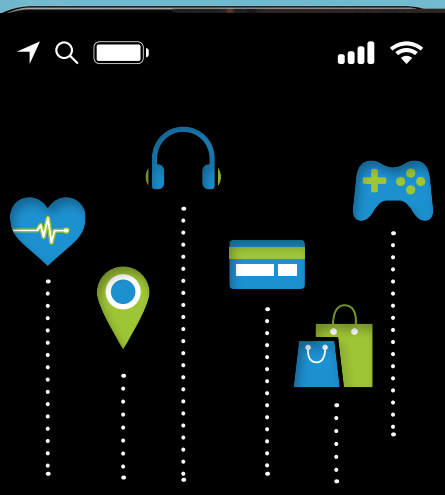
Tencent 腾讯

Tech for Good

TENCENT CORPORATE SOCIAL RESPONSIBILITY REPORT 2018



Tencent Holdings Limited (Tencent, or the Company) is pleased to publish this condensed corporate social responsibility (CSR) report for 2018, entitled *Tech for Good*. The report, which supplements the environmental, social and governance report Tencent publishes as a Hong Kong-listed company, is part of an ongoing initiative to further engage the international investment community and stakeholders as Tencent deepens its CSR efforts.

Tencent celebrated its 20th anniversary in 2018. In the last two decades, the Company has experienced tremendous growth and attracted increasing attention from users, businesses, developers and partners. In response to stakeholders' higher expectations for the Company's commitment to using its technology for social good, Tencent has thus made this report into an annual publication, enhancing the timeliness and comprehensiveness of the Company's communication on its CSR efforts.

This condensed report summarises the Company's various initiatives to drive its "Tech for Good" philosophy and to allow the international community to better understand the Company's CSR strategy and approach.

As a responsible Internet-based technology and cultural enterprise, Tencent is committed to promoting the sustainable development of society by leveraging its advanced technologies, services and products. This report covers a range of CSR initiatives the Company launched in 2018 to improve people's lives in areas such as healthcare, retail, transportation and education, as well as bolstering its green operations and its support for employees.

CSR has been central to Tencent's values since its inception in 1998. By adhering to its "Tech for Good" philosophy, Tencent remains a keen advocate of using technology to create social value by optimising the operation of different industries and supporting better lifestyle for everyone.

Over the years, the Company has contributed to building a sustainable smart society through its various CSR initiatives and by using technology to address real world problems and improve social, environmental and economic outcomes. The Tencent Charity Fund has also taken concrete steps to promote "Rational Charity" and support underprivileged groups.

Tech for Good is not only a review of Tencent's progress in the past year. More importantly, it reflects the Company's commitment to ensuring close cooperation with its stakeholders to create a better future.

Note: This condensed report was developed with reference to the guidelines of the Global Reporting Initiative (GRI) and the Hong Kong Exchanges and Clearing Limited at the time of writing.

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MESSAGES FROM THE MANAGEMENT TEAM

DIGITALISATION IS GREAT SOURCE OF SOCIAL GOOD IN OUR TIME

MA, HUATENG (Pony Ma)

Co-founder, Chairman of the Board and Chief Executive Officer of Tencent

We believe strongly in the power of digitalisation, and have been thinking deeply about the ethics of technology. Over the past year, we actively advocated the idea of "Tech for Good" and implemented it in our daily operations. We hope "Tech for Good" can become part of Tencent's vision and mission.

The number 20 has a special meaning. In traditional Chinese culture, when a man turns 20 it means he has embarked on a new life as an adult and will take more responsibility for his family, his country and the world at large.

Tencent celebrated its 20th anniversary in 2018. For the Internet industry, after two decades of rapid development, it has entered a new phase which calls for rethinking and adjustments. In a broader scope, China also celebrated its 40th anniversary of reforms and opening-up in 2018 as the country ushered in a new era of digital transformation.

This is a meaningful convergence of events. As one of the key founders of Tencent, every time I return to Shenzhen, the city where the Company began, I can't help but ask myself: How did we manage to develop all the way from a small team working on network pagers to a platform which nowadays has tens of thousands of employees, provides services to more than one billion customers and has an impact across every sector and industry?

In my 2018 New Year remarks, I said we should attribute Tencent's success primarily to this particular era. To be more specific, Tencent has directly benefited from digitalisation in the past two decades. This unstoppable wave of digital transformation has not only reshaped how we live and work, but will also have a great impact on our future.

Digitalisation is like a giant, exploratory passenger ship, carrying every person, family, business and social organisation into uncharted seas. This voyage is destined to be full of hope and promise, but also not without challenges. With this in mind, we can fairly say that digitalisation is the greatest source of social good in our time. Recognising the power of digitalisation, in 2017 we have set a clear goal to become the digital assistant for all industries and are unwaveringly committed to fulfilling this mission.

We believe digitalisation is capable of enhancing the quality of public administration, thereby benefiting society through the intelligent use of technology. In 2018, we implemented smart public administration projects across 22 provinces in China to help optimise municipal services focused on poverty alleviation, civil affairs and taxation services. Among them, Yue Sheng Shi, the Weixin (also known as WeChat in international markets) Mini Programs launched by the Tencent-backed Digital Guangdong initiative, were used by one out of every 12 residents of Guangdong province.

Digitalisation has the potential to drive the transformation of different industries, promote industry upgrades and deliver multiple benefits. As of 2018, our smart applications covered a majority of sectors, including retail, transportation, education, healthcare and elderly services. For example, we partnered with Yunnan province to launch China's first provincial smart travel platform – Go-Yunnan – to help promote the travel industry, provide services for tourists and boost the economy.

Digitalisation has also created more and better job opportunities for people. In 2018, Weixin generated RMB240.2 billion from information consumption, and RMB419.8 billion from non-information consumption. The entire Weixin ecosystem has provided 22.35 million job opportunities, with Weixin's Mini Programs being the leading job generator, creating 1.82 million job opportunities.

We believe strongly in the power of digitalisation, and have been thinking deeply about the ethics of technology. Over the past year, we actively advocated the idea of "Tech for Good" and implemented it in our daily operations. We hope "Tech for Good" can become part of Tencent's vision and mission. We also look forward to working together with industry partners to promote shared values, embrace our social responsibilities and advocate for responsible behaviour in this digital era. Together, we can build an inclusive, reliable and sustainable smart society.

We believe technology brings many benefits to humanity. However, we should steward them wisely, hedging against abuses and avoiding malicious applications. Regarding our vision of how technology can be a force for good, we have already taken a number of important steps. For example, we have used technology such as YouTu image recognition, a product of Tencent's YouTu Lab, to help more than 1,000 families find their missing family members in the past two years. We are also committed to continuously upgrading our Parental Guardian Platform, which entails working together with families and schools to build an effective mechanism to prevent game addiction among minors. QQ, Weixin, QQ.com and other products have developed barrier-free designs to move digitalisation beyond physical limits.

In 2007, we established the Tencent Charity Foundation, China's first Internet enterprise-backed charitable foundation. As of the end of 2018, Tencent Charity had connected hundreds of millions of donors and raised over RMB5 billion for more than 50,000 projects. By integrating digital capabilities into the practice of traditional philanthropy, Tencent acquired a wealth of experience and is committed to the development of a new Chinese model of philanthropy that uses the Internet to empower charity work.

In the area of poverty alleviation and rural revitalisation, we are making use of technology to create positive social impact. Over 90% of the fundraising projects on Tencent's charity platform are related to poverty relief and rural development. Launched in 2015, Tencent's WeCounty platform uses Internet technology to enhance information, wealth and emotional connection in rural areas. As of the end of 2018, WeCounty had reached nearly 10,000 villages in 28 provinces across China, with over 2.32 million villagers connected to the cloud.

These examples demonstrate the power and potential of digital technology. As the beneficiaries of this digital era, we should be grateful for the pioneers who have dedicated their entire lives in pursuit of technological advancement for the betterment of mankind. We should embrace and carry forward their unshakable faith in science, as well as their spirit of self-sacrifice. In such a spirit, Tencent worked with several leading scientists to launch the Xplorer Prize in 2018, to inspire young scientists to conduct scientific research and pursue frontier technology development.

The power of digitalisation has been thoroughly unleashed. On the occasion of publishing our 2018 Tencent Corporate Social Responsibility Report, I would like to take this opportunity to share a thought with all my colleagues and partners across all professions: digitalisation is the greatest source of social good in our time. For Tencent, a company which has just crossed 20 years of development, our mission is to become the digital assistant for every industry and sector, to ensure everyone benefits from the fruits of digitalisation.

EMBRACE THE ERA OF INDUSTRIAL INTERNET

LAU, CHIPING (Martin Lau)

President of Tencent

刘炽平

On the occasion of Tencent's 20th anniversary, we remain humble and open-minded. We are committed to playing the role of digital assistant to help different partners thrive in this era of Industrial Internet.

The change of seasons, the flow of rivers and the water cycle – these natural phenomena serve as a reminder for us at Tencent that we should never cease to evolve. Over the past two decades, our capabilities have continuously evolved and the social value we have created has amplified and further diversified. Today, we are ready to carry more social responsibilities on our shoulders.

In the era of the Consumer Internet, adhering to the strategy of "Connecting Everything", Tencent provides a wide range of Internet services for its over one billion users and a large number of industry partners. Today, Tencent has created an open and inclusive ecosystem through various collaborations. With the ongoing convergence of the Consumer Internet and the Industrial Internet, Tencent's services have undergone unprecedented upgrades, both in breadth and in depth, which are creating impact across almost every industry and profession.

For example, Weixin Mini Programs had connected more than 200 offline service sectors just one year after its debut in 2017. Leveraging the cloud, big data, AI, the Internet of Things (IoT) and other advanced technologies, our security solutions protect against a wide range of scenarios, spanning public administration, industry development and people's daily lives.

Tencent nurtures a vibrant and diverse ecosystem. However, no ecosystem can thrive without the contribution of all parties in it. In a digital era where everything is connected, only if Tencent maintains an open-minded attitude and creates an inclusive ecosystem for its partners, will it experience greater growth and create more value. Only in this way will we fulfil our social responsibilities more effectively.

Based on reflection about our development to date and our faith in the promise of this digital era, Tencent initiated its third major strategy upgrade on 30 September 2018. We pledged to play the role of digital assistant and usher in the era of the Industrial Internet. We established a new Cloud and Smart Industries Group. Centred around the cloud, we will integrate our technological capabilities and products across AI, big data and security. We also established a Platform and Content Group to converge our internal platforms and content resources.

The restructuring is expected to bring new possibilities to Tencent's future development.

We promote cloud applications. By integrating our core capabilities and resources in technology, data, content and platforms, we are helping to enhance the quality of public administration by bringing convenience to both businesses and citizens. As of the end of 2018, our cloud services had been applied across 22 provinces in areas such as social security, civil affairs and taxation. Major projects include Digital Guangdong and Go-Yunnan which have become important forces in China's digital transformation.

We assist every industry, such as transportation, healthcare, finance, retail, education, culture, tourism and charity, to achieve better connectivity, provide them with smart tools and facilitate their digitalisation initiatives. For example, Tencent Transit QR Code has been applied in more than 100 cities in China; Tencent Miying, a product that leverages AI technology to increase the efficiency of screening for early stage diseases, has been rolled out across over 100 large-scale and high-ranking hospitals, providing services for more than one million patients.

We promote the rejuvenation of culture. In response to user demands and societal expectations, we have developed high-quality culture and content products. At present, Tencent is operating an all-inclusive content ecosystem, spanning games, literature, videos, music, news and comics. Tencent is also planning to embed technology into traditional culture, creating digital cultural programs such as A Singing Masterpiece, Wisdom Tips and Mr. Bowu, to help people appreciate Chinese culture.

On the occasion of Tencent's 20th anniversary, we remain humble and open-minded. We are committed to playing the role of digital assistant to help different partners thrive in this era of Industrial Internet.

A RATIONAL APPROACH TO CHARITY

CHEN, YIDAN (Charles Chen)

Co-founder of Tencent
Founder and Honorary President of Tencent Charity Foundation

TENCENT'S CSR PHILOSOPHY

TENCENT'S CSR STRATEGY

AN OVERVIEW OF THE TENCENT CSR MODEL

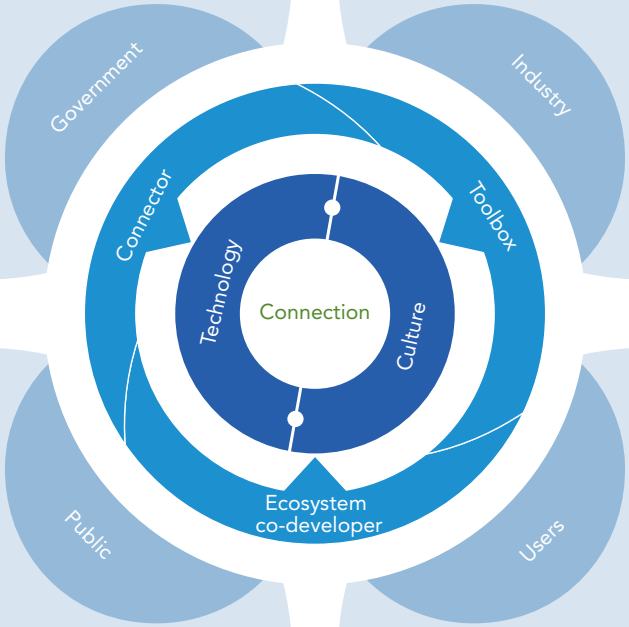
From 1998 to 2018, Tencent evolved significantly, keeping pace with industry developments and the changing needs of users and consumers. Our approach to CSR can be summarised as follows:

INITIAL ASPIRATION: CONNECTION

Tencent's initial aspiration in CSR was part of our strategy of "Connecting Everything". It is not only weaved into our business model, but also showcased in the way we engage with our stakeholders.

TWO DRIVERS: TECHNOLOGY+ CULTURE

Tencent's core strengths in the practice of CSR lies in two areas: technology and culture. Driven by these two main engines, Tencent actively participates in solving social and environmental problems and fulfilling corporate social responsibilities while at the same time enhancing our competitiveness.



THREE ROLES: CONNECTOR, TOOLBOX AND ECOSYSTEM CO-DEVELOPER

These three roles define Tencent in its business operations as well as in its CSR activities. As an Internet platform, Tencent helps solve problems that are crucial to the sustainable development of human society by connecting different industries, developing necessary tools and contributing to building an inclusive, Internet-powered ecosystem.

FOUR AUDIENCE GROUPS: GOVERNMENT, INDUSTRY, USERS AND THE PUBLIC

From enhancing the quality of peoples' lives through Internet services to "Tech for Good", Tencent has always placed people at the core of the Company's vision and mission. We work hard to fulfil our corporate social responsibilities relating to the government, industry, users and the public. Our ultimate goal is to help everyone pursue a better life in the digital era.

THE FOUR DIMENSIONS OF TENCENT'S CSR STRATEGY

From Tencent's perspective, CSR is inextricably linked with corporate development. Realising the mission of "Tech for Good" serves as a motive for Tencent's sustainable development. Therefore, the Company has established a designated CSR department to execute CSR strategies and appointed CSR liaison officers in every department and region.

CORPORATE OPERATIONS

- Operate in compliance with applicable laws and regulations
- Operate with integrity and protect shareholder interests
- Care for employees and provide them with training and career development opportunities
- Establish a diverse corporate culture

ENVIRONMENT

- Make environmental protection a core priority
- Adopt sustainable investment strategies
- Remain committed to environmental sustainability

COMMUNITY

- Adopt an approach to charity work
- Promote innovation and the establishment of a legal framework to protect intellectual property rights
- Encourage industry collaboration by building and keeping an open platform

USERS

- Listen to the voices of our users and continuously work to enhance product and service quality
- Establish relationships with users based on trust and protect their legitimate interests
- Prioritise the interests of users in business decision-making processes

CORPORATE GOVERNANCE

STAKEHOLDER MAPPING

We value the support of all our stakeholders. To highlight this, we have created a stakeholder map and described our responsibilities to each of them below:

TENCENT'S STAKEHOLDERS AND ASSOCIATED RESPONSIBILITIES

Stakeholder	Primary responsibilities	Additional responsibilities	Communication and implementation
USERS	Provide stable and reliable Internet-based products and services.	• Respond promptly to users' needs and continuously enhance service quality. • Create new lifestyle possibilities for users with innovative products.	• Develop the Company's "Technology + Culture" strategy based on users' needs, with the aim to enhance user experience. • Innovate new products, technology and architecture to provide secure and convenient services in support of users' mobile lifestyles.
SHAREHOLDERS	Create a sound operating model and generate investment returns for shareholders.	• Disclose financial and operational information in a timely and accurate manner, in compliance with all relevant rules and regulations. • Communicate with investors through a variety of channels, including face-to-face meetings.	• Create a sound and well-established Board of Directors and produce financial reports on a quarterly basis. • Convene regular shareholder meetings and extraordinary general meetings. • Set up a dedicated Investor Relations department to actively communicate with shareholders and investors.
EMPLOYEES	Develop a comprehensive employee benefits system.	• Care for and nurture employees; provide them with training and career development opportunities. • Foster a diverse corporate culture.	• Set up a Human Resources Department to oversee employment policies and employee benefits. • Form an Occupational Health and Safety (OHS) Committee to promote work safety and hygiene standards. • Build and manage the Tencent Academy to provide ongoing training opportunities for employees.

TENCENT'S STAKEHOLDERS AND ASSOCIATED RESPONSIBILITIES

Stakeholder	Primary responsibilities	Additional responsibilities	Communication and implementation
GOVERNMENT	Pay all relevant taxes in accordance with the law.	• Support and comply with national laws and regulations. • Contribute to economic development, thereby solving social and livelihood issues.	• Establish a Government Affairs Department to coordinate, plan and implement government-related projects.
BUSINESS PARTNERS	Conduct business responsibly and prevent bribery and corruption.	• Regularly communicate with business partners. • Help our partners grow.	• Hold regular meetings with suppliers and partners to explore growth opportunities and remove any barriers to successful collaboration. • Help business partners grow. • Prevent behaviours that could compromise the interests of our partners by setting up an independent anti-bribery and corruption task force.
CHARITY ORGANISATIONS	Provide necessary financial support. Make contributions through participation and support financially.	• Innovate the way in which charity activities are conducted to increase reach and impact. • Help charity organisations grow.	• Build an online donation platform and bring together small charity projects with public charity funds. • Provide funding and fundraising platform to support the development of charity organisations.
COMMUNITIES IN WHICH WE OPERATE	Use Internet-based tools to support community development.	• Allocate donations for specific causes. • Implement charity projects in underserved areas.	• Make direct donations in support of community development projects through the Tencent Charity Fund; provide all necessary funding and resources. • Leverage our Internet technology capabilities to facilitate smart communities development.

TECH FOR GOOD

TECHNOLOGY AS THE ASSISTANT IN IMPROVING PEOPLE'S LIVES

BECOMING THE DIGITAL ASSISTANT OF EVERY INDUSTRY

In September 2018, Tencent's Co-founder, Chairman and Chief Executive Officer Pony Ma raised two questions: how will breakthroughs in fundamental technologies over the next 10 years affect the Internet industry and how will the integration of innovations in the Industrial and Consumer Internets change our lives? These questions have generated widespread discussion among Internet users. The Internet has already begun transforming traditional sectors, bringing profound changes to existing models of production. Embracing this trend, Tencent is striving to become the digital assistant for traditional industries, helping those sectors of the real economy to transform their businesses and compete more effectively.

In this new era of the Industrial Internet, Tencent believes that capturing new growth opportunities will not only aid the Company's development, but also help its partners to thrive. The Company is consolidating its strengths in the Consumer Internet space and embracing opportunities in the Industrial Internet. Building on its core capabilities in cloud computing and supporting digital services, Tencent aims to help every industry become smarter.

To do this, Tencent will focus on understanding the relations between the Internet and the needs of different industries, in order to integrate digital technology across various verticals. The Company's intention is to connect its one billion users to traditional industries and provide them with the best digital tools.

Tencent launched the Cloud Starter program in November 2018. In the next three years, Tencent will work with its partners to leverage five key catalysts: capital, resources, technology, capabilities and opportunities. It will build on its technological infrastructure – the cloud, AI and big data – to help Internet, finance, retail, education, healthcare, transportation and other enterprises in traditional sectors and public administration to upgrade. This will enable them to share the benefits brought forth by the development of the Internet. By doing so, Tencent is also bringing the convenience of digital life to more users, creating more value for society and contributing to the digital development of China.

IMPROVING PEOPLE'S DIGITAL LIVES

Motivated by its aspiration to become the digital assistant for every industry, Tencent shares its technological innovations with ecosystem partners to help address the pain points for traditional industries such as healthcare, education, retail, transportation and tourism. The Company leverages technologies including data analytics, cloud computing, artificial intelligence and mobile payments to develop products that address the most important challenges faced by traditional industries.

SMART HEALTHCARE BRINGS SECURE AND EFFICIENT MEDICAL SERVICES

One of Tencent's earliest initiatives to digitalise China's healthcare system was the launch of Digital Social Security Card and Digital Healthcare Card. Ever since, Tencent has been gradually improving its medical science information platform and enhancing digital infrastructure for hospitals. It has also explored and conducted research into the application of AI technology for healthcare, driving the development of a secure, efficient and smart healthcare system. Tencent also helps to alleviate healthcare burdens on the social system, which is hampered by an aging population and information silos due to geographic inaccessibility.

The Weixin-based Digital Healthcare Card is a unique, lifelong and secure medical record for patients that can be used across China. Patients' records are open and can be shared among hospitals, minimising redundant check-ups, improving doctors' working efficiency and saving medical expense for patients. In September 2018, Qinghai province leveraged Tencent's technology to pilot Digital Healthcare Cards. By connecting the card management system in the province and the Weixin service accounts of different hospitals, card issuance efficiency has significantly increased. Data and information from 12 hospitals in the province were connected within two months.

The popularisation of Smart Healthcare, including online registration and consultation, has led to increasing concerns over the security of healthcare data. Outdated security systems and risk management mechanisms are inadequate to protect the enormous volume of sensitive healthcare data. To plug this critical security loophole, Tencent has launched initiatives to protect medical information by detecting risks, safeguarding network perimeters, terminals and the web, and promoting service security. Such initiatives aim to help healthcare organisations avoid economic loss, reputational damage and patient privacy leaks.

Inadequate high-quality medical resources and their uneven distribution are two major problems that need to be addressed in China's healthcare industry. There is also room to improve the accuracy and efficiency of the diagnosis process. Recently, Tencent has applied innovative AI applications such as AI medical image analysis, AI-aided consultation and evaluation and electrocardiographic analysis to various healthcare segments to help doctors diagnose diseases quickly and accurately. In addition, to cope with prevailing problems such as a burdensome registration process, suboptimal consultation experience and inefficient payment methods, Tencent has used digital technology to upgrade hospital operations and optimise the consultation process to enhance hospitals' service efficiency and the patients' experience.

CASE STUDY

TENCENT MIYING ASSISTS DOCTORS IN SCREENING FOR CANCER

Tencent Miying, an AI-based medical image analysis technology, helps increase the accuracy of diagnosing early-stage cancers. Tencent Miying uses the "Technology + Charity" model, combining the strengths of Tencent AI Lab, Youtu Lab and other AI capabilities to enable AI medical image analysis and AI-aided consultation. Besides cancer, Tencent Miying is also used to detect and predict the risk of occurrence for more than 700 diseases. For example, it takes no more than four seconds for Tencent Miying to screen for esophageal cancer, with an accuracy of over 90%.

As of October 2018, Tencent Miying had been applied in over 100 large-scale and high-ranking hospitals in China, helping doctors to read more than 100 million medical images and serve more than one million patients. The technology has already screened 150,000 cases of high-risk lesions.

HOW TENCENT MIYING IMPROVES HEALTHCARE IN CHINA

1

The AI-aided Early Cancer Screening Charity Program was launched in Jieyang, Guangdong province, on 14 December 2017. Enabled by Tencent Miying, this first-of-its-kind charity initiative provided citizens of Jieyang with an early esophageal cancer screening service.

2

In April 2018, Tencent partnered with AstraZeneca to launch the gastrointestinal cancer control platform, which aimed to pilot a healthcare alliance and the early screening of gastric cancer.

3

In July 2018, Tencent joined a program initiated by charity organisations, hospitals and research institutes in Guangdong. The program used AI technology to enable early screening, diagnosis and treatment of lung cancer.

Treating diseases requires knowledge of various details, such as the patient's age, gender, lifestyle and genes. Individual doctors may not have adequate clinical experience to diagnose the disease and prescribe treatments. To equip doctors with more knowledge and experience, Tencent has collaborated with healthcare organisations to build a communications platform that encourages the sharing of medical research results.

To support medical research and the sharing of advanced media information, on 5 August 2018, Tencent worked with the Chinese Society of Clinical Oncology (CSCO) to establish an oncology medical information platform.

On 18 November 2018, Tencent, together with several hospitals and healthcare organisations, launched a research project centered on building an AI-based clinical decision support system, with an aim to increase the availability, accuracy and regularity of healthcare.

SMART TAXATION TO DELIVER DIGITALISED TAX SERVICES

Tencent has launched the WeTax Refund Mini Programs to streamline the complex and time-consuming tax refund process for tourists on their return to China. In addition to tax refunds, Tencent has also made use of its platforms and products, such as Weixin Official Accounts, Mini Programs and Weixin Pay, to connect taxpayers with tax departments and integrate online and offline tax-related services. This enables taxpayers to use such services at all times and places, helping to increase the digital capability of tax services.

In 2018, Tencent worked with 33 tax authorities to develop digitalised tax services and bring convenience to taxpayers.

SMART SOCIAL SECURITY TO SAVE TIME ON TRANSPORTATION

Tencent has collaborated with social security departments in Guangdong, Zhejiang and other provinces to roll out several online services, such as medical insurance payments, identity authentication for pension payments, the provision of digital social security cards and social security payments. Such solutions allow citizens to receive social security services anywhere, saving resources for municipal government departments while providing convenience to the general public. This online service is particularly useful for users living overseas.

SMART BUSINESS REGISTRATION TO INCREASE MANAGEMENT CAPABILITIES

Since 2017, Tencent has been working with the Xi'an Administration for Industry and Commerce to implement smart business and commerce capabilities. Using digital business registration services, more than 98% of companies now register their businesses and handle other registration-related matters online. Smart Business Registration solutions have enhanced the efficiency of business operations and the provision of public services. In addition, Tencent collaborated with local governments to combat unregulated products and protect consumer rights.

DIGITAL GUANGDONG

At 10am on 5 June 2018, China's first provincial digital birth certificate was issued, through Tencent's Yue Sheng Shi Mini Programs. To facilitate the digital transformation of Guangdong municipal services, Tencent leveraged its cloud computing, big data and AI technology to provide the architecture for the development of Digital Guangdong. The initiative, comprising more than 10 subsidiary platforms and services, aims to integrate all digital municipal services to streamline the processes and increase the administration's operational efficiency.

On 21 May 2018, Yue Sheng Shi, China's first integrated public administration-related Weixin Mini Programs were launched in Guangdong, providing services to the general public via mobile phones, rather than requiring them to travel to physical service outlets. In addition, to better fulfill the needs of underprivileged groups, Yue Sheng Shi has rolled out a number of services specifically designed for the elderly, the disabled and migrant workers. As of 31 December 2018, 509 frequently-used public services can be accessed via mobile phones through Yue Sheng Shi. Among them, 437 services can be completed without visiting the relevant municipal department, while 72 services only require citizens to go to the physical service hall once. More than five million users have registered on the platform and the number of average daily page views has reached 2.7 million. Yue Sheng Shi has handled more than 53 million enquires and service requests and has over 1.5 million followers on its Weixin Official Account.

CONTRIBUTING TO THE DEVELOPMENT OF THE GREATER BAY AREA WITH TECHNOLOGY

The Guangdong-Hong Kong-Macao Greater Bay Area (GBA) has a special meaning for Tencent. It is one of the fastest-growing regions in China and shows great potential for smart city development and becoming a world-class city cluster. GBA is rapidly developing into a technology and innovation hub. Tencent has its roots in the region and is passionate about contributing to its development.

In 2018 Tencent co-organised the 12th Pan-Pearl River Delta Regional Co-operation and Development Forum and the second Guangdong-Hong Kong-Macao Greater Bay Area Forum to further communication and co-operation among the cities in the Pan-Pearl River Delta region, and to ensure that technology development benefits the general public. For the second year, we organised the Tencent Youth Camp, providing opportunities for young people to visit innovative GBA enterprises and experience frontier technologies. The objective is to bridge communications between young people from Hong Kong, Macao and Guangdong and develop them into young leaders.

> *"Our focus on technology development lies in three areas: The first is technology breakthroughs; the second is application scenarios, which have massive market opportunities and can form many technology clusters; the third is an open ecosystem. The Greater Bay Area is an open industry chain which integrates software, hardware and services. It will attract many companies into the ecosystem to establish their business there."*
>
> *PONY MA*
> *Co-founder,*
> *Chairman of the Board and CEO, Tencent*

In addition, the Yue Sheng Shi Mini Programs have developed services for residents in the GBA. Weixin Pay has become an indispensable part of people's daily lives in the city cluster. Statistics show that in the first half of 2018, the number of transactions on Weixin Pay in Hong Kong and Macao recorded a seven-fold increase year-on-year. In October 2018, Weixin Pay introduced cross-border payment functions, allowing Hong Kong users to make payments in Hong Kong dollars on Weixin Pay in mainland China. Weixin Pay is the first Hong Kong-registered Stored Value Facility (SVF) that provides mainland mobile payment services for Hong Kong users.

TECHNOLOGY FOR GOOD

Tencent believes that an enterprise's sustainable development is inseparable from the engagement and support of the community, as well as the contribution the enterprise makes to society. Tencent cares about the benefits for people from all walks of life and we shoulder our corporate social responsibilities. We aim to use technology in an ethical manner, steering our technology and products towards creating positive social impact to satisfy people's aspirations for a better life.

The development of the Internet has impacted every aspect of people's lives. However, it has also created new issues such as the digital divide, privacy infringement and fake information, creating a challenge for Internet enterprises.

Tencent believes that Internet enterprises should adopt a new development model that can drive social good and address problems in our society, enabling more people to enjoy the benefits that technology brings. "Tech for Good" is our fundamental and guiding principle as we continue to develop our products. The phrase "Keyboard Warrior" was once used to refer to people hiding themselves behind their screens. Today, we define ourselves as the advocates and guardians for ethical and inclusive technology.

"Digital technology has become part of our life and innovative technology has continued to proliferate. We need to pay more attention to the ethics of technology and be on guard for any negative consequences. This will help us realise a healthy relationship between technology, people and society and ensure the sustainable development of all of them."

PONY MA
Co-founder,
Chairman of the Board and CEO, Tencent

INCLUSIVE TECHNOLOGY – NARROWING THE TECHNOLOGY DIVIDE

DEVELOP ACCESSIBLE INFORMATION PRODUCTS FOR PEOPLE WITH SPECIAL NEEDS

At the 27th International Day of People with Disabilities on 3 December 2018, Tencent was awarded the Digital Empowerment of Persons with Disabilities prize by the United Nations Educational, Scientific and Cultural Organisation (UNESCO). We became the first organisation in Asia to win this award, as well as the first enterprise winner globally. This is recognition of our continuous efforts to develop accessible information products.

Information accessibility means everyone, including the disabled and the elderly, can acquire information on the Internet without any barriers. Ever since our inception, Tencent has integrated the idea of information accessibility into every product and service, covering social networking and life services. For example, we have developed voiceprint-activated functions in our core product, QQ, to help visually impaired people connect and interact with friends, covering daily activities such as adding new friends, understanding the meaning of an emoji and distributing red pockets. Weixin and QQ.com allow elderly users to enlarge the size of text displayed on-screen. All these functions have helped more than 100 million users to overcome barriers to accessing the Internet.

SOME OF TENCENT'S ACCESSIBLE INFORMATION PRODUCTS

EYE-TRACKING GAMES

In some games developed by Tencent, players with a physical disability can move their eyes to interact with their computers and enjoy the same game experience.

YUE SHENG SHI MINI PROGRAMS

People with disabilities can use these Mini Programs to apply for the Disability Certificate as well as social welfare benefits such as Nursing Subsidies for Severe Disabled Persons and Living Subsidies for Disabled Persons, among others. There is no longer a need for them to travel to physical premises to access these services.

THE FORBIDDEN CITY GUIDED TOUR MINI PROGRAMS

Voice functions have been embedded in the Forbidden City Guided Tour Mini Programs to provide information including location, direction, recommended route and guided tour for visually impaired people, in order to enhance their tour experience.

Scan the QR code to experience the accessible functions available in QQ

Over the years, Tencent has striven to engage the technology ecosystem in the development of barrier-less information products. In March 2018, Tencent launched the Accessible AI Technology project at the Technology Accessibility Development Conference (TADC), opening access to our three main accessible technologies – optical character recognition, text-to-speech and image to speech. In addition, we have opened up the accessible AI interface of our Multi-media AI Platform Mini Programs to our ecosystem partners. Through collaborations with enterprises and developers from different industries and sectors, we aim to build a more friendly environment for all groups to access technology and information.

CASE STUDY

HAOMANGREN MINI PROGRAMS

Haomangren, the visually impaired masseur job matching Mini Programs which were officially launched in August 2018, were developed by blind masseur Xinyang Li to connect massage shops with visually impaired workers and provide employment information to them. It is one of the resulting products within Tencent's Accessible AI Technology open source project.

Scan the QR code to learn more about the "Haomangren" Mini Program

CASE STUDY

WEIXIN PAY RELATIVE CARDS

Weixin Pay Relative Cards were launched in June 2018. This solution allows users to pay for their elderly parents' purchases, even if they are far away from home, enabling elderly family members to enjoy the benefits of digital technology and stay connected with their loved ones.

RUMOUR REFUSAL

TENCENT JIAOZHEN FACT-CHECKING PLATFORM TO PREVENT THE SPREAD OF FALSE INFORMATION

Over the past year, the spread of false information online through alarming clickbait headlines has led to a certain degree of public panic. With the development of social media, individuals have gradually become the main route through which information is spread. However, some less scrupulous individuals have leveraged the relaxed Internet environment and the lack of verification mechanisms to spread fake information, posing a challenge to the reliability of information online.

On 19 January 2018, Tencent Jiaozhen Fact-Checking Platform officially rolled out the Rumour Filter Assistant Mini Programs, which comprises the Tencent information verification tool, together with two other similar dedicated products for our HTML 5 mobile websites and information provider terminals. Our information verification tool, backed by a large database that has been strictly verified, allows users to check information authenticity through keyword searching. It also provides detailed verification, along with additional information on each entry. The tool is updated on a daily basis and has proven effective at combating fake information and the spread of rumours online.

As of the end of 2018, the Tencent Jiaozhen information verification platform had established deep collaborations with various organisations such as China Health Media Group, China Medical We-media Association, CCTV News and Shanghai Information Verification Platform.

500+	Partnering experts and organisations
52	Rumour refusal lists compiled
3,212	Rumour refusal articles generated
334 million	Number of times rumour refusal services provided

SAFEGUARDING CYBER SECURITY IN THE DIGITAL ERA

> *"We hope the Guardian Program can explore and enhance the collaborative model and become China's unique solution for safeguarding global cyber security."*
>
> *PONY MA*
> *Co-founder,*
> *Chairman of the Board and CEO, Tencent*

In the digital era, information fraud and leaks and illegal information trading have increasingly threatened cyber security. With our cloud security database of one billion users and 20 years of experience in providing cyber security services, Tencent has collaborated and shared resources with various industry partners in an open, joint approach to safeguarding the public, as well as protecting the digitisation of industries in this digital era.

ONGOING SECURITY CAPABILITY UPGRADE

In 2016, Tencent launched the Guardian Program to combat illegal Internet-based activities such as copyright infringement, cross-border privacy invasion, malicious account registration and fraud. Among the cases that Tencent has since discovered, some involved large-scale, multilateral cyber-crimes.

In addition, the Weixin Security Team fights against artificial accounts by eliminating malicious registrations. In 2018, the team eliminated 800,000 malicious Weixin account registrations. The total number of malicious accounts has now reduced by tens of millions, a drop of 70%.

The Tencent Security Team also spare no effort in fighting Internet fraud and rumour. A range of Weixin Official Accounts including Weixin Security Center, Weixin 110 and Tencent 110 have posted a great number of articles about network security knowledge for their followers.

Information security is not only related to enterprises' daily operations, but also has a great impact on the foundation of an industry's development. In view of this, Tencent announced its new strategy in 2018 and further upgraded the Company's security capability to promote the development of a safe ecosystem for this digital era. From integrating our core technologies such as cloud, big data and AI, to building the Tencent United Security Laboratory and rolling out the Guardian Program and Lingkun, a big data financial security platform, Tencent has leveraged its upgraded security capability to help fulfill the mission of becoming a digital assistant for all industries. We have also pledged to help municipal departments and traditional industries drive their digital transformation and fight against cyber security risks.

Scan the QR code to learn about the 2018 Top 10 cyber security cases discovered by the Guardian Program

LEVERAGE NEW TECHNOLOGY TO COPE WITH CYBER SECURITY CHALLENGES

From January 2017 to February 2018, the Tencent Keen Security Lab tested different BMW models and identified 14 security loopholes. Based on the Lab's research results, BMW Group immediately fixed these loopholes to ensure its customers' safety on the road. In May 2018, the Tencent Keen Security Lab was recognised by BMW Group for its achievements in digital and information technology R&D in the field of car safety.

Based on the Company's core technologies, Tencent's security capability aims to monitor and solve new types of security problems. In 2018, numerous industries and users suffered from huge losses due to the peer-to-peer (P2P) lending industry turmoil. As a result, Tencent Anti-fraud Lab rolled out Lingkun to alert industry partners to the different Internet-based financial risks and illegal behaviours.

The Lingkun Platform is dedicated to detecting illegal fundraising, pyramid schemes, fraud and illegal intermediaries, and to alert banks, Internet-based and other financial organisations to potential risks. The platform is also able to intercept online criminal groups in real time and alert authorities to financial crime risks.

Tencent also launched the Lingkun Mini Programs to help users identify and report fraud and pyramid schemes to protect the digital financial environment.

COLLABORATIVE EFFORTS TO COMBAT INTERNET-BASED BLACK MARKETS

In 2018, the Tencent Guardian Program rolled out a social collaborative model to call upon all players within the industry chain to safeguard cyber security with new technology. The new alliance will be equipped to fight new risks. We are committed to safeguarding the Internet-based finance industry against network fraud and illegal products.

In 2018, the Guardian Program cracked 145 cases of cybercrime, including fraud, pyramid schemes, illegal fundraising and counterfeit money production and transactions. More than 3,200 people were arrested over cases involving more than RMB11 billion in transactions.

UNITE USERS TO STOP INTERNET-BASED PYRAMID SCHEMES

Traditional pyramid schemes are spilling over onto the Internet, making it even harder to regulate and crack down due to their virtual, invisible, deceptive and trans-regional nature. One of the key features of these schemes is that they are spread over acquaintance networks. Tencent has therefore rolled out a dedicated charitable initiative to call on users to warn their families and friends against pyramid schemes. We have also launched a Mini Program to facilitate the detection, enquiry, reporting and investigation of illegal activities, including pyramid schemes and unlawful fundraising, with the aim of nipping cyber-crime in the bud.

COLLABORATE WITH PARTNERS TO BUILD A SAFE ECOSYSTEM

Information security is a complex issue in the digital era and requires collaboration between different parties to tackle the problem. Tencent builds its security capabilities based on the Company's strong technologies and is actively cooperating with partners within the supply chain to co-develop an Internet security ecosystem for our digital community.

TENCENT'S TAKE ON SECURITY

CORE COMPETITIVENESS

- First-class teams and technology capabilities
- World-leading Internet security defence system covering the cloud, channels and terminals
- An open and beneficial-to-all ecosystem and philosophy
- 20 years of experience in network security operation and C2B service models

MISSION

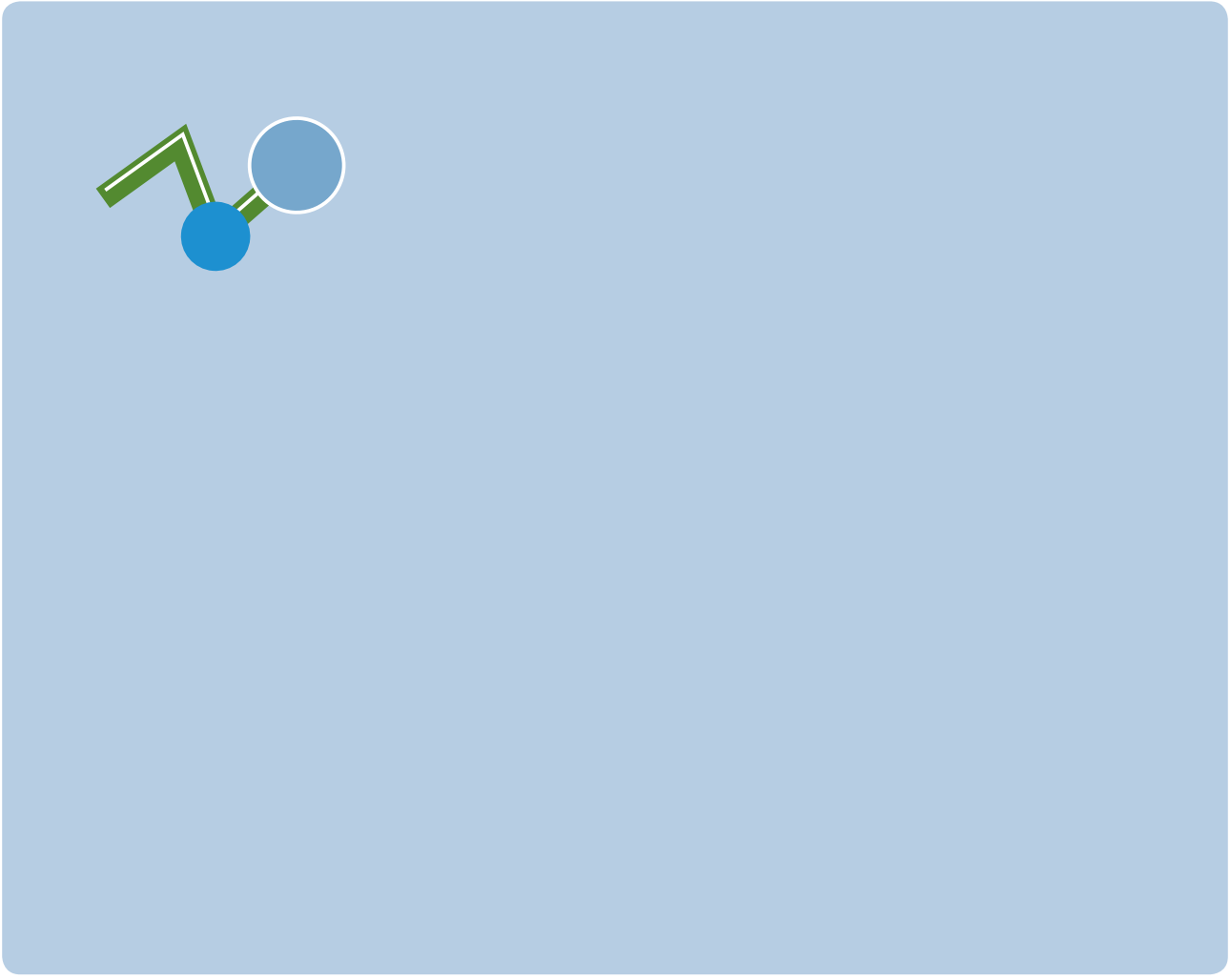
- Safeguard the development of industry and economic digitalisation
- Safeguard Internet security for society at large and individual users

VALUE PROPOSITION

- Leverage big data and technology capabilities to safeguard Internet security for users and the development of the digital economy.

To focus on security capabilities, we set up the Tencent United Security Laboratory, the first laboratory of its kind in China. The laboratory develops solutions across a number of areas such as the Internet, IoT, big data, cloud and AI. It also provides security products and architecture to support traditional industries as they embrace the digital economy.

TENCENT ONLINE SECURITY LABORATORY



Through collaboration between industries, academic and research institutions, Tencent strives to nurture industry talent to support the development of the information security industry.

We launched the Tencent Capture the Flag competition to help develop cyber security specialists. We also established the Tencent Security Academy in 2018 to collaborate with universities and organisations to nurture security talent.

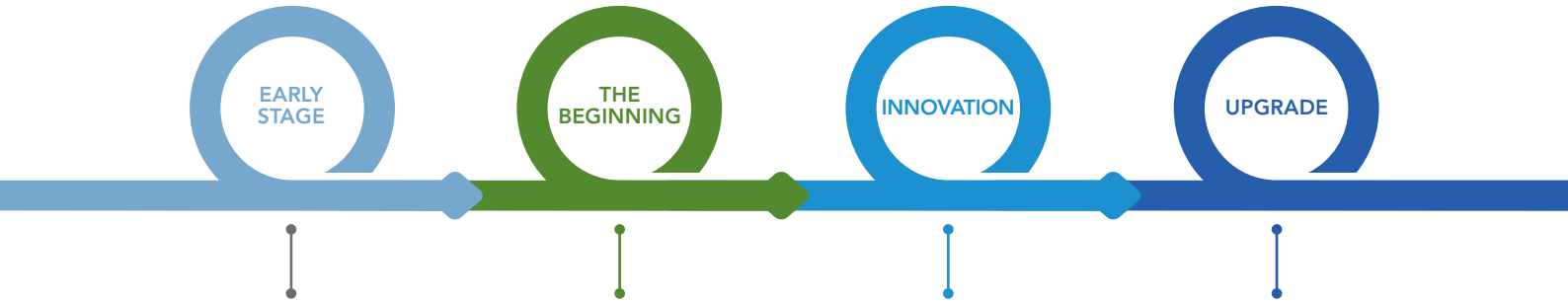
TENCENT CHARITY PLATFORM FOR POVERTY ALLEVIATION

The establishment of the Tencent Charity Platform dates back to 2008, when there was a massive donation campaign across China in the wake of the Wenchuan Earthquake. Tencent built its emergency rescue and relief mechanism at that time, donated RMB21 million through the Tencent Charity Foundation and enabled hundreds of millions of Internet users to donate a total of RMB20 million through its platforms. At that time, it was the largest amount of donations from netizens in the history of Internet-based charity globally.

Tencent realised that an enterprise which leverages its core competencies to conduct charitable work will yield better results and thus help more people. Since 2008, the development of the Tencent Charity Internet Donation Platform has evolved to become more interactive and transparent. "Fingertip charity" and "civil charity" have been introduced to make it easier for ordinary people to support charitable causes. We have also dedicated resources to targeted poverty alleviation work and in support of grassroots charity organisations.

After a decade of practice, Tencent Charity Foundation has built a robust and transparent poverty alleviation mechanism that is trusted by hundreds of millions of Internet users. Tencent Charity Platform has introduced various incentive programs, spanning products, policies and training. These programs are to promote the development of the Internet-based philanthropy industry and help charity organisations develop communications strategies, optimise donation channels, and build brand recognition. Through this work, the Chinese model of Internet-based charity is taking shape. The Tencent Charity Platform has become the largest Internet-based public donation platform in the world.

TENCENT'S "INTERNET+ POVERTY ALLEVIATION"



EXPLORE HOW TO ALLEVIATE POVERTY

Since the end of 2002, Tencent started to donate teaching and learning equipment to a village in Guangdong province.

TENCENT CHARITY FOUNDATION IS DEVOTED TO POVERTY ALLEVIATION

On 26 June 2007, Tencent Charity Foundation, China's first Internet enterprise-backed charitable foundation was established.

Tencent's Open Internet Information Platform kicked off the "Internet+" Chinese model of philanthropy.

TENCENT CHARITY PLATFORM CONNECTS THE WHOLE OF SOCIETY TOWARDS POVERTY ALLEVIATION

New donation channels were introduced, integrating social networking features into charitable activities.

More than 90% of China's charity programs are focused on poverty alleviation. Accurate information and convenient donation channels have made Internet-based targeted poverty alleviation possible.

"INTERNET+" ECOSYSTEM IS USED TO TACKLE THE PROBLEM OF UNEVEN RESOURCE DISTRIBUTION ACROSS DIFFERENT AREAS

"Internet+" capabilities were leveraged to tackle the problem of uneven resource distributions across a range of areas, including industry development, healthcare, education, finance and culture. A philanthropic ecosystem has gradually taken shape.

As of the end of 2018:

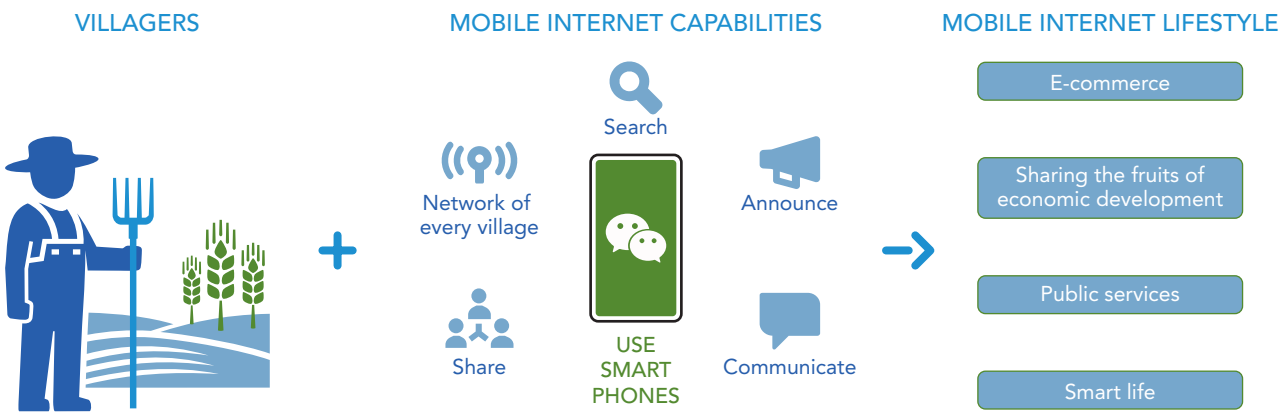
The number of charity programs that had raised money through the Tencent Charity Platform	50,000+
The number of Tencent-initiated charity programs in 2018	15,000+
Percentage of charity programs dedicated to poverty alleviation	90%+

Scan the QR code to read Tencent "Internet + Poverty Alleviation" report

TENCENT WECOUNTY PLATFORM TO DEVELOP DIGITAL VILLAGES

Tencent believes that to solve the problem of disconnection in the rural areas of central and western China, it is important to enhance villages' administrative efficiency, promote information exchange and build emotional connections between the villages in question and the rest of the world. Since the launch of the WeCounty program in 2015, Tencent has been using its technological capabilities to revitalise rural villages.

WeCounty is a platform for village administration, targeted poverty alleviation and rural revitalisation. Tencent has provided tailored Weixin Official Accounts for villages based on their own needs and encouraged every village to build their own brand on the Internet.



As of December 2018:

28 provinces had joined the WeCounty platform

9,849+ villages had joined the WeCounty platform

2.32 million villagers had joined their associated WeCounty village groups online

CONNECTING EMOTIONS

With WeCounty, villages can create their own Weixin Official Accounts, which allow villagers to join using their real names. This is to help create a sense of solidarity within rural communities and boost the spirits of the villagers. A good example is Xiaonengxi Village in Hunan province. After a Weixin account was created, village administrators took the initiative to help left-behind children, as well as the elderly, strengthen their connection with family members who were working in a different region. This was facilitated successfully through the WeCounty platform.

CONNECTING INFORMATION

WeCounty is also enhancing information transparency at the grassroots level. For example, the poverty relief work team of Zhutang Village, the first rural village to join WeCounty in Guangdong province, has a practice of publicising how their poverty funds are being used. In 2018, in response to rumours that local cadres had been misappropriating state-issued funds, they published their account balances, which effectively debunked the suspicion.

CONNECTING ECONOMY

Thanks to WeCounty's promotional features, two large-scale agricultural enterprises have committed to investing in Zhutang Village after learning about the village's industrial development through the platform. In addition, one of the province's leading enterprises plans to inject RMB10 million to farm one million free-range chickens in Zhutang Village within five years.

NARROWING DIVIDES BY CONNECTING EVERYTHING

Tencent's contribution to targeted poverty relief work and the revitalisation of rural villages goes well beyond fundraising initiatives and the digitalisation of communication channels. We have broadened the scope of our poverty relief projects by integrating various features such as social networking, entertainment, payments and advisory, all in view of supporting multi-level development in China's villages.

ELIMINATING THE INFORMATION GAP

Tencent strives to fill existing information gaps and connect rural areas with the rest of the world. In 2018, Tencent.com broadcast the documentary series "Poverty Relief 1+1", which tells the stories of people from 14 impoverished areas in China struggling to get out of poverty. Leveraging the strength of its e-commerce platform, Tencent created Tencent UP, a content platform that facilitates the promotion of high-quality handicrafts with local characteristics, intangible cultural heritage items and historic Chinese brands to Internet users, in view of championing Chinese culture and helping impoverished areas generate income through e-commerce channels.

LEVERAGING TECHNOLOGY TO REDUCE POVERTY

Focused on its core value, "Tech for Good", Tencent is committed to leveraging its innovation capabilities and Internet technology to deliver poverty alleviation solutions. We have explored a range of innovative applications to bring the benefits of digital development to impoverished areas and address the problem of uneven resource distribution. In Guizhou province, Tencent has partnered with the local government to launch an initiative that explores how to use cloud technology to implement targeted poverty alleviation.

PROVIDING HIGH-QUALITY EDUCATIONAL RESOURCES FOR CHILDREN IN RURAL AREAS

To narrow the gap in early education between rural and urban areas, Tencent launched the "Tencent Smart Campus" poverty relief program in different parts of China. The program offers opportunities to underprivileged students and brings hope to impoverished families. In addition, Tencent has joined Beijing Hefeng Art Foundation to co-launch Art Action, a charitable program that brings together over 10 professional art groups and academies, as well as renowned musicians, including Lang Lang, to explore how to leverage the Internet for art education and inspire children in rural areas to get involved.

ENCOURAGING BEHAVIOURAL CHANGES AND CONNECTING PUBLIC GOODWILL

DONATE STEPS WALKED TO CHARITABLE CAUSES

Tencent organised a charity walk in Xi'an on 13 May 2018. More than 1,000 participants from around China donated their steps walked through the Tencent Charity Platform, raising development funds for children living in distressed mountainous areas in Shaanxi province.

The charity walk formed part of Tencent's Behavioural Charity Campaign, which encourages people to adopt healthy lifestyles and take real action as a way of participating in philanthropic activities. Tencent has organised offline charity walks in 10 cities. Leveraging our technological capabilities embedded in the WeRun and QQ apps, we enabled participants to donate the steps they walked through our online platform.

From 22 April to 20 May 2018, through a variety of offline activities and our online step donation platform, our Behaviour Charity Campaign recorded a cumulative 34.12 million times of participation, representing 510 billion steps. This activity resulted in total donations of RMB31.33 million.

GIVING SMALL CHARITY PROJECTS PUBLIC ATTENTION

In China, social resources are often focused on the top 20% of charity projects, leaving the remaining 80%, which are usually smaller in scale, struggling for support. Using our technology, Tencent organised the Create for Good charity advertisement competition in 2017 to harness support for charity projects, in particular those small projects that would otherwise go unnoticed.

In June 2018, Tencent launched the second Create for Good charity advertisement competition, which attracted the involvement of 813 teams over half a year. Tencent provided media placement resources valued at more than RMB100 million for the participants to attract social attention and involved the public by encouraging them to like and share the entries. As of the end of 2018, the 32 winning entries had been viewed 2.3 billion times on a range of social media platforms, including Weixin Moments, Qzone and Tencent.com. About 42 million people participated in the event. The award-winning advertisement, The Team of One's tells the story of a basketball team formed by five organ recipients who were inspired by a 16-year-old organ donor. This advertisement attracted 31,622 people to register for organ donations over three days, giving hope to 110,000 patients.

Create for Good showcased the value of combining social advertisements with charitable projects, which is giving new ways for charity organisations to promote their projects.

Scan QR codes to watch winning entries

9.9 GIVING DAY

Tencent organised the fourth 9.9 Giving Day from 7-9 September 2018. Donation amounts and the resulting social impact of the event have continued to increase. During the three-day event, the Tencent Charity Platform recorded more than 28 million times of donations and raised RMB830 million for 5,498 charity projects. Moreover, the event contributed to the development of the charity sector by introducing a rational approach and increasing the level of transparency and diversity.

A RATIONAL APPROACH TO CHARITY

During the 2018 9.9 Giving Day, apart from providing RMB299.9 million in matching donations, the Tencent Charity Foundation gave RMB100 million to support the growth of charity organisations. In addition, 9.9 Giving Day introduced a new "cool-off" function on the platform which requires users to confirm that they fully understand the project and have obtained sufficient information before making their donations. The mechanism is to ensure that their participation is not only based on emotional appeal but also on reason and trust.

OPEN AND TRANSPARENT CHARITY

Tencent believes that philanthropy will prosper sustainably by committing to transparent disclosures of information to the public to win their trust. At the 9.9 Giving Day in 2018, Tencent invited a group of scholars, experts and media practitioners to advise on setting the rules for the event. We invited Deloitte to develop a professional finance disclosure mechanism to help our charity partners provide transparent information to the public. We also launched an initiative to showcase the achievements and progress of our previous charity projects through follow-up videos. By doing so, Tencent took further steps towards creating a truly open and transparent 9.9 Giving Day, in view of winning the trust of participants interested in its philanthropy projects.

BROADENING PARTICIPATION

9.9 Giving Day advanced the development of charity for all by organising online fundraising activities and introducing more offline interactions. From 7-9 September, 9.9 Giving Day added a range of new functions, such as raising money for hometown charity projects and behavioural charity initiatives. These functions were to encourage hundreds of millions of Internet users to participate in charitable activities in a fun and rational way. In addition, we organised 9.9 Giving Day offline campaigns in shopping malls, transportation hubs and local communities in more than 100 cities in a push to promote charity in everyday life.

From 7-9 September 2018, Tencent Charity Platform received a total of more than 28 million donations from Internet users.

HELPING CHARITY ORGANISATIONS INCREASE EFFICIENCY

Having worked with different philanthropic industry stakeholders during 9.9 Giving Day, Tencent introduced a new open information platform to upgrade the management model of charity organisations and increase the efficiency of their communications. Using the Corporate Weixin function, the platform shares Tencent's cloud capabilities to assist charity organisations with registration, team collaboration, project launches and daily management.

After charity organisations have built their multi-account management systems, they are able to set different log-in accounts under a single organisational ID. This function supports a more streamlined method for carrying out internal and external communications, collaboration, monitoring and service provision. In addition, charity organisations are able to share project and financial information on both Corporate Weixin and Weixin Charity Platform.

ORGANISATION REGISTRATION

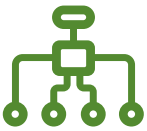
- New registration process
- User-friendly guidance and alert

REGISTRATION TIME

reduced by **20%**

MEMBER COLLABORATION

- Single ID for multiple accounts
- Support con-current account access



COLLABORATION EFFICIENCY

increased by **50%**

INITIATING A PROJECT

- New and streamlined procedure of initiating a project
- Support preview on a mobile phone

PROJECT INITIATION TIME

reduced by **20%**

DAILY MANAGEMENT

- Task notification
- Progress monitoring

MANAGEMENT EFFICIENCY

increased by **20%**

BUILDING A PHILANTHROPY ECOSYSTEM

Over the past 10 years, with the rapid expansion of Internet-based charity in China, problems such as misleading information, irresponsible donation activities and inefficient execution of charity projects have hindered the development of the philanthropy industry. To address these issues, Tencent began working with the Narada Foundation and other organisations to launch the China Internet Good Summit in 2016. The aim of the summit was to build a platform for philanthropy industry participants to exchange ideas and collaborate with each other in view of creating a philanthropy ecosystem.

On 17 December 2018, the third China Internet Good Summit was held in Beijing. Representatives from 115 organisations in the philanthropy industry gathered to discuss the future development of Internet-based charity in China. It was the most widely represented event in the history of Internet-based charity since it began in the country. Industry leaders committed to working together to develop a mechanism and set of standards to recapture the public's trust and move towards a sustainable philanthropy ecosystem. A newly established summit committee will work to establish an industry communication platform, so as to publicise flagship charity cases and promote Internet-based charity applications.

TECHNOLOGY AS A MEANS OF ESTABLISHING CULTURAL CONNECTION

As our economy becomes increasingly globalised, people are longing for cultural enrichment, which is important for preserving the unique heritage and inheritance of a country. For Tencent, using technology to promote cultural expression is part of our commitment to "Tech for Good". It is also a means of fulfilling China's growing cultural aspirations. Capitalising on the Internet+ trend that advocates the application of the Internet and other information technology in conventional industries, Tencent is working hard to promote the richness of Chinese culture both domestically and internationally.

REJUVENATING TRADITIONAL CULTURE WITH DIGITAL TECHNOLOGY

Standing at the intersection of technology and culture, Tencent embraces its responsibilities as an enterprise founded on the bedrock of these two elements. It strives to make good use of new technologies, models and content to promote Chinese culture and boost the nation's "cultural confidence".

However, in this era of mobile Internet, traditional culture that is not well represented online will struggle to draw widespread attention. Introducing traditional culture to the public, especially among young generations, has become a priority. Tencent endeavours to give traditional culture inroads into the Internet to highlight and preserve it.

DUNHUANG'S HERITAGE

In June 2018, Tencent and the Dunhuang Research Academy co-launched the Digital Provider project. Users can view videos on HTML5 pages on their mobile phones to obtain Wisdom Tips. These tips are based on annotations describing different parts of some 30-plus Dunhuang murals, in combination with familiar, modern-day scenes and languages. The program is designed to present the history and beauty of the Dunhuang murals to the uninitiated, enabling them to understand something of and be inspired by the culture of Dunhuang. Digital Provider also encourages members of the public, especially young people, to get involved in efforts to protect the murals through online charity, games, music, comics and other methods.

GAMES

The attires of select characters in Tencent's game, "Honour of Kings", are inspired by the flying Apsaras depicted in the murals of the Dunhuang Grotto. Such visual effects showcase the artistic beauty of Dunhuang culture and digitally preserve the murals among gamers.

MUSIC

Tencent teamed up with musicians to create music that blends classical Dunhuang styles with elements popular among young people today, so as to promote Dunhuang's traditional music and culture.

COMICS

Together with the Dunhuang Research Academy, Tencent rearranged the "Sutra illustrations" into comics to tell stories of the illustrations in the form of comic strips.

CULTURE AND CREATIONS

Tencent launched some do-it-yourself interactive Mini Programs, whereby users can make personalised Dunhuang silk scarves on the Tencent Cultural and Creative platform.

A SINGING MASTERPIECE FOR THE PALACE MUSEUM

The Palace Museum in China is a treasure trove of traditional Chinese culture. To keep the heritage of the museum alive, Tencent designed solutions that combine modern technology with culture, connectivity with content and intellectual property with creative ideas.

In July 2016, Tencent and the Palace Museum formed a partnership. Since then, we have launched a host of emoticons representing the museum, to help the institution keep pace with modern trends. In 2018, Tencent and the museum launched A Singing Masterpiece, which invited young musicians to compose music based on 11 ancient paintings at the Palace Museum. Their works were later compiled into an album.

THE EMPEROR QINSHIHUANG'S MAUSOLEUM SITE MUSEUM

In 2018, Tencent began working with Emperor Qinshihuang's Mausoleum Site Museum to launch the Museum Guided Tour Mini Programs to provide a digital tour guide for museum visitors. With the Mini Programs, each user can enjoy 360-degree panoramas and 3D views of the mausoleum's terracotta warriors. There is also a related Weixin platform that contains videos featuring historical anecdotes, the mausoleum's day-to-day operations, prominent exhibits and more.

CHINESE POEMS IN SPACE

In 2018, Weixin partnered with the Shanghai Academy of Spaceflight Technology to launch the Weixin Space Poet Mini Programs, which collected 50,000 voice recordings of Weixin users around the world reading poems of their choice. The recordings were then put together and taken to space on Long March 4B, China's orbital carrier rocket, on 25 October 2018.

Scan the QR code to listen to the poems

THE GREAT WALL

In 2016, Tencent started a collaboration with the Great Wall of China and has since launched a variety of programs, including Let's Build the Great Wall Together and the copyright-protected Great Wall Soldier character. These programs aim at preserving the cultural heritage of the Great Wall by means of fundraising, image building and cultural education.

In June 2018, under the guidance of the National Cultural Heritage Administration, Tencent, together with the Chinese Academy of Cultural Heritage and China Foundation for Cultural Heritage Conservation, led 41 organisations, including institutions specialised in Great Wall research, to establish the Great Wall Protection Alliance. The alliance aims to strengthen efforts to protect the Great Wall so that its cultural heritage can be preserved and enjoyed for many generations to come.

THE GREAT WALL PROMOTION INITIATIVES LAUNCHED BY TENCENT

2018

FEBRUARY

Images of select parts of the Great Wall were incorporated in Tencent's mobile game, "QQ Speed", to showcase its beauty to players.

JULY

Launched Moments of the Great Wall Mini Programs, a live-streaming platform showing real-time views of the Great Wall.

AUGUST

Launched a "Honour of kings" promotional video with the Great Wall as the main theme during the game's final competition in Weixin Moments to showcase its cultural significance to more young people.

SEPTEMBER TO OCTOBER

Selected Great Wall geography data from Tencent Maps to make an HTML5 page display of views of the Wall from different locations.

PROMOTING THE DEVELOPMENT OF CULTURE AND CREATIVE INDUSTRIES

Apart from protecting traditional culture, Tencent believes it is equally important to promote contemporary culture. In 2018, Tencent launched the culture and creativity strategy, which gives top priority to cultural and social values to motivate creativity and explore new methods to protect and manage copyrights. The aim is to cultivate a dynamic cultural sector in China and explore a China solution whereby the development of digital culture is guided by innovation.

TENCENT'S EFFORTS IN PROMOTING NEW CULTURE AND CREATIVITY

SAFEGUARDING CONTENT CREATION

The rise of the Internet has improved the quality of life in many ways, but it has also given rise to the problem of online plagiarism and copyright infringement. Tencent believes more can be done to protect copyright owners.

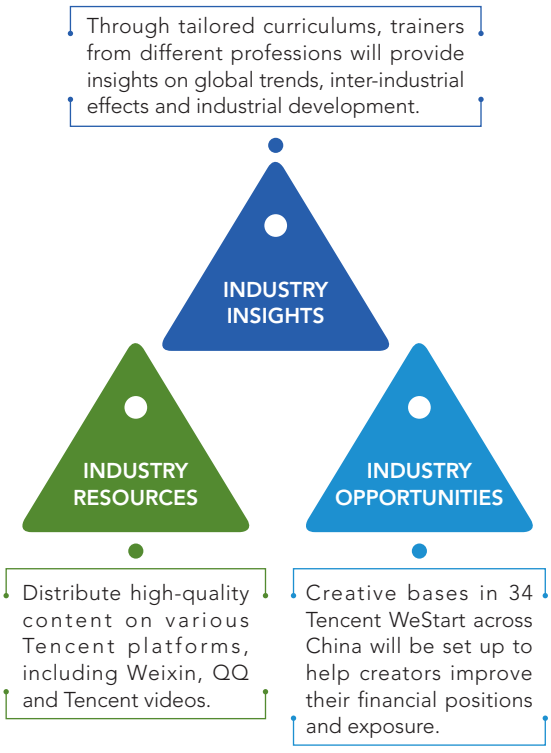
In 2018, we upgraded our open media platform, Penguin Media Content Platform, and launched the industry's first self-media platform, which includes access to electronic authorisation, surveillance and copyright protection with just one click. Penguin Media Content Platform also launched the Copyrights Partner initiative, which features a rights infringement penalty mechanism, enabling copyright owners to claim 100% of damages from infringing parties.

In 2018, Tencent Penguin Accounts one-click copyright protection system safeguarded the copyrights of 55 million works; it protected against 20 million instances of plagiarism; recalled six million instances of infringement; and welcomed one million copyright partners to Penguin Accounts.

CULTIVATING THE CULTURAL AND CREATIVE INDUSTRY

On 16 April 2018, Tencent announced a partnership with the Beijing Film Academy to set up a training camp to nurture globally-minded professionals in the cultural and creative sector and promote the development of China's cultural and creative ecosystem. The camp attracted more than 1,000 applicants and accepted 50 candidates.

The focus of the training camp is on innovation across a range of cultural and creative products, such as short videos, online-only shows, anime and films. Tencent will invite first-class trainers to offer industry insights, resources and opportunities to content creators and promote the commercialisation of their works, all in view of energising China's cultural and creative industry in a new way.



BRINGING CHINESE CULTURE TO THE REST OF THE WORLD

While promoting China's cultural industry domestically, Tencent is also working to foster international cultural exchange. Musically, we have released an album featuring the music of different ethnic groups in China in 110 countries and regions – including "Belt and Road" countries and regions. In the area of comics, we have given permission to the creative sectors in

CARING FOR EMPLOYEES

Tencent pools talent from around the world and considers human capital essential to its growth. We are committed to supporting our employees' professional and personal development.

EMPLOYEE BENEFITS

We have created an environment for our employees to participate meaningfully in the development of the Internet industry, build their careers and realise their dreams. We strive to instill in all employees a sense of belonging and ensure they feel gratified and empowered at work. To this end, we offer competitive remuneration and benefits, as well as a pleasant work environment for everyone to enjoy.

Every new employee is given a set of 54 welfare cards, all of which fall under three categories: wealth, health and living. Each card represents a benefit introduced at the suggestion of existing employees through our online forum.

At Tencent, we regard our employees as our primary asset. To safeguard their rights, we make sure to provide them a discrimination-free work environment, one where equality is valued. We have also put in place an incentive compensation scheme. Every employee at Tencent enjoys a competitive salary commensurate with their role. At the end of each year, there are performance bonuses and service bonuses for employees. "Star employees" and "star teams" receive awards.

In addition to providing employees with a pension, social security and insurance as required by China's employment law, we also offer life, accident and medical insurance plans, which they can customise as per their family's needs. We have also offered critical illness insurance, lines of credit, residential schemes, health programs and paid-leave for employees that need financial and psychological relief.

We also provide benefits such as transportation to and from work, bring-your-family-to-work day, healthcare hotlines, physical check-ups, team building activities, gifts during festivals, incentive rewards and wedding and childbirth bonuses. Finally, we provide psychological support, such as professional counselling, to employees in need.

DUAL PATH OF DEVELOPMENT

Employees are key to Tencent's growth. We are committed to providing them training opportunities to help them enhance their critical thinking abilities and support their development.

We have also launched a program that provides employees with dual paths of development, allowing them to take up a managerial role or stay in their own professional field as they gradually move up the career ladder.

For example, when an employee in a technical position wants to take on a marketing or sales role, he or she can ask for a transfer to a different department. Or, if the employee wants to switch to a managerial position, the dual-path development mechanism can facilitate the move.

With such a system in place, our employees are empowered to set career goals for themselves, knowing there is clear path and a set of concrete benchmarks. Tencent provides resources and support to its employees at every stage of their career development. Our approach to career growth is to motivate employees and tap into their strengths, thereby improving their work satisfaction.

TRAINING AND DEVELOPMENT SYSTEM

Tencent Academy, established in 2007, is a corporate learning institute that constitutes an important part of the Company's employee training system. It aspires to be the most respectable corporate university in the Internet industry. The Academy strives to play multiple roles, including being a career development advisor, reliable business partner and an assistant supporting enterprises' digital transformation.

Since its establishment, the Academy has been providing tailored talent development programs for employees of different ranks. The training courses are organised by category, including managerial training, career development programs and orientational programs. There are also programs designed for users outside of the Tencent organisation. Most of the programs are available online.

Today, the Academy runs more than 380 offline training courses, 90% of which are developed by Tencent. In addition, over 7,400 online courses are available. The Academy organises more than 8,200 classes annually, involving more than 1,400 corporate lecturers and engaging 88% of Tencent's employees.

As of the end of 2018, courses offered by Tencent Academy have been accessed 1.15 million times online by nearly 40,000 people.

WORK-LIFE BALANCE

Tencent is committed to helping employees achieve a healthy work-life balance. To this end, we have formed a wide range of interest groups. We periodically organise events and activities of various kinds, helping employees to reduce stress and enjoy life outside of work. The events and activities include townhall meetings, an annual Christmas party, culture and sports clubs, Tencent Culture Day, lunches with leaders, carnivals, and an annual singing contest.

To ensure employees enjoy the benefits of a work-life balance, we strive to provide a comfortable work environment. At Tencent Binhai Towers, we combine cutting edge technology with human-centred design to provide different areas for staff members to work and relax. There is also a well-equipped gym that houses a broad range of facilities, including a climbing wall, an indoor running track, a basketball court and treadmills, all designed to help employees maintain a strong bill of health.

At the 2018 Christmas dinner, one of the most important and popular events at Tencent, a documentary was broadcast, showing how the Company evolved from its humble beginnings two decades ago into a leading Internet-based value-added service provider in China.

Scan the QR code to watch a short video on Tencent 2018 Christmas Party

TENCENT AND I

To mark the 20th anniversary of Tencent, we invited our employees to contribute stories about how they have grown with Tencent. These stories demonstrated how young people from around the world have learned and developed with the Company over the past 20 years. Tencent's success is the result of the integrity, perseverance and dedication of its employees.

CHARITABLE WORK BY EMPLOYEES

On 25 April 2018, nearly 100 Tencent volunteers from across China gathered at our office in Shenzhen for the Tencent Volunteers Conference, where they exchanged stories about their volunteering experiences.

Since its inception in 2006, the Tencent Volunteers Association has contributed more than 120,000 hours of voluntary service from more than 60,000 people. The Association has more than 20 sub-divisions in different cities and departments and represents a wide range of focus areas.

Leveraging its expertise in technology, the Association has been involved in and contributed to various causes, including the tracing of missing persons, information accessibility, cybersecurity, care for the elderly and children with special needs, inclusive information technology, emergency missions, poverty relief, environmental protection, animal protection and community services. These services are based on Tencent's commitment to "Tech for Good".

In 2018, Tencent volunteers organised a total of 185 voluntary activities, in which **2,880 people** participated.

Altogether, the volunteers contributed **14,781 hours** of service.

ART THERAPY FOR CHILDREN WITH SPECIAL NEEDS

In 2018, Tencent Chengdu initiated an art therapy project with a local charity, targeting children with special needs. The initiative dates back to April 2009 when Tencent volunteers took part in a charity campaign for autistic children, after which they decided to set up a project team within the Tencent Volunteers Association dedicated to children with special needs.

INCLUSIVE TECHNOLOGY FOR THE VISUALLY IMPAIRED

In 2014, Tencent volunteers initiated a project to help visually impaired people use technology. They did this by offering them training in the use of desktop and mobile devices, accompanying them in social activities and advocating for product designs accommodative to the visually impaired. With support from the government and our charity partners, we organised 12 computer and mobile phone training sessions designed to equip visually impaired people with basic digital skills.

RECYCLING EVENT BACKDROP

To promote environmental protection, the Tencent Volunteers Association formed a green project team to encourage Tencent's employees to put green ideas into practice in their day-to-day life. In 2018, the team initiated a campaign to recycle the material used in creating the backdrop for Tencent's annual celebration, turning it into reusable bags.

STEPS FOR CHARITY AND TREE PLANTING

In April 2018, more than 5,000 of our employees, their family members and alumni, took part in a 12-kilometre charity walk and donated the steps they walked to the Free Lunch project for children in rural areas.

Since 2003, Tencent has been encouraging employees to take part in tree planting activities. The event has now become a signature outdoor charity activity.

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This report is the seventh corporate social responsibility report Tencent Holdings Limited has published since 2008, covering how Tencent approached its social responsibilities and showcasing the Company's relevant achievements in 2018.

PERIOD: From 1 January to 31 December 2018. Some of the initiatives that were launched before or after 2018 have also been included in this version.

REPORT SCOPE: This report is based on Tencent Holdings Limited as an entity, including its subsidiaries and affiliates.

REPORTING GUIDELINE: This report was drafted with reference to the Sustainable Reporting Guidelines of the Global Reporting Initiative (GRI) and the Environmental, Social and Government report of the Hong Kong Exchange and Clearing Limited.

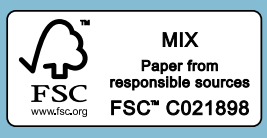
DATA SOURCES: The data sources used in this report include those made public by Tencent or external organisations.

RELIABILITY ASSURANCE: Tencent guarantees that there are no false records, misleading statements, or intentional omissions in the content of this report other than what was necessary for abridgement of the original report that is not in English.

NOTE ON TERMINOLOGY: To facilitate a clean presentation and smooth reading, "stakeholders" is also expressed as "You". "Tencent Holdings Limited" is also expressed as "Tencent", "We" or "the Company".

ACCESS TO REPORT: You may download the electronic edition of this report from Tencent's website at www.tencent.com. For any questions or suggestions concerning the report, please send an email to: csr@tencent.com.

Tencent 腾讯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