



# Sustainability Value Strategy



The result of our CSR input has been the creation of profit in corporate operation and a maximization of shareholder value. Our shareholder structure allows us to carry on a broad citizen responsibility. Our position in the ICT industry and the innovative products and service we provide give us the opportunity to use technology and innovation to control the risks and grasp opportunities. Our innovative products and services have a positive economic influence on the value chain, create sustainable value for the industry and the public and greatly minimize the negative impact on the environment.





# CHT Sustainability Value Strategy

## Financial Capital

- Share capital NT\$ **77,574,465** thousand
- Capital expenditures NT\$ **23,516,783** thousand

## Human Resource Capital

- Salary and welfare expenses NT\$ **47,406,556** thousand
- Training expenses NT\$ **514,082** thousand

## Intelligence Capital

- R&D expenses NT\$ **3,885,920** thousand
- Marketing expenses NT\$ **25,356,999** thousand



## Manufacturing Capital

- Equipment installation and maintenance expenses NT\$ **81,837,368** thousand

## Social Capital

- Social investment NT\$ **753,184** thousand
- Universal telecom services NT\$ **410,896** thousand

## Nature Capital

- Procurement of green energy NT\$ **9,600** thousand
- Green procurement NT\$ **1,223,000** thousand
- Environmental management expenses NT\$ **300,722** thousand

Six Main Capital  
Create  
Sustainability Value



**Five Major Forces Drive the Sustainable Cycle**

**The Digital Economy Motivator**

**Vision** | Digital economy transformation

- Strategy**
- Becoming the 5G telecom leading brand
  - Stimulating innovative application and creating new business models



**The Creative Industry Pilot**

**Vision** | Industrial innovation  
Talent startup

- Strategy**
- Investing and fostering startup business
  - Encouraging innovation and start-up internally



**The Happiness Value Protector**

**Vision** | Happy corporation  
Considerate services

- Strategy**
- Establishing a healthy and happy workplace
  - Protecting information and labor human rights
  - Providing excellent innovative service



**The Green Corporation Pioneer**

**Vision** | Transformation into a green corporation

- Strategy**
- 5G(Green) action
  - Constructing a green and low-carbon supply chain



**The Social Value Guide**

**Vision** | Connect • Hope • Technology

- Strategy**
- 5I SDGs digital inclusion initiative
  - Corporate volunteer work

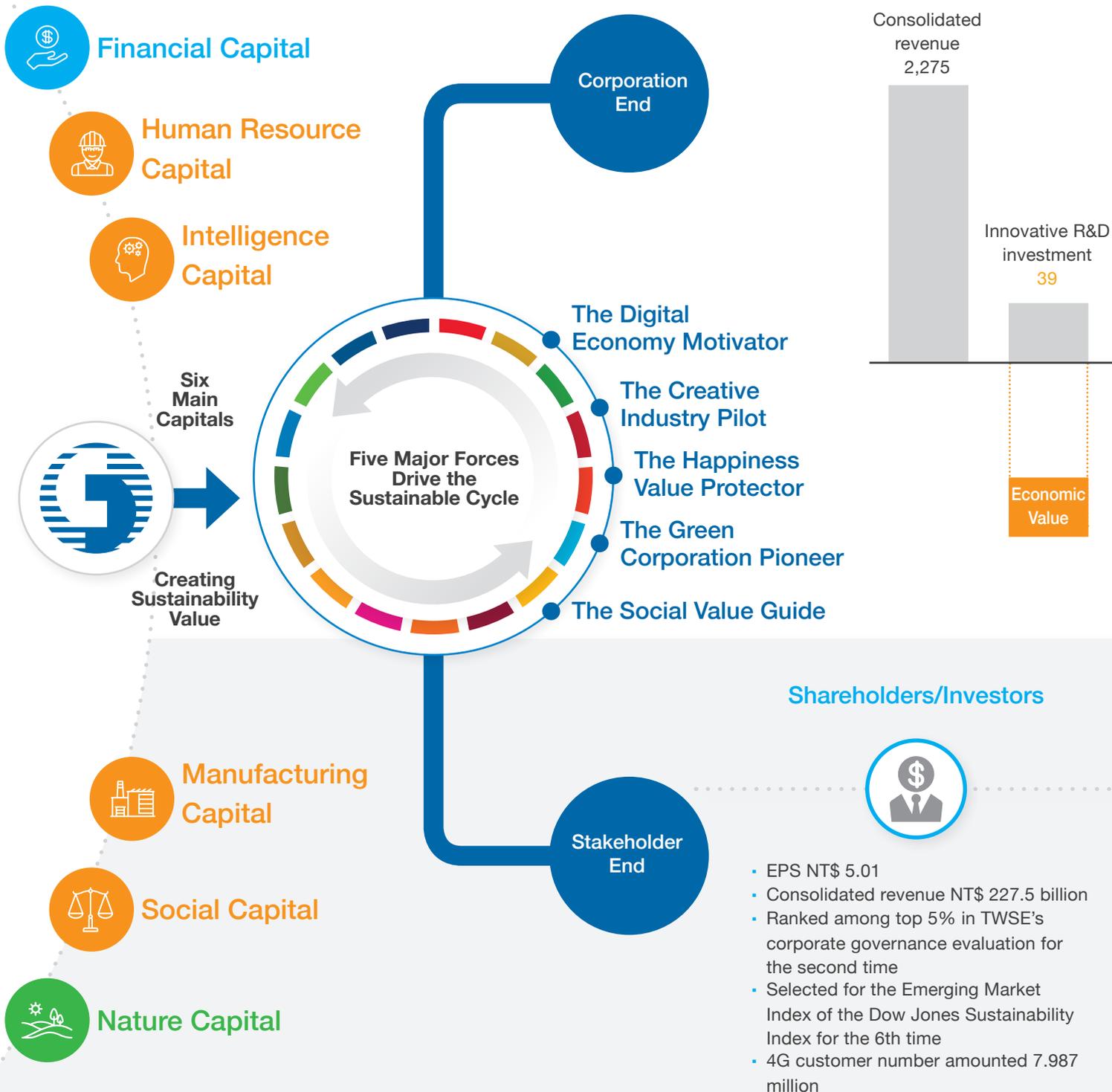


We utilize our ICT corporate core competence and integrate with CSR to establish the five main forces, "The Digital Economy Motivator, The Creative Industry Pilot, The Happiness Value Protector, The Green Corporation Pioneer, The Social Value Guide." We think that the input in these five main fields will help accomplish a society with digital inclusion and the future of sustainability development.



# Creating Sustainability Value

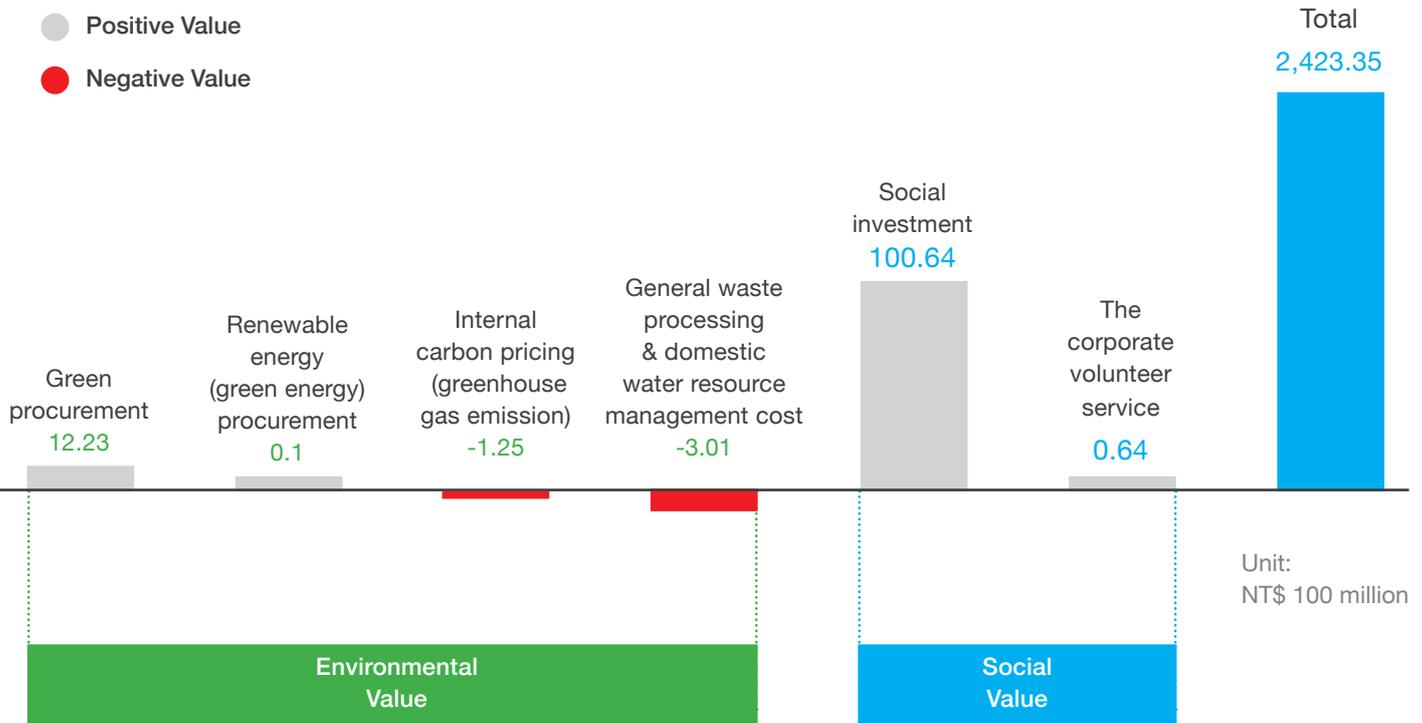
Our CSR issues and actions have created sound economic, environmental and social value. Although we have made serious efforts to adapt quantized data when setting-up and managing CSR plans, targets and performance, we have come to realize the difficulty of quantizing environmental and social values. There is still lots of true value that cannot be realized with the currency presently used as evaluation indicators of CSR performance.





We have used a “True Value” method of calculation. Positive (+) and negative (-) currency values have been assigned in an assessment of our influence on society and the environment. This gives a sound idea of the real environmental and social value (profit and cost) of our sustainability efforts in 2017. The economic, social and environmental currency value CHT created on operation has also been blended in.

- Positive Value
- Negative Value



### Employees



- Employee salary and benefits are NT\$ 47.407 billion
- The average training hours per person are 43 hours
- The total training cost is NT\$ 514.082 million
- The total service hours of the corporate volunteer service are 14,201 hours
- The occupational injury rate per thousand workers is 1.16 for men and 1.57 for women
- We have 668 employees with disabilities (the legal amount is 212 people)
- We have 43 aboriginal employees
- The employee satisfaction score is 80.56 (out of 100)

### Clients /Costumers



- We have more than 59 thousand public Wi-Fi hotspots
- The customer satisfaction score is 7.57 (10-point system)
- The customer hotline service satisfaction score is 4.68 (5-point system)

### Communities /NPOs



- We provide the disadvantaged groups' communication for 18,112 households
- The subsidy amount is NT\$ 39.054 million
- Coverage rate of the 12Mbps universal broadband service is over 96%
- The voice assistant App for the blind has been downloaded 50,826 times
- The locations of Digital Good Neighbors has accumulated to 92 places

### Supply Chain Partners



- The local procurement percentage takes up 56% of the total procurement
- The green procurement amount is NT\$ 1.223 billion