



Digital Divide

2012 Sustainability Report







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About América Móvil



A Message from the CEO

We strengthen our sustainability by offering more and better services to a greater number of people in the least possible time.



It is a source of great satisfaction to all of us at América Móvil to present our 2012 Sustainability Report, an exercise in transparency and responsibility toward our stakeholders, which offers a comprehensive vision of our company in its economic, social, and environmental aspects.

We are fully aware of the responsibilities entailed by the services we offer, constituting as they do a very important factor in the economic and social development of all the countries in which we operate. This is why we pay special attention to strict compliance with norms and standards and why we respect and foster free competition, which generates greater benefits for consumers and society and in general.

One of our most important goals as a company is the bridging of the digital gap, which translates into multiple benefits for the community: increased connectivity, communication, education, economic prosperity, and entertainment, all through state-or-the-art technology. In this way greater possibilities for development are offered to communities in the countries in which we operate.

In 2012 we provided services to more than 326 million customers thanks to wider coverage, the result of continual investment over the last five years in excess of 32 billion US dollars. The quality of our services, our state-of-the-art technology, competitive prices, and an ever wider offer of products and services have allowed us to fulfill our mission of putting the Americas in communication with the rest of the world.

Today more than ever we are **committed** to being a company that positively and permanently **impacts** the **communities** we serve and of which **we are** a part.

We have also consolidated our position as one of the largest employers in the countries where we operate. By the end of 2012 we had a total of 158,719 employees, all of whom enjoy the benefits of a steady, well-paying job, with social security benefits and constant opportunities for development, in line with the needs of each locality. We firmly believe that every person has unlimited potential, talent, and an intrinsic desire to succeed, so we offer a wide range of continuous training courses and workshops to develop the skills of our employees.

In the social ambit, in addition to providing our services to the least developed regions, we offer permanent support through various programs and foundations that foster the comprehensive development of our communities. At América Móvil we believe that a sustainable company is only possible in a sustainable society.

Also, in order for more people to have access to the Internet in the countries where we operate, we have increased the number of public spaces with free high-speed access to the worldwide web, as well as augmenting the availability of technological resources in emergency situations.

The care and conservation of the environment has always been a priority for América Móvil. We focus on continual improvement in the environment management of all our processes, from the purchase of equipment to operations, recycling, and storage. Our main actions are articulated around two vectors: the efficient use of energy and the recycling of mobile telephone equipment, supported by permanent telephone and accessories collection campaigns.

For América Móvil, having a solid corporate governance structure and practices is of the greatest importance.

Our sustainability is reinforced by efficient companywide management, decision-making, and control. To this end, we published in 2012 our Corporate Governance Policies and Code of Ethics, which define and reflect our management and decision-making principles.

None of the actions and results we have achieved would have been possible without the loyalty of our customers, the professional dedication of our employees, the support of our Board of Directors and our suppliers, and the trust of the communities in which we operate. We would like to extend our sincere acknowledgement to all of them. With their support, we shall continue working on the basis of co-responsibility, mutual benefits, and a vision of long-term sustainability.

Today more than ever we are committed to being a company that positively and permanently impacts the communities we serve and of which we are a part.

To achieve these goals, we maintain constant investment focused on fostering sustainable development to the benefit of all our stakeholders.

Daniel Hajj AboumradCEO of América Móvil

Some

Important Facts

Social

Performance



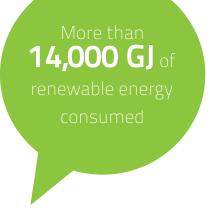
Economic

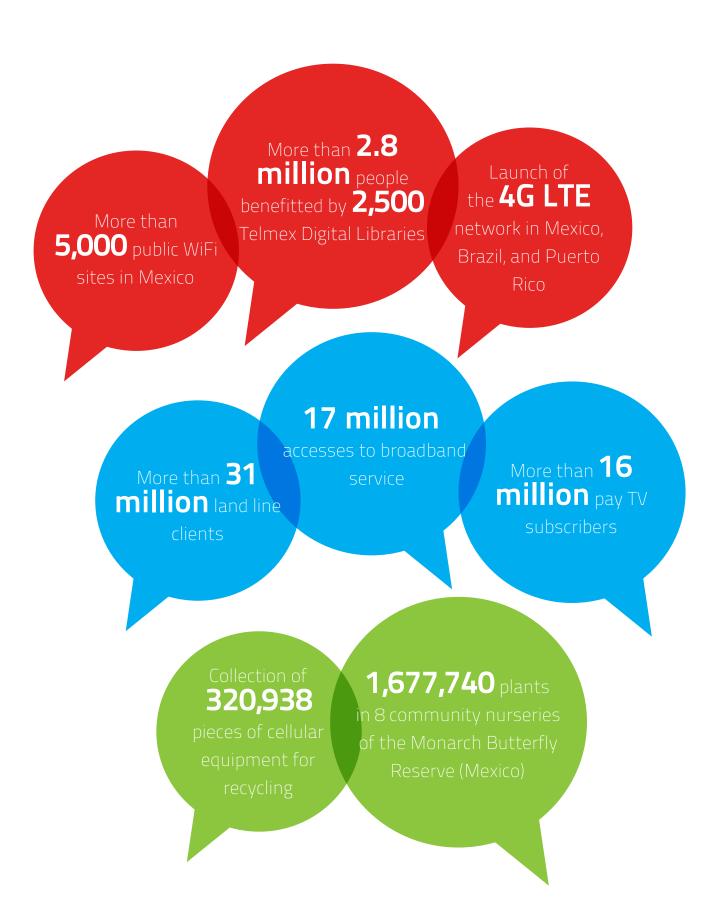
Performance



Environmental

Performance





Corporate Structure

América Móvil, S.A.B. de C.V., is a holding company established as a variable-capital stock company in accordance with Mexican legislation currently in effect. It is part of Grupo Carso and operates through the following companies:

	Country	Brands	Principles Services	
		Telcel	Mobile services	
1	Mexico	Telmex Landline services	Landline services	
		CMI	Communications and advertising	
2	Argentina	Claro	Mobile and landline services	
		Claro	Mobile and landline services	
3	Brazil	Embratel	Landline services, Pay TV	
		Net	Mobile and landline services, Pay TV	
4	Chile	Claro	Mobile and landline services, Pay TV	
5	Colombia	Claro	Mobile services, Pay TV	
6	Costa Rica	Claro	Mobile and landline services, Pay TV	
7	Dominican Republic	Claro	Mobile and landline services, Pay TV	
8	Ecuador	Claro	Mobile and landline services, Pay TV	
9	El Salvador	Claro	Mobile and landline services, Pay TV	
10	Guatemala	Claro	Mobile and landline services, Pay TV	
11	Honduras	Claro	Mobile and landline services, Pay TV	
12	Nicaragua	Claro	Mobile services, Pay TV	
13	Panama	Claro	Mobile services, Pay TV	
14	Paraguay	Claro	Mobile and landline services, Pay TV	
15	Peru	Claro	Mobile and landline services, Pay TV	
16	Puerto Rico	Claro Services	Landline services, Pay TV	
17	Uruguay	Claro	Mobile services	
10	United States	TracFone	Mobile services	
18	United States	Simple Mobile	Servicios Móviles	

Mission

Our mission is to ensure that the population of each of the countries in which we operate has access to products and services with the latest telecommunications technology, at affordable prices, in order to bring people closer together.

Vision

To be fastest growing telecommunications company and preserve our leadership in the telecommunications industry.





América Móvil
we believe that a solid basis
of principles and values is
indispensable to the sustainability
of the company. This is why we constantly
promote and communicate our ethical
foundation and oversee compliance
with it in all the countries where
we operate.

Values

Our values and principles originate in our philosophy. They are an essential part of our organizational culture and of our daily activities, and are therefore the foundation of our development and results.

- 1. Honesty. Being honest means showing consistency in our ways of thinking and acting.
- 2. Human Development and Entrepreneurial Creativity. We encourage entrepreneurial creativity as a means of providing society with the elements required to address the important issues that affect the countries in which we are present.
- 3. **Productivity.** We remain committed to the modernization, growth, quality, simplification, and optimization of our productive processes.
- 4. **Respect and Optimism.** We are committed to the belief that every human being has an unlimited potential and an intrinsic desire to succeed.
- **5. Legality.** Our activities are governed by objective standards that apply at both a personal level and at that of the company and sector.
- 6. Austerity. We comport ourselves with sobriety and modesty.
- 7. Social Responsibility. We have been entrusted with the noble task of helping people to communicate. This entails working constant on behalf of the sustainable development of the communities we have the honor to serve, in areas as diverse as education, the environment, health, sports, art, and culture. In this way we reaffirm our commitment to achieving the present and future wellbeing of the communities in which we operate, well aware that our mission is one of a community-oriented nature.

Carso Principles

The 10 basic principles that govern our operations are part of the business philosophy of our founder Carlos Slim Helú. They explain in large measure the results of our institution and are an important guide to its future. These principles extend to all our employees, work teams, and family members, and we are daily committed to fulfilling them.

- 1. Simplicity, flexibility, speed, and streamlined hierarchy.
- 2. Austerity.
- 3. Modernization, productivity, competitiveness, and improvement of productive processes.
- 4. Investment in productive assets.
- 5. Teamwork.
- 6. Reinvestment of earnings.
- 7. Entrepreneurial creativity.
- 8. Steady and patient optimism.
- 9. Every moment is good for those who work and have the means to work.
- 10. Creation of wealth.

Informe de Sustentabilidad 2012



Our Strategy

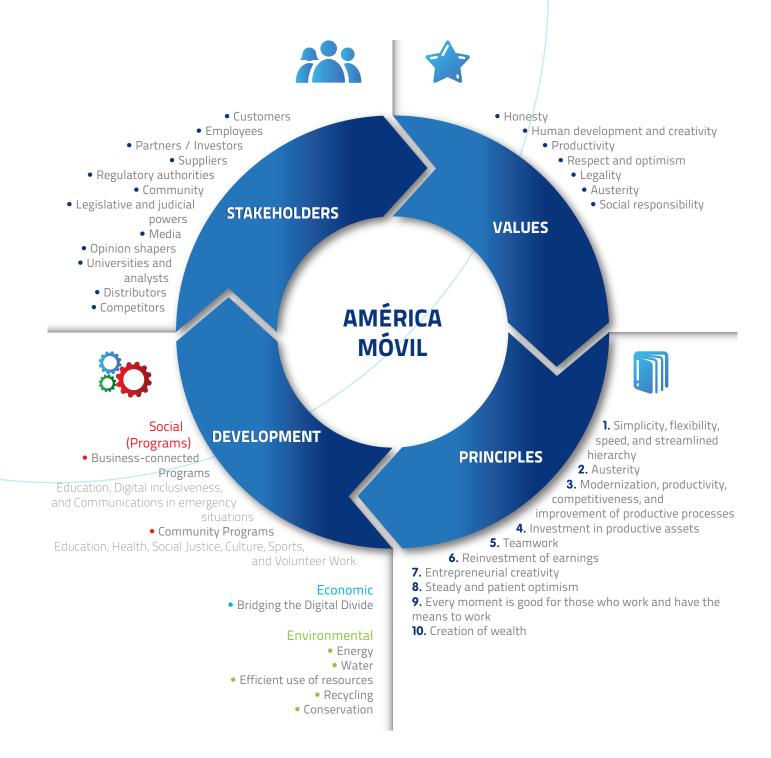
In order to fulfill our Mission and Vision, we must continue to implement, as we have done to date, an aggressive investment program in the aim of widening our coverage, incorporating the most up-to-date technology, and proving new and better services. We are convinced that our development depends on the value we generate for our customers, within a responsible vision that is sustainable in terms of both our stakeholders and the environment.

Thus, our strategy favors:

- Proximity to our customers, including the offer of a wider range of products and services, with more and better options.
- The offer of convergent services, with a guarantee of high quality of service, attention, innovation, and coverage, as well as the most comprehensive and competitive offer, all in a socially responsible environment.
- Active participation on behalf of the development of the communities in which we operate.
- Contribution to a reduction of the digital divide.
- Growth in harmony with the environment.
- Strict cost controls.

Sustainability Model

Our sustainability model constitutes the **framework** of our **economic**, **social**, **and environmental** development. It combines the **values**, **activities**, **and expectations** of our different stakeholders and is aligned with our **general business strategy**.



Relations with Our Stakeholders

We maintain constant communication with our stakeholders, in order to understand their expectations and to respond to them in a timely and efficient manner. We foster an environment of co-responsibility, realism, respect, and trust, with a view to establishing harmonious long-term and mutually beneficial relationships that strengthen our sustainability.

The following is our communicational framework, including frequency of contact, expectations of stakeholders, and responses.

Stakeholders	Customers	Employees	Partners / Investors	Suppliers	Authorities	Community	Legislative and Judicial Powers	Media	Opinion Shapers	Universities and Analysts	Distribution channel
Forms of Contact	Customer Attention Centers Telephone service Online chat Electronic mail Suggestions boxes Customer satisfaction surveys Print magazines and advertising Websites Social media Events Sponsorship	Internal communications Induction to Code of Ethics Workplace climate surveys Performance evaluations	Meetings Operating and financial reports	Meetings Code of Ethics	Meetings Alliances and accords	Electronic media Meetings WWF Alliance	Meetings	Meetings	Meetings	Congresses Meetings	Conversations Telephone lines Web and electronic mail Customer satisfaction surveys Print magazines and advertising
Frequency of Contact	Daily / weekly / monthly / yearly	Daily / weekly / monthly / yearly	Daily / weekly / monthly / yearly	Daily / weekly / monthly	Periodical / Constant	Periodical	Periodical	Periodical	Periodical	Periodical	Daily / weekly / monthly / yearly
Expectations	Integrity, quality service, good cost/service ratio, innovation, care of the environment	Professional development, pay and benefits, training, balance between personal, professional, and family life	Leadership, profitability, growth, sustainability, and transparency	Development and timely communication	Compliance with the law, constant investment, sustainable programs, close and transparent collaboration, information on the domestic and international sector	Connectivity, access to new technologies, competitiveness, care of the environment	Information on the domestic and international sector, forecasts of new technology launches, information on domestic and international trends, progress of projects, and 4G LTE network	Trustworthy information	Compliance with the law, investment, availability of services, sustainable development	Compliance with the law, investment, availability of services, sustainable development	Development and timely communication
Response	Constant investment, new technologies, greater coverage, competitive prices, processes that ensure quality service, community links, use of green technology	Remuneration plan, career plan, training	Investment, productivity and efficiency, corporate governance, constant communication	Development, feedback, long- term relations	Compliance with applicable norms, close and transparent collaboration, information on the domestic and international sector	Technological investment, reduction of the digital divide, collection and delivery of resources, volunteer work, develop of linkage projects that impact the society and the environment	collaboration, information on	Permanent and veracious communication	Compliance with the law, constant investment, sustainable programs, trustworthy and veracious information	Compliance with the law, constant investment, sustainable programs	Development, feedback, long-term relations

Social

Performance

In 2012 we offered an average of 26 hours of training to each employee 158,719 employees

has unlimited **potential**, **talent**, and an intrinsic **desire** to succeed, thanks to which we have **consolidated** our position as one of the largest job creators in the countries in which we operate. By the end of 2012, we had a total of **158,719** employees, all of whom have a **steady**, **well-paid** job with **benefits** and constant **opportunities** for **development**, in line with the **needs** of each locality.



2012 Sustainability Report



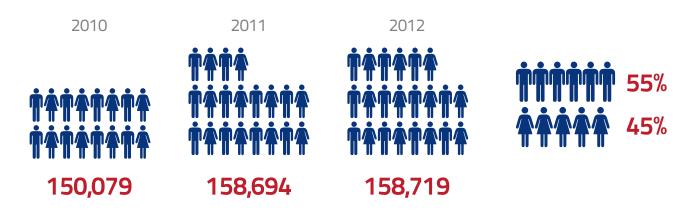
Employees

Our human capital is the foundation of our present and the potential of the future, so we strive to create a fair and inclusive workplace that encourages creativity, fosters teamwork, and allows for the comprehensive development of all our personnel.

At the end of 2012 we had a total of 158,719 employees, of whom 55% are men and 45% women. These figures show an improvement in the proportion of women to men employees and reflect our commitment to gender equity. Permanent employees make up 96% of our workforce and full-time positions account for 88% of the total. An average of 43% of the personnel of our operations are covered under collective bargaining agreements. Notification of consultations and reviews of the contracts varies between 30 and 60 days, depending on the location.

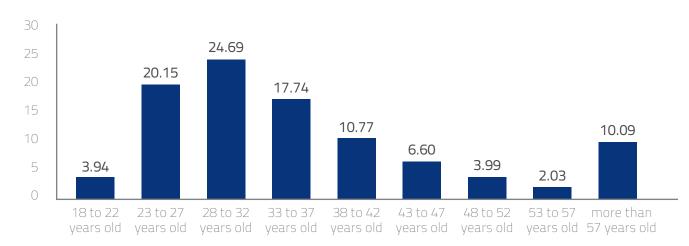
Total company personnel

(Employees)



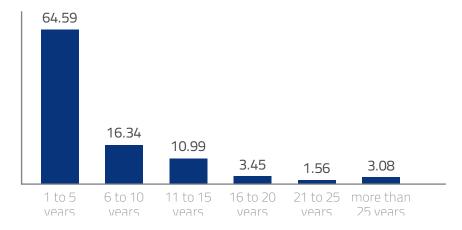
The following chart shows the breakdown of our employees according to age group. The increase in the number of younger employees confirms that, true to our principles, we seek to generate more job opportunities for new talents.

Employees according to age group



The following chart shows the breakdown of employees according to seniority.

Employees according to seniority



20 The second of the second of

Benefits and Perks

Improving the quality of life of our employees is one of our principal concerns. We offer benefits and/or perks on the basis of the labor legislation in effect in each country, in some cases extending them to family members as well.

The following are some of our foremost benefits and perks:

- Participation or productivity bonuses
- Marriage, birth, and bereavement leave
- Life, health, and accident insurance
- Pension fund contributions
- Complementary health plan
- Vehicle loans
- Food subsidies
- Communication benefits: preferential rates, assignment of work lines
- Food and transport stamps
- Retirement for years or service or sickness
- Advance pay loans up to 25% of earnings
- Educational accords
- Scholarships
- First option on purchases of retired company cars
- Uniforms
- Preferential financing to employees by agreement with allied companies
- Transportation
- Reserve fund
- Daycare



Training and Development

We offer constant opportunities for development, in accordance with the market requirements of each locality, with a view to offering the highest quality service to our customers. We firmly believe that every human being has unlimited potential, talent, and an intrinsic desire to succeed, so we offer a wide range of continuous training courses and workshops for the development of skills, as well as courses in leadership, effective communication, and project management, among other subjects. These programs are designed for employees of all professional categories. We also have financing programs for external training. The average number of hours of training per employee in the areas where we operate was 26.21 in 2012.

Hours of training by gender

		Men	Women	Number of hours of training	Average hours of training per employee
ı	Total	88,417	81,006	4,440,913.92	26.21

We are committed to supporting the career plans of our employees, so we give preference to our own personnel in the promotion programs available in each of our localities. This makes for a low rotation rate, which was 7.57% in 2012.

We evaluate our employees' performance on a yearly basis, in order to detect alternatives for the development of their skills, improve their productivity, and boost their professional growth. The feedback generated by these evaluations stimulates employees' desire to improve. In 2012, 56.12% of our female personnel and 68.24% of our male personnel received feedback on their professional performances.

2012 Sustainability Report



Human Rights and Discrimination

América Móvil's Corporate Governance Policies and Code of Ethics guarantee respect for the human rights of all the stakeholders who cross paths with our company. There is no difference in salaries between men and women.

All our employees receive training in anti-corruption policies and procedures, in addition to our constant awareness campaigns through Intranet, electronic bulletins, reinforcement talks, and reminders on pay slips. Also, as part of our prevention system, we carry our evaluations of potential corruption risks at most of the points where we operate.

In all of the countries where we operate there are anonymous channels (electronic mail, mailbox, telephone line) through which to notify the company of any act that may contravene our ethical code. All complaints and denunciations are attended to and followed up to their conclusion.

Workplace Health and Safety

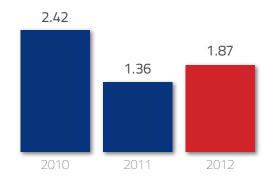
At América Móvil, we work for the wellbeing of our employees, providing a safe and risk-free workplace. As our Code of Ethics stipulates, we promote compliance with workplace safety standards and regulations, such as the proper use and operation of equipment for the fulfillment of the tasks assigned to each position and work area, in order to avoid accidents that may put in risk the health or even the lives of those involved. We also have prevention programs in various health areas as well as safety training.

There are health and safety committees in 30% of the affiliates where we carry out operations. All our committees possess a joint representation structure, in which the average participation of employees is 10%, an increase of 3.5% over 2011.

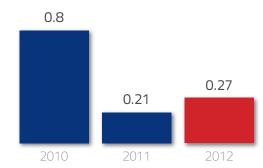
We use various systems, aligned with the specific regulation of each country, to register and communicate accidents. One example is the Dominican Republic, where the Workplace Risk Administration (Administration de Riesgos Laborales, or ARL) is the institution that monitors the compliance with and coverage of workplace risk insurance within an agile framework of ethical, scientific, and quality principles.

The accident rate in 2012 was 1.87%, while the rate of occupational illnesses was 0.27%, that of absenteeism 22.345 persons per day, and that of days lost per region 35.86%.

Accident Rate (%)



Occupational Illness Rate (%)



2012 Sustainability Report



More than

5,000 public WiFi sites in Mexico

We implemented the broadband

Rural Connectivity project in the

Dominican Republic

In **Brazil** we launched the **Popular**Internet project

Launch of the **4G LTE Network**in Mexico, Brazil, and
Puerto Rico

América Móvil and the Community

Bridging the Digital Divide

One of our goals at América Móvil is to contribute to **diminishing** the **digital gap** in the regions where we operate. To this end, we make constant **investment** in **infrastructure** to ensure we possess the most advance **technology** available, which allows in turn for greater communications between communities and gives a boost to **productivity**, **knowledge**, **education**, **a reduced carbon footprint** (as less transportation is required), and **entertainment**. All this is capable of **transforming** the lives of a growing number of people in **search** of better **opportunities**, development, and quality of life.

To this end, our efforts have focused on:

- Modernization of the network
- Technological innovation
- Broadband speed
- Financing of mobile devices computers
- Convergent solutions and services to boost productivity and local growth
- Public WiFi sites
- Coverage per business unit (urban zones-rural zones)

In 2012 our efforts centered on communicating new technological platforms that offer better service to our customers, such as the 4G LTE Network, wider coverage, increased broadband service, new service plans, and content for home and office in triple play modalities. Some of our most significant achievements were:

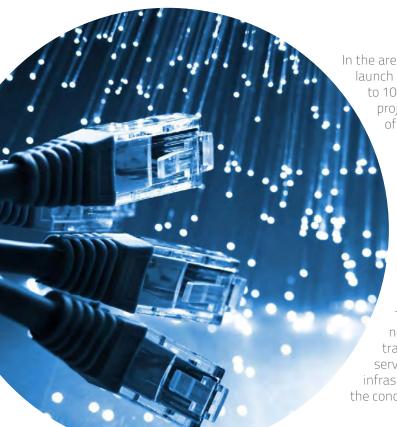
Modernization of the Network

In order to offer greater speed in data transmission and to improve the quality of our network, we carry out a permanent modernization program. Thanks to these efforts, by the end of 2012 our business in landlines had grown by 10.8% and that of mobile service subscribers by 8.2% over the previous year.

Telmex's fiber optic and long-distance network extends 167,604 kilometers and connects all of Mexico's largest cities. Twenty-nine countries are connected by submarine cables, including secondary trunks and additional transmission rings that prevent network congestion. In 2012 Telmex channeled 75.9% of its total investment into the improvement of its data networks, connectivity, and transmission.

Embratel possesses the largest long-distance network in Latin America and the largest data transmission network in Brazil. Its digital fiber optic networks extend through 8,504 kilometers of cable to the main cities in Brazil, while its submarine cables extend all around the world through nine different systems of which it is a co-owner.

Net Serviços has an advanced network that uses coaxial cable and fiber optic to provide a wide range of services and products, with broadband capacity of 450 MHz, 550 MHz, and 750 MHz, or more. At the end of 2012, the Net Serviços network had more than 98,000 kilometers of cable and covered approximately 16.5 million households in 141 localities. It also began to operate a network with HFC technology in 2012.



In the area of cellular telephony, we acquired broadband in Brazil to launch our 4G LTE network and offer service with a speed of up to 100 Mbps. We also carried out a bidirectional communication project that has allowed us to improve the speed and capacity of our network in 210 towns and cities.

In Peru we undertook the modernization of our central terminals and unified the IP network to improve transmission of voice and data. We initiated efforts to offer a fiber optic network in the country. In Ecuador we implemented HSPA+ in 48 localities, offering greater speed to users. In Argentina, Uruguay, and Paraguay, we extended and updated our 3G network. In Puerto Rico we installed Fiber to the Curve infrastructure (FTTC) to provide broadband services.

These actions has produced greater reliability in our networks, more flexibility, quality, and safety, greater transmission capacity, the possibility to market convergent services, and other competitive advantages. Improvements in infrastructure also facilitate technological innovation, creating the conditions for greater development and wellbeing.

Technological Innovation

Thanks to **improvements** in our networks, it is possible to carry out **technological innovation** centered on the introduction of **new platforms** that facilitate access to **new services** and **greater speed** in the transmission of data to a greater number of people.

Actions carried this year include:

Expansion of the coverage of the 3G network, which by the end of 2012 covered approximately 130,152 localities in Mexico, including all the main cities in the country.

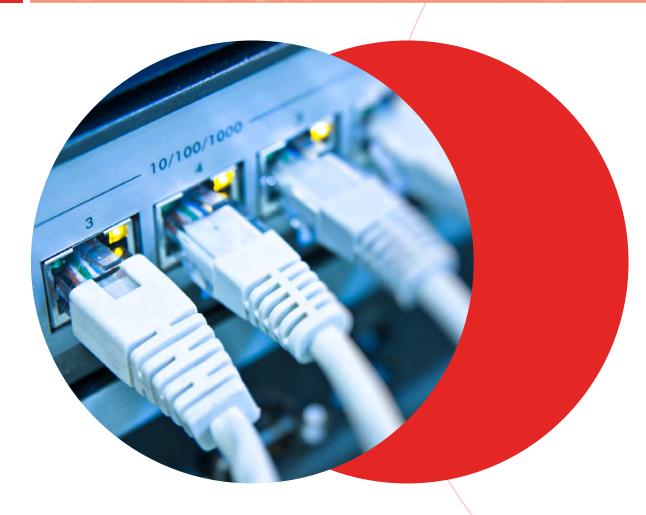


Launch of the 4G LTE Network in Mexico, Puerto Rico, and Brazil. This technology will allow users to navigate the web at a greater speed, facilitating the use of applications and services that require mobile broadband, such as mobile banking, machine to machine (M2M), high-resolution videos, and cloud uploads/downloads.

In order to enhance the capacity of our networks in Ecuador, Argentina, Uruguay, and Paraguay, radio access networks have been implemented. In Ecuador we also installed fiber optic.

In Peru we have modernized our data platform, using the VSAT platform nationwide and B indoor nodes to improve transmission at points of heavy commercial traffic, while offering greater flexibility of data services and more modern and flexible satellite services to rural areas. Using GPON technology, we constructed a Fiber to the Home network (FTTH) in Puerto Rico.

In the Dominican Republic, we have offered new mobile services such as Dominicana Claro Messenger, Ideas Musik, Ideas Radio, and Plugger. In Brazil, innovation has centered on more fully addressing the needs of small businesses.



Broadband speed

In order to improve the offer of data services, we optimized broadband speed and extended access to the service to a wider range of population sectors in both urban and rural areas.

Telmex's broadband service, which is offered under the Infinitum brand in Mexico, allows consumers to use their high-capacity connections for applications such as videoconferences, transfer of files, and email, contributing to lower costs and reduced transportation needs. Infinitum operates with Assymetric Digital Subscriber Line (ADSL) technology.

In Ecuador, Peru, Argentina, Uruguay, and Paraguay, we implemented or improved our HSPA+ network. In Ecuador we increased minimum residential broadband service to 1.5 Mbps, while in Peru we increased the capacity of our MW and FO dorsal networks. Thanks to the FTTH project, in Puerto Rico we installed Core fiber infrastructure for corporate customers, and in the Dominican Republic we launched new combinations of services to meet the differing needs of our customers.

In Brazil we entered into a partnership with the government to launch **Popular Internet,** benefitting some 470,000 users in the middle class sector in 64 different cities

Financing of mobile devices - computers

We promote financing programs that allow lower-income users to acquire computer equipment and mobile devices, giving them greater access to information and communication technologies and ensuring greater connectivity, thereby contributing to their computer skills and so helping to bridge the digital divide.

In 2012 our financing programs were reviewed and updated in the aim of attracting new customers and offering new options to those who already use our services. One example is the launch of a new portfolio of equipment for small and medium enterprises in Puerto Rico.

Convergent solutions and services to boost productivity and local growth

With a view to offering our customers fuller communication and entertainment options at accessible prices in Mexico, Brazil, Peru, Puerto Rico, and the Dominican Republic, we have developed new packages and new double and triple (voice + data + video) combinations, as well as mobile bonuses and multi-plans with fiber optic, all of which translate into significant savings for consumers.





Public WiFi sites

Our aim is for our customers to have access to high-speed internet connections in a greater number of public spaces. In Mexico, through Telmex, we offer free mobile WiFi spaces through Infinitum. At the end of 2012, there were more than 5,000 of these spaces in Mexico and more than 1,300 in the United States.

We have worked to expand the coverage of public WiFi in various countries. In Chile we have installed 63 points in subway stations, shopping centers, and Claro customer service centers, to the benefit of 2.5 million clients. Our coverage in Brazil includes parks in São Paulo and will be extended to five cities. The number of public WiFi points in Puerto Rico has increased to 1,000 all over the island, while coverage in the Dominican Republic includes Santo Domingo, Santiago, Bávaro, La Vega, and La Romana. In Guatemala, free connectivity is offered in public parks in Villanueva, Palín, and Mixco. In El Salvador free internet service is offered in the tourist area of the El Carmen–Santa Tecla corridor.

Coverage per business unit (urban zones-rural zones)

In the Dominican Republic, the **Rural Broadband Connectivity** program was launched to develop the infrastructure necessary to meet the need for Internet, residential telephone service, and call centers. The project consists of incentivizing the participation of local entrepreneurs to install small public Internet and call centers. Another aim is to offer technological education programs that cover the use of computers, internet access, and ICT, providing local populations with the benefits of these tools for both their work and their personal lives.

In Brazil we extended 2G technology to 44 new cities. We increased the urban population with access to service by 94.82% and the rural population by 71.96%, with coverage of 65.25% of total municipalities, thereby bridging the digital divide in a large part of the country. We also made substantial investment in 3G technology in order to offer more efficient services. In 2012 this program extended to 405 towns and cities, with service provided to 77.88% of the urban population and 26.74% of the rural population, in 20.67% of the country's municipalities.





41 tons of humanitarian aid

13,080 university scholarships

More than **2.8 million** people benefitted by **2,500 Telmex Digital Libraries**

Distribution of **54,413** bicycles in Mexico and Nicaragua

Social Support

Another way of **bridging** the **digital divide** is the **development** of **educational** and **social** programs that provide a greater number of **people** with the **skills** and **tools** required to **improve** their quality of life.

Programs Related to Our Business

The programs related to our business are focused on the development of the computer skills that make for better use of information and communications technology (ICT), the generation of spaces that allow for the digital inclusion of a greater number of people, and technology support in emergency situations. In this way, we facilitate access to technology for millions of people.

Education

In Mexico these programs include:

TELMEX Digital Education and Culture Program

The TELMEX Digital Education and Culture program is aimed at bringing more Mexicans into an inclusive educational environment, using information and communications technology as allies in training highly qualified personnel in the areas of science and technology.

The program includes four initiatives:

TELMEX DIGITAL LIBRARY

This program consists of:

- Casa TELMEX
- TELMEX Digital Classroom
- TELMEX Municipal Digital Library (also in schools)

In these space we offer free loans of computer equipment to complement what has been learned. The program consists of more than 2,500 Telmex Digital Libraries, which benefit more than 2.8 million children, young people, parents, and teachers all over Mexico.

All of the modalities of the TELMEX Digital
Library are also supported by the initiative called **Educational Accompaniment**, a project that promotes
the implementation of pedagogic practices for the
adoption, transfer, assimilation, and use of ICT, as well
as the continuing education and training of teachers and
administrators in educational institutions, through virtual
communities, educational platforms, tutoring, and help desks.



2012 Sustainability Report



Through Telmex Hub we seek to offer a space, unique in Mexico and Latin America, where knowledge and innovation can be shared and where the tools are available to create, collaborate on, disseminate, and undertake projects articulates around 5 axes:

- **1.** Creation of communities that share their knowledge and experience of various subjects.
- **2.** Development of mobile, web, and video apps, as well as videogames.
- **3.** Entrepreneurial support.
- **4.** General culture.
- **5.** Support for specific communities: students, learning, autism, etc.

Through **telmexhub.mx**, users can propose and self-manage the scheduling of activities and encounters, linking up talents within the community. The site, which also includes a blog in which users can find up-to-date technology news, gives voice to the interests of a wide range of both technological and business communities.

Since its creation, **Telmex Hub** has received 572,896 online visits and more than 84,000 physical visits. In the course of its existence, some 120 communities have used it to self-manage 549 encounters.

ACADÉMICA: DIGITAL KNOWLEDGE COMMUNITY

Académica is a Spanish-language digital knowledge community, with presence in Latin America, which fosters the participation and interaction of students, teachers, and researchers from research centers and institutions of higher learning, in the aim of creating, exchanging, and sharing knowledge freely and openly.

Strategic lines

- To create and consolidate a digital network of university and post-graduate students.
- To reinforce the training and continuing education of teachers and researchers in a digital environment.
- To support the substantive functions of institutions of higher learning.
- To support the encounter between academia and the productive sector in terms of educational needs and technological solutions.



2012 Achievements:

- 245 collaboration agreements signed and 110 more in process
- 10,075 registered users
- 105,773 contents published in digital libraries
- 90 on site academic events
- 210 professors trained online
- 45,333 monthly visits on average

5 Fig. 1 September 1 September 2012



INTTELMEX IT

The main purpose of this information technology training center is the continuing education of professional executives and specialists in the field, capable of analyzing and resolving technological problems in an innovative way, with the application of international norms and standards, so that they can develop and incorporate better practices in companies and institutions that participate in a range of productive sectors.

Those who attend Inttelmex IT obtain:

- National and international certificates
- Diplomas
- Courses
- Seminars
- Specialization in Information Technology
- Master's in Information Technology

Since its creation in May 2010, Inttelmex IT has benefitted **3,491 people.**

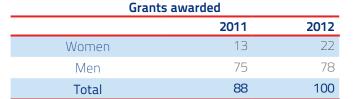
TELMEX TECHNOLOGY AND INNOVATION CENTER

This center is a space for young people, who find there all they need to work, think, and create innovate projects in an atmosphere of high performance and collaboration, supported by the most up-to-date technology.

The Center carries out the following activities:

- Dynamics (integration, unfolding, pitch, development)
- Workshops (design, programming, electronics, mechatronics)
- Courses (Geobrowsers)
- Focus groups
- Demo Day
- Visits to universities (presentation of projects)
- Generation of applications (IOS, Android, Mozilla) with both a social and business focus
- Conferences (WAZE, MIT, KHAN ACADEMY, WIKIMEXICO, KPN)
- Visits (OCE, CITYVOX, TELMEX IT, PLANET MEDIA TRANSFER, INVERSIONISTAS TELMEX, CISCO)
- Hack Days (Telmex Hub and UN)
- Employment agency for positions within Grupo Carso
- Synergies with different government, social, and business institutions (UN, UNESCO, Instituto Carlos Slim de la Salud, ASUME, Sección Amarilla, CONDUMEX, INTTELMEX, INGENET)

Participants receive grants for the development of their projects.



DIGITAL VILLAGE

The fourth edition of Digital Village, an encounter of technological innovation in which participants can share their technology interests, knowledge, and tastes in different areas, was held at the beginning of 2013. The results will be detailed in our next report.



2012 Sustainability Report



Digital Inclusiveness

The Instituto Embratel in Brazil has developed various projects to expand coverage of remote communities, including the following:

Special Coverage Projects

The Instituto Embratel in Brazil has developed various projects to expand coverage of remote communities, including the following:

Projeto Embratel Educação

Implemented at a national level, this project is designed to provide public schools in regions of difficult access with ICT, to the benefit of communities that are low on the Human Development Index and considered high excluded in accordance with the Atlas of Social Exclusion.

Through its website, the Instituto Embratel offers online courses and makes available to users the contents of TV PontoCom and the Multimedia Digital Library, which currently consists of 37,000 documents and videos.

Among the communities served by this project are remote technical-agriculture settlements, indigenous villages, quilombolas, extractive reserves, and rural communities.

Ponto Comunidade

This project promotes access to communications media and digital culture as a form of social inclusiveness. Its principal aspects include the democratization of access to information, support for educational activities, and contributions to the improvement of social services. The Ponto Comunidade project is carried out in eleven different localities in the states of Rio de Janeiro, Minas Gerais, Ceará, and Pernambuco, to the benefit of 133,100 people every year.

GESAC

Through an agreement with the Brazilian Ministry of Communications, we offer socio-educational content to the 10,399 **Presence Points** of the program Governo Eletrônico - Serviço de Atendimento ao Cidadão (GESAC). The GESAC Presence Points have access to Internet through broadband satellite connections.

Casa Rio Digital

As a result of an alliance of the Instituto Embratel with the Fundação Xuxa Meneghel and the Special Secretariat of Science and Technology of the city of Rio de Janeiro, a technical cooperation agreement was signed whereby training courses are offered by Intel and CISCO to young people and adults in their communities, along with multimedia content, equipment, and furnishings. By the end of 2012, 341 communities had been served.

Praca e Naves do Conhecimento

In alliance with the Special Secretariat of Science and Technology of the city of Rio de Janeiro, Praça e Naves do Conhecimento was created as a learning space which seeks to promote culture, leisure activities, and art. Using a 34 Mbps Internet connection, the project seeks to include young people and adults in the information and communications technology labor market, as a way of supporting disadvantaged sectors of the population. The project has brought benefits to 35,643 people.

Rural Coverage Project

The Rural Coverage Project seeks to provide coverage to remote zones in Ecuador through programs to improve social, economic, and culture life in these regions. In 2011 and 2012 a total of 57 Radio bases with 2G coverage were installed in communities of less than 3,000 inhabitants.





Socio-Technological Program

In Ecuador we have implemented a digital inclusiveness project of the Ministry of Telecommunications, whereby community centers (Infocenters) equipped with computers, projectors, blackboards, training areas, and Internet connections were established in four communities in the interior of the country.

The Educonexão project in Brazil is designed to provide training to teachers in the use of digital technologies in order to facilitate the teaching and learning process. Educonexão points and internet connections are provided to municipal schools. In 2012, 94 schools were offered support and 122 teachers received training, to the benefit of 1,576 students.

In El Salvador, Claro joined forces with the Social Reinforcement and Action Program, which in collaboration with other governmental institutions and civil society organizations, established the Casa Maya Youth Development Center in Caluco, Sonsonate, providing computer equipment for administrative work and telecommunications services to the youth center.

In Nicaragua we installed DTH service in strategic zones to offer educational, news, and entertainment programming to 12 rural municipalities in the country. In the communities of San Juan Atitán, Huehuetenango, and Concepción Tutuapa, Guatemala, we installed internet service in several health clinics.

Digital Classrooms

In Guatemala we donated Internet services to National Institutes of Basic Education and schools in communities of the departments of Guatemala, Huehuetenango, and San Marcos. In El Salvador we donated computer equipment to the winners of the Student Essay Competitions How Ciudad Mujer Can Help My Family. Some of the equipment was delivered to the computer centers of the participating institutions.

In Honduras, we donated computer equipment to 72 public schools across the country.

Pilots for Road Safety

This initiative combines the efforts of the Fundación Carlos Slim, the Mexican chapter of the Fédération Internationale de l'Automobile (FIA), Escudería TELMEX, the Mexican federal government (through the Ministry of Health), the Mexican Red Cross, and other public and private institutions, with the aim of creating a new road culture in Mexico that would save 60,000 lives over the rest of the decade. Professional racecar pilots of Escudería TELMEX participate in the project, delivering lectures in high schools and universities.



Communications in Emergency Situations

The effects of climate change and the overexploitation of natural resources have caused an increase in certain natural phenomena that often bring negative effects with them. One of the immediate impacts is the loss of communications, so we have set up programs whereby free communications services operating infrastructure is delivered to localities affected by natural catastrophes. Awareness campaigns on subjects of public interest have also been developed. These programs can be divided into two areas of action:

Emergencies

In Brazil, the SMS Solidario program is aimed at the use of SMS to inform and raise awareness among customers of governmental and civil society campaigns, promoting community solidarity and citizen participation in social activities. In 2012 four campaigns were supported: two to encourage blood donations and two to combat child exploitation. A total of 15,119,689 messages were sent.

> In Chile, the project SMS 1111 seeks to provide information on the estimated time of the arrival of buses to a given stop through the sending of a text message. Another initiative, called **Household Alert**, is aimed at using a panic button on the cellular telephone, in lieu of community alarms, to alert neighbors to incidences of burglary and home emergencies.

Natural Disasters

In Mexico, through Fundación Telmex, the National Disaster Aid Program has delivered 28,771.84 tons of humanitarian aid, as well as 25,936,248 liters of drinking water. In 2012, some ten tons of humanitarian aid and more than 2,000 gallons of water were delivered to victims of tropical storm Paul in the municipalities of Comondú, Mulegé, and La Paz in Baja California Sur. Through the campaign called **A Drop of Water** for Durango, 31 tons of food aid were delivered to families living in areas of the state of Durango affected by drought.

On November 7th, 2012, after an earthquake struck the departments of San Marcos and Retalhuleu in Guatemala, Claro prepay customers received bonus air time and two fixed plants were made available to members of the community to make emergency calls.

During the passage of tropical storms Isaac and Sandy in the Dominican Republic, mobile equipment was loaned to the Operations Center of the National Emergency Commission to help coordinate their rescue activities.

As part of our humanitarian aid support, the Colombian Red Cross was given free air time on 93 mobile lines, to help facilitate its emergency tasks.

Programs that Enrich Our Communities

In order to assist communities in vulnerable situations, at América Móvil we perform concrete actions that channel resources into four areas: education, health, sports, and culture.

Education

We vigorously support education, one of the most effective **tools** for incentivizing change and improving the wellbeing of society in general.

In Mexico, through Fundación Telmex, we offer scholarships to undergraduates and post-graduate students in the form of monthly financial aid, computer equipment, and free wireless Internet connection. The total number of scholarships awarded to the end of 2012 was 259,445, of which 13,080 were awarded

Help Me Get There is a program supported by Fundación Telmex that donates bicycles to primary and secondary school students who live in areas far from their places of study. The program helps boost attendance by preventing absenteeism and dropping out. In 2012 the program was extended to Nicaragua, were some 5,000 bicycles were donated, some of them to teachers as well. In 2012 a total of 52,413 bicycles were donated in both countries, making for an accumulated total of 345,377.

2011	2012	% Var.
37.470	 52.413	40.0



In Brazil, the **NET Education Portal**, which is aimed at teachers, students, and academic communities, puts free educational content at the disposal of users.

In alliance with the Instituto Embratel, the Human Resources department of Embratel seeks to promote development and employability

of people with disabilities through the Capable People program. The Development and Employability Program for People with Disabilities is aimed at training and professionally qualifying people with different abilities. In collaboration with the Instituto Brasileiro dos Direitos da Pessoa com Deficiência, it forms groups for the Basic Training Course in Telecommunications and Data Networks.

Since 2006, the Instituto Embratel has developed a professional practice program with the Centro de Inegração Empresa Escola CIEE. In 2012, a total of 25 students in Rio de Janeiro received theoretical training and professional practice. In Campinas, São Paulo, 25 students were trained by Sem Barreiras, a consulting service that specializes in the integration of people with disabilities into the workforce. 20 of them were eventually hired.

In Ecuador, the program **Gol para Ecuador** is a joint effort with the US Consulate and the Centro Ecuatoriano Norteamericano to offer scholarships to needy young people. It also supports the **ESPAE** projects that perform research into entrepreneurial indices.

The aim of the **Claronet** project in Nicaragua is to provide broadband connectivity to more than 410 public schools in low-income areas. In 2012, a total of 210 schools were incorporated into the network.



In the Dominican Republic, the following programs were developed:

Connecting Education Program

Through this program we donated laptop computers and wireless internet service for a year to more than 100 outstanding university students. We also renewed for one more year the free service awarded to outstanding students the previous year.

Teacher Training Program

We support a training program for teachers in the use of basic computer tools (Office–Excel, Word, PPT, web navigation, and social networks), which makes for better teaching, more fluid communication, and greater empathy with students.}

We also donated computer equipment to the Residents' Association of Andrés Boca Chica to help with the implementation of prevention, traffic safety, and citizen watch programs. We supported the Instituto Dominicano de las Comunicaciones (INDOTEL) in celebrating International Girls in ICT Day and installed ten provisional lines for the organization of the radio-telethon designed to raise funds for the construction of a special education school.



Health

Since 2011, through its subsidiaries Claro and Telcel, América Móvil has participated in the initiative of the **Fondo Mundial (RED)** to achieve a HIV/AIDS-free generation by the vear 2015.

As part of this alliance, we contribute one million US dollars annually to help finance awareness campaigns whose goal is to eradicate the transmission of the HIV/AIDS virus from mother to child by the year 2015. We also make it possible for our users to join the campaign. An example of this is the offer of cellular telephones bearing the campaign logo in all the countries where we are present. **Telcel RED Races** are organized in July and August in four of the most important cities of Mexico -Mexico City, Puebla, Guadalajara, and Monterrey- and the funds collected are donated to the cause.

As part of its support for a healthy Mexico, Fundación Telmex channeled funds to the following programs in 2012:

Cirugía Extramuros supports people without access to health services in the areas of orthopedics, ophthalmology, plastic and reconstructive surgery, and general surgery. The number of surgical operations performed in 2012 was 235,797, making for a total of 1,029,387 since 1996.

2011	2012	% Var.
173,088	235,797	36.2

Through the **Organ and Tissue Donation and Transplant program**, people of limited means are provided with transplant surgery, extending their life expectation and substantially improving their own wellbeing and that of their families. In 2012, surgery was performed 469 times, for an accumulated total of 7,580 operations. This program also seeks to foster a culture of organ donation among the general public.

2011	2012	% Var.
402	469	16.6

Through the **Dulce Nutritivo** (Nutritious Sweets) program, we make a monthly donation of caramel candies of different flavors enriched with proteins, sodium, fiber, carbohydrates, sugars, iron, and zinc to children, pregnant women, and the elderly in various regions of Mexico. In 2012 we donated 1,344,000 one-kilo bags of caramels, for an accumulated total 13,727,000 bags.

2011	2012	% Var.
1,290,000	1,344,000	4.2

In the aim of improving the quality of life and social integration of people with disabilities, Fundación Telmex donates wheelchairs to people of limited means. In 2012 we donated some 20,000 wheelchairs, making for an accumulated total of 75,125 since

The **Amanece** program seeks to diminish rates of infant mortality and maternal death, with timely detection of malformations or health problems during pregnancy. By the end of 2012, the program had donated 2,564 pieces of high-tech medical equipment to help in these efforts.

In Brazil, the Employees Committee of Embratel, working within the framework of the **Citizens' Action Program against Hunger and Poverty in favor of Life**, made a donation to install a dental clinic in a vehicle adapted for the purpose.

Among its other social actions, the Committee attends to 19 institutions and communities of limited resources in the cities of Rio de Janeiro and Baixada Fluminense through its Mobile Dental Unit.



In Nicaragua we developed the following projects:

- In alliance with Asociación Pro Niños Quemados de Nicaragua (APROQUEN), medical attention was provided to patients with sequels caused by burns. In 2012 a total of 490 patients were treated.
- Mobile applications to improve the health of pregnant mothers and newborns.
 This program seek to improve efficiency in the provision of health services in
 rural communities through electronic and mobile technology. Various actions
 were carried out, including the expansion of Internet and cell phone coverage in
 21 rural communities, to the benefit of 12,847 people.
- Through a program to reduce the risk of vertical transmission of the HIV/AIDS virus in pregnant women in the municipality of Waslala, we seek to improve access to quality health services through telemedicine and cellular telephony.

In Honduras, we sponsored the **Festival Musical** as part of an AIDS awareness campaign, with the participation of around 8,000 people.



Social Justice

The **Justicia Social** program supports people accused of minor crimes in Mexico, who are unable to put up bail owing to their reduced socio-economic circumstances. Among the requirements for receiving bail bonds are a hitherto clean criminal record and proof that the crime committed can be considered minor. In the case of young offenders (between the ages of 15 and 18), support is channeled through the Therapeutic Rehabilitation Community. Efforts are not limited to the provision of bail bonds. Beneficiaries are also provided with opportunities for social reintegration. In 2012, the number of bail bonds granted was 4,467, making for an accumulated total of 95,526 since the beginning of the program in 2005.

Culture

We seek to create **spaces** that foster a range of culture expressions, through **sponsorship** of events and the **organization** of the activities that **stimulate** the **creativity** of children and young people.

Rockcampeonato Telcel is a musical competition that seeks to discover and promote the best independent rock banks on the basis of their talent, qualities, and musical interpretations. Over the course of seven years the competition has been held in several Mexican cities, and traveled to Colombia for its eighth edition. Some 81,600 people have attended concerts in Mexico and 21,000 more in Colombia.

In Brazil, the Social Action through Music program facilitates the organization of musical practice programs for children and adolescents in poor communities victimized by hunger, violence, and crime. Through the creation of community nuclei in the city of Rio de Janeiro, 800 children and adolescents in the communities of Dona Marta, Babilônia, Pavão-Pavãozinho, Chapéu Mangueira, Complex de Alemão, Complexo de Penha, and Complexo da Tijuca organized musical activities of various kinds: musical theory and practice classes, classes in stringed instruments and general musical knowledge, and attendance at rehearsals and concerts by the symphony orchestras of Rio de Janeiro. The program also offers social and psychological care, family attention, nutrition, and basic food baskets.

In Brazil we organized the **Plaza Victor Civita Creative Workshops**, free workshops in the areas of education, culture, and technology aimed at stimulating the creativity of children and young people.

In Puerto Rico we sponsored activities in the Museo de Arte de Ponce and Museo de Arte de Puerto Rico, while in Nicaragua we have developed new cultural projects that enrich the national identity, including support for the Teatro Nacional Rubén Darío.



Sports

Our **support** for sports is an outstanding feature of our mission, thanks to which many **children** and **young people** find a **space** for **healthy** and **inclusive**interaction that allows them to understand the problems they
face and seek **solutions** for them.

The **Telmex Soccer Cup** is the largest amateur soccer tournament in the world. In existence for more than 13 years now, if offers young Mexican an alternative development. In 2012, a total of 13,818 teams and 250,743 players participated, ranked sixth in the Guinness Book of Records for events of this kind.

Through the companies Telmex, Telcel, Claro, and Embratel, we sponsor the Escudería Telmex and Equipo Telcel teams, both of which achieved significant successes in 2012.

In Ecuador we sponsored the Ecuadoran national team, the Carrera Atlética, a race held in Cuenca, and the Pan-American Cup Triathlon.

In Guatemala, on the occasion of the 2012 Olympic Games in London, through the Fundación Olímpica Guatemalteca, Claro made a donation of 500 jerseys and 200 water bottles to children and young people who participated in the project to link up the Hoodlinks neighborhoods with the Olympic Games. Cellular telephones were also awarded to the athletes who qualified for the Olympics.

In Nicaragua we sponsored the **Vuelta Ciclista Claro 2012**, a bicycle race organized in collaboration with the Federación Nacional de Ciclismo and NicaSpeed. We also supported the **Extremo F6X** soccer tournament, which seeks to provide opportunities for future stars to show off their soccer skills and experience. Secondary school students from all over the country are eligible to participate in the

Claro sponsored and offered additional financial aid to 1,220 special athletes who trained to participate in the Special Olympics in Honduras, organized by the Fundación Olimpiadas Especiales.



Volunteer Work

Volunteer work is one of the most effective forms of support, with a social impact that enriches not only the company, but also the direct beneficiary and the community. This is why we encourage these kinds of activities in three broad areas of action:

Volunteer Network

In Brazil, volunteers dedicated an average of 36 hours a year to the collection of foodstuffs, books, hygiene articles, toys, and clothing, which were then delivered to needy communities. We also participated in the planting of community orchards.

In Peru, 55 volunteers took part in the infrastructure improvement of the **Ángeles del Canadá Non-Specialized Early Education Program (PRONOEI)**, a space for supporting the intellectual and emotional development of children between the ages of three and five

In Ecuador, our volunteers collaborated on the installation of billboards used for the reconstruction of houses affected by heavy rains, the repair of roofs, and the protection of the crops of small agricultural producers.

Informe de Sustentabilidad 2012



Professional Volunteers

Telmex employees in several countries supported the activities of ASUME, A.C., a human development program aimed at people seeking self-improvement. **ASUME** offers workshops on subjects such as honesty, love, maturity, dialogue, values, marriage, and responsibility. The program is also offered to company personnel.

Collections

In Guatemala we made collections of foodstuffs and other articles that were then donated to the UNOP (children's cancer hospital), Hogar de Ancianos San José de la Montaña (an old people's home), the Hospital San Juan de Dios, and Fundal (a foundation for deaf and blind children).

In Nicaragua, the collections carried out helped to support the Comisión Nicaragüense de Ayuda al Niño con Cáncer (children's cancer care) and **Un Techo para mi País**, which provides low-cost housing. We also donated toys to various institutions in Managua and Matagalpa:

- Hogar Pajarito Azul (orphanage)
- Asociación Pro Niños Quemados de Nicaragua
- Mi Matagalpa Rural
- Hospital La Mascota
- Conanca

Allies in Community Work

The Instituto Embratel participated in the coordination of **National Science and Technology Week in the Western Zone**, organized by the Brazilian Ministry of Science and Technology in Rio de Janeiro, which dealt with issues such as sustainability, green economics, and the eradication of poverty. The Instituto also sponsored a conference on renewable energy, an exhibition of wind turbines, and the presentation of the **Social Action through Music** project of the Orquesta Infanto-Juvenil.

In Guatemala, 50 Claro employees participated as volunteer in the sale of air time, the proceeds going to the low-cost housing project **Un Techo para mi País**, which built five houses in poor communities.

In support of the Teletón in Mexico, Nicaragua, Colombia, Chile, and Uruguay, donation platforms were activated for donations through SMS, landline telephones and Internet, and fiber optic was used for the television broadcast of the event.

In Nicaragua we struck alliance with an association of firemen volunteers for the implementation of connectivity and communication between all command posts, offering technological support in four cities: Managua, Masaya, Granada, and León. We also offered technological and telecommunications support for connectivity between the National Police and citizen watch groups, as well as for awareness campaigns.

In the Dominican Republic we carried out two days of reforestation in the communities of Los Arroyos, Municipio de Gonzalo, Pico Diego de Ocampo, and Hato Viejo-Bonao, which benefitted the localities of Monte Plata, Samaná, San José de Altamira, Santiago, Villa González, Bonao, and La Vega. Around 150 volunteers participated in these activities.

We also organized a beach cleanup program, with the participation of 232 volunteers, and carried out the restoration of the following schools:

- Juan Jiménez in Hato Mayor
- Ave María, Casa de Ángeles in Villa Mella
- Primaria Idalina Payano Reyes in La Noria, Cosón
- Liceo Arroyo Frío, San Juan Bautista in San Víctor (province of Espaillat)
- La Altagracia in Barrio Pueblo Nuevo, Barahona

In Nicaragua we organized a Reforestation Day in the Cuenca Sur de Managua which benefitted the municipalities of Managua, Ticuantepe, Ciudad Sandino, El Crucero, Tipitapa, and Nindiri.

EconomicPerformance

A fundamental part of our sustainability is based on the complete satisfaction of the needs and expectations of all our present and future customers. That is why we maintain constant and increasing investment to meet the growing demand for one of human beings' basic needs: communication. The aim of this investment is to increase our coverage and so provide access to information and communications technology (ICT) to ever more communities in the least possible time in the countries where we operate, and so contribute to driving their development.



Highlights

- We operate in **18 countries** in the Americas
- More than 262 million cellular telephone customers
- More than 31 million landline customers

 17 million accesses to broadband service

More than 16 million Pay TV subscribers

More than US\$32 billion over the last five years

. **158,719** employees

More than 4 million training hours

. **775 billion** Mexican pesos in sales



2012 Sustainability Report

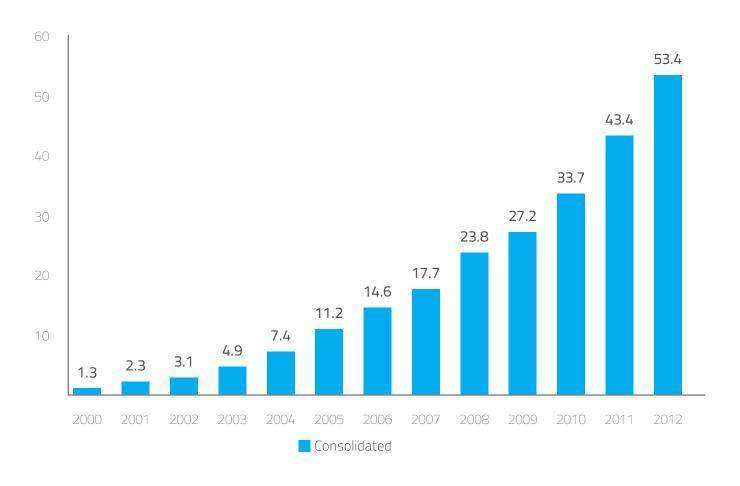
Investment

Since our beginnings we have striven constantly to increase our investments as a means of achieving sustained growth. It is only through investment that better technology, more qualified personnel, wider coverage, and better service are rendered possible. All these factors are closely linked to our competiveness and consequently to our economic sustainability.

Over the last five years, we have invested more than US\$32 billion, equivalent to 44% of the direct foreign investment that flowed into Mexico in the same period.

Our investments have made a highly positive impact on all the countries where we operate, benefitting various sectors, including systems, technology, construction, infrastructure, and advertising. This translates into more jobs, training, investment, tax revenues, and other economic benefits for the populations of the countries where we are present.

Accumulated Investment (billions of US dollars)





AMX-1 Submarine Cable

- 7 countries and 11 sites
 - USA (Jacksonville, Miami)
 - Brazil (Fortaleza, Rio Janeiro, Salvador de Bahia)
 - Colombia (Barranquilla, Cartagena)
 - Puerto Rico (San Juan)
 - Dominican Republic (Puerto Plata)
 - Guatemala (Puerto Barrios)
 - Mexico (Cancún)
- Total cable: 17,200 km
- System with Repetition Technology

This is the most substantial investment of its kind made by América Móvil in the region. It will translate in significant improvements in the quality of communications all across the Americas, increasing speed in the transmission of data and so improving service. It will also allow us to meet greater demand for service by widening our coverage and so helping to bridge the digital divide.

This project, to be terminated in the third quarter of 2014, will constitute a major technological advance. Although its capacity will be 40 Gbps⁽¹⁾ at the beginning, and when the technology becomes commercially available, capacity could go as high as 100 Gbps, supporting 10 Tbps⁽²⁾ per fiber pair.

(1) Gigabits per second

(2) Terabits per second



Our customers are
our raison d'être. Our
sustainability depends on them,
and our work, investment, and
continual growth is aimed
at them.

Customers

We maintain constant communication with our customers in order to understand their needs and expectations and so respond effectively to their legitimate requirements.

Customer Satisfaction

We constantly monitor our customer satisfaction levels, which allows us to quickly detect windows of opportunity, understand customer needs and expectations, and implement appropriate actions in all the countries where we operate. Monitoring is performed through telephone surveys, online chat rooms, email, social networks, and other means. This continual exercise constitutes a very important aspect of our sustainability.

The satisfaction rates for the different services we offer have improved over recent years, in spite of their great dynamism and diversification. Nevertheless, we are aware that the satisfaction of customer expectations is an ongoing challenge, so we remain on the initiative in all areas of the company, in order to be an ever more competitive and sustainable company.

Challenges

- Modernization of the network
- Faster broadband speed
- Increased coverage
- Greater capacity for attention to traffic
- Customer satisfaction

Actions on Behalf of Customers

In order to combat fraudulent and illicit activities which have a negative impact on our customers and society in general, such as the trade in stolen equipment and the use of equipment for criminal purposes, we have entered into agreements with various operators in the countries where we are present with a view to exchanging information, detecting stolen equipment, and impeding its activation and use.

In July 2012, América Móvil signed with the Asociación GSM an **Agreement to Prevent the Theft of Cellular Telephones** at a regional level. Through this agreement, participating telephone companies undertake to voluntarily exchange the International Mobile Equipment Numbers (IMEIs) of stolen equipment, in the aim of reducing the regional scourge of stolen telephones and making international trafficking of them more difficult. In México, the agreement was signed by Telcel, the Mexican Ministry of Transportation and Communication, the federal Attorney General's Office, and other carriers, in the aim of block cellular telephones that have been reported stolen.

With the **Agreement to Prevent the Theft of Cellular Telephones** we support the combat against crime and demonstrate that companies, civil society organizations, and the government can work together on behalf of the common good.

In accord with our Corporate Governance Policies and Code of Ethics, the confidential of our customers' information is a priority for América Móvil. We therefore maintain strict control over their data and information, adhering scrupulously to internal safety measures, complying with the standards of the countries in which we operate, and implementing the best practices we can in this area. In this way, our customers' information remains protected by the most up-to-date technology, with sophisticated safety process and constant training of the personnel who administer this information and infrastructure.

It is strictly prohibited to provide our customers' information to third parties, except by prior authorization or legal subpoena.

Thanks to the foregoing, the company did not incur any significant fines arising out of the handling of customer information in any of its operations.

In Mexico, Telcel and Telmex have held the ISO 9001 certification for ten years. In 2013 this process will include the corporate headquarters of América Móvil and the processes to obtain ISO 20000 and 27000 for Telcel will begin. These certifications apply to the effective delivery of information technology services and the best information safety practices.

Challenges

- · To strike more agreements with local governments, civil society organizations (CSOs), and companies to combat the activation of stolen cellular telephones
- To render more flexible the sending and reception of illicit terminals databases

Communications and Responsible Marketing

We maintain constant communication with all our stakeholders, on the basis of our values and principles and within a framework of co-responsibility and strict compliance with the laws and regulations that apply to marketing and advertising.

We are very mindful of the images of our brands and of the different services we offer, which are constantly evolving as a result of the changing needs of our clients, the actions of our competitors, and technological progress.

Our advertising seeks to provide clear and precise information about our products and services so that consumers can freely choose the options best suited to their needs. Also, as a multiregional company, we value and promote the culture and national pride of each of the different countries in which we operate, from a perspective that celebrates, dignifies, and respects the rights of the human being.

In marketing terms, our efforts focus on communicating the advantages of new technological platforms such as the 4G LTE network, increased coverage, and broadband service, as well as the range of new service plans and content for home and office in triple play modalities.

For the third year in a row, Telcel was the only Mexican brand listed among the 100 most valuable in the world in the **2012 Brandz Top 100** of the Millward Brown Group (MBG). It also ranked as the most valuable Latin American brand for its economic value and its capacity to generate global trends and to create innovate activities in its sector.

In 2012 Telcel also received, for the third year in a row, the Reader's Digest **Trusted Brands** award in the category of cellular telephone companies. These rankings are backed up by studies performed by the prestigious market research firm, Ipsos.

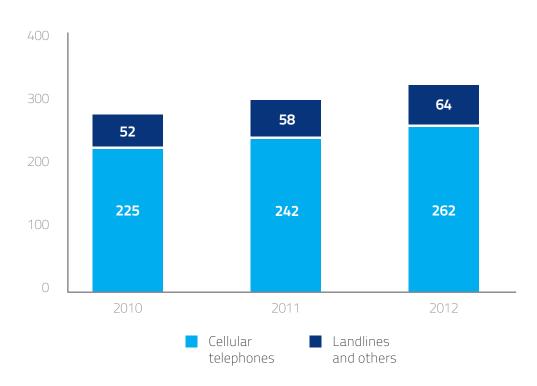


Bridging the Digital Divide

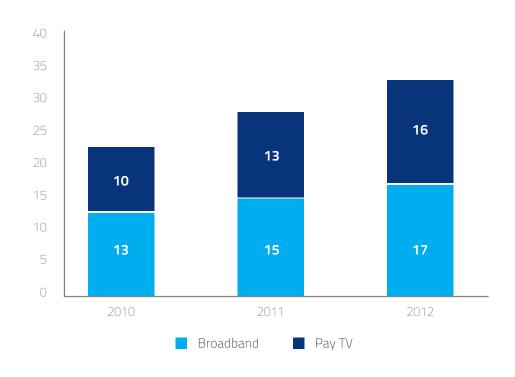
Thanks to greater coverage, the quality of our service, and successful promotional and commercial strategies, in 2012 the number of total accesses reached **325.7 million**, an increase of **8.7%** over the previous year.

Total accesses included **261.6 million mobile service subscribers** (8.2% more than in 2011), 30.5 million landlines (3.8% more than the previous year), 17.2 million broadband accesses (growth of 14.4%), and 16.4 million Pay TV customers (22% more than at the end of 2011).

Total Subscribers (millions)



Total Broadband and Pay TV Subscribers (millions)



Cellular Telephone Subscribers as of 31 December 2012 (thousands)

Country	Dec. 2010	Dec. 2011	Dec. 2012	2012/2011 % Var.
Mercosur	24,508	26,281	27,432	4.4%
Brazil	51,638	60,380	65,239	8.0%
Central America and the Caribbean	17,418	18,524	21,119	14.0%
Colombia	29,264	28,819	30,371	5.4%
Andeans Region	20,310	22,311	24,638	10.4%
United States	17,749	19,762	22,392	13.3%
Mexico	64,138	65,678	70,366	7.1%
Total Cellular Lines	225,025	241,755	261,557	8.2%

Access to Landlines as of 31 December 2012 (thousands)

Country	Dec. 2010	Dec. 2011	Dec. 2012	2012/2011 % Var.
Mercosur	1,067	1,336	1,508	12.9%
Brazil	18,606	23,589	28,586	21.2%
Central America and the Caribbean	5,375	5,781	6,061	4.8%
Colombia	2,988	3,548	4,195	18.2%
Andeans Region	544	863	1,120	29.8%
Mexico	22,950	22,766	22,669	-0.4%
Total Landlines	51,530	57,883	64,139	10.8%

Country	2010	2011	2012	2012/2011 % Var.
Mexico	7,359	7,952	8,445	6.20%
Brazil	3,770	4,661	5,752	23.41%
Colombia	614	875	1,190	36.00%
Mercosur	217	312	381	22.12%
Andeans Region	124	188	264	40.43%
Central America	376	474	566	19.41%
Caribbean	559	590	628	6.44%
TOTAL	13,019	15,052	17,226	14.44%

Pay TV Subscribers (thousands)

Country	2010	2011	2012	2012/2011 % Var.
Brazil	6,901	9,770	12,554	28.50%
Colombia	1,802	1,899	2,019	6.32%
Mercosur	496	597	649	8.71%
Andeans Region	249	326	272	-16.56%
Central America	550	707	736	4.10%
Caribbean	102	143	172	20.28%
TOTAL	10,100	13,442	16,402	22.02%

Challenges

- To facilitate access to information technologies for a greater number of people
- To expand the coverage of 2G, 3G, and 4G LTE networks in rural and remote communities
- To boost the inclusion of students, homemakers, and rural populations though information and communication skills development programs

The generation of stable,
well-paid jobs with social
security benefits is one of the
most important factors in the economic
wellbeing of a society. We are one of
the largest employers in all of the
countries where we operate.



Jobs

At the end of 2012 our personnel numbered 158,719 employees, all of whom have a steady, well-paid job with career plans, benefits superior to those stipulated by law in most of the countries where we operate, health plans, and social security. In order to learn more, please consult the Social Performance section of this report.

Environmental

Performance

At América Móvil we believe that the care of our natural surroundings is the responsibility of all those who belong to the company, since the contribution of each—however small it may seem—is capable of making a great difference.



- Collection of **320,938** cellular telephones
- Production of 1,677,740 plants in eight community nurseries of the Monarch Butterfly Reserve

That is why our policies focus on improving our environmental management, in both internal processes and external **operations**. We continue to seek greater efficiency in operating processes, opting for **alternative energy sources**, developing energy-saving campaigns, and promoting **actions** with customers, suppliers, competitors, and governmental bodies that favor a better relation with the **environment**. always strictly adhering to the national and international regulations in all of the places where we operate.





Implantation and Expansion of Infrastructure

Our contribution to bridging the digital divide is made possible by América Móvil's constant investment, year after year, in greater coverage and access to information technology for a larger number of communities. We build new Radiobases in strategic points that offer services to remote localities, while the use of mobile technology requires us to expand our infrastructure in order to avoid the saturation of our networks. In this entire process we make sure to comply with the strictest national and international standards, caring for the architecture of the landscape, taking measures to camouflage our presence, which is friendly, discreet, and designed to blend with the surroundings, causing the least possible impact, especially in zones with a wide diversity of species.

One example is the construction of a cell site in the Izabal region of the Petén rain forest in Guatemala, which includes 120 protected areas with a high concentration of species, according to the Guatemalan National Council of Protected Areas (CONAP). The attention paid to minimizing negative impact during the installation process brought considerable benefits, such as the use of lightning rods to attract atmospheric discharges and the filtering of rainwater through the stone used as insulation, which restores the water table and improves the land system.

For the installation of bases in Peru we created a Department of Site Implantation, responsible for maintaining a permanent dialogue with the Instituto Nacional de Cultura, local municipalities, and environmental agencies, in order to ensure that the infrastructure has no negative impact on the environment.

Studies performed in the countries where we operate have allowed us to conclude that the effects of implantation are indirect, involving visual impact, non-ionizing radiation, and the use of fuels. In order to minimize these effects, in most places where we operate we employ alternative solutions of energy supply, such as solar energy, wind, and hydrogen.

In order to reduce the consumption of fuels we use battery systems and high-efficiency rectifiers and build dykes to contain potential fuel spills.



Energy

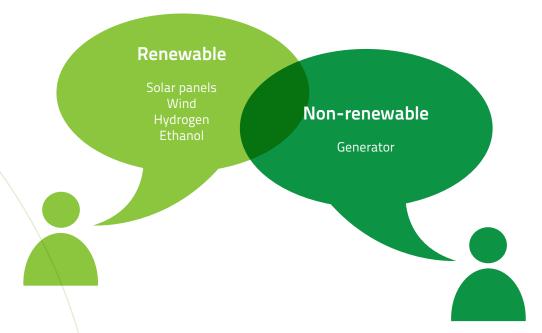
Among our efforts on behalf of the environment are initiatives to reduce energy consumption in our installations, radiobases, office building, and customer service centers, in all of the countries in which we operate, with a view to the sustainability of our operations.

Some of the most important initiatives are:

• Implementation of ventilation systems using natural air flow

- Streamlining of hybrid solar-wind energy generation systems
- Elimination of diesel plants in favor of green technology
- Verification and adjustment of air conditioning
- Disconnection and dismantling of obsolete equipment
- Analyses of consumption and demand contracted with energy supply company
- Changes in contracted rates
- Analyses of excesses
- Set Point temperature adjustments
- Automation of lighting in offices and service centers
- Sensors for lighting control in areas of intermittent circulation
- Development of an energy management system
- Proposal of environmental certifications
- Possibility of purchasing renewable energy
- Energy-saving awareness campaigns

We are also incorporate more and more alternative energy sources every day.



One of our main initiatives is the substitution of motorized generators by solar panel systems and, soon, wind energy, measures which we have extended to a larger number of countries and whose results can now be gauged. One example is the termination of the project to install solar panels in the telecommunications trunk to the north of Taltal in Chile, which will benefit the communities of Arica, Iquique, and Antofagasta.

The use of these alternative sources is reflected in a 44% increase in the consumption of renewable energy in 2012, reflecting substantial progress in the greening of our operations.

	2011	2012	% Var.
Total consumption in gigajoules (GJ)	9,118,580.75	17,040,733.62	87%
Renewable energy consumption (GJ)	10,033.12	14,489.03	44%
Non-renewable consumption (GJ)	95,556.18	795,711.41	732.7%

The development of projects that produce significant energy savings and the promotion of green energy entailed the creation of Energy Committees in 14 of the countries where we have operations, starting with Mexico. The aim of the Committees is to follow up on projects, to ensure that goals are met, and to foster a sustainable culture among participants, as well as a culture of caring for natural resources among employees. The Committees are governed by the following policy goal: To make efficient use of energy through the implementation of a culture based on the best practices and green technology, supported by our Quality System.



Water

The consumption of water reported in 2012 was 4,557,063m³, which represents an increase of 8% over 2011. We have implemented actions to foster a culture of water savings, whose scope and results we will report on in 2013.

Reduced Consumption of Materials

We offer alternatives to reduce the use of materials in our offer of products and services, as well as in the daily operations of our offices and service centers. These alternatives include:

- Reduction in the size and use of recycled material in the cardboard boxes used to package cellular telephones
- Reduction of scratch cards, by incentivizing the use of electronic recharge purchases
- Substitution of more efficient batteries and cellular equipment
- Choice of suppliers with environmental commitment
- Reduction of paper printing
- Use of information and communications technology systems

In dealings with our customers we prefer electronic billing and the use of electronic recharges and payments, which translate into greater efficiency, energy savings, and lower costs. Thanks to these policies, we have made our customers and suppliers co-participants in our culture of environmental conservation.



Transport

Another way of contributing to the care of the environment is through the control of our vehicular fleet, which is used to expand infrastructure, provide customers with technical support, and distribute equipment in all of the places where we operate. The following are some of the actions carried out to reduce fuel consumption and make a more efficient use of the transport:

- Use of small vehicles with diesel motors
- Preventive maintenance of vehicles to optimize their performance
- Use of electronic media (telephone, email, videoconferences, videocalls) to avoid physical displacements
- Selection of suppliers with vehicles in optimal condition
- Optimization of logistics in the transport of products, in such a way as to minimize the movement of vehicular units

We also seek to reduce the consumption of fuel by performance reports on our fleet and by making a rational use of fuel in hoists and using manual elevators for lighter loads. In some locations used tires are properly stored for subsequent recycle or resale. We are convinced that these actions will contribute positively to the environment, and we will soon be able to measure and gauge their effect.

Recycling

The recycling of mobile telephone equipment is an important contribution to the environment, avoiding as it does a potential source of pollution and allowing the reuse of certain metals (and so avoiding the extraction of new ones).

In order to encourage the habit of recycling among our cellular telephone subscribers, our affiliates carry out permanent campaigns to collect telephones and accessories, installing storage containers in our service centers. The containers are located at strategic points to facilitate the collection of equipment. Pieces in good condition are reused and the rest of the material is delivered to certified recycling companies.

This campaign is reinforced by posters and other graphic material encouraging users to participate.



Equipment and accessories collected

	2011	2012	% Var.
Cellular telephones	274,008	320,938	17.1%
Accessories	338,073	321,153	-5.0%

Collection in units

Country	Collection in units		
Country	Cellular telephones	Accessories	
		2012	
Argentina	14,974	15,250	
Chile	39,695	0	
Colombia	35,643	158,913	
Central America	176,405	6,920	
Ecuador	0	58,556	
Mexico	26,051	78,936	
Peru	23,832	0	
Dominican Republic	4,338	2,578	
Total	320,938	321,153	

In our offices and warehouse we also reuse and/or recycle other materials such as paper, cardboard, plastic, aluminum cans, and wood.



WWF-Telcel Alliance

In 2003 Telcel struck a strategic alliance with the Mexican chapter of the World Wildlife Fund, whose aim is to **care for, protect,** and **conserve** the environment.

Over these ten years, the work carried out in collaboration with educational and research institutions, municipal and state governments, and civil society organizations, and local communities has produced substantive benefits for plant and animal species, their ecosystems, and the communities near the conservation sites. Some of the most significant achievements of 2012 are the following:

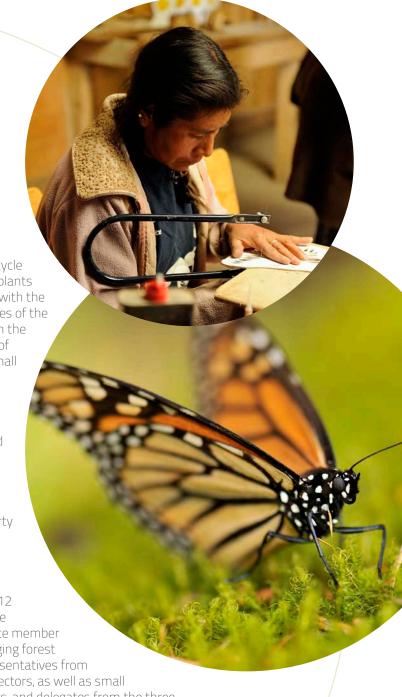
Monarch Butterfly Conservation Program

As part of our progress in reforestation, we achieved the production and maintenance of 545,000 one-and-a-half-cycle plants for the Cutzamala program and 800,000 one-cycle plants in nine nurseries. We also concluded the 2011-2012 cycle with the production of 1,677,740 plants in eight community nurseries of the Monarch Butterfly Biosphere Reserve. In coordination with the National Forestry Commission (Conafor), the municipality of Zitácuaro, the agrarian nuclei of the Reserve, and some small landowners, we reforested 1,459 hectares with 1,459,000 plants.

As part of our support for the development of neighboring communities, a group of 10 women artisans were supplied with materials to create wooden handicrafts to be sold in the commercial zones of the tourist destinations of El Rosario and El Asoleadero.

Six members of the executive council of Communal Property of the locality of Crescencio Morales received four training courses in the forestry business at the Business Center (Cenefor) of the Conafor.

We participated in making up the State Forestry Board 2012 2015 of the Michoacán Forestry Commission (COFOM). The **Monarch Butterfly Program** was appointed as an alternate member to collaborate on designing conservation plans and managing forest resources in Michoacán. The Board is made up of 36 representatives from the academic, agricultural, industrial, and environmental sectors, as well as small landowners, professionals, members of management units, and delegates from the three levels of government.



Jaguar Conservation Program

We protect the jaguar, a species of great cultural and historical significance to Mexico and Central America, as well as the largest feline in the Americas.

Through payment for environmental services, in 2012 we protected 19,600 hectares of tropical forest, a key habitat for the conservation of the jaguar, to the benefit of more than 40 Mayan families living in extreme poverty in the state of Campeche. With the participation of other ejidos, or groups of communal landowners, the program benefits more than 300 families a year.

We also held an 8th Symposium on subject of **The Mexican Jaguar in the Twenty-First Century**, which formulated and analyzed a National Jaguar Conservation Strategy which would synthesize actions and reduce the impact of threats on the jaguar populations in protected zones. Also completed was the compilation of the volume **Manual Fototrampeo para estudios de Fauna Silvestre. El jaguar como estudio de caso**, to be published soon.

In order to keep the public informed of the program's work, we produced a minute-long spot on the jaguar which documents the actions carried out for the conservation of the species in the south of the Yucatán peninsula. It was premiered in August of 2012 and shown in more than 4,000 movie theaters for the period of a month.





Comprehensive Marine Species Protection Program in the Sea of Cortez

In 2012 an agreement was signed to develop a **Strategic Plan for the Conservation of the Yellow Turtle in the Gulf of Ulloa**, to be implemented jointly by government agencies, academic institutions, fishermen, and local organizations.

We supported the organization of the 14th meeting of the Grupo Tortuguero de las Californias, in which some 200 people from 40 different communities in northwestern Mexico participated. Among the activities undertaken was the protection of 100,000 nests and the freeing of 5 million offspring of four species of seas turtles. Support was also given to the Grupo de Conservación de Tiburones EIMANYA to hold its 5th annual meeting, which attracted the participation of 72 fishermen from 13 communities along the Baja peninsula and the coast of Sinaloa.

The educational activities undertaken included the presentation of several lectures and posters at the biannual meeting of the Sociedad Mexicana de Mastozoología Marina, A.C., the presentation of the first Spanish-language marine mammals guide, talks on the white shark to 250 primary and secondary school students, scholarships for five children from Los Cabos to attend the **Children's Encounter for the Conservation of the Sea Turtle** in Mazatlán, and the celebration of the third annual **International Day of the Whale Shark** in La Paz, Baja California Sur, attended by 350 children and young people.

In order to follow up on the monitoring of species by telemetric means, in 212 five sharks were marked and 23 white sharks and four pregnant female whale sharks were identified. These actions will make it possible to discover and monitor their migratory routes and spawning grounds. We have also installed four new ultrasonic receptors that will help us to monitor the sea cow.

We use the most modern **technology** and our **infrastructure** to **monitor** and **study endangered** species.

Corporate Governance and Ethics

We live in a time of dizzyingly rapid **changes** in our industry, to which we must adapt quickly. Nevertheless, at América Móvil we believe in the importance of preserving our principles and ethical values as the foundation of our sustainability.

> Our identity as a company is the result of our conduct. We are convinced, therefore, that strict compliance with our Corporate Governance Policies and Code of Ethics is an indispensable factor in our development and in the sustainability of our company.

> > All of our employees, executives, directors, independent contractors, and other persons with whom we maintain a business relationship must adhere to the Corporate Governance Policies and Code of Ethics, complying at all times with applicable laws and regulations.



Corporate Governance

Our corporate governance practices are governed by our company bylaws, the Mexican Stock Market Law (Ley del Mercado de Valores), and the regulations issued by the National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores, or CNBV). We also adhere to the Code of Better Corporate Practices established in 2001 by a group of Mexican business leaders and approved by the CNBV and the Mexican Stock Exchange (Bolsa Mexicana de Valores, or BMV).

América Móvil's supreme governing body is the Shareholders' Meeting, which appoints a Board of Directors consisting of 17 proprietary members, 53% of whom are independent.

The Board of Directors is made up of persons with ample and acknowledged experience in a range of areas, including business, communications, technology, commerce, finance, industry, services, and banking. The Board of Directors is supported in its efforts by three committees.

- Executive Committee
- Audit and Company Practices Committee
- Committee of Operations in Puerto Rico and the United States



Executive Committee

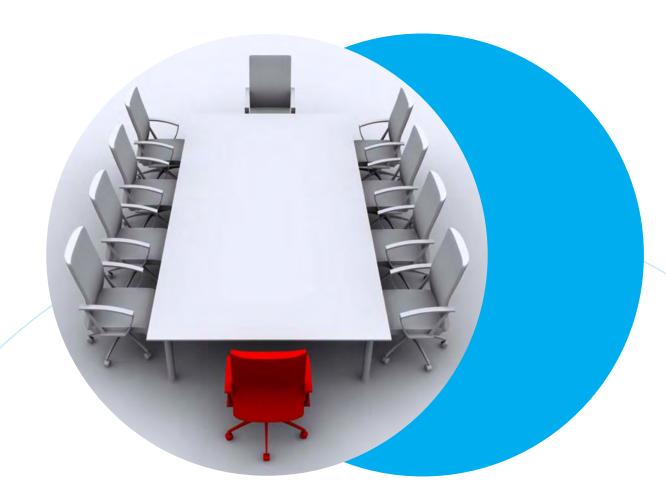
The main responsibility of the Executive Committee is to advise the Board of Directors regarding various subjects, as well as to exercise its authority, with certain exceptions. The Board of Directors is also obliged to consult the Executive Committee before deciding on certain matters stipulated in the company bylaws.

Audit and Company Practices Committee

The responsibility of the Audit and Company Practices Committee is to support the Board of Directors in the supervision of company operations and in establishing and monitoring processes and controls, in order to ensure that the financial information provided by the company is useful, appropriate, and trustworthy, and that it precisely reflects the company's financial position.

The Committee also has an internal audit area responsible for coordinating work around the following activities:

Risk Audits	Review of the different operating processes of each company, the integrity of operations, and their proper functioning. Evaluation of business risks annually at the local and corporate level in order to determine the areas to be audited in the course of the calendar year. These audits focus mainly on the areas of Operations, Customer Service, Human Resources, Engineering, and Implantation.
SOX Audits	Audits of the requirements of the Sarbanes-Oxley Act, in order to ensure, by means of strict controls, that public financial information is true and accurate. This process is obligatorily carried out by both the internal audit area and external auditors. The methodology for these reviews is developed by the Corporate Audit area and replicated in all of the company's operations.
Special Audits	The aim of these audits is to support different areas of company in reviewing some specific process or activity. They include the audits required to detect fraud, through the application of forensic audit methodology designed to determine the degree of implication by one or more persons or employees in fraudulent activities, performed in coordination with the Legal and Human Resources departments.



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Committee of Operations in Puerto Rico and the United States

The responsibility of this committee is to resolve and approve, in the name and on behalf of the Board of Directors, any business acts and/or decisions to be adopted by the company regarding the supervision and oversight of its interests in (i) its Puerto Rican subsidiaries; (ii) its US subsidiaries; (iii) any other subsidiary and/or affiliate the company may acquire in the future that participates directly and/or through its subsidiaries and/or affiliates in the same markets as those in which AT&T Inc. currently participates in the United States of America and Puerto Rico.

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Code of Ethics

We have a Code of Ethics observed throughout the company and aligned with our philosophy and corporate values. Our code adheres to Mexican and international standards in the areas of combating bribery and corruption. All of our employees are familiar with the Corporate Governance Policies and Code of Ethics thanks to awareness and communication campaigns carried out at all levels of the company.

In the following diagram we present a summary of the main guidelines of our Corporate Governance Policies and Code of Ethics, designed with a progressive and comprehensive vision that includes environmental issues and channels for anonymous denunciation of abuses:





http://www.americamovil.com/amx/cm/filings/Corporate_Governance_ Policies_and_Code_of_Ethics_English.pdf



Other Internal Governance Practices and Standards

Since América Móvil shares are traded on the Mexican Stock Exchange (BMV) and New York Stock Exchange (NYSE), we are required to comply with the regulations of the CNBV, the BMV, the US Security Exchange Commission, the NYSE, and the Sarbanes-Oxley Act.

Conflicts of Interest

By Mexican law, an independent audit committee must give its opinion to the Board of Directors on any transaction with related parties outside of the ordinary course of business, which must be approved by the Board of Directors. According to the Mexican Stock Market Law, our Board of Directors is to establish certain guidelines for transactions with related parties that do not require the specific approval of the Board.

We support the
development of our sector
through continuous communication,
collaboration, and good practices
in our dealings with the authorities,
competitors, civil society organizations
(CSOs), and other entities with which
we come into contact.



Corporate Citizenship

We participate actively in forums, conventions, encounters, and various associations in the aim of defending the healthy development of our activities in the different countries in which we are present. We seek to share experiences, good practices, and analyses, among other aspects of our activities.

In 2012 we participated in two international events. The first, the Global Symposium for Regulators, was organized by the International Telecommunications Union (ITU) and held in Sri Lanka in October. We contributed a vision of the Mexican industry in terms of international regulations. The encounter sought to formulate recommendations for governments conducive to better practices in areas such as the neutrality of the network, cloud computing, and sustainable growth.

In December we participated extensively in the World Conference on International Telecommunications held in Dubai, which reviewed the International Telecommunications Regulations, a global treaty that seeks to facilitate the interconnection and interoperability of information and communications services and to guarantee their efficiency, utility, and availability. América Móvil served as consultant to the Mexican government in discussions of certain aspects of the treaty, seeking to obtain the benefits of improved telecommunications services for a larger part of the population.

The following are some of the associations in which we participate:

ASSOCIATIONS

4G Americas

Asociación Dominicana de Empresas de Telecomunicaciones (ADOMTEL)

Asociación de Industrias de la República Dominicana (AIRD)

Agencia Nacional de Telecomunicaciones (ANATEL)

Asociación Nacional de Jovenes Empresarios (ANJE)

Asociación de Empresas de Telecomunicaciones (ASETEL)

Asociación de empresas proveedoras de servicios de internet, valor agregado, portadores y tecnologías de la información (AEPROVI)

Asociación para el Fomento de la Infraestructura Nacional (AFIN)

Cámara Binacional de Comercio Ecuador-México

Comisión Interamericana de Telecomunicaciones (CITEL)

Consejo Nacional de la Empresa Privada (CONEP)

Federação Brasileira de Telecomunicações (FEBRATEL)

Asociación para el Sistema Global para las Comunicaciones Móviles (GSMA)

International Chamber of Commerce (ICC)

Asociación Brasileña de Telecomunicaciones (TELEBRASIL)

Asociación Brasileña de Prestadoras de Servicios de Telecomunicaciones Competitivas (TELCOMP)

Sindicato Nacional das Empresas de Telefonia e de Serviço Móvel (SINDITELEBRASIL)

Federal Trade Commission (FTC)

Awards and Distinctions

ISO 14001-2004 certification.

8th place among the best Brazilian socio-environmental management practices of the decade.

Los legítimos de la Sustentabilidad award in the categories Ranking Benchmarking Brazil of the Decade for the project **Technology at the Service of Education and Sustainable Development** and Ranking Benchmarking Brazil 2012 for the project **Technology at the Service of Education and Sustainable Development**- Isla de Marchantaria.

ACRI Sustainability Av

ACRJ Sustainability Award 2012 of the Associação Comercial do Rio de Janeiro (ACRJ) in the Micro/Small Business category

Citizen Company Certificate, for the second year in a row, awarded by the Conselho Regional de Contabilidade do Rio de Janeiro (CRC-RJ).

El Instituto Embratel is a partner of the Centro de Informação das Nações Unidas no Brasil (UNIC-Rio).

Certification as a **Socially Responsible Company** granted by the Centro Mexicano para la Filantropía (CEMEFI) for the eleventh year in a row.

2011Prosa Star Supplier award in the Best Transport Network and Best Strategic Alliance categories, for the tenth year in a row.

Telmex (Mexico) First Annual Syndication

First Annual Syndication 2012 Performer of the Year Award, granted by Microsoft Corporation for being one of the main global drivers of cloud technology among small and medium enterprises.

Recognition as the **Best Telecommunications Operator in Latin America** by the London-based magazine World Finance.

International Prize awarded to TRIARA Querétaro as the **Best Data Center 2012** by the International Computer Room Expert Association (ICREA).

Recognition by the Unión Nicaragüense para la Responsabilidad Social Empresarial (Unirse) for support granted to the Socially Responsible Journalism Awards.

Recognition of its support for children suffering from burns and their sequels, granted by the Asociación Proniños Quemados de Nicaragua (Aproquen).

Recognition by the e-sports Intertiment for its continual promotion and support of the values of Nicaraguan young people through sports.

Recognition by the Feria Nacional de la Tierra for its contribution to the environment.

Certification as a **Socially Responsible Company** granted by the Centro Mexicano para la Filantropía

(Cemefi) for the third year in a row.

Only Mexican brand (and the highest-ranked Latin American brand) listed among the 100 most valuable in the world in the 2012 list of Brandz Top 100 by the Millward Brown Group (MBG).

Chosen among Reader's Digest Trusted Brands 2012 for the third year in a row for its cellular telephone service in Mexico.

(Brazil)

Nicaragua

Telcel (Mexico)

Instituto Embratel

About this Report

This report presents the results of actions carried out by América Móvil through its affiliates Telcel, Telmex, Claro, Embratel, Net, and Tracfone in the 18 countries where it operates. The report covers the actions carried out from January 1st to December 31st, 2012. It is the company's third social responsibility report and the second to be prepared in accordance with the version G3.1 of the guidelines for sustainability reports of the Global Reporting Initiative.

Materiality was determined on the basis of an analysis that took into account the public matters of the greatest importance to the company, as well as the opinions of stakeholders and actions whose communication was considered a priority. Information was gathered in the various countries by means of the OptimumCSR system and was complemented by interviews with executive personnel and the review of internal company materials.

This report has been self-scored and corresponds to a **B** level of application.

Glossary of Terms

ADSL: Asymmetric Digital Subscriber Line. Analog transmission of digital data.

Digital divide: The separation between those persons (communities, states, countries) that use information and communications technology (ICT) as a routine part of their daily lives and those without access thereto, or those who have access but do not know how to use it.

FTTC: Fiber-to-the-cabinet or fiber-to-the-curb. Fiber optic broadband access booth less than 300 meters from the final user.

FTTH: Fiber-to-the-home. Fiber optic and optic distribution systems for advanced services such as triple play: telephony, broadband internet, and television in homes and offices.

HSPA: High speed packet access. Technology used in mobile internet connections.

Machine to machine: Technologies used in the process of exchanging information between two machines distant from each other, whether through fixed or mobile networks, without human intervention.

Information and Communications Technology: Technology that facilitates the management and transformation of information and in particular the use of computers and programs that make it possible to create, modify, store, protect, and recover this information. This technology empowers the universal capacity to access and contribute to information, ideas, and knowledge.

VSAT Very Small Aperture Terminal: Satellite communications antenna for exchanging point-to-point, point-to-multipoint (broadcasting), or interactive information.

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GRI Index

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ndicator	Description of Indicator		
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2. Organi	zational Profile		
2.1	Name of the organization.	Fully	8
2.2	Primary brands, products, and/or services.	Fully	8
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	8
2.4	Location of organization's headquarters.	Fully	Inside backcover
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.	Fully	8
2.6	Nature of ownership and legal form.	Fully	8
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	8
2.8	Scale of the reporting organization.	Fully	55,http://www.americamovil.com amx/cm/filings/Form_20-F.pdf
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	8
2.10	Awards received in the reporting period.	Fully	89
3. Report	Parameters		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	90
3.2	Date of most recent previous report (if any).	Fully	90
3.3	Reporting cycle (annual, biennial, etc.)	Fully	90
3.4	Contact point for questions regarding the report or its contents.	Fully	90
REPORT S	COPE AND BOUNDARY		
3.5	Process for defining report content.	Fully	90
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Fully	90
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	90
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.	Fully	90
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.	Fully	90
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).	Fully	90

3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	90
CONTENT	~		
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	92-97
ASSURAN			
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	The report is self declared
4. Govern	nance, Commitments, and Engagement		
Governan	ce		
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.	Fully	81
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	http://www.americamovil.com/ amx/cm/filings/Form_20-F.pdf
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	81
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	82
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).	Fully	http://www.americamovil.com/ amx/cm/filings/Form_20-F.pdf
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	82
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Fully	82
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.	Fully	9
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.	Fully	82
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	82
COMMITN	MENTS TO EXTERNAL INITIATIVES		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	8
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	25 a 53, 70 a 79
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	88
STAKEHO	LDER ENGAGEMENT		
4.14	List of stakeholder groups engaged by the organization.	Fully	13
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	14-15
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	14-15
4.17	Key topics and concerns that hve been raised through stakeholder engagement, and how the organization has responede to those key topics and concerns	Fully	14-15
Economic	performance		
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.	Not material	-

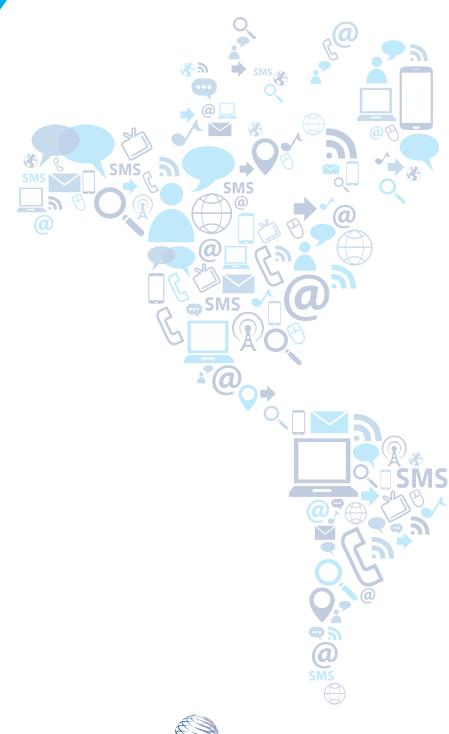
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Not material	Not material
EC3	Coverage of the organization's defined benefit plan obligations.	Not material	Not material
EC4	Significant financial assistance received from government.	Not material	Not material
Market pr	resence		
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	Average among estándar entry leve wage and local minimum wage is 65.3%
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Not material	-
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	75% of senior management proceed from the local operation communities
Indirect ed	conomic impacts		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	56-57
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Not material	Not material
ENVIROR	NMENTAL INDICATORS		
Materials			
EN1	Materials used by weight or volume.	Not material	Not material
EN2	Percentage of materials used that are recycled input materials.	Not material	Not material
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	71
EN4	Indirect energy consumption by primary source.	Fully	71
EN5	Energy saved due to conservation and efficiency improvements.	Fully	71
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	71
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	71
Water			
EN8	Total water withdrawal by source.	Partial	72
EN9	Water sources significantly affected by withdrawal of water.	Not material	Not material
EN10	Percentage and total volume of water recycled and reused.	Not material	Not material
Biodiversi	!		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	68-69
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	68-69
EN13	Habitats protected or restored.	Fully	76-79
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	68-69
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Fully	76-79
Emissions	s, effluents and waste		
EN16	Total direct and indirect greenhouse gas emissions by weight.	Not material	Not material
EN17	Other relevant indirect greenhouse gas emissions by weight.	Not material	Not material
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Not material	Not material
EN19	Emissions of ozone-depleting substances by weight.	Not material	Not material
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not material	Not material
EN21	Total water discharge by quality and destination.	Not material	Not material
EN22	Total weight of waste by type and disposal method.	Not material	Not material
EN23	Total number and volume of significant spills.	Not material	Not material

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.	Not material	Not material
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.	Not material	Not material
Products a	and services		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	73
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	75
Compliand	ce control of the con		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Fully	74
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not material	Not material
Social: La	bor Practices and Decent Work		
Employme	ent		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Partial	19
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Partial	19
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Partial	20
Labor/ma	nagement relations	,	
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	18
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	18
Occupatio	nal health and safety		
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.	Fully	23
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Partial	23
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	23
LA9	Health and safety topics covered in formal agreements with trade unions.	Not material	Not material
Training a	nd education		
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	21
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	21
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	21
Diversity a	and equal opportunity		
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Partial	18
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Partial	22
LA15	Return to work and retention rates after parental leave, by gender.	Not material	Not material

Human r	ights performance		
Investme	nt and procurement practices		
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Not material	Not material
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Not material	Not material
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 material	Not material
Non-discr	rimination		
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	22
Freedom	of association and collective bargaining		
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Fully	América Móvil respects the right to exercise freedom of association and collective bargaining
Child labo	r		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Fully	América Móvil does not hire children
Preventio	n of forced and compulsory labor		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Fully	América Móvil operates under collective bargaining contracts
Security p	ractices		
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not material	Not material
Indigenou	s rights		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not material	Not material
Assessme	ent		
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Not material	Not material
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Not material	Not material
Local com	-		
501	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	24 a 52
Corruption			
502	Percentage and total number of business units analyzed for risks related to corruption.	Not material	Not material
503	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	22
504	Actions taken in response to incidents of corruption.	Fully	22
Public pol			
S05	Public policy positions and participation in public policy development and lobbying.	Fully	87
506	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	América Móvil does not support with contributions to political parties, politicians, and related institutions
Anti-com	petitive behavior		
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	Pending legal actions are followed for their final resolution
Complian	ce		
508	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	No significan fines or sanctions were reported in 2012
509	Operations with significant potential or actual negative impacts on local communities.	Not material	Not material

5010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Not material	Not material
Social: Pr	oduct Responsibility		
Customer	health and safety		
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.	Fully	http://www.americamovil. com/amx/es/cm/reports/Y/ Responsabilidad2011.pdf
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.	Not material	-
Product a	nd service labelling		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	Products and services in the countries of operation are subject to strict evaluation procedures regarding both their characteristics and effects
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not material	-
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	58-59
Marketing	g communications		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	All the countries of operation are subject to the local regulations and laws
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.	Not material	-
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	In 2012 no complaints were presented
Complian	ce		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not material	Not material

For further information about this report or about the **Social Responsibility activities** of **América Móvil**, please contact us at this email: **contacto-rse@americamovil.com**





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