

# WELCOME TO CHINA UNICOM

## COMPANY PROFILE

China Unicom (Hong Kong) Limited (“China Unicom”, or the “Company”) 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 (“NYSE”)<sup>1</sup> and The Stock Exchange of Hong Kong on 21 and 22 June 2000 respectively. The Company was included 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, data communication service, network access service, various value-added services and system integration services related to communication and information services. China Unicom’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. In 2020, China Unicom played a leading role in 5G, continued to build and accumulate 5G<sup>+</sup> brand visual assets, carried out “Innovation walks with Intelligence” brand upgrades, and has set different brand promises for the five scenarios of consumer Internet, home Internet, experience Internet, industrial Internet and ecological platform.

In 2020, facing the complicated internal and external situations, China Unicom coordinated the pandemic prevention and control and the reform and development tasks. It further promoted the network “co-build and co-share” and continuously participated in positive development of the industry dynamics. It carried out comprehensive digital transformation and deepened the mixed-ownership reform and continued to make solid strides on high-quality development.

Note 1: Based on the Executive Order 13959 issued on 12 November 2020 by the former President of the United States and the guidance by the US Department of the Treasury’s Office of Foreign Assets Control, NYSE staff determined to commence proceedings to delist the Company’s ADSs and suspended trading in the Company’s ADSs from 11 January 2021. In order to protect the interests of the Company and its shareholders, on 20 January 2021, the Company filed with NYSE a written request for a review of the determination by a Committee of the Board of Directors of the NYSE. Please refer to the Company’s announcement dated 21 January 2021.

## CULTURAL PHILOSOPHY

China Unicom has actively practiced the strategy of cultural superpower. It upheld the motion that culture is critical in prospering and strengthening the corporate and continuously strengthened the construction of corporate culture. It improved the soft power of corporate culture, and built corporate culture system of China Unicom that consists of a core philosophy system and a code of conduct system.

### Core Values

Customer-oriented    Team collaboration  
Open and innovation    Committed to excellence

### Mission

Connect the world to innovate and  
share a good smart living

### Vision

Be a creator of smart living  
trusted by customers

### Management Philosophy

All for the customers  
All for the front line  
All for the market

### Core Philosophy System

Corporate  
Culture  
System of  
China Unicom

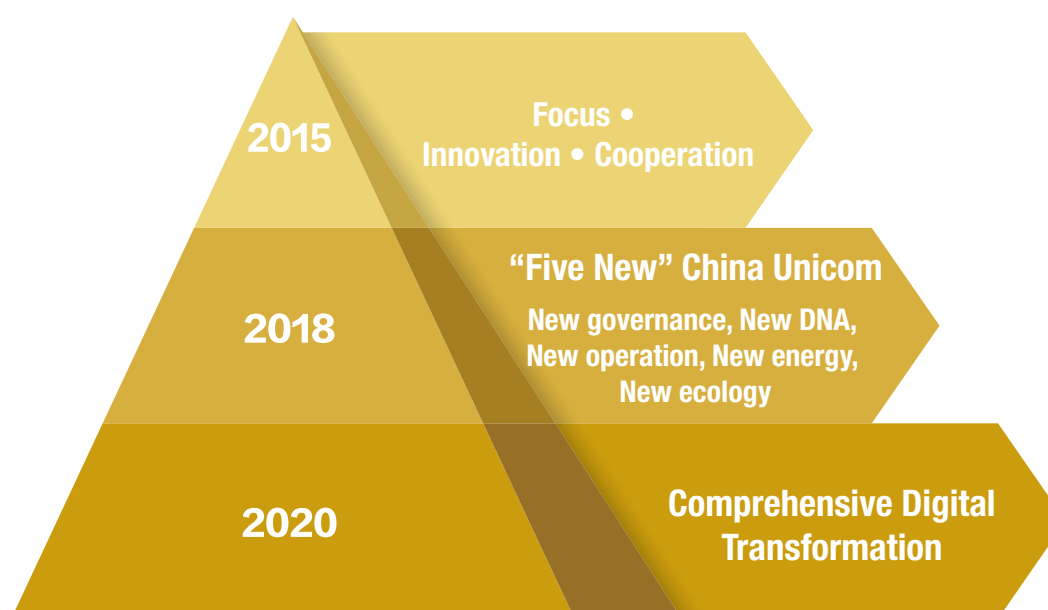
### Code of Conduct System

High prohibitions of  
behaviours  
Basic code of conduct

## CORPORATE STRATEGY

China Unicom deeply implemented the new development philosophy and accelerated the construction of a new development pattern. It firmly implemented the strategy of focus, innovation and cooperation. China Unicom will deepen the mixed-ownership reform and accelerate comprehensive digital transformation guided by the construction of a “Five New” China Unicom. It aims to become a comprehensive digital service provider with leading development quality, digital operation capability, factor allocation efficiency and governance efficacy by 2025; and become a world-class enterprise with global competitiveness that can contribute to the comprehensive construction of a modern socialist country by 2035.

China Unicom has always adhered to and implemented the strategy of “Focus, Innovation, Cooperation”



“Five New” China Unicom and comprehensive digital transformation are all integrated into and inherited from the implementation of the “Focus” strategy

Strategic framework of China Unicom

## CORPORATE GOVERNANCE

China Unicom is committed to maintaining high standards of corporate governance and believes that good corporate governance is critical to the long-term success and sustainable development of the Company's business. 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 corporate governance. The Company's articles of association are in full compliance with the regulatory requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company takes these rules as guideline to improve the foundation of its corporate governance, and strives to comply with international and local standards for best practices in corporate governance. China Unicom did not have any instance in violation of listing-related laws and regulations in 2020.

### Responsibilities towards the capital markets

To further enhance the information disclosure system and to ensure the truthfulness, accuracy, completeness and timeliness of its public information 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 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 content and requirements of financial data verification, in particular, requiring the upward undertaking by the individual responsible officers of 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 major awards.

### Responsibilities towards the investors

The Company attaches importance to investor relations and maintains ongoing dialogues with the shareholders, and in particular, to communicate with shareholders through annual general meetings. Annual general meeting shall be held every year, and extraordinary general meeting may be held when the Board deems it appropriate, the Company's Directors and representatives of Board committees will 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. The Company adopted Shareholders' Communication Policy to ensure that the shareholders are provided with readily, equal and timely access to balanced and understandable information to protect their right to know.

In addition to publishing annual reports and interim reports, the Company discloses 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 interim and annual results or major transactions, the Company will generally hold analyst briefings, press conferences, and global teleconferences with investors, during which the Company's management would accurately and thoroughly respond to questions raised by stakeholders.

The Company has established the investor relations department, which is responsible for providing information and services requested by investors and maintaining 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. The Company actively responds to investors' concerns, and transparently makes adequate disclosures on the Company's efforts to address climate-related risks on climate change issues that have been widely concerned by investors in recent years.

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](http://www.chinaunicom.com.hk)), so that investors can keep abreast of the Company's latest developments. The Company was voted as “Best Overall Investor Relations (Large Cap)”, “Best in Communications Sector” and the “Best in Hong Kong” at “IR Magazine Award — Greater China 2020”.

## The Board of Directors and management

To serve the best interests of the Company and its shareholders, the Board of Directors of the Company 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 risk management and internal control, and reviewing and approving the regular announcements periodically published by the Company regarding its business results and operating activities. In addition, the Board of Directors has overall responsibility for environmental, social and governance strategies and reporting. The Company has established three committees under the Board of Directors, namely, Audit Committee, Remuneration Committee and Nomination Committee.



**Wang Xiaochu**

Chairman and  
Chief Executive Officer



**Chen Zhongyue**

Executive Director and  
President



**Li Fushen**

Executive Director



**Mai Yanzhou**

Senior Vice President



**Liang Baojun**

Senior Vice President



**Zhu Kebing**

Executive Director and  
Chief Financial Officer



**Fan Yunjun**

Executive Director and  
Senior Vice President



**He Biao**

Senior Vice President



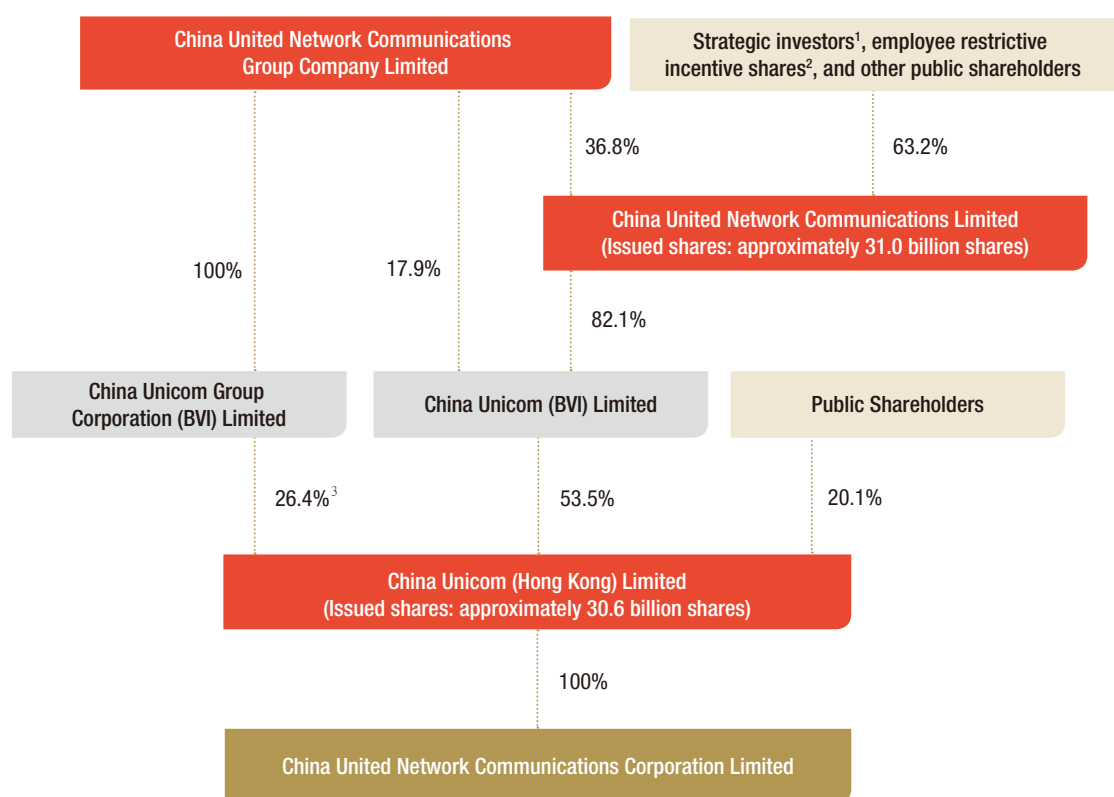
**Cheung Wing Lam Linus**

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

Note: Changes of the Board of Directors and management  
Chen Zhongyue was appointed on 19 February 2021.  
He Biao was appointed on 18 June 2020.  
Li Guohua has resigned on 11 March 2020.  
Shao Guanglu has resigned on 16 January 2020.  
Cesareo Alierta Izuel has retired on 25 May 2020.

## SHAREHOLDING STRUCTURE



Shareholding Structure of China Unicom

## Notes:

1. In 2017, approximately 10.9 billion shares of China United Network Communications Limited were acquired by the strategic investors introduced by the mixed-ownership reform through non public share issuance and transfer of existing shares. These shares were no longer restricted from sale in November 2020.
2. Pursuant to the initial grant of restrictive share incentive scheme, China United Network Communications Limited granted approximately 800 million restricted shares to the core employees, of which, approximately 300 million shares were unlocked in April 2020.
3. Excluded the interest regarding the pre-emptive right owned by China Unicom Group Corporation (BVI) Limited in 225,722,791 shares of the Company.

As at 31 December 2020