

## PARTNER WITH FELLOW OPERATORS

In 2016, China Unicom continuously promoted the in-depth cooperation with China Telecom to comprehensively implement the “customer service quality upgrade plan”. In addition, the two companies built up a new industry development landscape by opening and sharing various resources including network, business and services, jointly propelled the structural reform on supply-side such as network and terminal, so as to reduce costs and increase efficiency, and improve operating efficiency of state-owned assets.



SAVED RMB  
**3.3** BILLION IN CAPEX

SAVED RMB  
**350** MILLION IN OPEX

<b>Unified standards</b>	Jointly released <i>Broadband Service White Paper</i> and <i>4K Intelligent STB White Paper</i>
<b>Network construction</b>	Jointly built 4G wireless networks, sharing 39,000 outdoor base stations, and 34,000 indoor buildings;
	Jointly built 16,000km of optical cable for transmission networks, 19,000km of pole lines and 2,700km of pipelines; Saved RMB3.3 billion in CAPEX and RMB350 million in OPEX.
<b>Operation and maintenance</b>	Cooperated in aspects such as mutual assistance during emergency, basic resource sharing, optimised mobile cooperation, network operation linkage, maintenance system linkage, sharing of existing base stations, spare supplies and parts sharing and mutual maintenance cooperation;
	Revamped 99 emergency base station vehicles, carried out 37 joint drills, jointly provided emergency support for 41 times, and conducted 9 joint emergency operations;
	Exchanged network optimisation test data in 31 provinces, and shared 32,908 items of existing base stations and indoor distribution system resources;
	Concluded cooperative agreements on spare parts in 8 provinces, and carried out maintenance cooperation in 9 provinces;
<b>IDC business</b>	The two parties will establish interconnection channels for IDC in ten main interconnection nodes in China, and optimise cross-network visits of IDC users of either party. We have already completed the formulation of the detailed technical implementation plan, and have commenced early trial runs in Beijing;
<b>International network and business</b>	The two parties signed a joint negotiation agreement with Telus Canada on international roaming;
	China Unicom purchased 500G international network bandwidth from China Telecom;
	China Unicom entered into a memorandum of understanding on optical cable resource exchange for domestic section of China-Kyrgyzstan optical cable;
	China Telecom invited China Unicom to join in the construction of HKA submarine cable, with the confirmation of the intention to cooperate in Singapore POP.
<b>Terminal cooperation</b>	Conducted studies on how to facilitate the terminal industry chain to accelerate the release of L900 and L800 terminal products.

### China Unicom Jiangsu Branch and China Telecom Jiangsu Branch carried out in-depth cooperation in operation and maintenance.

- **Mutual assistance in emergency:** mutual cooperation and coordination for major disasters, emergencies and important events;
- **Basic resource sharing:** improvement in maintenance mechanism of shared resource to ensure proper maintenance of shared resources;
- **Optimised mobile cooperation:** push forward cooperation, exchange and sharing in maintenance and optimisation for jointly built LTE outdoor base stations and indoor coverage, and joint provision of satisfactory mobile network quality to users;
- **Network operation linkage:** work closely to implement connected operation of various specialised networks;
- **Operation and maintenance system linkage:** strengthen exchange and sharing of maintenance management experience and innovation, so as to jointly improve the overall maintenance level and customer service ability.

China Unicom Qinghai Branch signed strategic cooperation agreement with China Telecom Qinghai Branch to carry out in-depth cooperation in aspects such as mobile network construction and optimisation, maintenance service and pole line maintenance service. In 2016, in terms of 4G network construction, China Unicom Qinghai Branch shared the use of Qinghai Telecom’s 54 outdoor base stations and 16 indoor distribution buildings; and Qinghai Telecom shared the use of China Unicom Qinghai Branch’s 54 outdoor base stations and 32 indoor distribution buildings. As a result, China Unicom Qinghai Branch saved RMB70.48 million in network construction and maintenance in the year.

China Unicom Payment Co., Ltd. conducted in-depth cooperation with Bestpay Co. Ltd in aspects such as “opening up of resource capacity, joint construction and sharing of channels, and joint expansion of customer base”, so as to achieve the purpose of “maximum resource utilisation efficiency, rapid and healthy business development, and expanded user base”.