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About This Report

This report presents the actual practices, performance data, and related planning activities of Taiwan Mobile Co., Ltd. (this company) in the field of business operations, corporate governance, environmental protection, and social participation between Jan 1 and Dec 31, 2013 in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies and the CSR policy of Taiwan Mobile. Some data were traced to 2013 or earlier and the contents and performance of 2014 to manifest changes and guarantee the completeness of data over time sequences for certain topic areas.

CSR reports are released annually and the major categories of the reports mainly provide data pertaining to Taiwan Mobile Co., Ltd. and the Taiwan Mobile Foundation, while part of the information is also related to Taiwan Fixed Network Co., Ltd., Taiwan Mobile Digital Services Co., Ltd., Taiwan Teleservices & Technologies Co., Ltd., Taiwan Fixed Network Media Co., Ltd., Taiwan Mobile Basketball Entertainment Co., Ltd., and Taiwan Kuro Times Co., Ltd. Financial data indicating operational performance have been reviewed by KPMG Taiwan. The main categories of the chapter on greenhouse gas inventories are defined in accordance with statements issued by third-party verification institutions. As for the measurement of categories and quantitative data, no major changes were made compared to the previous report (released in August 2013). Differences in the measurement

of categories and quantitative data compared to the previous version are specifically indicated in the respective paragraph. The statistical data provided in the report are derived from the company's own statistics and surveys and are presented with conventional data description techniques.

This report was compiled with reference to the G3.1 Guidelines of the Global Reporting Initiative (GRI). The report categories encompass the dimensions of operational performance, corporate governance, environmental protection, and social participation and are consistent with current international trends regarding disclosure of information on corporate operations. A limited assurance of the report contents was performed by KPMG, an independent institution with public credibility in accordance with the ISAE 3000 standards. The contents revealed in this report conform to the A+ application level of GRI G3.1. The independent assurance report issued by KPMG has also been incorporated into the CSR report.

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Foreword by Chairman



The bidding process for mobile broadband service (4G) licenses which is crucial for the development of mobile communications in Taiwan was officially concluded in late October 2013. The company was awarded licenses for the following frequency bands: A4(700MHz), C1(1800MHz), and 15MHzx2 and acquired an optimal frequency spectrum efficiency, which enables us to provide even more optimized services for our customers. Due to the optimal penetration characteristics of 700MHz waves, the number of required base stations is greatly reduced. This not only lowers the costs of follow-up construction and maintenance but also decreases the electricity use of base stations, the main power consumers of the telecommunication industry, which in turn generates energy conservation and carbon reduction effects.

Taiwan Mobile Co., Ltd. has received wide acclaim for its pursuit of stable development in core business areas as well as its aspiration to enhance overall corporate value.

1. World-class corporate governance benchmarking
Taiwan Mobile Co., Ltd. insists on implementing corporate governance by embracing integrity as the fundamental principle. Brilliant results have been achieved over the past year due to constant self-exhortation based on global standards:
 - a. Selection as DJSI (Dow Jones Sustainability Indices) constituent stock for emerging markets two times in a row
 - b. Honored with the Corporate Governance Asia Recognition Awards presented by Corporate Governance Asia Magazine for seven consecutive years
 - c. Due to continued outstanding performance, the company received the Icon on Corporate Governance award, which represents the highest honor bestowed in this field. The company thereby surpassed the achievements of other telecommunication providers in Taiwan.
 - d. Recognized by the Information Disclosure and Transparency Ranking System for publicly listed companies as a company with the highest information transparency with a rating of A++ and ranked among the top 5 listed companies in this field for eight consecutive years.
2. Setting an example in corporate social responsibility
We have dedicated our efforts to CSR in a planned and systematic fashion over many years. Our efforts to maximize the social benefits based on the actual needs of society by utilizing the core resources of the company have been widely acknowledged. Moreover, we have been honored with the top award in the education promotion section of the Global Views Monthly CSR Awards for the sixth time. Common

Wealth Magazine has presented us with the Corporate Citizenship Awards for seven years in a row. The company also received two recognitions from the Taiwan Institute of Sustainable Energy: The 2013 Taiwan Corporate Sustainability Report Awards-Excellence in Telecom Sector and the Model Award in the Social Inclusion Category. As far as GHG inventories and energy management are concerned, the company was awarded ISO 14064-1 and ISO 50001 certifications

3. Supreme services and customer satisfaction
The company embraces the core concept of "Genuine concern for the customer" in the provision of outstanding customer services, world-class information security protection, and supreme communication quality. Our innovative products and services have won the approval of consumers. The company was selected as the 2013 Most Prestigious Company in Taiwan by Common Wealth Magazine in 2013 and continues to be a leading enterprise in the field of telecommunication services. The company has also been selected as a Trusted Brand by Reader's Digest Magazine for ten consecutive years.

It is expected that the advent of the new era of 4G in 2014 will be a crucial period full of challenges in the face of the competition posed by existing and new providers. The company will continue to deliver outstanding Internet performance, superior product and service quality, innovative R&D capabilities, multi-directional marketing channels, and world-class information security protection as a leading brand with the goal of becoming the first choice for consumers in the field of high-speed mobile Internet services.

Chairman

Overview



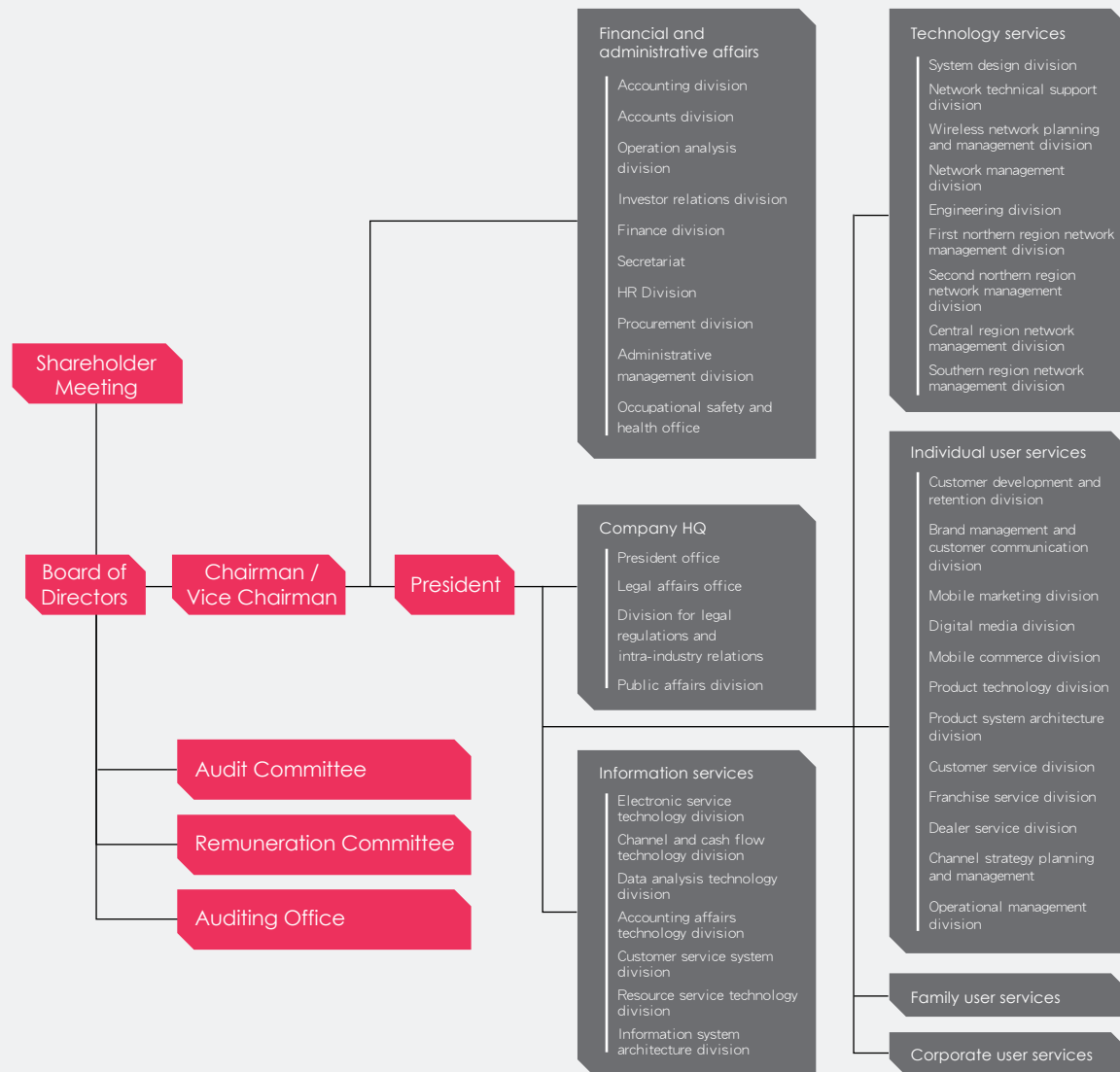
Current state and future development

Taiwan Mobile Co., Ltd. was established in February 1997 and was awarded a government-issued operating license for first category telecommunication businesses in the same year. Taiwan Mobile became the first privately operated telecommunication business to be publicly traded on the Taiwan Stock Exchange. In 2002, the company was included in the Taiwan 50 Index and selected as an investment index constituent stock of Morgan Stanley Capital International (MSCI) and chosen as a DJSI constituent stock in 2013 for the second consecutive year. Taiwan Mobile is listed as a DJSI (Dow Jones Sustainability Index) constituent stock side by side with leading global telecommunication enterprises such as the UK-based Vodafone and the US-based AT&T.

Between 2007 and 2008, the company acquired and merged with Taiwan Fixed Network, Taiwan Telecommunications, TransAsia Telecommunications, and Mobitai Telecommunications to enhance the scope of operations and gain the ability to provide integrated services. The corporate framework spans the fields of mobile communications, fixed networks, broadband Internet services, and cable TV. Users are provided with seamless, multi-screen cloud service digital convergence services through cross-platform integration capabilities. The company offers supreme product and service quality, innovative R&D capabilities, and world-class information security protection and creates optimized user experiences for its customers. Taiwan Mobile is the telecommunication and media service provider with the widest layout in the fields of telecommunication, internet, media, and entertainment. 2008 marked the official launch of three new brands: Taiwan Mobile, TWM Broadband, and TWM Solution. The official provision of 4G services in June 2014 marks a new milestone.

We aim to transform complex technologies into simple, practical, and user-friendly mobile services by embracing the concept of human nature. It is our passion to provide our customers with a fully satisfying digital lifestyle. Rooted in local culture, we insist on providing each customer in Taiwan with world-class services and are committed to creating an even more gratifying mobile lifestyle. Taiwan Mobile is part of your daily life

Facing the advent of the 4G high-speed Internet age, Taiwan Mobile, which constantly strives for innovation, aims to integrate the telecommunication, media, and cloud services and virtual and physical channels under the corporate banner based on a core strategy of digital convergence to provide cross-platform and seamless audiovisual and Internet application services. Taiwan Mobile provides individual services such as enhanced cloud video (myVideo) and online music services (myMusic), mobile games (myPlay1) and shopping services (myfone) as well as mobile payment and personal health services (mySports) in addition to services for the family as the core unit such as automated security and surveillance systems and family videos. IaaS services and mobile office and cloud services cater to corporate customers. The provision of multidimensional cloud application services which meet customer demands will create an unprecedented new brand experience.



Honors and recognitions

- 2014-05 Top award in the public welfare promotion section of the 10th CSR Awards presented by Global Views Monthly (8th award received within a period of 10 years)
- 2014-04 IDC Cloud data center is the only center of its kind in Taiwan which has been awarded a Brill Awards for Efficient IT presented for the first time by the Uptime Institute
- 2013-12 Award for outstanding achievements in the field of group effects of healthy weight management activities in Taipei City presented by the Department of Health, Taipei City
- 2013-11 Honored with the CG6006 Advanced Corporate Governance Certification for the third consecutive time
- 2013-11 ISO 50001 Energy Management System Certification
- 2013-11 Taiwan Corporate Sustainability Excellence Award and Social Inclusion Model Award
- 2013-10 Continued ranking as a leading telecommunications service provider with the Best Reputation Benchmark in Taiwan in 2013
- 2013-09 ISO 14064-1 GHG inventory external verification certificate received for the first time
- 2013-09 Selected as DJSI (Dow Jones Sustainability Index) constituent stock for emerging markets for the second consecutive year
- 2013-08 Honored with the Commonwealth Corporate Citizen award presented by Commonwealth Magazine for the seventh time
- 2013-07 ISO 10002 Customer Complaint Management System certification
- 2013-07 A++ rating for highest information transparency awarded by the Information Disclosure and Transparency Ranking System for Publicly Listed Companies for the eighth consecutive year
- 2013-06 Model Award for best corporate governance in Asia presented by Corporate Governance Asia Magazine in the context of the 9th Asian Excellence Recognition Awards earned for the seventh consecutive year
- 2013-05 Gold Award for being a Trusted Brand in the field of phone services (fixed or mobile network) presented by Reader's Digest earned for the tenth consecutive year
- 2013-05 Top award in the education promotion section of the 9th CSR Awards presented by Global Views Monthly
- 2013-03 Taiwan Mobile "myfone" stores and customer service center are honored with Qualicert certifications by SGS
- 2013-03 ISO/IEC 27001 International Information Security Management System and NCC ISO/IEC 27011 Additional Audit Item certifications were received in 2011. The verification range of NCC ISO/IEC 27001/27011 Additional Audit Items for the submarine cable system was expanded to protect the information security of the cross-strait telecommunication services. The company successfully met the criteria of the reviews and verifications conducted by the NCC (National Communications Commission)

Efforts in the field of business governance

Taiwan Mobile embraces “Creation of optimized user experiences for customers” as the core concept in the provision of all-around communication and media services to turn into a leading enterprise in the age of digital convergence. The company implements CSR by insisting on integrity as the fundamental principle and aims to maximize values and create a world-class enterprise for the six major stakeholders, namely shareholders, investors, customers, communities/NGOs, partners, the competent authorities and employees.

We have set ourselves a standard of global benchmark corporate governance which represents the fulfillment of our responsibility toward investors, employees, and business partners. It is our firm conviction that the implementation of CSR must be based on integrity and transparent governance. The company has earned national and international recognition for many years in a row. In 2013, we were honored for the seventh consecutive time with the model award for best governance in Asia presented by Corporate Governance Asia Magazine in the context of the 9th Asian Excellence Recognition Awards.

Quantifiable performance in 2013

In 2013, the overall consolidated revenue rose by 9% compared to the previous year mainly due to the fact that mobile data revenue increased by 30% compared to 2012, the steady growth of the revenue from mobile services for corporate users, an 8% growth of revenue from cable TV and broadband Internet services as well as an annual revenue growth rate of over 40% in the field of online shopping services provided by our subsidiary, Fubon Multimedia Technology Co., Ltd. (momo). As far as profits are concerned, earnings before interest, tax, depreciation, and amortization (EBITDA) increased by 1% compared to the previous year despite the rising costs related to efforts to boost the penetration rate of smartphones, enhance network capacities, and expand direct outlet channels. Net operating profits reached 102% of the financial forecast goals of the current year, thereby meeting the anticipated objectives.

Overview of the business system of the company

Business system	Individual user services	Household user services	Corporate user services	Fubon Multimedia Technology
Brand name	Taiwan Mobile	TWM Broadband	TWM Business Solution	momo
Service type	Mobile services	Cable TV services	Fixed network services	Retail services
Main service content	Mobile telecommunication services for individual users including monthly rental plans, prepaid plans, and value-added services	Household user video (CATV / DTV) and broadband Internet (Cable Modem / FTTx) services	Integrated information and communication services for corporate users including fixed networks (Voice message/ data/Internet), corporate mobile services, and system integration	TV and online shopping and catalog mail order
Market position / share	The mobile telecommunication revenue accounts for 29% of the total market (5 major providers) which represents the second largest share in the domestic market	Fourth largest MSO in Taiwan encompassing 11% of the household user market in Taiwan	The ADSL/FTTx market share is 2%. If the 180000 cable TV and broadband Internet users are taken into account, the share of the domestic broadband market is roughly 5%, making the company the second largest ISP in Taiwan	Third largest provider of TV and online shopping services in Taiwan
User numbers	Over 7.22 million mobile users	Over 580,000 Cable TV users and 180,000 Broadband Internet users	Approx. 80,000 ADSL/FTTx Internet users	NA

1.1 Corporate governance

1.1.1 Operating Performance

The business system of Taiwan Mobile Group is divided into the following four areas: individual user services, household user services, corporate user services, and Fubon multimedia technology.

Revenue and EBITDA for four major business areas in 2013

	Individual user services	Household user services	Corporate user services	Fubon Multimedia Technology
Operating revenue	71,199	6,244	10,734	21,278
EBITDA	22,945	3,278	3,748	833

Unit: Million NTD

*Data source: Financial data for department types in financial reports. Sums and total data differences are offset and adjusted between departments

Individual user services

Due to the continued promotion of the tied sale of smartphones and mobile Internet services, the percentage of monthly rental-type users who also subscribe to mobile data services increased from 42% in 2012 to 54% in 2013. As a result, the revenue from mobile data services constitutes 39% of the total revenue derived from all mobile services which rose by 6% compared to the previous year. If the revenue from the sale of smartphones is added, the gross revenue derived from individual user services in 2013 grew by 8% compared to the previous year.

Household user services

Due to the rising revenue from digital TV and broadband Internet services, the gross revenue earned from household user services increased by 2% in 2013 compared to 2012. This is mainly a result of the higher penetration rate of digital TV and the higher ratio of high-speed broadband users.

Corporate user services

The gross revenue from corporate user services rose by 3% in 2013 compared to the previous year. This is mainly a consequence of an annual revenue growth rate of 13%

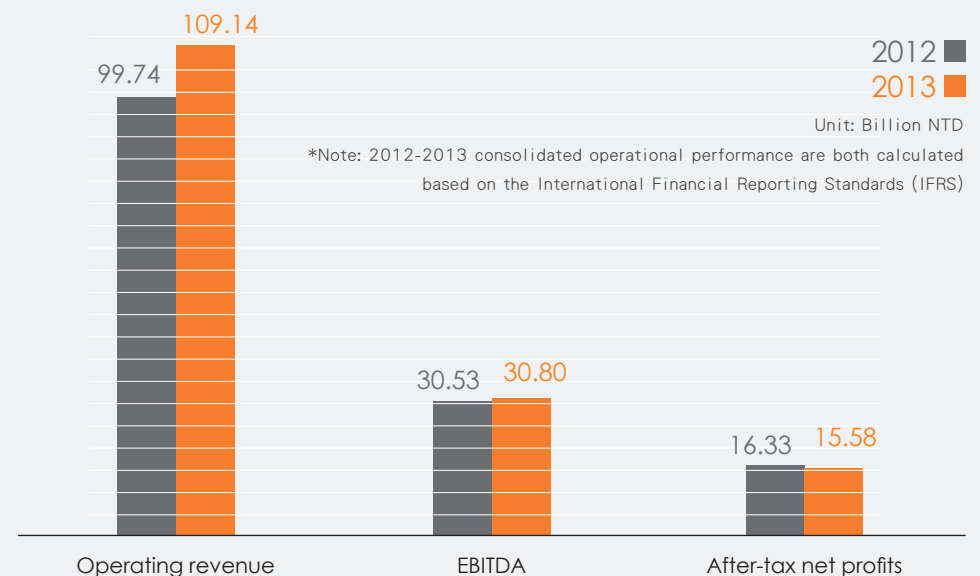
in the area of mobile telecommunications due to the growing number of mobile service subscribers among corporate users. In addition, the annual EBITDA growth rate of 9% generated by corporate users is a direct result of revenue growth and a strict control of costs and expenses.

Fubon Multimedia Technology

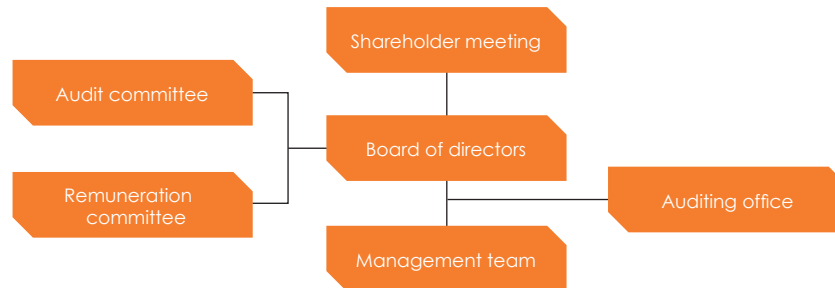
The main impetus for the growth of momo stems from the continued expansion of online shopping services. The revenue derived from online shopping grew by 43% in 2013 compared to the previous year, while EBITDA rose by almost 30%.

In conclusion, the consolidated gross revenue for the year 2013 amounted to 109.1 billion dollars, while EBITDA equaled 30.8 billion dollars, which represents a growth rate of 9% and 1% compared to the previous year, respectively. The consolidated after-tax earnings amounted to 15.6 billion dollars, reaching 101% of the forecasts for the year. Earnings per share equaled 5.79 dollars and the overall performance met the expectations.

2012-2013 Consolidated operational performance



Organizational governance framework and operation mechanism



Corporate governance framework and principles

The company board is composed of nine directors (one female director, average age of 61, chairman doesn't hold any concurrent positions). The company upholds the spirit of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies and has successively formulated and amended relevant rules and regulations such as the Audit Committee Charter, Remuneration Committee Charter, Rules of Procedure for Board Meetings, Rules of Procedure for Shareholder Meetings, Procedures for the Handling of Major Insider Information, Rules of Moral Conduct, Ethical Corporate Management Rules, CSR Policies, Operational Procedures for Transactions with Group Enterprises, Specified Companies, and Stakeholders with the goal of abiding by the highest international standards in the implementation of corporate governance. In addition, four independent directors have been elected, which exceeds the required legal quota of two independent directors for listed companies. The Audit Committee and Remuneration Committee which are composed of the independent directors of the board formulate a series of operational guidelines and regulations to guarantee the soundness and effective operation of the system. As far as dividend policies are concerned, the company adopts a high earning distribution ratio and payment of employee bonuses in cash to safeguard shareholder rights and interests. All proposals are voted on separately during shareholder meetings. Furthermore, voting rights may be exercised by electronic ballot to implement the rights of shareholders.

The regulations specified in Article 15 of the Rules of Procedure for Board Meetings state that if a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this corporation, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director. No instances of such interested party relationships and recusal from discussion and voting were recorded in 2013. For more details, please refer to p.20 of the chapter on corporate governance in the annual report issued by the company.

Governance and executive compensation

Compensation of board directors and independent directors is based on the regulations specified in the Corporate Charter and the Compensation Guidelines for Board Directors. In addition, the appropriateness of the remuneration for board directors, independent directors, general managers, and vice general managers (variable pay of GMs and Vice GMs makes up around 50% of personal annual salaries) is regularly reviewed by the remuneration committee which is composed of independent directors based on the degree of contribution to company operations including future operating risks, environmental protection and CSR. Compensation for GMS and Vice GMs for the respective year is paid and reported to the Remuneration Committee by the HR Division. The appropriateness of salaries and compensation is reviewed on a regular basis.

The performance of board directors is evaluated before the end of every year in accordance with Board Performance Evaluation Guidelines formulated by the board of directors. The board performance evaluations for 2013 were conducted during the 17th meeting of the 6th board on Jan 28, 2014 in form of a self-appraisal by the board members.

Internal control and audit mechanism

An auditing office has been established which is in charge of conducting audits of all financial and business operations and management functions of the company and its subsidiaries. In addition to routine audits which are performed in accordance with annual plans, project audits are scheduled based on actual requirements with the goal of the timely identification of potential shortcomings of the internal control system and the provision of suggestions for improvement. The actual implementation status and results are reported to the audit committee on a regular basis.

Financial information disclosure system

To give shareholders access to the latest and most accurate information as a reference for investment decisions, information related to business operations, financial affairs, and major board resolutions including quarterly consolidated financial reports and announcements of monthly operating results is provided in a real-time manner based on the principle of accurate and fair disclosure. In addition, corporate information meetings for domestic and international investors are organized on a quarterly basis and the company actively participates in large-scale domestic and international investor information meetings with the goal of providing information for a more complete range of items in a real-time fashion by exceeding the requirements of the competent authorities.

Rules of moral conduct

Rules of Moral Conduct

Article 1 (Purpose and Basis of the Code of Ethics)

The Code of Ethics is adopted for the purpose of directing the directors, officers, managers, and employees of the Company to act in conformity with the standard of ethics, and ensuring that the stakeholders of the Company understand the ethical standard of the Company.

Article 2 (Persons Subject to Code of Ethics)

This Code of Ethics shall be applied to the board of directors, officers, managers, and other employees of the Company (collectively "the Personnel").

Article 3 (The Principle of Honesty and Credibility)

In the event of performing their duties, the Personnel of the Company shall be proactive, responsible, prudent, and shall abandon sectionalism, focus on teamwork, and diligently comply with the principle of honesty and credibility.

Article 4 (Prevention of Conflict of Interest)

The Personnel of the Company shall deal with corporate events objectively and efficiently, and shall not improperly take benefits based on the Personnel's position for themselves, their spouses, parents, children or relatives within three degrees of kinship.

In the event that the aforementioned Personnel's affiliates receive loans or guarantees, engage in material assets transactions, or purchase (or sell) products from (or to) the Company, the relevant Personnel shall voluntarily and sufficiently explain to the Company whether there exists any potential conflict of interest with the Company in order to gain proper approval from a supervisor.

Article 5 (No Self-Benefiting)

In the event that the Company has the opportunity to obtain benefits, the Personnel shall ensure that the Company is able to acquire them lawfully.

The Personnel shall not:

1. acquire the opportunities for benefit or benefit themselves by using the Company's assets or information or by virtue of their positions with the Company; or
2. compete with the Company.

Clause 6 (Confidentiality)

1. The Personnel shall, unless otherwise authorized or required to disclose by law, keep the company information and the information of suppliers / customers in strict confidence. The confidential information includes all non-public information that may cause damage to the Company or the customers if such information is disclosed or used by a competitor.
2. The Personnel shall keep the confidential, technical, personal or any other non-public information or trade secrets in connection with the Company, the affiliates of the Company, the customers of the Company or its affiliates, or any other third party, whether in writing or orally, marked "confidential" or not, in strict confidence ("Confidential Information"), and should not inquire, search and use such Confidential Information without justifiable cause. The Personnel shall not deliver, transfer, copy, duplicate, publish or in any other way disclose any of the Confidential Information without the Company's prior written consent.

Clause 7 (Fair Transactions)

1. The Personnel shall treat the Company's suppliers, customers, competitors and competitors' employees on a fair basis, and shall not manipulate, conceal or abuse the information acquired due to their position. The Personnel shall not make false statements on important issues or gain any improper advantage by unfair transactions.
2. In the event of performing their normal duties, the Personnel shall comply with the ethical standard and fair-trade principle stipulated by the Company. With respect to the acceptance of a gift or hospitality from suppliers or contractors, the Personnel:
 - (1) shall not request or arrange to receive any gift, rebate, bribery or any other improper benefits by virtue of their positions;
 - (2) shall be strictly prohibited from receiving any cash or securities. If the Personnel find that any gift or hospitality from suppliers or contractors is not conforming to social custom, the Personnel shall refuse such gift or hospitality immediately;
 - (3) shall report to the supervisors of their own department and the head officer of the audit department if the Personnel found that, after receiving the gift or hospitality from suppliers or contractors, the gift or

Moral conduct of staff members is an important link in all evaluations related to the strict implementation of corporate governance over a long period of time. In July 2010, we turned these behavioral norms into written rules by formulating the Rules of Moral Conduct. These rules encompass principles of integrity and trustworthiness as well as norms related to the prevention of conflicts of interest and inappropriate personal gain, confidentiality obligations, fair transactions, and proper protection and use of company assets. Our staff members display great integrity in their pursuit of high standards of moral behavior. All our employees have completed the "Rules of Moral Conduct" training program which provides them with a better understanding of the moral norms which must be carefully observed in their daily work. In addition, corporate governance-related legal seminars are scheduled on a regular basis to instill law-abiding awareness and prevent unintentional legal violations at work.

hospitality is not conforming to social custom due to force majeure.

Clause 8 (Proper Protection and Use of the Company's Assets)

The Personnel shall protect the assets of the Company, ensure the asset to be validly and legally used for business purposes, and avoid the asset from being stolen, wasted or neglected.

Clause 9 (Compliance of Laws and Regulations)

The Personnel shall comply with all the laws, rules, regulations and policies stipulated by the Company governing its operations. Once the Personnel is aware of any critical non-public information, the Personnel shall not conduct any security transaction in accordance with the "Securities and Exchange Act" and other relevant laws and regulations.

Clause 10 (Reporting a violation of the Code of Ethics)

If any employee discovers or suspects that there is an event conflicting with the law, regulations, or the Code of Ethics, the employee shall voluntarily report to the audit committee, managers, internal audit officers or other appropriate officers, and shall provide sufficient information so that the Company may properly handle the subsequent matters. The Company shall handle the employee's report in strict confidence and shall use its best endeavour to protect the reporting employee's safety.

Clause 11 (Penalty and Appeal)

In the event that a director or manager is in violation of the Code of Ethics, the Company shall deal with the violation in accordance with the relevant regulations. The Company shall establish an appeal procedure where the accused personnel may formally challenge the initial ruling.

Clause 12 (Method of Disclosure)

The Company shall disclose the Code of Ethics in the annual report, public prospectus, and Market Observation Post System, and the same procedure shall apply to the amendments.

Clause 13 (Enforcement)

The Code of Ethics shall be adopted for enforcement after resolution by the board of directors, delivered to the audit committee for reference and shall be reported to the shareholders' meeting. The same procedures shall apply to the amendments.

Officially resolved by the Board of Directors on 27 July 2010

Ethical Corporate Management Rules

Integrity is one of our core values and the main foundation of sustainable management. This concept of integrity is internalized into the corporate culture through a rigorous internal control system, educational training, internal communication, and daily work rules. The Taiwan Mobile Ethical Corporate Management Best Practice Principles were formulated in January 2011. The application range includes subsidiaries, corporations with accumulated direct

or indirectly contributed funds in excess of 50% and other institutions or corporations under de facto control of the company.

The ethical corporate management rules of the company specifically prohibit the offering and acceptance of bribes, the provision of illegal political donations and improper charitable donations or sponsorship, unreasonable gifts or hospitality or other illicit profits, while specifying prevention plans and handling procedures. Announcements and notices of relevant regulations are provided on a regular basis for staff members, managers, and board directors. To strengthen the concepts of integrity and self-discipline, all employees will be required to sign an integrity statement starting in 2014.

Ethical Corporate Management Rules

Article 1 (Purpose of enactment and applicable scope)

The Ethical Corporate Management Best Practice Principles ("Principles") are enacted to establish a corporate culture of ethical management and sound development, and offer a framework to establish good commercial practices.

The Principles shall apply to the Company's subsidiaries, any foundation constituted as a juristic person to which the Company's direct or indirect accumulated contribution of funds exceeds 50% of the total funds received, and other institutions or juridical persons which are substantially controlled by the Company.

Article 2 (Prohibition of Unethical Conduct)

When engaging in commercial activities, directors, managers, employees of the Company or persons having substantial control over the Company ("Substantial Controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper Benefits (see Article 3), nor commit unethical acts including breach of the principle of good faith, illegal acts, or breach of fiduciary duty (collectively "Unethical Conduct") for purposes of acquiring or maintaining Benefits (see Article 3).

The opposite parties of the Unethical Conduct referred to in the preceding paragraph include civil servants, political candidates, political parties or their members, state-run or private-owned businesses or institutions and their directors, supervisors, managers, employees or Substantial Controllers or other interested parties.

Article 3 (The types of Benefits)

The "Benefits" mentioned in the Principles means item of tangible value, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4 (Legal compliance)

The Company shall comply with the Company Act, Securities and Exchange Act, Business Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflict of Interest, TWSE/GTSM-listing related rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate operations.

Article 5 (Policy)

The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate governance and risk control management mechanism so as to create an operational environment for sustainable development.

Article 6 (The promises and executions)

The Company shall clearly specify ethical corporate management policies in their internal rules and external documents. The board of directors and management promises to rigorously and thoroughly enforce such policies for internal management and external commercial activities.

Article 7 (Engaging in commercial activities under ethical corporate management policies)

The Company shall engage in commercial activities in a fair and transparent manner.

Prior to the conclusion of any commercial transaction, the Company shall take into consideration the legality of their agents, suppliers, clients or other trading counterparties, and their records of Unethical Conduct, if any, and avoid having any dealings with persons who have any record of Unethical Conduct.

When entering into contracts with other parties, the Company shall include in such contracts provisions demanding ethical corporate management policy compliance and a provision that in the event the trading counterparties are suspected of engaging in Unethical Conduct, the Company may at any time terminate or cancel the contracts.

Article 8 (Prohibition of offering and accepting bribes)

When conducting business, the Company and its directors, managers, employees and Substantial Controllers, shall not directly or indirectly offer, promise to offer, request or accept any improper Benefits in any form, including rebates, commissions, grease payments, or offer or accept improper Benefits in other ways to or from clients, agents, contractors, suppliers, public servants, or other interested parties, unless the laws of the territories where such business is conducted permit so.

Article 9 (Prohibition of offering illegal political donations)

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and its directors, managers, employees and Substantial Controllers, shall comply with the Political Donations Act and its own

relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.

Article 10 (Prohibition of improper charitable donations or sponsorship)

When making or offering donations and sponsorship, the Company and its directors, managers, employees and Substantial Controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 11 (Prohibition of unjustifiable presents, hospitality or other improper benefits)

The Company and its directors, managers, employees and Substantial Controllers shall not directly or indirectly offer or accept any unjustifiable presents, hospitality or other improper Benefits to establish business relationship or influence commercial transactions.

Article 12 (Organization and responsibility)

The board of directors of the Company shall exercise due care in urging the Company to prevent Unethical Conduct, and review, from time to time, the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its Ethical Corporate Management Best Practice Principles.

To achieve sound ethical corporate management, the internal audit department shall be in charge of enacting and enforcing the business integrity policies and prevention program ("Prevention Program") and reporting to the board of directors on a regular basis.

Article 13 (Legal compliance for business operation)

The Company and its directors, managers, employees and Substantial Controllers shall comply with laws and regulations and the Prevention Program when conducting business.

Article 14 (The avoidance of conflicts of interest of directors and managers)

The Company shall establish policies for preventing conflicts of interest and offer appropriate means for directors and managers to voluntarily explain whether their interests would potentially conflict with those of the Company.

The Company's directors shall exercise a high degree of self-discipline. A director may present his opinion and answer relevant questions but is prohibited from participating in voting on any proposals where the director or the juristic person that the director represents is an interested party, and such participation is likely to prejudice the

interests of the Company; neither shall a director vote on such proposal as a proxy of another director in such circumstances. The directors shall exercise self-discipline and should not support one another in improper ways.

The Company's directors and managers shall not take advantage of their positions in the company to obtain improper Benefits for themselves, their spouses, parents, children or any other person.

Article 15 (Accounting and internal control)

The Company shall establish effective accounting systems and internal control systems for business activities which may be at a higher risk of being involved in Unethical Conduct, and should not have under-the-table accounts or maintain secret accounts, and shall conduct reviews from time to time so as to ensure that the design and enforcement of the systems continue to be effective.

Internal auditors of the Company shall examine the Company's compliance with the system mentioned in the preceding paragraph and prepare and submit audit reports to the board of directors on a regular basis.

Article 16 (Operational procedures and guidelines)

The operational procedures and guidelines established by the Company for the prevention of Unethical Conduct, which have specifically specified the rules of business conduct for the Company's directors, managers, employees, and Substantial Controllers, shall contain the following:

1. Standards for determining whether improper Benefits have been offered or accepted.

2. Procedures for offering legitimate political donations.
3. Procedures and the standard rates for offering charitable donations or sponsorship.
4. Rules for avoiding work-related conflicts of interest and how they should be reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of Unethical Conduct.
7. Handling procedures for violations of the Principles.
8. Disciplinary measures on offenders.

Article 17 (Education training and reviews)

The Company shall periodically organize training and awareness programs for its directors, managers, employees, and Substantial Controllers. Each business department of the Company shall propagate the principles to the counterparties of any commercial transaction the Company engages in, and have such counterparties fully understand the Company's resolution to implement the Principles and related policies, Prevention Program and the consequences of committing Unethical Conduct. The Company shall combine the Principles with its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 18 (Report and discipline)

In cases where the Company's directors, manager, employees or Sub-

stantial Controller has discovered a violation of the Principles, the directors, manager, employees or Substantial Controller shall report such violation to the audit committee, managers, internal audit officer or other appropriate officers of the Company. The Company shall keep confidential the identity of the person who reports such violation and the report's content, and shall actively investigate and deal with said report. If any violation of the Principles is confirmed, a disciplinary action will be imposed depending upon the nature and degree of such violation.

Article 19 (Disclosure of Information)

The Company shall disclose the status of the enforcement of the Principles on its company website, annual report and public prospectus.

Article 20 (Review and Amendment to the Principles)

The Company shall monitor the development of relevant local and international regulations concerning ethical corporate management from time to time, and encourage its directors, managers and employees to make suggestions so as to review and improve the Principles and achieve better results from implementation.

Article 21 (Enforcement)

The Ethical Corporate Management Best Practice Principles of the Company shall be implemented after a review is made by the Corporate Governance Committee and approval is granted by the board of directors, and shall be submitted to the shareholders' meeting. The same shall apply to any amendment thereto.

Officially resolved by the board of directors on January 27, 2011
Revised on October 27, 2011

1.1.2 Risk management

In the field of risk management we have formulated risk management policies, created an organizational framework, and developed a risk management system to create an early response mechanism for potential operational risks that the company is facing, in order to achieve preventive effects.

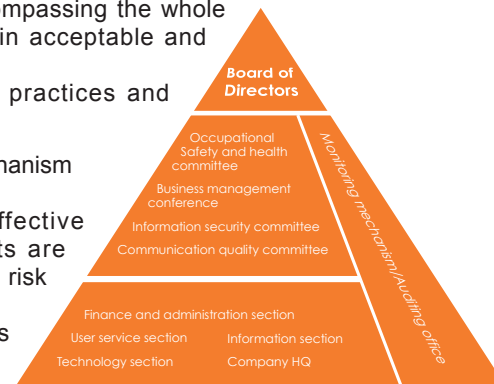
1. Risk management policies

- (1) Continued promotion of a risk management-oriented business model
- (2) Establishment of a risk management mechanism which is characterized by early identification, accurate judgment, effective supervision, and strict controls
- (3) Design of a risk management system encompassing the whole company to ensure that risks remain within acceptable and controllable levels
- (4) Adoption of optimized risk management practices and constant improvements

2. Risk management framework and control mechanism

(1) First-level control mechanism:

- A. To guarantee timely detection and effective management of risks, competent units are designated for the management of each risk item.
- B. Competent units are required to keep risks within acceptable levels in their daily



maintenance operations and submit timely reports in case of changing risk conditions to enable the company to adopt response measures.

(2) Second-level control mechanism:

- A. The business management conference, occupational safety and health committee, information security committee, and communication quality committee which are composed of executives from related units and convened by the General Manager and designated executives, respectively, are in charge of this mechanism.
- B. In case of important matters or proposals, the competent units are required to notify the business management conference or management committees to enable them to adopt the necessary measures. The functions of the business management conference and the different management committees are defined as follows:
 - a. Business management conference
Regular review of operational goals, business management, planning of future development, budget implementation status, and control of finances and capital
 - b. Occupational safety and health committee
Implementation of controls in the field of occupational safety and health risks in order to guarantee the safety and health of staff.
 - c. Information security committee
Implementation of controls for potential risks related to the confidentiality, integrity, and availability of information assets and non-compliance with legal requirements, so as to effectively reduce business operation risks in

a reasonable manner.

d. Communication quality committee

Assurance and management of network communication quality.

(3) Highest decision-making mechanism: Board of directors

Overall risk-management policies are determined and approved by the board in accordance with overall operational strategies and business environments and the effective functioning of the risk-management mechanism is monitored on a constant basis.

(4) Monitoring mechanism: Auditing Office

A. The seriousness of potential risks in each business area is taken into account during daily inspections and serves as a main reference for annual audit plans

B. Competent executives must be notified immediately of irregularities detected during regular inspections. Follow-up handling of said irregularities must be tracked to guarantee a complete processing of respective items

As for the risk assessment process, a risk assessment policy was officially formulated in 2011 and ratified by the board on October 27 of the same year. The Auditing Office conducts risks assessments and determines scores for the importance and incidence rate of each risk at the end of every year. Value at Risk is calculated based on the results of the scoring process. Calculated Values at Risk serve as a main reference for the inspection plans of the following year. No shortcomings and irregularities of the internal control system were detected in 2013. Only 10 items requiring improvement were identified for each department. It was determined that the assessed risks have no major impact on the company. A total of 70 concrete suggestions were provided for each operation process as a reference for an improvement of the management quality by each department. The 10 items requiring improvement are constantly tracked on a quarterly basis until improvements are completed.

Social and environmental risk assessment and response measures

The major social and environmental risks have already been incorporated into the risk management system and the daily maintenance operations of each competent department (for more details please refer to p.94 ff of the chapter on risk items and assessment in the 2013 Annual Report). Controls are implemented via the internal control mechanism and preventive management principles are adopted. We also closely monitor developments in the area of potential risks such as the potential impact of climate change and environmental laws and regulations pertaining to GHG controls to facilitate the adoption of response measures.

1.2 The governance of corporate responsibility

1.2.1 CSR Strategy

Taiwan Mobile insists on integrity as the fundamental principle for the implementation of corporate social responsibility, the maximization of values for our stakeholders, and the creation of a world-class enterprise. An inventory of internal and external opinions was conducted by the Public Affairs Division followed by ratification by a meeting of top executives. Based on business contacts and level of impact on business operations, it has been determined that the stakeholders of the company can be divided into six major categories (see section 1.3).

Although the concept of CSR has already been incorporated into the development of operational strategies, the different management systems, and the daily operation of departments, the board of directors ratified the company's CSR policy in January 2011 in line with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies promulgated by the Taiwan Stock Exchange Corp. (below referred to as TWSE). This policy serves as the guiding principle for the company's long-term promotion of CSR and represents a concrete expression of social commitment.

This policy consists of six articles and is founded on the fundamental spirit and core values of the enterprise with an emphasis on perfect governance and a focus on stakeholders and full and accurate disclosure. The core technologies and services of the industry represent strategic orientation with concrete practices, in the fields of environmental protection and social welfare.

CSR policy

Article 1

The company shall, based on the principle of integrity, be firmly against any form of corruption and bribery. All personnel have to observe our "Code of Ethics" and "Ethical Corporate Management Best Practice Principles" to ensure the fulfillment of basic corporate social responsibility.

Article 2

The company shall meet the expectations of stakeholders, including employees, shareholders, clients, government agencies, local communities, non-profit organization and the environment, via a comprehensive framework of corporate governance and actively enhance its sustainable value.

Article 3

The company shall leverage its core technology competency and the resources of telecom, Internet and digital convergence to practice corporate social responsibility and maximize social benefits.

Article 4

The company shall adopt energy-efficient equipment and various environmental management measures to continue to innovate and minimize the environmental impact of its operation and improve ecological benefit. It shall also assist in constructing an intelligent and low-carbon society to accentuate the critical function of the communications industry and to reduce carbon emission for other industries and institutions via various computerized and mobilized services.

Article 5

The company shall continue to care for underprivileged groups and the sustainable development of local communities to make telecommunication and digital resources available to all and enhance the general digital competitiveness and information literacy of the society.

Article 6

The company shall communicate with the stakeholders based on the principle of fairly disclosing full and accurate information to ensure the transparency of business information.

Officially resolved by the Board of Directors on 27 Jan 2011

1.2.2 CSR organizational framework

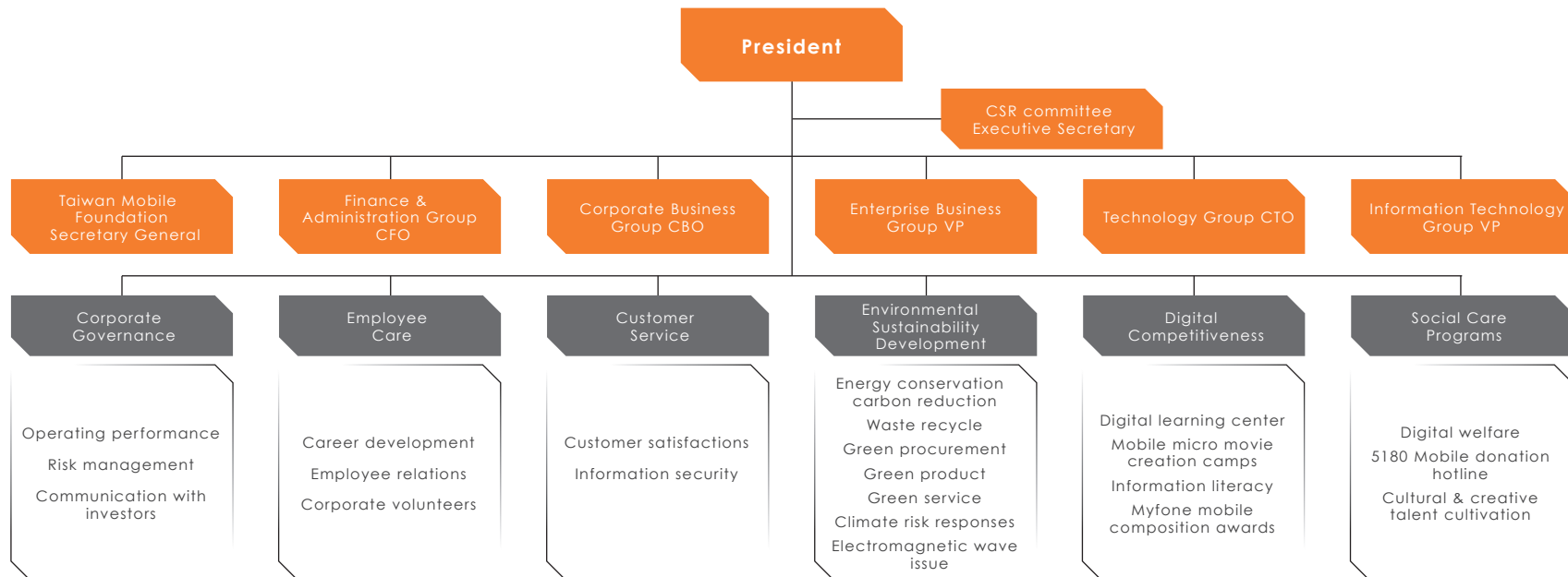
The Social Responsibility Department was established in 2007 and is directly subordinate to the Public Affairs Division. The department is staffed with dedicated personnel who promote social responsibility and social welfare projects internally and externally by utilizing the resources of the Taiwan Mobile Foundation. The CSR committee which is subordinate to the board was established in January 2014. The General Manager serves as the chairman of the CSR committee. The participation of top executives was expanded to integrate the functions of the original Environmental Sustainability Team, the Taiwan Mobile Foundation, and Social Responsibility Department. CSR-related issues such as customer data security and environmental protection are forwarded to the internal operating mechanism through the participation of the top executive level of the different sections of the committee based on issue properties and are promoted by functional departments or project teams. The committee also allows a full integration of the resources of the group and a better synthesis with corporate operations as well as a firm grasp of domestic and international development trends in the field of corporate social responsibility. It serves as a judge, analyst, formulator of strategies, and implementer in the field of CSR as well as an important communication channel with stakeholders. The committee integrates stakeholder opinions as a reference for top executives and related departments.

1.2.3 CSR future vision

The Taiwan Mobile Group is engaged in industries that are characterized by digital convergence such as telecommunications, cable TV, digital content, and entertainment and cinema. In view of the high speed of 4G in the future, broadband and digital contents of mobile and fixed networks will play a key role in the field of digital convergence. We will develop different application services such as family videos and entertainment, automatic security and monitoring systems for households, remote health therapies, learning, and shopping with the family as the core unit to provide multidimensional application services for the “smart family”.

As for the environmental dimension, extreme climate change has led to different types of disasters and infrastructure losses, which in turn has raised great concern among nations all over the world as well as local stakeholders. We realize eco-friendly concepts by embracing the Taiwan Mobile brand concept of simplification, reflect on ways to effectively reduce carbon emissions, and cooperate with the core supply chain to reduce the impact of greenhouse gases. With regard to the social dimension, we try to achieve a synergy of the direction of corporate operations and target markets, and provide relevant services in response to changing population structures due to low birth rates and the aging of society.

TWM CSR committee



1.3 Stakeholders and material issues

We participate in national and international associations and organizations of the same industry to maintain positive interactions and establish a consultation platform with the goal of facilitating cooperation and mediation of disputes between businesses in order to maintain an environment of fair competition. This includes the Taiwan Telecommunications Industry Development Association, the Taipei Computer Association, the Taiwan Network Information Center, the Taiwan Internet Association, the Cable Broadband Institute in Taiwan, Bridge Alliance, and GSM Association (GSMA).

The goal is to provide pragmatic recommendations from a business standpoint for the policy planning process of competent authorities in Taiwan such as the Financial Supervisory Commission (FSC) and the Environmental Protection Department (EPD) as well as provide assistance for the overall development of CSR in Taiwan. In addition, Taiwan Mobile was invited to submit the Dow Jones Sustainability Index (DJSI) questionnaire starting in 2010 and was selected as a DJSI constituent stock for emerging markets for the first time in 2012 and again in 2013. The performance in the field of sustainability has already reached international benchmarking standards. We employ the results of international appraisals as a management tool for inspections of the different dimensions of CSR. The company will continue to inspect the efficiency of the operating mechanism and changes of external conditions and adjust its methods in a timely manner to provide a direction for long-term promotion.

1.3.1 Communication with stakeholders

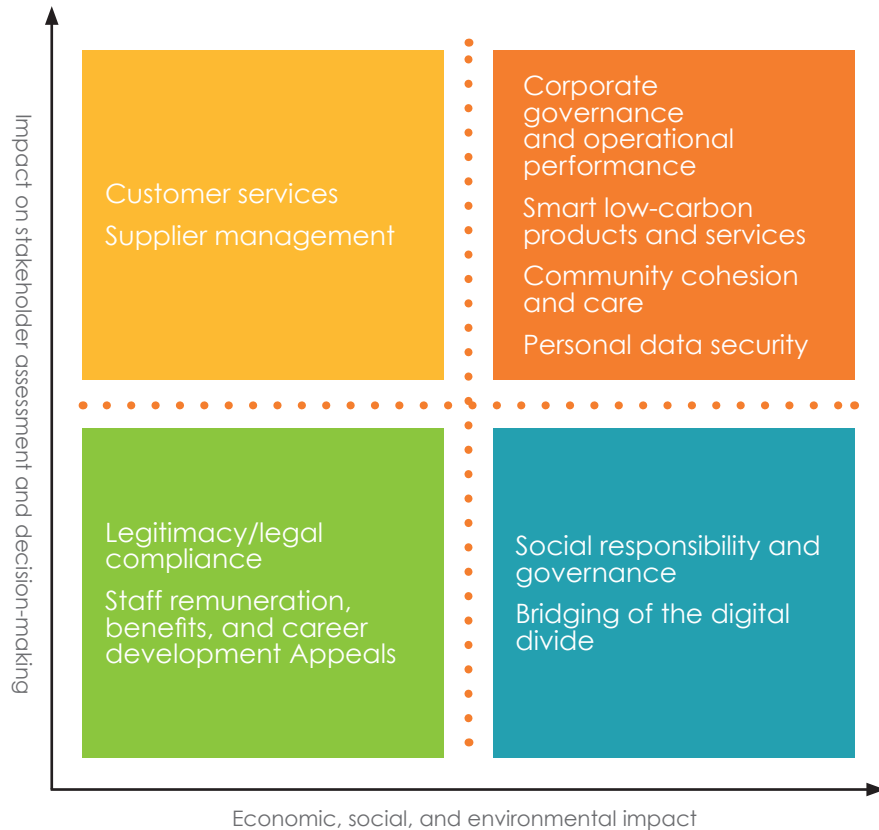
The Social Responsibility Department convened a meeting with all units to identify the stakeholders of the company. The identification standards were based on the tables designed in accordance with the regulations of the AA1000 Standards. Stakeholders and issues of concern were listed in discussions to gain a better understanding of the degree of dependence, impact, level of concern, responsibility, and multiple perspectives of stakeholders with regard to Taiwan Mobile as well as conduct assessments of these five dimensions. Finally, six categories of major stakeholders were determined.

Taiwan Mobile has established dedicated communication channels for the different stakeholder categories to address and respond to the demands of stakeholders. The stakeholder communication channels, response methods, and communication related performance of Taiwan Mobile in 2013 are shown below.

Stakeholders	Communication mechanism	Frequency
Employees	Performance assessment	Annually
	Internal communication mechanism	Non-scheduled
	Internal education training	Non-scheduled
	Staff satisfaction survey	Every 2-3 years
	Employee welfare committee	Non-scheduled
	Internal and external website	Non-scheduled
Competent authorities	Labor-management relations	Non-scheduled
	Communication mechanism	Non-scheduled
	Official documents	Non-scheduled
Suppliers / contractors / dealers partners	Legal compliance	Non-scheduled
	Manufacturer communication mechanism	Non-scheduled
	Meeting for education on norms	Non-scheduled
	Mail	Monthly
Communities / NGOs	Complaints hotline	Non-scheduled
	Electromagnetic wave testing hotline	Non-scheduled
	Public welfare events	Non-scheduled
	Media	Non-scheduled
	Foundation website	24H
Customers	Customer service hotline and mailbox	24H
	Marketing activities	Non-scheduled
	Customer satisfaction surveys	24H
	Public information	Non-scheduled
	Communication through text messages	Non-scheduled
	Official documents	Non-scheduled
Shareholders / investors	Official website and customer service APP	24H
	Investor communication mechanism	at least 3 months
	Disclosure of international sustainability information	Annually
	Special website section for investors	24H

1.3.2 Identification of material issues and responses

To gain a better understanding of issues of major concern to stakeholders, questionnaires were designed and distributed to corporate investors, supply chain partners, NPOs, and corporate clients for the first time this year. Material issues have been identified by the Social Responsibility Department in coordination with all units based on the completed questionnaires. The identification and assessment was based on the two axes of “Impact of issues on stakeholder assessment and decision-making” and “Economic, environmental, and social impact of issues”. A materiality matrix diagram (shown below) was created based on the sensitivity of issues (high, medium, or low). Eleven material issue categories were identified and the diagram will serve as a major reference for the contents of this report.



The result of the discrimination of material issues reveals that stakeholders are most concerned about the following issues: “Corporate governance and operational performance”, “Smart low-carbon product and services”, “Community cohesion and care”, and “Personal data security”. Taiwan Mobile possesses forward-looking and innovative technologies and aims to fulfill its corporate social responsibility. A more effective response to stakeholder demands is possible through the utilization of the company’s core capabilities and all resources.

Material issues	Corresponding chapter	Corresponding chapter in the pages
Corporate governance and operational performance	1.1	07
Smart low-carbon products and services	2.3	25
Community cohesion and care	3.1, 3.2, 3.3	28-47
Personal data security	4.2	54
Social responsibility and governance	1.2	12
Bridging the digital divide	3.1, 3.2	28-42
Customer services	4.2	54
Supplier management	4.3	57
Legitimacy/ legal compliance	1.1	07
Staff remuneration, benefits, and career development	4.1	48
Complaints	4.1, 4.2	48

Efforts in the field of environmental protection

Taiwan Mobile is deeply aware of the risks generated by climate change and the huge impact on the environment and the ecology as well as the tremendous harm to the long-term economic development. To set a positive example, the company is firmly committed to reducing carbon emissions in its daily operations as well as an active promotion of environmental protection and the establishment of a system for the effective management and use of energy resources. At the same time, we fully utilize our core capabilities as information and communication service providers to incorporate environmental considerations into the product and service design process with the goal of providing green products and services and fulfilling our environmental responsibility.

Quantifiable achievements in 2013

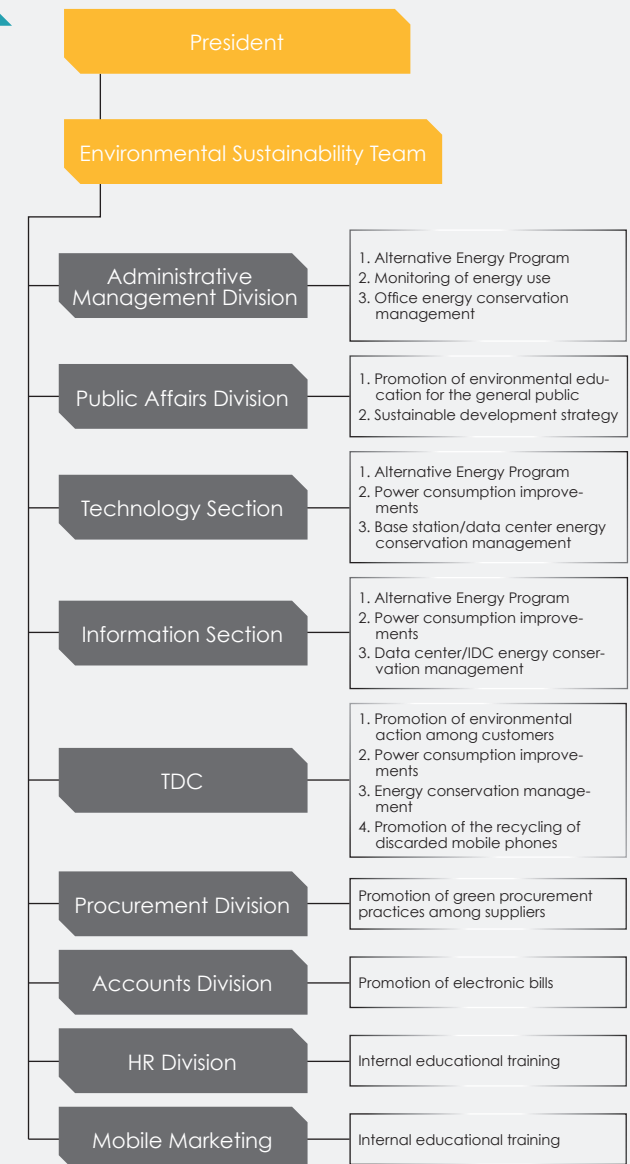
- Acquisition of ISO 14064-1
- IDC Cloud data center is awarded the ISO 50001 certification
- Reduction of electricity consumption by 2% compared to 2012
- Reduction of water consumption by 2.48% compared to 2012
- Reduction of paper consumption by 12.35% compared to 2012
- Resource recycling rate increased by 13% compared to 2012
- Savings of 462,994 sheets of paper due to paperless forms
- Reduction of paper bills by 6 million copies due to e-billing and savings of 4 million sheets of printed paper due to paperless operations in myfone stores

2.1 Environmental protection strategies

2.1.1 Environmental management framework and policies

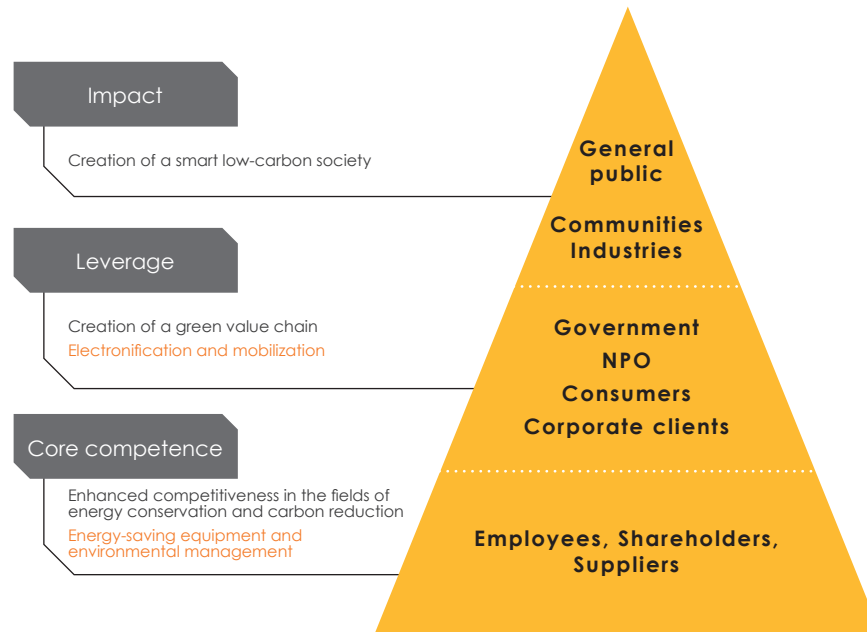
We actively respond to the demands of internal and external stakeholders and have established an Environmental Sustainability Team which directly reports to the General Manager and is in charge of the planning, promotion, and integration of internal environmental protection services. We have integrated environmental protection strategies and future implementation directions into our CSR policy which has been implemented upon ratification by the board in January 2011.

The Environmental Sustainability Team convenes meetings as necessary to discuss annual energy conservation action plans with all involved units, formulate environmental protection strategies, and track the implementation efficiency of action plans.



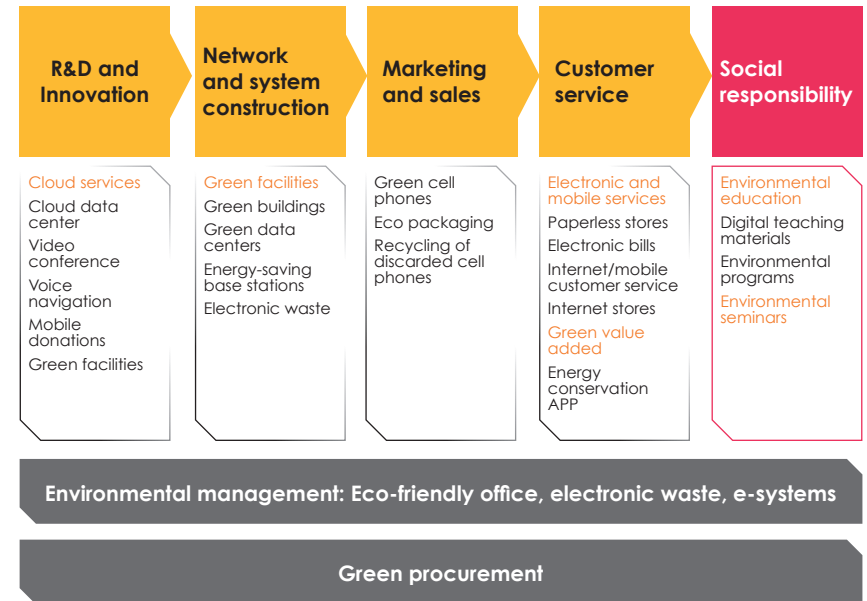


2.1.2 Sustainable development strategies



Energy-saving equipment is installed and environmental management measures are adopted based on the core capabilities of the enterprise. Compliance with environmental laws and regulations and energy conservation and carbon reduction serve the purpose of enhancing the company's competitiveness in the field of sustainability. Opportunities for the promotion of environmental protection programs are created along the whole value chain from upstream to downstream businesses and in internal departments. These factors are taken into account for the implementation of environmental actions to improve energy performance and reduce the environmental impact of business operations. We develop and fully utilize our key capabilities through the provision of electronic and mobile services to build a smart low-carbon society.

Environmental protection programs in the value chain



2.1.3 Short- mid- and long-term environmental goals

Since 2007 we have been promoting short-range (3-5 years), mid-range (5-7 years), and long-range (7-10 years) environmental protection measures based on their relation to the development of company operations.

Short-range measures: Focus on the reduction of the environmental impact and risks of the operational dimension, encouragement of recycling and reuse such as the recycling of waste batteries and cables as well as discarded cell phones to decrease the environmental impact of operations

Mid-range measures: Emphasis on enhanced ecological benefits of energy resources such as the substitution of electronic bills for physical bills, promotion of paperless operations for all stores in Taiwan, and digitization of forms to reduce the waste of printed paper.

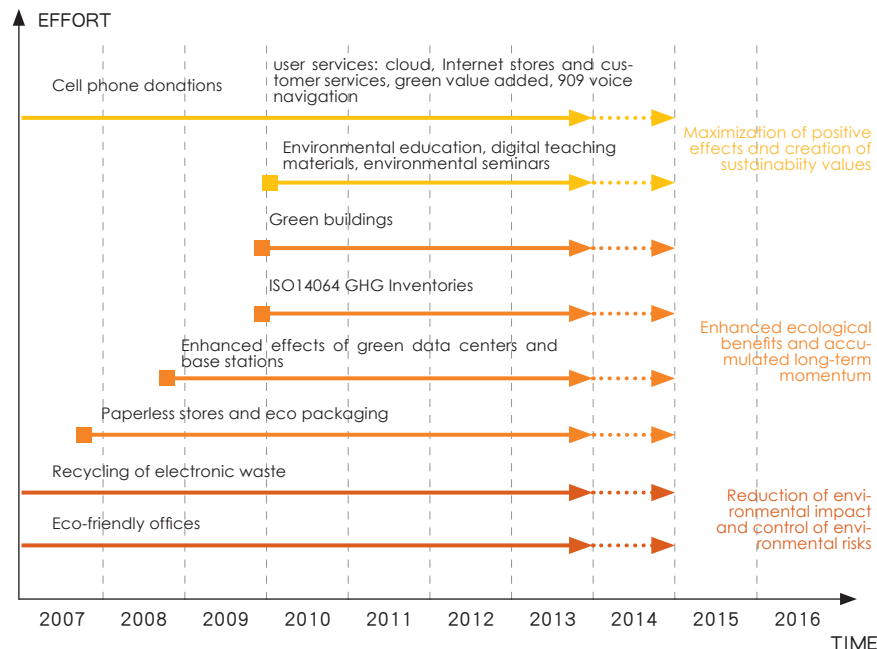
Long-range measures: Construction of energy-saving base stations and green cloud data centers and hardware facilities; procurement and operations are based on environmental sustainability principles; use of core telecommunication services such as video conferencing and Internet/mobile cloud services to

provide assistance for other enterprises and consumers in the field of energy conservation and carbon reduction as well as conveyance of eco-friendly concepts via different media including cell phones, the Internet, and TV in order to enhance the environmental awareness of the general public and spur various environmental action initiatives.

By late 2013, we had successively implemented the recycling of waste batteries, cables, and cell phones at base stations as well as the recycling of different types of office resources, paperless operations, the construction of energy-saving base stations, and green cloud data centers. The implementation rate of short, mid, and long-term goals is very high and this process continues.

In addition, GHG inventories were adopted in 2012 and the company was awarded the ISO 14064-1 GHG inventory certificate presented by a third-party certification institution in June 2013. Furthermore, the ISO 50001 energy management system was adopted. Demonstrations were conducted at three different operating bases and the certificate was awarded in December 2013.

Short, mid, and long-term promotion of key issues



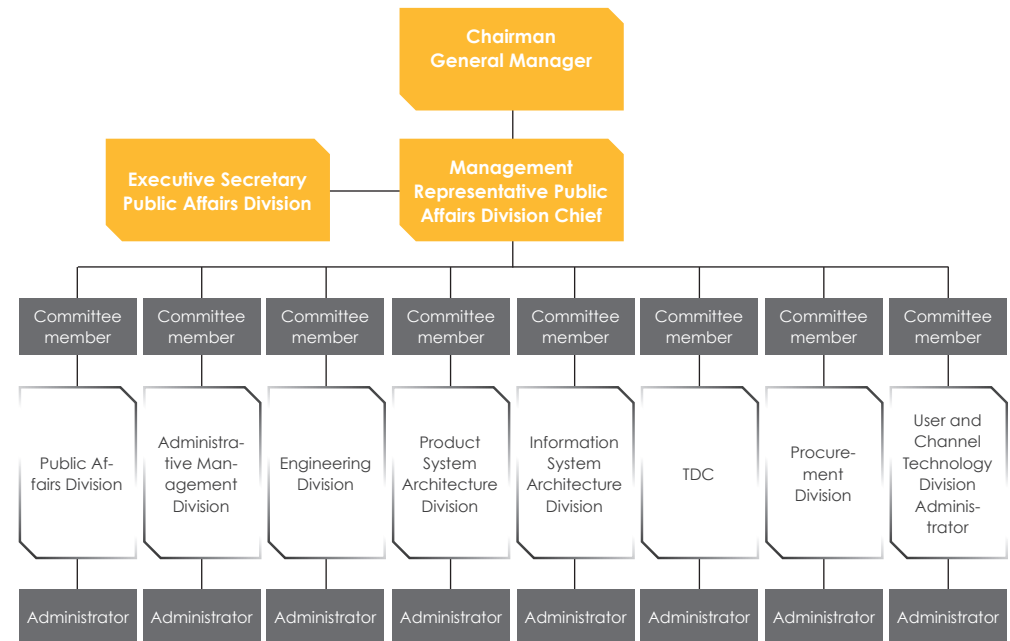
2.2 Green Operations

In the field of environmental action, we actively fulfill our role as information and communication service providers to provide assistance in the creation of a smart low-carbon society. Carbon emissions are reduced on a cross-industry and department basis through electronic and mobile services and eco-friendly concepts are passed on through contacts with large numbers of users and consumers. We play the role of “promoters” to achieve our long-term objectives.

2.2.1 GHG Inventories and Management

GHG information management is promoted by the Energy Management System Committee (below referred to as this committee). The General Manager serves as the chairman of the committee, while the Public Affairs Division Chief acts as the management representative. The committee members are selected and appointed by related departments, while the Public Affairs Division assumes the position of executive secretary.

Taiwan Mobile Energy Management System Committee Organizational Chart



The company adopts an operational control method to conduct inventories for Taiwan Mobile Co., Ltd., Tai Hsin Joint Digital Co., Ltd., Taiwan Digital Services Co. Ltd., Taiwan Teleservices & Technologies Co., Ltd., Taiwan Fixed Network Co., Ltd., Taiwan Fixed Network Media Co., Ltd., Taiwan Mobile Basketball Entertainment Co., Ltd., and Taiwan Kuro Times Co., Ltd. Inventory categories including office buildings, data centers, base stations, and direct outlets.

Telecommunication providers mainly consume electricity. GHG emissions are mostly Scope 2 emissions (indirect GHG emissions). 2013 GHG emission calculations are based on 2013 actual operation data by employing the discharge coefficient published by the Environmental Protection Department in 2014 and the electricity coefficient and heating values published by the Bureau of Energy. The total carbon emissions in 2013 amounted to 174,124.14 tons CO₂e. 2013 GHG emissions externally verified by the British Standards Institution are as follows:

Scope	Scope 1	Scope 2	Total emission amount	Biofuel CO ₂ emission amounts
Emission ratios for different emission source types	direct GHG emission source	indirect GHG emission source		
GHG emission amounts	3,146.50	170,977.64	174,124.14	1.2601
Proportion of total emission amounts	1.81%	98.19%	100%	0.0007%

Unit: ton CO₂e

Direct energy consumption				Indirect energy consumption
Gasoline (liters)	million joules	Diesel (liters)	million joules	kWh
545,380.48	17,811,362.94	36,803.97	1,356,064.36	327,543,376.60

Note: Heating values and electricity coefficients are based on official announcements by the Bureau of Energy, MoEA

2.2.2 Energy use efficiency management

In 2013, planning was initiated for an integrated energy management and monitoring IT system to organize up to more than 10,000 electricity charge data entries, conduct effective energy management, and save manpower required for manually kept statistics. The system monitors power use irregularities and excessive power consumption. In addition, the Energy Management System Committee convenes meetings to discuss and design Energy Management Action Plan Assessment Forms and perform inventories and determine carbon reduction goals for lighting and AC power consumption. The following concrete results were achieved in 2013.

1. Lighting power savings

- (1) Replacement of IDC data center light tubes
Carbon reduction: 49.057 tons CO₂e
Energy conservation rate: 66.91%
- (2) Billboard lighting accounts for 50% of the power consumption of the 1F. Power savings were achieved through the use of timers
Carbon reduction: 9.79 tons CO₂e
Energy conservation rate: 56.28%

2. AC power savings

- (1) Active compliance with the "Energy Conservation Regulations for Specific Energy Users" promulgated by the Ministry of Economic Affairs ordering that the temperatures of air conditioning systems of 11 service industry types may not be set below 26 degrees Celsius
- (2) Replacement and upgrade of chiller units
Carbon reduction: 389.5 tons CO₂e
Energy conservation rate: 25%

In addition, the company has actively adopted the ISO 50001 energy management system standard and inventories encompass over 450 facility and asset types including air conditioning, lighting, data centers, and computer/information systems. The concrete goal of a 3% reduction of energy consumption within three years was formulated with 2012 as the base year.

PUE Performance indicators: 1) Company HQ, stores: Energy Use Intensity (EUI) 2) Neihu data center: Power Usage Efficiency (PUE)

Goal: Improvement of EUI/PUE by 3% within three years in all operating bases with power consumption amounts in 2012 as per the reference value

Goal	2014 Action Plan	Power savings (Kwh/year)	Carbon reduction effects (tons CO2/year)	Energy conservation rate
Lighting power savings	PL-L lighting devices -> T-5	20,000	10.3	50%
AC power savings	Enhanced chiller unit efficiency	40,000	21.6	8.7%

2.2.3 Energy conservation measures for base stations

(1) Increased ratio of co-stations and co-construction

After the amendment of the management regulations by the relevant authorities in 2003, the company immediately initiated co-construction and co-stationing efforts in its 2G network. For instance, co-constructed base stations were established at the sites of major traffic infrastructure projects such as the MRT tunnel network in Taipei and Kaohsiung, the tunnels along National Freeway No.1 and 3, the Hsuehshan Tunnel, Terminal 1 and 2 of Taoyuan International Airport, and the TaiRail and HSR tunnel systems. 80.1% of the 2G base stations of the company are currently co-stations and the co-construction ratio amounts to 31.4%.

(2) Reduced construction of new stations and antennas due to joint use of co-stations

97% of the 3G base stations are constructed and installed at the sites of the original 2G base stations (co-stationing), which leads to a reduced number of new sites.

In addition, due to the adoption of multi-band antennas which are suitable for both 2G and 3G systems and the addition of 3G base stations at the sites of the original 2G base stations, it is not necessary to add new antennas.

Moreover, 23.6% of the 3G base stations are not only built at the sites of the original 2G base stations but are also equipped with antennas which have been jointly constructed and are jointly used with other 3G providers to reduce the total number of antennas.

(3) Enhanced energy conservation efficiency of base stations

In addition to continued adjustments of air conditioning systems and temperature settings to enhance the energy efficiency, the supplier of the 3G base station facilities which were purchased in 2011 has already passed the ISO14000 certification, which in turn has led to an increase in the energy conservation efficiency by 50% compared to previously purchased equipment. After the decommissioning of facilities, 95% of the components can be recycled and reused. This facility type which is characterized by high energy efficiency has

been installed in 97.3% of the 3G base stations. Energy efficiency is also increased through the use of variable frequency-type air conditioning systems and temperature adjustment.

(4) Landscape beautification

To beautify the landscape around the base stations and maintain the overall environment, the greening and beautification of the base stations is conducted in accordance with the "Work rules for the landscape beautification and construction work at base stations". The goal is to integrate the stations into the local natural environment and reduce the visual impact as well as alleviate concerns of the general public regarding electromagnetic waves emitted by the stations.

Percentage of base stations that have adopted action plans

Action plan	Effects	2011	2012	2013
AC Temperature adjusted to 28°C (Starting in 2007)	Power savings of 6% compared to a temperature setting of 26°C	28.0%	28.0%	28.0%
Use of variable frequency air conditioning (Starting in 2007)	Power savings of around 40%	26.4%	58.8%	67.8%
Use of power-saving and highly efficient base station facilities	Only 50% of the power consumption of traditional base stations	67.4% of 3G base stations	88.2% of 3G base stations	97.3% of 3G base stations

2.2.4 Enhanced energy efficiency of office areas and stores

Unnecessary power consumption is reduced and energy efficiency is enhanced in office areas and direct outlets through power consumption surveys and different energy conservation measures for lighting systems, air conditioning systems, and office equipment. Detailed inventories are carried out for locations which are characterized by high energy and power consumption and concrete energy conservation projects are proposed to adjust electric contract capacities to reasonable values.

As far as lighting equipment is concerned, power-saving T5 light bulbs and condensing shades have been installed and billboard lighting times at buildings and operating bases have been adjusted in accordance with seasonal changes. In office areas zone control switches are employed and seating is adjusted to reduce unnecessary power consumption for lighting. In addition, elevator operation modes have been adjusted and the number of served floors reduced to encourage employees to use the stairs, which in turn leads to decreased elevator operation times and reduced power consumption of elevator facilities. On the other hand, unnecessary basic lighting and office equipment are turned off

during lunch breaks and computers, photocopiers, and lighting equipment are turned off outside working hours. A total of 14,386,838 kWh of electricity was consumed in our offices in 2013, which represents a 2% decrease compared to 2012 (14,669,353 kWh)

* The abovementioned offices refer to those owned by Taiwan Mobile

Smart carbon reduction practices: Comprehensive videoconferencing services
The Carbon Disclosure Project released a study in 2010 which reveals that virtual services effectively decrease CO₂ emissions and generate considerable financial effects. This study estimates that CO₂ emissions can be reduced by 5.5 million tons CO₂e in the UK and the US between 2010 and 2020 if 10,000 videoconferencing units are used. This will also generate a financial effect of 19 billion USD.

Based on these estimates, we have actively promoted this technology inside the enterprise and for the product dimension. Since 2009, videoconferencing has been used for the majority of meetings between Company HQ and overseas branches such as Beijing and Xiamen. This technology not only produces economic benefits but also reduces indirect carbon emissions. As far as external promotion is concerned, Taiwan Fixed Network launched its own videoconferencing services in September 2010. We continue to popularize this technology by providing low-carbon services for corporate clients and employ this green project to support public welfare groups. Videoconferencing greatly reduces carbon emissions generated by commuting employees. This videoconferencing package also increases the efficiency of volunteer educational training programs and creates green leverage. The company currently features five large (mobile) and five small (stationary) packages. A total of 432 store-type packages and a total of 442 packages have been installed.

As far as external efforts are concerned, the company assisted 78 service bases of 13 NPOs (Noordhoff Craniofacial Foundation, Syin-Lu Social Welfare Foundation, The Garden of Hope Foundation, Hope Foundation for Cancer Care, Sunshine Social Welfare Foundation, Society of Wilderness, Goodshepherd Foundation, and the Chinese Christian Relief Foundation) in the configuration and adoption of videoconferencing services in 2013. This project solved the problem of low efficiency due to lack of funds, commuting to and from meetings, and travel fatigue. By December 31, 2013, these

services had over 8,100 users and the number of training participants had doubled or tripled. This led to transportation cost savings of 5.21 million dollars and carbon emission reductions of over 90 tons.

2.2.5 Energy conservation of the green office project

We continue to enhance the ecological benefits of energy resources to create green office environments. As far as the usage efficiency of water resources is concerned, we conduct regular inspections and repairs of water supply and drainage facilities and reduce the water amount consumed in toilets and rest areas. Taiwan Water Corporation is the main water supplier.

The waste water generated by RO water dispensers at Company HQ in the telecom building is recycled and used for flower watering, cleaning, or car washing. This results in daily water savings of roughly 2-3 tons, which accounts for around 2.1% of the total water consumption. A total of approx.500 tons of water is recycled annually. The water reduction goal for 2012 was set at 1%. The water consumption per person in our offices in 2013 was 2.48% lower than in 2012 and the total water consumption amounted to 37,691 units.

Actual water consumption in office areas

	2012	2013	Annual difference	Increase Rate (%)
Total consumed units	34,707	37,691	2,984	8.6
Units/person	12.97	12.65	-0.32	-2.48

* * The maximum daily water amount discharged by the drainage pipes of the RO units equals two 86-liter buckets (a total of 135-175 liters). The estimated annual recycling amount equals $135 \times 15 \times 250 = 506.25$ tons (calculations are based on 250 workdays per year and a total of 15 floors (2F-18F))

2.2.6 Recycling of office resources

A total of 97.8 tons of office resources were recycled in 2013, which represents a 13% increase compared to 2012 (86.54 tons). Recycled office resources can be divided into four categories: Paper, plastic, PET bottles, and aluminum cans. After these resources have been sorted and collected by the cleaning personnel, they are recycled and treated by a qualified waste disposal business. In 2013, domestic garbage amounted to 192,705kg.

	2012	2013	Annual difference	Increase rate(%)
(kg)Recycled amount	86,538	97,719	11,181	13%

2.2.7 Handling of electronic waste

Effective handling of waste cables

To expand the scope and quality of telecommunication services, we lay cables and conduct maintenance operations on a regular basis. Over the past three years, we have used a total of 3,795,195 kg of copper cables and fiber-optic cables. In 2013, a total of 9,150 kg of copper cables and 1,452,560 kg of fiber-optic cables were deployed (a total of 1,461,710 kg)

Total weight of cables deployed and used for maintenance operations

Year	2011	2012	2013
Copper cable	47,115	62,400	9,150
Fiber-optic cable	977,290	1,246,680	1,452,560
Total	1,024,405	1,309,080	1,461,710

Unit: kg

During the installation and maintenance of telecommunications infrastructure, large quantities of old optical fiber and copper cables have to be phased out and replaced. If these cables are not handled in a proper fashion, they will cause a serious environmental impact. To prevent damage to the environment, we commissioned a qualified waste cable treatment business which has been approved by the Environmental Protection Administration starting in 2000 to replace copper cables with fiber-optic cables by adopting turnkey treatment to achieve the dual goal of eco-friendliness and cost reduction. In 2013, a total of approx. 311,895 kg of waste cables were treated successfully. Over the past three years, a total of 1,058,845 kg of waste cables were treated in this fashion.

Waste cable recycling achievements

Year	2011	2012	2013	Total
Copper cable	43,310	98,220	78,005	219,535
Fiber-optic cable	305,920	299,500	233,890	839,310
Total	349,230	397,720	311,895	1,058,845

Unit: kg

* * Fiber-optic cable and copper cable quantities are calculated by multiplying the total length of the cables purchased in the respective year by weight

Treatment and use of reusable old battery packs

Battery packs are used as emergency backup power for our main data centers and base stations. Batteries are consumables and must therefore be tested and replaced on a regular basis. To prevent waste of reusable resources, we have formulated battery recycling and classification standards. Batteries which have been declared reusable after removal are put to use again to achieve the dual goal of eco-friendliness and cost reduction. Professional waste battery treatment businesses have been commissioned to handle these batteries in two different ways: Batteries that have been in use for 7 years or longer are directly discarded due to service life limits. Batteries which have been in use for less than 7 years are handed over to businesses specializing in battery activation and recycling. Recycled batteries with a storage capacity of at least 80% are put to use again. A total of 8,785 batteries were discarded in 2013. After classification of these batteries in accordance with the recycling standards, it was determined that 532 batteries could be directly recycled and reused, while another 1,307 were handed over to professional businesses for activation and recycling. The remaining batteries were directly discarded by these businesses.

In 2013, the total weight of waste batteries treated by said businesses (after deducting batteries recycled and reused by the company itself) amounted to 371,790 kg. Over the past 6 years, a total of 2,034,225 kg of waste batteries were treated in this fashion to prevent pollution of the environment by toxic battery fluid.

Achievements in the recycling of batteries in base stations and data centers

Year	2008	2009	2010	2011	2012	2013	Total
(kg) Battery	267,435	319,005	241,290	338,490	496,215	371,790	2,034,225

Unit: kg

* * Total weight of discarded batteries = Number of discarded batteries x average battery weight (45kg)

Recycling of discarded cell phones

The "Cherish our Planet" recycling program which was the first complete cell phone recycling program in Taiwan was launched in April 2008. All stores in Taiwan actively promoted the recycling of mobile communication components such as batteries, cell phones, travel chargers, charging bases, headphones, and transmission wires to prevent heavy metals such as lead, cadmium, and cobalt in the discarded components from polluting and contaminating our environment. The

goal is to recycle and reuse resources such as gold, copper, and plastic to reduce resource development and waste. The recycling bins for cell phones are made of acrylic to avoid secondary pollution caused by battery fluid leakage.

In 2008, we also participated in the Waste Mobile Communication Product Recycling Program sponsored by the Environmental Protection Administration of the Executive Yuan. By the end of 2013, more than 50,000 cell phones had been recycled. The company also actively participates in conferences and symposiums to share experiences and encourage businesses of the same sector, cell phone providers, electronics and household appliance businesses, and domestic retail chains to join these efforts to turn Taiwan into the country with the highest density of cell phone recycling points. In 2013, a total of 7,860 discarded cell phones were recycled, while the total weight of accessories and batteries amounted to 1,183kg and 315kg, respectively.

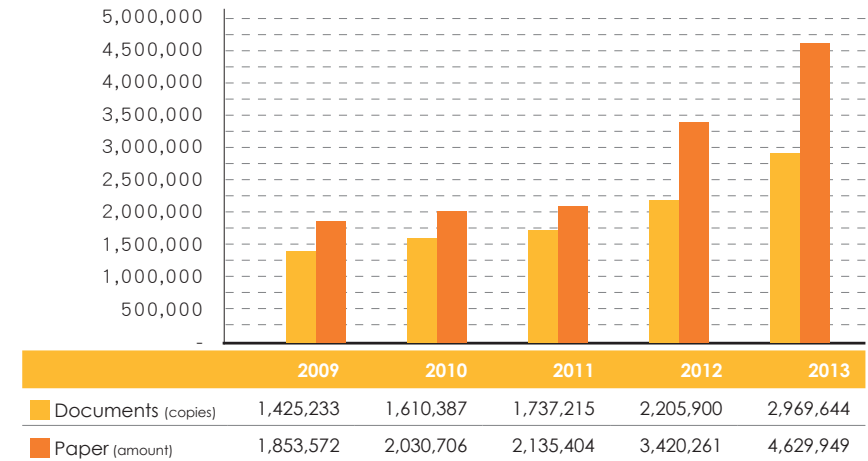
	2009	2010	2011	2012	2013
Cell phones	9,673	10,137	11,449	11,479	7,860
Accessories (kg)	2,202	1,837	1,909	1,466	1183.1
Batteries (kg)	461	527	499	470	315.4

2.2.8 Paperless forms and operations

Not only have paper bills been replaced with e-mails, we have also implemented paperless operations in many areas inside the enterprise and the sales process. Paperless operations in stores represent an example of green practices in the value chain. In the past, subscribers had to proceed to stores to fill out a large number of paper forms to complete the application procedures. We have invested in soft and hardware facilities to fully implement paperless operations and allow subscribers to provide electronic signatures and scanned versions of required documents. It is not necessary to provide copies of documents which decreases paper consumption and guarantees the confidentiality of the personal information of subscribers.

Paperless operations not only reduce the costs required for the printing of forms and paper but also lead to lower expenses for transportation, shredding, and storage of forms. By the end of 2013, a total of 11,242,973 paperless documents had been processed leading to savings of 15.75 million sheets of paper.

Usage of paperless forms



2.2.9 Climate risk responses

(1) Legal risks

We closely monitor the enactment of relevant laws by the government. This includes legal drafts regarding GHG emission reductions and energy taxes. Telecommunication service providers generate less GHG emissions than high energy intensive industries such as the petrochemical and steel industry and are therefore not expected to be included into the regulatory scope during the initial implementation stage of relevant laws. Energy tax laws currently still target fossil energy sources such as gasoline and natural gas and are therefore expected to have a rather limited effect on company operations. On the other hand, the indirect impact of these laws on the daily habits of the general public has a potential positive effect on virtual and mobile services and products.

(2) Physical risks

Sudden incidents such as storms, floods, or power cuts can have a

considerable impact on the stable and safe operations of telecommunication data centers or base stations. The online early planning system consists of complete contingency plans to reduce potential losses generated by disasters and guarantee fast recovery. In addition, the following basic regulations governing the selection and construction of data centers have been formulated to enhance the safety of these facilities.

- The construction of data centers shall meet the building strength criteria specified in the building code and regulations as well as wind and earthquake resistance requirements.
- Ground-based base station sites shall meet the criteria specified in the Soil and Water Conservation Act and appropriate soil and water conservation measures shall be adopted.
- Assessment of suitable power systems and stable power backup systems required to be prepared for disasters
- Assessment of an appropriate transmission architecture and stable backup routes required to be prepared for disasters

Construction of highly disaster-resistant base stations

In the wake of the Morakot disaster in 2009, the company constructed relief-type base stations in towns and villages of mountain areas starting in October of the same year in response to policies of the former Kaohsiung County Government (now merged with Kaohsiung City). If power or telecommunication facilities are destroyed or disrupted, these stations have the function of maintaining external contact with relief providers.

In 2011, we commissioned five highly disaster-resistant base stations in the Taoyuan, Liugui, Maolin, Shanlin, and Fengshan districts and added backup power generators as well as stable microwave and satellite routing equipment for transmission purposes. In August 2012, three highly disaster-resistant mobile base stations were commissioned. These stations are capable of maintaining stable telecommunication services and contact with emergency relief providers in the event of a natural disaster.

2.2.10 Green procurement

Taiwan Mobile continues to implement green procurement to expand the green consumer market. This also conforms to the win-win strategy for the creation of green benefits in the value chain. We therefore preferentially purchase eco products with a low environmental impact that have been awarded Eco labels recognized by the Environmental Protection Administration of the Executive Yuan, meet the criteria of recyclable and renewable materials, low pollution, and

resource conservation, or increase social benefits, decrease social costs, or achieve similar effects with the goal of maximizing ecological benefits. In 2013, green procurement amounted to almost 180 million NTD.

TWM Group			
Category	Label	Product name	Y2013 Total amount
First category	Eco/Energy Conservation Label	AC in base stations	26,545,900
First category	Eco Label	Copy machine (rental)	10,329,021
Other	Eco-friendly soy ink	Printed materials	103,862,642
Other	ROHS	Computer equipment (routers)	4,232,720
Other	Carbon label	Stationery (copy paper, packing tape)	1,664,439
Other		LED lighting	1,001,253
Other		Hybrid vehicle rentals	1,173,000
Other		Computer rental	30,269,987
Other		Eco-friendly toner cartridges	53,851
Total(NTD)			179,132,813

2.3 Smart low-carbon solutions

2.3.1 Creation of a 6-star IDC Cloud Data Center

On November 26, 2013, Taiwan Mobile announced the official launch of its IDC Cloud Data Center, the first of its kind in Taiwan and the only in East Asia to be awarded the Uptime Institute's (the global data center authority) Tier III dual certification. The center which covers a total area of around 8000 Pings and cost around 5 billion NTD is located in the Neihu Technology Park in Taipei. New international standards and a 6-star design concept were adopted to provide stable and uninterrupted data center services for finance, international telecommunication, and e-commerce businesses.

Stable and uninterrupted services due to dual-loop design

To meet the criteria of the Uptime Institute Tier III certification, electromechanical facilities must be equipped with a N+1 redundancy mechanism and, even more importantly, the five major systems (power, air conditioning, fire protection, safety, and environmental control) must be based on a dual-loop design and the data center must be concurrently maintainable. This allows operators to maintain uninterrupted services by switching data pipelines during maintenance of the center or in case of accidents. This not only represents the main difference between Tier III and Tier II certified data centers but is also one of the key factors for the selection of IDC by enterprises.

Highly energy-efficient Data center with a PUE of only 1.5 and a carbon reduction effect equivalent to 24 Daan Forest Parks

As far as energy conservation is concerned, the cloud data center design employs cold/hot aisle separation and free cooling methods in combination with special air conditioning facilities (such as chiller units, cooling towers, and scavenger fans) as well as accurate lighting control systems. The overall energy efficiency goals are based on the Green Grid silver-level measurement standards for data centers to achieve a PUE (Power Usage Effectiveness) of 1.5. Compared to the PUE2.0 power usage efficiency of generic data centers, the Taiwan Mobile IDC cloud data center consumes around 25% less power. After the official launch of the center, it is expected that the carbon reduction effect will be equivalent to the amount of carbon absorbed by 24 Daan Forest Parks. The first truly green cloud data center in this industry will effectively reduce carbon emissions.

In addition, following the higher density and wattage of client server systems, the need for heat dissipation solutions will lead to a greatly increased power consumption of data centers. In the face of higher electricity prices, IDC operators are forced to raise their fees to reflect higher operating costs. The Taiwan Mobile IDC Cloud Data Center effectively reduces the power consumption for equipment not related to servers and leads to lower energy consumption for cooling purposes. This also helps avoid greatly increased expenses for subscribers due to rising electricity prices.

Superior geographical location and provision of comprehensive operation maintenance management

The Taiwan Mobile IDC Cloud Data Center is located in an exquisite area of Taipei City in the vicinity of the National Freeway No.1 interchange and Tiding Boulevard adjacent to the Neihu and Nangang Technology Park areas. The center allows clients to perform tuning and maintenance operations in a convenient and rapid fashion. The data center not only provides simple co-location services but also diverse management tools and services including Managed Service, exclusive VIP windows, real-time monitoring and queries to enable clients to monitor and manage data systems in a real-time fashion. As far as information security is concerned, the data center has been awarded the ISO 27001 and ISO 27011 international data security standard certifications. These standards help the company to reduce losses caused by fragile spots in the data systems and prevent potential risks, which in turn makes it possible to provide corporate clients with maximum



security. Enterprises that store their data in the Taiwan Mobile Cloud Data Center can direct their full attention to business development and achieve multiple objectives such as a reduction of costs required for the establishment and management of their own data centers and decreased environmental pollution.

The cloud data center met the criteria of the SGS ISO50001 energy management system certification in the 4th quarter of 2013 after its official launch. It is expected that the center will generate an annual reduction of carbon emissions by 17,487 tons, which is equivalent to the amount of carbon absorbed by 24 Daan Forest Parks (calculated based on an estimated absorption of 705 tons of carbon per year). The center effectively reduces carbon emissions.

2.3.2 Promotion of e-bill services

Since May 2008 we have been officially promoting e-billing by replacing physical paper bills with e-mail files. In July 2013, we added text message notifications. In addition, clients can print out detailed call records based on their personal needs since August 2012 and website browsing services. Based on the assumption that every e-bill can help save 2.4 sheets of A4 paper, a total of 66.96 million sheets of A4 paper had been saved by the end of 2013. CO2 emissions generated by the sending of physical bills were also reduced. The constant promotion of e-billing has led to a gradual expansion of these services.

Relevant information is disseminated via the company's own channels including bills, envelopes, the official website, and company events. Rebates on bills, e-gifts, or certified eco-friendly products as free gifts are employed to attract clients to apply for e-billing services in the hope of realizing and maximizing the effects of a low-carbon lifestyle.

**Calculations of carbon emission reductions are based on the amount of saved power

**Daan Forest Park can absorb 705 tons of carbon per year (source: Forestry Bureau, Council of Agriculture) Data collected by the Forestry Bureau reveals that 1500 Pongamia trees (average age of 10 years) are planted on one hectare of forest land. These trees can trap around 27 tons of CO2. The Daan Forest Park covers a total area of 25.9293 hectares. The amount of absorbed carbon therefore amounts to 25.9293x27=707.869 tons. The power emission coefficient in Taiwan in 2009 was 0.623kg of CO2/kWh.

2.3.3 Mobile lifestyles –



an application of low-carbon concepts

myBook Book Town

myBook is the only online bookstore in Taiwan which offers both physical and virtual books. It provides paper books and digital contents such as e-books and e-magazines. Subscribers can access and enjoy these contents via their mobile devices anytime and anywhere, whenever they like. With a simple touch they can order their favorite books. E-books jointly published by Taiwanese and overseas publishers include:

In addition to e-books, myBook is also fully committed to promoting e-magazines. Close to 100 different magazines are currently available and membership numbers exceed 20,000. If every member downloads an average of 8-10 magazines a month, the resources required for the printing, paper, shipping, and storage of 2-2.4 million magazine copies a year can be conserved.



myPlay1 Mobile online game services

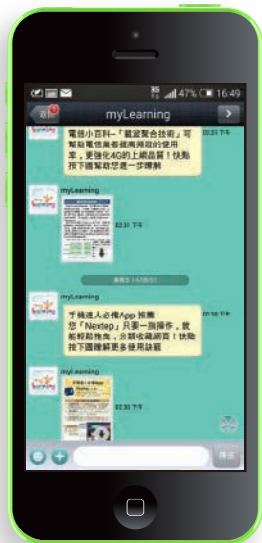
myPlay1 mostly releases mobile games and allows gamers to play these games online via their portable smart devices. Compared to PC games which were popular in the past, mobile games consume less energy and the integrated direct payment systems allow gamers to directly purchase in-game credits via their cell phones. It is no longer necessary to purchase physical game cards in convenience stores as required for computer games in the past



M+(VoIP)

M+ not only allows subscribers to strengthen their friendships by sending text messages, emoticons, or stickers, it also features a free voice chat function (VoIP).

In addition, the Gift+ APP of M+ (VoIP) is linked to convenience/chain stores. Subscribers are able to purchase coffee and cake via their smartphones for their friends in a convenient fashion. Recipients can retrieve their gifts upon receipt of a text message. This makes it possible to send gifts over long distances in an eco-friendly fashion by reducing carbon emissions and without any travel fatigue.



mySports Transforms cell phones into health management specialists

mySports provides 20 different sports activities including jogging, cycling, hiking, and brisk walking and enables subscribers to record their personal exercise data and physiological information via their cell phones. During exercises information such as real-time motion curve data, distances, speed, heart rates (requires additional external equipment), and burnt calories can be displayed. Complete data sets allow subscribers to track their own performance at all times and socially interact and share experiences with sports buddies. The mySports team is fully committed to the promotion and popularization of different sports activities such as large-scale road running events and cycling races in Taiwan.

Following the growing popularity of smartphones, the general public can exercise in a relaxed fashion and track and manage their personal health via these devices. We have also released a series of recommended exercise routes in Taiwan to allow the general public to freely select routes suitable for cycling, hiking, and taking a walk. In addition to enjoying the beautiful scenery along the way, they can also make a contribution to energy conservation and carbon reduction.

Efforts in the field of social concern

Taiwan Mobile strives for balanced development in the dimensions of economy, society, and environment. As a pioneer in the field of digital convergence, the company aims to utilize its core capabilities to care for and serve society. Facing the advent of the 4G age, the company continues to focus on digital convergence as its core strategy and a commitment to CSR in the 4G age.

Taiwan Mobile employs its core capabilities and resources to assist NPOs and disadvantaged and specific groups in the adoption of digital applications, the training of talent in the field of digital creation, and the expansion of the concern of digital natives for public welfare issues in order to create a positive driving force in the field of CSR.

Quantifiable achievements in 2013

- Honored with the Taiwan CSR Excellence Award and the Model Award in the Social Inclusion Category in November 2013
- M+ real-time communication APP gives 2,669 elementary schools and 739 junior high schools all over Taiwan the opportunity to register free official accounts to provide a convenient and real-time communication platform between teachers and parents
- M+ real-time communication APP allows 133 village and borough chiefs all over Taiwan to provide services for local citizens via smartphones (by May 28, 2014)
- A total of 19 volunteer activities were organized in 2013 and volunteer service hours amounted to 3,249. A total of 26 NPOs presented 32 successful examples at these events.

Social investment costs

The social investment costs reached 115.6 million NTD in 2013 and were mainly incurred by the sponsorship of sporting activities, social welfare, and community concern.

3.1 Digital applications creating new value

3.1.1 Firm connection with local culture to create core social values

As a leading brand in the field of local digital lifestyles, Taiwan Mobile

embraces a spirit of local rootedness and local concern in the fulfillment of its CSR. The company also emphasizes localization in the provision of value-added services and supports Taiwanese artistic and literary creators to establish a firm connection with local culture.

Mobile village and borough projects provide solutions for community communication

The real-time communication APP M+, which was developed independently by Taiwan Mobile, is entering the daily lives of subscribers. The company is currently placing a greater emphasis on localization to meet the demands of local residents and create real-time communication channels for every village, school, and investment.

M+ gives over 6,000 villages and boroughs all over Taiwan an opportunity to register free official accounts. Assistance for the digitization of services provided by village and borough chiefs and guidance for the use of the M+ communication APP is provided through cooperation with universities, colleges, and schools as well as TBSA volunteer units. By December 31, 2013, eight boroughs had set up official M+ accounts and by May 2014 133 villages and boroughs had signed up for accounts. After adding the official accounts of the villages and boroughs they reside in, subscribers receive official announcements from their village and borough chiefs in a real-time fashion. This includes notifications concerning the rights of local citizens covering festival activities, vaccination programs, and garbage collection times. Villages and boroughs which have joined these services are located in Taipei City, New Taipei City, Taoyuan County, Hualien County, Ilan County, Taichung City, Tainan City, and Keelung City. Through the promotion of local projects, M+ provides multidimensional communication channels for borough chiefs, local citizens, and students and gives a boost to the digitization of community affairs.



M+ platforms provide solutions for communication between campuses and families

M+ offers free official account services and allows schools of all levels to freely apply for accounts and use these accounts as new channels for the provision of school information. For instance, schools can remind parents of upcoming sports days one or two days before the actual event via M+ to facilitate participation by parents and real-time communication between teachers and parents. A large number of public and private elementary schools in Taipei City and Tainan City have already submitted applications. Taipei Municipal Tianmu Elementary School and Kang Chiao Bilingual School have set up official

accounts. Parents who have subscribed to these services receive important messages and notifications from the school in a real-time fashion.

At the same time, M+ allows users to create groups of up to 100 members. Teachers can set up groups with the class as the basic unit and parents can join these groups after locating them through a name search. Teachers do not have to collect the phone numbers of all parents and manually add them one by one. Within the group, teachers can not only provide information regarding the academic progress of students and class-related issues, they can also initiate discussions on student affairs and build a communication bridge between teachers, students, and parents. This real-time communication software application can thereby fully develop its community function and serve as a convenient digital communication book.

M+ provides a remedy for two major shortcomings in the communication between schools, teachers, and parents

Shortcoming 1: Schools are unable to provide parents with real-time information

Shortcoming 2: Communication between teachers and parents is confined to face-to-face interactions and there are a lack of tools for communication and interaction between parents

myVideo & mySports promote Taiwanese culture

myVideo aims to provide a brand-new platform for the display of content created by local masters and to provide public exposure for Taiwanese movies. Notable examples include Pili Puppet Theater Classics, movies about Taiwanese stories, inspiring movies, and movies about local culture. Many other genres are also represented such as Taiwanese soap operas, cartoons for young children, and short films about social and family care.

mySports features a combined route and map function that employs rich images and text to introduce exercise routes all over Taiwan including scenic and race routes. The application provides information related to sports and local tourism and cuisine. It offers a greater variety of sports-related reference information and services.



3.1.2 Integration of four major cloud business services to provide assistance for the healthcare system

Enhanced internal operational efficiency

The Taipei City Hospital has already adopted an electronic workflow management system and Taiwan Mobile went a step further by providing the hospital with a mobile workflow management platform and a mobile app workflow service which supports Android & iOS mobile platforms and achieves the goal of a “mobile office”. Health care personnel can conduct workflow management via cell phones or tablet computers whenever necessary. Once the workflow management process has been initiated, the system automatically alerts users of outstanding work items. Users can send replies

back to the system via their cell phones which helps shorten the whole process.

In the past, medical reporting operations including patient hospitalization reports or medical emergency treatment reports utilized text message platforms provided by telecommunications businesses to send notifications to doctors or related personnel. Although this allows the sending of real-time reports, it is impossible to determine the importance and type of reported incident if information is transmitted via text messages. In addition, the way the information is presented, the field expansion, and message management are not very convenient. Taiwan Mobile has upgraded the medical reporting services from a text message system to a mobile APP reporting system. A bidirectional communication system which allows users to respond immediately upon the receipt of reports sent by the system is combined with a management system that classifies information by type and importance. Report contents can be identified immediately and the system can be integrated into the mobile event calendar feature which automatically alerts users of upcoming events.

Due to the fact that health care personnel are scattered in different areas, they are currently only able to communicate via business phones. The mobile cloud meeting platform enables hospital personnel to participate in important work meetings anytime and anywhere via their PC, smartphones, or tablet computers. There is no limit on the monthly number of meetings or meeting times. The maximum number of online participants is 25 and the application features include video sharing, online recording, and virtual whiteboards.

The vigorous development of applications led to rapidly increasing sales of smartphones. The growing popularity of mid- and low-priced smartphones is an inevitable trend in 2013. High-quality note-taking applications can help increase the work efficiency of staff members. Taiwan Mobile provides hospital personnel with the opportunity to use Evernote, the world's leading mobile cloud note-taking application. This application allows users to record and retrieve their thoughts, experiences, and insights anytime and anywhere via their PCs, smartphones, or tablet computers.



Strengthening of public services

The Ministry of the Interior once stated that the Rehab Bus Service is a key policy for the future. This bus service allows people with mental and physical disabilities to board and alight buses with dignity and enjoy preferential fares while seeking medical treatment. A total of 6.02 million passengers benefited from these services all over Taiwan between 2008 and the end of September 2012. However, only 227 buses

were available at the end of 2013, which was not sufficient. We therefore donated a Rehab Bus to the Taipei City Government in the hope of setting an example for others to emulate through this small contribution and to prompt more private enterprises to participate and make contributions to society. In addition to the abovementioned services the company also provides mobile hospital and clinic registration services and wifi services in public areas to allow subscribers to register for medical services at any time and enjoy high-quality Internet services in hospital areas.

By the end of 2013, the setup of the following services was already complete: mobile cloud meeting services for medical personnel, note-taking services, mobile hospital registration app, rehab bus donation, and wifi services in public areas. The remaining services are expected to be available in 2014

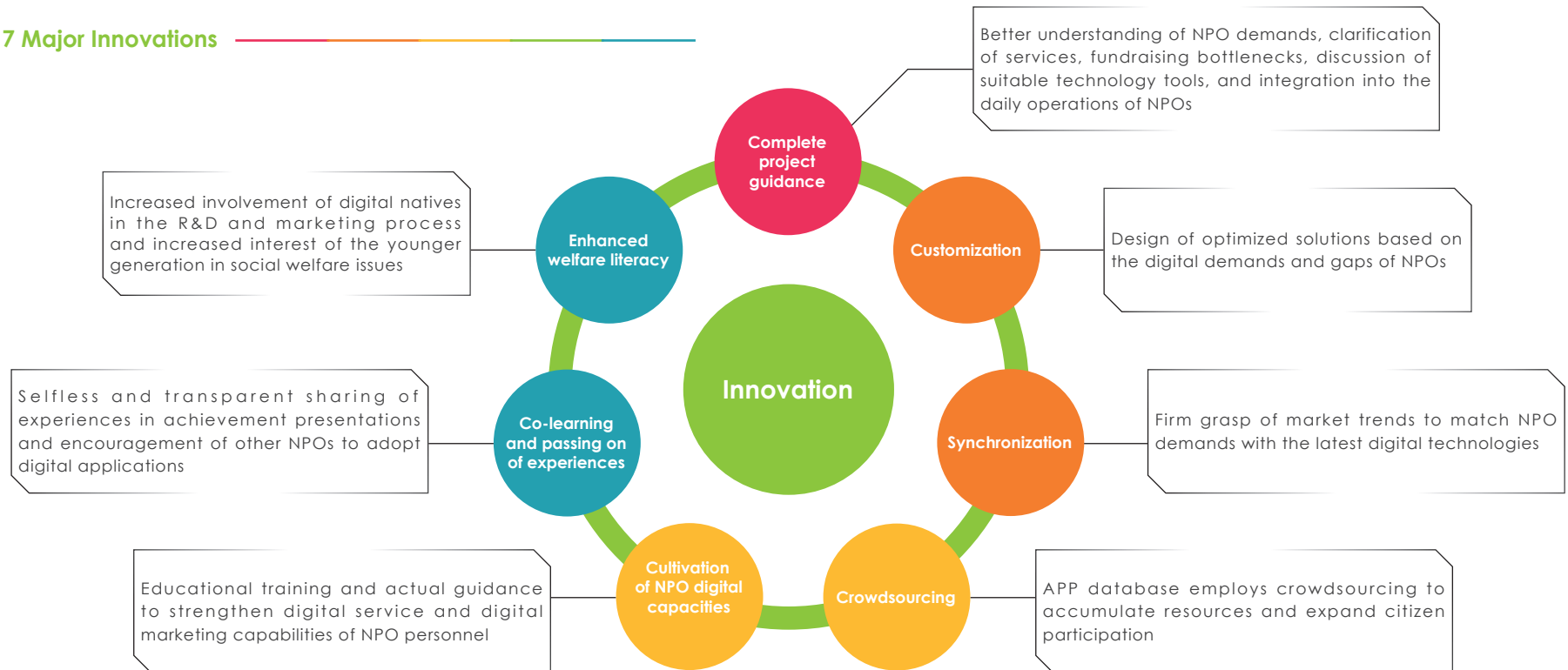
3.1.3 i-Infinity digital welfare

In view of the growing popularity of digital services and a discarding of

traditional fundraising approaches, Taiwan Mobile Foundation assists NPOs in the adoption of digital services and digital trends by pioneering an “i-Infinity program” featuring a concentration of digital projects. We integrate our core capabilities and resources to provide NPOs with digital applications and employ our digital leverage to improve the capabilities of NPOs in the field of digital applications and cultivate digital talent. An enhanced operational efficiency of the internal structure of NPOs and improved external fundraising ability can make up for the social disadvantage of a lack of assistance from the public and private sectors. This also helps awaken social concern in Taiwan and increase devotion to welfare issues.

In 2013, a total of 26 NPOs presented 32 successful examples. This includes the online release of three micro movies on the three major issues including old age, disease, and underprivileged status. Within less than two months, these movies have been viewed over 210,000 times. Ms. Wang Quan , a two-time recipient of the prestigious Golden Bell Award, is the leading actor of “Xiao Hua, where are you going?”, which touched the hearts of Taiwanese audiences. More than 1.5 million dementia patients benefit from the first “NFC Smart Tracking Wristband” in Taiwan which employs the latest technology and gives directions to mentally handicapped persons to help them find their

7 Major Innovations



way home.” (Wheelmap) has accumulated a database through crowdsourcing and expanded participation by local citizens and improves the mobility of 4 million physically disabled people, seniors, and parents with babies. The company also pioneered the early intervention game app “Bubble Adventures” which propels rehabilitation therapy into the mobile age and helps develop the inner potential of 1 million children. “Willo Volunteers”, the first cross-platform volunteer service in Taiwan, encourages the general public to utilize their scattered time to serve as volunteers in an effortless fashion.

“Wheelmap” app – a treasure grove for 1 million physically disabled, seniors, and parents with young children

The “Wheelmap”App allows users to search for obstacle-free facilities at scenic spots, hotels, restaurants, and shopping centers all over Taiwan. At the same time, the app also features a database of low-floor bus routes, which provides users with information about buses to their destination. By the end of 2013, the application featured around 2,400 data entries. By May 2014, the number of entries exceeded 4,000 with a geographic focus on metropolitan areas including Taipei and New Taipei City, Taichung, Tainan, and Kaohsiung. The goal is to encourage all local citizens to utilize the integrated “Friendly Space Reporting” function or upload images and information to the “Sunable Website”. In addition to using the FB check-in and sharing function, users can conveniently upload obstacle-free locations to help around 4 million physically disabled persons, seniors, and parents with babies with impaired mobility to fulfill their dream of obstacle-free travel.



“NFC Smart Tracking Wristband” helps dementia patients find their way home

Taiwan Mobile Foundation developed the first Smart Tracking Wristband in Taiwan which employs the latest NFC technology in cooperation with Bjorgaas Social Welfare Foundation and the Federation for the Welfare of the Elderly to help lost dementia patients return home. Reports are transmitted in an effortless fashion via the wristband which is equipped with NFC technology and mobile phone sensor functions. Compared to traditional steel wristbands, these devices are characterized by more rapid reporting and more accurate positioning capabilities. Furthermore, it is not necessary to download software for these user-friendly devices. Over 1.5 million individuals with a potential need such as dementia patients, patients with mental conditions, and young children will benefit from the full promotion of these devices which help them find their way home. In addition, the revolutionary device is introduced to users all over the world on NFC World, the authoritative website for international research in the field of NFC technology.



Popularization of early therapy through **“Bubble Adventures App”** and extension to home care

“Bubble Adventures App” is a tablet game application which appeals to children in need of early intervention and provides assistance in the rehabilitation process. The game process is designed in a way to promote rehabilitation (cognition, memory, social adaptation, and hand-eye coordination). The therapy process is extended to home care and the application serves as a reference for the observation of the child rehabilitation process by doctors, teachers, and parents. A total of 37,000 children in need of early intervention and their families all over Taiwan will benefit from the popularization of early intervention and rehabilitation therapy. This application helps save parents the hassle of seeking treatment at different types of therapy centers and helps avoid a waste of time and energy. At the same time, it promotes the development of the inner potential of 1.17 million young children.



“Willo Volunteer Platform” – Mobile and digitized matching of supply and demand

NPOs are often unable to find volunteers, while citizens have trouble finding suitable volunteer service opportunities. Taiwan Mobile Foundation launched “Willo”, the first cross-website and cross-application volunteer platform in Taiwan, in cooperation with Willo Life Association to provide a solution for this problem and encourage all citizens to utilize their scattered time to sign up for volunteer services. This platform is very user-friendly and it only takes 3 seconds to complete the matching and registration procedures after becoming a member. This helps increase the willingness of the general public to participate in volunteer activities. It also facilitates the search of volunteers for suitable activities, while NPOs can enhance their efficiency and find suitable volunteers in a short amount of time by utilizing the QR Code check-in function.



The Willo Volunteer Platform manifests three major and innovative volunteer-related concepts including “miniaturization”, which refers to the use of scattered time after school or work for volunteer activities, “real time” matching, registration, check-in anytime, anywhere via the app, and “virtualization” which connotes the fact that volunteer services are no longer confined to physical services but can also be provided via digital transmission or across long distances. Willo Volunteer Platform will revolutionize the field of volunteer services and will attract more students and professionals to dedicate their skills and talent to volunteer activities, show a joint commitment to public welfare services, transform social morality, and experience the joy of selfless service.

Website version: www.willo.tw
Android version: www.iwillo.co/app/android
iOS version: www.iwillo.co/app/ios

Video system and mybook e-books – environmental protection at low costs with maximum results

Beneficiaries of NPOs are spread all over Taiwan. In the past, social workers often faced travel fatigue and exorbitant transportation costs because of educational training courses and communication meetings. As of December 31, 2013, Taiwan Mobile has provided videoconferencing services and educational training for 13 NPOs at 78 locations. The number of training participants has doubled or tripled and exceeds 8,100. This has led to transportation cost savings of 5.21 million NTD and a reduction in carbon emissions of over 90 tons.

E-book service on mybook platform leads to a reduction of printing and mailing costs incurred by NPOs. A total of 27 NPOs currently participate in this project which has generated mail cost savings of around 30% (as of the end of 2013). Magazine back issues and picture books can be circulated freely. These services achieve multiple objectives such as a promotion of diverse welfare issues among the general public and the 500,000 subscribers who use mybook e-books, an increase of donation amounts, and a local response to global energy conservation and carbon reduction issues.

Micro movies – experiential marketing through images breaks through the bottleneck of traditional fundraising efforts

Taiwan Mobile enlisted the award-winning team of the micro movie category of the myfone mobile composition awards to adapt real stories in an effort to revolutionize traditional marketing methods employed by NPOs. In 2012, three movies were produced for Canlove Social Service Association, the Chinese Christian Relief Association, and the Champions Education Association, respectively. “11 o'clock Secret” describes how a mother who suffers from depression turns over a new leaf for her children. “Grandma Believes in Jesus” depicts in a humorous way the upbringing by grandparents and the importance of after-school guidance for children of disadvantaged families. The “Label Girl” strengthens the moral education of adolescents who are champions in a fantasy setting. These three micro movies were released online in 2013 and helped these organizations raise over 9 million NTD within three months, which represents an increase of approx. 6.6 million NTD compared to the same period of the previous year. These movies resolve the fundraising bottlenecks of NPOs, increase the number of service beneficiaries, and help expand the service scope.

In 2013, another three movies were produced for the First Social Welfare



Foundation, Formosa Cancer Foundation, and Mennonite Social Welfare Foundation, respectively. “Grandpa’s Secret Lover” describes a senior citizen in a remote village who finds the second love of his life in a day-care center. “Xiao Hua, where are you going” is about a cancer struck mother who is concerned about the future of her mentally retarded son as he grows older. “Metamorphosis” skirts the issue of grief and tragedy in a family struck by cancer and focuses instead on new possibilities which emerge when we look beyond our personal struggles. “Xiao Hua, where are you going?”, the movie clip of the First Social Welfare Foundation, accumulated over 200,000 views within one month after its online release on February 5, 2014. The donations received by the First Social Welfare Foundation via the 5180 Mobile Donation Hotline in that month were 18 times higher than in the same period of the previous year. What is even more remarkable is that the average age of the creators of these micro movies is below 30. The production of public welfare-related micro movies therefore not only raises the awareness among the younger generation in Taiwan for public welfare issues, it also provides these creative geniuses with a stage and an opportunity to display their brilliance.

3.1.4 909 Mobile Audio Guides

Taiwan Mobile pioneered mobile audio guide services in 2004 to help promote artistic and cultural activities through mobile communication services. Through the establishment of our mobile audio guide system, we created a comprehensive digital database for exhibitions and turned cell phones into exclusive personal museum guides for visitors without any time or space constraints. This system enables users to access exciting exhibition contents anytime and anywhere.

We successively released various art, culture, community, history, relic, and biology related audio guide services in cooperation with large exhibition venues in Taiwan. In addition to the provision of regular audio guide services in the Juming Museum, the National Museum of Marine Biology and Aquarium in Pingtung, and the Yingge Ceramics Museum, Taiwan Mobile introduced a mobile audio guide consisting of 101 different audio guide items in Chinese for the Beitou Eco-Museum Area in cooperation with industry, government, and academic circles and the Department of Information and Tourism in Taipei and Beitou Association in 2012. This is the first audio guide service for an open area which gives visitors a better understanding of this fascinating tourism town. In view of the large number of international tourists audio guide services in English and Japanese are available for 41 carefully selected must-see sites in the Beitou area since the end of September 2013 to give foreign visitors an opportunity to enjoy a trip to Beitou in a relaxed fashion.

We also continue to cooperate with large-scale international special exhibitions and have provided various art, culture, community, history, relic, or biology related audio guide services for a total of 39 exhibitions in 19 national exhibition venues. Original authors and aesthetics masters such as Jiang Xun and Ju Ming, the author and artist Lei Xiang, and his daughter, the Golden Melody/Golden Horse music producer Summer Lei were invited for every exhibition to personally provide manuscripts and recording services to bring the general public closer to works of art with the aid of the voices and perspectives of experts. Taiwan Mobile Digital Life, which was inaugurated in August 2013, is not only an exhibition center for technology and digital services, but also features a large-scale special exhibition of art and deco pieces that utilizes a 4-meter-tall indoor wall surface. 909 Mobile Audio Guide Services are available for the first exhibition which consists of two works by the Taiwanese artist Mia Liu titled “Unstoppable Curls” and “Mamamia”. Visitors can directly dial the hotline to listen to a detailed introduction of these works. Between 2004 and 2013, this mobile audio guide system has been used a total of 230,000 times for a total of over 31,000 hours.

909 Mobile Audio Guide Service Usage between 2004 and 2013

Year	Times used	Hours	Year	Times used	Hours
2005	19,016	408.7	2010	14,545	3,556.2
2006	2,256	387.7	2011	27,513	5,396.7
2007	3,679	766.4	2012	23,110	5,323
2008	62,697	11,527.1	2013	23,317	964.5
2009	27,223	2,146.8	Total	235,475	31,468
2009	27,223	2,146.8			

3.1.5 5180 Mobile Donation Hotline

In December 2005, we introduced this mobile platform for small donations. The 5180 Mobile Donation Hotline which emphasizes convenience, gives busy modern humans a chance to transform love into action without any time or space constraints and establishes a long-term fundraising channel for social welfare organizations.

This service also fully utilizes IVR (Interactive Voice Response), a core technology of the telecommunications industry as well as back-end services. Selectable donation amounts are 100, 200, 300, 500, 1000, 1500, 2000, 3000, and 6000 NTD. The back-end cash-flow and information flow system allows users to make a donation as part of their monthly telecommunication bills. Receipts can be retrieved online when making a donation in a safe and convenient fashion.

On the other hand, a donation function (titled “I want to make a donation”) was added to the customer service APP in February 2013. This APP allows subscribers to make donations anytime and anywhere without the use of voice dial functions. Mobilized services greatly expand the numbers of young donors. This APP turns smartphones into passbooks which can be used for charity purposes with personalized real-time query functions to achieve an enhanced effect of continued donations.

Between the launch of the service in December 2005 and the end of 2013, a total of 67 social welfare organizations have conducted fundraising campaigns by utilizing this system. The service helps gradually raise the fundraising efficiency of these organizations. Cumulative donations have already exceeded 53 million NTD by



almost 120,000 donors. A trickling flow of donations has turned into a stream testifying to the kind-hearted energy of Taiwanese civil society.

In addition, we also commit our corporate resources to enhance the public exposure and fundraising efficiency of NPOs through different corporate activities and promotional channels. We also organize annual seminars and nonscheduled educational training programs such as public welfare marketing technology to meet the demands of NPOs. These activities not only provide these organizations with a communication and interaction platform but also help them face the challenges posed by the knowledge economy and refine their management practices.

As far as the commitment of manpower is concerned, we guarantee the smooth functioning of the system and encourage our staff to support cooperating organizations utilizing the 5180 Donation Hotline. The company organizes several volunteer activities on an annual basis to give our staff an opportunity to get hands-on experience of the work of these organizations so they can identify with them, which in turn will increase their willingness to make donations. Furthermore, a feature entitled “I want to donate” was added in the mobile customer service app in February 2013 to enable subscribers to make donations via this app anytime and anywhere.

In the future, we will continue to optimize this system and increase the number of cooperating organizations and subscribers. We will also provide assistance in the form of resources and enhance the efficiency of the donation process in line with plans designed by social welfare organizations in the hope of transforming the mobile donation platform into one of the main donation channels for social welfare organizations.

Efficiency of the 5180 donation platform and number of participating organizations

Year	2006	2007	2008	2009	2010	2011	2012	2013
Donation amount	2,899,400	4,203,700	7,012,600	7,846,800	7,220,200	7,790,900	7,452,900	8,615,600
Number of donations	7,177	11,448	16,286	17,662	16,391	15,557	15,605	19,815
Number of organizations	8	17	25	40	49	56	63	67

3.1.6 Cultivation of digital talent – myfone Mobile Composition Award

In 2007, Taiwan Mobile Foundation created the myfone Mobile Composition Awards in response to the low level of Chinese proficiency in Taiwan, the shrinking market for music, and the lack of outstanding creative talent with the goal of furthering creativity in the field of digital technology in Taiwan and encouraging the general public to use cell phones which are an indispensable part of their daily lives to be creative anytime and anywhere. Since the initiation of the Mobile Composition Awards seven years ago, the number of submissions and the number of participants in related seminars and the voting process have continued to reach new highs, establishing a new benchmark for submitted artistic and creative works in Taiwan. This clearly shows that myfone Mobile Composition Awards have gained great prestige and reputation in a relatively short period of time.

Following the vigorous development of video platforms in recent years, the diversification of audiovisual creations on mobile devices has turned into a general trend. In response to new audiovisual experiences and the renaissance of the movie genre, a micro movie category was added with the theme of “Affection” (in 2012) and “Change” (in 2013) to encourage the general public to break through self-imposed limitations and embrace change which starts from within. Participants may employ different filming tools for the creation of documentaries, dramas, animated movies, or even commercials to explore these themes. In addition, a special quota is reserved for students who are encouraged to join the ranks of movie makers. The micro movie category of the myfone Mobile Composition Awards has provided a great impetus to the cultivation of movie-making talent. In the past two years, over 300 works have been submitted in the micro movie category. In 2014, the prize money for the winner was increased to 1 million NTD and a special prize of 500,000 NTD for “Best Mobile Movie” was added to encourage students to use their mobile devices for their submitted movie creations. The organizers also provide a stage for the presentation of these works.

This philosophy earned positive responses from many high-caliber judges. The great masters Guang-Zhong Yu, Yu-Hui Liao, Hong-Zhi Zhan, Ping Lu, and Wen-Hua Wang served as judges for the SMS category, while Shu-Jun Huang, Zhi-Jian Hou, and Summer Lei evaluated the entries of the ringtone category and Xiao Ye, Leon Dai, and Li-Zhou Yang selected the winners in the micro movie category. All judges agreed that the quality of the submitted work is gradually increasing. Text messages hit the nerve of the times and echo contemporary issues. The social phenomenon of



smartphone addicts has eclipsed the mistress issue which was extremely popular last year and has turned into a new favorite. The ringtone section exhibited a polarized pattern of extremely high and extremely low levels of professionalism. At the same time, musical styles were extremely diverse this year and spanned the whole spectrum from Reggae, Techno, Heavy Metal, Jazz, Blues, and Hip Hop to Musicals, A Capella, Funky, and Folk which is very heartening. The styles

Statistics on participation in the myfone Mobile Composition Awards

	1st 2007	2nd 2008	3rd 2009	4th 2010	5th 2011	6th 2012	7th 2013
SMS Literature	5,232	4,745	22,512	39,494	48,279	44,497	40,562
Original Ringtones	138	331	424	427	660	470	425
Micro movies	-	-	-	-	-	201	100
Number of entries	5,370	5,076	22,936	39,921	48,939	45,168	41,087
Popularity award votes	-	-	49,674	54,370	65,260	159,399	123,530

Overview of Seminars for the 7th myfone Mobile Composition Awards in 2013

Date	Topic	Instructor	Location	Number of Participants
5/01	The secret of word weaving	Ms. Yu-Hui Liao	Tainan First Senior High School	1,200
5/13	Discussion of the creative aspects of daily life based on the 10 stages of love	Mr. You-Ning Qu	Kun Shan University	180
5/14	The secret of word weaving	Ms. Yu-Hui Liao	Jingmei Girls High School	800
5/20	From whisbih to micro movies	Mr. Li-Zhou Yang	Fu Jen Catholic University	50
6/13	The secret of word weaving	Ms. Yu-Hui Liao	Hsinchu Senior High School	120
6/13	Sudden inspiration and finishing touches of musical creation	Mr. Zhi-Jian Hou	National Chengchi University	70

covered different fields and ages. The micro movies echoed the main theme with producers thinking outside of the box. Movie entries were centered around the themes of family affection, love, and nuclear safety reflecting on contemporary social mores. These movies expound key concepts within a short period of five minutes emphasizing the far-reaching impact of digital creations.

First impact: Quality and quantity of submitted works

The myfone Mobile Composition Awards in 2013 are also known as the Mobile Oscars Awards. The age of the award recipients of the 7th instalment ranges from 15 to 71, while the age distribution of the participants is even wider and involves all age groups. 19-22 year-olds accounted for 23.93% of all participants representing the group, with the most active participation. 69.54% of all participants were under 30, which shows that this event is very popular among the younger generation. The award recipients who hail from various professional backgrounds express the thoughts and aspirations of ordinary citizens in a delicate and sophisticated style. The works present a micro image of current social conditions in Taiwan and reflect on ageless truths and meanings. Following the vigorous development of the Internet, myfone Mobile Composition Awards has generated a huge impact online. The voting process for accepted works receives wide attention in social media. To view past award-winning works please visit the "Past Award Recipient" section of our official website at www.myfone.org.tw or scan the QR code.

Second impact: Reflection of contemporary lifestyles

Due to a simultaneous accumulation of quality and quantity, myfone Mobile Composition Awards not only represents a simple creative contest or an exploration of the beauty of literature or music but rather reflects a microcosm of contemporary lifestyles and society. Since the third instalment of the myfone Mobile Composition Awards, the works presented by Taiwan Mobile are full of social observations and the works submitted for the 7th instalment point out the state of contemporary consciousness. This includes social issues such as the social phenomenon of smartphone addicts, new forms of interpersonal relationships generated by the use of cell phones, the impact of social networking websites such as Facebook, new interpretations of "Essays and Criticism", and the problem of food safety. The poet Guang-Zhong Yu once stated that SMS literature expresses the thought and aspirations of the general public in a concise and ingenious fashion similar to the Book of Odes



which covers the customs of 15 different states and is therefore an ideal reference for rulers, the research of social problems, and parents and teachers.

Third impact: A wave of culture and creativity and cultivation of new talent

Myfone Mobile Composition Awards encourages the use of the cell phone as a new creative tool to reflect contemporary needs and technological changes. This groundbreaking event regards text messages as a new literary style, ringtones as a new music format, and micro movies as a response to new demands in the field of mobile videos and therefore proposes the concept of a mobile composition contest. The event not only initiated a renaissance of art and culture and marvelous and intriguing encounters of technology, literature, music, and images, but also encourages the general public to view the contents transmitted by cell phones from a brand-new perspective. It gives people with creative potential an opportunity to give free rein to their creative spirit in the production of sublime literature, music, and video contents. This also gives an impetus to the cultivation of digital creative talent and generates a positive cycle for the direction of our core operations. This is also consistent with the development direction of cultural and creative industries in Taiwan. We hope to discover superb literature, music, and visual contents and enhance the soft power of our nation through the continued provision of a new creative space for artists and encourage the development of digital content and cultural and creativity.

To encourage interactions between judges and creators, the 7th instalment of the event continued the tradition of organizing a face-to-face gathering upon conclusion of the award ceremony. This gathering of over 100 participants turned the myfone Mobile Composition Awards into an interaction platform for creators and gave the judges an opportunity to answer questions of the contestants regarding individual entries providing an opportunity for bidirectional close interactions.

To expand the impact of this event and increase the public exposure of award-winning works, the organizers have added cooperation opportunities with other industries and integrated the resources of the group in 2013. In addition, the award-winning pieces in the SMS literature category of the 7th myfone Mobile Composition Awards were printed on CAMA coffee cup sleeves. At the same time, award-winning micro movies were screened on KBRO digital TV, Taimei Cable TV, and myVideo. After the award ceremony, a one-month exhibition of works was held in the Hakka Cultural Park in Taipei.

3.2 Digital inclusion - Enhanced competitiveness

3.2.1 Plans tailored to the needs of different groups

Customized promotion schemes to fully satisfy the demands of special groups that differ from those of average subscribers.

Seniors joyfully embrace the digital tide

The aging of Taiwanese society is an inevitable trend. We employ our

technologies and services to provide a user-friendly communication environment for senior users. Since 2008, we offer a large variety of special rate plans with 50% discounts on monthly subscription fees for seniors over 60 years of age (in view of the high proportion of seniors in remote areas, preferential rates are available in these areas starting from the age of 50). As of the end of 2013, the number of beneficiaries of these offers amounted to 130,000.

Since March 2011, these offers have been combined with mobile phones that have been specially designed for elderly subscribers and feature extra-large keypads, louder ringtones, extra-large screens, and extra-long standby times and a functional design based on safety considerations for seniors. This includes a flashlight button at the top end of the device which provides lighting in dark areas to prevent slip and fall accidents. In case of emergencies, elderly subscribers can immediately contact their family members by pressing the SOS emergency button on the back of the device for three seconds.

To encourage seniors to use mobile Internet services, a special plan (50% discounts on monthly voice subscription fees) for seniors featuring brand tablet computers with calling functions has been available since 2013. This offer not only eliminates the inconvenience caused to seniors by the small screen size of smartphones, the flat Internet rate of 489 NTD a month also allows elderly subscribers to surf the Internet without having to worry about high fees. This special offer for senior subscribers with monthly subscription fees of only 689 NTD, allows these users to fully experience the convenience and joy of surfing the Internet on a large screen. The number of beneficiaries of these offers amounted to around 6500 in 2013.

Subsidies for disadvantaged groups and remote areas to safeguard the rights of these subscribers

The company provides a New Preferred Rate Plan for the Physically and Mentally Challenged and Deaf-Mute Subscribers as well as special ADSL plans for disadvantaged subscribers. These plans offer monthly discounts and a certain quota of free text messages and voice calls for deaf-mute subscribers. The number of beneficiaries of these offers amounted to around 1000 in 2013.

In addition, special plans with low voice subscription (minimum monthly fees of 99NTD) and Internet subscription fees (subscribers are entitled to a free monthly allowance of 500MB for a fee of 50NTD) are available in agricultural counties and towns with low average incomes (Hualien, Taitung, Chiayi, and Pingtung), areas with a low penetration of mobile Internet services, remote areas, and offshore islands to bridge the communication divide between these regions and metropolitan areas. In 2013, around 1000 subscribers benefited from these offers.

Another special plan featuring a free monthly Internet allowance of 1GB for 50 NTD was introduced in 2013 for agricultural counties and towns (such as Pingting)

and subscribers with low incomes to give these subscribers access to high-quality communication services at the lowest rates. This also helps increase the penetration rate of mobile Internet services and the convenience of information flows in remote areas. In 2013, over 500 subscribers in Pingtung benefited from this offer.

User-friendly plans for foreign tourists and new immigrants

Taiwan Mobile offers pre-paid cards for international calls to allow 400,000 foreign laborers to call their families. Discounted times are available every day (50-70% discounts) to provide assistance for these economically disadvantaged groups who live far away from their hometowns and give them a chance to relive their homesickness and stress after work. In addition, Taiwan Mobile also jointly organizes large-scale festival-related events such as annual concerts and the Songkran Festival with the Taoyuan County Government, Thailand Trade and Economic Office, and the Indonesian Economic and Trade Office. Around 10,000 people made valid contributions to the organization of these events in 2013.

With the goal of providing a wide variety of customized services, Taiwan Mobile offers foreign tourists a range of prepaid package deals with different combinations of voice and internet services tailored to personal needs. Myfone Service Centers are located in both terminals at Taoyuan International Airport, offering foreign tourists immediate assistance in telecom services. In 2013, 50,000 foreign visitors enjoyed Taiwan Mobile's prepaid services with premium quality at a competitive price.

3.2.2 myfone "Potent Helper" – An integration of virtual and physical reality

The "Potent Helper" App has been used to provide services in 150 myfone stores all over Taiwan since September 2013. Since November 2013 these services are available in 180 stores. The "Potent Helper" is a software application which allows the transfer and backup of data stored on cell phones when customers switch to new phones or hand in their phones for repairs. The application also makes it possible to install a large number of smartphone applications in a rapid fashion (including TWM customer service, M+ Message, myMusic, myVideo, myBook, myfone shopping, mySport, and other popular apps such as Line, Facebook, Mobile Bobbyguard, Call Guard etc.). Customers save the time required for the download of these applications and are able to experience the convenience of mobile digital lifestyles. As of May 2014, the "Potent Helper" had successfully installed over 750,000 apps for our customers in addition to the provision of data transfer, backup, and restoration services (5000 times).

3.2.3 Enhanced digital competitiveness

Digital inclusion no longer simply refers to the urban-rural divide or a lack of hardware resources. An even more obvious discrepancy exists in the field of software planning including curriculum contents and teaching resources. Taiwan Mobile therefore develops different programs for the four dimensions of information accessibility, information literacy, information application, and encouragement of digital creation based on the long-term CSR strategy of enhancement of digital competitiveness. The purpose of these programs is to enhance the digital capabilities, information literacy, and image education of teenagers through improved hardware facilities and soft skills in an effort to train key talent for the nation in the field of image design and indirectly build a future manpower base.

Information accessibility

(1) Universal service

Since 2009, our subsidiary Taiwan Fixed Network and the Taiwan Mobile Foundation have provided broadband data services for Shanmei, Chashan, and Shizi Village in the Ali Mountain area as well as Jingying Village in Nantou County and Yixing Village in Hsinchu County under the guidance of the National Communications Commission in line with the policy of providing broadband access to all villages and tribal communities. The goal is to enable tribal communities in remote areas to get in sync with the world, obtain first-hand information, and engage in e-commerce via the Internet. In view of the adverse local weather conditions and topographical barriers, fiber-optic cables and very-high-bit-rate digital subscriber lines (VDSL) were employed to construct a roughly 3.3km long fiber-optic line and guarantee a stable transmission quality and premium services with the goal of improving the environment for external communications in those areas and increasing the broadband penetration rate. Upon completion of the hardware installations, the villagers will be entitled to free Internet access (exemption from Internet and circuit charges) for the first year and a 50% discount for the second year which helps reduced the burden to villagers generated by broadband Internet charges.

In addition, the company promoted broadband speed upgrades in remote areas in 2013 in an active response to the government policy of bridging the digital divide between city and country, and to provide citizens in remote areas with stable and fast broadband Internet services as well as increase the broadband Internet speed in the Shanmei, Chashan, and Yixing villages in the Ali Mountain area and Hsinchu County. In the context of the speed upgrade operations, cables with an insufficient number of cores as well as facilities and plates were replaced and the Internet connection speed was upgraded from 2Mbps to 12Mbps. The operational maintenance fees for universal services amounted to 2,967,183 NTD in 2013.

(2) Digital learning centers

According to the 2013 Report on the Current State of Digital Opportunities and Development in Taiwan which was released by the Research, Development, and Evaluation Commission of the Executive Yuan (below referred to as RDEC) (Note 1), the Internet penetration rate in Taiwan has reached 76.3% and the difference between Level 1 and Level 5 digital development areas amounts to 26.1%. The Survey on the Digital Opportunities of Citizens aged 50 and above conducted by RDEC in December 2013 indicates that 43% of this age group are Internet users. The 2012 Report on the Current State of Digital Opportunities and Development among the Physically and Mentally Challenged (Note 2) reveals that only 26.3% of this group use the Internet. In an effort to improve on this state of affairs, we have utilized our core telecommunication technologies and integrated our mobile, fixed network, and cable TV resources to establish a digital learning center for remote areas and disadvantaged groups. We plan to offer courses for seniors in 2014.

We rely on written data, field investigations, and preparatory courses to gain a full understanding of actual demands and provide computer hardware facilities and maintenance, broadband Internet services, and seed teacher training programs to avoid waste and redundancy of resources. We also plan courses and activities that are tailored to the needs of community members in cooperation with local NPOs to make optimal use of mutual resources and increase the number of digital opportunities for community members.

The digital divide is not only caused by a lack of hardware facilities. The shortage of qualified instructors and the phenomenon of population exodus has also lead to a loss of seed teachers in remote areas. To solve the problem of a lack of teaching resources, we assist and guide local organizations in the use of e-learning resources and local instructors to provide teacher training and enhance the management and teaching skills of their executives. At the same time, we provide seed teacher training for female community members and junior and senior high school students to encourage them to assist others. In addition, we employ IP-cameras to strengthen contacts with local organizations in order to gain a firm grasp on actual usage conditions and be able to provide immediate assistance. This also allows mutual observation and acquisition of valuable experiences by digital learning centers.

Digital learning centers which have been in operation since 2007 and are still operating today include Ilan Suao, Wanhua, the First Social Welfare Foundation (First Development Center of First Social Welfare Foundation in Taipei, Ai Zhi Development Center, and Heng Ai Development Center), Syin-Lu Social Welfare Foundation, Development Center for the Spinal Cord Injured in Taoyuan, Carpenter's House Caring Center in Zhongli, Chiayi Dongshi, Kaohsiung Fengshan, Linyuan, Niasong, Daliao, Hualien Shoufeng, Taitung Dawang, and

Taimali. A total of 14 digital learning centers are still operating in cooperation with local NPOs. The goal is to provide disadvantaged groups including impoverished children, foreign spouses, seniors, and children and adults with multiple disabilities with an opportunity to improve their skills in line with global requirements via learning on computers and the Internet through the joint efforts of enterprises and communities. Seven digital learning centers were added in cooperation with "House of Dreams" in 2013. These centers provide computer facilities and online audiovisual educational resources including the far-distance courses for junior high students offered by Victor+. Education is not only provided through videos but also "live" interactive problem solution and Q&A activities with prizes after classes. These centers offer a total of 56 classes for 228 participants including basic computer courses, Internet and social network applications, multimedia production, text and image processing, online video tutorials, and e-commerce. We hope that digital learning centers in remote areas that are characterized by a shortage of resources turn into cradles for the cultivation and education of teenagers in the fields of schoolwork, character formation, lifestyles, and dreams. The goal is to effect a positive change in our next generation through education.

Information applications

(1) Creation of High-quality Digital Teaching Materials

As of the end of 2013, a total of 26 widely acclaimed teaching material sets had been released by Taiwan Mobile Foundation and a total of 27,516 sets had been donated. To offer teachers more convenient access to digital educational resources, Taiwan Mobile Foundation set up an online application system for digital teaching materials on its official website in 2013 and joined the Digital Educational Resource Portal of the Ministry of Education. The lesson plan manuals were converted into e-book format and can now be downloaded free of charge from Taiwan Mobile myBook, while the compositions of great masters of music are available for download as free ringtones or ringback tones. The goal is to employ multiple methods to facilitate learning for citizens and school children in remote areas and bridge the gap between city and country.

We have been releasing digital teaching materials since 2009 covering a wide variety of fields including actual concert performances, healthy Internet use by teenagers and children, creation of digital images, digital music composition, environmental education, and humanistic concern. We actively encourage our partners and musicians to provide usage rights for welfare purposes and even strive to obtain expensive licenses from foreign music companies. Taiwan Mobile converts these video clips into limited edition digital teaching materials with rich educational value and provides them to schools, libraries, and other cultural and educational units free of charge.

(Note 1) Since January 2014 integrated and incorporated into the National Development Council of the Executive Yuan

(Note 2) The latest version of the Report on digital Opportunities for the Physically and Mentally Challenged was released by the Research, Development, and Evaluation Commission in December 2012

When instructors prepare for classes or create teaching materials, they often search for relevant educational resources via Internet search engines. However, these materials are not always suitable, the quality of contents is often not uniform, and instructors face the problem of copyright protection. To make up for these deficiencies Taiwan Mobile creates education-oriented digital teaching materials that differ from generic audiovisual materials on the market in many respects. Rich video contents are accompanied by professionally designed manuals. Experts were invited to provide easily understandable explanations for profound theories, design lesson plans and worksheets tailored to teaching and study needs. Step-by-step guided instruction is provided for each topic. These study and teaching materials are extremely valuable for children during their growth and development process.

Five teaching material sets which were created and published in 2013



26 Art and culture

Taiwan Mobile Sun Moon Lake Fireworks Concert -Phantom Voice



25 Art and culture

Taiwan Mobile Tap Dance Concert



24 Art and culture

Taiwan Mobile "Let's sing together: A Cappella Concert



23 Digital creation

Beginner's Guide to Animation



22 Internet literacy

War literature

(2) Image education and application

The maturity of the Internet and the growing popularity of mobile devices signal the advent of a competitive age in which videos are used to tell stories or, in other words, an age characterized by the impact of the power of the image. The Taiwan Mobile Foundation therefore continues to promote Mobile Micro Movie Creation Camps for Teenagers in cooperation with Public Television Service Taiwan for the purpose of cultivating future multimedia professionals. The ability of teenagers to tell stories with videos is cultivated under professional guidance to enhance the power of their imagery and their competitiveness.

Themes and achievements of Mobile Micro Movie Creation Camps for teenagers

Year	Themes of basic camps	Themes of advanced courses	Number of participating schools	Number of participation	Number of short films
2009	Mobile Show Taiwan	—	15	98	15
2010	My Buzzword Dictionary	—	36	315	20
2011	Mobile Scouts	—	56	267	20
2012	The Sky after School	Live Film Studio	95	473	23
2013	Small Daily Happiness	World of Animation from all Angles	102	487	25

High-end cell phones with filming and recording functions are provided for the camps. The organizers hire renowned directors who provide guidance and input for the initial image concepts and creative techniques and discuss movie outlines and scripts. Foremost directors such as Yu-Xian Lin ("Jump Ashin!") and Jia-Jun Huang ("Rock me to the Moon") have been invited to provide personal guidance and supervision of the production process by utilizing industry resources. The directors guide the creative teams in the joint creation of 2-3 min long movie clips. Participants not only have an opportunity to practice their filming techniques and skills but also gain a deeper understanding of accurate legal concepts in the field of intellectual property rights and have a chance to immerse themselves into media literacy courses. During the two-day activity, trainees not only acquire image creation skills but, even more importantly, media literacy values thereby turning into creators who are able to share images of great social value. Following the evolution of technology, Internet speeds have increased from 3G to 4G, storage on hard drives has been replaced by cloud storage, while handheld filming equipment is now mobile and wearable. Taiwan Mobile promotes image education in sync with the times. Water-resistant cell phones were purchased in 2013

and GOPRO wearable mobile devices were introduced in the constant pursuit of perfection for the camp courses in 2014.

The image education courses offered by Taiwan Mobile focus on the practice of filming techniques and skills in the technical dimension to enhance the ability of participants to express concepts through images. Media and information literacy are incorporated into courses in the value system dimension. In addition, intellectual property rights concepts are reinforced. During the two-day activities, trainees not only acquire image creation skills but, even more importantly, media literacy values thereby turning into creators who are able to share images of great social value. The works completed by teenagers during the Mobile Short Film Creation Camps are screened via different channels and platforms or presented at national or international film festivals. The positive feedback received at these events prompted these teenagers to dedicate themselves to the creation of digital contents. Image education thereby produced a positive impact and dissemination effect in this friendly environment.

The Short Film and Photography Forum and Party of the Youngvoice Super Festival organized by the Fubon Cultural & Educational Foundation in February 2014, provided another platform for the presentation of the works of past trainees and another form of encouragement for teenagers to actively participate in camps focusing on the creation of short films and digital images on mobile devices.

To provide trainees with multidimensional learning objectives in the field of image creation, the company has been offering advanced classes since 2012 and invited past trainees who have turned into promoters of the mobile digital creation camps and camp counselors for later generations of trainees to pass on their experiences. Advanced classes focus on new media and are planned on an annual basis to hone the digital editing skills of trainees. An advanced course on the creation of animation entitled "World of Animation from all Angles" was organized in 2013 to develop short- and long-term industry trends through a deeper understanding of animation concepts. As far as practical experiences are concerned, the company cordially invited animation movie directors to provide personal guidance and enable the trainees to corroborate all principles related to image recording and filming. The trainees gained the ability to produce interesting short animation movies. Past trainees can serve as camp counselors or participate in advanced courses when they return to their hometowns to expand their potential in the field of image creation. A total of 103 mobile short films have been produced between 2009 and 2013 and over 304 schools and 759 students participated in these camps which serve as a cradle (the only one of its kind in Taiwan) for the cultivation of creativity in the field of mobile short films.

Information literacy

In view of the decreasing age of Internet users, different types of addictions, bullying, and Internet crime are generated due to the misuse of information on

the part of teenagers. Since 2009, we have been exploring Internet behavior and problems of contemporary teenagers (such as compensated dating, pornographic websites, Internet addictions, cyberbullying, Internet identities, and self-identity etc.) in cooperation with Cyber Angel's Pick (Digital Culture Research Laboratory, National Chengchi University). Internet literacy educational videos have been jointly created to strengthen the digital safety awareness among teenagers as well as their ability to protect themselves. This includes legal issues related to Internet copyrights, protection of personal data, and the spreading of rumors on the Internet.

In addition, we promote fun and lively lesson plans and videos on school campuses by utilizing the capabilities of our corporate volunteers, parents, and teachers. The videos and interactive discussions have the purpose of giving teenagers a clear understanding of seemingly plausible misconceptions about the Internet. Between 2009 and 2013, almost 400 schools and close to 50,000 students participated in our courses.

Number of schools that implemented Internet safety education between 2009 and 2013 and number of students

Year	2009	2010	2011	2012	2013
Schools	41	62	72	87	134
Students	7,249	10,295	7,943	12,772	12,378

3.2.4 Taiwan Mobile Digital Life Concept Center

To enable customers and consumers to experience the innovative Taiwan Mobile Cloud and Digital Content Services in a relaxed, fun, and comfortable manner, we have established the Taiwan Mobile Digital Life Center on the 1F of the Taipei New Horizon Building which was designed by the renowned architect Toyo Ito. Digital technology contents are presented in an ambience of cultural creativity. The center provides a full T.I.M.E.(Telecom, Internet, Media and Entertainment) experience created through simulation and magnification generated by digital facilities. This spectacle resembles a precise arcade machine and gives visitors a fun hands-on experience of the cloud world.





In the simulation area visitors get to drag and click myVideo, myMusic, M+ Messenger, Customer Support and other mobile apps on a 65-inch touchscreen table with zoom function. In addition, two people can use M+ Messenger spontaneously and send stickers to each other on the big screen, maximizing the fun of instant messaging. To further enhance the interactive experience, visitors are invited to listen to myMusic selections using premium Beats headphones, to read electronic magazine articles from myBook, and to enjoy high-resolution movies on myVideo. Directive speakers are suspended from the ceilings, delivering superior surround sound effect while visitors are using myMusic and myVideo services.

3.3 Culture, welfare, and corporate volunteers

3.3.1 Support for sports in Taiwan

Taiwan Mobile is committed to providing consumers with a relaxed, pleasant, and user-friendly mobile lifestyle and to delivering its brand spirit, “Accompanying our Customers in Their Daily Lives,” through various efforts including continuous sponsorships of major sporting events such as golf, baseball, and basketball games as well as the athletes. Taiwan Mobile aims to leverage corporate resources and core competencies to help sports teams establish solid foundations for long-term development and achievements.

Period	Achievements
Setting the foundation	Taiwan Mobile Basketball Entertainment Co. was established with strong support from parent company in terms of resources as well as professional management experience.
Strengthening and transitioning	Foreign coaches were hired to provide training to Taiwan Mobile Clouded Leopards basketball team at an international level. In addition, the head coach of Malaysia National Basketball Team was invited as the guest coach to promote international cooperation and knowledge exchange. Players were encouraged to explore opportunities of career development in different fields such as being brand ambassadors.
Active Expansion	Taiwan Mobile actively seeks strategic expansion opportunities in order to shape a more prosperous future where talented athletes and the company get to grow together.



3.3.2 Welfare activities

Description of welfare activities in the fields of art, culture, and sports.

Activities	Palce	Joint players
One-day PE Teacher	Jingmei Girls High School (Taipei), Jin-cheng Junior High School (Kinmen), Fengshan Senior High (Kaohsiung)	Rong-Xuan Zhang, Xiao-Rong Chen, Wei Wei...etc.
Syin-Lu Social Welfare Foundation – Nice Day Nice Ball Charity Event	Kaohsiung	Shou-Zheng He, Yao-Zong Lin, Yu-Lin Zhang, Rong-Xuan Zhang, Xiao-Rong Chen
Taiwan Mobile – Let's Drum Together Concert	Taipei New Horizon Building	Wei Wei, Dai-Hao Wu
Hsinchu County Magistrate Cup	Hsinchu Zhubei Stadium	Dai-Hao Wu, Yu-Lin Zhang, Wei Wei, Yao-Zong Lin
NFC Smart Tracking Wristband Charity Event	Taipei New Horizon Building	Jian-Zhou Chen, Shou-Zheng He, Yong-Ren Wu, Dai-Hao Wu, Yao-Zong Lin

Outdoor Concert

Performance arts represent the most prominent expression of cultural value and creativity in the cultural and creative industry, while classical music is the most sophisticated performance art with the greatest appeal. Due to the promotion of cultural and creative industries and the vigorous development of performance arts in Taiwan in recent years, a large number of outstanding music groups have formed. However, the general public has the stereotype that classical music is hard to approach because of high ticket prices and the fact that it is a sublime art form. In addition, most cultural and economic resources are concentrated in metropolitan areas and sophisticated classical music concerts are usually only held in metropolitan areas. This makes it difficult to popularize and promote classical music.

To promote classical concerts and supreme art and cultural activities which give the general public the chance to experience the beauty of classical music without any budget or age restrictions and in a relaxed fashion, Taiwan Mobile started organizing large-scale outdoor classical concerts in 2005 and invited national and international music masters and orchestras for free outdoor performances all over Taiwan. We bring brilliant musicians, orchestras, and sophisticated classical music to every corner of Taiwan from tribal communities, villages, famous scenic

sites to large cities. These activities can cultivate a taste for music and enhance the artistic refinement of the general public all over Taiwan as well as nurture outstanding performance ensembles to strengthen the soft skills of all citizens.

After the consideration of the role and positioning of the enterprise in the promotion of art and culture activities, we decided to transcend the passive role of traditional sponsors and started to actively develop creative concepts. We give full play to the professionalism and integrative abilities of the enterprise in the selection of performance locations, invitation of ensembles, program design and planning, and marketing and promotion to establish an ideal connection between the enterprise, performance ensembles, the general public, and locations through the music.

In 2011, we started to explore extended values and additional possibilities besides the promotion of art and culture by adding public welfare elements. In addition to the invitation of NPOs to the concerts for an appreciation of the performances, we meticulously designed soft promotions and introductions of NPOs that fit the main theme of the concerts during the warm up, intermission, and conclusion of the concerts. We also made use of the 5180 Mobile Donation Platform which was established through the company's core technologies to provide a stress-free and convenient donation channel for the general public. We successfully generated fundraising and promotion effects for NPOs setting a brand-new example for a successful combination of public welfare and art and culture activities promoted



Taiwan Mobile Concert Fan Page

by enterprises. This has led to a diversification of the social contributions of outdoor concerts. A total of 1,606,638 NTD has been raised for 13 NPOs through a combination of public welfare and art and cultural activities since 2011.

We organized a total of 5 theme-based concerts in 2013: From the first A Cappella concert in Taiwan featuring a relay of 4 national and international ensembles on the occasion of the inauguration of the Taipei New Horizon Culture Square, the percussion concert with new arrangements of Taiwanese folk songs, the American-style tap dance performance with a Taiwanese feel, which fused creative rhythms and oriental elements, the Sun Moon Lake Fireworks Concert –Phantom Voice which featured an enchanting scenery and brilliant fireworks, and a performance of the international violin master Nai-Yuan Hu and the Taiwan-Connection Chamber Orchestra. These concerts and performances provided audiences in Taiwan with new perspectives and experiences through their multidimensional character. A total of 38 large-scale concerts have been organized all over Taiwan since 2005 drawing audiences of over 510000 music lovers.



List of concerts in 2013

No.	Date	Theme	Location	Performance ensembles	NPOs
1	May 18, 2013	Taiwan Mobile "Let's sing together" A Cappella Concert	Songshan Cultural and Creative Park Taipei New Horizon Culture Square	VOX Vocal Band Semiscon Vocal Band O-Kai Singers The Exchange	Syin-Lu Social Welfare Foundation
2	June 8, 2013	Taiwan Mobile "Let's drum together" Concert	Songshan Cultural and Creative Park Taipei New Horizon Culture Square	Forum Music	Syin-Lu Social Welfare Foundation
3	August 10, 2013	Taiwan Mobile "Let's Play and Dance together" Concert	Songshan Cultural and Creative Park Taipei New Horizon Culture Square	Chai Found Music Workshop, Dance Works	Chinese Christian Relief Association
4	October 12, 2013	Taiwan Mobile Sun Moon Lake Concert – Phantom Voice	Sun Moon Lake Shuishhe Zhongxing Parking Lot	Philharmonia Moments Musicaux Conductor/ Jing-Bo Jiang Tenor/ Wang Dian Soprano/ Shang-Zhen Fu	Taipei Orphan Welfare Foundation
5	November 23, 2013	Taiwan Mobile Concert Nai-Yuan Hu&TC Ten-year collaboration	Chiayi County Dongshi Junior High	TC Chamber Orchestra Violin Solo Performance/Nai-Yuan Hu Viola Solo Performance/ Hong-Wei Huang	Jia-Yi Charitable Group

Elite Lectures

We live in an age of rapidly circulating information. Modern humans are able to obtain large amounts of information without effort from different types of media such as books, TV, and the Internet. Although information can be obtained very easily, modern humans are faced with the task of how to convert information into usable knowledge in an effective fashion. Taiwan Mobile has been organizing Elite Lectures for a long time. Experts from different fields such as humanistics, digital trends, environmental protection, art, marketing, and NPOs have been invited to share their professional expertise and experiences with the general public. A total of eight high-quality lectures in five different categories were organized in 2013. These lectures were attended by 1585 people who acquired essential knowledge.

Mobile therapy

The Taiwan Mobile Foundation has been sponsoring the costs of mobile medical vehicles in remote areas as well as mobile Internet transmission equipment and network interface cards incurred by the Emergency Care Program for Isolated Senior Citizens of the Department of Social Welfare, Taipei City and the Taitung Christian Hospital. Telecommunication technology allows real-time communication and transmission in case of emergencies and provides much needed assistance for disadvantaged groups.

Elite Lectures (A total of 8 in 2013)

Category	Date	Topic	Speaker
Digital	April 9	Public Welfare Marketing Technology	Dear John
Culture/creativity	June 13	Sudden Inspiration and Finishing Touches of Musical Creation	Mr. Zhi-Jian Hou
Art	August 16	New Successful Life after Hitting a Rough Patch	Host and speaker: Mr. Tai-Hua Li Foreign speakers: Andrew Nemr/ USA, Rhythm K./ Japan Translators: Bo-Cang He, Jun-Hao Li
Literature	August 31	Remember who you are: Life Stories that Inspire the Heart and Mind	Mr. Liu Xuan, Mr. Zi-Wei Zhong
Culture/creativity	October 19	"Bees in Taiwan" and post-screening discussion	Mr. Wei-Jie Li
Music	November 8	Beethoven's Joy, Anger, Sadness, and Happiness	Mr. Nai-Yuan Hu
Music	November 14	Beethoven's Joy, Anger, Sadness, and Happiness	Mr. Nai-Yuan Hu
Culture/creativity	December 19	Hong Kong viewed from a different planet – Review of Hong Kong as a Chinese Language Center	Mr. Hong-Zhi Zhan

Care for isolated senior citizens

Following the aging of Taiwanese society and the population exodus in certain areas (especially obvious in remote areas of Hualien and Taitung), a large number of senior aborigines have no one to depend on or care for them and live in isolation. Since 2008, Taiwan Mobile has been dispatching over 100 corporate volunteers to these remote areas in Hualien. These volunteers provide much needed personal company and care for these senior citizens as well as material support. They give isolated seniors a chance to experience the warmth of human company.

Over the past six years, we have been overcoming geological and age barriers in our attempt to build an emotional bridge between our volunteers and these isolated elders in Hualien who have been able to receive dedicated care. Year after year, they exhort themselves to maintain their physical and mental health in the hope of another encounter in the future, while the volunteers earn precious, once-in-a-lifetime service experiences. This is a concrete example of "Extending the respect and care for one's own aged parents to other seniors".

In February 2013, 100 corporate volunteers joined isolated elders for a New Year banquet for the sixth time to give human warmth. They also planned special programs and challenge activities to allow seniors to relive childhood memories. Senior celebrities were invited to provide entertainment and joy for the seniors. It is worth noting that five youth volunteers participated in this event. The spirit of volunteer service is thereby firmly rooted in the hearts of the next generation. In January 2014, we invited impressionists who performed classic tunes of Feng Fei Fei, Teresa Teng, and Fei Yu-Qing in an imitation of the popular TV program "Stardust" of the 1960s. These impressionists not only provided amusement and entertainment for the seniors but also gave them a chance to relive memories of their youth.



Care for patients suffering from depression

Depression is a major disease which is hard to detect and cure. According to a report entitled "Facing the Social and Economic Burden generated by Depression" (2009) released by the Taiwan Association Against Depression, 3% of the world population suffers from depression. As for Taiwan, a survey of the Department of Health reveals that citizens over 15 years of age in Taiwan who suffer from moderate depression account for around 8.9% of the total population. In addition, this survey also points out that 87% of all suicide

victims have been diagnosed with depression before their deaths. This clearly indicates that depression is a social phenomenon and health problem in modern society that we can't afford to ignore.

In 2006, Taiwan Mobile started to cooperate with Canlove Social Service Association, a professional organization which has shown concern for depression patients over a long time and provided the organization with fixed network and mobile digital resources by utilizing the company's core technologies. We assisted the Canlove Association in establishing a superior communication network to ensure high-quality hardware resources for the provision of guidance and care for depression patients. Since 2009, the company has held general polls for "The 10 most caring and heartwarming doctors specializing in depression" and designed maps listing the best doctors for depression disorders all over the country to encourage depression patients to seek medical treatment, reduce the high prevalence of depression, and increase the treatment rate in Taiwan. The goal is to encourage positive communication between doctors and patients and raise the medical awareness and treatment rate of depression patients. In 2013, Taiwan Mobile assisted Canlove Association in the provision of services for 46,000 depression patients. A total of 4 polls for the best doctors who specialize in depression have been held so far. A total of 38,069 Internet users participated in these polls.

After-school tutoring programs for children from disadvantaged families

Giving hope to children on the margins of society is the main impetus for progress in society. We embrace this concept and have therefore adopted and sponsored after-school tutoring classes in support of the After-School Tutoring Program for Children from Disadvantaged Families of the Chinese Christian Relief Association since 2005. The children of the tutoring classes come from different family backgrounds and have encountered great obstacles in their lives and studies. Their learning abilities were improved through long-term tutoring efforts, academic guidance, character formation, and life education. These programs help students gain confidence and acquire a sense of belonging, and rediscover the value of their lives.

In 2013 (Academic Year 2012), Taiwan Mobile adopted 7 tutoring classes and sponsored the tuition fees of after-school programs for 60 children from disadvantaged families including Ilan (Wujie), Taipei (Xinzhuang), Taichung (Dajia), Pingtung (Donggang), and Penghu.

Teenager emotional management and character education

In this rapidly changing society, modern teenagers not only face high school stress but also complicated interpersonal relationships in their daily lives and diverse value systems. They are therefore in need of support from their schools, families and society. The social problems of teenagers are increasing on a daily basis. The Champions Program serves as a firewall that protects teenagers from social problems and helps students weather a difficult period in their lives. Since its launch in 1993, over 1.7 million students have participated in the counseling program and over 85% of all participants

have expressed praise and appreciation for the program.

Since 2004, we have sponsored the Champions Education Association and have provided 10-week “problem solution”, “emotional management”, “gender relationship”, “suicide prevention”, and “Internet friendships and crisis handling” programs for seventh graders in hundreds of junior high schools all over the country.

In 2013, “problem solution” and “emotional management” classes and counseling activities were offered in 25 counties (including offshore islands such as Kinmen, Penghu, and Matsu) and cities and 1183 schools all over the country. The number of beneficiaries reached 192000.

The Champions Program reduces behavioral problems of students and has a positive impact on the learning motivation. It also helps establish a correct attitude toward problem solution, which is helpful when students face personal behavior problems and leads to the solution of behavioral problems. The feedback of students regarding the Champions Program indicates that the Program has a positive impact on the perceived sense of efficacy as far as schoolwork is concerned, strengthens the personal ability to respond to environmental stimuli, leads to the formation of a positive character, and prevents the incidence of deviant behavior. The program also helps students face different types of problems and challenges in their lives. This includes problem solution abilities, a correct outlook on life, and positive interpersonal relationships.

As for the impact of the Champions Program on emotional problems, student feedback indicates that emotional management plays a very important role in the program. This ability affects our emotional development and our interpersonal relationships as well as our future work performance. The results show that the Champions Program enables students to understand, perceive, and accept their emotions as well as express their personal feelings in a clear and appropriate fashion. Even though environmental conditions cannot be changed, participants can adopt a positive attitude, adjust their mood, and focus on matters they have control over.

3.3.3 Corporate volunteers

The company formulated and implemented the Corporate Volunteer Guidelines starting in 2007. We offer two days of paid leave a year for volunteer services as well as volunteer traffic allowances and insurance. The company also provides a complete volunteer training program and awards volunteer certificates. A volunteer website has been set up for exchanges and sharing of experiences to encourage employees to participate in social services, practice social work, and fulfill their social responsibility. We also provide different social service opportunities for corporate volunteers to meet the different service demands of NPOs.

Between 2006 and 2013, our volunteers accumulated over 13835 service hours. The 19 volunteer activities which were organized in 2013 required a total service time of 3249 hours. A large number of employees utilize these concrete actions to change their value systems and make active contributions to society, thereby strengthening their identification and loyalty to the corporate culture.

List of volunteer services in the last three years

Event date	Service time	Number of volunteers	Event title	Event description
2011/1/14	8	113	New Year Banquet and company for isolated senior citizens	The volunteers proceeded to Fenglin in Hualien County during the lunar new year season to organize a New Year Banquet for 104 isolated elders and provide heartwarming personal services and interactions.
2011/8/29~9/7	8	83	"Moon cake" volunteers	The volunteers collaborated with Eden Social Welfare Foundation and the First Social Welfare Foundation to take concrete action and assist the physically and mentally disabled children in sheltered workshops in the molding, releasing from molds, and packaging of moon cakes.
2012/1/6	8	98	New Year Banquet for isolated senior citizens in Hualien	In January 2012, the corporate volunteers joined hands with the Taiwan Christian Hospital to organize a New Year Banquet for isolated elders for the fifth time. A specially planned "aging experience" activity required young people to wear aging props so they could personally experience the deteriorating eyesight, stiff joints, and clumsy fingers which are characteristic of old age as well as the inconvenience generated in their daily lives.
2012/4/1	8	20	Earth Day	The company invited all citizens to join hands in environmental protection efforts, the recycling of discarded cell phones, and the cherishing of global resources in response to the theme ("Mobilize the Earth") of the international Earth Day on April 22.
2012/7/13 2012/9/14 2012/11/16	24	75	Man-made trail (Total of three activities)	Taiwan Mobile jointly planned and organized a series of activities titled "2012 man-made trail volunteers" with the Society of Wilderness to fulfill its environmental commitment.
2012/9/10-9/26	8	112	"Moon cake" volunteers	The volunteers proceeded to the Eternal Love Development Center of the First Social Welfare Foundation in 13 batches to assist the children in the sheltered workshops in the production of moon cakes.
2013/2/1	15	103	New Year Banquet for isolated senior citizens in Hualien	The activity titled "2013 Year-end Care and Concern for Impoverished Seniors" was organized for the sixth consecutive year. The volunteers proceeded to the Hualien "Guangfu" Sugar Factory to accompany low-income, isolated seniors and participate in a Year-End Banquet and challenge games. Three senior celebrities were invited for the first time to provide joy and entertainment for the seniors.
2013/5-9	32	11	Mobile Micro Movie Creation Camp for Teenagers (Total of 4 camps)	Corporate volunteers were invited for the first time to participate in the two-day camps and get in close contact with 13-18 year-old teenagers. They accompanied the camp participants in their creative work, mobile photography, and production of high-quality videos. They contributed their professional expertise in the field of consumer electronics and communications and provided consultation.
2013/8-2014/1/1	8	40	TWM concert volunteers (Total of 4 concerts)	The volunteers provided assistance for the series of concerts organized by Taiwan Mobile. On Dec 31, 2013 they proceeded to Ali Mountain late at night to assist in the transport of musical instruments at low temperatures of 0 degree Celsius to guarantee a perfect staging of the 2014 Ali Mountain Sunrise Concert.
2013/11/16	8	7	Volunteers for the myfone Mobile Composition Award Ceremony	The corporate volunteers provided assistance for the myfone Mobile Composition Award ceremony. They entertained the participating guests by relying on their superior service experience.
2013/9-12	3	24	Volunteers to ensure healthy Internet use by children (Total of 5 events)	The rise of the Internet causes our children to gradually get lost in this seemingly real virtual world. We cooperated with Cyber Angel's Pick to educate children on our campuses on Internet safety by utilizing videos, teaching materials, and fun Q&A activities.
2013/9/4-9/17	8	81	"Moon cake" volunteers	The volunteers proceeded in batches to the sheltered workshops of the Eternal Love Development Center of the First Social Welfare Foundation and Eden Social Welfare Foundation in Taichung to produce moon cakes.
2013/9/27 2013/10/25	8	30	Man-made trails (Total of two events)	Taiwan Mobile again cooperated with the Society of Wilderness in the organization of a series of activities titled "2013 Man-made Trail Volunteers" to fulfill its environmental commitment. In addition to the maintenance of the Dalunwei Mountain Trail in 2012, the team built the Cuisan Trail and Fuzhou Mountain Park in 2013.
2013/12/19	4	4	Wheelmap app volunteers	Corporate volunteers collaborated with the Taiwan Access for All Association in the inspection of obstacle-free installations in the greater Taipei area in cooperation with designated investigators via the Obstacle-free travel app which was developed by Taiwan Mobile Foundation in an effort to establish an obstacle-free environment for the physically disabled.
2014/1/17	15	115	New Year Banquet for isolated senior citizens in Hualien	Taiwan Mobile, Taitung Christian Hospital, and A Kernel of Wheat Foundation jointly provided care for isolated senior citizens in Hualien for the 7th consecutive year in an effort to extend warmth in this remote mountain area.

Transformation of the value chain

We view our staff, customers, and suppliers as partners in the field of sustainable growth and carefully foster these relationships to create future values in the field of sustainable development in cooperation with all involved parties. Human talent is crucial for the maintenance of core competitiveness. Taiwan Mobile therefore continues to provide its employees with a work environment which is conducive to stable professional development and skill acquisition. The company embraces a spirit of putting the customer first in the provision of innovative 4G services to satisfy customer demands. The company has made a long-term commitment to maintaining customer relationships and providing superior services. We establish supplier relationships which are characterized by mutual trust and positive cooperation through fair and transparent transaction behavior.

Quantifiable achievements in 2013

- Every employee received an average of 21.1 hours of educational training
- 0 discrimination cases
- 0 incidents of child labor
- Award for outstanding achievements in the field of group effect healthy weight management activities in Taipei City presented by the Department of Health, Taipei City
- Acquisition of SGS Qualicert International Service Quality Certification and SGS ISO 10002:2004 International Standard Certification (Quality Management – Customer Satisfaction – Guidelines for Handling of Complaints in Organizations)

4.1 Staff

4.1.1 structure

We recruit candidates who are deemed suitable to further their careers at Taiwan Mobile based on different professional attributes. We also provide highly competitive salaries and benefits as well as educational training opportunities to allow our employees to grow together with the company. In addition, we hire

dispatched workers to gain the ability to provide more complete services and facilitate the execution of internal operations.

As of the end of 2013, Taiwan Mobile employed a total staff of 2,379 with a male-female ratio of 67:33 and an average service length of 7.7 years. The majority of our employees are male between 31 and 50 years of age. We mostly hire local employees (only two staff members are foreigners). A basic overview of the staff structure including gender and age distribution is provided in the table below:

2013 Staff ranking, age, and gender

Category	Age	Number		Percentage
		Male	Female	
Top Executives (Vice President and above)	Under 30	0	0	0.00%
	31-50	2	1	17.65%
	Over 51	13	1	82.35%
	Total	15	2	100.00%
Employees	Under 30	217	158	15.88%
	31-50	1,322	628	82.56%
	Over 51	31	6	1.56%
	Total	1,570	792	100.00%
Total workforce				2,379
Employment status	Full-time	2,372		
	Part-time	7		
Educational background	Doctoral degree	0.30%		
	Graduate school	31.86%		
	University	51.83%		
	Junior College	15.13%		
	High school or below	0.88%		

Note: All staff members are based in Taiwan

As far as staff turnover is concerned, the number of new employees exceeded the number of resigning staff members. The number of new and resigning employees and their gender and age distribution is shown in the table below:

Category			Newly hired				Resigned	
	Number		Percentage		Number		Percentage	
Age	Male	Female	Male	Female	Male	Female	Male	Female
Under 30	165	110	6.93%	4.62%	59	69	2.48%	2.90%
31-50	204	101	8.58%	4.25%	124	102	5.21%	4.29%
Over 51	3	0	0.13%	0.00%	7	1	0.30%	0.04%
Total	372	211	15.64%	8.87%	190	172	7.99%	7.23%

Note: All staff members are based in Taiwan (except employees who have been transferred to affiliates)

4.1.2 Salary and benefits

The standard starting salaries are based on the basic wage standards announced by the government. Male and female employees receive equal treatment with regard to remuneration, employment periods, work conditions, and employment rights and the male-female wage ratio is 1:1.

The annual wage ratio (including performance bonuses) for female staff members in 2013 was 1, while the following values were determined for male employees

■ Deputy manager or above 0.95

■ Staff below the rank of Deputy Manager 1.05

Benefits and incentives are important measures that help raise the work morale of the staff and attract outstanding talent. The Taiwan Mobile Joint Employee Welfare Committee is responsible for the planning and implementation of all welfare plans and integrates all welfare-related operations of the company's subsidiaries. Available benefits include:

(1) Starting from their first day of employment, employees are eligible for labor insurance, National Health Insurance, labor pension fund contributions, and group insurance paid in full by the company. Spouses are entitled to hospitalization insurance and cancer medical

insurance.

(2) The company has implemented a year-end bonus and incentive system and pioneered an employee stock ownership plan in the telecommunications industry which relies on fixed contributions from the employee and the company.

(3) Health checks are conducted on a biannual basis and graded health management, tracking, repeated exams, and health education are implemented based on the results of the check-ups

(4) As far as vacation and leave are concerned, annual special leave is available from the first day of employment (calculated proportionally based on the number of days from the first day of employment to December 31 of the respective year). In addition, the company places great value on a system of unpaid parental leave. In 2013, 44 staff members requested unpaid parental leave, while the return rate of female employees from these leaves' of absence was close to 60%.

(5) Taiwan Mobile has integrated the employee welfare operations of all subsidiaries by establishing a Joint Employee Welfare Committee which is in charge of the planning and implementation of all welfare plans. In addition to the provision of incentives and subsidies for club activities and general subsidies for marriage, childbirth, funerals, and hospital stays, optional welfare plans are also available. Employees can apply for subsidies for the education of their children, traveling, advanced studies, or insurance and grants for purchases based on their individual needs. We also organize an annual family day for our employees to help them balance work and life and strengthen the relationship between the company, its staff, and their families.

Statistics related to unpaid parental leave in 2013

Category	male	female
Number of employees eligible for unpaid parental leave	219	97
Number of employees requesting unpaid parental leave	7	37
Number of employees scheduled to return to work after unpaid parental leave (A)	5	45
Number of employees who were scheduled and actually returned to work after unpaid parental leave (B)	3	25
Number of employees who returned to work after unpaid parental leave (C)	4	27
Number of employees who stay with the company for more than one year after returning from unpaid parental leave (D)	3	25*
Return rate (B/A)	60%	55.56%
Retention rate (D/C)	75%	92.59%

Note: Still employed on February 20, 2014 after returning in 2013

4.1.3 Staff career development

As far as the cultivation of human capital and the enhancement of corporate competitiveness is concerned, training programs are scheduled in line with development strategies and annual training demands. In addition, budgeting and implementation of programs is based on the Training Management Guidelines.

The company conducts staff performance evaluations on a regular basis and supervisors provide appropriate feedback and assistance based on the work performance of employees. They also jointly discuss and formulate individual training and development plans to direct the future development of employees and give them a better understanding and awareness of their personal career options in order to achieve the goals of performance enhancement and skill development.

As for the training results, every employee received an average of 21.1 hours of training in 2013 as shown below. The company provides a large number of telecommunication and information technology courses to enhance the professional skills of its employees, create optimal user experiences for its subscribers, and provide optimized Internet and voice communication services. These courses account for around 60% of the total training hours in 2013. The majority of the staff members in technology and information units are male, while the male-female ratio in the whole company is 67:33. The average training hours for male employees therefore exceed those for female employees.

Staff training and study time in 2013 & Training hours for different staff members in 2013

Category	Training hours	Category	Male	Female
Internal training	40,897	Deputy Manager and above	18.0	12.8
External training	4,412	Below Deputy Manager	26.1	14.1
Online courses	4,655.7	Average by gender	24.7	14.0
Learning resources and learning community reading	254	Average training hours per employee		21.1

Overall corporate training and competency training

Professional training programs are scheduled in line with corporate development strategies and annual training demands to enhance the professional skills of employees and facilitate personal and corporate growth. The budgeting and implementation of these programs is based on the Training Management Guidelines.

At the end of every year, the training programs for the following year are planned in accordance with training demand surveys to ensure that the programs meet the work requirements and development demands of all staff members. The continued growth of employees at the workplace is facilitated through the implementation of physical and online courses, learning communities, large-scale seminars, study groups, and mobile learning. In addition, supervisors assist staff members in personal growth by creating customized and optimized combinations of study courses and devising Individual Training Plans in accordance with the demands of every staff member during interviews with employees regarding their work performance in the respective year. This allows employees to enhance the expertise required at the workplace in an organized and planned manner. The training programs offered by Taiwan Mobile include:

(1) Pre-job training for newly inducted employees

These programs allow employees to gain a rapid understanding of work environments and personal rights. They emphasize workplace equality and the system of complaint related regulations to rapidly familiarize new employees with corporate environments and industry characteristics with the goal of enabling them to fulfill their duties in a smooth fashion. The programs also include introductions of the company, the corporate culture and organization, the telecommunications market, Internet and IT systems, labor safety and health, and information security. Online communities for novices provide them with a forum for inquiries, discussions, and interactions and foster an emotional attachment to the company.

(2) Development of core competencies

These programs focus on core competencies to enhance the work efficiency of employees and provide them with the expertise and skills required for their daily duties as well as ensure compliance with government decrees and information security certification regulations. They include training courses on self-management and work management, problem analysis and solution skills, communication and interaction skills, project management, basic legal knowledge related to telecommunications, code of moral conduct, and service skills.

(3) Stratified training for management personnel

Training programs are tailored to first-line management and mid- and upper-

level management. They feature courses on performance management, leadership, motivation skills, management forums, strategic planning, project management, and organizational development skills and seminars on corporate governance. Based on the results of competency assessments for first-level and mid-level managers, we established a set of objective management indicators for skills required for management tasks. These indicators are used in combination with training courses to hone relevant management skills and serve as a basis for the individual training and development of managers. The training of upper-level managers mainly relies on the study and discussion of management cases in the Harvard Classics and an analysis of industry practices and strategies to develop comprehensive management thinking on the part of upper-level managers, in order to constantly refine their management competencies and practical application skills. We also organize corporate governance seminars for upper-level managers on a regular basis to strengthen our corporate competitiveness.

(4) Improvement of professional knowledge

Employees participate in national and international courses on professional telecommunication technologies, management forums, and training provided by consulting firms or manufacturers based on professional requirements. This serves the purpose of increasing skill levels inside the company in addition to the development of new products, the introduction of innovative concepts, and enhancement of management techniques.

(5) Mobile-Learning, Digital learning platforms, online learning communities, and mobile learning

In recent years, Taiwan Mobile has employed diverse approaches as far as training methods and channels are concerned with the goal of improving learning results and satisfying the different learning and development demands of employees. In addition to traditional classroom courses which were common in the past, we have developed digital teaching materials, online learning communities, Mobile learning, and management movies to enhance the learning efficiency and flexibility. The subject areas of the digital teaching materials encompass supervisor management, telecommunication technologies, product marketing, moral norms, environmental protection, online product training, promotion of staff health, and creation of optimized user experiences for our customers. As of December 31, 2013, a total of 83 digital courses had been offered in 2013. Online learning communities include novice communities and practical discussion communities covering project management, telecommunication technologies, work efficiency, business operations, and study groups. Every community features experts of respective fields and employees are able to share and exchange insights from their daily work and request advice and suggestions spanning various fields. Mobile learning has been promoted since 2012 and a My Learning fan club was established in the M+ community software application in 2013. This allows employees to receive the latest information via their smartphones on a timely basis and continue to improve their own value at the workplace. Different types of practical subjects such as

mini telecommunication encyclopedias, business English, legal regulations, mini management dictionaries, must-have cell phone apps, and customer services are provided for employees on a weekly basis.

Study groups promoting learning and growth were launched in 2013 to facilitate the clarification of demands before classes, and continued study efforts after classes. Facilitators guide employees in discussions and studies through reading programs in order to create an atmosphere of independent learning inside the company and allow staff members to learn and grow in their work through various channels. In addition, interactions between teams stimulate exchanges and help employees expand their personal networks and communities. Study groups were offered in every quarter of 2013. The required reading materials of these groups consisted of four books, namely "The Power of Habit: Why We Do What We Do in Life and Business", "Jamie Marketing Trends", "Getting to Yes: Negotiating Agreement Without Giving In", and "Write Your Own Prescription for Stress". The trainees gave the courses offered in the study groups and the facilitator average satisfaction scores of 89. This clearly indicates that employees tend to respond positively to these study methods.

Enhancement of leadership skills and carrying out of executive competency inventories

Due to the rapid development of telecommunication technologies and the changing industry operating models, human talent requirements will be different in the future to cope with 4G infrastructure and corporate development. In late 2013, we therefore conducted overall assessments and inventories of the management competencies of executives at the manager/deputy manager level as a reference for the planning of training programs in 2014.

Activities

1. Identification and definition of basic competence items for managers/deputy managers through data collection and analysis and design of survey questionnaires on the importance of competencies based on these results
2. Determination of core competencies of supervisors and managers based on questionnaire surveys and interviews and design of competence appraisal questionnaires based on the results
3. Administration of competence appraisals and inventories of core management competencies of managers/deputy managers
4. Corresponding courses were included in the 2014 annual training program to bridge major competency gaps in accordance with annual training demands and assistance was provided for executives in the completion of their individual training plans

Results

1. Identification of ten core management competencies each for executives at the manager/deputy manager level and determination of strengths and weaknesses of executives in the field of management competencies
2. Competency inventory reports are provided for appraised staff members and their immediate superiors. The executive version of the competency inventory report gives executives a clear understanding of competency inventories for the whole company as well as a comparison of the averages of self-assessments, assessments by others and outstanding assessments by others of subordinate executives. The individual version of the report provides appraised staff members with individual competency reports and learning development suggestions.



Encouragement of continuing education and lifelong learning

In addition to the training programs mentioned above, we also encourage our employees to embrace the concept of continuing education and lifelong learning. One additional scholarship was granted in 2013. A total of 27 employees have been awarded scholarships so far. A total of 16 employees successfully applied for subsidies for continuing education in 2013.

(1) Scholarship application guidelines

The Scholarship Application Guidelines were implemented in 2006. Full scholarships covering tuition and miscellaneous fees for 2-3 years are available for study programs at business administration and telecommunication engineering graduate institutes at designated national and international universities. We also provide scholarships for MA degree programs in business or telecommunication engineering at renowned international academic institutions. These scholarships and subsidies allow employees to acquire professional degrees based on their personal career plans in accordance with the mid- and long-term human resource demands of the company.

(2) Subsidies for continuing education

The Taiwan Mobile Joint Employee Welfare Committee provides fixed subsidies on an annual basis to encourage employees to pursue continuing education to acquire job-related skills in their free time. Subsidies for continuing education are available for credit courses of BA, MA, or PhD programs offered by public and private academic institutions or continuing education courses related to job duties, computer skills, or English at public and private institutions.

4.1.4 Employee relations

Job vacancies are filled through a public recruitment process. The company strictly forbids differential treatment based on race, skin color, religion, gender, or nationality as far as remuneration, employment periods, work conditions, or employment rights are concerned. Taiwan Mobile strictly abides by current national laws such as the Labor Standards Act, the Employment Service Act, and the Gender Equality in Employment Act. The company also respects the rights bestowed upon employees by the law and doesn't interfere with their right of freedom of association. It does not discriminate against local employees or aborigines in the field of employment. No instances of child labor, compulsory labor, or violation of human rights have been recorded. Before employees are appointed, the company sends them the company labor contract for review. On their first day of employment, newly hired employees have to submit a signed labor contract to safeguard the rights of the employer and the new staff member.

If a transfer to another unit or work location or position changes are required, the company shall obtain the approval of the employee through prior communication. The company must consult the opinions of involved parties a minimum of three days in advance. If a transfer to a work location in a different area is deemed necessary, the company must discuss the matter with the employee at least two weeks in advance to give him/her sufficient time for preparations. The company shall also provide assistance for relocation and rental of dwelling units as deemed necessary.

The auditing office has formulated complaint guidelines for employees and manufacturers. Electronic mailboxes for complaints are available in the auditing office and procurement sections. Complaints may also be directly faxed to the auditing office by dialing the complaint hotline. In addition, complaints may be filed with the HR division in the event of sexual harassment incidents. This complaint channel is introduced during orientation training for new employees. The company received and resolved one sexual harassment complaint in June 2013.

Employment opportunities for persons with physical and mental disabilities

The company participated in the first Career Expo for the Mentally and Physically Challenged held by the Taipei City Government on October 18, 2013 to provide employment support for persons with disabilities. A total of 28 businesses participated in this event. To boost employment opportunities for persons with physical and mental disabilities, Taiwan Mobile conducted a new inventory of staff positions. Job opportunities are provided for the mentally and physically disabled through the creation of newly designed positions. In addition to the employment of persons with severe hearing impairments for the reimbursement of base station contracts, Taiwan Mobile also actively

cooperates with the Taipei City Foreign and Disabled Labor Office and Eden Social Welfare Foundation in the hiring of visually impaired masseurs. Taiwan Mobile employs masseurs with visual impairments who provide free stress-releasing massage services for the staff of Taiwan Mobile and associated enterprises in specially designed massage stations Monday through Friday afternoon. These services are available in offices in northern, central, and southern Taiwan. Employees have responded very positively to this welfare measure.

4.1.5 A safe and healthy work environment

The Labor Safety and Health Committee was established in cooperation with senior executives of related units. The proportion of labor representatives is 1:3. Regular meetings are convened every three months and the committee conducts reviews of labor safety and health related guidelines and regulations for the whole company and implements regular tracking of requested improvements. A dedicated Labor Safety and Health Office is in charge of the planning and implementation process. In addition, the labor safety and health related norms and documents are made public on the internal website for the reference of employees.

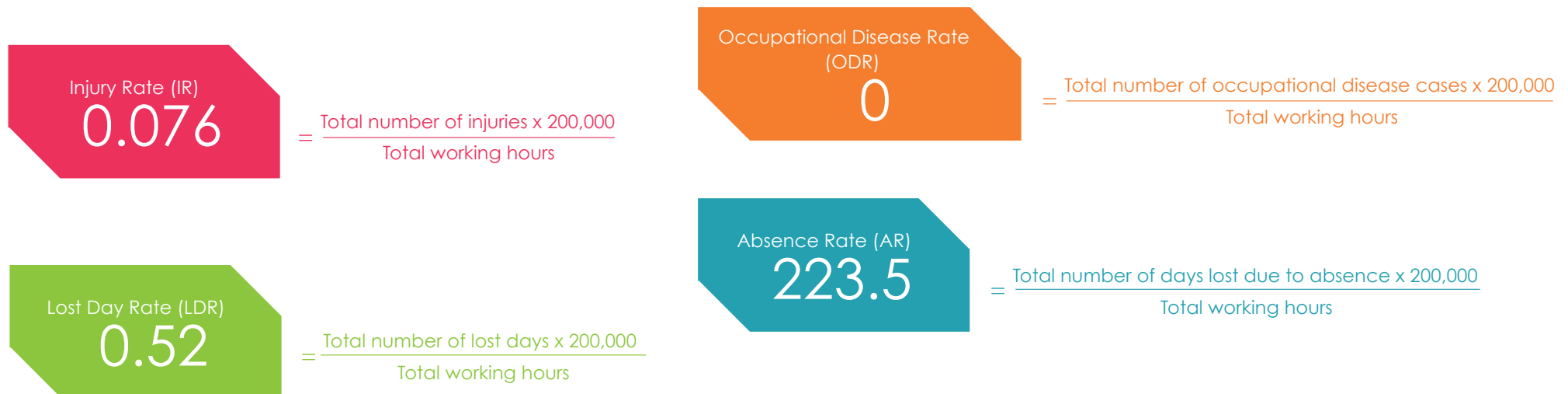
A network operation and maintenance manual has been designed for network maintenance operations. This manual clearly specifies relevant standard operating procedures and the provision of appropriate personal protective equipment for employees. Safety, health, and environmental regulations are also formulated for contractors and subcontractors in charge of network maintenance operations. Actual compliance by manufacturers is constantly monitored to guarantee the safety of maintenance operations. Fire and rescue drills are also organized on a regular

basis to provide employees with basic disaster response and relief skills.

An adequate number of first-aid personnel as well as full-time professional nursing personnel are assigned to each office for the planning of employee health management, the implementation of regular health checks for employees, and equal preferential treatment and health checks for family members. Health promotion activities are organized for employees.

We design multidimensional health activities for employees based on the four major pillars of "safe environment, disease prevention, health promotion, and soothing of the mind and spirit. We also organize non-scheduled health seminars and provide health counseling to realize healthy lifestyles, impart a better understanding of the origin and prevention of diseases. In addition to employees, their family members or community members are also welcome to participate. Staff health checks are organized on a biannual basis and cases of abnormal results of health checks are tracked and monitored. In 2013 the company received an Award for outstanding achievements in the field of Group-effect Healthy Weight Management Activities in Taipei City, presented by the Department of Health, Taipei City.

As far as the improved management of occupational accidents is concerned, the company formulated relevant guidelines for the handling of such incidents. The company also handles occupational accidents in a satisfactory manner, keeps statistics, conducts surveys, and formulates response strategies to prevent the reoccurrence of such incidents. In addition, occupational accident data are reported to labor inspection authorities on a monthly basis. The annual statistical data is as follows:



the provision of high-quality services that are characterized by professionalism, efficiency, warmth, concern, and high levels of satisfaction as well as consistent service standards. In January 2013, the company was awarded the SGS Qualicert International Service Quality Certification. In July of the same year, the company successfully passed the SGS ISO 10002:2004 International Standard Certification (Quality Management – Customer Satisfaction – Guidelines for Handling of Complaints in Organizations). The implementation of a dual certification process and the integration of resources serve the purpose of enhancing the processing of customer complaints and facilitate implementation of constant improvements based on customer perspectives, the safeguarding of customer rights in an adequate manner, and provision of highly efficient customer services.

In response to current market trends in the field of telecommunication services, the



company started utilizing the social networking website Facebook in December 2013 to provide consumers with first-hand, real-time information. The company also carefully listens to the voice of its customers and actively pursues opportunities for improvement of its services.

4.2.4 Protection of customer safety

Information security

Taiwan Mobile established an Information Security Committee which directs the formulation of information security related policies and monitors their implementation in 2004 in order to provide customers with more complete and superior security guarantees. We adopted the ISO/IEC 27001 International Information Security Management System to offer maximum security and optimal protection of the personal data of subscribers from the moment they enter a myfone store to apply for different telecommunication services to the receipt of monthly mobile phone bills

and the dialing of toll-free customer service hotlines to modify rates and charges or global roaming settings due to the protection provided by the professional information security management system and dedicated service personnel. This allows our subscribers to use our services in a worry-free fashion.

In line with the control requirements of the ISO/IEC 27001 International Information Security Management System, we continue to enhance our security management operations and successively promote various projects to meet organizational demands and integrate information security operations into our local culture and lifestyles. A summary of the projects which were completed in 2013 is shown in the table below. The operational results and effects have already been reported to the Information Security Committee.

Item	Content	Effect
Automatic encryption and decryption of files that are stored and retrieved by peripheral equipment	Setup of computer facilities to control file storage by peripheral equipment	The policy of the activation of automatic encryption and decryption processes for data storage and transfer by peripheral equipment added another protection mechanism for sensitive data
Prevention of leaks of sensitive data and establishment of disciplinary regulations	Establishment of a network access control system to implement a prevention and reporting mechanism for leaks of sensitive data and carry out data security management	1. Accurate identification of sensitive data and strengthening of the implementation capacity for preventive policies to reduce the risk of data leaks 2. Compilation of punitive provisions for leaks of sensitive data and regular review of violation incidents and handling methods
Penetration testing	External simulation and testing of hacker behavior provides a better understanding of potential avenues used by intruders and allows the provision of suggestions for improvement	1. Audits of the strength of information security protection mechanisms 2. Verification of the safety of current systems
Standardized measurement indicators for information security operations	Identification of different quantitative indicators (such as risk values and KPI) as standardized measurement indicators for information security operations	Compilation of KPI which are employed for regular inspections of the information security system of the company. The values of all information security indicators have been gradually rising since statistics were first recorded.

In addition, internal audits are conducted on a regular basis. Independent and objective assessments help ensure compliance with information security policies. In addition, system data storage and retrieval records are investigated to guarantee that no inappropriate storage and retrieval of customer data occurs inside the company. The company has successfully passed annual assessments of information security management operations conducted by competent authorities as well as related administrative inspections. Regular external audit operations consist of re-inspections of the implementation level of information security by verification companies to ensure that the company will remain a trendsetter in the telecommunication industry in sync with international trends and with higher

Chief Telecom fire emergency response

- (1) Smoldering uninterruptible power systems and battery equipment were detected in the basement (B2) of the Liyuan Building in the Neihu District of Taipei City at 11:38 AM on February 25, 2013. The fire department asked Taiwan Power Corporation to cut off the power supply for the whole building at 12:50. The power outage led to a complete shutdown of IT services set up in the building. Chief Telecom, which is located in this building, controls almost 90% of the external submarine cables used by ISP providers, which explains why Internet services all over Taiwan were affected. At 1:50 AM on February 26, the power supply was gradually restored for the Chief Telecom Internet services. The incident caused a serious impact for over 12 hours.
- (2) Taiwan Mobile Network Control Center issued an immediate warning regarding irregularities and established an emergency response team. Engineers were dispatched to the Liyuan Building to deal with the matter. The effect on international direct-dialing services was mitigated and the scope of the impact on services was reduced through an adjustment of the parameters of allocated international routing and Internet equipment.
- (3) To cope with the impact of similar incidents in the future, Taiwan Mobile will:
 - I. Strengthen its network monitoring mechanism, increase equipment load warnings, optimize standard response measures and SOPs, and shorten the impact on services
 - II. Carry out an improvement of backup mechanisms

standards in the field of information security management. Our goal is to be perceived by subscribers as the safest and most trustworthy telecommunications provider.

Filtering of adult content and protection of teenagers

Children and teenagers are in a crucial stage of character formation and tend to rely more and more on mobile communication networks for interpersonal communication and interactions as well as information acquisition following the rising penetration rate of cell phones. Increased protection of children and teenagers from the spiritual pollution caused by adult contents, maintenance of mobile network safety, and the provision of purified communication services is a social responsibility of telecommunication businesses that requires immediate attention.

In 2004, Taiwan Mobile took the initiative in appealing to 6 telecommunication providers to jointly launch a campaign for the filtering of adult contents and

value-added service contents. In addition, the Taiwan Mobile Self-Regulatory Rules for Adult Services strictly prohibit any form of pornographic or violent images, videos, or cartoons. Relevant services are reviewed, managed, and audited before they go online. If it is detected that content providers violate these norms, the company will request immediate improvements. Serious violations result in the termination of business cooperation relationships.

In 2009, we simultaneously launched a management mechanism and pornography protection function which allows parents to disable adult services and prevents exposure of children to inappropriate information. This mechanism also allows account owners to ban the use and purchase of adult services when applying for account numbers for children in their homes.

Taiwan Mobile imposes strict controls for its core services including mobile and broadband Internet services, text messaging, and value-added services with the goal of building a healthy communication environment for the next generation and providing customers with a safe and perfect mobile lifestyle. We continue to promote teenager information literacy and Internet safety education in cooperation with Cyber Angel's Pick (this project was honored with the top award in the education promotion section of the Global Views Monthly CSR Awards in 2012).

Free electromagnetic wave measurement services

To alleviate worries of the general public regarding health hazards posed by electromagnetic waves emitted by base stations, we have established a hotline 0800-580010 ("waves measurement for free") to apply for the measurement of electromagnetic waves at base stations free of charge in coordination with other

Electromagnetic waves and public health

Since 1996, important international organizations and research institutions such as the World Health Organization (WHO), International Commission on Non-Ionizing Radiation Protection (ICNIRP), and the Institute of Electrical and Electronics Engineers (IEEE) have conducted research projects on electromagnetic fields and released related reports and statements

IEEE : A report released in 2000 states that the radio frequency power of base stations is much lower than the standard amount and is safe for the general public including seniors, pregnant women, and children.

ICNIRP : A statement issued in 2004 points out that no consistent or convincing evidence exists that indicates that radio frequencies cause any health effects.

WHO : Factsheet No.193 issued in June 2011 points out that a large number of studies on the potential health risks caused by mobile phones released over the past twenty years clearly indicate that no convincing proof exists so far that the use of mobile phones has any negative effect on health.

The mobile phone base stations of the company have been constructed in accordance with relevant laws and regulations. The National Communications Commission has determined that the electromagnetic wave controls of the base stations fully conform to the ICNIRP standards

telecommunication providers. In addition to accepting requests by the general public to measure electromagnetic waves in the vicinity of their homes free of charge, we also offer a consultation and grievance mechanism for telecommunication services. We also commission reliable third-party units to conduct on-site measurements and provide professional explanations free of charge. In 2013, the company accepted a total of 188 requests by the general public for electromagnetic wave measurement services and commissioned third-party units to conduct these measurements. All measurement results conformed to the standard values for electromagnetic waves set by NCC. Over the past three years, a total of 637 measurement requests have been received and processed.

We also organized an electromagnetic wave measurement campaign in cooperation with the Taiwan Telecommunications Industry Development Association in 2013 and commissioned reliable third-party units to conduct measurements in northern, central, southern, and eastern Taiwan as a reference for electromagnetic wave educational activities and the creation of informational materials. In addition, we assisted the Communication Research Center of National Taiwan University in the organization of a symposium. International experts and scholars were invited to conduct discussions on issues related to electromagnetic wave research, safety standards, and current laws and regulations as a reference for lawmaking and administration by the government.

We will continue to provide education on accurate concepts about electromagnetic waves in cities, counties, related units and organizations. We jointly commissioned the Taiwan Telecommunications Industry Development Association together with other telecommunication businesses to create informational materials on electromagnetic materials in a unified fashion and disseminate these materials all over Taiwan.

4.2.5 Rate transparency

A detailed disclosure of product and service information highlights the company's commitment to the concepts of "Trusted Brand" and "Product Liability". When Taiwan Mobile introduces innovative products and services, the rates and charges are approved by competent authorities and made public before implementation as required by the law. Fees and rates for sold items are also fully disclosed in the media, the company website, and each operating base. The current rates and charges for voice services are reduced on an annual basis in accordance with the values announced by the competent authority (National Communications Commission) to provide benefits for a wide range of subscribers. In addition, store personnel are required to



* Values should not exceed 0.9mW/sqm for 2G(GSM 1800MHz) and 1.0mW/sqm for 3G(GSM 2100MHz)

explain rates in a detailed fashion when customers apply for services as well as recommend suitable rate plans in accordance with customer needs. Upon completion of the application process, subscribers are provided with a fee plan agreement and promotional materials regarding the plans for reference purposes. Furthermore, the monthly billing statements clearly specify the service names, monthly rates, billing methods, and usage times for all charges based on different categories. The goal is to convey plan contents to the subscriber in a detailed and accurate fashion.

4.3 Supplier management

4.3.1 Strengthening of supplier management

The company has formulated the Contractor Safety, Hygiene, and Environmental Protection Guidelines in accordance with the Labor Standards Act, the Environmental Protection Act, the Labor Safety and Health Act, and relevant enforcement rules. These guidelines have been made public on the procurement and bidding website. All contractors are required to sign compliance agreements. Violations result in the termination of business relationships. These guidelines serve the purpose of guaranteeing the safety of maintenance operations, safeguarding the safety and health of workers, and preventing pollution hazards with the goal of reducing potential risks in the supply chain.

In addition, we closely monitor the environmental impact and fulfillment of social responsibility during production processes of procured products. This includes bans and restrictions on harmful substances, specific absorption rates of electromagnetic waves emitted by cell phones, and labor rights. Although telecommunication service providers are not direct producers of consumer products, they come in closest contact with consumers in the value chain. The fulfillment and violation of CSR on the part of suppliers has an enormous impact on the reputation of the company. We therefore announced the Supplier CSR Rules in 2011 (<https://twmepmall.taiwanmobile.com/esp/>). In addition, we request that suppliers jointly fulfill their social responsibility in the four dimensions of labor rights and human rights, health and safety, environment, and ethical norms. We not only play the role of instigators and conveyors of information, but also hope to generate a positive impact on the fulfillment of CSR in the whole industry.

CSR self-assessment questionnaires were incorporated into the procurement process in 2014 to extend sustainability concepts to the supply chain. We asked our major suppliers to fill out and return these questionnaires and announced the statistical results as a main reference point for the formulation of procurement strategies. We also plan to gradually incorporate CSR issues into supplier meetings and provide educational courses for suppliers with negative questionnaire results, so as to assist them in the implementation of improvements to generate a positive effect on CSR indicator values.

4.3.2 Open and transparent procurement mechanism

The selection of suppliers is evaluated based on relevant operating procedures. Clandestine arrangements with suppliers are strictly forbidden. We have also established a transparent bidding and procurement system. All information pertaining to open bidding and procurement processes is made public. If suppliers or staff members have any misgivings, they may voice them through the grievance and complaint channels. The Supplier Grievance Guidelines may be downloaded from the procurement section of the official website (<https://twmepmall.taiwanmobile.com/esp/>).

In addition to the contents of open tenders, information pertaining to bidding and quotation processes is also fully disclosed in the system. Upon completion of the registration procedures on the website, suppliers are able to submit bids and quotations in accordance with relevant procedures. Each tender is opened and manufacturers are selected based on specific scoring criteria. Bids submitted by suppliers are evaluated in a fair and transparent manner via a clear and rigorous systematic process. Price competition of suppliers also relies on a fair mechanism.

4.3.3 Supplier Code of Conduct

Suppliers are required to comply with the following rules and regulations that have been made public in the electronic procurement system:

1. Taiwan Mobile CSR Guidelines for Suppliers
2. Information Security Management Regulations for Subcontractors
3. Business Integrity Statement
4. Safety, Health, and Environmental Regulations for Contractors

Acceptance of kickbacks by employees of the procurement department and corrective measures

In 2013, the company detected the payment of kickbacks to employees of the procurement department. The case was reported to the relevant judicial body by the company. Employees who were involved in this case were dismissed, while the rights of the involved supplier were suspended pending investigations by legal authorities. After this incident, the company re-inspected internal units prone to a high risk of bribery such as the procurement department. Educational efforts and the implementation of relevant management measures were reinforced as shown in the table below. The goal is to reduce bribery risks and strengthen the integrity of business operations.

Corrective and preventive measures in response to the procurement corruption case and received kickbacks

Response measures (immediate improvements)

1. Termination of business relations with said supplier (open orders will still be completed)
2. Adjustment of the duties and responsibilities of personnel in charge of related operations and procurement and adoption of other management measures
3. Open bidding processes for new purchase requisitions and related operations

Preventive measures

1. Suppliers are required to sign business integrity statements to be eligible to participate in tenders or submit quotations
2. Open bidding processes are adopted for all tenders, except those of a special nature, and businesses are required to submit quotations via the electronic procurement system
3. Scheduled and non-scheduled job rotation of procurement personnel
4. Re-inspection of supplier qualifications and procurement conditions on a regular basis as a reference for management operations
5. Lowering of the threshold for tender monitoring by executives and adoption of a joint monitoring mechanism

Information security of Supplier

We commissioned companies to deal with customers' information in a proper secure measures, such as requiring commissioned companies to enhance the information security awareness, to sign a confidentiality affidavit to ensure secure data exchange, especially for massive collection of personal data. We formulate a " checklist for personal information commissioned work" , based on Personal Information Protection Act and its implementation rules. Professionals will conduct onsite visits to ensure that companies are following the regulations and contract obligations regarding security management procedures and dealing with sensitive customer information in a proper way to prevent personal data from stolen, forged, damaged, lost or leaked.

Information Security Committee which directs the formulation of information security related policies and monitors their implementation in 2004 in order to provide customers with more complete and superior security guarantees. We adopted the ISO/IEC 27001 International Information Security Management System to offer maximum security and optimal protection of the personal data of subscribers from the moment they enter a myfone store to apply for different telecommunication services to the receipt of monthly mobile phone bills and the dialing of toll-free customer service hotlines to modify rates and charges or global roaming settings due to the protection provided by the professional information security management system and dedicated service personnel. This allows our subscribers to use our services in a worry-free fashion.



安侯建業聯合會計師事務所

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Independent Limited Assurance Report

To Taiwan Mobile Co., Ltd.

We have been engaged by Taiwan Mobile Co., Ltd. ("TWM") to provide limited assurance on the Corporate Social Responsibility Report of TWM for the year ended December 31, 2013 ("the Report").

TWM's Responsibilities

TWM is responsible for the preparation and presentation of the Report, and for the information and assertions contained within it for determining TWM's objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues, and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

In preparing the Report, TWM applied the Global Reporting Initiative's ("GRI") Sustainability Reporting Guidelines (G3.1) as set forth in "About This Report" section of the Report.

Our Responsibilities

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.

That Standard requires that we comply with applicable ethical requirements, including independence requirements of the IFAC (International Federation of Accountants) Code of Ethics for Professional Accountants, and that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

Our engagement was designed to carry out a limited assurance engagement and to express a conclusion on whether the information in the Report is fairly stated in all material respects, based on GRI G3.1, excluding the Report's section on Greenhouse Gas Emissions (Scope 1 and 2) and associated energy, electricity consumption related data, of which the disclosures will be verified (and modified if necessary) independently by BSI Pacific Ltd., Taiwan Branch. Consequently, this assurance engagement will not express a conclusion on the Greenhouse Gas Emissions (Scope 1 and 2) and associated energy, electricity consumption related data.

Summary of Work Performed

A limited assurance engagement on a sustainability report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the sustainability report, and applying analytical and other evidence gathering procedures, as appropriate. Our procedures included:

- Inquiries of management to gain an understanding of TWM's processes for determining the material issues for TWM's key stakeholders;
- Interviews with management and relevant staff at TWM concerning sustainability strategy and policies for material issues, and the implementation of these across the business;
- Interviews with relevant staff at TWM responsible for providing the information in the Report;



- Inquiries about the design and implementation of key systems and methods used to collect and process the information reported, including the aggregation of data into information as presented in the Report;
- A visit to a operation site, cloud data center, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria;
- Comparing the information presented in the Report to corresponding information in the relevant underlying sources on a sample basis, to determine whether the relevant information contained in such underlying sources has been included in the Report;
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of TWM.

A limited assurance engagement is substantially less in scope, based on the extent of evidence-gathering, than a reasonable assurance engagement conducted in accordance with International Standards on Assurance Engagements or an audit conducted in accordance with International Standards on Auditing. Therefore, the extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, thus a lower level of assurance is provided, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit or a reasonable assurance engagement.

Conclusion

Based on the procedures performed, as described above, except for the scope limitation stated in the Our Responsibility above, nothing has come to our attention that causes us to believe that the Report of TWM for the year ended December 31, 2013 is not presented fairly, in all material respects, in accordance with the GRI G3.1 Application Level A+.

Our limited assurance report is made solely to TWM in accordance with the terms of our engagement. Our work has been undertaken so that we might state to TWM those matters we have been engaged to state in this limited assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than TWM for our work, for this limited assurance report, or for the conclusions we have reached.

KPMG

Taipei, Taiwan

June 30, 2014

KPMG, a Taiwan partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

GRI G3.1 Content Index

GRI Guidelines	Status	Pages	Remarks
1. Strategy and analysis			
1.1 Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy.	●	03	
1.2 Description of key impacts, risks, and opportunities.	●	03	
2. Organizational profile			
2.1 Name of the organization.	●	02	
2.2 Primary brands, products, and/or services.	●	07-12	
2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	07-12	
2.4 Location of organization's headquarters.	●	02	
2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	07-12	
2.6 Nature of ownership and legal form.	●	07-12	
2.7 Markets served.	●	07-15	
2.8 Scale of the reporting organization.	●	07-11, 48-49	
2.9 Significant changes during the reporting period regarding size, structure, or ownership.	●	05	There were no significant changes to company structure or ownership in 2013
2.10 Awards received in the reporting period.	●	03, 05, 07-15	
3. Report parameters			
3.1 Reporting period for information provided.	●	02	
3.2 Date of most recent previous report.	●	02	
3.3 Reporting cycle.	●	02	
3.4 Contact point for questions regarding the report or its contents.	●	02	
3.5 Process for defining report content.	●	02	
3.6 Boundary of the report.	●	02	
3.7 State any specific limitations on the scope or boundary of the report.	●	02	
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●		No relevant events during reporting period.
3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	●	02	

GRI Guidelines	Status	Pages	Remarks
3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	●	02	
3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	02	
3.12 Table identifying the location of the Standard Disclosures in the report.	●		
3.13 Policy and current practice with regard to seeking external assurance for the report.	●		
4. Governance, commitments, and engagement			
4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	07-11	
4.2 Indicate whether the Chair of the highest governance body is also an executive officer.	●	07-11	
4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	●	07-11	
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	07-11	
4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance.	●	07-11	
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	07-11	
4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	●	07-11	
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	07-11	
4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	07-13	
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	07-11	
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	11-12	
4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	12	
4.13 Memberships in associations and/or national/international advocacy organizations.	●	13	

● Full disclosure ◎ Partial disclosure ○ None disclosure

GRI Guidelines	Status	Pages	Remarks
4.14 List of stakeholder groups engaged by the organization.	●	14	
4.15 Basis for identification and selection of stakeholders with whom to engage.	●	14	
4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	14	
4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	●	15	
Economic Performance Indicators			
Disclosure on Management Approach	●	06-15	
EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	28-47	
EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change.	●	16-27	
EC3 Coverage of the organization's defined benefit plan obligations.	●	49	
EC4 Significant financial assistance received from government.	●		2013 Unit: NT\$1,000
			Cash Payment of Income Tax 2,357,102
			Tax Incentives Investment Allowance -
			Loss Allowance 7,023
			Source: Consolidated Financial Report of Taiwan Mobile and Subsidiaries Government agencies hold 3.28% of company shares
EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	●	49	
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	●	57	Local suppliers accounted for 99.8% of suppliers during the reporting period.
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	●	52	
EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	21, 28-47	
EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts.	●	30-33, 37-47	
Environmental Performance Indicators			
Disclosure on Management Approach	●	16-19	
EN1 Materials used by weight or volume.	●		Not in manufacturing industry so not applicable
EN2 Percentage of materials used that are recycled input materials.	●		Not in manufacturing industry so not applicable

GRI Guidelines	Status	Pages	Remarks
EN3 Direct energy consumption by primary energy source.	●	19	
EN4 Indirect energy consumption by primary source.	●	19	
EN5 Energy saved due to conservation and efficiency improvements.	●	20, 38-41	
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	●	21, 25	
EN7 Initiatives to reduce indirect energy consumption and reductions achieved.	●	20	As the results of energy solutions
EN8 Total water withdrawal by source.	●	22	
EN9 Water sources significantly affected by withdrawal of water.	●		All water consumption came from tap water. There were no impact on water source from additional withdrawal.
EN10 Percentage and total volume of water recycled and reused.	●	22	
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	●		Not applicable
EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	●		Not applicable
EN13 Habitats protected or restored.	●		Not applicable
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.	●		Not applicable
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	●		Not applicable
EN16 Total direct and indirect greenhouse gas emissions by weight.	●	19	
EN17 Other relevant indirect greenhouse gas emissions by weight.	●	19	
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	●	20	
EN19 Emissions of ozone-depleting substances by weight.	●		Not applicable
EN20 NO, SO, and other significant air emissions by type and weight.	●		Not applicable
EN21 Total water discharge by quality and destination.	●		Not applicable
EN22 Total weight of waste by type and disposal method.	●	22-24	
EN23 Total number and volume of significant spills.	●		Not applicable
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	●		Not applicable

● Full disclosure ● Partial disclosure ○ None disclosure

GRI Guidelines	Status	Pages	Remarks
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	●		Not applicable
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	●	25	
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	●		Myfone use environmentally friendly packaging
EN28 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	●		No such occurrence
EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	●		No significant environmental impact from transportation or employee commute.
EN30 Total environmental protection expenditures and investments by type.	●	16-27	
Social Performance Indicators : Labor			
Disclosure on Management Approach	●	48-58	
LA1 Total workforce by employment type, employment contract, and region.	●	48	
LA2 Total number and rate of employee turnover by age group, gender, and region.	●	48	
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	●	48	
LA4 Percentage of employees covered by collective bargaining agreements.	●		Our company does not have a trade union but 100% of employees are provided with their work contract at time of hiring for review. All employee must return the signed labor contract at time of reporting to protect employer and employee interests.
LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	●	52	
LA6 Percentage of total workforce represented in formal joint management- worker health and safety committees that help monitor and advise on occupational health and safety programs.	●	53	
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	●	53	
LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	49, 53	
LA9 Health and safety topics covered in formal agreements with trade unions.	●	53	There is no trade union but there is a Labor Safety and Health Committee. Our company's employee handbook and work rules all make mention of labor health and safety items. Employees also enjoy group insurance coverage upon arrival. To protect employee safety and health, a health clinic is provided. Labor safety and health managers and full-time nurses are on staff to protect the health and safety of all employees.
LA10 Average hours of training per year per employee by employee category.	●	50	

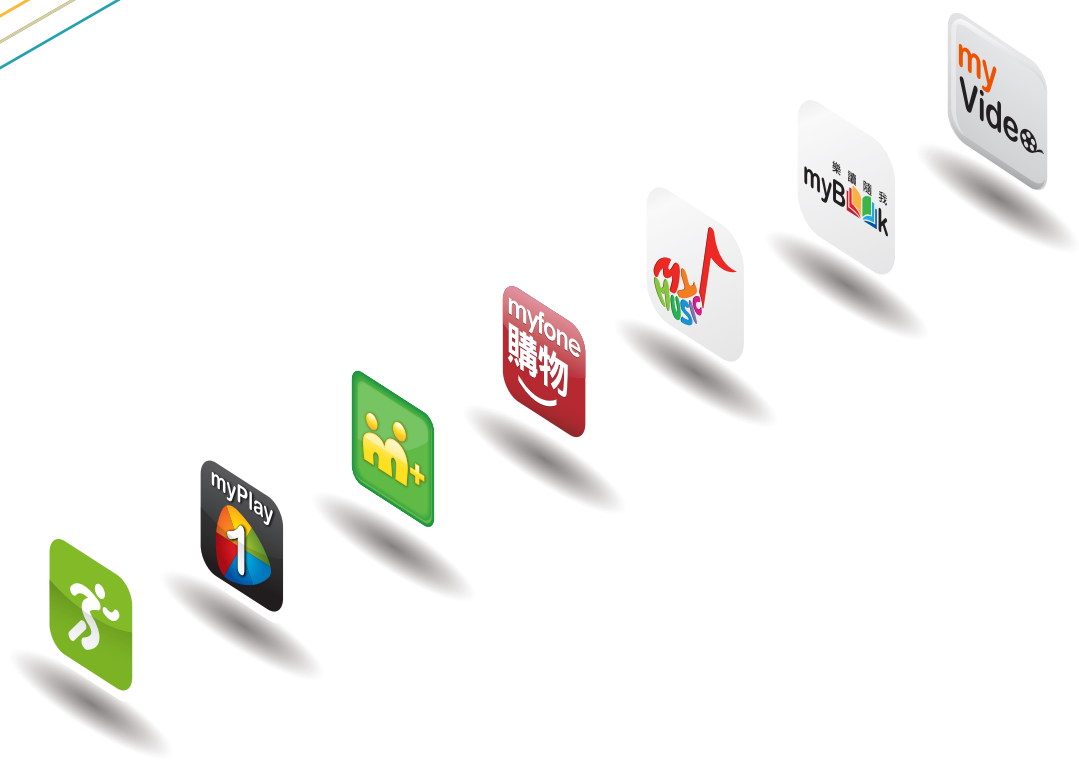
GRI Guidelines	Status	Pages	Remarks
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	50	
LA12 Percentage of employees receiving regular performance and career development reviews.	●	50	
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	●	48	
LA14 Ratio of basic salary of men to women by employee category.	●	49	
LA15 Return to work and retention rates after parental leave, by gender.	●	49	
Social Performance Indicators (2)			
Disclosure on Management Approach	●	52	
HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	●	57	All suppliers must sign the human rights declaration. Any violations will result in contract termination.
HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	●	57	All suppliers must sign the human rights declaration. Any violations will result in contract termination.
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	●	50	Courses on sexual harassment
HR4 Total number of incidents of discrimination and actions taken.	●	52	1 incident of sexual harassment during the reporting period.
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	●	52	
HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	●	58	
HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	●	57-58	
HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	○		Not applicable
HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	●		No such occurrence
HR10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	●		No such occurrence
HR11 Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms.	●	52	1 sexual harassment complaint during the reporting period.
Social Performance Indicators : Society			
Disclosure on Management Approach	●	12-13	
SO1 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	◎		100%

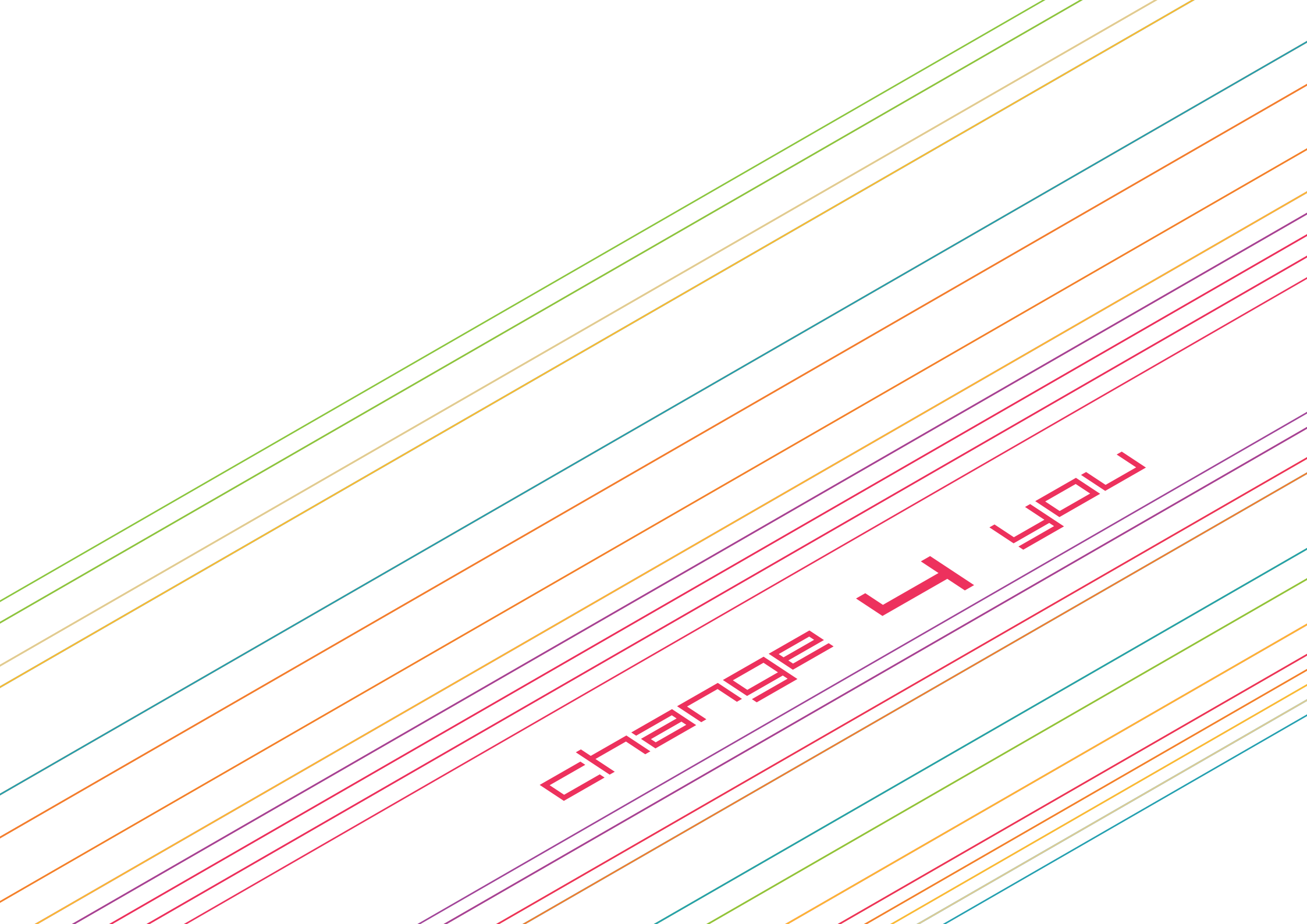
● Full disclosure ◎ Partial disclosure ○ None disclosure

GRI Guidelines	Status	Pages	Remarks
SO2 Percentage and total number of business units analyzed for risks related to corruption.	●	58	
SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.	●		All employees must sign the Code of Conduct.
SO4 Actions taken in response to incidents of corruption.	●	58	
SO5 Public policy positions and participation in public policy development and lobbying.	●	13	
SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	●		No such occurrence
SO7 Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	●		No such occurrence
SO8 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	●		No significant fines.
SO9 Operations with significant potential or actual negative impacts on local communities.	●	21	No significant negative impact on local communities
SO10 Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	21	
Social Performance Indicators : Product Responsibility			
Disclosure on Management Approach	●	54-57	
PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	●	55	
PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	●		No such occurrence
PR3 Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	●	57	
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	●		No such occurrence
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	54	
PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	●	57	
PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	●		1 incident in 2013
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	●		No such occurrence
PR9 Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	●		No significant fines

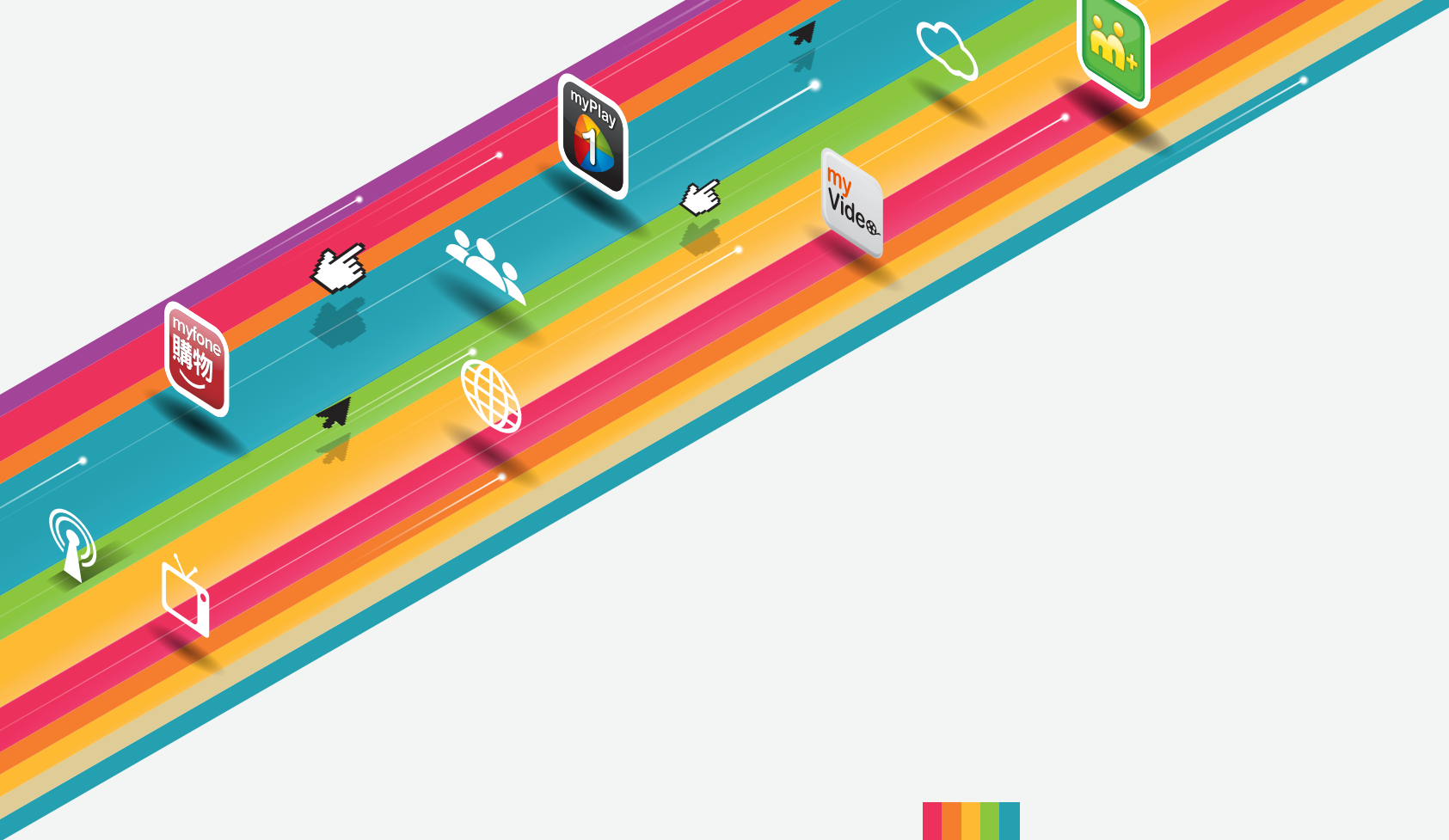
Telecommunications Sector Supplement		Status	Pages	Remarks	
Company management	Investment	IO1 Capital investment in telecommunication network infrastructure broken down by country/region.	⊙	38-41	
		IO2 Net costs for service providers under the Universal Service Obligation when extending service to geographic locations and low-income groups, which are not profitable.	●	38-41	
	Health and Safety	IO3 Practices to ensure health and safety of field personnel involved in the installation, operation and maintenance of masts, base stations, laying cables and other outside plant. Related health and safety issues include working at heights, electric shock, exposure to EMF and radio frequency fields, and exposure to hazardous chemicals.	●	53	
		IO4 Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) standards on exposure to radiofrequency (RF) emissions from handsets.	●	55	
		IO5 Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) guidelines on exposure to radiofrequency (RF) emissions from base stations.	●	55	
		IO6 Policies and practices with respect to Specific Absorption Rate (SAR) of handsets.	●	55	
	Infrastructure	IO7 Policies and practices on the siting of masts and transmission sites including stakeholder consultation, site sharing, and initiatives to reduce visual impacts.	●	21	
		IO8 Number and percentage of stand-alone sites, shared sites, and sites on existing structures.	●	21	
Providing Access	Bridging the Digital Divide	PA1 Policies and practices to enable the deployment of telecommunications infrastructure and access to telecommunications products and services in remote and low population density areas.	●	38-41	
		PA2 Policies and practices to overcome barriers for access and use of telecommunication products and services.	●	37	
		PA3 Policies and practices to ensure availability and reliability of telecommunications products and services and quantify, where possible, for specified time periods and locations of down time.	⊙	25-26, 55	
		PA4 Quantify the level of availability of telecommunications products and services in areas where the organization operates.	⊙	06-15	
		PA5 Number and types of telecommunication products and services provided to and used by low and no income sectors of the population.	●	37	
		PA6 Programmes to provide and maintain telecommunication products and services in emergency situations and for disaster relief.	●	24	
	Content Delivery	PA7 Policies and practices to manage human rights issues relating to access and use of telecommunications products and services.	●	55	
	Customer Relations	PA8 Policies and practices to publicly communicate on EMF related issues.	●	55	
		PA9 Total amount invested in programmes and activities in electromagnetic field research.	●	55	Contribution of \$700,000 in 2013
		PA10 Total amount invested in programmes and activities in electromagnetic field research.	●	57	
		PA11 Initiatives to inform customers about product features and applications that will promote responsible, efficient, cost effective, and environmentally preferable use.	●	21	
Technical Applications	Resource Efficiency	TA1 Provide examples of the resource efficiency of telecommunication products and services delivered.	●	25-27	
		TA2 Provide examples of telecommunication products, services and applications that have the potential to replace physical objects.	●	26-27, 29	
		TA3 Disclose any measures of transport and/or resource changes of customer use of the telecommunication products and services listed above. *	●	21, 26-27	
		TA4 Disclose any estimates of the rebound effect (indirect consequences) of customer use of the products and services listed above, and lessons learned for future development.	●	21	
		TA5 Description of practices relating to intellectual property rights and open source technologies.	●		All intellectual property and software used are licensed

● Full disclosure ● Partial disclosure ○ None disclosure





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