

Corporate Governance

Board of Directors' attendance

The Board of Directors convened seven meetings in 2024

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Chairman	Fu Chi Investment Co., Ltd. Representative: Daniel M. Tsai	7	0	100%	None
Director	Fu Chi Investment Co., Ltd. Representative: Richard M. Tsai	6	1	86%	None
Director	Fu Chi Investment Co., Ltd. Representative: Frank Lin	4	0	100%	Due to the resignation of Fu Chi Investment Co., Ltd. representative Frank Lin, the company by-election of Ting An Development Co. (representative: Frank Lin) on June 21, 2024.
Director	Ting An Development Co., Ltd. Representative: Frank Lin	3	0	100%	None
Director	TCCI Investment and Development Co., Ltd. Representative: Jamie Lin	7	0	100%	None
Independent Director	Char-Dir Chung	7	0	100%	None
Independent Director	Hsi-Peng Lu	7	0	100%	None
Independent Director	Tong Hai Tan	7	0	100%	None
Independent Director	Drina Yue	7	0	100%	None
Independent Director	Casey K.C. Lai	3	0	100%	Mr. Lai, who was elected on June 22, 2024, attended the requisite three board meetings.
Independent Director	Hsueh-Jen Sung	4	0	100%	Mr. Sung, who resigned on June 22, 2024, attended the requisite four board meetings.

1. Any objections or issues raised by independent directors against resolutions passed by the Board of Directors:

- (1) Pursuant to Article 14-3 of the Securities and Exchange Act:  
Not applicable. The Company has already established an audit committee.
- (2) Other items not covered in the preceding table: None

2. Any recusals due to conflicts of interest:

Date	Name of directors	Proposal	Reasons for recusal	Participation in deliberation
2024.01.30	Daniel M. Tsai Richard M. Tsai	Acquisition of right-of-use assets	Personal interest or interested party	Both were excluded from the deliberations
	Daniel M. Tsai Richard M. Tsai Jamie Lin	2023 performance evaluation and proposed year-end bonuses for chairman, managers and audit supervisor by the Remuneration and Nomination Committee	Daniel M. Tsai and Jamie Lin: Personal interest Richard M. Tsai: Interested party	All three were excluded from the deliberations
2024.02.21	Frank Lin	Nomination of candidates for by-elections for the 10th Board of Directors	Personal interest	Mr. Lin was excluded from the deliberations
	Frank Lin	Removal of non-competition restrictions for the Board of Directors	Personal interest	Mr. Lin was excluded from the deliberations
	Jamie Lin	2024 balanced scorecard for president	Personal interest	Mr. Lin was excluded from the deliberations
2024.04.11	Jamie Lin	Acquisition of right-of-use assets	Personal interest	Mr. Lin was excluded from the deliberations
	Daniel M. Tsai Richard M. Tsai	Participation in Fubon Green Power Co., Ltd.'s new share issue via TWM Venture Co., Ltd.	Interested party	Both were excluded from the deliberations
2024.05.14	Hsueh-Jen Sung*	Appointment of the board advisor	Personal interest	Mr. Sung was excluded from the deliberations
	Hsueh-Jen Sung*	Removal of non-competition restrictions for the Board of Directors	Personal interest	Mr. Sung was excluded from the deliberations
	Daniel M. Tsai Richard M. Tsai	Acquisition of a right-of-use asset from Fubon Insurance Co., Ltd.	Interested party	Both were excluded from the deliberations
2024.08.05	Daniel M. Tsai Richard M. Tsai	Acquisition of right-of-use assets	Interested party	Both were excluded from the deliberations
	Daniel M. Tsai Richard M. Tsai Jamie Lin	Distribution of 2023 bonuses and adjustment of 2024 remuneration for the Company's chairman, managers and audit supervisor	Daniel M. Tsai and Jamie Lin: Personal interest Richard M. Tsai: Interested party	All three were excluded from the deliberations
2024.09.12	Hsi-Peng Lu	Acquisition of common shares of Systex Corp.	Personal interest	Mr. Lu was excluded from the deliberations

\* Mr. Sung resigned on June 22, 2024.

3. Information regarding the implementation of the evaluation of the BoD and functional committees

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation measures	
Once a year	Jan. 2024 to Dec. 2024	Performance evaluation of the board as a whole, individual directors and functional committees	1.Evaluation of the performance of the Board of Directors (1) Participation in the operations of the company (2) Improvement in the quality of decision-making (3) Composition and structure of the board (4) Election and continuing education of directors (5) Internal controls (6) Participation in corporate social responsibility 2.Self-evaluation by individual directors (1) Alignment with the goals and missions of the company (2) Awareness of the duties of a director (3) Participation in the operations of the company (4) Management of internal relationships and communication (5) Professionalism and continuing education of directors (6) Internal controls 3.Self-evaluation by Functional Committees: (1) Participation in the operations of the company (2) Awareness of the duties of the functional committees (3) Improvement in the quality of decision-making (4) Election and composition of the functional committees (5) Internal controls	
Every three years	April 2023 to March 2024	Commissioning of an independent evaluator to conduct an overall assessment of the board's performance	Commissioned the Taiwan Corporate Governance Association to conduct the evaluation	Evaluation of the performance of the board, including its composition, guidance, delegation, supervision, communication, internal controls and risk management, self-discipline and other matters, e.g. board meetings and support systems

4. Other BoD objectives:

- (1) Training programs for directors: Aside from encouraging directors to attend outside seminars, the Company holds annual in-house sessions to facilitate interactions between lecturers and directors. The total number of training hours was 72 in 2024, which included programs such as “New pathways for corporate net-zero transformation! Blue carbon – the hidden force in reducing emissions” and “Cybersecurity governance in the fintech era.”
- (2) Information transparency: Committed to upholding operational transparency and protecting shareholders’ interests, the Company regularly discloses resolutions by the Board of Directors in a timely and consistent manner. In addition, the Company holds institutional investor conferences on a quarterly basis and has set up Chinese/English sections for Investor Relations and ESG on its official website.
- (3) Liability insurance: The Company provides its directors and managers with annual liability insurance to cover risks as they carry out their duties, reviews the insurance coverage on an annual basis, and reports to the board to make sure the amount and scope are sufficient to the need.
- (4) The Chairman of the Board of Directors is not a member of the Company’s management team to ensure a system of checks and balances.
- (5) The Audit Committee, the Remuneration and Nomination Committee and the ESG Steering Committee assist the Board of Directors in carrying out supervisory tasks. Each committee reports on their committee’s operations to the board on a regular basis.
- (6) The Company passed the Rules and Procedures on Evaluating the Performance of the Board and Functional Committees to enhance efficiency, under which the Remuneration and Nomination Committee conducts an analysis and submits a report on proposed improvements to the board after an annual performance evaluation. Board members completed an evaluation assessment in the first quarter of 2025.
- (7) To strengthen corporate governance and enhance the board’s functions, the Board of Directors passed a proposal that independent directors should comprise at least 40% of the board, and that the Remuneration and Nomination Committee should be in charge of identifying and nominating competent candidates.

Audit Committee attendance

The Audit Committee is responsible for reviewing the following:

- Financial reports
- Internal control systems and related policies, procedures and assessment of their effectiveness
- Compliance with Article 36-1 of the Securities and Exchange Act
- Material asset or derivatives transactions
- Material monetary loans, endorsements or guarantees
- Offering, issuance or private placement of equity-type securities
- Fairness and rationality of the Company’s M&A plans and transactions
- Any matter that has a bearing on the personal interest of a management executive or director
- Fraud investigation reports
- Interacting and communicating with management and listening to business strategy development reports
- Hiring or dismissal of an attesting CPA, or the compensation given thereto
- Performance, qualification and independence of CPAs
- Appointment or discharge of financial, accounting or internal auditing officers

1. The Audit Committee convened seven times in 2024

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Independent Director	Casey K.C. Lai	3	0	100%	Mr. Lai, who was elected committee chairman on June 22, 2024, attended the requisite three meetings.
Independent Director	Char-Dir Chung	7	0	100%	None
Independent Director	Hsi-Peng Lu	6	1	86%	None
Independent Director	Tong Hai Tan	7	0	100%	None
Independent Director	Drina Yue	7	0	100%	None
Independent Director	Hsueh-Jen Sung	4	0	100%	Mr. Sung, who resigned as committee chairman on June 22, 2024, attended the requisite four meetings.

2. Any objections or issues raised by the Audit Committee against resolutions passed by the Board of Directors

(1) Pursuant to Article 14-5 of the Securities and Exchange Act:

Date	Audit Committee	Proposals and reports	Audit Committee's major suggestions	Audit Committee's opinion	Company's response
2024.01.29	5th meeting of the sixth Audit Committee	Appointment of CPA	None	Approved as proposed	Approved as proposed
		2024 capital expenditure plan and donations to related parties			
		2023 internal control statement			
		Acquisition of right-of-use assets			
2024.02.20	6th meeting of the sixth Audit Committee	2023 business report and financial statements	None	Approved as proposed	Approved as proposed
		FullSynergy New Retail Co., Ltd.'s application for an endorsement/guarantee whose amount shall not exceed NT\$0.2bn.			
		Issuance of unsecured straight corporate bonds			
		2023 earnings distribution and cash return from capital surplus			
		Procurement of mobile broadband equipment from Nokia Solutions and Networks Taiwan Co., Ltd. (capped at NT\$5.59 billion)			
2024.04.11	7th meeting of the sixth Audit Committee	Removal of non-competition restrictions for the Board of Directors	None	Approved as proposed	Approved as proposed
		Participation in Fubon Green Power Co., Ltd.'s new share issue via TWM Venture Co., Ltd.			
2024.05.13	8th meeting of the sixth Audit Committee	1Q24 financial statements	None	Approved as proposed	Approved as proposed
		Change in accounting officer			
		Acquisition of a right-of-use asset from Fubon Insurance Co., Ltd.			
		Removal of non-competition restrictions for the Board of Directors			
		Appointment of the board advisor			
2024.08.05	9th meeting of the sixth Audit Committee	Change in internal auditor	None	Approved as proposed	Approved as proposed
		2024 financial statements			
2024.09.12	10th meeting of the sixth Audit Committee	Acquisition of right-of-use assets	None	Approved as proposed	Approved as proposed
		Issuance of the fourth and fifth unsecured convertible bonds			
2024.11.12	11th meeting of the sixth Audit Committee	Acquisition of common shares of Systex Corp.	None	Approved as proposed	Approved as proposed
		3Q24 financial statements			
		Revisions to the Internal Control Systems			
		Internal audit plan for 2025			
2024.09.12	Hsi-Peng Lu	Merger with TWM Venture Co., Ltd.	Personal interest	Mr. Lu was excluded from the deliberations	
		Acquisition of common shares of Systex Corp.			

(2) In addition to the items listed above, any resolution passed by over two-thirds of the Board of Directors but not approved by the Audit Committee: None.

3. Any recusals due to conflicts of interest:

Date	Name of Independent Director	Proposal	Reasons for recusal	Participation in deliberation
2024.05.13	Hsueh-Jen Sung*	Removal of non-competition restrictions for the Board of Directors	Personal interest	Mr. Sung was excluded from the deliberations
		Appointment of the board advisor	Personal interest	Mr. Sung was excluded from the deliberations
2024.09.12	Hsi-Peng Lu	Acquisition of common shares of Systex Corp.	Personal interest	Mr. Lu was excluded from the deliberations

\* Mr. Sung was resigned on June 22, 2024.



4. Communication between independent directors and the Internal Audit Chief Officer and CPAs about major financial/operational matters:

- (1) The Internal Audit Chief Officer and CPAs communicated directly with independent directors when needed.
- (2) In addition to presenting monthly reports to the independent directors, the Internal Audit Chief Officer and CPAs met with the independent directors at the quarterly Audit Committee meetings, bringing communication into full play.
- (3) Regular communication between independent directors and internal audit officers/CPAs:

Date	Internal Audit Officers		CPAs	
	Subject matter	Results	Subject	Results
2024.01.29 5th meeting of the sixth Audit Committee	1. 4Q23 internal audit report 2. 2023 internal control statement	1. Acknowledged 2. Reviewed and submitted to BoD for approval	-	-
2024.02.20 6th meeting of the sixth Audit Committee	-	-	1. 2023 financial statements, key audit matters, explanations of computer audit, and other communication items 2. Discussed inquiries raised by attendees	Acknowledged
2024.05.13 8th meeting of the sixth Audit Committee	1. 1Q24 internal audit report 2. Revision of the risk management policy	1. Acknowledged 2. Reviewed and submitted to BoD for approval	1. 1Q24 financial statements 2. Instructions on how to give and manage mocoins 3. Discussed inquiries raised by attendees	Acknowledged
2024.08.05 9th meeting of the sixth Audit Committee	1. 2Q24 internal audit report 2. Risk Management Committee's business report	Acknowledged	1. 2Q24 financial statements 2. Introduction to regulatory updates 3. Discussed inquiries raised by attendees	Acknowledged
2024.11.12 11th meeting of the sixth Audit Committee	1. 3Q24 internal audit report 2. Internal audit plan for 2025 3. Revision of internal controls	1. Acknowledged 2. Reviewed and submitted to BoD for approval 3. Reviewed and submitted to BoD for approval	1. 3Q24 financial statements, key audit matters, and other communication items. 2. Introduction to regulatory updates 3. Discussed inquiries raised by attendees	Acknowledged

Corporate governance practices

Item		Current practices
Has the Company established principles based on the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies?		The Company has established said Corporate Governance Best Practice Principles and published them on the Company's official website and market observation post system (MOPS).
Shareholding structure and shareholders' interests	Handling of shareholders' suggestions and disputes	The Corporate Governance Best Practice Principles includes a chapter on upholding shareholders' interests. The spokesperson of the Secretarial Division handles all non- legal issues; the Legal Division handles all legal issues.
	Identification of major shareholders and investors with controlling interests	The Secretarial Division submits a monthly report listing the shareholdings of directors, managers and major shareholders (over 10% shareholding) to the authorities.
	Risk control mechanisms and firewalls between the Company and its subsidiaries	The Company's internal control system set up the Rules and Procedures on Conducting Transactions between Group Companies and Related Parties and the Rules and Procedures on Monitoring Subsidiaries as risk control mechanisms.
	Prohibitions on insider trading	The Company has established Rules and Procedures on Handling Internal Material Information, which are given to employees when they start work. The Company also provides guidelines on handling and processing internal material information, as well as corporate ethics, to ensure that employees and directors are familiar with and comply with the said regulations.
Board of directors and its responsibilities	Board diversity and execution	Diversity of board members is stipulated in the Company's Rules for Election of Directors and has been fully implemented.
	Establishing a Remuneration and Nomination Committee and an Audit Committee in accordance with the law and voluntarily setting up other functional committees	The Company has established an ESG Steering Committee, Cyber Security and Data Privacy Protection Committee, and Risk Management Committee to enhance various functions.

Item		Current practices
Board of directors and its responsibilities	Board performance evaluation	<p>The Company passed the Rules and Procedures on Evaluating the Performance of the Board and Functional Committees to enhance efficiency, under which the Remuneration and Nomination Committee conducts an analysis and submits a report on proposed improvements to the board after an annual performance evaluation and uses it as a reference for remuneration and reappointment. The performance evaluation was completed through self-assessments by board members, which covered evaluations of the performance of the board, board members and functional committees. Both the board and committees performed well, with an average rating of 4.98, with 5 being the highest score. The Company appointed the Taiwan Corporate Governance Association (TCGA) to conduct its board evaluation in January 2024. The evaluation, covering the period from April 1, 2023, to March 31, 2024, focused on eight aspects: composition, guidelines, authorization, supervision, communication, internal controls and risks, self-discipline and support systems. The report was issued on May 27, 2024, and presented to the Board of Directors by the Remuneration and Nomination Committee on August 5, 2024. The results of the evaluation and proposed countermeasures were as follows:</p> <p>A. Comments :</p> <p>(a) TWM values the professional and diverse skills of the Board of Directors. Board members are selected based on the Company's development strategy, with qualified candidates being recruited from various fields. The Board consists of nine members, more than half of whom are independent directors (including one female director). Aside from attending regular meetings, the five independent directors are responsible and proactive in participating in expert discussions on specialized fields, such as strategy development, new tech know-how, mergers and acquisitions, and investment management. With a forward-looking and international perspective, they provide valuable insights to the management team and fully assist the Board in fulfilling its guiding and supervisory functions.</p> <p>(b) As the leader of the Company, the Chairman is open and receptive to suggestions, fostering a team environment in which board members feel free to speak their minds fully. When dealing with important decisions and issues (such as the group's investment strategy), the board fully respects the opinions of independent directors. This clearly demonstrates the proactive and open culture of the board's deliberations, which is commendable.</p> <p>(c) Each year, the Board of Directors sets the balanced scorecard (BSC) goals for the general manager, which serve as the performance targets for the entire company. The assessment indicators include both financial and non-financial metrics, with approximately 30% linked to ESG performance. The achievement of ESG goals is tied to compensation to assist the Company in realizing its sustainability objectives.</p> <p>(d) The Company has a comprehensive supervision mechanism for its investments in affiliates, which includes thorough pre-investment evaluations and post-investment management. The audit unit regularly compiles and reports the internal audit results of major investments to the Board of Directors. Additionally, the managers of key subsidiaries report regularly to the board to complete the management process and implement proactive risk controls.</p> <p>(e) From the perspective of the 5Cs (Compliance, Culture, Communication, Collaboration, Competency), all board members possess the required professional competencies, adhere to legal regulations, maintain comprehensive internal and external communication mechanisms, collaborate fully with the management team and have fostered a culture of effective board operation.</p> <p>B. Suggestions/Implementation:</p> <p>(a) The Company has established multiple committees. There might be similarities and overlaps in the functions and responsibilities of these committees, and their degree of subordination to the board varies. It is recommended that the Company periodically review the organizational rules of each committee (including the feasibility of consolidation) according to operational development needs to enhance their effectiveness. The Company will conduct regular reviews as recommended.</p> <p>(b) To help stakeholders better understand the structure and operations of the functional committees under the Board of Directors and other management-level committees, it is recommended that the Company uniformly and clearly disclose relevant information, such as the organizational structure, division of responsibilities, and reporting methods of each committee, on various communication platforms (e.g., website, annual report and sustainability ESG report). The Company has implemented the suggestion accordingly.</p>
	Periodic review of CPA's independence	<p>The heads of finance and other divisions of the Company and its subsidiaries conduct annual evaluations of the independence and reappointment of CPAs according to The Bulletin of Norm of Professional Ethics for Certified Public Accountants of the Republic of China, Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, and Audit Quality Indicators (AQIs) based on the following criteria and procedures:</p> <p>1. The CPAs' resumes.</p> <p>2. The CPAs neither serve as a director/supervisor/ manager nor hold a position with major influence in the Company or its subsidiaries and have no interests that conflict with the Company's.</p> <p>3. The CPAs have not served as auditors for the Company for seven consecutive years.</p> <p>4. The CPAs should provide the Company with a Declaration of Independence on a quarterly basis.</p> <p>5. The CPAs have not provided non-audit services to the Company which might affect their independence.</p> <p>6. The CPAs are not involved in any significant lawsuit or litigation and have never been censured by any regulatory body.</p> <p>7. The CPA firm's involvement, quality control review and innovative plans.</p> <p>8. Effective interaction with manager and internal audit officer.</p> <p>The results of the 2024 evaluation met the independence criteria and were approved by the Audit Committee on January 16, 2025, and by the Board of Directors on January 17, 2025.</p>

Item		Current practices
Has the Company set up a full/part time unit or personnel and appointed a Chief Corporate Governance officer in charge of handling corporate governance-related matters – including, but not limited to providing information for board directors to carry out their duties, preparing board and shareholders' meetings, handling company registration and any changes therein, and recording board and shareholders' meeting minutes?		The VP/CFO who heads the Secretarial Division is also the Chief Corporate Governance officer. He has more than 10 years of experience in the securities industry, including managing listed companies' financial affairs. The division head attended the following training programs in 2024: 1. New AI era: ChatGPT flips new industry trends (Taiwan Corporate Governance Association, 3hr) 2. Climate risk identification workshop and net-zero carbon emissions promotion meeting (Taiwan Corporate Governance Association, 9hr) 3. Summit on strengthening Taiwan's capital market (Taiwan Stock Exchange Corp., 3hr) The division provided the following: 1. Assisted directors in assuming their positions, furnished them with information required for business execution and held seminars to facilitate interaction between lecturers and directors. 2. Purchased annual liability insurance for directors. 3. Prepared board of directors' and shareholders' meetings and handled company registration and any changes therein. 4. Reviewed the independence qualifications of independent directors. 5. Handled matters related to changes in directors.
Has the Company established communication channels with stakeholders (including, but not limited to shareholders, employees, customers and suppliers) and set up a stakeholders' section on the Company's website to respond to critical corporate social responsibility issues?		The Company's official website includes a dedicated stakeholders' section, with special personnel assigned to address key ESG issues.
Has the Company outsourced its shareholders' general meetings?		The Company has engaged the Transfer Agency and Registry Department of Fubon Securities Co., Ltd. to manage its annual general meeting.
Information disclosure	Disclosure of information on financial status, operations and corporate governance	Disclosure of financial-related and corporate governance information is posted periodically on the Company's website.
	Other ways of disclosing information	Aside from having a spokesperson, the Company has a dedicated department – the Investor Relations Division – that handles information disclosure. It also has an English website and a team working on gathering and releasing relevant Company information.
	Has the Company published and reported its annual financial statement within two months after the end of a fiscal year, and published and reported its financial statements for the first, second and third quarters, as well as its operating status for each month, before the specified deadline?	In 2024, the Company published and reported its annual financial statement within two months after the end of the fiscal year. It published and reported its first, second and third quarter financial statements before deadline, as well as its monthly operating status ahead of the target date.

Additional information

1. Employee rights

The Company's human resources policies comply with provisions prescribed under the law, such as the Labor Standards Act, in safeguarding employee rights.

2. Employee care

The Company provides different communication channels to facilitate communication within the firm. These include holding regular labor-management meetings to accommodate suggestions for improvement and conducting surveys to gather employee comments about the workplace and management practices.

3. Investor relations

The Company posts financial, operational and material information on its official website and MOPS in a timely manner to keep investors abreast of Company developments and strategies and, thus, maximize shareholders' interests.

4. Supplier relations

The Company holds procurement bids based on the “Procedures Governing Procurement” and suppliers deliver products in accordance with the contract.

5. Stakeholders' rights

To safeguard the rights and interests of stakeholders, the Company has implemented several transparent and effective communication channels to address stakeholders' concerns based on the principles of integrity and accountability and meet its corporate social responsibility. In addition, a dedicated section for stakeholders has been created on the Company's website, with designated personnel tasked with addressing significant stakeholder issues.

For more details, please visit the Company's website: ESG- → Stakeholders

<https://english.taiwanmobile.com/esg/stakeholders.html>

6. Training programs for directors in 2024

Training program	Organization	Date	Hours	Participant(s)
Fair treatment of customers and money laundering prevention	Taiwan Insurance Institute	2024.03.08	1.5	Daniel M. Tsai
Performance evaluation of a sustainable enterprise*	Institute of Financial Law and Crime Prevention	2024.04.24	3	Char-Dir Chung, Tong Hai Tan, Drina Yue
Introduction to generative AI applications*	Taiwan Corporate Governance Association	2024.05.08	3	Hsi-Peng Lu
Global economic outlook for the second half of 2024*	Greater China Financial and Economic Development Association	2024.05.08	3	Drina Yue
Risks and challenges of AI to enterprises*	Greater China Financial and Economic Development Association	2024.06.12	3	Tong Hai Tan
International development trends and money laundering prevention*	The National Federation of CPA Associations of the R.O.C.	2024.06.18	3	Casey K.C. Lai
How to create a sustainability roadmap*	Taiwan Corporate Governance Association	2024.08.08	3	Char-Dir Chung
The latest regulations and trends in corporate governance*	Taiwan Corporate Governance Association	2024.08.13	3	Jamie Lin
IFRS17: Disclosure requirements, international accounting policy and business strategies	Taiwan Corporate Governance Association	2024.08.20	3	Daniel M. Tsai
Key trends in organizational resilience – digital trust, information security and sustainable development*	Taiwan Insurance Institute	2024.08.20	1.5	Daniel M. Tsai
Seminar on insider trading on the Taipei Exchange and the Emerging Stock Market (2nd session in Taipei)	Taipei Exchange	2024.09.12	3	Casey K.C. Lai
New pathways for corporate net-zero transformation! Blue carbon – the hidden force in reducing emissions*	Independent Directors' Association Taiwan	2024.09.13	3	Daniel M. Tsai, Richard M. Tsai, Frank Lin, Casey K.C. Lai
2024 Taishin net zero summit *	Chinese National Association of Industry and Commerce	2024.10.07	3	Casey K.C. Lai
2024 World Investor Week in Taiwan, Oct. 8, morning session*	Taiwan Stock Exchange Corp.	2024.10.08	3	Casey K.C. Lai
Integrity management and fair customer treatment	Taiwan Corporate Governance Association	2024.11.28	3	Jamie Lin
Cybersecurity governance in the fintech era*	Independent Directors' Association Taiwan	2024.11.29	3	Frank Lin, Hsi-Peng Lu
Focus and trends in anti-money laundering in China and a study of the largest money laundering case in Singapore in 2023	Independent Directors' Association Taiwan	2024.12.09	3	Richard M. Tsai
The latest ESG sustainability policy regulations and practices*	Taiwan Corporate Governance Association	2024.12.17	3	Richard M. Tsai
Case studies on corporate fraud risks and preventive measures*	Taiwan Corporate Governance Association	2024.12.17	3	Richard M. Tsai

Note: The training hour requirements listed above have been fulfilled.  
\* Denotes courses that fall within the scope of risk management.



## 7. Succession plan for management

The Company has developed a succession plan for senior executives that is in line with corporate core values and future strategies. It evaluates the capability and performance of each executive on a regular basis and provides customized training programs, job assignments or job rotation accordingly. The progress of the succession plan is reviewed by the Remuneration and Nomination Committee.

Following the acquisition of Taiwan Star and in line with its strategic expansion into new business domains, the Company on May 1, 2024, appointed C.H. Jih as Vice President and Chief Technology Officer and Chief Regulatory Officer, and Shing Chu as Vice President and Chief Enterprise Business Officer. The Company also tapped Mr. Webber Cheng as Vice President of Content Development to oversee strategic planning, investment and development of video content.

## 8. Corporate governance related training programs for management in 2024

At the end of every year, the Company develops a training plan for the following year in accordance with enterprise development strategies, surveys of training needs and interviews with each group's senior executives. Training courses for senior executives are closely aligned with corporate strategies and global business trends. In 2024, the Company arranged training courses covering topics such as generative AI, digital transformation, sustainable development, corporate governance, and mergers and acquisitions.

Training program	Organization	Date	Hours	Participant(s)
Industrial transformation and opportunities for generative AI	In-house training	2024.03.15	2	Tony Lin , C.H. Jih, Steve Chou, Shirley Chu, Kate Chen, Luke Han, Daphne Lee, David Lin, Eric Lin
Mergers and acquisitions	Taiwan Renaissance Platform	2024.03.15 ~ 2024.11.02	12	Tony Lin, George Chang
Certified information security manager course	AiNetwork Ltd.	2024.03.25 ~ 2024.03.29	35	Rock Tsai
Information security: Preventing internal leaks	In-house training	2024.03.25 ~ 2024.05.30	1	Eddie Chan, Rock Tsai, Tony Lin, George Chang, C.H. Jih, Shing Chu, Jay Hong, Steve Chou, Joan Hung, Shirley Chu, Kate Chen, Ming-Tung Wu, Luke Han, Daphne Lee, Iris Liu, Naomi Lee, David Lin, Vincent Wu, Eric Lin
Industrial transformation and opportunities for generative AI	In-house training	2024.03.25 ~ 2024.08.12	1.37	Jay Hong , Joan Hung, Iris Liu, Naomi Lee, Vincent Wu
Introduction to corporate merger and acquisition regulations and case studies	Taiwan Corporate Governance Association	2024.05.07	3	Shirley Chu
New Era of Artificial Intelligence: Chatbot ChatGPT flips new industry trends	Taiwan Corporate Governance Association	2024.05.28	3	George Chang
Corporate 1.5°C forum	CommonWealth @CSR	2024.06.04	3.5	Iris Liu
ICT green supply chain and digital sustainable development	Taiwan Electrical and Electronic Manufacturers' Association	2024.06.17	2.5	Iris Liu
Information security: confidential information protection	In-house training	2024.06.24 ~ 2024.08.26	1.02	Eddie Chan, Rock Tsai, Tony Lin, George Chang, C.H. Jih, Shing Chu, Jay Hong, Steve Chou, Joan Hung, Shirley Chu, Kate Chen, Ming-Tung Wu, Luke Han, Daphne Lee, Iris Liu, Naomi Lee, David Lin, Vincent Wu, Eric Lin
Blue carbon trends	Fubon Financial	2024.07.01	3.5	Iris Liu
IFRS sustainability disclosure standards: IFRS S1& S2	KPMG	2024.08.15	2.5	Shirley Chu
Code of ethics	In-house training	2024.08.21	0.3	Webber Cheng
Workshop on the identification of climate risks and seminar on net zero emissions	Taiwan Corporate Governance Association	2024.09.03	9	George Chang
The best practices of benchmark enterprises: digital transformation and upgrading	In-house training	2024.09.03	2	Rock Tsai, Tony Lin, C.H. Ji, Shing Chu, Shirley Chu, Ming-Tung Wu, Luke Han, David Lin, Vincent Wu, Webber Cheng

Training program	Organization	Date	Hours	Participant(s)
The best practices of benchmark enterprises: digital transformation and upgrading	In-house training	2024.09.25 ~ 2024.11.05	1.68	Steve Chou, Joan Hung, Naomi Lee
Taiwan Capital Market Summit	Taiwan Stock Exchange Corporation	2024.09.30	3	George Chang
Money laundering prevention and information security	In-house training	2024.09.30 ~ 2024.11.13	0.43	Jamie Lin, Tony Lin , Shing Chu, Steve Chou
Thriving for talent edge via focusing on governance	Taiwan Corporate Governance Association	2024.10.16	7	Shirley Chu
Ethical corporate management best practice principles	In-house training	2024.10.21	0.13	Webber Cheng
Forum on transforming and upgrading Taiwan enterprises	Taiwan Renaissance Platform	2024.10.25	3	George Chang
Information security: cybersecurity management	In-house training	2024.10.29 ~ 2024.12.03	1.05	Rock Tsai, Tony Lin, George Chang, C.H. Jih, Jay Hong, Steve Chou, Joan Hung, Ming-Tung Wu, Naomi Lee, David Lin, Vincent Wu, Eric Lin, Webber Cheng
How to create a sustainability roadmap	Taiwan Corporate Governance Association	2024.11.05	3	Naomi Lee
Practical analysis of equity investment planning and joint venture agreements for M&A	Corporate Operating and Sustainable Development Association	2024.11.08	3	Shirley Chu
Internal carbon pricing (ICP)	In-house training	2024.11.19	1.5	Jay Hong, Kate Chen

## 9.Risk management

### Risk management policies

- (1) Promote a risk management-based business model
- (2) Establish a risk management mechanism that can effectively cite, evaluate, supervise and control risks
- (3) Create a company-wide risk management structure that can limit risks to an acceptable or controllable level
- (4) Introduce the best risk management practices and continue to seek improvements

### Risk management structure



The Company’s risk management structure is made up of three levels of control mechanism, and a monitoring mechanism:

	Responsible unit	Function
Ground	Corporate Affairs, Information Technology Group, Technology Group, Consumer Business Group, Enterprise Business Group, Home Business Group, Finance Group	Risk factors are analyzed and assigned to responsible units to monitor and ensure timely and effective detection. Each unit shall ensure, on a daily basis, that risks are kept under acceptable levels. Should there be any changes in conditions or other factors, the responsible unit shall report these to the Company for an appropriate course of action.
Middle	Risk Management Committee*	Integrate the Company's risk management framework and internal control mechanism. Execute risk management strategies and conduct a review of the efficiency of the overall risk management mechanism. Exercise control over the four following committees:
	1) Operations and Management Committee	Conduct periodic reviews of each business group's operating targets and performance to meet the Company's guidance and budget.
	2) Communication Quality Assurance Committee	Ensure and manage network communication quality.
	ESG Steering Committee	Establish a functional committee governance system, strengthen management functions, and commit to the implementation of corporate social responsibility and sustainable management.
	1) ESG Working Group	Integrate operations and core resources to promote the Company's ESG policies to move toward sustainable development.
	2) Occupational Safety and Health Working Group	Supervise and minimize potential risks to workers' health and safety.
	3) Environmental Working Group	Develop and manage the Company's policies and objectives for environmental and energy management.
	4) Innovation Working Group	Integrate the Company's innovation strategies and establish a management mechanism.
	5) Brand Development Working Group	Implement the brand spirit of "Open Possible" and build a seamless brand experience from the inside out through employee conduct, products and services, internal and external working environments, and marketing communications.
	Cyber Security and Data Privacy Protection Committee	Demonstrate the Company's commitment to these principles by investigating reported breaches of information privacy principles and policies, and, if necessary, take appropriate corrective measures.
Top	Board of Directors	Responsible for assessing material risks, designating actions to control these risks and keeping track of their execution.
Monitoring mechanism	Internal Audit Office	Regularly monitor and assess potential and varying levels of risks that the Company might face and use this information as a reference for drafting an annual audit plan. Report any discrepancy to the concerned unit chief and ensure that remediation efforts are completed.

\* The Board of Directors exercises control over the ESG Steering Committee and the Cyber Security and Data Privacy Protection Committee. In addition, the Chairman exercises control over the Risk Management Committee. If any major event or incident happens, the responsible unit shall report it to the Operations and Management Committee and the corresponding Committee or Working Group to undertake any necessary measures.

Risk management scope

	Important risk factors	Responsible unit	Examining committee	Decision-making and supervision
1	Operating risks	Technology Group / IT Group	Operations and Management Committee	
2	Market risks A.Competition B.New products C.Channel management D.Inventory management	CBG, EBG and HBG		
3	Credit and collection risks	Business Operations Management Division and Billing Management Division		
4	Government policies and regulatory compliance	Regulatory and Carrier Relations Division		
5	M&A and investments	President's Office		
6	Volatility of interest rates, exchange rates and financial risks	Finance Division		

	Important risk factors	Responsible unit	Examining committee	Decision-making and supervision
7	Financing and endorsements / guarantees provided to others, derivatives transactions and working capital management	Finance Division		
8	Financial report disclosure and tax risk management	Accounting Division		The highest decision- making body: Board of Directors
9	Litigious and non-litigious matters	Legal Office		
10	Changes in shareholding of directors and major shareholders	Secretarial Division		
11	Board meeting facilitation	Secretarial Division		Monitoring mechanism: Internal Audit Office
12	Employee behavior, code of ethics and conduct	Human Resources Division		
13	Corporate social responsibility risks and other emerging risks	Sustainability and Brand Development Division, Integrated Marketing Communication and Membership Platform Division	ESG Steering Committee – ESG Working Group – Brand Development Working Group	
14	Employee safety	Occupational Safety and Health Office and Administration Division	Occupational Safety and Health Committee	
15	Risks related to privacy and information security	ICT and Personal Information Security Management Division	Cyber Security and Data Privacy Protection Committee	
16	Technology and maintenance risks	President's Office – Communication Quality Assurance Department	Communication Quality Assurance Committee	
17	Environmental and energy risks	Network Engineering Division	Environmental Working Group	
18	Innovation risk	CBG, EBG, HBG, Technology Group, IT Group, Sustainability and Brand Development Division	Innovation Working Group	

10. Implementation of customer policy

Customer service is a core Company value. The Company provides online customer services on its official website. During the COVID-19 pandemic, it set up the 080 Home Agent to continue serving customers and gain their trust.

11. Liability insurance for board directors

The Company purchases annual liability insurance for its directors and reports the insurance coverage, amount and scope to the Board of Directors on a regular basis.

12. Employee certifications relating to information transparency

Certification	Number of Employees		
	Internal Audit Office	ICT and Personal Information Security Management Division	Finance Group
Certified Public Accountant (CPA)			9
US Certified Public Accountant (US CPA)			2
Certified Internal Auditor (CIA)	4		2
Certified Information Systems Auditor (CISA)	2		
Chartered Financial Analyst (CFA)			2
Corporate governance basic skills			5
Stock affairs specialist (Securities and Futures Institute)			5
Bond specialist (Securities and Futures Institute)			1
ISO20000 / ISO22301 / ISO27001 / ISO27701 / ISO29100 / ISO9001 / BS10012 / BS25999/BS7799 Lead Auditor	10	26	11



Any internal evaluation or third-party assessment reports on corporate governance. If yes, specify results, major flaws or recommendations for improvements:

The Company participates in the “Corporate Governance Evaluation” conducted by the Taiwan Stock Exchange and Taipei Exchange, ranking among the top 5% listed companies for 10 consecutive years.

Remuneration and Nomination Committee operations

The Remuneration and Nomination Committee, composed entirely of independent directors, is bound by the Remuneration and Nomination Committee Charter. The committee is responsible for the following:

- (1) Establishing a policy, system, standard and structure for directors’ and managers’ compensation and reviewing them periodically.
- (2) Deciding the compensation of directors and managers and carrying out periodic evaluations.
- (3) Selecting, assessing and nominating candidates for directorships.

Qualifications and independence criteria of members of the Remuneration and Nomination Committee

Title	Name	Professional qualifications and experience	Independence criteria	No. of public companies in which he or she also serves as a member of the Remuneration and Nomination Committee
Independent Director	Char-Dir Chung	Please refer to pages 8-12, “Qualifications and independence criteria of directors”		0
Independent Director	Hsi-Peng Lu			2
Independent Director	Tong Hai Tan			0
Independent Director	Drina Yue			0
Independent Director	Casey K.C. Lai			1

Remuneration and Nomination Committee attendance

- (1) The Remuneration and Nomination Committee consists of five members.
- (2) Tenure of the Fifth Remuneration and Nomination Committee: June 18, 2023 to June 17, 2026.  
The committee convened four times in 2024:

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Independent Director	Char-Dir Chung	4	0	100%	None
Independent Director	Hsi-Peng Lu	4	0	100%	None
Independent Director	Tong Hai Tan	4	0	100%	None
Independent Director	Drina Yue	4	0	100%	None
Independent Director	Casey K.C. Lai	1	0	100%	Mr. Lai, who was elected on June 22, 2024, attended one meeting, as required.
Independent Director	Hsueh-Jen Sung	3	0	100%	Mr. Sung, who resigned on June 22, 2024, attended the requisite three meetings.
1.Any suggestions by the Remuneration and Nomination Committee that were not accepted or revised by the Board of Directors: None 2.Any written objections or issues raised by a member of the Remuneration and Nomination Committee against resolutions passed by the committee: None					

Meetings of Remuneration and Nomination Committee

Date	R&N Committee Meeting	Agenda	R&N Committee's Opinion	Company Response
2024.01.30	3rd meeting of the fifth R&N Committee	Commissioning of an external professional institution to conduct an evaluation of the board's 2023 performance	Approved as proposed	Approved by the BoD
		Appointment of a manager	Approved as proposed	Approved by the BoD
		Results of a 2023 performance evaluation of managers/head of internal audit, and year-end bonus distribution	Approved as proposed	Approved by the BoD
		2023 year-end bonus of the Chairman	Approved as proposed	Approved by the BoD
2024.02.21	4th meeting of the fifth R&N Committee	Report on the results of a 2023 performance evaluation of the BoD and functional committees	Approved as proposed	Approved by the BoD
		2023 remuneration distribution plan for BoD	Approved as proposed	Approved by the BoD
		Nomination of candidates for by-elections for the 10th Board of Directors	Approved as proposed	Approved by the BoD
		2024 balanced scorecard goal setting for the President	Approved as proposed	Approved by the BoD
2024.04.11	5th meeting of the fifth R&N Committee	Severance pay proposal for manager	Approved as proposed	Approved by the BoD
2024.08.05	6th meeting of the fifth R&N Committee	Report on the results of a 2023 external performance evaluation of the BoD and functional committees	Approved as proposed	Approved by the BoD
		Severance pay proposal for manager	Approved as proposed	Approved by the BoD
		Appointment of a manager	Approved as proposed	Approved by the BoD
		2023 employee profit sharing and mid-year bonus distribution plan and 2024 salary adjustment proposal for managers/head of internal audit	Approved as proposed	Approved by the BoD
		2023 annual compensation and 2024 salary adjustment proposal for the Chairman	Approved as proposed	Approved by the BoD

Environmental, social and corporate governance (ESG)

Item	Current practices
(I) Setting up a unit to carry out environmental, social and corporate governance (ESG) policy or system	<p>The Company has established the Sustainability Development Department under the Sustainability and Brand Development Division. This department has dedicated personnel and an independent budget. It also serves as the executive office for the ESG Steering Committee and the ESG Working Group. It integrates cross-departmental business operations and formulates and implements sustainability strategies and projects.</p> <p>In 2022, the Company elevated its ESG Steering Committee to the board level. The Chairman of the Board serves as the convener, and all five independent directors serve as committee members. The committee meets every six months to oversee the company's operations in ESG development, environmental management, brand development, innovation management, and occupational safety and health committees. Governance efforts are carried out in accordance with the ESG Steering Committee Charter</p> <p>In addition to the board-level committee, the Company in 2014 set an industry precedent by establishing the first sustainability-dedicated functional committee – the Corporate Social Responsibility (Sustainability) Committee (ESG Working Group) – at the vice presidential or higher level. Chaired by the Chairman and co-led by the President, the committee comprises senior executives from various business groups. It plays a key role in identifying ESG-related risks and opportunities across the environmental, social and governance dimensions. The committee meets quarterly and reports directly to the Board, strengthening both the depth and scope of the Company's sustainability governance.</p> <p>In 2024, the ESG Steering Committee held two meetings, and the ESG Working Group convened four times. The board received quarterly reports on significant sustainability proposals covering 12 items, including the “2035 Zetta Connected 2.0” performance review for 2023, annual risk identification and analysis, key topic analysis, the EV100 initiative, the “Taiwan Blue Carbon Project” - Mangrove Restoration, the publication of the “Sustainability and Integrated ReportESG Report”, and brand promotion outcomes.</p> <p>Among these, board members provided suggestions on enhancing stakeholder communication in relation to the publication of the “Sustainability and Integrated ReportESG Report” and the revision of the “Stakeholder Communication Guidelines”. The Board emphasized the importance of utilizing diverse media channels to strengthen the Company's brand image. All other proposals were reviewed and approved by the Board following evaluations of relevant content, sustainability goals, strategic planning, management approaches, and implementation status.</p>

Item	Current practices
(II) Applying the materiality principle to identify material ESG topics, and setting corresponding policies or strategies	<p>The assessment boundaries primarily center on the Company and align with the disclosed ESG issue boundaries. The Company identified key topics based on the GRI dual materiality principle after researching global trends, benchmarking, consulting with stakeholders and analyzing 632 stakeholder questionnaires. Reviews of the topics were conducted with internal and external stakeholders to gauge their relevance and impact and finalized after being approved by the ESG Working Group, the ESG Steering Committee, and the Board of Directors.</p> <p>In 2024, 23 key topics were identified and analyzed for positive and negative impacts. The six most material topics, in order of priority, were: operational performance, talent acquisition and retention, privacy protection, corporate governance and ethical business practices, climate change mitigation and adaptation, and green operations and applications. These material topics are linked to executive compensation, with a maximum impact of up to 30%. The identification process and results were approved by the Board of Directors on November 13, 2024 (for details, please refer to Section 1.4 of the 2024 Taiwan MobileSustainability and Integrated ReportESG Report: Material Topic Identification). Strategies and objectives were set in line with the risk management policy.</p>
(III) Environmental sustainability 1. Establishing an environmental management system in line with the nature of the Company's business operations	<p>1. The Environmental Management Committee was formed in 2016, and renamed the Environmental Working Group in 2022, with the CTO serving as the chairperson, and the Sustainability and Brand Development &amp; PR VP as the vice chairperson. It was tasked with developing environmental policies and objectives, as well as integrating the administration of ISO 14001 environmental management, ISO 14064-1 greenhouse gas inventories, ISO 50001 energy management, renewable energy, biodiversity conservation and smart energy conservation. The committee meets semi-annually to assess the Company's progress in reducing electricity and water consumption, as well as wasteland carbon emissions, to meet its goal to lower GHG emissions and promote renewable energy, and to report back to the ESG Working Group, the ESG Steering Committee and the Board of Directors.</p> <p>The Company conducts ISO 14001, ISO 14064-1 and ISO 50001 verifications every year, and obtains corresponding certificates. The scope of the inspection is as follows:</p> <p>(1) ISO 14001: Telecommunications and cable TV operations, covering Taipei New Horizon headquarters, Cloud IDC, Telecom Building, Kaohsiung Hsin Ya's main computer room, Kaohsiung Po Ai Building, Taichung Peiping Building and momo Cable TV Building.</p> <p>(2) ISO 14064-1: Office buildings, computer rooms, base stations and directly operated stores of Taiwan Mobile (including Taiwan Mobile Foundation), Taiwan Digital Service, Taiwan Teleservices &amp; Technologies, Taiwan Fixed Network, TFN Media and its broadcasting channels, Win TV Broadcasting, Taiwan Kuro Times Co., Ltd, Taipei New Horizon Co., Ltd. and Tai Hsin Insurance Agent. In addition, 16 new subsidiaries were included in the scope of inspection in 2023: TWM Holding Co., Ltd., TCC Investment Co., Ltd., Tai-Fu Cloud Technology Co., Ltd., Global Forest Media Technology Co., Ltd., Global Wealth Media Technology Co., Ltd., TFN Union Investment Co., Ltd., Global Wealth Media Technology Co., Ltd., TCCI Investment and Development Co., Ltd., Taiwan Cellular Co., Ltd., Wealth Media Technology Co., Ltd., TWM Venture Co., Ltd., Taiwan Mobile Film Co., Ltd., Taiwan Stampede Franchise Film Co., Ltd., Fu Sheng Digital Co., Ltd., TWM Power Co., Ltd., and FullSynergy New Retail Co., Ltd.</p> <p>(3) ISO 50001: Telecommunications and cable TV operations, covering Taipei New Horizon headquarters, Cloud IDC, Telecom Building , Kaohsiung Hsin Ya's main computer room, Kaohsiung Po Ai Building, Taichung Peiping Building and momo Cable TV Building.</p> <p>For relevant ISO certifications, please visit our corporate website: ESG &gt; Environmental &gt; ISO Verification <a href="https://english.taiwanmobile.com/esg/isoVerification.html">https://english.taiwanmobile.com/esg/isoVerification.html</a></p>
2. Promoting advanced and efficient use of renewable resources to reduce their impact on the environment	<p>2. In March 2022, Taiwan Mobile officially joined the RE100 initiative. The company set renewable energy usage targets of 14% by 2025, 35% by 2030, and 60% by 2035, with plans to invest billions in green energy and low-carbon initiatives by 2040. In addition, TWM joined the EV100 initiative in 2024, committing to achieving 100% electrification of its vehicle fleet by 2030. Key actions in 2024 include:</p> <p>(1) Joining the EV100 initiative: TWM became the first company in Taiwan among the three certified EV100 members to commit to comprehensive pledges and additional actions. Through strategic investments with Uspace and WeMo and leveraging its own brand's "MyCharge" one-stop EV charging service, TWM established the "EV100 ecosystem." By promoting a friendly environment for electric vehicles and fully supporting EV services, TWM is driving transformation of Taiwan's transportation system.</p> <p>(2) Promoting low-carbon smart retail stores: The Company's next-generation smart stores use electronic price tags to reduce use of printed materials. The Company also achieved a paperless operation rate exceeding 93%, saving approximately 21.76 million sheets of paper.</p> <p>(3) Enhancing energy efficiency: By utilizing big data analytics, TWM dynamically adjusts telecom equipment loading, adopts diverse energy-saving techniques, and optimizes air-conditioning usage. Using digital cloud tools, the Company offers enterprise clients one-stop ESG solutions from carbon inventory to carbon reduction that can help a single enterprise cut its emissions by up to 280 metric tons annually. Working in collaboration with Taiwan AI Cloud, TWM's "Smart IT Housekeeper" service helps enterprises remotely manage data centers, further improving energy efficiency and carbon reduction.</p> <p>(4) Extending product life cycles: To promote a circular economy, the Company on Feb. 7, 2024, launched the " TWM certified boxed second-hand phone" initiative, extending the lifespan of mobile phones to reduce waste. This initiative marks Taiwan's first offering of second-hand phones that come with a warranty of up to 12 months. In addition, the Company's "Trade-in" program resulted in 52,000 devices recycled, generating an economic benefit of NT\$290 million.</p>

Item	Current practices												
3. Evaluating climate change risks and opportunities for the Company and taking action	<p>3. In 2023, the Company published its first Task Force on Climate Related Financial Disclosures (TCFD) Report using the Intergovernmental Panel on Climate Change's (IPCC) sixth assessment report (AR6) to calculate the short, medium and long-term financial impact and perform a cost analysis under the scenario of limiting global warming to 1.5°C.</p> <p><b>Governance</b></p> <p>The Environmental Working Group meets semiannually to identify and manage climate related risks and opportunities in line with the Company's risk management framework. Climate-related trends and issues are submitted to the Risk Management Committee and subsequently reported to the Board of Directors.</p> <p><b>Risk management</b></p> <p>The Company has identified five major climate risks—including cap and trade, carbon tax, compulsory declaration, product efficiency regulations and standards, and renewable energy regulations— and five major opportunities, such as development of capital sources, energy-saving buildings, adjustments and solutions, participation in renewable energy programs, and production process. These risks and opportunities were assessed in depth to evaluate their intensity, scope, timing and potential financial impact, forming the basis for the Company's risk management responses. The Company evaluates significant risks and opportunities arising from climate change and conducts financial impact assessments for five key transition risks: cap and trade, carbon tax, compulsory declaration, product efficiency regulations and standards, and renewable energy regulations. For example, regarding carbon tax risk, the Company has developed corresponding management strategies and set a core target of achieving RE100 (100% renewable energy usage) by 2040. An estimated investment of approximately NT\$10 billion will be allocated to accelerate green energy development. For further details on the financial impact assessments of other risks and opportunities, please refer to the Company's Task Force on Climate-related Financial Disclosures (TCFD) Report.</p> <p>To mitigate climate-related risks and seize transition opportunities, the Company actively promotes multiple initiatives, including:</p> <ul style="list-style-type: none"><li>• Committing to 100% renewable energy usage (RE100) by 2040 to accelerate low-carbon transition.</li><li>• Installing solar and onshore wind power at base stations to enhance green energy supply.</li><li>• Developing energy storage technologies to improve energy efficiency through peak shaving and load shifting.</li><li>• Investing in the establishment of Fubon Energy to drive renewable energy development.</li><li>• Advancing net-zero technologies and blue carbon solutions to strengthen the green energy ecosystem.</li></ul> <p><b>Strategic objectives</b></p> <p>Based on the financial impact analysis results, four core strategies were established:</p> <p>(1) Enhance disclosures of climate-related financial impacts (2) Boost smart energy conservation at its base stations (3) Procure green electricity (4) Invest in green energy</p>												
4. Statistics on GHG emissions, water consumption and waste, and formulation of environmental sustainability policies	<p>4. The Environmental Working Group formulates environmental goals and strategies in accordance with the Environmental and Energy Management Policies, holds meetings every six months to review the implementation of policies relating to electricity and water conservation, waste and carbon reduction, and renewable energy, and track their progress.</p> <p>Results of the 2024 environmental management action plan:</p> <p>(1) Electricity savings: The target is 1% of electricity consumption in 2016, and the actual reduction reached 14.7%. (2) Water conservation: Decrease of 7% compared with 2017, and the actual reduction reached 10.3%. (3) Waste reduction: Total amount of non-recyclable waste reduced by 22% compared with 2017, and the actual reduction reached 19.5%. (4) Renewable energy application: Renewable energy accounted for 10% of total electricity consumption; and the actual reduction reached10.2%. (5) Carbon reduction: Joined RE100 in 2022 and committed to using 100% renewable energy by 2040 and achieve net zero by 2050. On August 23, 2023, TWM became the first company in Asia to have its 1.5°C-aligned science-based targets to reach net zero emissions by 2050 validated by SBTi.</p> <p>Statistics on water consumption, waste, and energy consumption for 2023-2024 are detailed below:</p> <table><tr><th>Category</th><th>2023</th><th>2024</th></tr><tr><td>Water consumption (m3)</td><td>302,907</td><td>293,659</td></tr><tr><td>Waste (mt)*</td><td>1,597</td><td>2,102</td></tr><tr><td>Energy consumption (MJ)</td><td>2,229,026,855</td><td>2,793,867,740</td></tr></table> <p>ISAE 3000 has confirmed the aforementioned figures and issued corresponding certificates. The scope of the investigation is the same as the boundary and scope of the 2024 Sustainability and Integrated ReportESG Report. (for details, please refer to Section 3.3 of the 2024 Sustainability and Integrated ReportESG Report)</p>	Category	2023	2024	Water consumption (m3)	302,907	293,659	Waste (mt)*	1,597	2,102	Energy consumption (MJ)	2,229,026,855	2,793,867,740
Category	2023	2024											
Water consumption (m3)	302,907	293,659											
Waste (mt)*	1,597	2,102											
Energy consumption (MJ)	2,229,026,855	2,793,867,740											
(IV) Commitment to corporate social responsibility 1. Complying with domestic and international labor laws to safeguard and uphold the rights of workers, following a non- discriminatory hiring policy, and establishing appropriate management practices, procedures and execution	<p>1. Pursuant to related national regulations, including the Labor Standards Act, Employment Services Act, Gender Equality in Employment Act and International Bill of Human Rights, the Company has never employed child workers, discriminated against any employee or ethnic group, or forced its employees to work.</p>												



Item	Current practices
2.Establishing reasonable employee benefits measures (such as remuneration and leave policy) and linking company performance to employee compensation	<p>2.The Company offers a well-rounded benefits package. Our Employee Welfare Committee is responsible for planning and implementing various benefits, including general benefits, birthday allowance, holiday vouchers, cafeteria benefit, staff clubs' activities, childbirth allowance, childcare subsidy, free group insurance coverage for employees and their spouses, an employee stock ownership trust, high subsidies for phone bills, discounts on Company products and a tenure reward program. The Company offers maternity leave, sick leave and bereavement leave that surpass requirements stipulated in Taiwan's labor law. Moreover, the Company provides paid volunteer leave, flexible working hours, and work-from-home as an option.</p> <p>The Company values the importance of diversity and equality in the workplace. It has continuously educated its employees about the value of diversity and resisting unconscious bias in order to build an inclusive workplace. Employee compensation, benefits, promotion, training and other rights are not affected by gender, sexual orientation, marriage status, etc. Women comprise 48.7% of the Company's workforce and 47.4% of its management. The proportion of women in top management positions is 36.9%.</p> <p>Year-end bonuses and employee profit sharing plans are set based on the Company's performance. The Company's compensation policy is to reward employees in accordance with their performance. Evaluation meetings are held at the end of the year for supervisors and staff to discuss their performance over the past year and set objectives for the following year, including core functions and corporate sustainable development. Performance is graded based on employees' fulfillment of annual objectives and accordingly rewarded with bonuses and/or salary increases.</p>
3.Providing employees with a safe and healthy working environment, as well as regular training on safety and health education	<p>3.The Company aims to provide a safe and healthy working environment for employees and has implemented measures to promote employee health and mental well-being. It has not had any fire incidents in the past year and will continue to conduct regular inspections and implement emergency response measures. It also carries out periodic evaluations of the working environment and programs on promoting workers' safety and health education. Related information on employee safety and health is posted on the Company's intranet.</p>
4.Developing individual training plans for career development	<p>4.The Company conducts a survey of employees' career development plans and supervisors provide feedback to all employees. Based on individual key job achievements, career interests, strengths and weaknesses, supervisors help their staff draw up individual development plans during the annual performance review to give them systematic guidance on enhancing their skills and abilities for career development. From new recruits to top executives, the Company provides different training programs to meet employees' needs at different stages in their career.</p>
5.Complying with relevant regulations and international standards on marketing and labeling of products and services	<p>5.TWM's mobile base stations were constructed in accordance with relevant laws and regulations and passed base station electromagnetic checks by the National Communications Commission, having fully complied with the International Commission on Non-Ionizing Radiation Protection standards.</p> <p>The Company holds ISO/IEC 27001 Information Security Management System and BS 10012 and ISO 27701 Privacy Protection Management System certifications. It established an Information Communication and Personal Information Privacy Security Committee, which has invested a lot of resources to comply strictly with various management and control requirements. Every six months, the Company conducts internal and external audits to ensure management quality.</p> <p>The Company abides by the Consumer Protection Law and the Fair Trade Law and conducts internal legal reviews before launching new marketing ads.</p> <p>The Company has provided a variety of service channels for customers to submit complaints or suggestions to provide them with world-class mobile services. The Company has passed the Swiss SGS Qualicert service verification for 13 consecutive years.</p>
6.Establishing a policy on supplier management, requiring suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, and labor rights	<p>6.TWM believes that ethics serves as the moral foundation of a well- managed enterprise. To promote a fair and just system, the Company set up an open procurement system to select suppliers and requires that all suppliers comply with the "Environmental and Occupational Health and Safety Policy for Contractors" and "Guidelines on Corporate Social Responsibility for Suppliers." Should a supplier break its social responsibility and adversely impact the environment and society, the Company has the right to suspend its account.</p> <p>(1) TWM does not use any product from conflict material/product suppliers.</p> <p>(2) TWM requests its suppliers investigate their supply chains to ensure that no products come from conflict areas.</p>
(V) Has the Company issued ESG reports that have been verified by an independent third-party assurance organization?	<p>In 2014, TWM became the first telecommunications operator in Taiwan to receive International Standard on Assurance Engagements 3000 (ISAE 3000) external assurance certification, applying stricter standards to ensure the quality and credibility of its report disclosures. The 2023 Sustainability and Integrated ReportESG Report was independently assured by a credible third-party firm, KPMG, following ISAE standards issued by the International Auditing and Assurance Standards Board.</p> <p>Following assurance, the report's contents were confirmed to comply with GRI Standards, and KPMG issued an independent limited assurance report. The 2024 report continues to disclose relevant ESG information in accordance with the Sustainability Accounting Standards Board (SASB) framework.</p>

The Company's ESG policy and practices fully comply with the ESG Best Practice Principles for TWSE/GTSM Listed Companies

TWM upholds integrity as its core value and has integrated ESG into its operational strategy, management systems, and daily activities across all departments. In January 2011, the Board of Directors approved the Company's CSR Policy, and adopted the CSR Code of Practice in January 2015. In 2022, the Board of Directors approved significant updates to elevate the Company's commitment to sustainable development and incorporate global ESG trends into its policies and practices. The "CSR Policy" and "CSR Code of Practice" were revised and renamed the "Corporate Sustainable Development Policy" and "Code of Practice for Corporate Sustainable Development," respectively. These updates serve as guiding principles for the

long-term promotion of ESG initiatives. The new approach places a strong emphasis on improving corporate governance, prioritizing stakeholder engagement, and providing comprehensive and transparent disclosures. The Company's core technologies and services within the industry serve as a strategic foundation for putting ESG principles into action across various areas, including environmental protection and social welfare.

Additional information on ESG-related matters:

1. Meetings of ESG Steering Committee

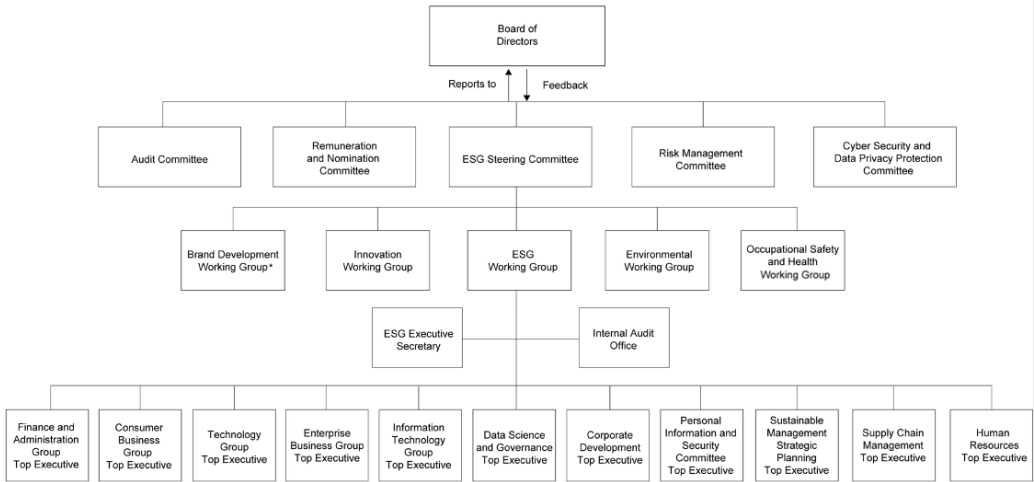
- (1) The company's ESG steering Committee has six members.
- (2) The second ESG steering Committee's term runs from June 13, 2023, to June 12, 2026. The committee convened twice in the most recent year (2023). The professional qualifications of the members can be found on pages X to X, and their attendance records are as follows:

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Convener	Daniel M. Tsai	2	0	100	None
Member	Char-Dir Chung	2	0	100	None
Member	Hsi-Peng Lu	2	0	100	None
Member	Tong Hai Tan	2	0	100	None
Member	Drina Yue	2	0	100	None
Member	Casey K.C. Lai	1	0	100	Term ended in June 2024
Member	Hsueh-Jen Sung	1	0	100	Term ended in June 2024

- 2. In terms of governance, TWM merged with Taiwan Star on December 1, 2023, further advancing its value-driven development strategy. Compared with the year prior to the merger, operational performance for the full year following the merger (December 1, 2023, to November 30, 2024) showed significant improvements. Under the leadership of the Board-level ESG Steering Committee, the Company's sustainability mechanisms are well-established, demonstrating robust corporate governance standards.

On the environmental front, TWM continued its commitment to biodiversity initiatives, such as TWM's "Hynobius" Conservation Program and the "AI Ocean", the Marine Biodiversity Database. At the end of 2024, the Company officially launched the "Taiwan Blue Carbon Project - Mangrove Restoration", collaborating with government and academia to explore mangroves' natural carbon sink potential.

On the social front, TWM leveraged AI to enhance its anti-fraud tools, including Anti-phishing Service – Enterprise Edition and Number Masking Service. The OP Package one-stop transformation solution was upgraded to help SMEs maintain their operations, despite a labor shortage, to ensure sustainable business growth.



Information of climate-related implementation

Item	Current practices																																																																																				
1. Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management:	<p>A comprehensive governance structure oversees all climate-related risks and opportunities. Their roles and responsibilities are outlined as follows:</p> <p>1. Board of Directors: Conducts an annual review and oversees climate-related risks and opportunities faced by the Company.</p> <p>2. ESG Steering Committee: Chaired by the Chairman of the Board, with five independent directors serving as committee members. The committee meets twice a year to oversee ESG-related decision-making, including strategies and targets for climate-related risks and opportunities, and reports to the Board of Directors.</p> <p>3. Risk Management Committee: The board chairman or the designated proxy serves as chairperson of the committee, while the top executive of each risk management area is a committee member. The committee meets once every six months to evaluate and approve relevant mitigation and adjustment measures in accordance with the risk control mechanism, and reports risks (including climate-related) to the Company to the ESG Steering Committee and the Board of Directors as needed.</p> <p>4. Environmental Working Group: Chaired by the Chief Technology Officer, with the top sustainability officer serving as the deputy chairperson. The group meets semi-annually to identify and manage climate-change risks and opportunities in accordance with the Company's risk management system, and reports climate risk trends and issues to the Risk Management Committee.</p> <p>5. ESG Working Group: The President serves as the vice chairperson, and the top executive of each business group is a member. The working group meets four times a year to conduct research on international climate risk trends and provide feedback on the latest risk trends to the Environmental Working Group.</p> <p>Important climate-related initiatives, such as SBT, EV100, RE100, Net Zero, TCFD and TNFD analyses and publications, are reviewed every six months by the Environmental Working Group, and quarterly by the ESG Working Group. These resolutions undergo further review by the ESG Steering Committee before being submitted to the Board of Directors. These multilayers of reviews and governance ensure that policies are communicated top-down and actively planned and reported bottom-up.</p>																																																																																				
2. Describe how the Company identifies climate-related risks and opportunities and their short-, medium- and long-term impact on its business, strategy and finances:	<p>The Company identified climate-related risks and opportunities, as well as their strategic and financial impacts, through three cross-departmental TCFD workshops:</p> <p>1. Workshop participants were grouped by business functions and followed the TCFD framework to identify climate-related risks. A total of 36 climate risks and 22 opportunities were analyzed in terms of their type, scope, intensity, time horizon, and likelihood of occurrence.</p> <p>2. A climate risk and opportunity matrix were established. Risks and opportunities with a “medium-high” potential impact and a likelihood of “possible” or higher were identified as significant. The results of the assessment and prioritization of these risks and opportunities were reported, along with response plans.</p> <p>3. Through cross-departmental discussions and evaluation across short- (less than 3 years), medium- (3–8 years), and long-term (8–13 years) timeframes, the Company identified five major climate risks and five major climate opportunities:</p> <table><tr><th colspan="6">Five major climate risks</th></tr><tr><th>Type of risk</th><th>Explanation of Risk</th><th>Risk level</th><th>Time horizon</th><th>Financial Impact</th><th>Management practice</th></tr><tr><td>Transition</td><td>Cap and trade</td><td>Medium-high</td><td>Short to medium term</td><td>Increase in indirect costs</td><td>Increase in input costs for purchasing renewable energy</td></tr><tr><td>Transition</td><td>Carbon tax</td><td>Medium</td><td>Short to medium term</td><td>Increase in direct costs</td><td>Increase in input costs for transitioning to green energy supply</td></tr><tr><td>Transition</td><td>Compulsory declarations</td><td>Medium-high</td><td>Long-term</td><td>Increase in direct costs</td><td>Increase in internal and external labor costs for inventory and reporting</td></tr><tr><td>Transition</td><td>Product efficiency regulations and standards</td><td>Medium-high</td><td>Short-term</td><td>Increase in direct costs</td><td>Increase in consulting fees</td></tr><tr><td>Transition</td><td>Renewable energy regulations</td><td>High</td><td>Short-term</td><td>Increase in direct costs due to rising energy prices</td><td>Increase in investment costs for installation of renewable energy</td></tr></table> <table><tr><th colspan="6">Five major climate opportunities</th></tr><tr><th>Type of opportunity</th><th>Opportunity description</th><th>Opportunity level</th><th>Time horizon</th><th>Type of Impact</th><th>Management practices</th></tr><tr><td>Market</td><td>Development of capital sources</td><td>Medium-high</td><td>Medium to long term</td><td>Increased access to capital</td><td>Higher investment costs; issuance of green bonds</td></tr><tr><td>Resource Efficiency</td><td>Energy-saving buildings</td><td>Medium-high</td><td>Short-term</td><td>Improved operational efficiency</td><td>Higher investment costs; design of energy-saving Internet Data Center</td></tr><tr><td>Products &amp; Services</td><td>Adjustments and solutions</td><td>Medium-high</td><td>Short-term</td><td>New products and services</td><td>Increased investment; PUE optimization</td></tr><tr><td>Resilience</td><td>Participation in renewable energy programs</td><td>High</td><td>Short-term</td><td>Reduced fuel costs</td><td>Higher investment costs; implementation of renewable energy visualization systems</td></tr><tr><td>Resource Efficiency</td><td>Production process</td><td>Medium-high</td><td>Short-term</td><td>Lower operational costs</td><td>Higher investment costs; deployment of power grid management systems</td></tr></table> <p>For details on the financial impacts of different risks under various scenarios, please refer to the Company's TCFD Report.</p> <p>These climate-related risks and opportunities also influence TWM's decarbonization strategies. According to the Company's SBTi-approved 2050 net-zero pathway and its goal of using 100% renewable energy by 2040, the long-term strategy would be to focus on renewable energy procurement, energy storage, and net-zero technologies, supplemented by energy-saving initiatives. Remaining emissions from 2040 to 2050 across all scopes would be offset using carbon credits and carbon capture and storage technologies to achieve net-zero goals.</p>	Five major climate risks						Type of risk	Explanation of Risk	Risk level	Time horizon	Financial Impact	Management practice	Transition	Cap and trade	Medium-high	Short to medium term	Increase in indirect costs	Increase in input costs for purchasing renewable energy	Transition	Carbon tax	Medium	Short to medium term	Increase in direct costs	Increase in input costs for transitioning to green energy supply	Transition	Compulsory declarations	Medium-high	Long-term	Increase in direct costs	Increase in internal and external labor costs for inventory and reporting	Transition	Product efficiency regulations and standards	Medium-high	Short-term	Increase in direct costs	Increase in consulting fees	Transition	Renewable energy regulations	High	Short-term	Increase in direct costs due to rising energy prices	Increase in investment costs for installation of renewable energy	Five major climate opportunities						Type of opportunity	Opportunity description	Opportunity level	Time horizon	Type of Impact	Management practices	Market	Development of capital sources	Medium-high	Medium to long term	Increased access to capital	Higher investment costs; issuance of green bonds	Resource Efficiency	Energy-saving buildings	Medium-high	Short-term	Improved operational efficiency	Higher investment costs; design of energy-saving Internet Data Center	Products & Services	Adjustments and solutions	Medium-high	Short-term	New products and services	Increased investment; PUE optimization	Resilience	Participation in renewable energy programs	High	Short-term	Reduced fuel costs	Higher investment costs; implementation of renewable energy visualization systems	Resource Efficiency	Production process	Medium-high	Short-term	Lower operational costs	Higher investment costs; deployment of power grid management systems
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3. Describe the financial impact of extreme climate events and actions taken:	<p>Different climate scenarios lead to varying financial impacts. For transition risks, TWM analyzed the financial impact under three external transition scenarios. For physical risks, TWM conducted financial impact analyses based on four climate scenarios. The details are as follows:</p> <p>1. Transition risk analysis: TWM conducted a transition risk assessment based on three external transition scenarios—Government Net Zero, SSP1-1.9, and SBT Net Zero (SBT-NZ)—evaluating their potential financial impacts under both a Business-as-usual (BAU) scenario and two mitigation pathways: a Renewable Energy strategy and mandatory compliance strategy. The analysis focused on regulatory, technological and market risks associated with transition risk. Based on the BAU scenario, TWM's carbon emissions are projected to reach 226,600 metric tons of CO<sub>2</sub> equivalent by 2050, while the emission allowances under the government's Net Zero, SSP1-1.9 and SBT-NZ scenarios are 65,300 metric tons, 12,200 metric tons and net zero, respectively. Under the BAU scenario, regulatory risks associated with the Government Net Zero pathway—such as carbon taxes or penalties—are expected to increase operating costs. At the same time, market risks stemming from declining demand for high-carbon products may negatively impact projected revenue, with financial impact primarily driven by market-related factors. If the external scenario shifts to the more ambitious SSP1-1.9 pathway, market risks—particularly revenue loss—remain the primary source of financial impact. However, the effect of regulatory risks on operating costs is also expected to intensify.</p> <p>2. Physical risk analysis: Evaluate four climate models (including RCP2.6, RCP4.5, RCP6.0, and RCP8.5) with extreme rainfall under climate change as the hazard level, extreme rainfall-induced flooding, landslides, and mudslides as the vulnerability level, and the location of owned assets and supplier locations as the exposure level for the actual risk value analysis. The analysis found that 200 sites are exposed to one or more physical risks, including 116 stores, 78 machine rooms, and 6 offices.</p> <p>For the quantified financial impacts under different transition and physical risk scenarios, please refer to the Company's TCFD Report.</p>																																																																																				

Item	Current practices
4. Describe how the identification, assessment and management processes of climate risks are integrated into the Company's overall risk management system:	<p>TWM adopts the COSO ERM 2017 Enterprise Risk Management Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), as well as the Risk Management Best Practice Principles for TWSE/TPEX Listed Companies. The risk management structure is overseen by the Board of Directors, the Risk Management Committee and dedicated risk management units. In collaboration with the IFRS Sustainability Disclosure Standards Taskforce, and based on international research reports, industry trend analyses, SASB topics for the Telecommunication Services, TWM material topics, internal and external corporate surveys, and strategic decision-making, TWM has identified 28 significant risks, including climate-related risks such as climate change/natural disasters and GHG emissions. For detailed information, please refer to Section 1.6.12 of 2024 Sustainability and Integrated ReportESG Report on Sustainability Risk and Opportunity Management.</p>
5. When using scenario analysis to assess resilience to climate change risks, list the scenario, parameters, assumptions, analysis factors and primary financial impacts:	<p>TWM conducted an impact analysis using three transition scenarios and four physical scenarios, as detailed below:</p> <p>1. Transition scenario analysis: TWM evaluated three external transition strategies: Government net zero pathway, SSP1-1.9 and SBT Net Zero. The analysis incorporated coefficients derived from low-temperature transition scenarios—SSP1-1.9, SSP1-2.6 and SSP2-4.5—alongside insights from international industry trend reports to identify the potential financial impacts of climate-related risks and opportunities on the Company.</p> <p>The analysis focused on five major climate risks—including cap and trade, carbon tax, compulsory declaration, product efficiency regulations and standards, and renewable energy regulations—and five major opportunities, such as development of capital sources, energy-saving buildings, adjustments and solutions, participation in renewable energy programs, production process. The Company conducted an in-depth evaluation of the financial impact on the Company and developed corresponding management strategies in response.</p> <p>2. Physical scenario analysis: Evaluate four climate models (including RCP2.6, RCP4.5, RCP6.0, and RCP8.5) with extreme rainfall under climate change as the hazard level, extreme rainfall-induced flooding, landslides, and mudslides as the vulnerability level, and the location of owned assets and supplier locations as the exposure level for the actual risk value analysis which considered 1,104 Company-owned and supplier operation sites for exposure. The vulnerability assessments were based on government-published maps detailing disaster scope and severity. The results showed that over 300 sites faced potential flooding risks, including one Company-owned site at risk of debris flows and two sites vulnerable to landslides.</p> <p>3. Financial impact of physical risks: The analysis of Company-owned assets showed that 200 locations faced one or more disaster risks, comprising 116 stores, 78 machine rooms and 6 offices. Additionally, 131 supplier sites were identified as having flooding potential. Financial impacts were calculated in terms of operating losses and increased costs. To mitigate the effects of flooding, landslides and debris flows, TWM has allocated additional investments, human resources and preventive measures to minimize financial disruptions.</p>
6. If there is a transition plan to address climate-related risks, list details of the plan, including the indicators and objectives used to identify and manage physical risks and transition risks:	<p>Metrics and targets</p> <p>TWM established an ISO14064-1 greenhouse gas inventory mechanism, ISO 50001 energy management system and ISO 14001 environmental management system. The Company employs four core strategies to manage climate change-related risks and opportunities. In addition to conducting inventories for GHG Scopes 1, 2 and 3 emissions, it has set short-, medium- and long-term reduction targets for GHG emissions and prioritizes increasing the proportion of green energy usage.</p> <ul style="list-style-type: none"><li>Based on the SBTi carbon reduction requirement, TWM has calculated and estimated the relevant indicators of climate mitigation and adaptation. In 2023, TWM once again passed the SBTi review for its 2050 Net Zero target. Using 2022 as the base year, the Company pledged to reduce Scopes 1 and 2 emissions by 42% and Scope 3 emissions by 25% by 2030 and achieve net zero emissions by 2050.</li><li>TWM has further committed to using 100% renewable energy by 2040 and achieving net zero emissions by 2050.</li></ul> <p>Countermeasures for self-owned assets</p> <ul style="list-style-type: none"><li>Zero to low-risk sites: Maintain operations as usual while preparing emergency response plans and implement risk management measures to ensure employee safety and protect company assets. Consider enhancing weatherproofing buildings and upgrading risk management systems.</li><li>Medium-risk sites: Maintain operations while closely monitoring potential disasters. For locations at risk of landslides, measures include strengthening slope stabilization, assessing building structural safety, and improving risk management. For sites at risk of flooding, measures include raising the foundation, enhancing drainage systems, and strengthening risk management.</li><li>High-risk sites: Avoid establishing operations in high-risk zones unless necessary. Existing operations should be relocated to medium- or low-risk locations whenever feasible. For sites at risks of mudslides or landslides, measures include strengthening slope stabilization, assessing building structural safety and improving risk management. For sites at risk of flooding, measures include raising the foundation, improving drainage systems, and strengthening risk management.</li></ul> <p>Countermeasures for suppliers</p> <ul style="list-style-type: none"><li>Low-risk suppliers: Maintain normal partnerships while encouraging suppliers to enhance disaster prevention measures, such as improving drainage systems and repairing flood banks to cope with extreme weather events.</li><li>Medium-risk suppliers: Continue working with suppliers while raising their awareness about potential climate risks. Help suppliers understand potential disaster trends and strengthen prevention measures, such as enhancing regional monitoring and early warning systems, to better cope with extreme weather events.</li><li>High-risk suppliers: Implement more proactive disaster prevention measures. Aside from improving drainage systems and building structures and raising disaster awareness, consider incorporating disaster risk-related supporting measures and a compensation for damage system to reduce potential impacts and damages.</li><li>Suppliers Currently Identified as Zero-Risk: To ensure site safety, suppliers adopt baseline protection measures and perform regular maintenance of their facilities. In addition, supplier risk levels are reviewed annually and updated on a rolling basis as part of the Company's dynamic risk management process. For additional details, please refer to TWM's TCFD report.</li></ul>
7. If internal carbon pricing is used as a carbon emission reduction tool, list the basis for setting prices:	<p>TWM does not use internal carbon pricing.</p>



8. When setting climate-related goals, specify the activities covered, scope of GHG emissions, timetable, annual progress toward achieving these goals, etc. If carbon offsets or renewable energy certificates (RECs) are used to achieve such goals, the sources and quantities of carbon offsets exchanged, or the number of RECs should be disclosed.

Greenhouse gas reduction targets, strategies and action plans are as follows:

Targets for GHG reductions	Science-based targets (SBT) for carbon reduction	2024 performance	2025 plan
Short-term 2024	Scopes 1 and 2 reduced by 10.5% compared with 2022 carbon emissions	Increased by 20.6% compared with 2022 carbon emissions	Scopes 1 and 2 reduced by 15.8% compared with 2022 carbon emissions
	Scope 3 reduced by 10% compared with 2020 carbon emissions	Reduced by 16.3% compared with 2020 carbon emissions	Scope 3 reduced by 12.5% compared with 2020 carbon emissions
Mid-term 2030	Scopes 1 and 2 reduced by 42% compared with 2022 carbon emissions	For the mid-term 2030, TWM would increase usage of renewable energy (RE100 plan) and plan to phase out petrol cars to reduce fossil fuel use to improve energy and fuel efficiency.	
Long-term 2050	Scopes 1, 2 and 3 achieve net zero emissions	For the long-term 2050 target, TWM would adopt multiple projects to achieve net zero, such as direct air capture, bioenergy with carbon capture utilization and storage, and nature-based solutions	

Since adopting the ISO14064-1 standard in 2012, TWM has had its GHG inventories undergo third-party verification annually to ensure data quality. The primary source of emissions is electricity (98%), with the remaining sources including company vehicles, generators, refrigerants, fire extinguishers and septic tanks.

Greenhouse gas inventory scope: Office buildings, telecommunications room, base stations and directly operated stores of Taiwan Mobile Co., Ltd. (including Taiwan Mobile Foundation), Taiwan Digital Services Co., Ltd., Taiwan Teleservices & Technologies Co., Ltd., Taiwan Fixed Network Co., Ltd., Taiwan Fixed Network Media Co., Ltd. and its subsidiaries, Win TV Broadcasting Co., Ltd., Taiwan Kuro Times Co., Ltd., Taipei New Horizon Co., Ltd., and Taihsin Property Insurance Agent Co., Ltd.

In addition, 16 new subsidiaries were included in the scope of inspection in 2023: TWM Holding Co., Ltd., TCC Investment Co., Ltd., Tai-Fu Cloud Technology Co., Ltd., Global Forest Media Technology Co., Ltd., Global Wealth Media Technology Co., Ltd., TFN Union Investment Co., Ltd., Global Wealth Media Technology Co., Ltd., TCCI Investment and Development Co., Ltd., Taiwan Cellular Co., Ltd., Wealth Media Technology Co., Ltd., TWM Venture Co., Ltd., Taiwan Mobile Film Co., Ltd., Taiwan Stampede Franchise Film Co., Ltd., Fu Sheng Digital Co., Ltd., TWM Power Co., Ltd., and FullSynergy New Retail Co., Ltd.

Greenhouse gas inventory (Scope1 & Scope2)

Category	2021	2022	2023	2024(Note 1)
Scope 1 (tons-CO2e)	6,177.80	5,331.63	6,098.48	7,592.22
Scope 2 (tons-CO2e) - Location base	269,124.54	282,140.61	285,603.70	356,250.63
Scope 2 (tons-CO2e) - Market base	269,124.54	282,096.83	285,523.51	356,197.77
Scope 1 and Scope 2 (tons-CO2e) - Location base	275,302.34	287,472.24	291,702.17	363,842.84
Scope 1 and Scope 2 (tons-CO2e) - Market base	275,302.34	287,428.46	291,621.98	363,789.98
Emission intensity = total carbon emissions-location base/combined revenue (ton-CO2e /NT\$ million)	3.92	3.99	3.94	1.82

Note1: Used the 2023 emissions factor for electricity issued by the Bureau of Energy under the Ministry of Economic Affairs to calculate Scope 2 carbon emissions for 2024(Includes subsidiary momo).

9. The GHG emissions in the consolidated financial reports of the Company and its subsidiaries in the past two years are as follows:

The GHG emissions inventory in 2023 met the requirements of ISO 14064-1 : 2018 and had been verified by TUV NORD, which gave it a rating of “reasonable assurance.

Verified scope		FY 2023		FY 2024	
		Total Emissions (metric tons of CO2e)	Intensity (metric tons of CO2e/NT\$ million)	Total Emissions (metric tons of CO2e)	Intensity (metric tons of CO2e/NT\$ million)
Taiwan Mobile Co., Ltd.	Scope1	4,561.40		3,775.33	
	Scope2	251,696.66		309,168.35	
	Subtotal	256,258.07		312,943.68	
Subsidiaries	Scope1	1,537.07		3,816.89	
	Scope2	33,826.84		47,082.28	
	Subtotal	35,363.92		50,899.17	
Total		291,621.98	3.94	363,842.84	1.82

Ethical corporate management

Item	Current practices
1.Establishing a policy on ethical corporate management:  (1) Has the Company established an ethical management policy approved by the Board of Directors, and clearly stated, in the regulations and external documents, the policies and practices of ethical management, and the commitment of the Board of Directors and senior management to actively implement the management policy?  (2) Has the Company established a mechanism for assessing risks of unethical conduct, regularly analyzing and evaluating business activities with a higher risk of unethical conduct, and formulating a plan to prevent unethical conduct, and at least covering the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies' precautionary measures in Article 7(2)?  (3) Has the Company set up a system, including operational guidelines, a reporting system and punishment for violations, to prevent dishonest behavior, as well as reviewed the aforementioned guidelines periodically and amended them as needed?	(1) The Company has promulgated its Ethical Corporate Management Best Practice Principles to establish its ethical management policy. Its formulation and amendments were approved by the Board of Directors, submitted to the shareholders' meeting, and disclosed on the corporate website and MOPS to declare the commitment of the board and senior management to implementing the policy.  (2)(i) The Operating Rules of Ethical Corporate Management Principles provide specific regulations on matters that warrant the Company's special attention in conducting its business. The Audit Office regularly analyzes and evaluates business activities with a high risk of dishonest behavior by conducting annual risk assessments and makes audit plans to ensure compliance.  (ii) The Company avoids contact with dubious traders. Contracts signed with third parties specify compliance with ethical corporate management practices and, failing that, the Company reserves the right to terminate or rescind the contract.  (3)(i) The Operating Rules of Ethical Corporate Management Principles prohibit directors, managers, employees and other mandataries of the Company from directly or indirectly offering, promising to offer, requesting or accepting any improper benefits, or committing unethical acts that contravene the principle of good faith, are illegal or a breach of fiduciary duty.  (ii) Employees and suppliers are required to sign a Declaration of Integrity or Declaration of Integrity in Business Conduct to ensure that they fully understand the Company's determination to enforce ethical management and the consequences of behaving in a dishonest manner.  (iii) The Audit Office shall periodically notify senior management and the Legal Office of the results of its compliance review and prepare an audit report for the Board of Directors.
2.Implementation of ethical corporate management  (1) Has the Company avoided transactions with parties that have a record of dishonest behavior, stipulating in all contracts what constitutes unacceptable behavior?  (2) Has the Company established a dedicated unit to promote ethical corporate management under the supervision of the Board of Directors and regularly (at least once a year) report to the board its management policy and implementation?	(1) The Company provides “Guidelines on Corporate Social Responsibility for Suppliers” and requires all suppliers to sign a “Declaration of Ethical Corporate Management,” which states that suppliers must not engage in bribery; otherwise, the Company has the right to suspend their accounts and terminate or rescind their contracts any time.  (2)(i) The Internal Audit Office and functional committees were established under the Board of Directors to supervise and audit the practices and implementation of the Company's ethical corporate management policy. In addition, the Legal Office, which reports directly to the President, is responsible for executing the policy, setting guidelines to prevent dishonest behavior and reporting to the Board of Directors at least once a year to ensure the implementation of the highest guiding principles for ethical management.  (ii) To implement the ethical corporate management policy and prevent unethical conduct, the Company has set up Ethical Corporate Management Best Practice Principles and Operating Rules of Ethical Corporate Management Best Practice Principles.

Item	Current practices
(3) Has the Company set up policies to prevent conflicts of interest and provide channels to report such conflicts?	(3)(i) The Company has promulgated policies to prevent conflicts of interest. If there is any proposal that might be harmful to the interest of the Company, board directors who have conflicts of interest with the Company shall recuse themselves from discussing or voting on the issue. Any board director, manager, employee or mandatary must not use his/her position or influence in the Company to obtain improper benefits for himself/herself or any other person.  (ii) Any breach of ethical corporate management practices can be reported via e-mail or fax hotline to the Company.
(4) Has the Company built an effective accounting system and internal control system to carry out ethical corporate management, and has the internal auditor set up relevant audit plans based on the results of assessments of risks of dishonesty and compliance with the prevention plan, or delegated the task to an accountant?	(4)(i) The Company has established an effective accounting system and internal control system. In addition, the Audit Office regularly analyzes and evaluates business activities with a high risk of dishonest behavior through annual risk assessment processes, as well as sets up an audit plan and checks its execution, then reports the findings to the board on a periodic basis.  (ii) The Company periodically delegates independent accountants to audit its financial statements and to verify the effectiveness of its internal control system.
(5) Has the Company conducted regular internal and external training courses on ethical corporate management?	(5) The Company promotes the importance of Ethical Corporate Management Best Practice Principles to directors, managers, employees and appointees on an annual basis to help them fully understand the need to comply with such practices. The Company also conducts related training courses (such as compliance with integrity management regulations, preventing insider trading and money laundering, and protecting trade secrets and personal information) upon request to strengthen colleagues' awareness. From January 1, 2024, to February 28, 2025, a total of 15,823 training hours were held, with 26,155 participants.
3.Reporting ethical violations	
(1) Has the Company established a reporting and incentive system to facilitate the processing of complaints and assigned a person or unit to deal with the cases?	(1) The Company has established procedures for dealing with complaints about employees or suppliers, with the Internal Audit Office tasked with handling the cases. a)Supplier complaints can be filed with the Internal Audit Office in written form or via fax to (02) 6636- 1600. b)Employee complaints can be sent to a designated internal e-mail account.
(2) Has the Company set up investigation and confidentiality procedures?	(2) The Internal Audit Office must immediately launch an investigation upon receipt of a complaint and ensure that the name and identity of the complainant are kept confidential.
(3) Has the Company protected whistle-blowers from harm?	(3) The Internal Audit Office must be objective and fair in its investigation. It must report the results of its investigation directly to a higher supervisor and ensure that the whistle- blower is not harmed.
4.Has the Company strengthened information disclosure by posting related information on ethical corporate management and promoting its effectiveness on the Company's website and MOPS?	The Company has posted its Ethical Corporate Management Best Practice Principles on its website and MOPS. Its annual report and 2024 ESG Report further shed light on its execution and enhanced corporate transparency.
5.Has the Company promulgated its own ethical corporate management principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies? If yes, describe the differences between the principles and current practices: No difference.	
6.Other important information to facilitate understanding of the Company's implementation of ethical corporate management practices:	(1) The Company's electronic procurement system mandatorily requires suppliers to sign a Declaration of Integrity in Business Conduct every year; otherwise, they are not allowed to participate in the bidding process. (2) To improve its ethical corporate management policy, the Company regularly monitors local and international developments of relevant ethical corporate management standards to keep its Ethical Corporate Management Best Practice Principles and Operating Rules of Ethical Corporate Management Principles up to date.

Additional information on corporate governance operations:

Corporate governance principles

- Timely disclosure of material information
- Checks and balances between the board and management
- Independent directors should comprise at least 40% of the board: Current ratio is 56%
- Audit Committee was established to ensure fair and independent financial oversight
- Remuneration and Nomination Committee was established to bolster corporate governance practices, promote a sound compensation system for directors and managers, and select candidates for directorships
- ESG Steering Committee was established to promote corporate social responsibility and sustainable operations

- Adoption of a high cash dividend payout policy
- Shareholders' rights are guaranteed, convening shareholders' meetings with hybrid shareholders' meeting, and with the right to vote on all proposals at the annual general meeting or through an electronic voting system
- Strict compliance with the Code of Ethics and Ethical Corporate Management Best Practice Principles, and establishment of an internal audit mechanism

To ensure that employees, managers and directors promote information transparency and timely disclosure, the Company holds annual training sessions to familiarize employees with the Regulations Governing Internal Material Information and has incorporated them into its internal control system to avoid insider trading risks.

Internal control system

1.For the Internal control mechanism, please refer to the company website:

About Us/ Investor Relations/ Corporate Governance /Internal Audit  
<https://english.taiwanmobile.com/investor/internalAudit.html>

2. Has the Company delegated CPAs to review its internal audit system and issued an audit report?

No.

3. Internal control statement

Internal Control Statement

Date: January 17, 2025

Taiwan Mobile (TWM) states the following with regard to its internal control system for the year 2024:

1. TWM is fully aware that establishing, operating and maintaining an internal control system are the responsibilities of its Board of Directors and management. TWM has established such a system to provide reasonable assurance in achieving objectives related to the effectiveness and efficiency of operations (including profits, performance and safeguarding of assets), reliability of financial reporting, and compliance with applicable laws and regulations.

2. An internal control system has inherent limitations. An effective internal control system, no matter how perfectly designed, can provide only a reasonable assurance in the accomplishment of the three goals mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in the environment or circumstances. The internal control system of the Company contains self-monitoring mechanisms and the Company takes corrective actions as soon as a deficiency is identified.

3. TWM evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies promulgated by the Securities and Futures Bureau, the Financial Supervisory Commission and the Executive Yuan (herein referred to as the "Regulations"). The internal control system evaluation criteria stated in the Regulations classify internal control into five key elements based on the process of management control: (1) Control environment, (2) Risk assessment and response, (3) Control activities, (4) Information and communications, and (5) Monitoring. (Please refer to the Regulations for details on these five key elements.)

4. TWM has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.

5. Based on the findings of the evaluation mentioned in the third paragraph, TWM believes that as of December 31, 2024, its internal control system (including its supervision of subsidiaries), which encompasses internal controls to achieve effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations, was effectively designed and operating, and is reasonably assured of achieving the above-stated objectives.

6. This statement will form a major part of the Company's Annual Report and Prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.

7. This statement has been passed by the TWM Board of Directors' Meeting on January 17, 2025, where all the nine attending directors did not express any dissenting opinion and affirmed the content of the same.

Taiwan Mobile Co., Ltd.

Daniel M. Tsai Chairman

Jamie Lin President



## Major resolutions at the shareholders' and board meetings

### 1. Major resolutions at the 2024 shareholders' meeting

Issues approved and subsequent execution:

- (1) 2023 business report and financial statements
- (2) Distribution of 2023 earnings and cash return from capital surplus  
Execution: Ex-dividend date was set for July 14, 2024, and cash payment of NT\$4.3 per share on July 31, 2024.
- (3) Revisions to the Company's Articles of Incorporation  
Execution: Approved by the Ministry of Economic Affairs on July 9, 2024, the revised rules were posted on the Company's website.
- (4) By-election of two board directors (including one independent director) for the 10th term  
Director: Ting An Development Co., Ltd. (Representatives: Frank Lin)  
Independent Director: Casey K.C. Lai  
Execution: Approved by the Ministry of Economic Affairs on July 9, 2024, the result was published on the Company's website.
- (5) Removal of non-competition restrictions for the Board of Directors  
Execution: Published on MOPS on June 21, 2024.

### 2. Major resolutions by the board (from 2024 up to the publication date in 2025)

#### 1. 5th meeting of the 10th BoD on January 30, 2024

- (6) Approved the 2024 guidance
- (7) Approved the 2024 capital expenditure plan and donation to TWM Foundation
- (8) Approved the appointment of executive personnel
- (9) Approved the schedule for the 2024 annual general meeting
- (10) Approved the acquisition of right-of-use assets.

#### 2. 6th meeting of the 10th BoD on February 21, 2024

- (1) Approved the 2023 business report and financial statements
- (2) Approved the 2023 earnings distribution proposal and cash return from capital surplus
- (3) Approved the procurement of mobile broadband equipment
- (4) Approved the issuance of unsecured straight corporate bonds

#### 3. 7th meeting of 10th BoD on April 11, 2024

- (1) Approved changes in executive personnel
- (2) Approved the participation in the new share issue of Fubon Green Power Co., Ltd. via TWM Venture Co., Ltd.

#### 4. 8th meeting of 10th BoD on May 14, 2024

- (1) Approved the 1Q24 financial statements
- (2) Approved changes of Accounting Officer and Internal Auditor
- (3) Approved changes in the members of the Remuneration and Nomination Committee and the ESG Steering Committee
- (4) Approved the acquisition of right-of-use assets

#### 5. 9th meeting of the 10th BoD on August 5, 2024

- (1) Approved the 2Q24 financial statements
- (2) Approved the acquisition of right-of-use assets

#### 6. 10th meeting of the 10th BoD on September 12, 2024

- (1) Approved the Issuance of the 4th and 5th unsecured convertible bonds
- (2) Approved the acquisition of common shares of Systex Corp

#### 7. 11th meeting of the 10th BoD on November 13, 2024

- (1) Approved the 3Q24 financial statements
- (2) Approved the merger with TWM Venture Co., Ltd.

#### 8. 12th meeting of the 10th BoD on January 17, 2025

- (1) Approved the 2025 capital expenditure plan and donation to TWM Foundation

#### 9. 13th meeting of the 10th BoD on February 27, 2025

- (1) Approved the 2024 business report and financial statements
- (2) Approved the 2024 earnings distribution proposal and cash return from capital surplus
- (3) Approved the 2025 guidance
- (4) Approved of sign Corporate Power Purchase Agreement with Fengmiao Wind Power Co., Ltd.
- (5) Approved the issuance of unsecured straight corporate bonds
- (6) Approved changes in executive personnel
- (7) Approved the schedule for the 2025 annual general meeting
- (8) Approved the acquisition of right-of-use assets

The above information is posted on MOPS: <https://mops.twse.com.tw>.

### Major dissenting comments over board meeting resolutions from 2024 up to the publication date in 2025:

None