

Chapter 1 Company Highlights

I. Vision

Leveraging its 26 years of experience, Taiwan Mobile has made big strides in the 5G era as it transitions from a traditional telecommunications firm into a Telco+Tech company. Propelling the Company's advance is its integrated "5G+" Strategy: **Gift** (leveraging big data collected from the group's 10 million user base); **Group** (creating maximum synergy through the integration of TFN Media, momo and AppWorks); **Grit** (implementing a 10 to 15-year long-term plan to develop a super 5G ecosystem); **Green** (a steadfast belief in cherishing Taiwan, humanity and the Earth); and **GSEA** (using Taiwan's 5G ecosystem as a base for its expansion into the Greater Southeast Asian region). This has facilitated the Company's embrace of new technologies and innovations to usher in Web3 era.

With "Open Possible" as its core brand spirit, Taiwan Mobile believes that imagination, technology, action, connectivity and inspiration are the keys to (1) providing customers with technological solutions, (2) empowering a comprehensive smart lifestyle, and (3) building the momo coin ecosystem to help achieve endless possibilities for its stakeholders. The Company has always adhered to the highest standards in managing its operations, undertaking innovation and integrating core resources to attain its goal of becoming a world-class company. Operating on the principle "Think Sustainable, Act Responsible," Taiwan Mobile set up Zetta Connected 2030 standards for sustainable operations to meet the United Nations' Sustainable Development Goals. In 2022, Taiwan Mobile formally joined the RE100 initiative on global climate change, pledging to use 100 percent renewable energy by 2040.

Looking ahead, Taiwan Mobile is hopeful that industry consolidation would eliminate price wars, allowing the telecommunications service sector to focus its resources on creating innovative applications. Taiwan Mobile officially signed an agreement to merge with Taiwan Star on December 30, 2021. The Company has been cooperating with government departments to expedite the review process. After the merger, the new Taiwan Mobile will use 5G carrier aggregation (NR CA) technology to combine the companies' non-contiguous 60MHz and 40MHz spectrum in the 3.5GHz band to provide a maximum 5G bandwidth of up to 100MHz. Spectrum efficiency will be significantly improved without having to build or install new equipment. Additionally, Taiwan Mobile would be able to save an estimated 100 million to 200 million kWh of electricity annually, contributing to international efforts to reduce global warming and benefitting the nation, society, industry and the environment.

With its commitment to corporate governance, environment sustainability and social inclusion, Taiwan Mobile aims to sharpen its global competitiveness while creating the highest value for stakeholders, employees and the general public.

II. Core Competitiveness

● momo coin ecosystem to cement corporate synergy

Taiwan Mobile is the first telecommunications company in Taiwan to announce its transformation into a next-generation Telco+Tech company, offering users a convergence of Telecom, Internet, Media & Entertainment, and E-Commerce (T.I.M.E.) services. The Company is building a "Unity" platform for these services, deploying its 5G+ strategy to provide

users with technological solutions. Additionally, it is looking to develop a momo coin ecosystem, with the payment system serving as the link that ties all group services together to penetrate customers' daily lives and provide them with more complete and convenient services.

● **Innovative multiple proprietary packages, Double Play and OP Life**

Taiwan Mobile has long been an advocate of innovation, resource synergies and collaborations with partners in its ecosystem to design diversified 5G applications and enhance the user experience. Its unique "Double Play" project integrates mobile and fiber-optic broadband services to offer users more affordable packages. It has received positive feedback as subscribers can use mobile services on the go and 1Gbps+ WiFi 6 at home to enhance and upgrade their network experience. The Company has also blended content with hardware, internet and service to launch "OP Life" – a one-stop solution that offers users comprehensive media and gaming entertainment services. Furthermore, the Company offers a plethora of unique bundles, such as Disney+ and momobile, for users in search of a wider and richer mobile entertainment.

With an eye to breaking into the gaming market, Taiwan Mobile in 2020 aligned with Nvidia to create "GeForce NOW" to offer cloud gaming services. That was followed by its partnership with Logitech G to gain exclusive distribution rights to cloud gaming handheld devices. The Company is also the exclusive publisher of "League of Legends" in Taiwan, a world-renowned game with over 180 million players. As for video and music streaming, the Company continues to invest in content production through its MyVideo and MyMusic units, while also serving as the exclusive telecommunications distributor of Disney+ in Taiwan, to offer users the best experience in film and music. In addition, Taiwan Mobile released a MyMoji 3D digital avatar service, providing users a personalized and diverse experience in the metaverse.

● **Strong corporate digital transition partner with expanding 5G ecosystem**

Taiwan Mobile has played an active role in the digital transformation of corporations, offering a mixture of quality telecommunication services to help them develop their innovation capabilities. The Company assists its ecosystem partners with 5G usage, cloud services, IoT, cybersecurity and other creative applications. It teamed up with Taiwan Computing Cloud Center to form "TWCC AI cloud" – an AI technical R&D and cloud service platform to build an ecosystem to nurture a new generation of AI talent and facilitate cloud applications for enterprises. In another collaboration, the Company, together with Intel Corp and Asustek Computer Inc, set up a highly integrated cloud 5G private network for companies. This demonstrated that AIHPC using Taiwan Mobile's 5G private network environment has the capability to provide solutions for AI image identification, smart manufacturing, gaming, entertainment and smart cities, making it a force for propelling digital transformation and opening business opportunities. This year, Taiwan Mobile invested in Asia's leading AI cloud service provider, CloudMile, combining the benefits of telecommunication services and cloud product services to provide integrated solutions to enterprise customers and create added value through 5G applications. Taiwan Mobile also leads the industry in establishing a 5G testing ground in cooperation with Ming Chi University of Technology, Leo Systems Inc. and Nanya Institute of Technology to explore and demonstrate the innovative applications of 5G.

● **AI-supported infrastructure layout offers the best 5G user experience**

Taiwan Mobile utilizes AI to analyze big data on customer demand and cell tower supplies to draft plans for the best layout

of its 5G cell towers. Using smart technologies to seek locations for its infrastructure, Taiwan Mobile became the first National Communications Commission approved telecommunications service provider to provide 5G coverage for 50 percent of the population, as well as the best 5G user experience in terms of phone call quality, media entertainment and gaming. Taiwan Mobile also has a trilateral collaboration with MediaTek and Nokia, with the trio successfully rolling out 5G NR CA connection under a 5G standalone network environment, marking the world's first combination of n28 (700MHz) and n78 (3.5GHz) frequencies that were utilized in tandem. The rollout was completed in the second half of 2022, with the low-frequency, high-speed system providing an amazing user experience. With the upcoming merger with Taiwan Star, Taiwan Mobile will have a maximum 100MHz bandwidth in the key 3.5GHz band. This will allow the company to further enhance the quality of its telecommunications network, providing outstanding services to its customers.

● **TWM Anti-phishing enhances cybersecurity to combat fraud**

Thanks to its telecommunications and technological power, Taiwan Mobile has raised cybersecurity to a whole new level. TWM Anti-phishing, the first telecommunications service in Taiwan that can detect fake websites and apps, has assisted the Criminal Investigation Bureau in fighting fraud gangs on the front line. It has also helped enterprise customers install and implement cybersecurity measures. When fraud is suspected, the service immediately notifies the enterprise involved and assists it with handling reporting and applying protective measures. Taiwan Mobile continues to leverage group synergy to effectively combat fraud and safeguard society, personal data and property.

● **Building a happy workplace and nurturing interdisciplinary talent**

Taiwan Mobile employees are partners in our sustainable growth, as well as the key to maintaining the Company's core competitiveness. In 2022, the "Building a Happy Workplace Through Talent Development" recruitment and retention program launched the "TWM Human OS Upgrade v. 2022" plan. This centers on the concept of cherishing and respecting talent, developing employees' multifold capabilities, helping them unlock their skills, and assisting them in planning their career path to create a force for innovation to welcome the new wave of Web3. Additionally, Taiwan Mobile launched the "Technology Guru Nurturing Internship Program" in the same year. This program recruits information technology students from around the world and provides them with a comprehensive mentor training system to help them become future technology experts. Furthermore, Taiwan Mobile is committed to creating a happy workplace, providing a diverse and inclusive employee-oriented friendly workplace and offering various welfare measures, including flexible hours (option of working 10 days from home per month) and raising the childbirth and child-rearing subsidies.

● **An ESG role model that prioritizes sustainability**

Taiwan Mobile has long made sustainability a priority in its governance, as evidenced by its elevation of the ESG Steering Committee to a board-level committee to enhance the height and depth of corporate governance in the Company. Leveraging its core competencies in information and communications technology, Taiwan Mobile continues to enhance sustainability practices and collaborates with stakeholders to expand the influence of the Company. Taiwan Mobile's ESG performance has won top-tier rankings in the international community, including being selected in the prestigious DJSI World Index for six consecutive years and receiving an "A" certification from the Carbon Disclosure Project for its efforts to lower carbon emissions.