

**Taiwan Mobile Co., Ltd.**  
**Corporate ESG Best Practice Principles**  
**(“ESG Principles”)**

Officially resolved by the Board of Directors on January 29, 2015

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## **Chapter 1 General Principles**

### **Article 1**

For the purposes of sustainable development and the fulfillment of corporate social responsibility, Taiwan Mobile Co., Ltd. (the “Company”) hereby promulgates the ESG Principles.

### **Article 2**

The ESG Principles is applicable to the Company and its subsidiaries, and its scope includes the overall operation, products, services, and other related activities.

### **Article 3**

The Company shall assert the value of integrity and shall combine its core resources and capabilities to fulfill the sustainable development and to create maximum value for the stakeholders. The Company shall proactively exercise corporate governance, public welfare, environment sustainability, and bring them into the Company’s corporate management target and business strategy. The Company shall also incorporate environmental and social aspects into the evaluation in the mergers and acquisitions to maintain the corporate value of the Company.

### **Article 4**

To fulfill the Company's sustainable development, it shall follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Value human rights and commitments to employees.
4. Implement sustainable products and services.
5. Promotion of public welfare.
6. Enhance disclosure of ESG information.

### **Article 5**

The board-level "ESG Steering Committee" is composed of the Chairman and all five Independent Directors of the Company. To supervises the existing operating level Working Groups including ESG, Environmental, Innovation and Brand Development, and the Occupational Safety and Health Committee, so as to enhance the level and breadth of sustainable governance of the Company. The ESG Working Group,

participated by the Company's executives, shall establish the Company's sustainable development blueprint and sustainable risk management identification, etc. and shall hold regular meetings annually, make decisions, report the execution results and major performance to the ESG Steering Committee and the Board of Directors to make sure its strategies in line with market trends.

## **Chapter 2 Exercising Corporate Governance**

### **Article 6**

The Company shall follow the relevant domestic laws and regulations and Articles of Incorporation to establish the governance framework and the code of ethics with transparency and integrity to enhance corporate governance.

### **Article 7**

1. The Directors of the Company shall exercise due care of administrators to review the results of the implementation thereof periodically so as to ensure thorough implementation of the Company's ESG policies. The following matters are advised to be included in the Company's performing corporate sustainable development:

- (1) The ESG Working Group shall propose corporate sustainable development missions, vision and ESG-related risks to the board-level "ESG Steering Committee" and the Board of Directors, and formulate sustainable development policies, systems or related management policies. The specific promotion plans for sustainable development shall be approved by the board-level "ESG Steering Committee".
- (2) Enhancing the timeliness and accuracy of the disclosure of ESG-related information.
- (3) Senior management authorized by the board-level "ESG Steering Committee" and the Board of Directors shall manage and deal with the economic, environmental, and social issues arising from the operations, products, services and any other relevant activities, and report the status of the handling to the board-level "ESG Steering Committee" and the Board of Directors.

### **Article 8**

The Company shall comply with anti-corruption regulations and follow the following guidelines:

1. Bribery is prohibited.
2. Illegal political contributions are prohibited.
3. Inappropriate charitable donations or sponsorships are prohibited.
4. Other improper benefits are prohibited.

### **Article 9**

The Company shall organize ESG training and course (including environmental education) from time to time.



**Article 10**

The Company adopts reasonable remuneration policies to ensure that remuneration arrangements support the strategic target of the organization, and align with the interests of stakeholders. The employee performance evaluation system may, at the Company's discretion, be combined with ESG policies, and comply with the Company's performance evaluation regulations.

**Article 11**

The Company shall establish communication channels for stakeholders to appropriately respond to issues of their concerns or relevant needs, and designated a ESG section on the Company's website.



### Chapter 3 Fostering a Sustainable Environment

#### Article 12

1. The Company shall follow the relevant environmental laws, regulations and international standards to properly protect the environment, use the core capabilities of information and communication service industry to provide eco/green services and improve the efficiency of energy or equipment, and shall establish a relevant system of environment management to enhance an intelligent, carbon-conserved society and achieve the goal of a sustainable environment and Net Zero Commitment..
2. The Company shall establish measurable goals for environmental sustainability and Net Zero Commitment.
3. The Company shall establish implement measures such as specific plans or action plans and check the results regularly.

#### Article 13

The Company establishes a Environmental teamworking Group to promote and integrate all of the Company' s environmental protection-related activities. The Environmental Working Group is also tasked with incorporating the Company' s environmental management rules and sustainable management roadmap into its ESG policies. The Environmental Working Group shall hold meetings from time to time and be responsible to develop action plans relating to reducing the energy consumption and carbon emissions, monitor the execution results and submit the report to the board-level “ ESG Steering Committee” ..

#### Article 14

The Company endeavors to utilize all resources more efficiently and evaluates the use of renewable materials which have a low impact on the environment to improve sustainability of natural resources.

#### Article 15

In accordance with various environmental protection measures and the relevance of biodiversity protection to the operations, products, services and other development of the Company and its partners, the Company conducts company activities in accordance with the following principles, and negotiates with partners (such as joint venture partners, key suppliers and affiliated enterprises) to reduce the impact on the natural environment and human beings:

1. Reduce resource and energy consumption of the Company's operation (including logistics), products and services.
2. Reduce emissions of pollutants, toxins and waste, and dispose or recycle waste



properly.

3. Assess and reduce environmental impact of new products, services, projects, and constructions.
4. Evaluate the source of raw materials for products and support due diligence on conflict minerals.
5. Increase the proportion of the usage of renewable energy.
6. Improve the recyclability and reuse of raw materials or products.
7. Promote sustainable use of renewable resources.
8. Extend the durability of the product.
9. Improve efficiency of products and services.
10. Use and economize the water resource efficiently.
11. Formulate and implement Group-level best practice measures for biodiversity protection and zero deforestation.



#### **Article 16**

1. The Company adopts standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory annually and makes disclosures thereof, the scope of which shall include the following:
  - (1) Direct greenhouse gas emissions (Scope 1): emission from operations that are owned or controlled by the Company.
  - (2) Indirect Greenhouse Gas Emissions (Scope 2): emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.
  - (3) Other indirect greenhouse gas emissions (Scope 3): All indirect emissions generated outside the Company.
2. The Environmental teamworking Group shall establish the targets and strategies for carbon and greenhouse gas reduction and review the effect regularly.

### **Chapter 4 Value Human Rights and Commitments to Employees**

#### **Article 17**

The Company shall comply with the domestic labor laws, regulations, the International Bill of Human Rights, and shall adopt relevant management policies and processes, including:

1. In accordance with international labor conventions and government regulations, the Company shall not discriminate against job seekers or employees on the basis of race, class, language, ideology, religion, party affiliation, place of origin, place of birth, gender, sexual orientation, age, marriage, appearance, facial features, physical and mental disabilities, horoscope, blood type or previous union membership; human trafficking, forced labor and child labor are prohibited. All employees are provided with equal remuneration.
2. Evaluate the impact of the Company's operations, products, services and other related activities and internal management on human rights, formulate human rights policies and corresponding handling procedures, and review the effectiveness of execution regularly.
3. In the event of any infringement of human rights, the Company shall disclose the processes for the handling of the matter with respect to the stakeholders involved.
4. Set up an effective and appropriate grievance mechanism and respond appropriately.

#### **Article 18**

The Company shall provide information for their employees and a platform to facilitate regular two-way communication between management and employees, so that the employees have knowledge of labor laws and the rights they enjoy in the countries where the Company has business operations, obtain relevant information on and express their opinions



on the Company's operations, management and decisions. The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

**Article 19**

The Company is committed to implementing and continuously improving various safety and health management issues (such as occupational accident prevention, mental health, infectious disease prevention, etc.) to prevent accidents, provide a safe and healthy working environment for employees, and design diversified health activities and hold health lectures or provide health consultations from time to time to protect the rights and interests of employees.

**Article 20**

In order to enhance the employees' professional capabilities and to facilitate the Company's development, the Company shall subject talent training programs in combination with the annual development strategy and training requirements, and executes them in accordance with the training management method. The Company shall make performance evaluation for all employees regularly, and provide appropriate rewards, encouragement and assistance depending on the employees' performance.



## **Chapter 5 Implement Sustainable Products and Services**

### **Article 21**

The Company shall comply with international guidelines, laws and regulations of the government and relevant standards of their industries to ensure the transparency and safety of its products and services. The Company further shall establish and disclose policies on consumer rights and interests.

### **Article 22**

The Company shall provide transparent and effective consumer complaint procedures for its products and services, handle consumer complaints fairly and immediately, and comply with relevant laws and regulations such as the Personal Data Protection Act, truly respect the privacy rights of customers and protect personal information provided by consumers.

### **Article 23**

The Company shall evaluate the affect and impact of its procurement behavior on the environment and society of the source of supply, and cooperate with key suppliers to jointly commit to the ESG implementation.

## **Chapter 6 Promotion of Public Welfare**

### **Article 24**

With the core technological public welfare as the development axis of social participation, the Company has developed a strategic map of " Spreading Love with Technological Solutions ", focusing on five areas including "encourage cultural and innovative arts", "promote technology inclusion", emergency responses", " promote technology inclusion " and "cultivate social care", aiming at social inclusion to develop and promote public welfare projects and strive for corporate sustainable development. In addition to employing manpower in the Company's operating locations to enhance community acceptance, the Company also provides core corporate resources to assist public welfare groups, disadvantaged and specific ethnic groups to learn and experience digital applications, and actively cultivate digital creative talents to enhance digital cultural creativity.

### **Article 25**

The Company shall stipulate and execute the enterprise volunteer guidelines, organize enterprise volunteering activities from time to time, encourage employees to join social services for the performance of corporate social responsibility.





## Chapter 7 Enhancing Disclosure of ESG Information

### Article 26

The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its ESG initiatives to improve information transparency.

Relevant information relating to corporate ESG which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for ESG initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the ESG initiatives established by the companies, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Information related to carbon and greenhouse gas reduction.
7. Other information relating to ESG initiatives.

### Article 27

The Company shall adopt relevant laws, regulations and internationally recognized standards or guidelines when regularly producing ESG reports to disclose the performance of its implementation of the ESG policy, and shall obtain a third-party assurance or verification for reports.

### Article 28

The ESG Principles shall be implemented after an approval is made by the Board of Directors, and shall be reported at the shareholders' meeting. The same procedure shall apply to any amendment thereto.