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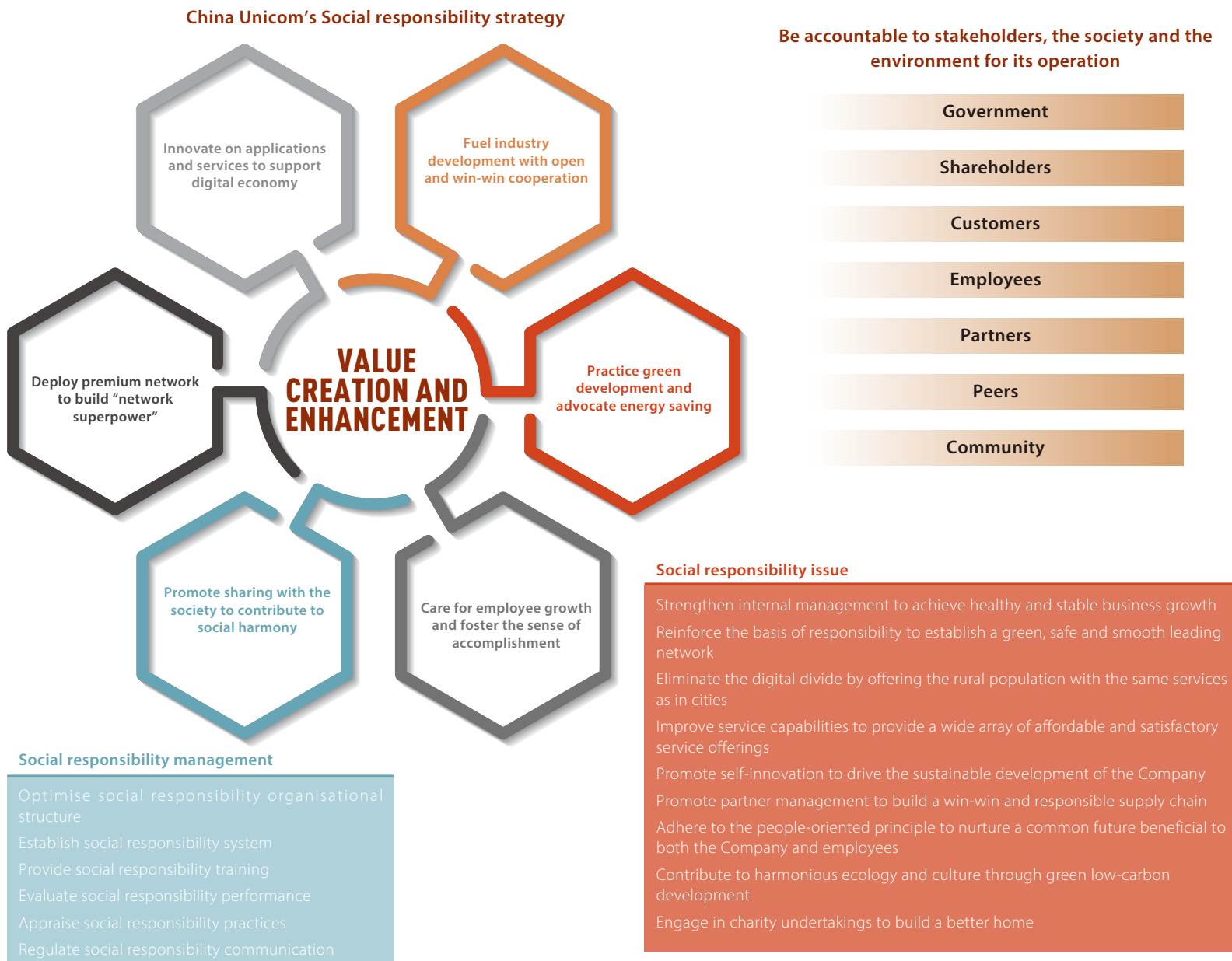


MANAGEMENT OF RESPONSIBILITY

In 2016, China Unicom carefully followed international and domestic social responsibility standards, actively implemented the SASAC's *Guiding Opinions on Better Fulfilling Social Responsibilities of State-owned Enterprises*, further enhanced the awareness of social responsibilities, extensively carried out communication about social responsibilities, China Unicom further integrated social responsibilities into corporate operation and made every effort to become an outstanding "responsible" corporate citizen.

STRATEGY OF RESPONSIBILITY

Led by the modern development philosophies of "innovation, coordination, greenness, openness, and sharing", the Company took practical steps to contribute to the "network superpower" strategy, "One Belt, One Road" initiative, supply-side structural reform and other national strategic deployments, fulfilling its obligations through responsible operations. It continuously enhanced its ability to create comprehensive economic, social and environmental values, seeking to promote sustainable development and make due contribution to China's economic, social and informatisation development.



The Company, focusing on social responsibility management and practices, ceaselessly perfects the connotation of responsibility management, and extensively carries out responsibility practices with company characteristics and centered on the responsibility issues to support the implementation of responsibility strategy.

To make sure social responsibility issues can be adjusted according to the expectation of stakeholders with changes of situations, China Unicom establishes social responsibility issues selection procedures under the principle of “closely following Dow Jones Sustainability Index, regularly updating and sustainably improving”, and studies social responsibility topics every three years to confirm issues list and development goals.

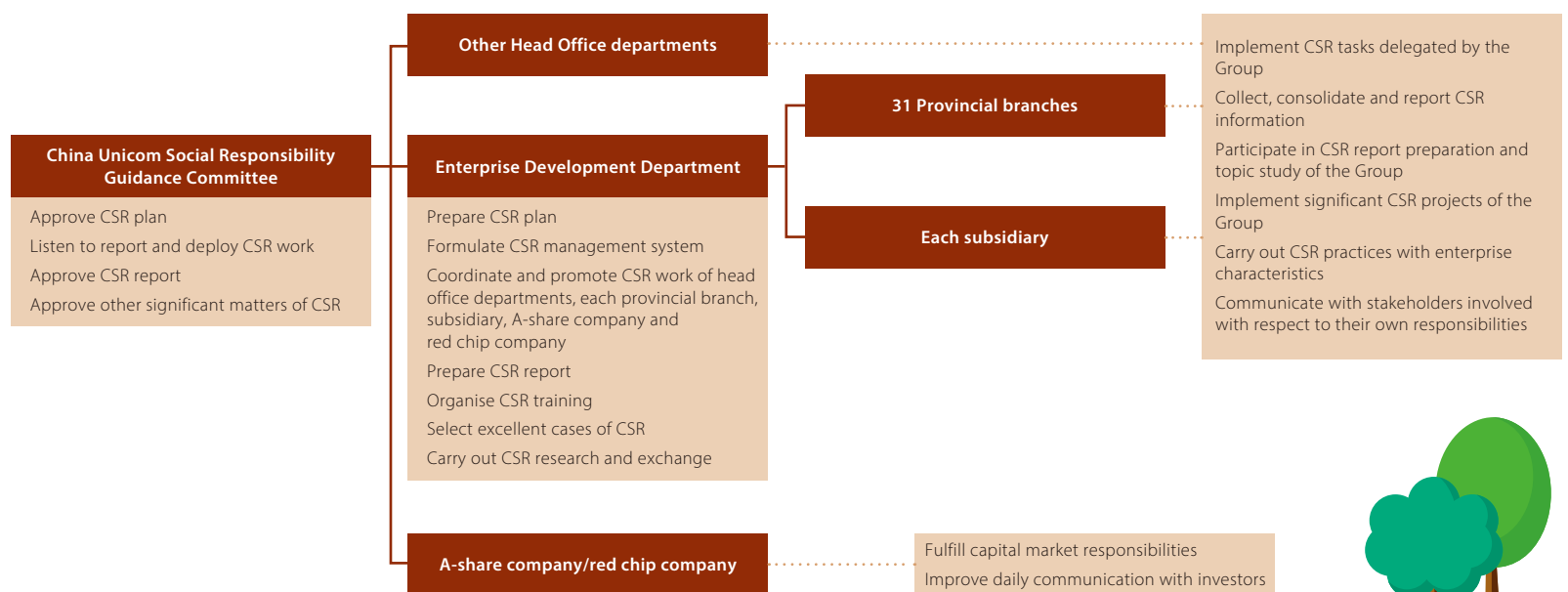
China Unicom Social Responsibility Issues Selection Procedures



GOVERNANCE OF RESPONSIBILITY

China Unicom established social responsibility organisational system covering the entire Group. Under the leadership of Social Responsibility Guidance Committee, the Enterprise Development Department serves as office to take charge of daily work, and each provincial branch, subsidiary, A-share company and red chip company sets up special department for social responsibility management and special liaison persons to perform social responsibility work according to their respective responsibilities. The Social Responsibility Guidance Committee shall review and make decisions on significant matters of enterprise social responsibilities, and coordinate and lead the work regarding enterprise social responsibility. The Enterprise Development Department takes charge of daily work of Social Responsibility Guidance Committee, and systematically coordinates the implementation of social responsibility work of all subsidiaries of the Company. Each department at the Company’s head office, each provincial branch, subsidiary, A-share company and red chip company shall organise and implement significant projects of the Group regarding social responsibilities, and organise and carry out social responsibility practices with enterprise characteristics, and be responsible for collecting, consolidating and submitting their own information and data with regard to social responsibilities.

China Unicom Social Responsibility Working Organisation and Main Responsibilities



COMMUNICATION OF RESPONSIBILITY

China Unicom sets up social responsibility communication mechanism to continuously carry out targeted communication according to the expectation of stakeholders and based on the substantial topics of social responsibilities.

Substantial topics	Stakeholders	Communication mode	Expectation on China Unicom
Strengthen internal management to achieve healthy and stable business growth	Shareholders	<ul style="list-style-type: none"> Results announcement General meeting of shareholders Investor meeting 	<ul style="list-style-type: none"> Timely and transparent information acquisition Long-term stable investment return Corporate governance and risk control Law-abiding and honest operation
	Government	<ul style="list-style-type: none"> Face-to-face communication Meeting 	<ul style="list-style-type: none"> Fair market competition order Efficiency improvement and cost reduction Network information safety
	The public and media	<ul style="list-style-type: none"> Telephone meeting and forum Internet communication 	<ul style="list-style-type: none"> Know the Company information in a timely manner Carry out information interaction with the Company
Reinforce the basis of responsibility to establish a green, safe and smooth leading network	Customers	<ul style="list-style-type: none"> Service hotline Weibo and WeChat NPS (net promoter score) survey 	<ul style="list-style-type: none"> High-speed and smooth network Smooth network anytime and anywhere Safe and sound network environment Personal information safety and secrecy
Eliminate the digital divide by offering the rural population with the same services as in cities	Customers in remote areas	<ul style="list-style-type: none"> Interview Events 	<ul style="list-style-type: none"> High quality network in remote areas Abundant agricultural information application Convenient information service channel
Improve service capabilities to provide a wide array of affordable and satisfactory service offerings	Customers	<ul style="list-style-type: none"> NPS survey In-depth interview Meeting Customer events 	<ul style="list-style-type: none"> New service to improve life quality Affordable and transparent price policy Convenient and efficient service channel Effective after-sales service warranty
Adhere to the people-oriented principle to nurture a common future beneficial to both the Company and employees	Employees	<ul style="list-style-type: none"> Employee forum Workers' congress Democratic life meeting General Manager Online 	<ul style="list-style-type: none"> Legitimate rights safeguarded Training and career development space Opportunities to participate in democratic management Support for life difficulty Comfortable and safe working environment
Promote partner management to build a win-win and responsible supply chain	Partners	<ul style="list-style-type: none"> Partners conference Meeting, interview Partner self-service portal 	<ul style="list-style-type: none"> Broad cooperation areas Fair and open cooperation opportunities Abundant and convenient support services
	Peers	<ul style="list-style-type: none"> Face-to-face communication Meeting 	<ul style="list-style-type: none"> Improve resource complementation capability Cost reduced and efficiency improved
	Customers	<ul style="list-style-type: none"> Interview, hotline 	<ul style="list-style-type: none"> Motivate partners to fulfill responsibilities
Contribute to harmonious ecology and culture through green low-carbon development	Ecological environment	—	<ul style="list-style-type: none"> Green operation and environmental protection Pollution reduction by cyclic utilisation
Engage in charity undertakings to build a better home	Community	<ul style="list-style-type: none"> Meeting Forum Village support station 	<ul style="list-style-type: none"> Sustainably effective donation Strengthen poverty alleviation and assistance Carry out public-welfare voluntary activities
Promote self-innovation to drive the sustainable development of the Company	All related parties	<ul style="list-style-type: none"> Meeting Interview Weibo and WeChat 	<ul style="list-style-type: none"> Business mode adaptive to Internet Management system adaptive to market Innovative and forward-looking communication technology

Interview with stakeholders

To thoroughly know the feelings and expectations of stakeholders towards the Company, and listen to requests and opinions of internal and external parties for the Company face to face, China Unicom carried out field interview throughout the Group, provincial branches and front-tier grid, and interviewed a total of 1,285 persons in 317 interviews with stakeholders, including managers and employees at various levels, retired cadres, business hall users, group customers, suppliers, agents and business partners. The survey group of the Company and interviewees thoroughly exchanged opinions about the satisfactory areas of the products, services and brands of the Company as well as the problems to be solved, and discussed about how China Unicom shall adapt to market competition and meet customer demands, as well as its future development direction.



Interview with China Unicom customers in business hall



Forum with agents and business partners

Carry out public interaction

In 2016, the Company extensively carried out public promotion and new media interaction, and ceaselessly strengthened communication and liaison with the public to present a more open China Unicom.

- China Unicom held seven large-scale news release and promotion events, including Intelligent Terminal Industrial Chain Cooperation Summit, China National Table Tennis Team Fan Meeting, and China International Information Communication Exhibition. During the year, China Unicom issued a total of 96 press releases, organised 15 press conferences and media interviews, and organised 241 journalists to make news report on the Company and the Company's news releases have been published 7,585 times by media;
- The significant news and relevant topics published by China Unicom on official Weibo account attracted 298 million visitors, and the official Weibo account won SASAC awards of 2016 "Most Influential New Media Account of Chinese Enterprises" and "Most Influential New Media Account of State-owned Enterprises Under the Central Government", and ranked first in State-owned Enterprises Under the Central Government Weibo Influence Weekly List for 30 times.



2016 Awarding of Advanced Journalists and Advanced Correspondent Station of Posts & Telecom Press stationed in China Unicom system



China Unicom won "Most Influential Top 500 Enterprises New Media Award" and "Most Influential State-owned Enterprises Under the Central Government New Media Award"

China Unicom Tibet Branch collected customer opinions and suggestion by multiple channels to improve customer perception. Firstly, it invited customers to participate in "WO As First Choice, Solving by Crowd Funding" and comment on the use of network, channel and package data, and collected a total of 54 valid questionnaires; secondly, it carried out callback survey in seven cities in the entire region to evaluate customer satisfaction and collect customer opinions, and in aggregate called 2,538 and visited 508 households; thirdly, it carried out 14 perception experience events, including "mobile business hall experience comparison" and "receipt acquisition and verification" and collected first hand data for further optimising services.

China Unicom Jiangxi Branch invited 4G users to participate in “You Complain, WO Gifts”. Users who propose opinions or suggestions in questionnaire will be gifted with data and can participate in lucky draw. This activity received a total of 839 questionnaires, and all participants have been gifted with data. In addition, in the lucky draw, Mr. Xu from Nanchang was gifted one iPhone 6S. He felt very much unexpected because he never thought to get rewards by complaining and he also said he would continue to pay attention to China Unicom activities and recommend it to friends and kinships.

China Unicom Tianjin Branch, via the program of “Industry Style Coordination” of Tianjin Broadcasting Station, carried out activities to listen to customers’ opinions by multiple channels, such as interacting and communicating with customers by hotline and answering their questions promptly on site. During the year, Tianjin Branch received and solved 118 problems from customers, and solved problems for customers in a more direct, effective and authoritative way.

CAPABILITY FOR ASSUMING RESPONSIBILITY

Promote responsibility development

In 2016, China Unicom participated in social responsibility construction of information and communication industry to the fullest extent. Firstly, it joined in drafting group for social responsibilities standards of information and communication industry, and supported smooth launch of the *Social Responsibility Management System of China Information and Communication Industry Enterprises*; secondly, it participated in the preparation of industrial social responsibility report and supported smooth issuance of *2015 Social Responsibility Report of China Information and Communication Industry*; thirdly, it was invited as expert to review social responsibility practices of information and communication industry, and supported extensive spreading of excellent cases, excellent enterprises and excellent individuals of the industry.

Participate in industry exchange

In 2016, China Unicom actively participated in various exchange and discussion activities held by the industry for social responsibility, paid attention to responsibility development trend, learned experience from excellent enterprises, proposed ideas and opinions, and contributed to sustainable and profound development of social responsibility.

Host	Topics
Global Compact Network China	Brighten up the future – 2016 China Summit for Realisation of Sustainable Development Goals
Internet Society of China	2016 (the 3 rd) Social Responsibilities Forum of China Internet Enterprises
MIIT Internet Enterprise Social Responsibility Research Group	Investigation on current status of Internet enterprises social responsibilities
Social Responsibility Special Committee of the Chinese Institute of Business Administration Enterprise Social Responsibility Promotion Center of China Federation of Industrial Economics China Industrial Enterprise Social Responsibility Research Think-tank Beijing Rongzhi Corporate Social Responsibility Institute	2016 China Enterprises Sustainable Competitiveness Annual Conference
Xinhua net The Listed Companies Association of Shanghai Shanghai Federation of Economic Organisation	The Second China (Shanghai) Corporate Social Responsibilities Summit of Listed Companies & the News Conference for the <i>Blue Book of Shanghai Listed Companies Social Responsibilities (2016)</i>
The Listed Companies Association	Consultation meeting for <i>Standards for Information Disclosure in Social Responsibility Report of China Listed Companies</i>

PERFORMANCE OF RESPONSIBILITY

Perfect indicator system

China Unicom follows international and domestic social responsibility standards, further perfects "China Unicom Social Responsibility Indicator System" centered nine substantial topics of the Company and drives social responsibility to be effectively integrated into enterprise production and operation on that basis.



Honours and recognitions

In 2016, China Unicom sturdily performed social responsibilities, disclosed responsibility performance situations promptly, and gained favorable progress in social responsibility performance.

- Evaluated as Five-star in the "2015 Social Responsibility Development Index of TOP 300 Chinese Enterprises" by Chinese Academy of Social Sciences;
- "Integrity" award in the 2nd China Shanghai Listed Companies Enterprise Social Responsibility Appraisal;
- "Best Social Communication Innovation Award" in Public Transparency Evaluation of China TOP 200 Enterprises;
- 24 Awards in excellent special topic cases, excellent enterprises and excellent individuals for social responsibility performance in China information and communication industry.