities, with a focus on studying the Company's requirements for integrity building and anti-corruption efforts and learning about non-compliance cases. During the campaign, we organized 11,300 learning sessions of various types, covering over 90% of our employees.

Indicators (unit)	2020	2021
Anti-corruption education events held during the year[1]	11,947	11,390
Anti-corruption education and trainings — participations during the year (person-times)[1]	899,109	786,085

Note:

1. The scope of statistics for relevant indicators covers units in the mainland of China.

Value Chain Management

Management approach

China Mobile adheres to the principles of fairness, impartiality and transparency throughout all stages of procurement management and embeds social and environmental considerations throughout supplier selection, contracting and evaluation.

Ensuring transparent procurement: We have developed the classification and grading standards for closed bid evaluation rooms, unifying the standards, management and arrangement of nationwide evaluation rooms and instituting audio and video recording of the whole evaluation process; eliminated unreasonable restrictions for vendor qualification; facilitated the handling of procurement-related complaints and kept proper records of complaints across the Group.

Reducing procurement risks: We have developed bid evaluation aids to improve the review efficiency and reduce the risk of information leakage and human error; built a smart compliance platform to automatically identify contract-breach risks in the procurement process.

Grading suppliers: We break down our suppliers into the four levels of A, B, C and D by evaluating their compliance performance, comprehensive strengths and effectiveness of cooperation. We incorporate CSR factors into supplier grading and exclude suppliers with major violations or illegal conduct from the *China Mobile Premium Supplier List*.

Implementing responsible procurement: We incorporate suppliers' certification to ISO 9001 (Quality Management System), SA 8000 (Social Accountability Standards), ISO 45001 (Occupational Health and Safety Management System), ISO 14001 (Environmental Management System) and other standards into the criteria for supplier qualification review, dynamic quantitative assessment and comprehensive strengths evaluation. We require all suppliers to sign an integrity pledge online and, by formulating the *China Mobile Supplier Cooperation Guide,* we require cooperative suppliers to fulfill their tax obligations, pay social insurances, and comply with laws and regulations regarding lawful employment, labor protection, occupational health and safety, social responsibility and environmental protection, among other areas.

Strengthening quality review: We have formulated the *China Mobile Implementation Rules for Tier 1 Centralized Procurement Supplier Information Verification* to verify the basic information, qualifications, performance and other information of our cooperative suppliers to prevent procurement risks; we have formulated the *China Mobile Implementation Rules for Tier 1 Centralized Procurement Quality and Contract Fulfillment* and the *China Mobile Centralized Procurement Quality Management Measures* and strengthened quality management through a mix of on-site quality inspections, inspections on arrival and unannounced inspections.

Fostering win-win partnerships: We organize Supplier Service Day activities to raise suppliers' awareness about business integrity and green procurement requirements, among other areas.

Actions and performance

In 2021, our open procurement rate reached 99%. We built 884 bid evaluation rooms and evaluated over 2,200 projects remotely. Our online compliance training for all personnel involved in procurement activities covered about 5,000 people.

Indicators (unit)	2019	2020	2021
Number of centralized procurement suppliers	12,278	13,133	20,600
Number of suppliers in Eastern China	/	4,159	6,074
Number of suppliers in Northern China	/	1,889	3,292
Number of suppliers in Central China	/	1,911	1,909
Number of suppliers in Southern China	/	1,542	2,391
Number of suppliers in Southwest China	/	1,449	2,169
Number of suppliers in Northwest China	/	1,053	2,286
Number of suppliers in Northeast China	/	1,130	2,479
Number of suppliers overseas	/	0	0
Number of tier 1 centralized procurement suppliers	897	818	842
Percentage of local suppliers in tier 1 centralized procurement suppliers (%)	100	100	100
Number of tier 2 centralized procurement suppliers	11,930	12,851	20,432
Percentage of local suppliers in tier 2 centralized procurement suppliers (%)	55.20	83.93	62.92
Number of information verifications on tier 1 centralized procurement suppliers	2,268	2,156	2,312
Percentage of cooperative tier 1 suppliers verified (%)	100	100	100
Number of on-site supplier verifications conducted	1,330	1,107	1,784
Number of registered experts in e-procurement and bidding system	120,236	129,420	133,824
Number of experts in China Mobile procurement evaluation expert pool	55,597	53,886	50,617

Protection of Cybersecurity, Information Security and Privacy

Management approach

Cybersecurity remains a top priority at China Mobile, as outlined in the *China Mobile Cybersecurity Work Assessment and Accountability Measures (Provisional)*, the *China Mobile Cybersecurity Leadership Team Meeting System* and a number of other policies. We have also set up a cybersecurity leadership team headed by the Chairman of the Board of Directors to strengthen Board-level supervision and leadership over cybersecurity efforts. Based on the *China Mobile Management Measures for Cybersecurity Threat Monitoring and Control* and the *China Mobile Cybersecurity Emergency Response Plan,* we have drawn up the *China Mobile Implementation Rules for Cybersecurity Risk Monitoring and Control*. It details the workflow of cybersecurity warning, investigation, remediation, etc., further improving the Company's cybersecurity management system and forming a closed loop of standardized and systematic management of cybersecurity risks.

Actions and performance

Information infrastructure security: We optimized five guidelines, including the *China Mobile Guidelines for Cybersecurity Protection in Communications Network Critical Information Infrastructure*, and drew six security risk maps of communications network critical information infrastructure; commissioned a national control team to conduct security risk analysis on our communications network critical information infrastructure to help us identify and address hazards in a timely manner and better guard critical information infrastructure against security risks. In 2021, the Company's information security, network and IT systems were classified and recorded by the MIIT's communications cybersecurity protection management system, which brought our classification and record-keeping rate of critical information infrastructure to 100%.

Data and information security: We issued the *China Mobile Guidance on Data Security Classification and Grading and Important Data Control,* leveling up requirements for the identification, classification and graded protection of data assets across the Company; inspected the data security work in 31 provinces on-site and carried out security assessments on 443 businesses throughout the year; investigated external data cooperation businesses and subjected all to regular security audits as required; comprehensively investigated data security risks in systems, processes, account access, security audits, etc. and addressed all the risks identified.

Customer information protection: We revised and optimized the *China Mobile Work Rules for Smart Terminal and Application Security Management*, incorporating violations covered in the *Measures for Determining Illegal Collection of Personal Information by Apps* into the evaluation requirements and tests to guide the security management of our own Apps; formulated the *China Mobile Regulations for the Scope of Necessary Personal Information for Common Types of Mobile Applications*, defining the minimum necessary scope of personal information to be collected by the Company's commonly used Apps, based on which the units would determine the legitimacy of permission collection.

Cybersecurity training: We provided cybersecurity training. For example, the offline training program "LiYing Plan" provided the "Mount Tai Team" of cybersecurity experts with capacity building on the four topics of "cybersecurity breach prevention and response", "data security protection and management", "cybersecurity emergency response" and "security system planning and construction"; the "5G Shield" online training program provided training for our 5G network maintenance staff, security administrators, etc. in areas like legal compliance awareness about cybersecurity, network cloud security capabilities, 5G architecture and security risks, and 5G data security protection. In 2021, we conducted more than 10 training sessions, including those for cybersecurity certification and for hands-on cybersecurity, recording over 1,000 participations, and our nationwide security practitioners held over 1,000 certifications.

In 2021, there were no major cybersecurity incidents or information leaks at the Company.

Indicators (unit)	2019	2020	2021
Emergency Communications Support			
Number of emergency communications support	6,800	4,887	6,173
Significant political/economic event support	6,658	4,602	5,620
Significant natural disaster support	124	204	304
Significant accident or catastrophe support	16	32	44
Public health incident support	0	47	192
Social safety incident support	2	2	13
Number of emergency vehicles deployed (vehicle-times)	7,931	7,064	8,709
Number of emergency support equipment installed (set-times)	27,755	11,455	10,549
Number of personnel involved in emergency support (person-times)	259,807	264,102	212,317
Spam Management			
Number of scam phone numbers handled	10,500	126,065	150,589
Average number of spam SMS and MMS messages blocked per month (billion)	0.40	0.36	0.52
Average number of illegal RCS messages handled per month (billion)	35.7	29.0	49.9
Average number of illegal 5G massages handled per month (billion)	/	2.5	3.9
Number of nuisance call numbers handled (thousand)	>280	>320	>180
Number of SMS fraud alerts sent (billion)	2.42	5.00	8.19
Number of targeted covert fraud incidents identified and successfully intervened (million)	23.22	35.47	13.01
Number of scam caller ID reminders sent (billion)	2.4	3.6	3.2

Network, Product and Service Quality

Management approach

To ensure coordinated product management, we have set up the Product Management Committee in 2021 to coordinate efforts in CHBN product development and management system optimization. It assists us to fully implement the "five-in-one" product management and operations system, i.e., development, operations, support, sales and service. We integrate quality management into the product operations system, set up a quality report system on key products to further improve our product experience, and also take measures like product experience benchmarking, product optimization tracking, best practice sharing, etc. We continue to upgrade the operations manual for end-to-end product lifecycle quality management, further specifying the control points and quality standards of each part and instituting "usefulness" and "user-friendliness" as criteria for product approval.

For our proprietary brand hardware, all of them must complete pre-delivery inspection (PDI), in-process inspection and quality sampling before shipment. We also conduct random product sampling to ensure quality consistency. For software products, we carry out baseline tests and adoption tests in order to detect and resolve possible problems in time.

Products found nonconforming in our proprietary brand production line will go through factory's returning and reworking process. The reworked products are only shipped after passing the PDI. Products found nonconforming after sales are repaired by third-parties or returned to the factory if the warranty is still valid. The repaired products can be returned to customers only after passing quality inspections and warehouse inspections.

We also place high value on the compliance management of our basic business. We regulate online marketing with policies that standardize the whole process of marketing activity management: project approval, implementation, resource allocation and outcome review. Every month, we thoroughly audit new marketing activities. We then verify and pinpoint the root of identified problems, for which we develop and implement resolution plans. We have improved marketing activity system control, delivering improved risk control based on a number of processes including an online approval workflow, resource usage tracking, calibration of user targeting accuracy, etc.

Actions and performance

In 2021, we formulated the *Notice on Further Strengthening the Management of Basic Business in the Personal and Home Markets* and the *China Mobile Specifications for Basic Business,* detailing the principles and processes of basic businesses, to eliminate the risk of complaints due to irregular business processes; revised the manual for embedded risks in marketing activities and strengthened the management of worker IDs and approvals during service activities to prevent micro-corruption; carried out dial testing on the service and marketing activities to eliminate breaches; ensured service quality through measures to address problems of great customer concern, such as caller ID spoofing, card reissuance and replacement by non-owners, and service cutoff without notification. In 2021, there were no major quality incidents involving product recalls due to substandard quality.

In terms of network quality, we strengthened targeted 5G coverage, cut down 5G signal interference, and improved the performance of 5G network equipment to continuously improve the user experience of 5G.

Indicators (unit)	2019	2020	2021
Overall user satisfaction (points) [1]	81.99	81.36	81.80
One-time resolution rate of problems over the hotline (%)	88.8	89.4	89.7
Number of customer spam reports handled (million)	1.39	0.85	0.94
Number of customer receptions on General Manager Customer Reception Day (person-times)	141,627	85,493	93,520
Number of complaints and inquiries handled on General Manager Customer Reception Day	126,509	79,336	86,735

Note:

1. The evaluation of overall customer satisfaction in telecom service quality was organized by the MIIT, who also announced the results. The maximum score is 100.

Social Performance

Employment and Compensation

Management approach

In compliance with laws and regulations such the *Civil Code of the People's Republic of China*, the *Labor Law of the People's Republic of China*, and the *Labor Contract Law of the People's Republic of China,* we have formulated the *Labor Management Regulations,* the *Management Measures for Labor Dispatch Unit Cooperation* and other policies. We use them to stipulate requirements regarding labor contracts, forms of employment, recruitment, working hours and vacations, and many other areas. We implement unified management of contract employees and dispatched workers and work to create a fair, equitable, flexible, efficient, harmonious and stable culture of employment.

In terms of compensation, along with a set of policies such as the *China Mobile Guidelines for Employee Compensation Management,* the Parent Company has built a salary system and an employee management system with 19 job grades. We work to broaden employees' career development paths and establish sound expert development channels. We have standardized the internal income distribution structure for different grades, mandating the principle of weighting pay towards backbone and frontline employees, to ensure fair, orderly and effective distribution.

As regards employee analysis and management, we carry out a regular employee structure analysis on all of our business segments and key areas plus a monthly analysis on employee turnover. We do so to effectively retain backbone employees and facilitate talent exchange, training, reskilling and upskilling.

Actions and performance[1]

Employment: The *Civil Code of the People's Republic of China* officially enacted in 2021 further detailed management requirements on a range of topics such as labor contract signing and employee on-boarding and off-boarding. We invited experts to give a detailed explanation of the provisions related to corporate management of labor and employment to ensure legitimate and compliant labor management on the part of relevant personnel. We broadly attracted high-caliber college graduates to meet our needs of talent transformation.

Compensation: We put more compensation resources towards results delivering, value creation, sectors under transformation, key talents and frontline employees. We also required the average pay raise of managers to be lower than that of all employees and the average pay raise of head office employees of all units to be lower than that of all of their employees. We awarded RMB1 billion to above-target results deliveries and to special incentive funds and continued to improve our special incentives such as innovation incentive, periodic payments and annuities for outstanding employees.

Indicators (unit)	2019	2020	2021
Total number of employees	456,239	454,332	449,934
Number of full-time employees	456,239	454,332	449,934
Number of part-time employees	0	0	0
Number of employees in the mainland of China	454,298	451,963	447,849
Number of employees in Hong Kong, Macau, Taiwan and overseas markets	1,941	2,369	2,085
Percentage of employees under 30 years of age (%)	19.76	17.24	14.70
Percentage of employees between 30 and 50 years of age (%)	75.33	77.30	79.15
Percentage of employees over 50 years of age (%)	4.91	5.46	6.15
Percentage of technical personnel (%)	27.13	29.06	34.87
Percentage of marketing personnel (%)	53.27	51.22	47.20
Percentage of management personnel (%)	7.51	7.58	7.02
Percentage of general affairs personnel (%)	10.64	10.71	9.98

Indicators (unit)	2019	2020	2021
Percentage of other personnel (%)	1.45	1.43	0.93
Number of new employees	23,727	19,243	15,775
Number of new female employees	10,122	7,398	6,032
Number of new male employees	13,605	11,845	9,743
Number of resigned employees	13,161	10,044	11,376
Number of female resigned employees	7,375	5,024	5,173
Number of male resigned employees	5,786	5,020	6,203
Number of employees dismissed	1,401	1,131	1,620
Number of female employees dismissed	949	711	991
Number of male employees dismissed	452	420	629
Employee turnover rate (%)[2]	/	2.21	2.53
Turnover rate of employees under 30 years of age (%)	7.26	6.03	8.93
Turnover rate of employees between 30 and 50 years of age (%)	2.07	1.50	1.52
Turnover rate of employees over 50 years of age (%)	1.09	0.29	0.18
Female employee turnover rate (%)	3.00	2.07	2.17
Male employee turnover rate (%)	2.75	2.37	2.93
Turnover rate of employees in the mainland of China (%)	/	2.05	2.28
Turnover rate of employees outside the mainland of China (%)	/	16.75	23.95

Notes:

1. The workforce composition and employee turnover indicators are calculated based on the number of employees at the end of the year.

2. The employee turnover rate by category was calculated by the number of employees in the category who voluntarily resigned divided by total number of employees in the category.

Diversity and Non-Discrimination

Management approach

China Mobile is committed to gender equality in employment. We comply with applicable rules and regulations, including the *Special Rules on the Labor Protection of Female Employees.* We uphold fairness, openness and impartiality in hiring. We object to and take measures to avoid discrimination of any form at the workplace. The *China Mobile Recruitment Management Measures* mandates openness, transparency and fairness during recruitment, and we develop recruiting requirements scientifically and reasonably according to the specific positions. We strictly prohibit discrimination based on race, ethnicity, gender, religion, height, appearance and other factors, as well as the setting of recruiting requirements unrelated to the job duties.

We make a point of bringing in talent of different genders and age groups, and in the meantime, given the same competence, we give priority to college graduates from ethnic regions and areas that have just been lifted out of poverty. We also provide jobs for retired soldiers and demobilized army cadres who meet the government's placement requirements. We lay down specific requirements for promoting equal opportunity and employee diversity by continuously improving the employment management system and the workplace discrimination supervision and notification mechanism to create an equal, diverse and inclusive work environment.

Actions and performance[1]

Indicators (unit)	2019	2020	2021
Percentage of female employees (%)	53.94	53.30	52.88
Percentage of female employees in senior management positions (%)	16.40	16.55	16.48
Percentage of ethnic minority employees (%)	7.07	7.15	7.24

Note:

1.The diversity indicators are calculated based on the number of employees at the end of the year.

Occupational Health and Safety

Management approach

The Parent Company has set up the Workplace Safety Committee to strengthen risk control over workplace safety, avoid safety accidents, and keep employees safe and healthy. Based on the *Workplace Safety Record Management Regulations* and the duty list of production safety accountability system for construction positions, we manage workplace safety through a safety accountability system and safety management system, education and training, hazard investigation and elimination, strengthened management of business partners, emergency drills, etc. and explore the establishment of a graded construction safety risk control mechanism.

Actions and performance

We built the "Workplace Safety Supervision and Inspection Management Platform" and "Workplace Safety Management Statistics Platform", using technological means to improve the precision and efficiency of safety management. We also revised the *Knowledge Manual for Safety Managers* and enabled safety managers to learn and take tests on the Online Talent Development Center. We developed the *Compilation of Basic Knowledge for Workplace Safety Education and Training for China Mobile Employees* to provide a professional and standard syllabus of training.

In 2021, we provided 6,841 safety training sessions with 290,000 participations. We distributed 530,000 copies of educational materials, sent 250 million SMS, MMS and WeChat messages on safety on occasions like the national Workplace Safety Month to raise public awareness of safety.

Indicators (unit)	2019	2020	2021
Number of safety emergency drills [1]	1,230	1,233	11,170
Investment in workplace safety (RMB million)	2,407	2,488	2,303
Employee's participation rate in safety emergency drills (%)	86.3	87.1	94.3
Accident fatality rate per 1,000 employees (%)	0	0	0.002
Number of fatalities due to workplace safety incidents [2]	0	0	1
Lost days due to work injury	/	31,331	39,611

Notes:

1.Because of COVID-19, we avoided large gatherings in 2021 and conducted drills of smaller groups instead, which led to higher frequency.

2.A traffic accident that occurred at the Ali Branch of Xizang subsidiary in July 2021 resulted in the death of one contract employee.

Development and Training

Management approach

Guided by the "Powerhouse" strategy, we place focus on the leadership skills, reskilling and professional qualifications of our employees. Aiming for "new, targeted and practical" training, we invest in capacity building, offering both offline demonstration classes and extensive online sessions, combining training with practice, and providing opportunities for our employees to learn and hone their professional skills and participate in competitions. By doing so, we continue to make our training more opportune, strategic, systematic, targeted and effective and use it to catalyze our transformation.

Actions and performance[1]

Implementing the "Helm" Leadership Development Program: We released the *China Mobile Leadership Training N[5] Model* and a matching curriculum system in alignment with the "20-character standards". We used the model to inform a targeted training plan. For example, we highlighted strategic management and macro control in the rotation training for our executives and pioneered the "team breakthrough" action learning approach, where we used the discussion results to inform management decision-making, thus maximizing the role of training in facilitating the Company's transformation; for middle-level managers and non-management employees, we highlighted strategy comprehension and implementation, and encouraged the learning of new technologies and sharing of grassroots practices and experience of innovation, thus boosting the role of innovation in catalyzing digital-intelligent transformation.

Promoting the "New Drivers Capacity Enhancement" Package Plan: Aiming for Group-wide knowledge empowerment, we implemented the "All-Hands Smart Mid-End Platform" and "All-Hands Products" empowerment campaigns in alignment with the Company's strategic and overall mission requirements. We strengthened mid-end platform capability application to ensure that all of our employees knew, understood and promoted our products. In terms of core talent reskilling, we organized the "Cloud Reform" and 5G core technical personnel training and certification. We also launched security and software development reskilling programs to drive the internalization of key core capabilities. In terms of capacity building for frontline personnel, we focused on key positions of grassroots grid administrators, and with the "Navigation" qualification program, set up a unified qualification system and undertook the first grid administrator certification across the Group. We organized the "Diversification and Empowerment" grid learning campaign, spreading best grid practices based on the centralized co-learning mode. In terms of senior group account managers and smart home engineers, we hosted capacity building training. For new employees, we conducted the "Sailing Plan" orientation program. We fully utilized the Group-level training bases to offer series training programs that could cultivate practical "seed players" in 5G, DICT, cloud and other technical areas.

Creating the unique Online Talent Development Center: In 2021, we continued to upgrade the core service capabilities of our Online Talent Development Center and enabled toll-free data and team learning on the China Mobile Online Talent Development Center App, providing features like speed control, audio play and live streaming to facilitate the study of non-management employees; hosted 484 network maintenance personnel certificate tests, recording over 413,000 participations; offered 94 mobile cloud sales certifications, recording 29,000 participations; improved the relevance and effectiveness of online training through intelligent applications like intelligent customer service, intelligent search and intelligent recommendations.

Indicators (unit)	2019	2020	2021
Training expense per employee (RMB)	2,004	1,730	2,115
Number of training participations (person-times, thousand)	1,825	1,483	1,242

Indicators (unit)	2019	2020	2021
Number of senior management participations (person-times)	1,237	856	1,275
Number of middle-level management participations (person-times)	22,357	20,923	20,214
Number of non-management employee participations (person-times, thousand)	1,802	1,461	1,221
Average training hours per employee	105.7	131.3	142.4
Average training hours per senior manager	107.4	107.0	137.9
Average training hours per middle-level manager	114.2	188.6	179.3
Average training hours per non-management employee	105.6	130.7	141.8
Training participation rate of senior management (%)	98.7	99.2	100
Training participation rate of middle-level management (%)	95.8	98.4	99.7
Training participation rate of non-management employees (%)	98.6	99.4	98.9
Training participation rate of female employees (%)	/	99.8	98.8
Training participation rate of male employees (%)	/	98.9	99.2
Average training hours of female employees	/	125.7	134.7
Average training hours of male employees	/	137.7	153.1
Total number of Online Talent Development Center users (thousand)	460	481	473
Average learning hours of Online Talent Development Center users	65.3	104.3	113.4
Number of mobile Online Talent Development Center learners (thousand)	368	378	339

Note:

1. The scope of statistics for training-relevant indicators covers units in the mainland of China.

Labor Rights Protection

Management approach

In compliance with the *Labor Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor*, and other applicable laws and regulations, we strictly prohibit the use of child labor and forced labor. We guarantee such compliant labor practices through a mixture of monthly monitoring and quarterly notification system and random inspections.

We foster workplace democracy. We explicitly require the formation, revisions or decisions regarding any rules and regulations or major issues affecting employees' vital interests be determined through discussions with employee representatives or all members of the staff: proposals and opinions should be put forward and subject to decision in consultation with the labor unions or employee representatives in a fair and equal manner. The final decisions on the rules, regulations and major issues affecting employees' vital interests must be made public.

Actions and performance

In 2021, we further facilitated the communications channels within the Company for our employees to speak up. Labor unions at different levels all set up a labor union president mailbox based on their respective circumstances, with clearly defined scope of duties and mail handling and reply process that encouraged and supervised the handling of overdue letters, and improved the tracking of follow-up measures.

Meanwhile, we developed a number of initiatives focused on safeguarding female employees. For example, labor unions at different levels continued to implement the "Women Contribution" campaign, encouraging female workers to actively contribute to the 14th FYP; the "Women Rights Defense" campaign continued to improve the ability to serve female employees and defend their legitimate rights; the ongoing "Women Care" campaign prompted female employee organizations at different levels to secure adequate services for female employees and help solve their difficulties at work and in life; with the "Women Growing" campaign, we continued to make female employee organizations more vibrant and powerful. In 2021, the percentage of female employees at the headquarters who returned to work after maternity leave was 100%.

Indicators (unit)	2019	2020	2021
Number of CEO Mailbox emails and letters	903	573	540
Percentage of unionized contract employees (%)	100	100	100
Percentage of unionized dispatched workers (%)	98	98	98
Collective bargaining agreement coverage rate (%)	100	100	100
Employee health examination rate (%)	97	97	97

Local Communities

Management approach

In collaboration with the Parent Company, China Mobile continues to assist the designated impoverished population by providing education and financial support, boosting their confidence, skills, livelihoods and local industries, and helping them produce and sell products, thus consolidating their achievements in poverty alleviation. During the 14th FYP period, we will rely on the "Seven Assistance Measures" and the "Seven Rural Digital-Intelligence Projects" to advance the construction of digital-intelligent villages. By continuing to keep in place relevant responsibilities, policies, assistance and supervision, we will maintain stable levels of assistance in terms of system construction, measures and volume, and help assisted areas consolidate and expand the results of poverty alleviation in terms of talent, capital, skills and confidence, consumption, industry, and people's livelihood. At the same time, we will expand our offering of online, cloud-based and intelligent products in areas like new rural infrastructure, industry, governance, education, healthcare, culture and finance to provide farmers, rural families and agricultural enterprises with high-quality and efficient IT services, thereby boosting the revitalization of industries, talent, culture, ecology and organization in rural areas.

We also remain a responsible organization overseas, where we give back to local communities by continuously expanding our reach and information service offerings and becoming more locally engaged.

Actions and performance

Rural revitalization and public welfare: The Parent Company released the *Digital-Intelligent Rural Revitalization Plan Whitepaper* and the *China Mobile "Network+" Poverty Alleviation Documentary Report*, fully upgrading the "Network+" poverty alleviation model into the "Network+" rural revitalization model. China Mobile's philanthropy platform was approved by the Ministry of Civil Affairs as one of the third batch of online fundraising information platforms so it could provide carrier-grade support for charity development. We continued to undertake the "Heart Caring" campaign and the "Blue Dream" project, and all the provincial subsidiaries and affiliated units were actively engaged in charitable activities and volunteer services.

CSR fulfillment overseas: In 2021, China Mobile International carried out volunteer activities, such as heart-warming activities during COVID-19 and holiday gatherings on the Spring Festival and Mid-Autumn Festival, to bring care to the community. In 2021, China Mobile International won the Hong Kong "Caring Company Award" for the fourth consecutive year and the *HR Asia's* "Best Companies to Work for in Asia 2021" award for the third time, among others.

Indicators (unit)	2019	2020	2021
Public Welfare Activities			
Total number of registered employee volunteers (thousand)	122.9	131.1	113.1
Total employee volunteer hours (thousand)	615.1	945.2	806.2

Indicators (unit)	2019	2020	2021
Cumulative number of impoverished children who received free CHD screenings	54,968	58,607	61,898
Cumulative number of impoverished children who received free CHD treatment	5,973	6,574	7,069
Cumulative investment in "Blue Dream" (RMB million)	177.3	197.8	219.8
Cumulative number of multimedia classrooms built	2,863	3,380	4,029
Cumulative number of rural primary and secondary school principals trained	127,338	128,338	129,338
Cumulative external donations made by China Mobile Charity Foundation (RMB million)	355.90	388.40	421.10
Local Impact			
Percentage of local employees in Hong Kong subsidiary (%)	88.5	88.1	86.5
Percentage of local management-level employees in Hong Kong subsidiary (%)	66.7	63.9	65.0

Environmental Performance

GHG Emissions and Energy Consumption

Management approach

The Company is highly electrified, with 97% of the energy consumption being electricity and the indirect carbon dioxide emissions from the use of electricity accounting for over 95% of total emissions. As such, the Company mainly reduces GHG emissions by curbing the growth of electricity consumption and increasing the use of renewable energy. We have built a circular management system on the three pillars of target setting, close monitoring and continuous improvements. We use the system to implement energy efficiency measures throughout our production and operations processes, promoting energy efficiency, and low-carbon and green development.

We keep up to date with national policies and regulations regarding the carbon peaking and carbon neutrality goals. In 2021, we identified concrete measures in line with relevant requirements, releasing the *China Mobile Energy Efficiency Management Measures* and the *China Mobile Management Measures for Ecological Pollution Risk Prevention and Control.* We develop specific assessments every year to ensure full compliance with the latest national standards and norms.

Actions and performance

In 2021, we published the *China Mobile 5G Network Energy Efficiency Technology Application Guidance (2021 Edition)* and the *Notice on 2020 Green Data Center Evaluation Result Announcement* to foster the adoption of technological innovations in 5G network energy efficiency and build low-carbon, green data centers.

We issued a headquarters' energy saving and emission reduction proposal, calling for reduced electricity use in elevators, green travel, timely power shutdown, optimized heat supply and reasonable temperature for daily hot water, to reduce the consumption caused by thermal power operations.

Indicators (unit)	2019	2020	2021
GHG Emissions			
Total CO_2 emissions (million tonnes) [1,2]	/	34.15	33.82
Direct GHG emissions (Scope 1) (million tonnes)	/	0.24	0.24
Indirect GHG emissions (Scope 2) (million tonnes)	/	33.91	33.58
Carbon emissions intensity (tCO_2e/RMB10,000)	/	0.445	0.399
SO_2 emissions (tonnes) [3]	9.28	2.75	11.36
Carbon emissions from employee commuting (thousand tonnes)	507.7	438.8	402.4
Carbon emissions from business travel (thousand tonnes)	81.9	57.6	47.2
Direct Energy Use			
Natural gas consumption (million m³)	11.0	8.5	13.4
LPG consumption (thousand tonnes)	0.23	0.13	0.16
Coal gas consumption (million m³)	0.08	0.07	0.01
Coal consumption (thousand tonnes)	0.5	0.1	0.5
Gasoline consumption (million liters)	101.3	83.3	84.7
Diesel fuel consumption (million liters)	13.1	16.1	10.5

Indicators (unit)	2019	2020	2021
Indirect Energy Use			
Total electricity consumption (TWh)	/	54.919	57.038
Purchased heat (thousand GJ)	3,672	3,633	4,046
Energy Conservation			
Total electricity saved (TWh)	2.21	2.51	4.35
Equivalent to reducing GHG emissions by (thousand tonnes)	1,415	1,551	2,654
Reduction in overall energy consumption per unit of data traffic (%)	43	21	21
Number of inter-provincial video conferences organized by the headquarters	1,184	762	970

Notes:

1. Carbon dioxide (CO_2) is the only type of GHGs generated in our operations, and over 95% of our CO_2 emissions come from the use of electricity. CO_2 emissions are calculated mainly in accordance with the *Guidelines for National Greenhouse Gas Inventories* issued by the Intergovernmental Panel on Climate Change (IPCC) of the United Nations in 2006, and the greenhouse gas emission factors for 2019 as well as the grid emission factor for 2021-2022 issued by the Ministry of Ecology and Environment of the People's Republic of China.
2. With the official launch of the "C^2 Three Energy — Carbon Peaking and Carbon Neutrality Action Plan" in 2021, we updated the scope of statistics on energy consumption and recalculated the electricity consumption and CO_2 emissions of 2020 accordingly.
3. SO_2 is the main type of emissions generated in our operations, mainly from heating and coke consumption in certain regions. There was a slight increase in the coke consumption of our Xizang subsidiary in 2021.

Waste Discharge

Management approach

The Company continues to strengthen the management of various types of solid waste and abide by relevant national laws and regulations in all stages and areas of storage, transportation and disposal, to prevent and control environmental risks and continuously enhance the comprehensive utilization rate.

Actions and performance

Indicators (unit)	2019	2020	2021
Waste[1, 2, 3]			
Non-hazardous solid waste produced (thousand tonnes) [4]	71.4	63.2	76.7
Non-hazardous solid waste comprehensively utilized (thousand tonnes)	72.1	69.4	78.8

Indicators (unit)	2019	2020	2021
Non-hazardous solid waste carryover from previous years comprehensively utilized (thousand tonnes)	5.1	11.7	4.5
Comprehensive utilization rate of non-hazardous solid waste (%) [5]	93.93	91.32	96.89
Non-hazardous solid waste intensity (kg/RMB10,000)	0.96	0.82	0.90
Hazardous waste produced (thousand tonnes) [6]	18.9	17.8	21.0
Hazardous waste disposed of (thousand tonnes)	21.7	22.6	23.5
Hazardous solid waste carryover from previous years disposed of (thousand tonnes)	5.8	6.1	3.5
Disposal rate of hazardous waste (%)[7]	84.30	92.06	95.45
Hazardous waste intensity (kg/RMB10,000)	0.25	0.23	0.25
Material Use			
Total amount of materials used for producing end products (tonnes)	12,396	12,899	14,521
Amount of packaging materials for producing end products per unit of production (tonnes)	0.00041	0.00049	0.00041

Notes:

1. In the coming years, China Mobile will strive to reduce the non-hazardous waste, electronic waste and hazardous waste produced in the operating and marketing activities. However, it is not easy to set a quantified goal for the time being given that the amount of waste produced in network operations is directly related to the rapid development of the internet as well as the continuous updates and upgrades of equipment.
2. Since 2019, we have updated and standardized the scope for the statistics of different types of solid waste in accordance with the requirements of the *Notification on Issuing the Statistical Report on Energy Conservation and Ecological Environmental Protection of Central State-owned Enterprises* issued by the SASAC, supervisor of the Parent Company. We will disclose new indicators on a rolling basis every year.
3. Our operations generate three types of solid waste: non-hazardous waste, electronic waste and hazardous waste. In line with relevant environmental requirements, retired fixed assets that constitute hazardous waste are stored separately from general retired fixed assets, and managed and transferred accordingly.
4. Non-hazardous waste mainly includes household waste, kitchen waste, office and marketing waste paper or packaging, construction waste, etc.; electronic waste mainly refers to electronic components and equipment replaced in base stations and server rooms and scrapped printers, copiers, fax machines, computers and other equipment in the office. Non-hazardous waste and electronic waste are collectively referred to as non-hazardous solid waste.
5. The comprehensive utilization rate of non-hazardous solid waste refers to the amount of non-hazardous solid waste comprehensively utilized minus the amount of non-hazardous solid waste carryover from previous years comprehensively utilized and then divided by the total non-hazardous solid waste produced during the reporting period.

6. Hazardous waste mainly includes waste bare circuit boards and batteries, etc. in base stations and server rooms, scrapped printer toner cartridges, ink cartridges, fluorescent tubes, etc. in the office area, dysfunctional cell phones and other smart terminals, batteries, SIM cards, etc.

7. Hazardous waste disposal rate refers to the amount of hazardous waste disposed of minus the amount of hazardous waste carryover from previous years disposed of and then divided by the amount of hazardous waste generated during the reporting period.

Water Management

Management approach

In compliance with relevant requirements in the *Water Law of the People's Republic of China* and the *Water Pollution Prevention and Control Law of the People's Republic of China*, we continue to strengthen daily water management and strictly control sewage discharge. We endorse water-saving practices, setting the water saving target of "zero growth rate of per capita water availability", and encourage the application of wastewater recycling and reuse technologies to reduce water consumption. The water for our daily operating activities and production mainly comes from the municipal water supply and thus does not contain any water resource risk.

Actions and performance

In 2021, our water withdrawals caused no major impact on water sources.

Indicators (unit)	2019	2020	2021
Total water consumption (million tonnes)	36.29	38.31	43.32
Water consumption intensity (tonnes/RMB10,000)	0.48	0.50	0.51

Environmental Pollution Prevention and Control

Management approach

China Mobile implements national arrangements for winning the battle of pollution prevention and control. The Company specifies the respective responsible departments and puts in place preventive and control measures and emergency response plans for areas of environmental management that are considered risky, such as air, water and soil, solid waste, EMR and noise.

Actions and performance

In 2021, there were no major environmental violations by the Company.

Green Supply Chain

Management approach

The Company plans and implements green procurement initiatives, driving energy saving and emission reduction in the supply chain with actions and technologies, and encourages green innovations in the supply chain.

Actions and performance

We incorporated energy efficiency criteria in equipment bidding and procurement. We prioritized energy saving at the source, strictly controlling the energy consumption and efficiency of equipment admitted into the network. Both of the full-load and no-load power of wireless main equipment procured during 5G Phase III in 2021 decreased by 10% compared with 2020; we applied the calculation of full life-cycle electricity cost into AC procurement, achieving an improvement of 10% from 2020 in the overall end-use energy efficiency of ACs purchased through centralized procurement.

Indicators (unit)	2019	2020	2021
Online sales volume (RMB billion)	563.5	525.2	571.7
Number of e-procurement projects (thousand)	appr. 34	appr. 46	appr. 32
Paper documents saved due to fully digitalized procurement (thousand copies)	appr. 480	appr. 645	appr. 699

Eco-Friendly Products and Services

Management approach

With a rich offering of digital applications and services, the Company works to meet the information needs of industries and individual users to enable improved efficiency in production, life and social governance and drive energy saving and carbon reduction in the wider society.

Actions and performance

Besides great convenience, our rich selection of products, such as MIGU Reading, ViLin, Cloud Life, And-Education and "and-Caiyun", also helped users reduce energy and resource consumption otherwise generated by traditional ways of reading, meeting, entertainment, and learning. We also created digital application demonstrations for multiple industries using DICT solutions, effectively reducing carbon emissions.