

Future of Devices: Trends shaping the device ecosystem in the 5G era

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Proliferation of connected devices

- A growing and diverse range of devices
- For consumer and enterprise use cases
- Spurring new services and business models

New device technologies and network requirements

- 5G
- eSIM and iSIM
- AI capabilities
- VoLTE
- Security
- Identity
- Data analytics

Changing customer behaviour

- Shift to digital
- Always connected
- Multi-device access
- Multi-subscription
- Bundling
- Convergence of digital & real worlds

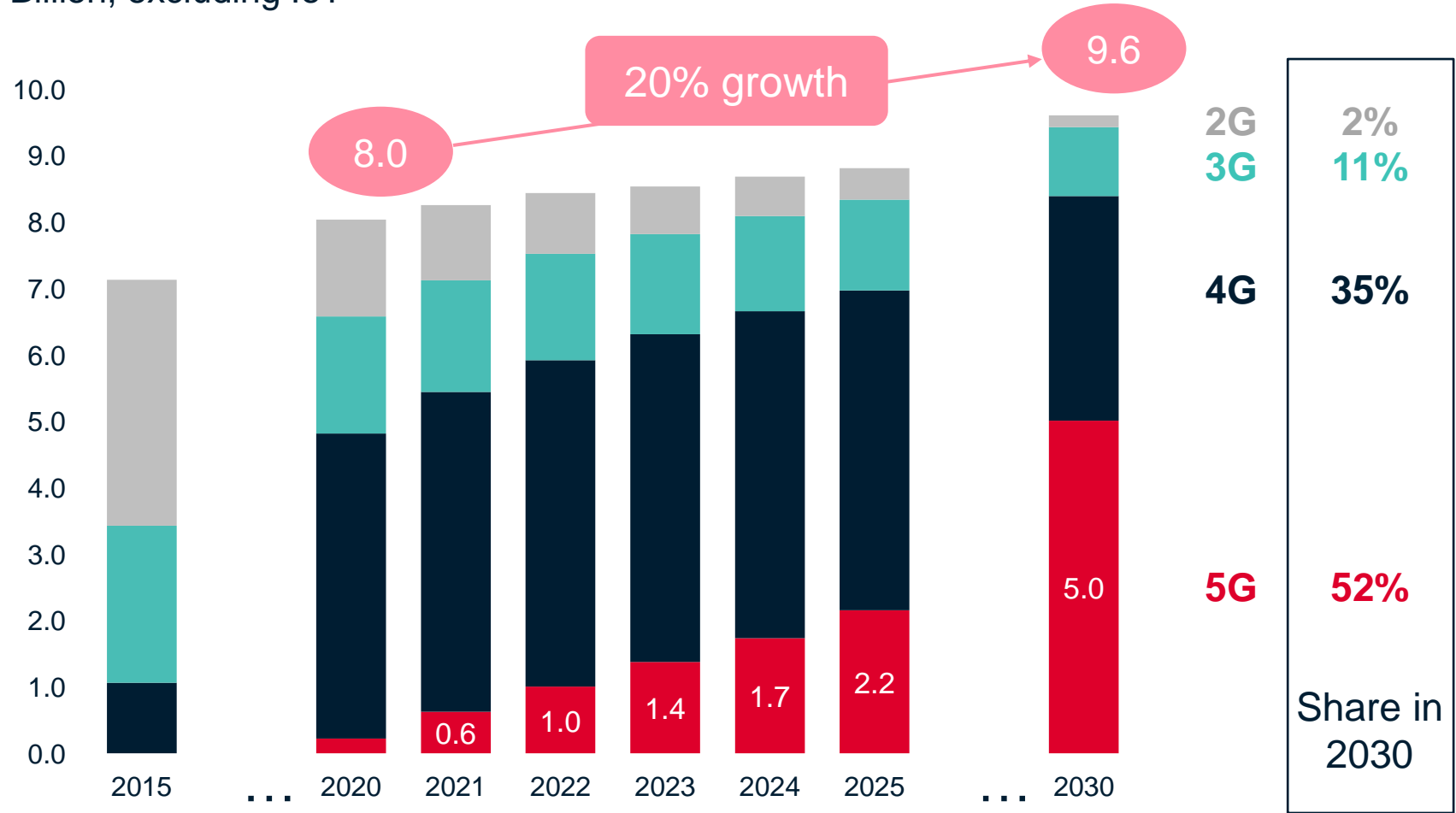
Device information is more important (and complex) than ever before

Still room for mobile connections growth

5G is now a global trend. Five billion 5G connections by 2030

Global mobile connections

Billion, excluding IoT



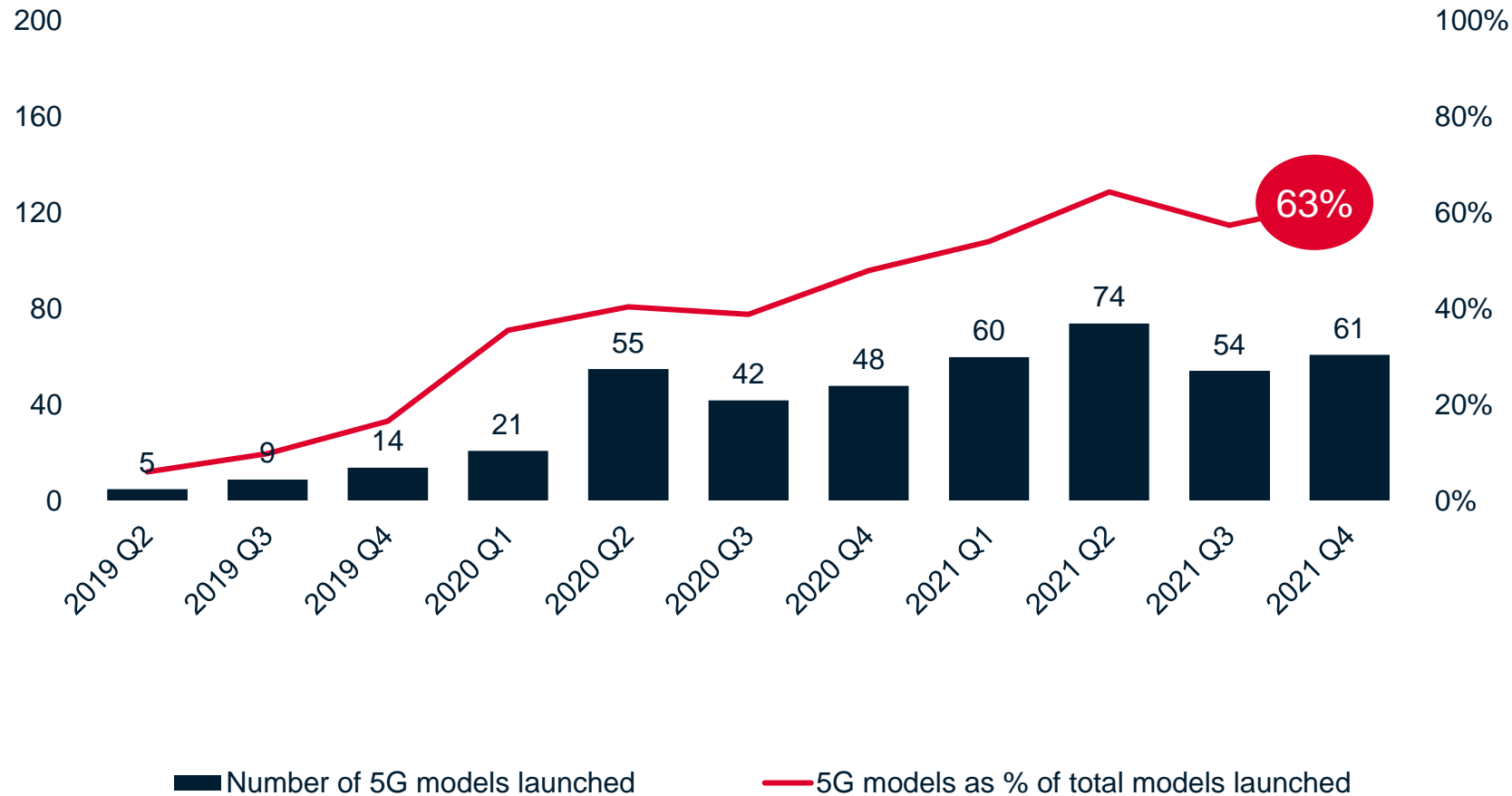
Technology	Share in 2030
2G	2%
3G	11%
4G	35%
5G	52%

- **20% growth:** 1.6 billion new mobile connections through to 2030
- **All eyes on 5G:** 184 operators have launched 5G commercial services across 72 countries (end of 2021)
- **5G road to mainstream:** in the 5G pioneer markets 5G adoption will surpass 4G adoption in 2023-2024. Globally in 2029

5G dominates smartphone launches

Consumer intent to upgrade to 5G soars

5G-capable smartphone launches

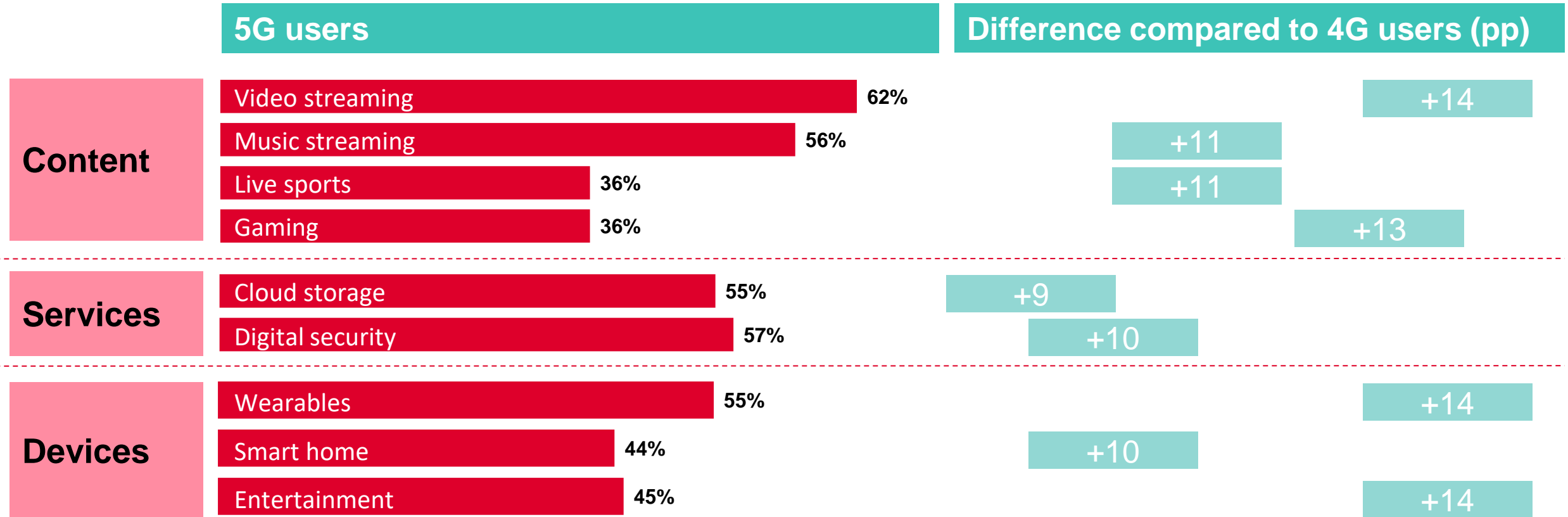


- **5G is mainstream in new phones:** attention now turns from device availability to prices
- **Cost barrier should become less relevant in 2022:** today, the cost of 5G (device rather than service) is the second-largest barrier to 5G adoption

5G brings higher consumer interest in bundling

Customer segmentation is crucial to driving higher uptake of 5G bundles

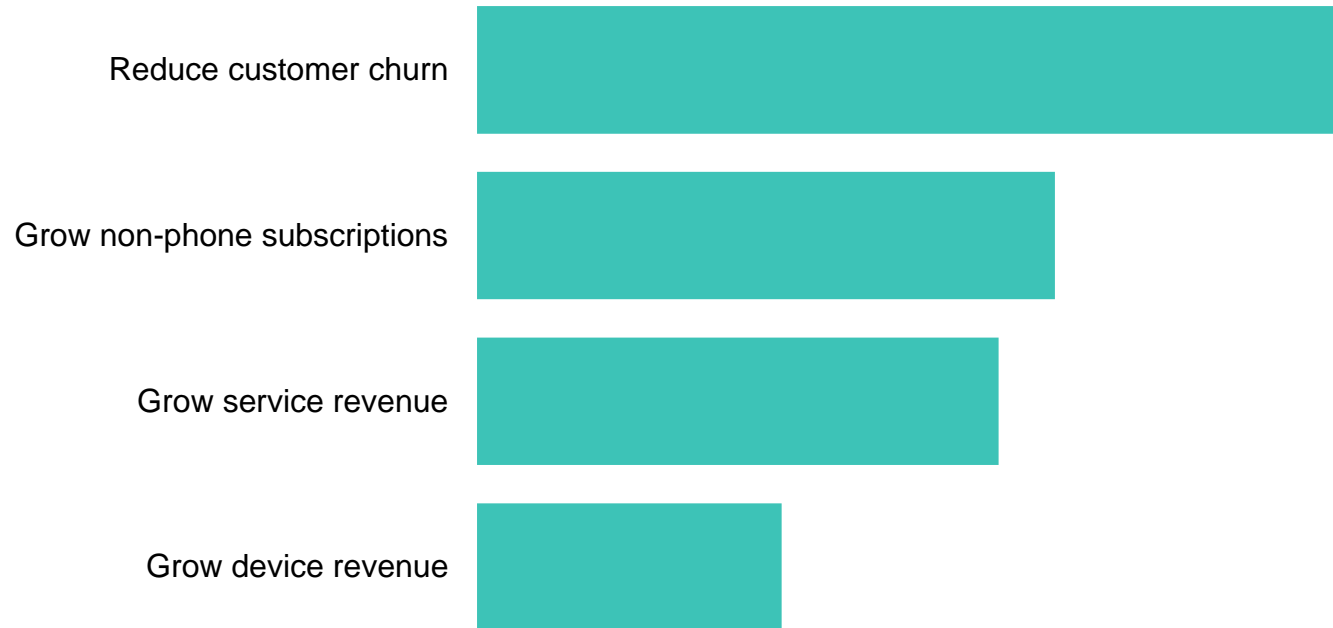
Non-connectivity offerings consumers want packaged with their mobile subscription contracts



5G effect. 5G users are more interested than 4G users in adding services/content to their mobile contracts

Strategic reasons for the sale of non-phone devices

Operators speak – ranking



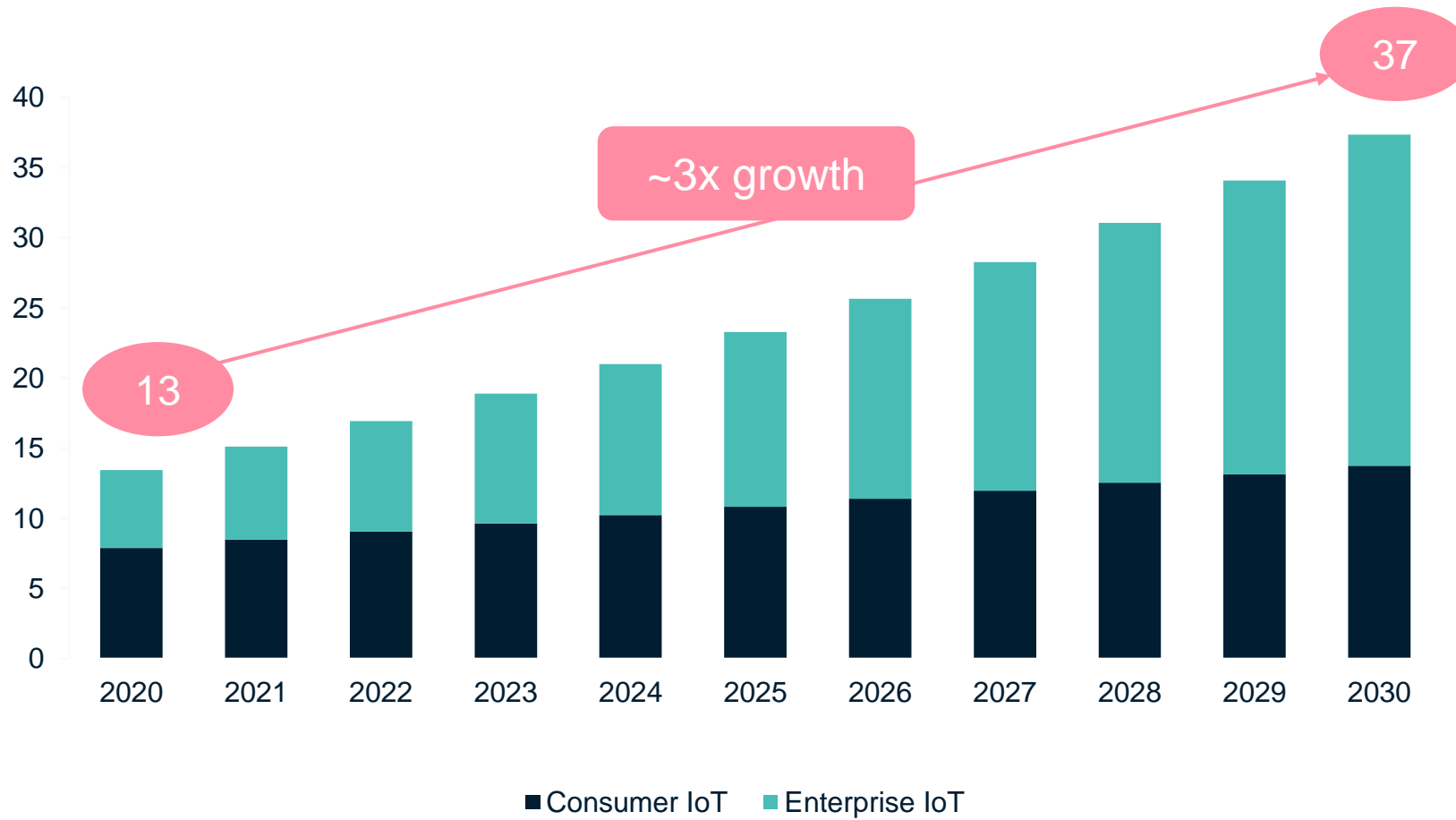
- **75:25 split:** phones vs. non-phones operator sales (volumes)
- **A churn factor...**but also new revenues
- **The role of 5G and eSIM:** helping drive adoption of non-phone devices
- **Customer needs:** easy set up, integration, multi-device access and multi-subscription

IoT market: explosion of connections and devices

~3x growth through to 2030

Global IoT connections

Billion, globally



- **Enterprise driving IoT growth:** ~70% of IoT connections growth will come from enterprise use cases in 2022
- **Consumer trends:** smart home drives growth. Smartwatches overtaking fitness trackers
- **Cellular on the rise:** more than 5 billion licensed cellular IoT connections in 2030

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