

Chapter 1 Company Highlights

I. Vision

Taiwan Mobile has reinvented itself in the 5G era as a technology-driven telecommunications company founded on an “Open Possible” brand spirit committed to making anything possible. Through the concerted efforts of all of our partners on 5G, we hope to meet and even transcend people’s expectations for future technologies and create infinite possibilities for shareholders, employees and the general public, as we embrace the coming Web3 and metaverse era.

Taiwan Mobile has aggressively invested in 5G infrastructure to achieve this 5G era vision. We have also pushed for a more effective integration of Taiwan’s 5G spectrum, making the deployment of base infrastructure for mobile communications more efficient, and moving toward a low-carbon, sustainable future, while creating a new order within the industry. With that in mind, we initiated a merger with Taiwan Star Telecom Co., Ltd. (T Star) and clinched the deal at the end of 2021 – a major milestone in Taiwan’s 5G development. The merged company will generate benefits that exceed the sum of its parts for the companies’ users and stakeholders and Taiwan itself.

Taiwan Mobile has been a pioneer on sustainability and ESG. As a key player in the ICT sector’s infrastructure, we have championed sustainable values, acted in an environmentally responsible way, and leveraged our core competencies to inject new value into environmental sustainability. In 2021, we announced that we would join RE100 and pledged to rely solely on renewable energy by 2040, as we pursue the goal of net zero emissions and join with our eight major stakeholders in creating a better tomorrow.

II. Core Competitiveness

- **Developing 5G, building technology competitive advantages**

In early 2021, Taiwan Mobile was the first in the industry to receive certification from the National Communications Commission (NCC) for 5G services covering more than 50% of the population. In the middle of the year, we partnered with MediaTek and Nokia in conducting a successful 5G new radio carrier aggregation (NR CA) connection test in a 5G standalone (SA) network environment. It was the first in the world to integrate the 700MHz (n28) and 3500MHz (n78) frequencies. At the end of 2021, we signed a merger agreement with T Star to create a “5G Team Taiwan” that will emerge with a 100MHz block of the 3.5 GHz band, giving us the most medium-frequency bandwidth in the industry.

- **Adding innovative technology applications, video entertainment services**

Taiwan Mobile continuously rolls out consumer-oriented, value-added applications and maximizes the convergence of its “T.I.M.E.” (telecom, internet, media & entertainment, and e-commerce) services to satisfy user needs, in the process redefining technology for future living.

We have capitalized on these 5G advantages by constantly adding to the many popular service experiences found on our telecom platform. In 2021, we became the exclusive telecom partner in Taiwan for global video streaming platform Disney+, due in part to the strength of our telecom and broadband services. myVideo upped its investment in high-quality local

content, which earned 27 Golden Bell Award nominations and captured 10 awards, emerging as a big winner among OTT platforms. Our partnership with Google was strengthened by jointly launching “Google Carrier Calling” services, establishing Taiwan Mobile as Asia’s first telecom company offering calls through smart speakers. In another milestone, we entered the gaming market by partnering with Nvidia to create the GeForce Now cloud gaming platform, becoming the representative for Riot Games’ e-sports games, and driving the development of new technologies.

Another key initiative involved integrating the company’s AI and IoT technologies with 5G, Wi-Fi 6, and NB-IoT initiatives to build a telecommunications foundation for a smart city and smart manufacturing ecosystem. More than 200 partners have joined this 5G ecosystem, including Formosa Plastics Group, which has worked with Taiwan Mobile on Taiwan’s first 5G smart autonomous vehicle. The resulting autonomous bus has been used at the group’s Chang Gung Health Culture Village to shuttle more than 1,500 people around the complex, providing a glimpse into next-gen smart transportation. In addition, Taiwan Mobile’s 5G enterprise private network has recruited nearly 40 corporate users in the manufacturing, medical, retail, logistics, Internet of Vehicles and other fields. In October 2021, the Company received official certification for its 5G SA technology, which will unlock 5G’s low-latency potential and enable enterprises to create and upgrade 5G vertical applications.

- **‘Super 5G Strategy’ showing resilience, adaptability during pandemic**

Taiwan Mobile’s Super 5G Strategy (Gift, Group, Grit, Green, GSEA) has created a second stage of growth momentum both through tie-ins with top domestic and international brands and a variety of innovative exclusive sales promotions. The promotions, such as the 5G “Double Play” and “momobile” plans and a package offering free flagship phones with 48-month contracts, were available to over 7 million users through more than 700 full-service outlets and begin delivering results in 2021. It was the first year since 2017 that EBITDA for Taiwan Mobile’s telecommunications business grew from the previous year, helped in part by 5G user numbers and penetration rates that exceeded expectations.

When the COVID-19 outbreak worsened in Taiwan in mid-2021, Taiwan Mobile was there to help. We not only provided high-quality internet services to meet users’ work-from-home needs, but also launched an emergency campaign to help students in less affluent or underserved areas continue to learn while in-person classes were suspended. We donated 2,257 tablet computers and gave around 45,000 users free access to the internet through the initiative, estimated to be worth about NT\$185 million. Our technology also assisted enterprise clients in meeting pandemic challenges. Demand rose considerably for Taiwan Mobile CPaaS services, such as Cloud PBX and M+ Enterprise Instant Messenger, and solutions targeted at specific industries, such as an exclusive M+ messenger software plan with 180 days free access and an M+ platform for medical communications, generating strong growth.

Taiwan Mobile’s e-commerce business also thrived during the pandemic with the help of group resources. Group affiliates supported momo.com with the development of smart logistics and smart warehousing systems, and its “momobile” promotion added to the synergies, pushing revenue to a record high. In addition, beyond its domestic investment in 91APP in 2021, Taiwan Mobile entered the Southeast Asian market by investing in Vietnam-based Tiki Global, taking another step toward its goal of building a GSEA internet company.