

About China Unicom

Company Profile

China Unicom (Hong Kong) Limited (“China Unicom” or the “Company”) was incorporated in Hong Kong on 8 February 2000 and listed on the New York Stock Exchange¹ and The Stock Exchange of Hong Kong Limited (“the Hong Kong Stock Exchange”) on 21 June 2000 and 22 June 2000 respectively. The Company was included as a constituent stock of the Hang Seng Index on 1 June 2001 and merged with China Netcom Group Corporation (Hong Kong) Limited on 15 October 2008. China Unicom establishes branches in 31 provinces in China (including autonomous regions and municipalities) and multiple countries and regions overseas. The Company’s leading new infrastructure and efficient customer service system covers China and connects to the world. The Company was voted as “Asia’s Most Honored Telecom Company” in 2024 for the ninth consecutive year by Institutional Investor.

1 The Company’s ADSs were delisted from the New York Stock Exchange on 18 May 2021. For details, please refer to the announcement of the Company dated 23 July 2021.

Corporate Strategy

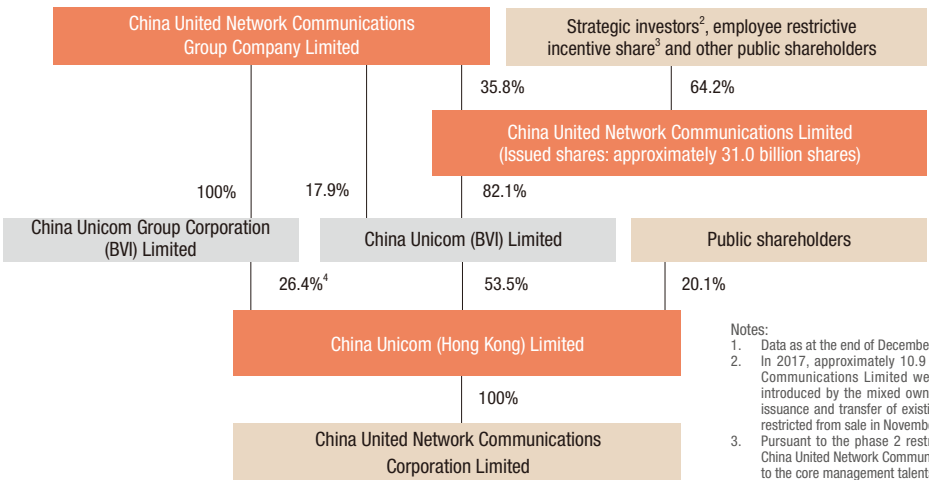
China Unicom bravely undertakes the mission and tasks of the new journey of the new era, with established presence in the network information industry. We focus on constructing Cyber Superpower and Digital China as our main responsibilities, and we expand Connectivity and Communications and Computing and Digital Smart Applications as our main businesses. We insist on strengthen and solidify, preserve and innovate, and integrate and open. We fully implement the strategy of integrated innovation. Through the integration of digital intelligence and digital reality, the Company promotes the integrated development of technological and industrial innovation, advances network innovation, technology innovation, and service innovation, deeply implements the five strategies to build a strong enterprise, i.e. via technology, talent, reform, digital intelligence, and brand, in order to enhance core functions, improve core competitiveness, build differentiated advantages, take greater strides in promoting high-quality enterprise development, and accelerate becoming a world-class technology service enterprise with global competitiveness.

Corporate Culture

China Unicom plays the role of the leading contributor of digital information operation and services and the pioneer of digital technology integration and innovation. It nurtures an excellent corporate culture and consistently promotes the core values of “Customer-oriented, Employee-friendly, Attentive to quality service, Inherently innovative, Proud of endeavours, Adhering to integrity”. It also adheres to the work style of “Rigorous, Pragmatic, Skillful, Meticulous, Efficient”. It units development efforts to shape a positive corporate culture.

Corporate Governance

Shareholding Structure



Notes:
1. Data as at the end of December 2024.
2. 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.
3. Pursuant to the phase 2 restrictive share incentive scheme in 2022, China United Network Communications Limited granted restricted shares to the core management talents and professional talents.
4. Excluded the pre-emptive right owned by China Unicom Group (BVI) Limited in 225,722,791 shares of the Company.

Shareholding Structure Chart of China Unicom

Standardising Board 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 vital 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 and other relevant laws and regulations as the basic guidelines for the Company's corporate governance. As a company listed in Hong Kong, its current Articles of Association fully complies with the regulatory requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. These rules serve as guidance for the Company to improve the foundation of its corporate governance, and strives to meet the relevant requirements of international and local corporate governance best practises. There were no instances of any violation of listing laws and regulations by China Unicom in 2024.

Composition and Functions of 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 matters of the Company, including, amongst others, business strategies and budgets, major investments, capital market operations and mergers and acquisitions. It is also responsible for supervising risk management and internal control, approving environmental, social and governance strategies, and reviewing and approving the announcements periodically published by the Company regarding its business results and operating activities. In addition, the Board of Directors has overall responsibility of environmental, social and governance strategies and reporting. There are three Board committees under the Board, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, each of which has a written charter, which is available on the websites of the Company and the Hong Kong Stock Exchange.



Chen Zhongyue
Chairman and Chief
Executive Officer



Jian Qin
Executive Director and
President



Wang Junzhi
Executive Director



Tang Yongbo
Senior Vice President



Li Yuzhuo
Executive Director and
Chief Financial Officer



Wang Limin
Senior Vice President



Hao Liqian
Senior Vice President



**Cheung Wing Lam
Linus**
Independent Non-executive
Director



**Chung Shui Ming
Timpson**
Independent Non-executive
Director



**Law Fan Chiu Fun
Fanny**
Independent Non-executive
Director



**Fan Chun Wah
Andrew**
Independent Non-executive
Director

Note: Changes in the composition of the Board and the management during the year 2024 and up to the date of this report.

Jian Qin (appointed as Executive Director and President on 10 April 2024); Fan Chun Wah Andrew (appointed as Independent Non-Executive Director on 10 April 2024); Wong Wai Ming (resigned on 10 April 2024); He Biao (resigned on 1 April 2024); Liang Baojun (resigned on 23 May 2024); Wang Limin (appointed as Senior Vice President on 5 July 2024); Hao Liqian (appointed as Senior Vice President on 4 September 2024); Cao Xingxin (dismissed on 29 September 2024).

Board diversity and independence

The Board comprises executive Directors and independent non-executive Directors. The Board of Directors comprises experts from diversified professions such as telecommunication, technology, finance, banking, investment and management, and is diversified in terms of gender, age, duration of service, educational background, professional experience, etc., which contributed to the enhanced management standard and more regulated operation of corporate governance of the Company, and results in a more comprehensive and balanced Board structure and decision-making process.

The Board currently comprises eight members, consisting of four executive Directors and four independent non-executive Directors. The Company has established various channels for independent non-executive Directors to express their views in an open and honest manner and, if necessary, in a confidential manner. The independent non-executive Directors have been making positive contributions to the development of the Company's strategies and policies through independent, constructive and informed advice. Apart from the regular Board meeting, the Chairman meets annually with independent non-executive Directors, without the presence of other Directors, which further promotes the exchange of diversified views and opinions. These views and opinions facilitate the Board in making their decisions in the shareholders' best interests. All independent non-executive Directors have confirmed their independence to the Company upon their appointment and annually.

Board election

In order to ensure a standardised and transparent process for the nomination and election of Directors, the Company has established the Nomination Committee and formulated a nomination policy. With respect to the nomination and appointment of new directors and senior management members and the succession planning for Directors, the Nomination Committee would, after considering the Company's need for new directors and/or senior management members, identify a wide range of candidates from within the Company and the human resources market and make recommendations to the Board. The Company has also adopted a policy concerning diversity of board members. The Company understands and firmly believes in the numerous benefits of board member diversity, and recognises that increasing diversity among board members is a factor in maintaining a competitive advantage. The Nomination Committee will consider candidates on merit against objective criteria and with due regard to the benefits of diversity on the Board, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and duration of service. After having obtained the consent from candidates in relation to the relevant nomination and based on the Company's actual needs, the Board would convene a meeting, attendees of which include non-executive Directors, to consider the qualifications of the candidates. The Directors of the Company (including non-executive Directors) are not appointed for a specific term. Each director shall retire by rotation at least once every three years, and pursuant to the Company's articles of association, one-third of the directors shall retire from office by rotation and shall be eligible for re-election at each annual general meeting. The Board and the Nomination Committee review the board diversity policy and its implementation and effectiveness annually to ensure that the board diversity policy continues to meet its objectives. Currently, the Company's Board comprises eight members, of which two are female directors, accounting for 25%, achieving gender diversity.

Board remuneration management

The Company has adopted a remuneration policy. The proposed remuneration package of directors of the Company will be determined by the Remuneration Committee, subject to approval by the Board and in compliance with applicable laws, regulations and policies, and taking into account the responsibilities of such person in the Company, his experience and performance as well as the prevailing market conditions. The remuneration package for executive Directors includes salary and performance-linked annual bonuses. The remuneration of executive Directors is determined by reference to their respective duties and responsibilities in the Company, their respective experience, prevailing market conditions and applicable regulatory requirements while the award of the performance-linked annual bonuses is tied to the attainment of key performance indicators or targets set by the Company. The remuneration of non-executive Directors is determined by reference to prevailing market conditions and their respective responsibilities and workload from serving as non-executive Directors and members of the board committees of the Company.