

Fruitful Results on High-Quality Development

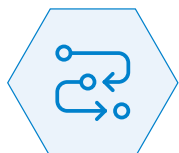
In 2021, faced with various obstacles and challenges including the prevention and control of COVID-19, the disruption of industrial supply chains and the need for business transformation, we managed to mobilize everyone at China Mobile (the Company) to work together and firmly seize the opportunities arising from the accelerated digital transformation of the economy and society. By upholding our overarching strategy of becoming a world-class enterprise by building a dynamic “Powerhouse”, focusing our efforts on spearheading our “4x3” strategy and furthering our “5G+” plans, we drove the comprehensive and integrated development of our CHBN markets. By doing so, we advanced towards our goal of becoming a world-class information services and sci-tech innovation enterprise. Our digital intelligent transformation and accelerated high-quality development have yielded fresh outcomes.



Value-oriented Operating Practices and Integrated Development Achieved Significant Progress

Capturing the new opportunities presented to the industry by accelerated 5G development and digital economic growth, we focused on value-oriented practices while drawing on the advantages of our business scale. Through continuous efforts to promote their comprehensive and integrated development, all four of the CHBN markets delivered outstanding performance, with increasing customer satisfaction.

In the “Customer” market, we furthered the integrated operation of data access, applications, and customer benefits, while competing in the market in a rational and regulated way to drive an industry-wide value uplift. In the “Home” market, with a focus on setting up a service suite that combines full-gigabit network connections with cloud-based applications, we strove to extend our smart home application services to the wider community, and to rural areas by supporting digital village development. In the “Business” market, drawing on our innovative computing and network integration and our well-established nationwide localized services, we focused on key industries to foster the scale and integrated development of network, cloud, and DICT. In the “New” market, upholding the spirit of innovation, entrepreneurship and originality, we strove for new breakthroughs in the “New” market by fostering synergetic growth across four key areas: international business, equity investment, digital content, and FinTech. Our efforts have yielded notable results. In terms of customer service, we continued to optimize the service system that covers every aspect of services and processes and engages every member of staff, and speed up digital-intelligent service innovation. These efforts have resulted in continued improvements in service quality and rising customer recognition.



Systematic Optimization of New Information Infrastructure Layout

As the digital economy continues to increase in strength, quality and scope, we have stressed further efforts to expediate the construction of a high-speed, ubiquitous, intelligent, agile and comprehensive digital information infrastructure that integrates space and ground, and the cloud and the network. The infrastructure is also green, low-carbon, secure and controllable, centering around 5G, CFN and smart mid-end platforms and serving as the ‘artery’ to help information flow throughout the economy and society.

First, we rolled out an industry-leading 5G network. We fully implemented our “5G+” plan while deepening network co-construction and sharing with China Broadcasting Network Corporation Limited. Leveraging these efforts, we were able to yield the combined advantages of the 2.6GHz/4.9GHz capacity and 700MHz coverage to create synergy from a multi-frequency network and enable efficient deployment, making our high-quality 5G offering more practical, open and secure. Second, our CFN took off the ground. CFN represents a new information infrastructure that puts computing at its core, with the network serving as the foundation. This infrastructure deeply integrates ABCDNETS, making one-stop service possible. To meet the demand arising from the digital-intelligent development of productivity, we set the goal of developing ubiquitous computing, co-existing computing and network, smart orchestration, and integrated services to speed up the construction of an extensive and integrated CFN. We will promote computing force as an essential service serving the whole society in the same plug-and-play way as access to water and electricity. Third, our smart mid-end platform took shape, building on a strong foundation. We strove to build and fully implement our industry-leading smart mid-end platform by leveraging the abundant resources and outstanding capabilities in data, AI, blockchain and other fields that we have accumulated over time. By centralizing our capabilities, we were able to launch the unified gateway and branding of the China Mobile Mid-End Platform, combining the salient features of telecommunications operators and our own. This platform has an AaaS (Ability as a Service) system that combines business, data, and technology.



Continuously Strengthening Capabilities for Sustainable Development

To seize the opportunities in the thriving digital economy, we drove technological innovation and enhanced our product portfolio. At the same time, we also deepened industry collaboration to bring benefits to all industry partners and furthered enterprise reforms. All these efforts have equipped us with future-proof capabilities for sustainable development.

First, we deepened technological innovation. We continued to increase investment in research and development (R&D), with R&D investment as a proportion of revenue reaching 2.2% and R&D staff force numbering around 14,000. As part of the national

technological innovation system and strategic technological force, we devoted ourselves to scaling critical technological breakthroughs and made sound progress, developing first-class original technologies and serving as a leader in the modern industrial chain. The innovation consortia we founded with industry partners worked together effectively to yield breakthroughs in areas including cloud and network convergence, 5G+BeiDou, and a cooperative vehicle infrastructure system. **Second, we made stable enhancements to product development capabilities.** We have further improved the work mechanism of our Product Management Committee and strengthened the “five-in-one” product management system incorporating product development, operations, support, sales, and service. In particular, product managers were given responsibility for their respective products. We further strengthened the closed-loop management of competitive product benchmarking and full life-cycle product management. We systematically organized our products across all portfolios and set out clearer details of the “8+2” strategic product layout that guides the formation of a product system that fully covers our CHBN businesses. We formed taskforces for strategic products with the aim of enhancing both the quantity and quality of these products. **Third, we extended open collaboration.** We proactively formed and deepened strategic partnerships with local governments, enterprises and public institutions, collaborating on the promotion of digital industry and digitalization of industries. **Fourth, we deepened enterprise reforms.** With the goal of establishing China Mobile as a world-class model enterprise, we systemically furthered reforms to governance, staff deployment and incentive mechanisms. Through reforming these three key areas, we built new momentum towards the high-quality development of our organization.

Future Outlook

With the advancement of a new wave of technological revolution and industry transformation, information technology has increasingly become the fiber of every aspect and process of the economy, society, and people’s livelihoods. The pace at which the digital economy is developing, and the breadth and depth of its impact are at previously unseen levels. We will embrace the new phase of development, fully, accurately and comprehensively implement the new principles of development, and devote ourselves to the new paradigm to promote high-quality development. We will pursue stable progress while forging ahead with a steadfast focus on innovation-driven development. We will drive new infrastructure, integrate new elements, and instigate new growth momentum to accelerate the building of a world-class “Powerhouse”, striving to achieve favourable growth and sustainable development and consistently creating greater value for society.



For details of China Mobile’s business and financial performance in 2021, please refer to section of “Business Overview” and “Financial Overview” of our 2021 Annual Report.