## HUMAN RESOURCES DEVELOPMENT

China Unicom adheres to the people-oriented principle and always pays attention to the mutual growth of its employees and the Company. It focuses on the protection of the rights and interests, comprehensive development and vitality stimulation of the workforce. The Company took multiple measures to enhance its employees' sense of achievement, happiness and security. In 2023, with adherence to talent as its first resource, it unswervingly implemented the strategy of strengthening the Company with talent, strived to promote the continuous optimisation of the talent structure, providing a strong guarantee for the highquality development of the Company through highquality human resources.

By implementing the strategy of strengthening the Company with talent in great depth, China Unicom accelerated the establishment of national strategic talent force for scientific and technological innovation, and focused on supporting the realisation of high-level scientific and technological self-reliance and selfimprovement. The Company actively integrated itself into the general trend of "building a world-class talent center and innovation hub", it cultivated and attracted outstanding talents on all fronts. The Company focused on key groups such as high-level scientific and technological talents as well as young scientific and technological talents, supporting the significant optimisation of strategic talent structure, continuously improving the quality and efficiency of talents, and promoting the construction of a high-level scientific and technological talent team. China Unicom insisted on improving efficiency while controlling the overall quantity. The Company implemented target management for labour efficiency. In 2023, the labour productivity of the Company continued to improve, and the workforce size maintained stable. In response to the national policy for stabilising employment, the Company

recruited more than 10,000 talents through campus recruitment and social recruitment. The Company implemented the "New Seedling Scheme" in a unified manner. In 2023, the number of new employees from campus recruitment remained at a high level, which were mainly assigned to innovative fields. The training system for young employees was established to accelerate their growth and development.

China Unicom adhered to the top-level design and conducted a comprehensive analysis and planning of the leadership and management team in accordance with the Company's high-quality development needs for the next five years. The Company solidified the training of job performance capabilities, strengthened overall planning of training in various professional areas, carried out large-scale training programs to enhance professional competency, and continuously optimised the structure of management personnel qualities and capabilities. On the basis of giving full play to the enthusiasm of management personnel of all ages, the Company adopted systematic policies to continuously enhance the identification, cultivation, and utilisation outstanding young management talents, consistently enhancing the construction of the management personnel echelon. China Unicom continued to improve the supervision system for management personnel and



strengthened oversight of their performance. The Company continuously refined the appraisal and evaluation system, provided education and guidance to management personnel to firmly establish the correct performance perspective. It iteratively and deeply promoted the term-based system and contractual management for management personnel. The Company strengthened the performance-oriented approach and rationalised the distribution gap. Furthermore, the Company promoted upward and downward mobility for management personnel and continuously carried out normalised exit mechanisms to stimulate the vitality of the management team.

Focusing on the main responsibilities of "serving the Cyber Superpower and building a Digital China", and centring around the main businesses of "Connectivity and Communications, Computing and Digital Smart Applications", the Company prioritised the strategic execution training and innovation capabilities improvement for professionals and skilled talents. It also devised the annual key training programs for management and professional personnel. Based on the characteristics of skilled positions, the Company established standards to assess their capabilities, improved curriculum systems, implemented training empowerment, and conducted competency certification. This systematic implementation facilitated independent cultivation for key capabilities. China Unicom continued to carry out digital empowerment for key groups, aiming to enhance their performance capabilities and professional qualities.

By strengthening the payroll management in full swing, China Unicom adhered to the principles of equivalence between remunerations and outcomes, as well as incentives and constraints, to reasonably determine the annual payroll budget. Focusing on value creation and efficiency enhancement, the Company upheld the incremental revenue sharing mechanism, breaking through the rigidity of the existing system and promoting continuous improvement in the input and output of human resources. The Company invested special resources to facilitate technological innovation and the creation of specialised and innovative capabilities. Highlighting the importance of core talents in key positions, the Company established incentive and constraint mechanisms that tailored to the unique skills and differential contributions of individual talents. China Unicom was committed to addressing structural contradictions in the distribution field, optimising the relationship of internal income distribution, and reasonably determining the remuneration levels among different groups. With the implementation of diversified incentives, the Company flexibly carried out medium and long-term incentive programs, and continued to operate the second phase of the restricted share incentive scheme for China United Network Communications Limited ("the A Share Company"), thereby building a community of shared interests and risks.



## ANALYSIS OF STAFF COMPOSITION

For further details of Human Resources Development, please refer to the relevant sections of the Company's detailed Sustainability Report 2023. Please visit the Company's website at www.chinaunicom.com.hk.