

Jointly Creating an Inclusive Good Life for All

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and Public Welfare**
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“Blue Dream”, Innovating on Education for Poverty Alleviation

Sustainability Context

The pursuit of happiness is a common aspiration for all. Even though we have made significant progress in technological development, there are still many issues arising from unbalanced and inadequate development nowadays. China actively strives to build a community with a shared future for mankind, adheres to the concept of inclusive development, implements targeted poverty alleviation policies, coordinated regional development strategies and the Belt and Road Initiative, and works together with domestic and international partners to make positive contributions to the implementation of the relevant United Nations Sustainable Development Goals.

China Mobile actively explores the infinite possibilities of using 5G technology to serve society and improve the well-being of people. In the decisive period of building a well-off society in an all-round way, we are committed to sharing the enabling benefits of 5G and other ICT technologies with more people, and providing our ideas and solutions for promoting the all-round development of people and social progress.

Eradicating poverty starts from changing the minds of people. Poverty alleviation through education is a root solution to help the poor. To improve the education conditions of primary and secondary schools in central and western China, especially in poverty-stricken areas, and to eliminate the root cause of intergenerational poverty, China Mobile worked together with the Ministry of Education and launched the China Mobile Blue Dream Educational Aid Plan (“Blue Dream”) in 2006, focusing on improving the comprehensive capabilities of rural teachers. We

2006

Started the model of centralized training of small study groups.

2008

Started providing online support, setting up a dedicated section for Principal Training at the China Education Administration Training Network of the National Academy of Education Administration, posting program updates and allowing exchange of local progress of the program.

2009

Innovated the Training-in-Teaching model and the “Shadow Training + Remote Training” model, and set up the shadow training schools.

2016

Launched the first “Seed Principal Online Workshop + Teaching in the Countryside” program.

2018

Created the “In-School Training” diagnostic training program.

Innovative Training Models for Principals

From the “three-stage” training model of “centralized training + shadow training + back to school practice” that has been made part of government policy system by the Ministry of Education, to the “five-stage” training model of “centralized training + shadow training + online study + back to school training + sent to school practice”, the program has been constantly evolving based on implementation and evaluation results, creating unique and innovative training models that contribute to the development of a high-quality national principal training system for the new era.

We initiated the “active training” concept and established a platform for team training at county level and provincial level, based on the individual development needs and career goals of the principals and the training needs of the region, to give the principals greater motivation to learn. We made effective use of the online training community platform centered on the “Seed Principal Online Workshop”, and developed the combo training model of online learning and on-site practice. We also set up a menu-based, independent and open learning platform, where the principals could customize their class selections based on their individual needs. With over ten years of continuous efforts, we have fostered a training culture of “to learn and train to become excellent”, motivating the all-around development of the principals.

further developed on a sub-program of “Blue Dream”, the Ministry of Education-China Mobile Central And Western China Rural Primary and Secondary School Principal Training Program (“Principal Training”) and have established a unique principal training system, thereby creating a new platform for improving the education management skills of primary and secondary school principals from poverty-stricken areas in central and western China.

Collaborative Governance as Foundation

The program went beyond the traditional task-based training concept. Instead, it has evolved into an effective “five-in-one” modern collaborative governance system, in which “the Ministry of Education and China Mobile lead, the program office coordinates, the provincial team designs, the training base implements, and the county-level team manages”, all collaborating to train the principals. Meanwhile, we insisted on scientific management, studied best practices of similar programs and developed the *Principal Training Program Standards*, promoting program effectiveness with standardized implementation, supervision and support.

Public Participation with Greater Impact

Poverty alleviation needs the support and participation of society. We called on the public to join our efforts to support education poverty alleviation in the form of matched charitable donations. As of the end of 2019, 3.38 million people had participated in MIGU Reading’s Read for Good campaign and raised RMB10 million for the “Blue Dream”; and 27 Read for Good events were organized at Joy Reading Cafes, which attracted 62.666 million person-times to participate and raised a total of RMB6 million.

"I am a veteran of principal training. But it's very rare to see programs like China Mobile's 'Principal Training' that last for over a decade to help rural principals. And it's not an easy thing to do! China Mobile's 'Principal Training' provides customized training for rural principals with unwavering love and dedication, benefitting rural principals in Guangxi, especially those from low-income counties. The program allowed the rural principals to feel the sincerity and warmth of charitable support, which is a great boost to their confidence!"

—— Li Fuzhuo, Director of "Principal Training" Guangxi Partner (Nanning Normal University)

"'Principal Training' allowed me to reexamine myself from a new perspective, and showed me the way to a dense forest of education, where my dreams can flourish. My dream is to work hard to support rural education."

—— Chen Yang, Principal of Dandian Primary School, Tuanfeng County, Huanggang City, Hubei Province

"'Principal Training' allowed me to better grasp and form my own understanding of education, and develop my own action plan to manage my school. It has lit a shining light for my professional growth and daily practice, so that I can become a better thought leader at my school and move in the right direction."

—— Li Liansheng, Principal of Shangganshan Central Primary School, Shanggao County, Yichun City, Jiangxi Province



Since the launch of the "Blue Dream" Education Aid Plan, the Company has invested nearly RMB180 million and provided training for over 127,000 rural primary and secondary school principals from central and western China, directly benefiting over 700 counties. To leverage our advantages and support education poverty alleviation, we have also built 2,310 China Mobile Libraries and 2,863 multimedia classrooms for schools in regions in extreme poverty in 23 provinces in central and western China and the Xinjiang Production and Construction

Corps, and equipped the multimedia classrooms with remote learning equipment and "And Education" products.

In the future, China Mobile will continue to uphold the founding aspiration of supporting the development of rural education and serving the professional growth of rural primary and secondary school principals in central and western China, continuously inject new impetus into the development of education in the central and western rural areas, and lay a new foundation for the fundamental eradication of poverty.

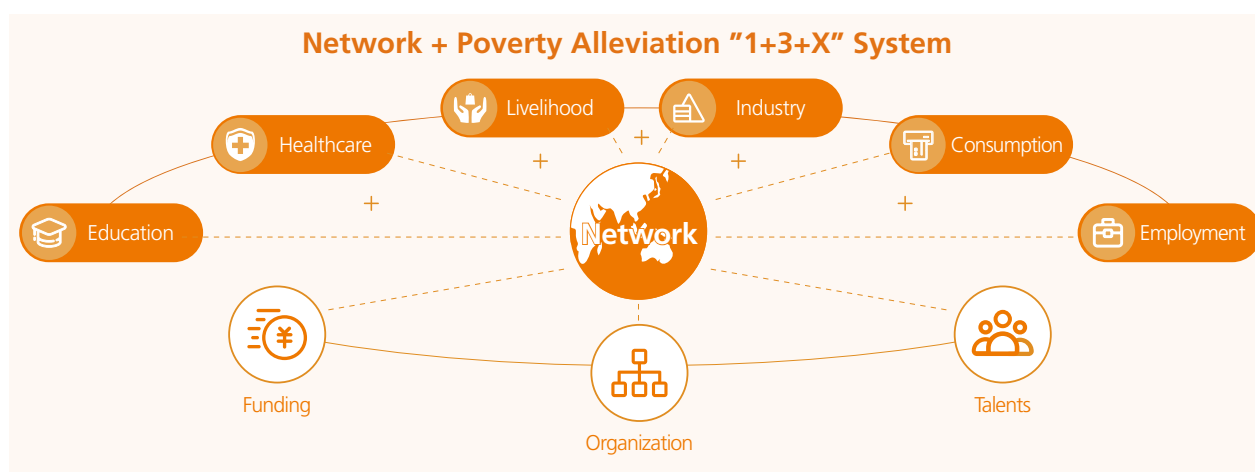


"In-School Diagnostic Training" of the "Principal Training" program in Sichuan

Contributing to Poverty Eradication

2019 is a crucial year for eradicating poverty in China. China Mobile developed a series of policies, including the *China Mobile Poverty Alleviation Priorities in 2019*, the *China Mobile Poverty Alleviation Assessment Methods in 2019*, and the *2019 Notification on Specifying Poverty Alleviation Tasks for China Mobile Units*, to specify the priorities, implementation requirements and assessment standards for its poverty alleviation work in 2019.

During the year, we summarized the experience, studied new trends and requirements in poverty alleviation, and developed the “network + poverty alleviation” model based on the “1 + 3 + X” system, focusing on the network-based poverty alleviation model and implemented poverty alleviation programs in education, health care, livelihood, industry, consumption, etc. with support in terms of organization, funding and talents. In 2019, our parent company was recognized as one of the best performers in the targeted poverty alleviation assessment by the central government, 13 provincial subsidiaries were recognized as provincial-level poverty alleviation models, and 8 provincial subsidiaries received the top-level rating in the provincial poverty alleviation annual assessment.



Strengthening Organizational Support

We established a three-tier mechanism, under which “the Group coordinates, provincial subsidiaries manage, and city/prefectural branches and poverty alleviation volunteers implement”, and a collaboration mechanism consisting of “task allocation and implementation, supervision and notification, and assessment and accountability”. Meanwhile, we cooperated with our parent company and arranged nine provincial subsidiaries in eastern China to support the six targeted counties, and mobilized all employees and 1 billion customers to participate in poverty alleviation.



Promoting Poverty Alleviation Officers

We have been cooperating with our parent company, undertaking the poverty alleviation work and providing pair support in the 8 poverty counties of 5 provinces, such as the “three regions and three prefectures”, and covering the poverty alleviation work in 1,767 counties, townships and villages designated by local government since 2002; and dispatched 4,425 employees (2,200 employees on duty in 2019) working at the front line of poverty alleviation full time. One of the poverty alleviation volunteers, Duan Yuping, was recognized as the highest award in poverty alleviation in China, while other 24 received provincial-level poverty alleviation awards.



Prioritizing Poverty Alleviation Funds

Our parent company gave priority to funding poverty programs in areas with extreme poverty and areas lacking basic livelihood, education, health care and housing conditions, and donated a total of RMB290 million in 2019 with approximately RMB55 million of in-kind donations; and invested RMB1.1 billion, totaling RMB1.6 billion cumulatively, in the Central Enterprise Poverty Support Industry Investment Fund.



Promoting Poverty Alleviation in Different Fields

We integrated network poverty alleviation with efforts in other fields, such as education, language, culture, health, consumption, industry and employment, and have achieved positive poverty alleviation results.



Building the Information Highway

We cooperated with our parent company and provided continuous support to improve telecommunications infrastructure in less-developed areas, having connected 127,000 townships with voice service and 72,000 villages with wireline broadband connection and 96% of archived poverty villages now have broadband connection cumulatively; actively promoted 4G and wireline broadband development in less-developed areas, with 98% of administrative villages have 4G network coverage; implemented the Phase-4 Telecommunications Universal Service Project and covered 4,564 administrative villages with 4G network; launched the Poverty Alleviation Service Package for archived poverty households, benefiting 9.95 million users; donated house-brand mobile phones to low-income households in Shule and Baisha; and have been donating Tibetan-Mandarin bilingual mobile phones for two years in collaboration with China Internet Development Foundation, benefiting 35,000 low-income Tibetan customers.

Major Breakthrough in Targeted Poverty Alleviation Areas

There are six targeted poverty alleviation counties for China Mobile, including Huanan and Tangyuan in Heilongjiang province, Akto, Shule and Luofu in Xinjiang Autonomous Region, and Baisha in Hainan Province ("six targeted counties"), among which the four counties in Xinjiang and Hainan are in extreme poverty. In 2019, we continued to cooperate with our parent company to support the poverty alleviation work in the six targeted counties and overfulfilled all targets for the targeted poverty alleviation commitment, including directly funding a total of RMB180 million, facilitating funding of RMB13.73 million, training 6,712 poverty alleviation volunteers and local residents, and purchasing and helping sell over RMB100 million worth of agricultural products from these counties. Among the six targeted counties, Huanan and Tangyuan were officially taken off the list of targeted poverty alleviation counties in May 2019, and Shule and Baisha were in the process of being taken off the list. A total of 78,000 people in the six targeted counties had successfully been removed from the registered poverty population list during the year.

Providing Mandarin Training for Ethnic Minorities for a Better Life

The lack of Mandarin skills severely limits the capability of ethnic minorities to get rid of poverty and develop their regional economy. To address this challenge, our Yunnan subsidiary developed the "1 + 3" information solution for Mandarin education, consisting of one core app, the "Mandarin for Poverty Alleviation" app, and three support systems in data traffic, marketing promotion and big data, to help more people learn Mandarin and gain access to more employment opportunities.

- **Efficiency:** Participated in developing the "Mandarin for Poverty Alleviation" app, which included functions such as character learning, daily dialogues, self-learning and other modules covering 1,000 daily phrases and 500 high-frequency vocabulary items in the local region.
- **Affordability:** Provided customized mobile phones for poverty alleviation training with preinstalled "Mandarin for Poverty Alleviation" app, and sponsored data subsidy and mobile device subsidy.
- **Accessibility:** Carried out the all-round promotion of the "Mandarin for Poverty Alleviation" app with the support of Yunnan China Mobile stores, social channels and village service points, and publicized successful cases and set up Mandarin-speaking model villages to encourage more people to use the app.
- **Measurability:** Retrieved app usage data from the big data platform to support the implementation of the programs in different locations.

As of the end of 2019, we had donated 20,000 mobile phones customized with the "Mandarin for Poverty Alleviation" app, and provided free in-app data for 120,000 users. The "Mandarin for Poverty Alleviation" app was used by 148,300 users, contributing to a relatively fast growth of their annual income.

In April 2019, our parent company signed the *Strategic Cooperation Framework of Promoting Mandarin Education for Poverty Alleviation* with the Ministry of Education, the Poverty Alleviation Office of the State Council, the State Language Commission and iFLYTEK in Kunming to promote the Yunnan experience nationwide.

"Now, I can write my own name, read some simple characters, and speak Mandarin. I like the 'Mandarin for Poverty Alleviation' app. It is convenient and practical. I can learn Mandarin and Chinese characters anytime and anywhere because of it."

—— Youli, Villager, Guquan Village, Nujiang Lisu Ethnic Minority Autonomous Prefecture



Villagers learning how to use the "Mandarin for Poverty Alleviation" app



Customized "China Mobile Education for Poverty Alleviation" mobile phone

Targeted Poverty Alleviation System

China Mobile developed the Targeted Poverty Alleviation System, and deployed the system in 92 cities and counties in 14 provinces to construct an ecosystem of targeted poverty alleviation, serving 8,169,000 low-income households and 741,000 poverty alleviation volunteers with its “one system and one mobile phone”. In 2019, the Targeted Poverty Alleviation System was included in the “Global Showcases of Poverty Alleviation” at China International Forum on Poverty Alleviation.



With the Targeted Poverty Alleviation System, poverty alleviation volunteers can use their phones to scan the QR code outside each low-income household to access the details of the applicable poverty alleviation policies.

Promoting Education Equality with the “Internet + Education for Poverty Alleviation” Model

China Mobile has created the “dual teacher classroom solution” to promote the sharing of high-quality teaching courses and resources among schools and student households, allowing the less developed areas to improve their teaching quality with not only accessibility but also quality resources. Lack of available courses is not a bottleneck anymore. This new teaching model has effectively improved the education equality for the less developed areas.

In Jiangxi, we have deployed video hardware to connect rural teaching sites with central schools in urban areas, creating a Cloud Classroom that fully synchronizes the teaching processes at both ends of the educational support partnership with its remote teaching function. Its Cloud Homework function can support the rural children’s after-school learning needs. The service is available to the 8.64 million primary and middle school students in Jiangxi, and we have provided the Cloud Homework service for free, together with free broadband service, to 300,000 students from low-income households.

In Sichuan, we have developed the model of “live streaming of courses of famous teachers + management software + intelligent hardware”. In Gulin County, we have set up 45 virtual lecture rooms for teachers and 255 virtual classrooms for students, providing local students with quality traditional Chinese studies, music, art and other courses from experienced teachers in Beijing, Jiangsu and Zhejiang.

To date, the Company has deployed several hundred classrooms in the poverty-stricken areas in central and western China, benefiting nearly 10,000 students. In addition, we worked together with the Ministry of Education to jointly launch the campus broadband “Double Plan” to give primary and secondary schools in poverty-stricken areas free broadband service upgrade. In 2019, we provided Internet access to 2,460 schools from the “three regions and three prefectures”, achieving a 30% increase in the Internet access rate.



Our Hainan subsidiary actively participated in passion fruit planting in Rongbang Village, Baisha Prefecture to support local poverty alleviation



Our Xizang subsidiary helped build greenhouses in Bangren Village in Aili Prefecture and improved local livelihood

Supporting Public Welfare

Since its founding in 2009, the China Mobile Charity Foundation has been adhering to its public welfare philosophy of “sincerity, commitment, harmony and sharing” in the last decade. Aiming at helping build a beautiful and inclusive society, the Foundation has implemented various programs to support the disadvantaged groups, promote education equality, support environmental protection, and provide emergency assistance in major disasters, etc.

The Foundation continuously improves its governance. It holds board meetings to decide on major issues twice a year, has developed and revised 11 rules and regulations such as the *Charter of China Mobile Charity Foundation*, and makes three-year plans on a rolling basis. Efforts have also been made to improve its informatization and information disclosure. In 2019, the Foundation continued to carry out its hallmark charity programs such as the Heart Caring Program and Blue Dream.

- **Heart Caring Program – support for children with congenital heart disease in poverty:** Since 2011, we have been providing free screening and treatment for children from poverty-stricken families with congenital heart disease. In 2019, we donated RMB17.8 million to implement the program, and successfully completed the Ningxia phase III, Guangxi phase III and Yunnan phase I new projects. Over the past 8 years, we have implemented the program in 10 provinces (regions), and provided free congenital heart disease screening for 54,968 children and free surgical treatment for 5,973 diagnosed children, with a cumulative donation of RMB178.6 million.
- **Blue Dream – China Mobile Education Aid Plan:** In 2019, we provided training to 11,556 principals from poverty-stricken areas and built 561 multimedia classrooms. Please see pages 28-29 for detail information.
- We also studied the actual needs of society and engaged in a variety of efforts focusing on the fields of poverty alleviation, community development, and elderly care and child care, helping serve poverty population, children, outdoor workers, elderly, disabled and other disadvantaged groups with programs such as the “And You” donation to support education, the “And Seedlings” volunteer teaching program, and the “Learning from Lei Feng” voluntary service activities. We continued to explore new models to empower public welfare with technology. In 2019, we worked together with the online news portal Toutiao and jointly launched the “Find You” public welfare program, donating 1,000 “Find Him/Her” positioning bracelets to elderly people with Alzheimer’s disease.

Exploring Innovative Public Welfare Programs with Fun

The First Charity Platform for Internet Fans in China

In 2019, MIGU innovated the “Music + Public Welfare + Fan Group” model and created the first fan-based public welfare music platform in China. With the influence of celebrities and the enthusiasm of music fans in charity activities, MIGU launched an online charity challenge relay and organized on-site visits, providing young music fans with charitable activities to spread positive energy.

MIGU Music Class

MIGU Music Class was launched in 2017. By the end of 2019, it has entered more than 10 schools. Together with star artists, music college students and volunteers from all walks of life, the program has brought music classes and donated musical instruments, books and other items to more than 10,000 children in remote areas, contributing to the improvement of rural quality education.

Bring History Alive with Digitization

In 2019, MIGU and the China Museum Association jointly launched the Mobile Museum event, bringing together 130 national top museums to create a museum aggregation platform. Our Shaanxi subsidiary and MIGU cooperated with Shaanxi Provincial Bureau of Cultural Relics to jointly develop an “Internet + Cultural Heritage Education” platform with digital museums, museum campus tours and cultural documentaries. The platform has made available the excellent digital cultural contents from 87 partner museums to thousands of households with the support of mobile optical broadband network and Internet TV. As of the end of 2019, we had organized 28 themed activities in Shaanxi, including the Campus Han Costume Show, Intelligent Poverty Alleviation, etc. The 5 digital museums we established have attracted over 5 million views and become a platform for the younger generation to have close interaction with our cultural heritage.

In 2019, MIGU continued its efforts to support education. It developed the “Tongyue Project” client-side app, carried out charity sales and donation of the MIGU version of Kindle, and participated in a number of education charity programs in cooperation with various stakeholders. In the New Era Rural Reading Season program, the MIGU Read app has opened a section of free e-books to encourage more farmers to experience the convenience of digital reading, and help solve the “last mile” challenge of rural library service.

Caring for Takeaway Riders

With the rapid development of the mobile Internet, takeaway riders shuttling through the streets have become an ordinary part of urban life. Our Jiangsu subsidiary fully studied the needs of delivery workers and launched a charity campaign of “Caring for Young Riders and Building a Star City” in Changzhou City with three components to support takeaway riders.

Caring Plan: Upgraded the existing “Caring Station” for sanitary workers in 100 plus stores for use by takeaway riders, providing them with a shelter to rest with drinking water, first aid supplies and convenience tools. During rainy or snowy days, they could also take shelter or borrow raincoats. In each month, there was a “Rider Day” special event organized at five showcase caring stations, offering services such as free mobile phone screen protectors, free books and magazines borrowing to the riders.

Rate Plan: We launched preferential rate plans based on the special usage of riders to help them reduce expenses.

Empower Plan: We organized regular awareness-raising programs on communication technology and network security to improve riders’ awareness of information security.



China Mobile Youth Rider Caring Station



Riders getting drinking water at the caring station

As of the end of
2019



Total number of registered
employee volunteers

122,900



Total amount of employee
volunteer service time

615,100 hours



Our Jilin subsidiary established its employee volunteer team 10 years ago and carried out a total of 33,816 hours of volunteering services to help the disabled, the elderly and families in need. In 2019, the volunteer team was awarded the title of “Advanced Collective for Assistance to the Disabled in China”.

Serving Regional Construction

In recent years, the government further deepened its coordinated regional development strategy and implemented a number of regional development plans, such as the *Master Plan of the Hebei Xiong'an New Area (2018-2035)*, the *Outline of the Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area*, the *Master Plan of the China (Hainan) Pilot Free Trade Zone*, and the *Outline of the Yangtze River Delta Regional Integrated Development Plan*, injecting strong impetus into the high-quality economic development of China. China Mobile actively implements the requirements of the relevant strategies. We have made special regional network plans in our annual network planning and promoted the sharing of regional network resources to support coordinated regional development.

📍 Xiong'an New Area

- Completed the Phase 1 5G construction, helping the New Area build benchmark 5G network.
- Hosted a series of forums on 5G and smart city, and arranged over 600 experts (person-times) to participate in the formulation of smart city standards and programs.
- Support the inclusion of the New Area into the national backbone network.
- Preliminarily achieved "GB to the households and ten GBs to the enterprises" in the New Area.

📍 Guangdong-Hong Kong-Macao Greater Bay Area

- Optimized the tariff plans and introduced the Guangdong, Hong Kong and Macao universal voice/data monthly packages. The average roaming data tariff in Hong Kong and Macao decreased by 33% compared to 2018.
- Facilitated the development of a regional collaboration and communication mechanism and the integrated development of international optical cable network, data center, smart park, 4G/5G wireless and various industry application platforms in the area, creating an optimized balance of resources and demand.
- Constructed the Zhuhai-Hong Kong cross-border cable and upgraded the Shenzhen-Hong Kong cross-border cable to enhance regional network transmission capacity.

📍 Hainan Free Trade Zone

- Established the Hainan International Submarine Cable and Information Hub Construction Leading Group with Hainan provincial government, and started the preparation for the construction of the Hainan-Hong Kong Submarine Cable Project and the submarine cable from Hainan to the Maritime Silk Road countries.

📍 Yangtze River Delta Region

- Built a regional high-speed data center system by solving the hotspot resource over-demand challenge with the coordinative planning of data center.



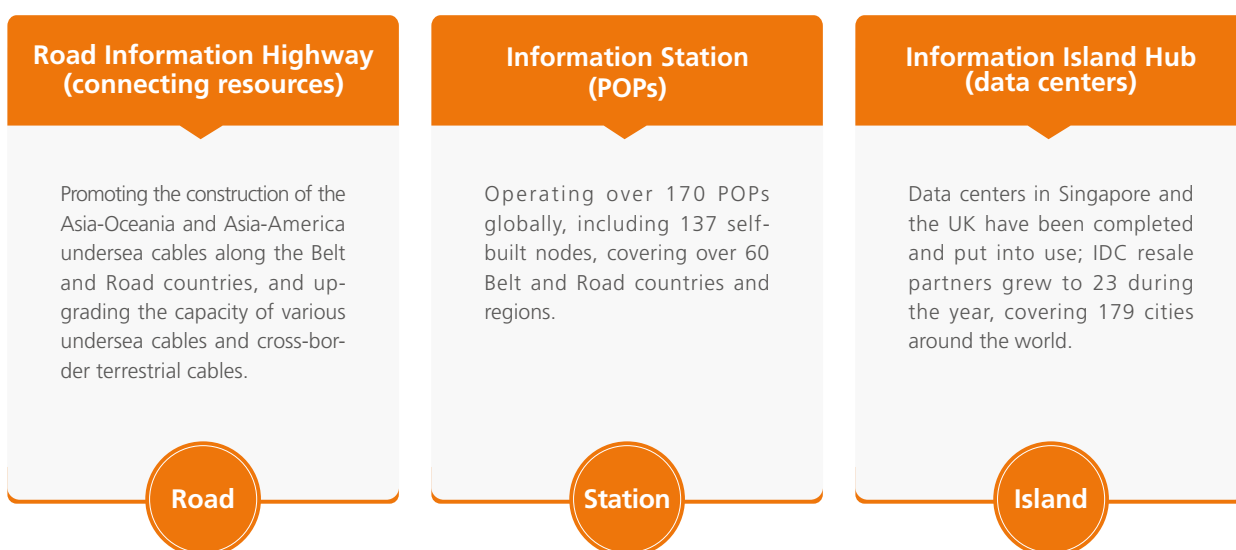
Our Hong Kong subsidiary, our Guangdong subsidiary, Macao Telecom and Guangdong Communication Industry Association jointly initiated the establishment of the Greater Bay Area 5G Industry Alliance ("the Alliance") in August 2019. The Alliance takes advantage of the 5G + industry chain in the Greater Bay Area, coordinates research of products and services, technological innovation and industry standards based on 5G technology, laying a solid foundation for the high-quality development of the Greater Bay Area.

Supporting the Belt and Road Initiative

From Chinese President Xi Jinping proposing the initiative to jointly build the “Silk Road Economic Belt” and the “21st Century Maritime Silk Road” in 2013, to the release of *The Belt and Road Initiative: Progress, Contributions and Prospects* report in 2019, the Belt and Road Initiative has made concrete progress over the years in the areas of policy coordination, connectivity of infrastructure, unimpeded trade, financial integration, and closer people-to-people ties. It has received positive responses from more and more countries and international organizations, attracted wider attention internationally, and seen its impact grow steadily.

China Mobile has been actively participating in the construction of the Belt and Road Initiative. We established the Department of International Business in 2019, which is responsible for formulating our international development plan as well as the Belt and Road Initiative implementation plan, striving to help build a smooth “Information Silk Road” with measures such as promoting communication infrastructure connectivity and providing high-quality information and communication services.

Regarding the construction of international communication infrastructure, we continue to optimize the “road, station and island” network layout and promote the infrastructure construction in Belt and Road countries. We also lowered the tariffs accordingly. Among the Belt and Road Countries, 105 directions enjoy the RMB30 daily package for data and 119 directions enjoy the Belt and Road RMB1 daily package for voice calls. Moreover, we have achieved roaming settlement cooperation with almost all Belt and Road countries in Africa.



We launched the CMLink mobile service brand in overseas markets, providing local communication services in UK, Japan, Thailand, Canada, Singapore and other countries and regions, and global data Internet access services for business travelers with the CMLink global data card product. We also developed the OneLink and One Card Two Numbers platforms to better serve the needs of Internet of Things import and export business and realize the global connectivity of the Internet of Things.

Regarding industry cooperation, we took the initiative and launched the Hand-in-hand Program, aiming at providing customers with a high-speed, seamless, worry-free and borderless

digital experience with a global Internet of low cost, high quality, fast delivery and wide coverage through international business and technical cooperation along the industry chain. In 2019, we introduced the 5G Initiative into the Hand-in-hand Program and developed the cooperation focusing on 5G + ecosystem, 5G + roaming, and 5G + IoT, with a vision to achieve all-win in the 5G era. 16 partners joined the initiative. With regard to the expansion of members, with Vietnamese telecom operator Viettel becoming the 26th member of Hand-in-hand Program in 2019, the program now covers more than 2.9 billion mobile users worldwide.

- China Mobile's Improving Overseas Service Capabilities to Support Belt and Road Construction won "2019 Sustainable Development Goals Enterprise Best Practices (Global Partnership)" Award by the UN Global Compact China Network.



Protecting Employees' Rights and Interests

China Mobile strictly abides by the laws and regulations related to the protection of the rights and interests of employees in China and overseas¹. The Company adheres to the principle of equal pay for equal work, and forbids any form of child labor or forced labor. We provide our employees with social insurance and housing fund, and protect the legitimate rights and interests of our employees in various ways. We are committed to building a fair, just, flexible, efficient, harmonious and stable workplace.



Equal Employment Opportunity and Non-discrimination

- The *China Mobile Recruitment Management Measures* upholds the principles of openness, transparency, equality and fairness in recruitment, specifies that except for certain specific positions, there should be no discriminatory job requirements such as height, appearance, ethnicity, gender, etc., and strictly prohibits the use of child labor and forced labor.
- Adhering to relevant laws and regulations, our *Labor and Employment Management Regulations* specify that the two types of employment (contracted employees and dispatched employees) should be managed equally. It also specifies the management requirements regarding employment type, recruitment, labor contract management, working hours, leave and vacation, employee exit, etc.



Protection of Democratic Rights and Interests

- We uphold the employees' freedom of association and the rights of collective bargaining, and maintain smooth communication with employees in a number of ways, such as the CEO mailbox, employee hotline, employee forum, and employee representative meeting. All of our provincial subsidiaries have signed collective equal bargaining contracts with 100% of employees.
- We fully protect the employees' rights to know, participate, express and supervise, organize topic-based trainings on rights protection, and conduct trainings for the managers working on rights protection.
- We implement the "Female Rights Protection" program to help female employees better safeguard their legitimate rights. We strictly comply with the collective contracts and the special contracts for female employees, and monitor the compliance with labor contracts and labor protection laws and regulations. We care for women's needs and 100% of our female employees at the headquarters have returned to work after maternity leave.



Workplace Safety Management

- We strictly implement the workplace safety accountability system, establish and continuously optimize safety management policies, thoroughly identify safety hazards, invest in safety precaution facilities, so as to create a safe and healthy workplace for employees.
- We ensure labor safety supplies and gears are properly prepared and managed. We also provide guidance and supervision to our employees in relation to personal safety protection during production to guarantee the safety and health of employees.
- We conduct full-coverage, multi-channel and high-quality safety training and education to raise the safety awareness and capabilities of employees, both at work and in their daily life, to prevent safety accidents.

1: The Company abides by the following laws and regulations regarding employee recruitment and employment: the *Labor Law of China*, the *Labor Contract Law of China*, the *Ban on Using Child Labor*, the *Special Provisions on Labor Protection of Female Employees*, the *Women's Rights Protection Law of China*, and the *Law on Occupational Disease Prevention of China*, etc.

- Recognized as one of the "2019 Top 10 Best Employers" at the 2019 Best Employer of China Award event jointly organized by Zhaopin.com and the Institute of Social Science Survey, Peking University.
- Received the "2019 Top 100 Model Employers in China" Award and the "2019 Employer Brand Management Model" Award at the China Model Employer Award event.
- Received the "Best Employer Brand Value Award" at the 4th China Talent Selection Award event.



Supporting Employee Career Development

China Mobile is committed to providing a broad development platform and space for its employees and cultivating outstanding talents it needs to become a world-class enterprise. In terms of salary and incentive, we have implemented the salary system reform focusing on "performance orientation and structural adjustment". We issued the *China Mobile Salary and Incentive Policy in 2019*, which specifies a variety of incentive policies for key talents, including incentive for internalized core capabilities for backbones, incentive for technological innovation, annuity incentive for outstanding employees, periodic incentive on total salary, equity and dividend incentive for technology enterprises, share option incentive scheme, etc. We have also organized a number of competitions to commend the employees who have made outstanding contributions at work or in public welfare activities.

China Mobile Craftsman

In 2019, to cultivate outstanding talents within the Company, we organized the China Mobile Craftsman competition to commend employees who have been working in ordinary positions but have made extraordinary contributions. 200 employees won the China Mobile Craftsman honorary title.



Employees who won the 2019 China Mobile Craftsman title



Please scan the QR code to read the stories of the China Mobile Craftsman

The Most Beautiful Mobilers

The Company continued to organize the annual Most Beautiful Mobilers election to encourage all employees to learn from the employees selected for their outstanding merits, including dedication, innovation spirit, perseverance, hard work, care for society and willingness to serve the people.



Representatives from The Most Beautiful Mobilers sharing their stories



Please scan the QR code to read the stories of this year's Most Beautiful Mobilers

China Mobile Philanthropy Stars of the Year



Ruan Zhengyu is an employee of Qianjiang Branch of our Chongqing subsidiary. In 2010, he started participating in the Company's poverty alleviation efforts. He organized the establishment of planting bases of traditional Chinese herbs, pumpkin, mustard tuber, etc., and proactively help the farmers sell their products. In addition, he studied the Company's poverty alleviation policy regarding communication services, and leveraged these services to guide the farmers to increase their income with entrepreneurship and help them solve the practical difficulties in production as well as in daily life.



Zhang You is an employee of Yicheng Branch of our Shandong subsidiary. In 2010, he joined the Yicheng Volunteer Association. Since then, he has participated in more than 100 public welfare activities, including multiple times of blood drives, at which he donated a total of 3,800 milliliters of blood. With 9 years of persistence, he has demonstrated the spirit for public welfare by practising what he preaches.



Liang Zhongping is an employee of Yuhang Branch of our Zhejiang subsidiary. As the team leader of the Liangzhu Museum Volunteer Service, he and his team members have provided over 80,000 hours of volunteer guide services to tourists in their own spare time. He also helped apply China Mobile's 5G technology in the Liangzhu National Heritage Park, creating an experience of going back in history for visitors with 5G technology.

Regarding employee training, we implemented the New Drivers Capacity Enhancement Master Plan to provide effective support to the “Powerhouse” strategy of the Company. Meanwhile, we developed curriculum resources in an efficient way, created plenty of opportunities for our internal trainers, and carried out various unique training activities for employees at different levels.

New Drivers Capacity Enhancement Master Plan

Empowering All Employees

Organized the “5G+ General Knowledge Learning for All” event for all technical employees, focusing on 5G + AICDE essential knowledge and know-how to systematically update the knowledge across the entire organization.

Reshaping the Skills of Core Talents

Developed a multi-field, multi-layer capability system for “Cloud Reform” and 5G core technology talents, used skills map, learning path map and skill certification as the starting point to accumulate training resources progressively, and used practical training as an effective and targeted way to deal with the lack of core capabilities needed in the transformation.

Improving the Capability of the Front-Line Employees

Developed a tiered curriculum system for business customer managers, grid managers and store managers with both online and offline courses, strengthening the systematic training for front line employees.

Senior Management

- Organized 5 senior management seminars and formulated themed research reports as reference for management decision-making.
- Carried out the leadership development program for new senior deputy management to help them improve management efficiency.
- Organized special training on finance, discipline inspection and other functions to improve the business capability of senior management.

Mid-level Management

- Implemented the Pair Support Action Plan to help solve practical problems in operations.
- Organized demonstration classes for key management staff of subsidiaries at prefecture level focusing on strategy implementation and day-to-day organization skills, and provided online courses to approximately 1,700 management staff members in companies at prefecture-level to improve their overall capabilities.

Employees

- Developed annual key training plans for technology, marketing and other functions, and carried out over 200 onsite training programs for core business personnel at the Group headquarters.
- Carried out the “3-3-3” Leapfrog Growth Program for channel managers, providing them with the innovative “systematic training + practical training” model, and a capability model and a curriculum system specially designed for channel managers.
- Provided online learning opportunities through online universities to help employees improve their professional skills and teamwork, with a total participation of more than 450,000 persons.

We continued to carry out the skill certification of financial, user experience and network maintenance personnel. In 2019, we organized more than 400 skill certification exams and 140,000 person-times had passed.

- The China Mobile Academy won the “Advanced Enterprise University” Award of China Enterprise Executive Training and Development Alliance.
- The China Mobile Academy won the “Best Corporate University of China 2019” Award in China’s Best Corporate University ranking.
- The China Mobile Academy’s Network Operation and Maintenance Technical Talent Training and Certification Program won the 2019 ATD Excellence Practice Award by the Association of Talent Development.





◀ New retail training for channel personnel at "Burning Ice Action" in Jiangsu

Home broadband training in Shaanxi



◀ Network and support personnel operation skills competition in Anhui

Capacity building training for core backbone employees in Hunan



Caring for Employees' Work-life Balance

China Mobile strives to create a working environment conducive to physical and mental health and well-being for its employees, pays attention to the work life balance of employees, and strives to continuously improve employee satisfaction.

"Happiness 1+1" Employee Care Program

The program was launched in 2015, encouraging employees to pick up "1" sport activity and cultivate "1" hobby. In 2019, we launched a variety of activities under the program, including walking, running, hiking, tree planting, mobile photography exhibition, calligraphy and painting exhibition, etc., covering 395,000 employees of the Company.

"Five Smalls" Employee Caring Project

We continuously improve the facilities at our workplace of our companies at county (municipal) and lower level, such as equipment at dining area, water dispenser area, washroom, changing room, lounge, learning area, etc., to provide a comfortable working environment for employees. In 2016, we launched the "Five Smalls" Employee Caring Project and started creating a homelike atmosphere for employees with small canteen, small bathroom, small lounge, small activity room and small reading room. In 2019, we spent RMB469 million to comprehensively improve the workplace conditions in grass-roots units, with priority given to locations in less developed areas with hard conditions and inadequate infrastructure.

Employee Assistance Program (EAP)

We have been offering EAP programs for 14 consecutive years. We have organized a variety of forums, work sharing sessions and training courses, and accumulated rich experience in crisis intervention and training of specialists. In 2019, 31 provincial subsidiaries and 20 professional units had established EAP programs, covering over 320,000 employees, and having cumulatively trained a total of 3,093 EAP specialists and set up 120 stress rooms, care rooms and other places.

Medical Care

We provide regular physical examinations with examination reports issued for all employees, and conduct health lectures and health consultation services. In 2019, 97% of our employees participated in the free medical examinations we offered. We also use relief fund, medical insurance and employee mutual aid to help employees with severe disease or personal difficulties.

Disaster Relief

We have increased the amount and the response speed for emergency support. In 2019, we gave out a total of RMB2.8 million to support employees of 10 units who were affected by disasters such as floods and typhoons, bringing them the timely care from the Company.

Caring for Mental Health of Employees in Hubei

In order to alleviate the psychological stress caused by the long lock-down due to the outbreak of COVID-19, our Hubei subsidiary promptly optimized the EAP work plan and actively provided psychological support for its employees.

- Strengthened mental health education, integrated various resources to provide online lectures for 19 times on prevention knowledge and psychological assistance on the online university platform, and launched an online EAP psychological mini-lecture series with over 8,000 views.
- Established a dedicated psychological counseling hotline for employees, which had handled over 40 consultations for a total duration of over 2,000 minutes.
- Strengthened the efforts of employee care, gave out RMB510,000 as special subsidies to infected employees, gave out RMB334,000 as relief money to quarantined employees and their families, organized front-line staff support activities for 4,552 person-times, and distributed materials valued at RMB1.63 million.
- Over 6,000 employees participated in the online epidemic time psychological self-assessment, where participants with certain conditions received timely follow-up calls and targeted consultation.



Summer program for children of employees in Shanghai



The Fourth "Happiness 1+1" Employee Games in Xinjiang

Summary of Our Key Performances



Our Achievements in 2019

- Developed the “network + poverty alleviation” model based on “1+3+X” system, with our parent company investing RMB760 million in targeted poverty alleviation and dispatched 4,425 poverty alleviation volunteers to promote poverty alleviation support in the fields of education, health care and livelihood. Huanan and Tangyuan were officially taken off the list of targeted poverty alleviation counties in May 2019.
- Continued to carry out our brand public welfare programs such as the Blue Dream Education Aid Plan and the Heart Caring Program, innovated on project commencement modes based on social needs and development trends, and encouraged employees to participate in volunteering activities. As of the end of 2019, the China Mobile Charity Foundation had donated RMB356 million cumulatively.
- Actively participated in the implementation of regional coordination and development strategies, promoted the development of the Belt and Road Initiative and strove to build a smooth “Information Silk Road”.
- Upheld the principle of equal opportunity and no discrimination in employment, strictly safeguarded the legitimate rights of employees, provided employees with unimpeded career development channels and a comprehensive training system, protected employees, health and safety, and made efforts to help employees maintain work-life balance. In 2019, the Company provided training to its employees for 1.825 million person-times.

Our Goals for 2020 and Beyond

- To promote the “network + poverty alleviation” model based on the “1+3+X” system in an all-around way, give priority to support areas in extreme poverty, and provide continuous support to ensure the counties newly taken off the list of targeted poverty alleviation counties do not slip back to poverty; to adhere to the requirements of the Rural Revitalization Strategy, vigorously promote poverty alleviation through developing local industries and information solutions, and improve the quality of poverty alleviation.
- To further increase our support to less developed areas in western China, integrate our brand public welfare programs with battling poverty alleviation efforts, and give priority to address the needs for aid and education of areas in extreme poverty.
- To deepen our implementation of coordinated regional development strategies and the Belt and Road Initiative, continue to improve regional network infrastructure, strengthen communication business cooperation, and build a high-quality information highway.
- To optimize the career development path closely related to capability development and performance evaluation, strive to establish an employee career development system that provide smooth vertical and flexible horizontal mobilities and clear career path, and provide employees of different categories with a multi-dimensional career development space; to implement the “New Drivers Capacity Enhancement Master Plan”, and carry out the company-wide “CHBN Knowledge Empowerment Action” to encourage all employees to deepen their understanding of general knowledge related to 5G+.

Key Performance Indicators

Public Welfare

Indicators	2017	2018	2019
Cumulative donation made by China Mobile Charity Foundation (RMB10,000)	27,225	31,055	35,590
Total number of registered employee volunteers (10,000)	11.10	13.59	12.29
Total amount of employee volunteer service time (10,000 hours)	56.80	56.76	61.51
Cumulative number of impoverished children to receive free congenital heart disease screenings	39,488	45,648	54,968
Cumulative number of assisted children in poverty who suffered from congenital heart disease	4,498	5,358	5,973
Cumulative number of multimedia classrooms built	2,030	2,302	2,863
Cumulative number of principals of rural primary and secondary schools trained	103,828	115,782	127,338

Employment and Diversity

Indicators	2017	2018	2019
Total number of employees ¹	464,656	459,152	456,239
Number of jobs created (10,000)	260	288	268
Human Resource Composition			
Percentage of technical personnel (%)	23.34	25.18	27.13
Percentage of marketing personnel (%)	56.56	55.17	53.27
Percentage of management personnel (%)	7.25	7.29	7.51
Percentage of general affairs personnel (%)	10.09	10.50	10.64
Percentage of other personnel (%)	2.76	1.86	1.45
Diversity ²			
Number of employees in Mainland China			454,298
Number of employees in Hong Kong, Macau, Taiwan and overseas markets			1,941

Indicators	2017	2018	2019
Percentage of employees under 30 years of age (%)	29.62	24.35	19.76
Percentage of employees between 30 and 50 years of age (%)	65.95	71.13	75.33
Percentage of employees over 50 years of age (%)	4.43	4.52	4.91
Percentage of female employees (%)	55.11	53.17	53.94
Percentage of female employees at senior management level (%)	13.18	16.45	16.40
Ethnic minorities as a percentage of total employees (%)	6.83	7.03	7.07
Percentage of local employees in our Hong Kong subsidiary (%)	89.4	89.5	88.5
Percentage of local employees at management level in our Hong Kong subsidiary (%)	75.0	71.2	66.7
Employee Turnover ²			
Total number of newly hired employees	27,011	20,259	23,727
Number of female employees newly hired	14,194	8,397	10,122
Number of male employees newly hired	12,817	11,862	13,605
Total number of resigned employees	14,831	18,217	13,161
Number of resigned female employees	8,242	9,411	7,375
Number of resigned male employees	6,589	8,806	5,786
Total number of dismissed employees	925	1,317	1,401
Number of female employees dismissed	589	888	949
Number of male employees dismissed	336	429	452
Turnover rate of employees under 30 years of age (%)	2.24	1.55	1.42
Turnover rate of employees between 30 and 50 years of age (%)	1.59	2.56	1.55
Employee turnover of employees over 50 years of age (%)	0.21	0.15	0.05
Female employee turnover rate (%)	—	2.05	1.63
Male employee turnover rate (%)	—	1.92	1.40
Employee Rights			
Percentage of contracted employees who are labor union members (%)	100	100	100

Indicators	2017	2018	2019
Percentage of dispatched employees who are labor union members (%)	98	98	98

Notes:

1. All employees of the Company during the year are full-time, and no part-time employees are hired.
2. The indicators under Diversity and Employee Turnover are based on the number of on-post employees at the end of 2019. The employee turnover refers to resigned employees.

Employee Training

Indicators	2017	2018	2019
Training expense per employee (RMB)	1,717	1,892	2,004
Number of person-times trained (10,000 person-times)	183.9	182.1	182.5
Number of senior management trained (person-times)	986	1,047	1,237
Number of middle-level management trained (person-times)	28,669	18,744	22,357
Number of general employees trained (10,000 person-times)	181.0	180.1	180.2
Average training time per employee (hours)	88.5	100.8	105.7
Average training time per senior management (hours)	106.9	106.0	107.4
Average training time per middle-level manager (hours)	88.1	109.5	114.2
Average training time per general employee (hours)	88.6	100.7	105.6
Training participation rate of senior management (%)			98.7
Training participation rate of middle-level management (%)			95.8
Training participation rate of general employees (%)			98.6
Average Online University study time per employee (hours)	50.0	53.6	65.3
Number of mobile Online University users via mobile phone (10,000)	29.1	34.5	36.8

Employee Health and Workplace Safety

Indicators	2017	2018	2019
Total investment in workplace safety (RMB100 million)	21.09	23.24	24.07
Number of safety emergency drills	1,250	1,225	1,230
Participation rate in safety emergency drills (%)	86.0	86.0	86.3
Accident fatality rate per 1,000 employees (%)	0.004	0.004	0
Number of fatalities caused by workplace safety incidents	2	2	0