

## Board of Directors and Executive Management

### Board of Directors

The board of directors, acting on behalf of the Company's shareholders, is charged with the task of supervising the management team. The board, elected and approved during the AGM on June 15, 2011, includes four independent directors, which more than fulfill current regulations requiring public companies to have at least two independent directors. The Audit Committee, composed entirely of independent directors, replaced board supervisors. Information on the Company's Sixth Board of Directors is detailed below:

As of March 20, 2014

Title	Name	Date elected	Term expires	Shareholding when elected		Current shareholding		Spouse/minor's shareholdings		Education and experience	Current position(s) in the Company and other companies	Officer or director is a spouse or consanguineous within two degrees		
				Shares	%	Shares	%	Shares	%			Title	Name	Relationship
Chairman	Fu-Chi Venture Corp. Representative: Richard Tsai	2011.06.15	2014.06.14	6,387,515	0.168	5,748,763 *90,127,938	0.168 *2.635	5,986,496	0.175	BA, National Taiwan University MBA, Stern School, New York University Chairman, Fubon Securities Co., Ltd. Chairman, Fubon Life Insurance Co., Ltd.	Vice Chairman, Fubon Financial Holding Co., Ltd. Vice Chairman, Taipei Fubon Commercial Bank Co., Ltd. Chairman, Taiwan Fixed Network Co., Ltd.	Vice Chairman	Daniel Tsai	Brother
Vice Chairman	Fu-Chi Venture Corp. Representative: Daniel Tsai	2011.06.15	2014.06.14	6,387,515	0.168	5,748,763 *91,979,990	0.168 *2.689	4,580,070	0.134	LL.B., National Taiwan University LL.M., Georgetown University Chairman, Fubon Insurance Co., Ltd. Chairman, Fubon Land Development Co., Ltd.	Chairman, Fubon Financial Holding Co., Ltd. Chairman, Taipei Fubon Commercial Bank Co., Ltd.	Chairman	Richard Tsai	Brother
Director	TCC Investment Co., Ltd. Representative: Benny Chen (Note 1)	2011.06.15	2014.06.14	222,774,179	5.861	200,496,761 *None	5.861 *None	-	-	BA, Business Administration, National Taiwan University MBA, Southern Illinois University Senior Vice President, McDonald's Corp., Taiwan Chief Strategy Officer and Chief Marketing Officer, Far EasTone Telecommunications Co., Ltd. Deputy President, Consumer Financial Services, Chinatrust Financial Holding Co., Ltd. General Manager, Retail Banking Group, Chinatrust Commercial Bank Country Business Manager, Citibank, China Senior Vice President and Chief Business Officer, Taiwan Mobile Co., Ltd. Chairman, Fubon Securities Co., Ltd. Senior Executive VP, Fubon Financial Holding Co., Ltd.	Senior Adviser, Fubon Financial Holding Co., Ltd.	-	-	-
Director	TCC Investment Co., Ltd. Representative: James Jeng (Note 2)	2011.06.15	2014.06.14	222,774,179	5.861	200,496,761 *None	5.861 *None	-	-	BSEE, National Cheng Kung University Ph.D. and MS in Electrical and Computer Engineering, New York State University, USA Member of Technical Staff, AT&T Bell Labs, USA EVP, United Fiber Optic Communication Inc. CEO, Asia Pacific Telecom Group CEO, Asia Pacific Broadband and Wireless Communications Inc. CEO, Asia Pacific Broadband Telecom President, Asia Pacific Online CTO and HBG COO, Taiwan Mobile Co., Ltd. Chairman and CEO, Kbro Co., Ltd.	President, Taiwan Mobile Co., Ltd. Director, Taipei New Horizon Co., Ltd. Director and President, Taiwan Cellular Co., Ltd. Director and President, Taiwan Fixed Network Co., Ltd. Chairman and President, Taiwan Digital Service Co., Ltd. Director and President, Wealth Media Technology Co., Ltd. Director and President, TFN Media Co., Ltd. Chairman, Win TV Broadcasting Co., Ltd. Chairman, Globalview Cable TV Co., Ltd. Chairman, Union Cable TV Co., Ltd. Chairman, Yeong Jia Leh Cable TV Co., Ltd. Chairman, Phoenix Cable TV Co., Ltd. Chairman, Taiwan Kuro Times Co., Ltd. Chairman, Taiwan Teleservices & Technologies Co., Ltd. Chairman and President, TWM Communications (Beijing) Co., Ltd. Director, Fubon Multimedia Technology Co., Ltd.	-	-	-

Title	Name	Date elected	Term expires	Shareholding when elected		Current shareholding		Spouse/minor's shareholdings		Education and experience	Current position(s) in the Company and other companies	Officer or director is a spouse or consanguineous within two degrees		
				Shares	%	Shares	%	Shares	%			Title	Name	Relationship
Director	Fu-Chi Venture Corp. Representative: Vivien Hsu (Note 3)	2011.06.15	2014.06.14	6,387,515	0.168	5,748,763 *8,377	0.168 *0.000	-	-	MBA, University of New South Wales, Sydney, Australia MBA, National Chengchi University CFO, Cathay Financial Holding Co., Ltd. SVP and Chief of Staff, Taiwan Mobile Co., Ltd. Chairman, Taiwan Tele-Shop Co., Ltd. Senior Consultant & Acting President, Taiwan Fixed Network Co., Ltd. Chairman, Win TV Broadcasting Co., Ltd. SVP and CFO, Taiwan Mobile Co., Ltd. Co-President, Taiwan Mobile Co., Ltd.	President, Fubon Financial Holding Co., Ltd. Director, Fubon Bank (China) Co., Ltd. Non-Executive Director, Fubon Bank (Hong Kong) Ltd. Director, Social Enterprise Commitment Foundation Supervisor, Commerce Development Research Institute	-	-	-
Independent Director	Jack J.T. Huang	2011.06.15	2014.06.14	-	-	-	-	-	-	LL.B., National Taiwan University LL.M., Northwestern University S.J.D., Harvard University	Partner-in-charge, Jones Day Taipei Independent Director, World Peace Holding Independent Director, Systex Corp. Director, Yulon Motor Co., Ltd.	-	-	-
Independent Director	Tsung-Ming Chung	2011.06.15	2014.06.14	-	-	-	-	-	-	BBA, National Taiwan University MBA, National Chengchi University CPA, ROC CPA, Connecticut, USA Partner, T.N. Soong & Co., CPAs Lecturer, Department of Accounting, National Chengchi University Lecturer, Department of Accounting, National Taiwan University	Chairman, Dynapack Technology Corp. Independent Director, Chroma ATE Inc. Director, Far Eastern International Commercial Bank Director, Unity Opto Technology Co., Ltd. Supervisor, Chien Kuo Construction Co., Ltd.	-	-	-
Independent Director	Wen-Li Yeh	2011.06.15	2014.06.14	-	-	-	-	-	-	Department of Architecture, Chung Yuan Christian University MA and Ph.D. candidate, University of Paris EMBA studies, University of California, Berkeley Planner, Department of Housing and Urban Development under the Cabinet's Council for Economic Planning and Development Managing Director, United Pacific International Inc. President, United Communications Managing Director and Vice Chairman, United Advertising Co., Ltd. Chairman, Carat-United Media Services (Taiwan) Ltd. Chairman, Aegis Media Taiwan	Chairman, Aegis Media Greater China Supervisor, Cheng Sheng Broadcasting Corp.	-	-	-
Independent Director	J. Carl Hsu	2011.06.15	2014.06.14	-	-	-	-	-	-	BSEE, National Taiwan University Ph.D. and MS in Computer Science, University of California, Los Angeles Senior Executive, AT&T, Bell Labs and Lucent Technologies Communications Software Group Professor, National Tsing Hua University in Taiwan, Peking University and others	Professor, Peking University and other universities Board member of Rogers Corp., USA	-	-	-

\* Personal shareholdings

Note 1: TCC Investment Co., Ltd. appointed Benny Chen as its representative, taking over Vivien Hsu's duties on October 1, 2013. Benny Chen had served as a representative of an institutional director of TWM from August 26, 2007 to September 18, 2009.

Note 2: TCC Investment Co., Ltd. appointed James Jeng as its representative, taking over Cliff Lai's duties on January 6, 2014.

Note 3: Fu-Chi Venture Corp. appointed Vivien Hsu as its representative, taking over Victor Kung's duties on October 1, 2013.

Note 4: Shareholdings of less than 0.001 are denoted as "0.000" and zero shareholdings are denoted as "None".

## 1. Major shareholders of TWM's institutional investors

As of March 20, 2014

Institutional investor	Major shareholders
Fu-Chi Venture Corp.	Richard Tsai (50.20%), Mei-Hui Ueng Tsai (49.75%), Cheng Ru Tsai (0.05%)
TCC Investment Co., Ltd.	Taiwan Cellular Co., Ltd. (100%)

## 2. Major shareholders of companies mentioned on the right hand side of the table above

As of March 20, 2014

Company	Major shareholders
Taiwan Cellular Co., Ltd.	Taiwan Mobile Co., Ltd. (100%)

## 3. Qualifications and independence of directors

As of March 20, 2013

Name	Over five years of experience in business, finance, legal and/or other areas related to the Company's business	Independence criteria (Notes)										No. of public companies in which he or she also serves as an independent director
		1	2	3	4	5	6	7	8	9	10	
Richard Tsai	V						V	V		V		0
Daniel Tsai	V						V	V		V		0
Benny Chen	V			V	V		V	V	V	V		0
James Jeng	V			V	V		V	V	V	V		0
Vivien Hsu	V			V	V		V	V	V	V		0
Jack J.T. Huang	V	V	V	V	V	V	V	V	V	V	V	2
Tsung-Ming Chung	V	V	V	V	V	V	V	V	V	V	V	1
Wen-Li Yeh	V	V	V	V	V	V	V	V	V	V	V	0
J. Carl Hsu	V	V	V	V	V	V	V	V	V	V	V	0

"V" denotes meeting the conditions specified above

Criterion 1: Not an employee of the Company or its affiliated companies

Criterion 2: Not a director or supervisor of the Company's affiliated companies (unless the person is an independent director of the Company, the Company's parent company or any subsidiary in which the Company holds, directly or indirectly, more than 50 percent of the voting shares)

Criterion 3: Not a shareholder whose total holdings, including that of his/her spouse and minor children, or shares held under others' names reach or exceed 1 percent of the total outstanding shares of the Company or rank among the top 10 individual shareholders

Criterion 4: Not a spouse or relative within second degree by affinity, or within five degrees by consanguinity to any person specified in criteria 1 to 3

Criterion 5: Neither a director, supervisor, or employee of an entity that directly and/or indirectly holds more than 5% of the Company's shares, nor one of the Company's top five shareholders

Criterion 6: Not a director, supervisor, manager, or shareholder owning more than 5% of the outstanding shares of any company that has financial or business relations with the Company

Criterion 7: Not an owner, partner, director, supervisor, manager, or spouse of any of the aforementioned, of any sole proprietorship, partnership, company, or institution that provides commercial, legal, financial and accounting services or consultation to the Company or its affiliates. However, members of the Compensation Committee are not covered by this restriction per Article 7 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter

Criterion 8: Not a spouse or relative within second degree by affinity to other directors

Criterion 9: Not in contravention of Article 30 of the Company Act

Criterion 10: Not an institutional shareholder or its representative pursuant to Article 27 of the Company Act

## Management Team

As of March 20, 2013

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
President/ President's Office	James Jeng	2014.01.06	-	-	<p>BSEE, National Cheng Kung University Ph.D. and MS in Electrical and Computer Engineering, New York State University, USA Member of Technical Staff, AT&amp;T Bell Lab, USA EVP, United Fiber Optic Communication Inc. CEO, Asia Pacific Telecom Group CEO, Asia Pacific Broadband and Wireless Communications Inc. CEO, Asia Pacific Broadband Telecom President, Asia Pacific Online CTO and HBG COO, Taiwan Mobile Co., Ltd. Chairman and CEO, Kbro Co., Ltd.</p>	<p>Director, Taipei New Horizon Co., Ltd. Director and President, Taiwan Cellular Co., Ltd. Director and President, Taiwan Fixed Network Co., Ltd. Chairman and President, Taiwan Digital Service Co., Ltd. Director and President, Wealth Media Technology Co., Ltd. Director and President, TFN Media Co., Ltd. Chairman, Win TV Broadcasting Co., Ltd. Chairman, Globalview Cable TV Co., Ltd. Chairman, Union Cable TV Co., Ltd. Chairman, Yeong Jia Leh Cable TV Co., Ltd. Chairman, Phoenix Cable TV Co., Ltd. Chairman, Taiwan Kuro Times Co., Ltd. Chairman, Taiwan Teleservices &amp; Technologies Co., Ltd. Chairman and President, TWM Communications (Beijing) Co., Ltd. Director, Fubon Multimedia Technology Co., Ltd.</p>	-	-	-

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Senior Vice President and Chief Financial Officer / Finance and Administration Group	Rosie Yu	2011.01.01	-	-	BA, National Taiwan University Executive Vice President, China Securities Co., Ltd. General Manager, Citicorp International Securities Ltd., Taipei Branch General Manager, Credit Lyonnais Securities (Asia) Ltd., Taipei Branch President, Global Investment Holdings Co., Ltd. Chairman, Global Investment Advisory (HK) Ltd.	Director, Globalview Cable TV Co., Ltd. Director, Union Cable TV Co., Ltd. Director, Yeong Jia Leh Cable TV Co., Ltd. Director, Phoenix Cable TV Co., Ltd. Director, Taiwan Kuro Times Co., Ltd. Director, Taiwan Pelican Express Co., Ltd. Supervisor, Taiwan Cellular Co., Ltd. Supervisor, Taiwan Fixed Network Co., Ltd. Supervisor, Taiwan Digital Service Co., Ltd. Supervisor, Wealth Media Technology Co. Ltd. Supervisor, Win TV Broadcasting Co., Ltd. Supervisor, Taiwan Teleservices & Technologies Co., Ltd. Supervisor, TWM Communications (Beijing) Co., Ltd.	-	-	-
Vice President / Finance and Administration Group	Jay Hong	2004.05.06	5,000/0.000	-	EMBA, National Sun Yat-sen University Engineering Supervisor, Engineering Division, Nan Ya Plastics Corp. Director, Procurement Division, TransAsia Telecommunications Inc. Vice President, Customer Service Division, TransAsia Telecommunications Inc. Vice President, Direct Store Division, Taiwan Mobile Co., Ltd. President, Taiwan Teleservices & Technologies Co., Ltd. Vice President, President's Office, Taiwan Mobile Co., Ltd.	Supervisor, Globalview Cable TV Co., Ltd. Supervisor, Union Cable TV Co., Ltd. Supervisor, Yeong Jia Leh Cable TV Co., Ltd. Supervisor, Phoenix Cable TV Co., Ltd.	-	-	-

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Vice President / Corporate Group	Ariel Hwang	2004.03.01	-	-	EMBA, National Taiwan University LL.M., National Chung Hsing University LL.B., National Taiwan University Judge, Taiwan Taoyuan District Court Judge, Taiwan New Taipei District Court Judge, Taiwan Taipei District Court Judge, Taiwan High Court	Supervisor, Taipei New Horizon Co., Ltd. Supervisor, Globalview Cable TV Co., Ltd. Supervisor, Union Cable TV Co., Ltd. Supervisor, Yeong Jia Leh Cable TV Co., Ltd. Supervisor, Phoenix Cable TV Co., Ltd. Legal Consultant, Fubon Financial Holding Co., Ltd. Legal Consultant, Taiwan Fixed Network Co., Ltd. Independent Director, Tynsolar Corp.	-	-	-
Vice President / Corporate Group	Joseph Yang	2007.11.09	-	-	BS in Transportation Management, National Chiao Tung University Advisory Systems Engineer, IBM Taiwan Technical Manager, Central and South Branch, IBM Taiwan Solutions Director, Finance Industry, IBM Taiwan Sales Director, Finance Industry, IBM Taiwan Vice President for Sales, Eastern Broadband Telecom Chief Operating Officer, Eastern Broadband Telecom Senior Vice President, Asia Pacific Telecom Group Chief Marketing Officer, Asia Pacific Telecom Group Product Director, Asia Region, HTC Corp.	None	-	-	

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Vice President / Information Technology Group	James Chang	2004.09.17	163,084/0.005	-	MS in Computer Science, University of Illinois at Chicago District Manager, AT&T Laboratories Senior Delivery Manager, IBM Global Services Senior Director, TBCommerce Network Corp. Director, AT&T Laboratories	None	-	-	-
Acting Chief Technology Officer / Technology Group	CH Jih	2014.02.10	-	-	Electronic Engineering, National Taipei Industry of Technology Institute Project Manager, Siemens Telecom, Vietnam Region Vice President, Suretone Telecom Inc. Engineering Vice President, Taiwan Cellular Corp. Vice President, Taiwan Fixed Network Co., Ltd. Vice President, TFN Media Co., Ltd. Chief Technology Officer, Kbro Co., Ltd.	Director, Globalview Cable TV Co., Ltd. Director, Union Cable TV Co., Ltd. Director, Yeong Jia Leh Cable TV Co., Ltd. Director, Phoenix Cable TV Co., Ltd. Director, TWM Communications (Beijing) Co., Ltd. Director, Taiwan Mobile Basketball Co., Ltd. Independent Director, ACTi Corp. Supervisor, Taiwan Kuro Times Co., Ltd.	-	-	-
Vice President / Technology Group	Egon Chen	2004.02.16	55,158/0.002	-	BS in Electrical Engineering, Tamkang University Director, Suretone Telecom Inc. Senior Director, Taiwan Fixed Network Co., Ltd. Vice President, Howin Technologies Corp.	None	-	-	-
Vice President / Technology Group	Chien Chen	2004.02.16	-	-	EMBA, National Taiwan University Manager, Siemens Telecom Systems Ltd. Director, Suretone Telecom Inc. Vice President, Taiwan Fixed Network Co., Ltd. Vice President, Howin Technologies Corp.	None	-	-	-

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Vice President / Technology Group	Tom Koh	2011.10.17	-	-	Ph.D. in Electrical and Computer Engineering, Johns Hopkins University Member of Tech. Staff, Bellcore Senior Technologist, Motorola Senior Sales Engineer, Ensemble Communications Senior Technical Marketing Engineer, Cisco-Linksys Senior Director, Qualcomm	None	-	-	-
Acting Senior Vice President and Chief Business Officer / Consumer Business Group	Jeff Ku	2014.02.10	2,243/0.000	-	EMBA, National Taiwan University MBA, University of Wollongong, Australia Director, Far EasTone Telecommunications Co., Ltd. Vice President, Taiwan High Speed Rail Corp.	Director and President, Taiwan Kuro Times Co., Ltd. Director, TWM Communications (Beijing) Co., Ltd.	-	-	-
Vice President / Consumer Business Group	Sean Hsieh	2003.12.08	151,396/0.004	-	BS in Business Administration and Sociology, Fu Jen Catholic University University of Texas, Austin Account Supervisor, Bozell CCAA Group Account Director, Series DMB&B Communications Marketing and Sales Manager, PUMA North Asia Ltd., Taiwan Branch Marketing Director, TransAsia Telecommunications Inc. Vice President, TransAsia Telecommunications Inc. Vice President, Enterprise Solution and Channel Sales, Taiwan Mobile Co., Ltd.	None	-	-	-



Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Vice President / Consumer Business Group	Paul Huang	2008.01.21	199,338/0.006	-	MS in Computer Science, Bradley University, USA Supervisor, Siemens Telecommunication Systems Ltd. Account and Project Manager, Nortel, Taiwan Branch Vice President, Business Development, Hong Kong Telecom, Taiwan Branch Vice President, Sales and Services, Far EasTone Telecommunications Co., Ltd. Vice President, Business and Operation, Far Eastern Electronic Toll Collection Co., Ltd.	None	-	-	-
Vice President / Consumer Business Group	Steve Chou	2011.04.25	-	-	MBA, Southern Methodist University, USA Assistant Vice President, Credit Card, Citibank, N.A., Taiwan Vice President, Customer Service, TransAsia Telecommunications Inc. Vice President, Customer Service, Sparq Telecom General Manager, Secured Lending, Standard Chartered Bank, Taiwan Senior Vice President, Customer Service, HSBC Bank Taiwan	Director and President, Taiwan Teleservices & Technologies Co., Ltd.	-	-	-

Note: Shareholdings of less than 0.001 are denoted as "0.000" and zero shareholdings are denoted as "None".

## Compensation to directors and management executives

### 1. Compensation to directors

Unit: NT\$

Title		Chairman	Vice Chairman	Director	Director	Director	
Name		Fu-Chi Venture Corp.	Fu-Chi Venture Corp.	TCC Investment Co., Ltd.	TCC Investment Co., Ltd.	Fu-Chi Venture Corp.	
Representative		Richard Tsai	Daniel Tsai	Benny Chen (Note 1)	James Jeng (Note 2)	Vivien Hsu (Note 3)	
Director's compensation	Cash compensation (A)	Stand-alone	-	-	-	-	
		Consolidated	-	-	-	-	
	Pension (B)	Stand-alone	-	-	-	-	
		Consolidated	-	-	-	-	
	Earnings paid as compensation to directors (C)	Stand-alone	6,732,048	5,049,037	3,366,025	3,366,025	3,366,025
		Consolidated	6,732,048	5,049,037	3,366,025	3,366,025	3,366,025
	Professional fee (D) (Note 4)	Stand-alone	180,000	120,000	120,000	120,000	120,000
		Consolidated	285,000	213,000	517,000	516,000	120,000
A+B+C+D as a % of net profit		Stand-alone	0.0444%	0.0332%	0.0224%	0.0224%	
		Consolidated	0.0450%	0.0338%	0.0249%	0.0249%	
Employee profit sharing	Performance-based salary (E)	Stand-alone					
		Consolidated					
	Retirement pay of employees (F)	Stand-alone					
		Consolidated					
	Earnings paid as bonus to employees (G)	Stand-alone	Cash bonus				
			Stock bonus				
		Consolidated	Cash bonus				
			Stock bonus				
	Employee stock option granted (H)	Stand-alone					
		Consolidated					
New restricted employee shares (I)	Stand-alone						
	Consolidated						
A+B+C+D+E+F+G as a % of net profit		Stand-alone					
		Consolidated					
Compensation from investees other than subsidiaries		-	-	12,000	12,000	-	
Other allowances		Stand-alone					
		Consolidated					

Unit: NT\$

Title		Independent Director	Independent Director	Independent Director	Independent Director	Total		
Name		Jack J.T. Huang	Tsung-Ming Chung	Wen-Li Yeh	J. Carl Hsu			
Representative								
Director's compensation	Cash compensation (A)	Stand-alone	-	-	-	-		
		Consolidated	-	-	-	-		
	Pension (B)	Stand-alone	-	-	-	-		
		Consolidated	-	-	-	-		
	Earnings paid as compensation to directors (C)	Stand-alone	5,049,037	5,049,037	5,049,037	5,049,037	42,075,308	
		Consolidated	5,049,037	5,049,037	5,049,037	5,049,037	42,075,308	
Professional fee (D)	Stand-alone	290,000	330,000	220,000	220,000	1,720,000		
	Consolidated	290,000	330,000	220,000	220,000	2,711,000		
A+B+C+D as a % of net profit		Stand-alone	0.0343%	0.0345%	0.0338%	0.0338%	0.2810%	
		Consolidated	0.0343%	0.0345%	0.0338%	0.0338%	0.2874%	
Employee profit sharing	Performance-based salary (E)	Stand-alone					87,781,308	
		Consolidated					87,781,308	
	Retirement pay of employees (F)	Stand-alone					189,000	
		Consolidated					189,000	
	Earnings paid as bonus to employees (G)	Stand-alone	Cash bonus					-
			Stock bonus					-
		Consolidated	Cash bonus					-
			Stock bonus					-
	Employee stock option granted (H)	Stand-alone					-	
		Consolidated					-	
New restricted employee shares (I)	Stand-alone					-		
	Consolidated					-		
A+B+C+D+E+F+G as a % of net profit		Stand-alone					0.8455%	
		Consolidated					0.8519%	
Compensation from investees other than subsidiaries		-	-	-	-	24,000		
Other allowances		Stand-alone					1,709,381	
		Consolidated					1,709,381	

Note 1: TCC Investment Co., Ltd. appointed Benny Chen as its representative, taking over Vivien Hsu's duties on October 1, 2013.

Note 2: TCC Investment Co., Ltd. appointed James Jeng as its representative, taking over Cliff Lai's duties on January 6, 2014.

Note 3: Fu-Chi Venture Corp. appointed Vivien Hsu as its representative, taking over Victor Kung's duties on October 1, 2013.

Note 4: The professional fees included fees paid to the current and previous representatives mentioned in Notes 1 to 3.

## 2. Range of compensation to directors

Range of compensation to directors	Name of directors			
	Director's compensation		Director's compensation + employee profit sharing	
	On a stand-alone basis	On a consolidated basis*	On a stand-alone basis	On a consolidated basis*
NT\$0~NT\$1,999,999	Richard Tsai, Daniel Tsai, Victor Kung, Cliff Lai, Vivien Hsu, Benny Chen	Richard Tsai, Daniel Tsai, Victor Kung, Cliff Lai, Vivien Hsu, Benny Chen	Victor Kung	Victor Kung,
NT\$2,000,000~NT\$4,999,999	-	-	Benny Chen	Benny Chen
NT\$5,000,000~NT\$9,999,999	Jack J.T.Huang, Tsung-Ming Chung, Wen-Li Yeh, J. Carl Hsu ,TCC Investment Co., Ltd.	Jack J.T.Huang, Tsung-Ming Chung, Wen-Li Yeh, J. Carl Hsu ,TCC Investment Co., Ltd.	Jack J.T.Huang, Tsung-Ming Chung, Wen-Li Yeh, J. Carl Hsu ,TCC Investment Co., Ltd.	Jack J.T.Huang, Tsung-Ming Chung, Wen-Li Yeh, J. Carl Hsu ,TCC Investment Co., Ltd.
NT\$10,000,000~NT\$14,999,999	-	-	Cliff Lai	-
NT\$15,000,000~NT\$29,999,999	Fu-Chi Venture Corp.	Fu-Chi Venture Corp.	Richard Tsai, Daniel Tsai, Vivien Hsu, Fu-Chi Venture Corp.	Richard Tsai, Daniel Tsai, Cliff Lai, Vivien Hsu, Fu-Chi Venture Corp.
NT\$30,000,000~NT\$49,999,999	-	-	-	-
NT\$50,000,000~NT\$99,999,999	-	-	-	-
NT\$100,000,000 and above	-	-	-	-
Total	12	12	12	12

\* Including compensation from investees other than subsidiaries

### 3. Compensation to management executives

Unit: NT\$

<b>Title and name</b>	Senior Vice President and Chief Financial Officer, Rosie Yu; Acting Senior Vice President and Chief Business Officer, Jeff Ku; Vice President, Jay Hong; Vice President, Ariel Hwang; Vice President, Joseph Yang; Vice President, James Chang; Vice President, Egon Chen; Vice President, Chien Chen; Vice President, Tom Koh; Vice President, Sean Hsieh; Vice President, Paul Huang; Vice President, Steve Chou; <u>Resigned managers:</u> Co-President, Cliff Lai; Co-President, Vivien Hsu; Vice President and Acting Chief Technology Officer, H.S. Wang; Vice President, C.A. Chuang ; Vice President, Simon Wang; Vice President, Tech Juan	Total	
<b>Salary (A)</b>	Stand-alone	116,921,871	
	Consolidated	116,921,871	
<b>Pension (B) (Note 1)</b>	Stand-alone	1,593,000	
	Consolidated	1,593,000	
<b>Performance-based salary (C)</b>	Stand-alone	44,862,428	
	Consolidated	44,862,428	
<b>Employee profit sharing (D)</b>	Stand-alone	Cash	22,463,883
		Stock	—
	Consolidated	Cash	22,463,883
		Stock	—
<b>A+B+C+D as a % of net profit</b>	Stand-alone	1.1926%	
	Consolidated	1.1926%	
<b>Employee stock options</b>	Stand-alone	—	
	Consolidated	—	
<b>New restricted employee shares</b>	Stand-alone	—	
	Consolidated	—	
<b>Compensation from investees other than subsidiaries</b>		63,000	
<b>Transportation allowance</b>	Stand-alone	2,187,617	
	Consolidated	2,187,617	

Note 1: The Company's contribution to employee's pension account, not actual amount paid.

### 4. Range of compensation to management executives

Range of compensation to executives	Name of management executives	
	On a stand-alone basis	On a consolidated basis*
NT\$0~NT\$1,999,999	-	-
NT\$2,000,000~NT\$4,999,999	-	-
NT\$5,000,000~NT\$9,999,999	Jeff Ku, H.S. Wang, Jay Hong, Ariel Hwang, Joseph Yang, Egon Chen, Chien Chen, Tom Koh, Sean Hsieh, Paul Huang, Steve Chou, Tech Juan	Jeff Ku, H.S. Wang, Jay Hong, Ariel Hwang, Joseph Yang, Egon Chen, Chien Chen, Tom Koh, Sean Hsieh, Paul Huang, Steve Chou, Tech Juan
NT\$10,000,000~NT\$14,999,999	Cliff Lai, Rosie Yu, James Chang, C.A. Chuang, Simon Wang	Cliff Lai, Rosie Yu, James Chang, C.A. Chuang, Simon Wang
NT\$15,000,000~NT\$29,999,999	Vivien Hsu	Vivien Hsu
NT\$30,000,000~NT\$49,999,999	-	-
NT\$50,000,000~NT\$99,999,999	-	-
NT\$100,000,000 and above	-	-
Total	18	18

Note: Compensation paid to managers in the above table was based on tenure. Compensation paid to managers who also served as directors is detailed in the "Compensation to directors" table.

\* Including compensation from investees other than subsidiaries

## 5. Managers and employee bonuses

Unit: NT\$  
As of March 20, 2014

Title and name of managers	Stock bonus	Cash bonus	Total	As a % of net profit
Senior Vice President and Chief Financial Officer, Rosie Yu Acting Senior Vice President and Chief Business Officer, Jeff Ku Vice President, Jay Hong Vice President, Ariel Hwang Vice President, Joseph Yang Vice President, James Chang Vice President, Egon Chen Vice President, Chien Chen Vice President, Tom Koh Vice President, Sean Hsieh Vice President, Paul Huang Vice President, Steve Chou Senior Director, Accounting Division, Darren Shih	-	23,802,376	23,802,376	0.1527%

## Compensation to directors and management executives as a percentage of net income over the past two years and guiding principles

### 1. Compensation to directors

Unit: NT\$

Type	Year	Compensation to directors	As a % of net income	Net income
On a stand-alone basis	2012	123,899,392	0.7589%	16,326,013,098
	2013	131,765,616	0.8455%	15,583,447,479
On a consolidated basis*	2012	124,955,392	0.7654%	16,326,013,098
	2013	132,780,616	0.8521%	15,583,447,479

\* Including compensation from investees other than subsidiaries

### Guiding principles for compensation to directors

Remuneration policies, standards and package

- (1) The board is authorized to decide the remuneration for the chairman and vice chairman, but it should not be higher than the remuneration payable to the president of the Company.
- (2) Directors are paid according to the resolution on earnings distribution approved at the annual general shareholders' meeting. Remuneration or other equivalent allowance for directors is based on their involvement in the Company's operations and contribution to the Company, the "Rules for Setting Director's Remuneration" and industry norms.
- (3) Transportation allowances are paid quarterly based on attendance in board meetings and for services rendered as the chairman or a member of the Audit Committee and Compensation Committee.

#### Procedure for setting remuneration

- (1) In accordance with the Company's Articles of Incorporation, compensation to directors shall not exceed 0.3% of the Company's annual net income after deducting applicable taxes and losses from previous years, appropriating legal reserves, and setting aside or reversal of special reserves for business needs.
- (2) Transportation allowances are determined in accordance with the "Rules for Setting Director's Remuneration."

#### Performance factor

Compensation to each director is assessed based on his/her contribution to the operations of the Company and the board. The Compensation Committee reviews the compensation mechanism periodically, taking future operating risks, environmental conservation and corporate social responsibility into consideration.

## 2. Compensation to management executives

Unit: NT\$

Type	Year	Compensation to management executives	As a % of net profit	Net profit
On a stand-alone basis	2012	179,660,213	1.1005%	16,326,013,098
	2013	185,841,182	1.1926%	15,583,447,479
On a consolidated basis*	2012	179,763,813	1.1011%	16,326,013,098
	2013	185,904,182	1.1930%	15,583,447,479

\* Including compensation from investees other than subsidiaries

### Guiding principles for compensation to management executives

#### Remuneration policies, standards and package

- (1) Compensation to the president and vice presidents comprises of a fixed monthly salary and performance bonus.
- (2) Performance bonuses are determined based on the president's or the vice president's contribution to the Company and the results of an annual performance appraisal. The above-mentioned bonuses are proposed by the Compensation Committee for approval at the board meeting.

#### Procedure for setting performance bonus

- (1) In accordance with the Company's Articles of Incorporation, employee profit sharing comes from the pool of 1% to 3% of the Company's annual net income after deducting applicable taxes and losses from previous years, appropriating legal reserves, and setting aside or reversal of special reserves for business needs.
- (2) Year-end bonuses are set based on the Company's performance and the annual budget approved by the board and the chairman.

#### Performance factor

- (1) Variable compensations in the form of employee profit sharing and performance-based bonuses account for approximately 50% of the remuneration and are determined based on the president's or vice president's contribution to the Company's operations. The Company shall review the compensation mechanism periodically, taking future operating risks, environmental conservation, and corporate social responsibility into consideration.
- (2) The Human Resources Department is tasked with preparing the annual compensation for the president and vice presidents and submitting a report to the Compensation Committee.