

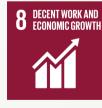






Sustainability Value Strategy

The SDGs CHT contributes to in this chapter





Six Main Capitals -Create Sustainability Value 30 **Five Major Forces -Drive the Sustainable Cycle** 30 **Creating Sustainable Value** 32

















Financial Capital

- Share capital 77,574,465 thousand
- · Capital expenditures 23,510,820 thousand



Human Resource Capital

- Salary and welfare expenses 44,963,207 thousand
- Training expenses 493,000 thousand



Intelligence Capital

- R&D expenses 3,849,999 thousand
- Marketing expenses 20,912,848 thousand



Six Main Capitals Create Sustainability Value



Manufacturing Capital

- Equipment installation and maintenance expenses **26,838,242** thousand
- Cell tower installation expenses 7,997,131 thousand



Social Capital

- Social investment 1,076,692 thousand
- Universal telecom services 491,271 thousand



Nature Capital

- Green procurement 904,204 thousand
- Environmental management expenses
 329,126 thousand

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, and 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.

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 Industry innovation & Talent Startup



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

The Happiness Value Protector



Happy corporation & Considerate services

■ Strategy

- Establish a healthy and happy workplace
- Protect cyber and labor human rights
- Provide excellent innovative services

The Green Corporation Pioneer

Vision

Transforming into a green corporation thoroughly

■ Strategy

- 5G(Green) 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 volunteering services

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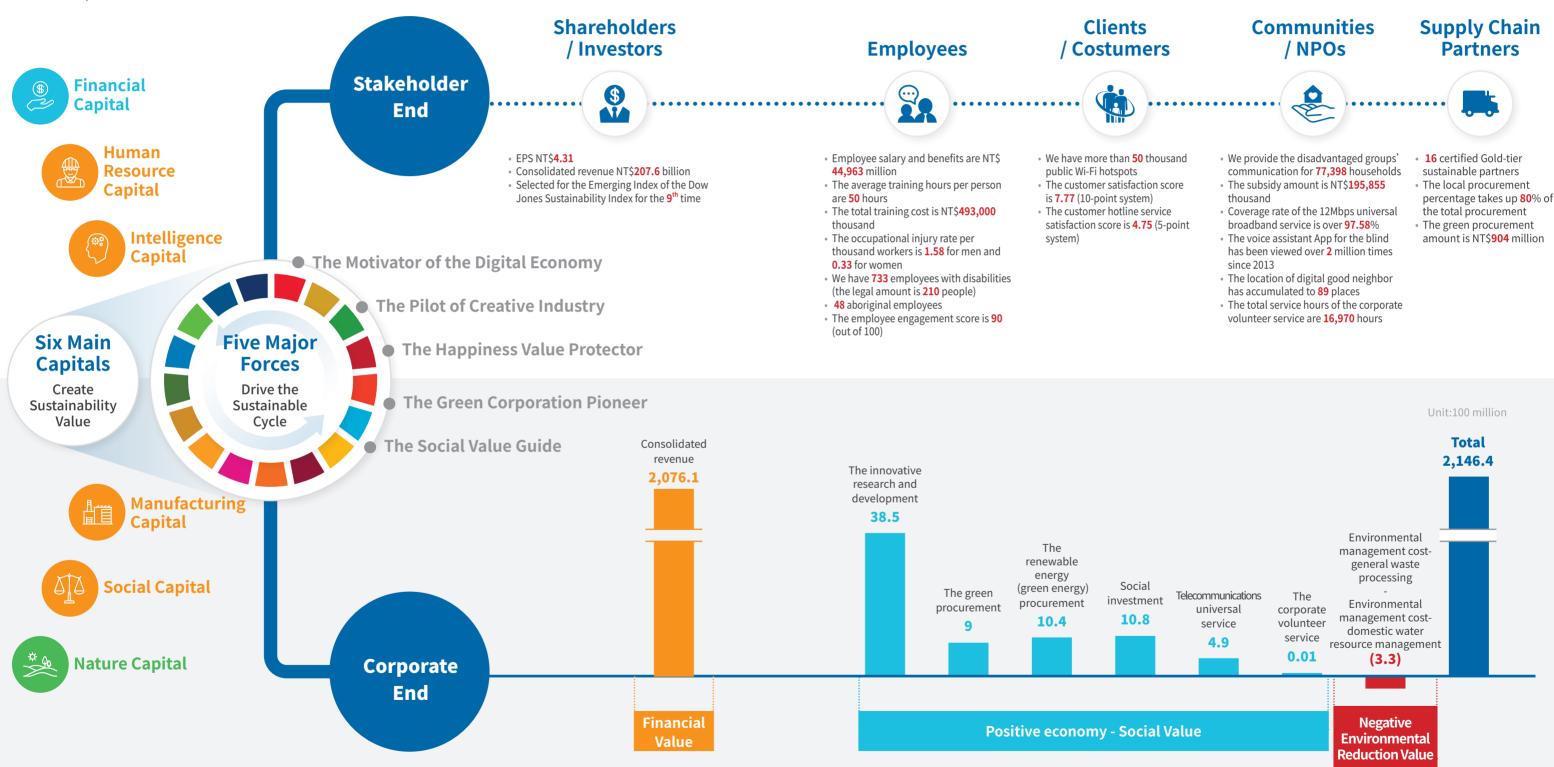




Ereating Sustainable Value

Our CSR issues and actions have created sound economic, environmental and social value since 2006. 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 environment. This gives a sound idea of the real environmental and social value (profit and cost) of our sustainability efforts in 2020. The economic, social and environmental currency value CHT created on operation has also been blended in. The true value CHT creates in 2020 is NT\$214.64 billion.



Source of true value calculation for corporate volunteer service

Source of true value calculation for Telecom universal service:

Research conclusion, Journal of China Institute of Technology Vol.40-2009.06

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