

## COOPERATE WITH INTERNET COMPANIES

China Unicom has actively explored cooperation with Internet companies, and has signed strategic cooperation agreements with Tencent, Baidu and Alibaba respectively. Each party can exploit its technology, resources and ecosystem advantages in the Internet industry, seize opportunities in the new round of technology revolution, and deepen cooperation to achieve win-win development on the basis of "mutual sharing of capacity, joint expansion and joint innovation". The parties also carry out in-depth cooperation in basic telecommunication service, mobile Internet and industrial Internet, so as to accelerate supply-side structural reform for mobile Internet.



China Unicom signed a strategic cooperation agreement with Baidu



China Unicom signed a strategic cooperation agreement with Alibaba



China Unicom signed a strategic cooperation agreement with Tencent

In 2016, China Unicom, in cooperation with other parties, launched DiDi King Card, Tencent King Card and Ant Treasure Card, which gained favourable social responses.



DiDi King Card: Tailor-made for DiDi drivers



Tencent King Card: with dedicated data



Ant Treasure Card: for Alipay users

## DEVELOP INDUSTRY ECOSYSTEM

In the Internet era, communication and collaboration are essential for success. China Unicom has always held the belief of "cooperation, openness and win-win development", and has developed in a synergetic way with various parties in the industry, so as to provide proper support to the development of the industry and urge enterprises in the industry chain to properly perform their social responsibilities.

### Promote industrial cooperation

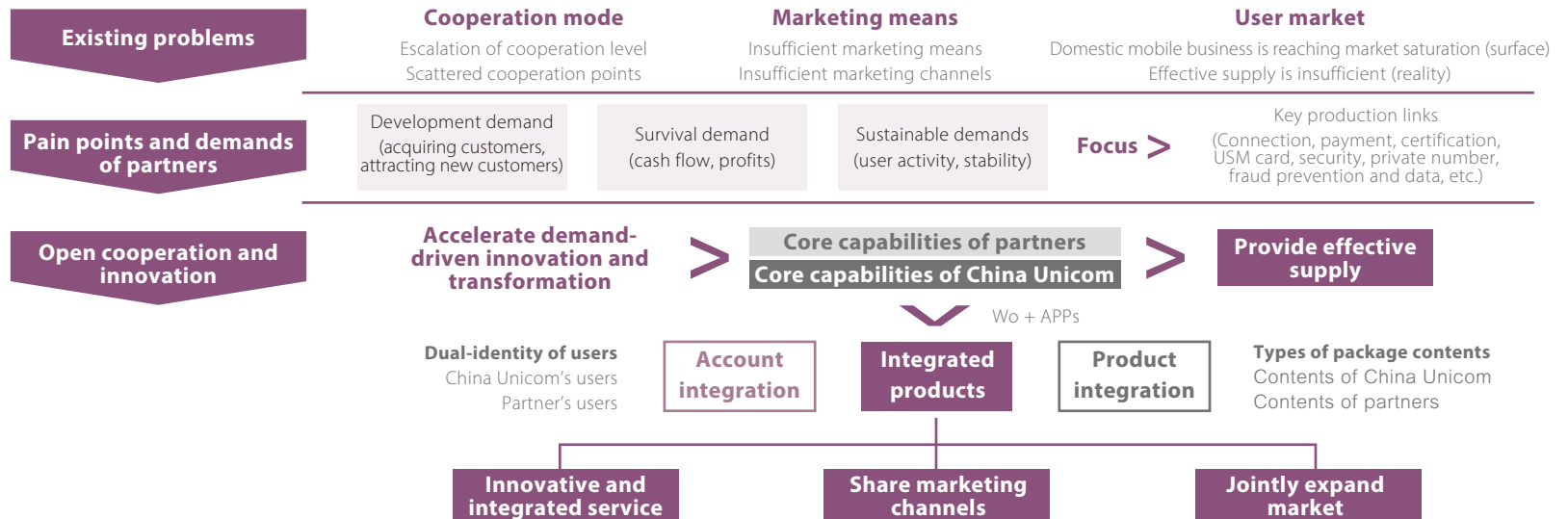
#### Cooperate with equipment suppliers

In 2016, China Unicom's self-service portal suppliers reached 960,000. In order to better cooperate with partners, China Unicom, holding the belief of "resource access through Internet" and "full collaboration in transactions", adopted various measures to promote cooperation progress.

- China Unicom has made great efforts to promote online procurement, and implemented open disclosure of procurement information, electronic tender and bid opening, and collaboration in electronic orders, so as to enable the procurement to be conducted in a more open and transparent way, and provide fair opportunities to suppliers. 100% of open tender information is available on "China Unicom Procurement and Tender Website" by category, and 70.4% of orders can be sent and received online. China Unicom head office and 28 provincial branches can conduct online tendering and bidding through electronic CA certification.
- The websites of China Procurement and Tender Website, MIIT's information platform for the management of telecommunication construction project tendering and bidding, and China Unicom Procurement and Tender Website has enabled open disclosure of procurement information, electronic exchange of procurement documents, coordination between e-orders and e-packing lists.
- China Unicom openly discloses procurement data to ensure transparent procurements. Through e-orders and e-packing lists, the Company has enhanced information communication and reduced trading costs. The one-point settlement mode of the Group enables integrated business management and highly efficient settlement.

## Cooperate with content providers

### SOLVE PAIN POINTS OF PARTNERS, AND ACTIVELY EXPLORE NEW MODES OF CROSS-SECTOR COOPERATION



## Cooperate with MVNOs

China Unicom attaches importance to the MVNO pilot programme, and provides full network access service with a single connection to actively support the development of MVNO enterprises. For the MVNO business, aiming to boost operating capability, improve perception of MVNO enterprises and users, and prevent operating risks of MVNO business, the Company gave full play to the advantages of centralised operation integrating management, services and production, signed MVNO cooperation agreements with 29 enterprises, and carried out MVNO business in 188 prefectural-level cities of 29 provinces. In 2016, China Unicom's MVNO revenue reached RMB1.56 billion, and the number of MVNO users reached 31.69 million. The market share of China Unicom in MVNO market in China reached 73%, showing a favourable image of social responsibility and external open cooperation under the background of the national policy to open up China telecommunication industry to private capital.

## Cooperate with social channels

China Unicom currently has 360,000 physical social channel partners. In order to promote cooperation, the Company continuously optimised its centralised channel management system to enable rapid and transparent payments of social channel commissions. It strengthened small and medium social channel terminal services, iteratively upgraded the Woego platform, reduced social channel financing costs, and launched on a trial basis security-free "WO Finance" Internet finance services for social channels.

## Social cooperation for broadband

Expand external cooperation, push forward resource sharing with enterprises within or beyond the industry and jointly promote the development of the broadband market. In 2016, the Company actively cooperated with strong private broadband companies or "capable individuals" and signed strategic cooperation agreement with Dr. Peng Group to share each other's edges by penetrating into each other's product and channel resources.



China Unicom signed strategic cooperation agreement with Dr. Peng Group

China Unicom Guangxi Branch actively carried out social cooperation for development of its broadband business, and cooperated with small and medium enterprises and individual contractors to build broadband network. In 2016, Guangxi Branch signed contracts for more than 1,000 broadband projects by way of social cooperation, up by 2.7 times on a year-on-year basis; and jointly built 95,000 ports, up by 2.6 times on a year-on-year basis. China Unicom Jiangxi Jiujiang Branch added 16,542 broadband ports through social cooperation, and the network coverage in towns and rural areas doubled on a year-on-year basis.