

## Serve special groups of people

China Unicom has always been concerned about the communication needs of ethnic minorities and the disabled, and strives to offer lower pricing and more handy services to bring benefits and convenience to them.

### Serve ethnic minorities

Exclusive informatisation service product “WO•Deji” is launched for people in Tibetan area in Qinghai, and customised the first Tibetan 4G mobile terminal in Qinghai to solve language and wording issues which restricted Tibetan users from enjoying mobile Internet services. In addition, China Unicom Qinghai Branch adds customer service personnel speaking Tibetan, and records Tibetan self-service guiding system to provide business consulting and handling services to Tibetan users. The self-service of the special Tibetan hotline has been used over 100,000 times on average per month, and hotline satisfaction improved 5PP compared to the beginning of the year.

China Unicom Xinjiang Branch launched dedicated smart phone for “Xinhua News Service Uyghur News Customer Terminal”. The most prominent characteristic of the terminal is the ability to convert to voice-reading mode by one click, so that ethnic minorities who cannot read Uyghur words would be able to easily understand various kind of information. “WO•Qiaxiu” is launched dedicated for Kazakhstan minorities, so as to bring benefits and convenience to Kazakhstan minorities through lower pricing, and thus pushing forward ethnic informatisation development.

Mongolian smart phone is launched in Inner Mongolia, and the left vertical Mongolian typesetting mode and people-benefiting price are well accepted by herdsmen. Information including abundant farmer-benefited and herd-benefited policies, as well as market demand, venture and employment, and weather services, all have brought more convenience to the production and life of the grassroots farmers and herdsmen.

### Serve the disabled

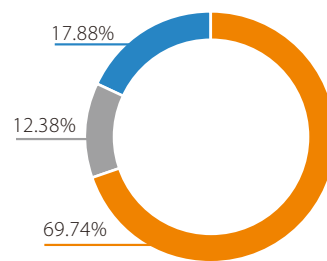
- Set disabled-only customer service counter in store, and open dedicated fast track for the disabled;
- Waive the one-off costs for the disabled, introduce annual broadband discount package, and provide broadband expert service and others;
- Some provincial branches launched “Love Card” package to provide discount for voice and SMS services to persons with visual, hearing, speech and language impairment; Meanwhile, the costs of the Love Card will be waived, as home delivery services will be provided for the disabled users.

China Unicom Shanghai Branch provides fixed line voice discount for people with visual impairment. People above 16 years old with visual impairment can enjoy 810 times (first three minutes counted as twice, and each minute thereafter will be counted as once for each calling) fixed line local voice services by paying a fixed monthly fee of RMB25.

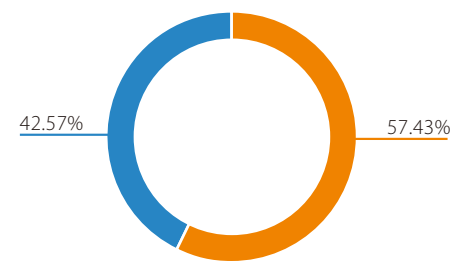
China Unicom Fuzhou Branch launches discount package and caring services to the disabled in the entire city. It provides discount package to over 20,000 deaf-mutes, organises full-time team members to carry out field service in municipal Disabled Persons’ Federation on weekends, and invites sign-language teachers to help communication. Currently, it has carried out seven performances and served over 300 deaf-mutes. This was highly recognised by Fuzhou Disabled Persons’ Federation and the disabled. Chairman of Fuzhou Disabled Persons’ Federation said that, “China Unicom Fuzhou Branch not only generously responded to the call of government to care the disabled, but also provided discount package to the disabled. Such caring acts deeply touched us, and showed China Unicom’s great practice of social responsibilities”.

## ENHANCE EMPLOYEE VALUE

China Unicom makes it a principle to put its employees first, earnestly safeguards its employees’ rights and interests, and promotes to have both the Company and the employees to develop and grow together.



**Age distribution**  
 ● Below 30 years old  
 ● 31-50 years old  
 ● Above 51 years old



**Education background distribution**  
 ● Bachelor degree or above  
 ● Other

### Current status of China Unicom Employees

Employees (person)	Active employees (person)	Employees newly recruited (person)	Gender distribution (male/female)	Proportion of management personnel (%)	Proportion of ethnic minority employees (%)
270,484	253,724	29,817	1.49:1	8.94	6.81

Note: Employees mainly include active employees and dispatched personnel.

## Safeguard basic rights and interests

- \* To sign labour contracts with all employees and to provide them pension, medical care, compensation for work-related injury, and maternity and unemployment insurance, while implementing for employees full coverage of annual physical examination, paid leave system, 100% job retention after maternity leave/paternity leave, and annuity fund set up;
- \* To pay attention to safeguard human rights, respect personal privacy, avoid any discrimination of age, ethnicity and gender toward employees during recruitment and promotion. Child labour and forced labour are strictly forbidden. Smooth communication and complaint channel are provided for employees. In 2016, no employee complaint, child labour nor forced labour were reported;
- \* The Company strictly complies with *the Labour Contract Law* and the *Interim Provisions on Labour Dispatch*, continuously promotes labour optimisation and standard management, guides and urges branches and subsidiaries to use labour dispatch according to law, reduces proportion of labor dispatch of the Group to below 10% as required by the State, and basically realises equal pay for equal work. The employee satisfaction keeps improving;
- \* To strengthen safe production management, continuously push forward the implementation of emergency response management system, and create safe working environment for employees. The Company has no employee diagnosed as having occupational disease caused by hazardous factors as listed in the *Occupational Disease Classification and Catalog* of the State. In order to reduce diseases caused by natural environment, branches in plateau or special regions formulated precaution and labour protection measures to offer favourable policy and special allowance other than compensation to employees suffered from plateau-related diseases in such arduous areas. In 2016, no report regarding work-related death is recorded; the number of working days lost due to work-related injury has not been counted and in the future the collection of relevant information will be strengthened.

## Promote career development

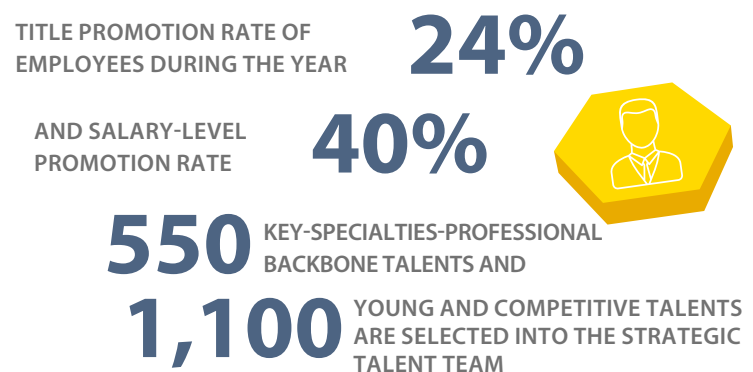
China Unicom concerns about employee development, and thus innovates the promotion system, provides employees information and support to their development, helps to self-evaluate, and the opportunities for promotion and extending experiences.

### Perfect compensation increment mechanism

In order to promote employees to grow with the Company, the Company sets up dual-linkage mechanism to tie employees' compensation with the Company's performance. The performance bonus of managerial personnel would be subject to the completion status of business performance indicators, refined classification of branches and subsidiaries are carried out, and all employees' labour costs and total salaries are linked with the completion status of the Company's budget, implementing differentiated management and control.

### Boost occupational development

The promotion and incentive system has been fully implemented in the Group. Employees can get promoted by three modes, namely salary-level promotion, title promotion and position promotion. All employees can find suitable development direction by nine promotion routes. Meanwhile, the Company, values on talents, implements full life cycle closed-loop management of strategic talents, such that strategic talents can achieve rapid promotion. During the year, the title promotion rate of employees reached 24% and salary-level promotion rate reached 40%. 550 key-specialties-professional backbone talents and 1,100 young and competitive talents are selected into the strategic talent team.



## 3. Strengthen quality training

China Unicom attaches great importance to employee education and training, so as to improve overall quality of employees; it formulates *Key Points of China Unicom 2016 Training*, as well as annual key leadership and professional skill training plan, and comprehensively carries out employee training.

### Carry out various training for all levels

**Leadership training:** Centered to the Company's growth strategies to implement the focus strategy, along with strengthening the awareness and principles of the Party, the Company held 16 leadership training classes and completed the all-staff training which targeted to deputy general managers of provincial branches, general managers of prefecture-level city branches, leading group members of subsidiaries and internal directors of innovative subsidiaries, with over 1,000 employees were being trained; Taking the advantage of quality external resources of "one university and five colleges", over 46 senior management personnel and expert backbone employees attended training.



At the strategic seminar for senior management personnel, Chairman WANG Xiaochu exchanged ideas and discussed with the attendees. The attendees of the seminar reported the implementation status of focus strategy in their own branches/subsidiaries, introduced typical experience and measures, reported the problems and difficulties encountered during production and operation, and proposed opinions and suggestions. Chairman WANG was fully supportive to the opinions and suggestions of the attendees, and answered some questions on site.



China Unicom Global held middle-level and senior management personnel leadership enhancement training. A total of 45 persons, ranging from senior management team, management team of head office departments and each operating organisation of China Unicom Global, participated in this training. The training further enhanced the work consciousness of self-awareness and efficient collaboration of management personnel of China Unicom Global, and brought inspiration in aspect of how to mobilise team to improve work efficiency and how to establish favourable relationship with employees, customers and partners.

**Professional skill training:** The Company carries out professional skill training in fields of “accelerating 4G development, improving customer perception, reforming management system in an innovative way and innovating upon resource allocation and incentive mechanism” under the principle of “keeping with key business development, improving employees’ professional skills and solving shortcoming problems”. During the year, the Company held 259 sessions of professional skill trainings with over 20,000 attendees, including 27 sessions of high-end technology trainings to IT strategic talents and senior technical talents of IP/IT/wireless operation and maintenance.

China Unicom Xinjiang Branch held training camp for 4G 3D sales and store manager ability enhancement, proving a 5-day special training to 42 managers of self-run stores in four prefectures of Yili, Altay, Bozhou and Tacheng. With focus in store operation, marketing skills, implementation methods of attracting customers to the store, and team building, practice and drill, the training adopted “attendee-oriented” C-P-C training mode and initiated interaction between attendees during the process. The attendees made rapid progress through the training in ten aspects including store operation, atmosphere creation, hall and store display, cohesion creation, mind-set self-breakthrough, and etc.



### Set up online course/micro course system

The Company focuses on the enhancement of self-leadership, team leadership, professional leadership and strategic leadership of managers at all levels and has developed and introduced 27 e-courses. In order to stimulate vitality of basic-level units to work in line with the Company’s reform, comprehensive management ability of persons in charge of basic-level responsible units is enhanced. The Company has organised and developed 20 series of courses for junior CEO comprehensive management skill enhancement in a mode of diversified “crowd funding and co-creation” aiming at four business lines, i.e. operation line, channel line, station cable and traction line.

Chongqing Campus of the China Unicom College carried out micro course training to popularise the courses’ connotation, design and development to the attendees, and stimulate employees’ passion to make micro courses. In the subsequent “micro course contest”, over 100 pieces of work are received, in which 70 pieces are selected for further in-depth development and training, which further helps to enhance the attendees’ micro course design and development skills and perfect their micro course production.

### Innovative training mode

In order to enhance problem solving ability, practice courses in the mode of in-depth seminar, case-study and experiences are organised to improve the effect of knowledge application by sharing practical experiences and co-creating solutions among the attendees. By virtue of new learning modes such as online course, cloud course, MOOC (massive open online course) and micro course, more new learning modes are introduced into training. More online courses have been developed for the convenience of employees’ learning.



China Unicom Guangdong Foshan Branch established “Ivy League College” to select first-line management backbones, newly employed young employees, network technology and group sales backbones to cultivate their management ability and professional technology skills. Management center and expert center are set up at the “Ivy League College” with 90 attendees in four classes. It provides platform for comprehensive training and platform for sharing and communication, as well as various forms of intensive trainings, which builds an excellent youth team benchmarking “willing to learn and capable to work”. “Ivy League College” has cultivated a total of 10 middle-level cadres and 10 first-line management cadres within two years since it is established.

### Perfect online learning platform

China Unicom strengthens the construction of network college platform and mobile phone “WO Course” APP client terminal, and cultivates micro course development and production team by organising micro course contest and online learning. In 2016, the number of online courses reached 1,224, and the number of attendees for the year reached 4.585 million with a total learning time of 3.75 million hours. The number of micro courses in mobile phone “WO Course” reached 3,030.

### Organise employee skill competition

In 2016, China Unicom organised 513 skill competitions and knowledge contests, including industrial application marketing skill competition and B field system integrated operation and maintenance skill competition, with 10,251 participants attended. The competitions and contests effectively enhanced various employees’ business skill level.



China Unicom Industrial Application Marketing Skill Competition



China Unicom B Field System Integrated Operation and Maintenance Skill Competition



China Unicom Guangxi Branch organised “Ingenuity Service” customer service personnel skill competition



China Unicom Hubei Branch won the third prize of nationwide communication network safety knowledge contest

### Participate in business management

China Unicom encourages all employees to participate in various management activities of the Company to enhance employees’ sense of identity toward the Company and teamwork spirits within the Company.

- \* Push forward the effective development of the worker’s congress system, and make a list of 20 items which must be deliberated by workers’ congress according to the key that matters concerning the vital interests of employees must be deliberated by worker’s congress;
- \* Normalise the General Manager Online activity to follow and reply opinions and problems proposed by employees. In 2016, the 1,671 employee questions and messages which have not been replied during General Manager Online activity are sorted out and answered through publication on the official platform.

**China Unicom Anhui Branch held workers congress, listened to the report of implementation of collective contract and salary-specific collective contract of the previous workers congress, listened to and deliberated the report of employees’ leave, employee training and labour safety, and the report of utilisation of financial budget and financial accounts, business entertainment expenditure and welfare expenditure; “China Unicom Anhui Branch Collective Contract” and “China Unicom Anhui Branch Salary-specific Collective Contract” were deliberated and passed.**

**General Manager of China Unicom Hunan Branch exchanged opinions online with basic-level responsible unit employees about the operation of the Company, as well as work and life issues that employees are concerned about; over 300 employees actively participated in the online communication, and the General Manager replied 14 questions on site. The General Manager’s online email is opened concurrently. Emails sent by employees will be sorted out and transferred to relevant department for handling, and feedback responses will be sent to the relevant employees.**

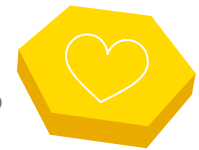


## Care about employees' life

<b>Employee mental state support</b>	Accessible to WeChat public account "Open Heart and Vision for Happiness" and psychological crisis intervention hotline, complete the second EAP internal team recruitment, and select 63 EAP specialists and 71 psychological counselors.
<b>"Support people in need" activity</b>	Continuously carry out the activities of "keeping you healthy in Spring, cool in Summer, loved in Autumn and warm in Winter", and invest in a funding of over RMB22 million.
<b>Support for employees suffered from difficulties</b>	Offer group insurance against critical disease and accidental injury to employees individually; since the implementation of the project, about 300 employees suffered from critical diseases have received compensation from insurance companies.
<b>Donation to disaster-affected areas</b>	In 2016, disasters such as floods occurred in many regions nationwide; employees in disaster-stricken areas suffered from serious losses of family properties. The Company assigned RMB600,000 for the relief fund and organised donations to raise more than RMB5 million.

GIVE RMB  
**9.67** MILLION TO HELP AND SUPPORT  
EMPLOYEES SUFFERED FROM DIFFICULTIES

GIVE RMB  
**35.71** MILLION  
CONDOLENCE FUND



China Unicom Liaoning Branch held EAP psychological counselor training course. 45 EAP specialists, counselors, and psychology fans from grassroots labour union attended the training. The attendees got to understand the psychological appreciation method and mastered psychological application through experience-learning, which laid a sound foundation for future EAP counseling work.

To ensure every poverty-stricken employee can afford healthcare, China Unicom Jiangxi Branch set up "WO Love" mutual care fund to deliver the Company's love and care to every employee. Since the foundation of the fund, a total of 256 persons have received subsidies, totaling an amount of RMB1.33 million, equaling to RMB5,194 per capita.



China Unicom Shandong Branch held  
Yoga Performance



China Unicom Beijing Branch set up  
handcraft club



China Unicom Shaanxi Branch held Grid  
singers contest



China Unicom Hunan Branch held employee  
table tennis contest



China Unicom Guangdong Branch organised sports day  
for employees



China Unicom Guangzhou Branch built  
"Female Employee Healthcare Room"