
Human Resources Development

In 2010, being in close connection with the corporate strategic goal and its needs for business development, the Group's human resources work focused on the full-service business, supported new development, reform and innovation to achieve effectiveness. Throughout 2010, the Group's human resources work was carried out with a focus on responding to and supporting the competition on innovation of full-service business. By optimizing its organizational structure, establishing its core talent team and enhancing its systems and mechanisms, the Company enhanced its management efficiency and organizational capabilities and promoted and built up its new competitive advantage in human resources under the new environment, all of which strongly supported the achievement of the Company's strategies and business objectives.

In 2010, the Group made a forward-looking plan on human resources work in order to strengthen the capabilities of leading the reform and supporting the business, adapt to the internal and external environment and promote the development of the employees. The Group issued the *Blue Paper of China Mobile Human Resources Strategic Plan for 2010-2012*, and studied and formulated the *Report on Sub-Planning for Human Resources Management*. The Group fully optimized its management system, modified and optimized its organizational structure and consolidated the fundamental employment management system. The Group also stepped up its efforts in the exchange and competitive selection of executives and enhanced the establishment of leadership. By optimizing the talents structure, improving the qualities of the employees, promoting the establishment of its core talent team, the Group improved its competitive advantage in key talents. The Group comprehensively improved the qualities of its corporate human resources and carried out the enhancement of training system in a pragmatic manner. The Group developed a fair environment for regulating employment and labor management and enhanced employment efficiency. Furthermore, the Group perfected and optimized the internal allocation mechanism and established a comprehensive remuneration management system. According to the results of a survey conducted in 2010 by Universum Communications, an internationally well-known employer brand management company, China Mobile was ranked first on the list of ideal employers by technical university students in Mainland China and second on the list of ideal employers by business university students in Mainland China.

The Group has persistently held in high regard the relationship with its employees, it implemented the *Labor Contract Law* in earnest and proactively built harmonious labor relations, and has enhanced the labor efficiency and promoted the sustainable development of the Group by establishing a fair, equal, efficient and flexible labor mechanism within the Group. In order to create a comfortable atmosphere to communicate with the employees and understand their views on key management issues of the Group and on human resources management, the Group conducted a survey among the employees in 2010, the questionnaire of the survey focused on dimensions such as full-service business, customer orientation, employees' stress level, teamwork, performance management and career development. The expected objective to examine the effectiveness of management was achieved through the survey, which effectively formed the closed-loop management featuring "survey – improvement – resurvey". Various indicators and results of dimensions from this survey outperformed the external market levels.

By optimizing the training system, strengthening the overall planning on training, commencing the study on the appraisal system of training and strengthening the planning and guidance on training, the Group promoted balanced development and overall enhancement in terms of training. In 2010, the Group provided training to employees for 898,000 person times, out of which 8,434 person times were for senior- and- middle management. The average training hours for each employee were 59 hours. A team of 60 trainers within the Group's headquarter was established to serve as the basis for an internal trainer team with high quality, appropriate scale and reasonable structure. The Group continued to facilitate the application of on-line learning and clarified the management responsibility and operating mode of on-line college so as to provide a safeguard for its effective evolvement, which also served more efficiently as a learning platform for employees at all times. 300,000 person times of on-line learning have been provided to the employees of the Group and the average learning hours for each employee were more than 30 hours.

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In 2011, the Group will face consistently tough challenges in its development, and strategic adjustment and business transformation will impose new requirements on internal management. The work model of the Group's human resources function shall adapt to changes in order to consistently improve the centralization level and achieve higher efficiency and lower cost in human resources management. In close connection with the changes of the full-service business operation environment, guided by the Company's strategy and business development with "management efficiency" and "results orientation" as its objectives, and reformation, innovation, diversification and differentiation as its strategies, the Group will emphasize on cultivation both within and outside the Group and achieve a balanced development. The Group will devise overall forward-looking strategy, optimize the organizational structure, rationally allocate human resources, promote the integration of labor and employment, adjust the internal distribution pattern, expand the room of development for talents, improve the employees' perception and build organizational capability with higher performance, so as to develop a new competitive advantage in human resources in support of its full-service business operations.