



H U M A N R E S O U R C E S D E V E L O P M E N T

Adhering to the team collaboration approach, China Unicom continuously optimises its system and mechanism, allowing employees and teams who highly contributing to customer needs and enhancing corporate value to share higher returns, thus achieving the mutual growth of the Company and the employees. In 2021, underpinned by the goals of promoting “staff in and out”, “post up and down” and “compensation up and down”, China Unicom paid continuous efforts to deepen the human resources system reform and implement a talent-based enterprise, providing human resources support for the Company’s comprehensive digital transformation and achieving sustainable high-quality development.

Supply-side reforms in human resources continued to improve employment efficiency and optimise employment structure. The Company strengthened the employment efficiency up to industry benchmarks and internal benchmarks by rationally allocating employment resources, resulting in a 7% year-on-year increase in the labour productivity. In 2021, the Company stepped up the introduction of transformation talents, 6,032 high school graduates were introduced and mainly allocated to innovative transformation roles. Internal personnel were mobilised orderly through the internal human resources market. In 2021, the Company opened

more than 2,800 vacancies through the internal human resources market, with an accumulation of more than 12,000 applicants.

The Company adopted performance-based compensation as the principal mechanism with a diversified remuneration structure. The Company improved the employee compensation distribution and performance evaluation mechanism to achieve the aligned growth of employee benefits and the return and efficiency of the Company. The Company optimised its value-based internal remuneration distribution mechanism, coordinating and optimising the distribution and widening the gap in remuneration, so as to realise precision in allocation. The Company launched an integrated incentive reporting system, which is able to deliver customised remuneration report to the employees, further enhancing employees’ sense of achievement. A long-term incentive system was also established to effectively attract, retain, and appropriately compensate talents.

Focusing on the top-level design, the Company conducted comprehensive analysis on the leadership team structure and the overall planning and coordination with due regard to the needs of the Company in the course of development. China Unicom continuously optimised the quality and ability of management, strengthened the

supervision of managers and motivating managers at all levels to take new responsibilities and deliver new initiatives in the new era. The Company strategically accelerated structural optimisation and further strengthened the young manager development, as well as the communication between the headquarters and the frontline. In 2021, the Company organised the “100 People to Xiong’an” talent exchange program in accordance with the construction requirement of Xiong’an New Area. Management systems with terms and deeds were fully implemented. While promoting the withdrawn rate of 2nd tier managers of no less than 1.5% per annum, the Company stepped up effort to withdraw managers, further stimulating their vitality.

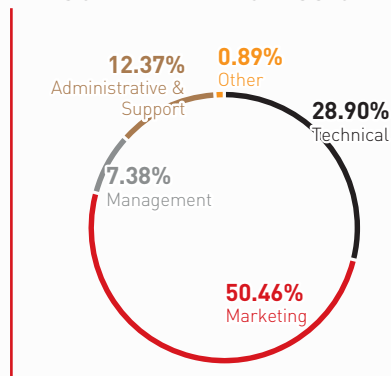
The Company formulated and issued the “Guiding Opinions on In-depth Implementation of Strengthening Enterprise through Talents”, which determined that the Company would vigorously adjust the talent structure based on innovation, including increasing the proportion of scientific and technological innovation and R&D personnel and promoting the implementation through reforming the resource allocation model, implementing key talent projects and deepening the reform of talent mechanism. The Company continued to strengthen

the construction of four-level professional talent echelon that consists of 19,000 leaders, experts, backbones and cutting-edge talents, of which technical professionals accounted for more than 50%. The Company accelerated the training and introduction of high-level talents and introduced more than 40 domestic industrial experts in the field of scientific and technological innovation. Digital empowerment of key groups was carried out to realise the full coverage of digital empowerment of 4,000 management personnel and 19,000 four-level professional talents.

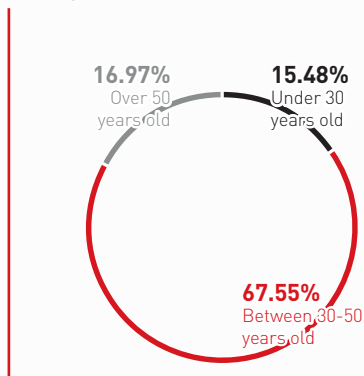
Focusing on the Group’s digital transformation work, with improvement in the digital capabilities for all employees as a core aim, the Group formulated the annual key training plans for management personnel and professionals, and carried out regular and multi-level professional ability improvement and transformation empowerment training. Targeting on the career development of employees, the Company implemented differentiated training for different groups, constructed digital ability standards and curriculum systems for key groups, formed training programs and increased standardised empowerment and system guidance.

ANALYSIS OF STAFF COMPOSITION

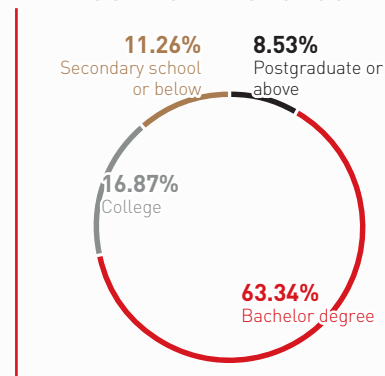
PERSONNEL BY PROFESSION



BY AGE



BY EDUCATION BACKGROUND



For further details of Human Resources Development, please refer to the relevant sections of the Company’s detailed Sustainability Report 2021 to be published in May 2022. Please visit the Company’s website at www.chinaunicom.com.hk.