

# WELCOME TO CHINA UNICOM

## COMPANY PROFILE

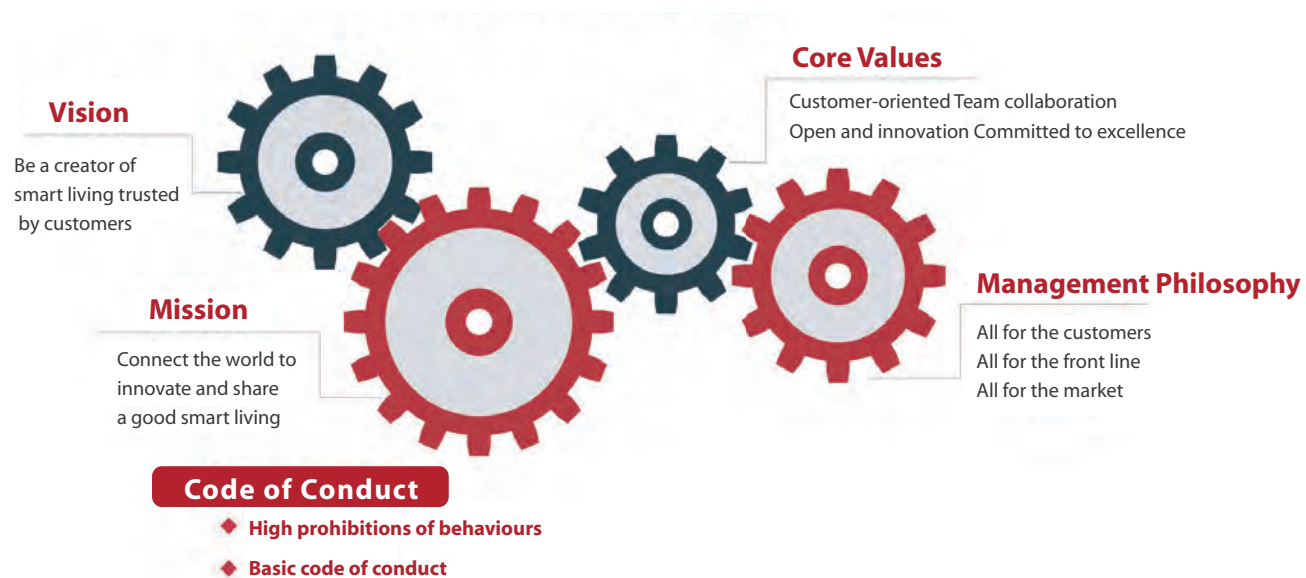
China Unicom (Hong Kong) Limited (“China Unicom”) is the Hong Kong-listed red-chip company of China United Network Communications Group Company Limited. It was incorporated in Hong Kong in February 2000 and listed on The New York Stock Exchange and The Stock Exchange of Hong Kong on 21 and 22 June 2000, respectively. The Company was admitted as a constituent stock of the Hang Seng Index on 1 June 2001. The Company merged with China Netcom Group Corporation (Hong Kong) Limited on 15 October 2008.

China Unicom’s principal operations include, among others, fixed-line service, mobile service, domestic and international communication facilities service, international satellite leased line service, data communication service, network access service, value-added services and system integration services related to communication and information services. On 28 April 2009, China Unicom launched “WO” as a new brand covering all of its services. It carries China Unicom’s servicing philosophy underpinned by consistent innovation, with the aim of providing comprehensive support to its individual, family and enterprise customers. The Company’s modern telecommunication network covers China and connects to the world. We are making vigorous efforts to drive bandwidth upgrades of our fixed-line and mobile networks as well as the implementation of the “Cyber Superpower” strategy at the corporate level, in order to provide users with a full range of high-quality information and telecommunication services. China Unicom is a dually 4G licensed operator in possession of permits for both TD-LTE and LTE FDD, and has entered the new stage of 4G development. China Unicom officially launched its 5G brand logo “5G” and the tagline – “Let the Future Grow” on 23 April 2019.

In 2019, China Unicom deeply practiced the new development philosophy and determined to implement high-quality development, took initiative to advance the industry ecosystem construction, exerted great efforts on the 5G network “co-build” and “co-share”, made ongoing effort to deepen the mixed ownership reform and continued to strengthen the establishment of “Five New” China Unicom. Looking forward, China Unicom will further implement the Focus Strategy, deeply advance the mixed ownership reform and make high quality development through innovation and transformation.

## CULTURAL PHILOSOPHY

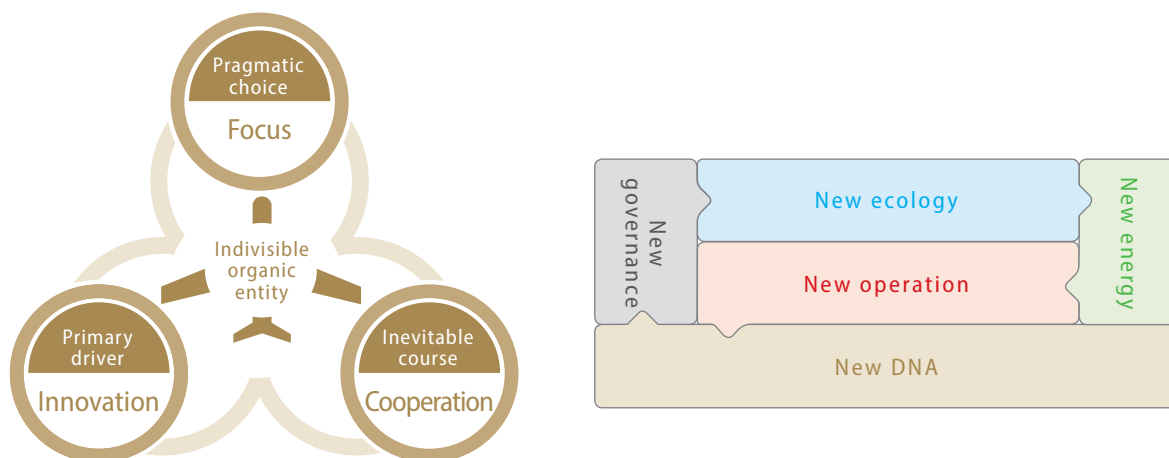
In 2019, China Unicom continued to engage in a corporate culture development exercise under the guidance of “building up the strength of Nation and thriving the Nation through cultural development” to advance the strategy of strengthen the enterprise through corporate culture. It devoted more efforts to corporate culture development to level up its soft power and competitiveness. The corporate culture system of China Unicom comprises a core value system, including the Company’s vision, mission, core values and business management philosophy, as well as the code of conduct formed by the “High Prohibitions of Behaviours” and the Basic Codes of Conduct.



China Unicom Corporate Culture System

## 🏠 CORPORATE STRATEGY

In meticulous implementation of the development philosophy of “innovation, coordination, eco-friendliness, openness and sharing”, and in persistent observation of the people foremost development vision, China Unicom, leveraging its edges and resources, continued to implement the strategy of focus, innovation and cooperation and deeply advanced the mixed-ownership reform. Meanwhile, as guided by the goal of developing into a “Five New” China Unicom, it firmly promoted the comprehensive Internet-oriented operation and made innovative reforms in respect of organisational structures, human resources, subdivision reform and mixed ownership reform of subsidiaries etc. Looking further ahead, the Company will continue to thoroughly implement its new philosophy while strengthening the enterprise through corporate culture, fostering solidarity among staff and intensifying reforms, so as to step on the journey of high quality development of China Unicom.



Strategic framework of China Unicom

## 🏠 CORPORATE GOVERNANCE

The Board of Directors of China Unicom is committed to maintaining high standards of corporate governance (including information disclosure) and recognises that good corporate governance is for the long-term success and sustainability of the Company’s business. As a company incorporated in Hong Kong, the Company adopts the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Securities and Futures Ordinance of Hong Kong and other related laws and regulations as the basic guidelines for the Company’s corporate governance. As a company dual-listed in Hong Kong and the United States, the current articles of association is in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the regulatory requirements for non-U.S. companies listed in the United States. These rules serve as guideline for the Company to improve the foundation of its corporate governance, and the Company strives to comply with relevant requirements of international and local corporate governance best practices. China Unicom did not have any instance in violation of listing-related laws and regulations in 2019.

### 🏠 Responsibilities towards the capital markets

To further enhance the Company’s information disclosure system and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures (including inside information), the Company has adopted and implemented the Information Disclosure Control Policy. In an effort to standardise the principles for information disclosures, the Company has established the Information Disclosure Review Committee which under the management and formulated the procedures in connection with the compilation and reporting of the Company’s financial and operational statistics and other information, as well as the procedures in connection with the preparation and review of the periodic reports. Moreover, the Company established detailed implementation rules with respect to the contents requirements of financial data verification, in particular, requiring the upward undertaking by the individual responsible officers at the major departments.

The Company’s effort in corporate governance (including information disclosure) is well recognised by the capital market, and was accredited with a number of awards.

### 🏠 Responsibilities towards the investors

The Board of Directors maintains ongoing dialogues with the shareholders, and in particular, to communicate with shareholders through annual general meetings. Pursuant to the Companies Ordinance, annual general meeting shall be held every year and the Company’s Directors and representatives of Board committees are usually attend the meetings. All matters at the Company’s general meetings are resolved by poll and the relevant procedures are explained at the meeting and the Company publishes the poll results in a timely manner, thereby offering protection of the shareholders’ rights and interests.

In addition to publishing annual reports and interim reports, the Company discloses major unaudited financial information and other performance indicators on a quarterly basis and announces operational statistics on a monthly basis in order to further enhance the Company's transparency and improve investors' understanding of the business operation of the Company. Upon the announcement of results or major transactions, the Company will generally hold analyst briefings, press conferences, and global teleconference with investors, during which the Company's management would accurately and thoroughly respond to questions raised by stakeholders.

The Company has set up the investor relations department to provide information and services requested by investors and maintain timely communications with investors and fund managers. The Company also arranges from time to time roadshows and actively attends investor conferences arranged by investment banks, through which the Company's management meets and communicates with investors to help them with an accurate understanding of the Company's latest developments and performance. Latest updates on the Company's significant business developments are being provided in a timely and accurate manner through announcements, press releases and the Company's website (www.chinaunicom.com.hk). Adoption of the Shareholder Communication Policy to ensure that the shareholders are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders and investors to strengthen communication with the Company.

## The Board of Directors and management

To serve the best interests of the Company and its shareholders, the Board of Directors is responsible for reviewing and approving major corporate matters, including, amongst others, business strategies and budgets, major investments, capital market operations, as well as mergers and acquisitions. The Board of Directors is also responsible for monitoring risk management and internal control, and reviewing and approving the regular announcements periodically published by the Company regarding its business results and operating activities. The Company has established three committees, namely, Audit Committee, Remuneration Committee and Nomination Committee, under the Board of directors.



**Wang Xiaochu**

Chairman  
and Chief Executive Officer



**Li Fushen**

Executive Director



**Mai Yanzhou**

Senior Vice President



**Liang Baojun**

Senior Vice President



**Zhu Keping**

Executive Director  
and Chief Financial Officer



**Fan Yunjun**

Executive Director  
and Senior Vice President



Cesareo Alierta Izuel

Non-executive Director



Cheung Wing Lam Linus

Independent  
Non-executive Director



Wong Wai Ming

Independent  
Non-executive Director



Chung Shui Ming Timpson

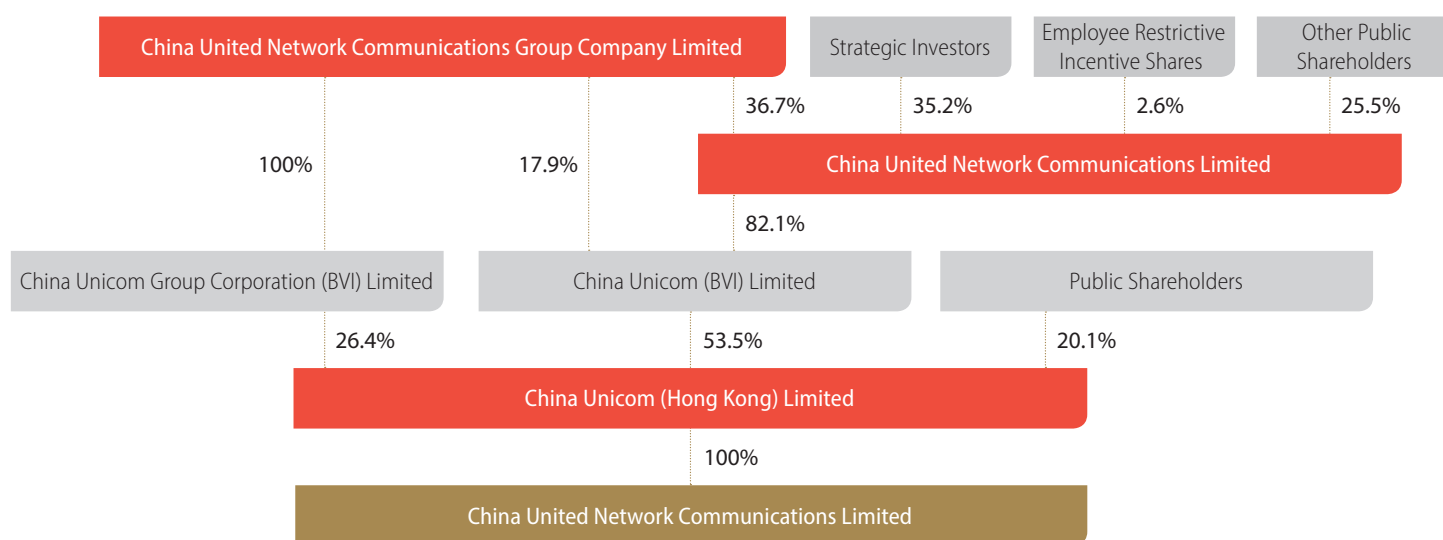
Independent  
Non-executive Director



Law Fan Chiu Fun Fanny

Independent  
Non-executive Director

## SHAREHOLDING STRUCTURE



Shareholding Structure of China Unicom

Notes:

- Information as at 31 December 2019.
- The shares of China United Network Communications Limited held by strategic investors represented the shares acquired by the strategic investors introduced through mixed ownership reform from non-public share issuance and transfer of existing shares.
- Shares held by China Unicom Group Corporation (BVI) Limited excluded the interest regarding the pre-emptive rights owned by China Unicom Group Corporation (BVI) Limited in 225,722,791 shares of China Unicom (Hong Kong) Limited.