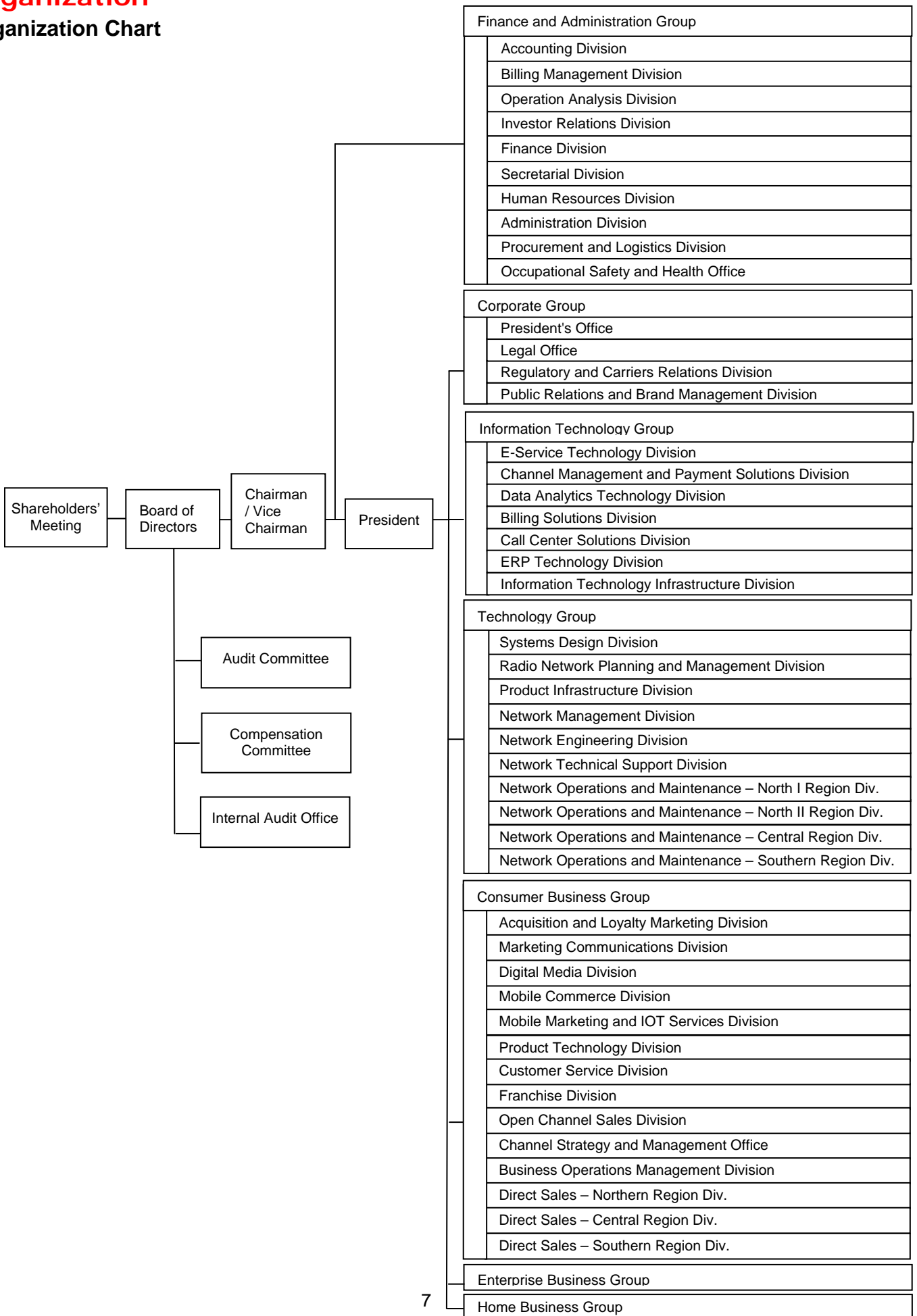


Chapter 2 Organization and Corporate Governance

March 25, 2015

Organization Organization Chart



Divisional Scope of Responsibilities

Division		Scope of responsibilities
Internal Audit Office		<p>Audit of the Company and its subsidiaries</p> <p>Handling employees' and suppliers' complaints</p> <p>Develop, manage and oversee information security management</p>
Corporate Group	President's Office	<p>Corporate strategy and investment evaluation</p> <p>Develop new businesses and strategic alliances</p> <p>Enhance corporate management mechanism and cross-department project management</p> <p>Ensure customer satisfaction with Taiwan Mobile's network quality</p>
	Legal Office	Legal counsel, company litigation and legal document review
	Regulatory and Carriers Relations Division	Regulatory matters, government relations and inter-carrier relations
	Public Relations and Brand Management Division	<p>Corporate image promotion and management</p> <p>Media communication and sponsorship marketing</p> <p>Corporate social responsibility strategy planning and execution</p> <p>Website maintenance for the Company and TWM Foundation</p>
Finance & Administration Group	Accounting Division	<p>Accounting information management</p> <p>Tax planning and compliance</p> <p>Preparation of financial reports</p>
	Billing Management Division	<p>Billing, receivables collection and settlement</p> <p>Credit check and risk management</p>
	Operation Analysis Division	Operating performance analysis, financial forecasts/annual budget review, and capex/opex cost & benefit analysis
	Investor Relations Division	<p>Timely disclosure of the Company's operating and financial status, management strategy, future business plans and developments to investors</p> <p>Communication between the Company and investors</p>
	Finance Division	<p>Treasury management</p> <p>Monitoring investments and subsidiaries' business activities</p> <p>Finance-related project evaluation, planning and execution</p>
	Secretarial Division	<p>Board meeting and shareholders' meeting facilitation</p> <p>Corporate registration affairs and corporate share registrar management</p> <p>Company seal custodian and receipt/transmission of corporate documents</p>
	Human Resources Division	<p>Human resources planning and management</p> <p>Staffing, compensation/benefits and employee relations</p> <p>Employee training and development</p>
	Administration Division	<p>Office machinery and equipment management</p> <p>General and administrative affairs coordination</p> <p>Base station administration and related expense payments</p>
	Procurement and Logistics Division	<p>Procurement policy and system planning</p> <p>Handling procurement-related activities, contract negotiations and signing</p> <p>Suppliers evaluation and management</p>
Occupational Safety and Health Office	<p>Occupational safety and health management</p> <p>Environmental protection and site area safety management</p> <p>Workplace health promotion</p>	

Information Technology Group	E-Service Technology Division	Corporate website, e-service systems (e-store/myfone shopping) and fixed-network application systems Service-oriented architecture and enterprise service bus (SOA/ESB) IT governance, enterprise architecture, software development process and basic architecture software/tools development and management
	Channel Management and Payment Solutions Division	Sales, channel services and commission system solutions Enterprise management information system solutions Member center and payment service solutions
	Data Analytics Technology Division	Data analytics system solutions, including data warehouse, big data and business intelligence solutions System solutions for management of network assets, warehousing, maintenance and repair and customer experience
	Billing Solutions Division	Billing systems operation and development
	Call Center Solutions Division	Call center infrastructure and operational management solutions Taiwan Fixed Network IT server operation and management
	ERP Technology Division	TWM's customer care application systems Enterprise resource planning (ERP) and human resources solutions Front-end customer management, sales management, and order and provision solutions for fixed-line business
	Information Technology Infrastructure Division	Data center, systems and network infrastructure construction and operations management Implementation of information security policy
Technology Group	Systems Design Division	Plan and design core, IP and transmission network systems for mobile and fixed networks Verification testing of network elements
	Radio Network Planning and Management	Radio network strategy development and planning. Site planning and performance management Radio network quality management
	Product Infrastructure Division	Design, build, operate and manage: - Cloud internet data center (IDC) - Infrastructure as a service (IaaS) - Value-added services and innovative products
	Network Management Division	24-hour supervision of mobile/fixed network management Technical support for customers with network issues Network security management of Technology Group
	Network Engineering Division	Mobile telecom and fixed-network business' infrastructure budget and outsourced engineering and construction projects Applications for base station co-location, technical approvals and cable/conduit management for government agencies Fixed-network service management, project evaluation and coordination
	Network Technical Support Division	Mobile-network technical support Fixed-network technical support IP-based network technical support
Network Operations and Maintenance – North I, North II, Central and Southern Regions	2G/3G/4G and fixed-network construction, expansion, operation, maintenance and optimization including core, transmission and radio networks Network construction management and technical support	

Consumer Business Group	Acquisition and Loyalty Marketing Division	Develop and execute strategies to acquire new customers, increase customer loyalty and lower churn rates Strategy development for prepaid business
	Marketing Communications Division	Manage TWM Group brand identity, strategic development, integrated marketing communication and implement advertising campaigns Execute store signage / interior design and customer retention plans Integrate and operate company website, including e-marketing, online sales and customer service
	Digital Media Division	Product planning, development, management, quality assurance and strategy setting for online music, online bookstore, cloud video, mobile gaming and legacy value-added services (VAS)
	Mobile Commerce Division	Development and management of mobile commerce business Merchandise and supplier management, marketing, member recruiting and system development Product planning, merchant acquisition and end-user promotion of mobile wallet, O2O target marketing and smart business district
	Mobile Marketing and IOT Services Division	Provide mobile advertising solutions based on big data analysis Monitor and analyze IOT industry development to define proposition and form implementation plan for TWM
	Product Technology Division	Technical consultation and solution analysis for VAS products and CPE (Customer-Premises Equipment) technologies Solutions design, systems development and delivery for VAS products and marketing promotions
	Customer Service Division	Customer service and call center management Telemarketing sales and customer retention
	Franchise Division	Supervision of franchisees' product promotion, distribution and customer service
	Open Channel Sales Division	Open channel development, distribution and management of postpaid, prepaid products and agency/sales of mobile phones
	Channel Strategy and Management Office	Channel strategy development and performance management Channel sales support, store display design, and in-store activities planning and execution Sales training program planning and service quality management
	Business Operations Management Division	Store operating system optimization and formulating standards Channel operation quality assurance to minimize corporate business risk Sale channel resources management and commission/awards calculation
	Direct Sales Division – Northern, Central and Southern Regions	Product sales, customer service and execution of projects at company stores
	Enterprise Business Group	Strategy development and business analysis Direct sales and channel development, and customer relationship management Inter-carrier relations and international business (including international roaming) planning and implementation
Home Business Group	Implementation of integrated technology solutions for the development of new products and VAS to increase video and broadband internet access penetration rates and overall revenue Expansion of two-way optical network to broaden coverage and ensure better internet access quality and stable cable signals	

Board of Directors and Executive Management

Board of Directors

The board of directors, acting on behalf of the Company's shareholders, is charged with the task of supervising the management team. The board, elected and approved during the AGM on June 12, 2014, includes four independent directors, which more than fulfill current regulations requiring public companies to have at least two independent directors. The Audit Committee, composed entirely of independent directors, replaced board supervisors. Information on the Company's Seventh Board of Directors is detailed below:

As of March 25, 2015

Title	Name	Date elected	Term expires	Shareholding when elected		Current shareholding		Spouse/minor's shareholdings		Education and experience	Current position(s) in the Company and other companies	Officer or director is a spouse or consanguineous within two degrees		
				Shares	%	Shares	%	Shares	%			Title	Name	Relationship
Chairman	Fu-Chi Venture Corp. Representative: Richard Tsai	2014.06.12	2017.06.11	5,748,763	0.168	5,748,763 *90,257,938	0.168 *2.638	5,986,496	0.175	MBA, Stern School, New York University BA, National Taiwan University Chairman, Fubon Life Insurance Co., Ltd. Chairman, Fubon Securities Co., Ltd.	Vice Chairman, Fubon Financial Holding Co., Ltd. Vice Chairman, Taipei Fubon Commercial Bank Co., Ltd. Chairman, Taiwan Fixed Network Co., Ltd.	Vice Chairman	Daniel Tsai	Brother
Vice Chairman	Fu-Chi Venture Corp. Representative: Daniel Tsai	2014.06.12	2017.06.11	5,748,763	0.168	5,748,763 *92,109,990	0.168 *2.693	4,580,070	0.134	LL.M., Georgetown University LL.B., National Taiwan University Chairman, Fubon Land Development Co., Ltd. Chairman, Fubon Insurance Co., Ltd.	Chairman, Fubon Financial Holding Co., Ltd. Chairman, Taipei Fubon Commercial Bank Co., Ltd.	Chairman	Richard Tsai	Brother
Director	TCC Investment Co., Ltd. Representative: James Jeng	2014.06.12	2017.06.11	200,496,761	5.861	200,496,761 *None	5.861 *None	—	—	PhD and MS in Electrical and Computer Engineering, New York State University BS in Electrical Engineering, National Cheng Kung University Chairman and CEO, Kbro Co., Ltd. Chief Technology Officer and Chief Operating Officer of Home Business Group, Taiwan Mobile Co., Ltd. President, Asia Pacific Online CEO, Asia Pacific Broadband Telecom Co., Ltd. CEO, Asia Pacific Broadband and Wireless Communications Inc. CEO, Asia Pacific Telecom Group Executive Vice President, United Fiber Optic Communication Inc. Member of Technical Staff, AT&T Bell Labs, USA	President, Taiwan Mobile Co., Ltd. Director and President, Taiwan Cellular Co., Ltd. Director and President, Taiwan Fixed Network Co., Ltd. Chairman and President, Taiwan Digital Service Co., Ltd. Director and President, Wealth Media Technology Co., Ltd. Director and President, TFN Media Co., Ltd. Chairman, Win TV Broadcasting Co., Ltd. Chairman, Globalview Cable TV Co., Ltd. Chairman, Union Cable TV Co., Ltd. Chairman, Yeong Jia Leh Cable TV Co., Ltd. Chairman, Phoenix Cable TV Co., Ltd. Director, Taipei New Horizon Co., Ltd. Chairman, Taiwan Kuro Times Co., Ltd. Chairman, Taiwan Teleservices & Technologies Co., Ltd. Chairman and President, TWM Communications (Beijing) Co., Ltd. Director, momo.com Inc.	—	—	—
Director	TCC Investment Co., Ltd. Representative: Howard Lin (Note 1)	2014.06.12	2017.06.11	200,496,761	5.861	200,496,761 *None	5.861 *None	—	—	PhD in Chemical Engineering, National Taiwan University Senior Vice President, Fubon Financial Holding Co., Ltd. President, Fubon Asset Management Co., Ltd. Director, Technical & Development Dept., Grand Pacific Petrochemical Corp.	Chief Investment Officer, Fubon Financial Holding Co., Ltd. Vice Chairman, Fubon Life Insurance Co., Ltd. Vice Chairman, Fubon Financial Holding Venture Capital Corp. Chairman, momo.com Inc. Chairman, Sinostar Capital Inc. Director, Fu Sheng Travel Service Co., Ltd. Director, Hong Kong Fubon Multimedia Technology Co., Ltd. Director, Fubon Asset Management Co., Ltd.	—	—	—

Title	Name	Date elected	Term expires	Shareholding when elected		Current shareholding		Spouse/minor's shareholdings		Education and experience	Current position(s) in the Company and other companies	Officer or director is a spouse or consanguineous within two degrees		
				Shares	%	Shares	%	Shares	%			Title	Name	Relationship
Director	Fu-Chi Venture Corp. Representative: Vivien Hsu	2014.06.12	2017.06.11	5,748,763	0.168	5,748,763 *8,377	0.168 *0.000	—	—	MBA, University of New South Wales, Sydney, Australia MBA, National Chengchi University Co-President, Taiwan Mobile Co., Ltd. Senior Vice President and Chief Financial Officer, Taiwan Mobile Co., Ltd. Chairman, Win TV Broadcasting Co., Ltd. Senior Consultant and Acting President, Taiwan Fixed Network Co., Ltd. Chairman, Taiwan Tele-Shop Co., Ltd. Senior Vice President and Chief of Staff, Taiwan Mobile Co., Ltd. Chief Financial Officer, Cathay Financial Holding Co., Ltd.	President, Fubon Financial Holding Co., Ltd. Director, Fubon Bank (China) Co., Ltd. Non-Executive Director, Fubon Bank (Hong Kong) Ltd. Director, Taipei Fubon Commercial Bank Co., Ltd. Director, Social Enterprise Commitment Foundation Supervisor, Commerce Development Research Institute	—	—	—
Independent Director	Jack J.T. Huang	2014.06.12	2017.06.11	—	—	—	—	—	—	S.J.D., Harvard University LL.M., Northwestern University LL.B., National Taiwan University	Partner-in-charge, Jones Day Taipei Independent Director, World Peace Holding Independent Director, Systex Corp. Independent Director, CTCI Corp. Director, Yulon Motor Co., Ltd.	—	—	—
Independent Director	Tsung-Ming Chung	2014.06.12	2017.06.11	—	—	—	—	—	—	MBA, National Chengchi University BBA, National Taiwan University CPA, ROC CPA, Connecticut, USA Instructor, Department of Accounting, National Taiwan University Lecturer, Department of Accounting, National Chengchi University Partner, T.N. Soong & Co.	Chairman, Dynapack Technology Corp. Independent Director, Chroma ATE Inc. Director, Far Eastern International Commercial Bank Director, Unity Opto Technology Co., Ltd. Supervisor, Chien Kuo Construction Co., Ltd.	—	—	—
Independent Director	Hsueh-Jen Sung	2014.06.12	2017.06.11	—	—	—	—	—	—	MBA, Harvard University Master of Commerce, National Chengchi University Bachelor of Science, National Chiao Tung University Vice Chairman and member of Global Partnership Committee and Asian Management Committee, Goldman Sachs (Asia) Ltd. President and CEO, Grand Cathay Securities Corp. Country Manager, Westpac Banking Corp.	Chairman, Vauclose Capital Management Ltd. Chairman, Shi Chiuan Capital Management Ltd.	—	—	—
Independent Director	Guu-Chang Yang	2014.06.12	2017.06.11	—	—	—	—	—	—	PhD in Electrical Engineering, University of Maryland at College Park Distinguished Professor, Department of Electrical Engineering / Institute of Communications Engineering, National Chung Hsing University Chairman, Department of Electrical Engineering, National Chung Hsing University Professor, Department of Electrical Engineering, National Chung Hsing University	Chair Professor, Department of Electrical Engineering / Institute of Communications Engineering, National Chung Hsing University	—	—	—

* Personal shareholdings

Note 1: Howard Lin had served as a representative of an institutional director of TWM from June 13, 2008 to September 18, 2009.

Note 2: Shareholdings of less than 0.001% are denoted as "0.000" and zero shareholdings are denoted as "None".

1. Major shareholders of TWM's institutional investors

As of March 25, 2015

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

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

As of March 25, 2015

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

3. Qualifications and independence criteria of directors

As of March 25, 2015

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

"V" denotes meeting the conditions specified above

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

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

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

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

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

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

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

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

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

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

Management Team

As of March 25, 2015

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
President/ President's Office	James Jeng	2014.01.06	–	–	PhD and MS in Electrical and Computer Engineering, New York State University BS in Electrical Engineering, National Cheng Kung University Chairman and CEO, Kbro Co., Ltd. Chief Technology Officer and Chief Operating Officer of Home Business Group, Taiwan Mobile Co., Ltd. President, Asia Pacific Online CEO, Asia Pacific Broadband Telecom Co., Ltd. CEO, Asia Pacific Broadband and Wireless Communications Inc. CEO, Asia Pacific Telecom Group Executive Vice President, United Fiber Optic Communication Inc. Member of Technical Staff, AT&T Bell Labs, USA	Director and President, Taiwan Cellular Co., Ltd. Director and President, Taiwan Fixed Network Co., Ltd. Chairman and President, Taiwan Digital Service Co., Ltd. Director and President, Wealth Media Technology Co., Ltd. Director and President, TFN Media Co., Ltd. Chairman, Win TV Broadcasting Co., Ltd. Chairman, Globalview Cable TV Co., Ltd. Chairman, Union Cable TV Co., Ltd. Chairman, Yeong Jia Leh Cable TV Co., Ltd. Chairman, Phoenix Cable TV Co., Ltd. Director, Taipei New Horizon Co., Ltd. Chairman, Taiwan Kuro Times Co., Ltd. Chairman, Taiwan Teleservices & Technologies Co., Ltd. Chairman and President, TWM Communications (Beijing) Co., Ltd. Director, momo.com Inc.	–	–	–

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Executive Vice President and Chief Financial Officer / Finance and Administration Group	Rosie Yu	2014.02.10	-	-	BA, National Taiwan University Senior Vice President and Chief Financial Officer, Taiwan Mobile Co., Ltd. Chairman, Global Investment Advisory (HK) Ltd. President, Global Investment Holdings Co., Ltd. General Manager, Credit Lyonnais Securities (Asia) Ltd., Taipei Branch General Manager, Citicorp International Securities Ltd., Taipei Branch Executive Vice President, China Securities Co., Ltd.	Director, Globalview Cable TV Co., Ltd. Director, Union Cable TV Co., Ltd. Director, Yeong Jia Leh Cable TV Co., Ltd. Director, Phoenix Cable TV Co., Ltd. Director, Taiwan Kuro Times Co., Ltd. Director, Taiwan Pelican Express Co., Ltd. Supervisor, Taiwan Cellular Co., Ltd. Supervisor, Taiwan Fixed Network Co., Ltd. Supervisor, Taiwan Digital Service Co., Ltd. Supervisor, Wealth Media Technology Co. Ltd. Supervisor, TFN Media Co. Ltd. Supervisor, Win TV Broadcasting Co., Ltd. Supervisor, Taiwan Teleservices & Technologies Co., Ltd. Supervisor, TWM Communications (Beijing) Co., Ltd.	-	-	-
Vice President / Finance and Administration Group	Jay Hong	2004.05.06	5,000/0.000	-	EMBA, National Sun Yat-sen University Vice President, Taiwan Mobile Co., Ltd. President, Taiwan Teleservices & Technologies Co., Ltd. Vice President, Direct Store Division, Taiwan Mobile Co., Ltd. Vice President, Customer Service Division, TransAsia Telecommunications Inc. Director, Procurement Division, TransAsia Telecommunications Inc.	Supervisor, Globalview Cable TV Co., Ltd. Supervisor, Union Cable TV Co., Ltd. Supervisor, Yeong Jia Leh Cable TV Co., Ltd. Supervisor, Phoenix Cable TV Co., Ltd.	-	-	-

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Vice President / Corporate Group	Ariel Hwang	2004.03.01	-	-	EMBA, National Taiwan University LL.M., National Chung Hsing University LL.B., National Taiwan University Judge, Taiwan High Court Judge, Taiwan Taipei District Court Judge, Taiwan New Taipei District Court Judge, Taiwan Taoyuan District Court	Supervisor, Globalview Cable TV Co., Ltd. Supervisor, Union Cable TV Co., Ltd. Supervisor, Yeong Jia Leh Cable TV Co., Ltd. Supervisor, Phoenix Cable TV Co., Ltd. Supervisor, Taipei New Horizon Co., Ltd. Legal Consultant, Fubon Financial Holding Co., Ltd. Legal Consultant, Taiwan Fixed Network Co., Ltd.	-	-	-
Vice President / Corporate Group	Joseph Yang	2007.11.09	-	-	BS in Transportation Management, National Chiao Tung University Product Director, Asia Region, HTC Corp. Chief Marketing Officer, Asia Pacific Telecom Group Chief Operating Officer, Eastern Broadband Telecom Sales Director, Finance Industry, IBM Taiwan Solutions Director, Finance Industry, IBM Taiwan	None	-	-	-
Vice President / Corporate Group	Iris Liu	2014.07.14			MBA, National Chengchi University Vice President, Taiwan Television Enterprise Ltd. Chairman, TTV Cultural Enterprise Ltd.	Vice President, Taipei New Horizon Co., Ltd.	-	-	-
Vice President / Information Technology Group	James Chang	2004.09.17	163,084/0.005	-	MS in Computer Science, University of Illinois at Chicago Director, AT&T Laboratories Senior Director, TBCommerce Network Corp. Senior Delivery Manager, IBM Global Services District Manager, AT&T Laboratories	None	-	-	-

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Senior Vice President and Chief Technology Officer / Technology Group	C.H. Jih	2014.02.10	-	-	Electronics Engineering, National Taipei Industry of Technology Institute Chief Technology Officer, Kbro Co., Ltd. Vice President, TFN Media Co., Ltd. Vice President, Taiwan Fixed Network Co., Ltd. Engineering Vice President, Taiwan Cellular Corp. Vice President, Suretone Telecom Inc. Project Manager, Siemens Telecom, Vietnam Region	Director, Globalview Cable TV Co., Ltd. Director, Union Cable TV Co., Ltd. Director, Yeong Jia Leh Cable TV Co., Ltd. Director, Phoenix Cable TV Co., Ltd. Director, TWM Communications (Beijing) Co., Ltd. Independent Director, ACTi Corp. Supervisor, Taiwan Kuro Times Co., Ltd.	-	-	-
Vice President / Technology Group	Egon Chen	2004.02.16	55,158/0.002	-	EMBA, National Taiwan University BS in Electrical Engineering, Tamkang University Vice President, Howin Technologies Corp. Senior Director, Taiwan Fixed Network Co., Ltd. Director, Suretone Telecom Inc.	None	-	-	-
Vice President / Technology Group	Chien Chen	2004.02.16	-	-	EMBA, National Taiwan University Vice President, Howin Technologies Corp. Vice President, Taiwan Fixed Network Co., Ltd. Director, Suretone Telecom Inc. Manager, Siemens Telecom Systems Ltd.	None	-	-	-

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Vice President / Technology Group	Tom Koh	2011.10.17	-	-	PhD in Electrical and Computer Engineering, Johns Hopkins University Senior Director, Qualcomm Senior Technical Marketing Engineer, Cisco-Linksys Senior Sales Engineer, Ensemble Communications Senior Technologist, Motorola Member of Tech Staff, Bellcore	None	-	-	-
Senior Vice President and Acting Chief Business Officer / Consumer Business Group	Jeff Ku	2014.02.10	2,243/0.000	-	EMBA, National Taiwan University MBA, University of Wollongong, Australia Vice President, Taiwan High Speed Rail Corp. Director, Far EasTone Telecommunications Co., Ltd.	Director, Globalview Cable TV Co., Ltd. Director, Union Cable TV Co., Ltd. Director, Yeong Jia Leh Cable TV Co., Ltd. Director, Phoenix Cable TV Co., Ltd. Director and President, Taiwan Kuro Times Co., Ltd. Director, TWM Communications (Beijing) Co., Ltd. Director, Alliance Digital Tech Ltd.	-	-	-
Vice President / Consumer Business Group	Sean Hsieh	2003.12.08	131,396/0.004	-	University of Texas, Austin BS in Business Administration and Sociology, Fu Jen Catholic University Vice President, Enterprise Solution and Channel Sales, Taiwan Mobile Co., Ltd. Vice President and Marketing Director, TransAsia Telecommunications Inc. Marketing and Sales Manager, PUMA North Asia Ltd., Taiwan Branch Group Account Director, Series DMB&B Communications Account Supervisor, Bozell CCAA	None	-	-	-

Title / Division	Name	Effective date	Shareholding / %	Spouse/ minor's shareholding / %	Education and experience	Current position(s) in other companies	Manager or director is a spouse or consanguineous within two degrees		
							Title	Name	Relationship
Vice President / Consumer Business Group	Paul Huang	2008.01.21	199,338/0.006	–	MS in Computer Science, Bradley University, USA Vice President, Business and Operation, Far Eastern Electronic Toll Collection Co., Ltd. Vice President, Sales and Services, Far EasTone Telecommunications Co., Ltd. Vice President, Business Development, Hong Kong Telecom, Taiwan Branch Account and Project Manager, Nortel, Taiwan Branch Supervisor, Siemens Telecommunication Systems Ltd.	None	–	–	–
Vice President / Consumer Business Group	Steve Chou	2011.04.25	–	–	MBA, Southern Methodist University, USA Senior Vice President, Customer Service, HSBC Bank (Taiwan) Ltd. General Manager, Secured Lending, Standard Chartered Bank, Taiwan Vice President, Customer Service, Sparq Telecom Vice President, Customer Service, TransAsia Telecommunications Inc. Assistant Vice President, Credit Card, Citibank, N.A., Taiwan	Director and President, Taiwan Teleservices & Technologies Co., Ltd.	–	–	–
Vice President / Consumer Business Group	Daphne Lee	2014.07.07	–	–	MBA, National Chengchi University Director, Alibaba Group Director, Yahoo! Taiwan Vice President, Citibank Taiwan	None	–	–	–

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

Compensation to directors and management executives

1. Compensation to directors

Unit: NT\$

Title		Chairman	Vice Chairman	Director	Director	Director	Independent Director					
Name		Fu-Chi Venture Corp.	Fu-Chi Venture Corp.	TCC Investment Co., Ltd.	TCC Investment Co., Ltd.	Fu-Chi Venture Corp.	Jack J.T. Huang	Tsung-Ming Chung	Hsueh-Jen Sung (Note 3)	Guu-Chang Yang (Note 3)		
Representative		Richard Tsai	Daniel Tsai	James Jeng (Note 1)	Howard Lin (Note 2)	Vivien Hsu						
Director's compensation	Cash compensation (A)	Stand-alone					50,402,699					
		Consolidated					61,712,603					
	Pension (B)	Stand-alone					—					
		Consolidated					—					
	Earnings paid as compensation to directors (C)	Stand-alone					33,845,697					
		Consolidated					33,845,697					
	Professional fee (D)	Stand-alone					2,090,000					
		Consolidated					3,083,000					
A+B+C+D as a % of net profit		Stand-alone					0.5754%					
		Consolidated					0.6574%					
Employee profit sharing	Performance-based salary (E)	Stand-alone					36,080,974					
		Consolidated					36,080,974					
	Retirement pay of employees (F)	Stand-alone					108,000					
		Consolidated					108,000					
	Earnings paid as bonus to employees (G)	Stand-alone	Cash bonus					6,145,429				
			Stock bonus					—				
		Consolidated	Cash bonus					6,145,429				
			Stock bonus					—				
	Employee stock option granted (H)	Stand-alone					—					
		Consolidated					—					
New restricted employee shares (I)	Stand-alone					—						
	Consolidated					—						
A+B+C+D+E+F+G as a % of net profit		Stand-alone					0.8575%					
		Consolidated					0.9395%					
Compensation from investees other than subsidiaries						—						
Other allowances		Stand-alone					1,100,886					
		Consolidated					1,100,886					

Note 1: TCC Investment Co., Ltd. appointed James Jeng as its representative, taking over Cliff Lai's duties on January 6, 2014.

Note 2: Howard Lin took over Benny Chen's duties as TCC Investment Co., Ltd.'s representative after the board election on June 12, 2014.

Note 3: Hsueh-Jen Sung and Guu-Chang Yang were elected on June 12, 2014, replacing Wen-Li Yen and J. Carol Hsu.

2. Range of compensation to directors

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

3. Compensation to management executives

Unit: NT\$

Title and name	President, James Jeng; Executive Vice President and Chief Financial Officer, Rosie Yu; Senior Vice President and Chief Technology Officer, C.H. Jih; Senior Vice President and Acting Chief Business Officer, Jeff Ku; Vice President, Jay Hong; Vice President, Ariel Hwang; Vice President, Joseph Yang; Vice President, Iris Liu; Vice President, James Chang; Vice President, Egon Chen; Vice President, Chien Chen; Vice President, Tom Koh; Vice President, Sean Hsieh; Vice President, Paul Huang; Vice President, Steve Chou ; Vice President, Daphne Lee <u>Resigned managers:</u> Co-President, Cliff Lai; Vice President and Acting Chief Technology Officer, H.S. Wang	Total	
Salary (A)	Stand-alone	99,491,716	
	Consolidated	99,491,716	
Pension (B) (Note)	Stand-alone	1,614,300	
	Consolidated	1,614,300	
Performance-based salary (C)	Stand-alone	37,504,021	
	Consolidated	37,504,021	
Employee profit sharing (D)	Stand-alone	Cash	35,224,260
		Stock	—
	Consolidated	Cash	35,224,260
		Stock	—
A+B+C+D as a % of net profit	Stand-alone	1.1585%	
	Consolidated	1.1585%	
Employee stock options	Stand-alone	—	
	Consolidated	—	
New restricted employee shares	Stand-alone	—	
	Consolidated	—	
Compensation from investees other than subsidiaries		35,000	
Transportation allowance	Stand-alone	3,030,942	
	Consolidated	3,030,942	

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

4. Range of compensation to management executives

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

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

5. Managers and employee bonuses

Unit: NT\$
As of March 25, 2015

Title and name of managers	Stock bonus	Cash bonus	Total	As a % of net profit
President, James Jeng Executive Vice President and Chief Financial Officer, Rosie Yu Senior Vice President and Chief Technology Officer, C.H. Jih Senior Vice President and Acting Chief Business Officer, Jeff Ku Vice President, Jay Hong Vice President, Ariel Hwang Vice President, Joseph Yang Vice President, Iris Liu Vice President, James Chang Vice President, Egon Chen Vice President, Chien Chen Vice President, Tom Koh Vice President, Sean Hsieh Vice President, Paul Huang Vice President, Steve Chou Vice President, Daphne Lee	—	35,224,260	35,224,260	0.2347%

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

1. Compensation to directors

Unit: NT\$

Type	Year	Compensation to directors	As a % of net income	Net income
On a stand-alone basis	2013	131,765,616	0.8455%	15,583,447,479
	2014	128,672,799	0.8575%	15,005,428,205
On a consolidated basis	2013	132,780,616	0.8521%	15,583,447,479
	2014	140,975,703	0.9395%	15,005,428,205

Guiding principles for compensation to directors

Remuneration policies, standards and package

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

Procedure for setting remuneration

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

Performance factor

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

2. Compensation to management executives

Unit: NT\$

Type	Year	Compensation to management executives	As a % of net profit	Net profit
On a stand-alone basis	2013	185,841,182	1.1926%	15,583,447,479
	2014	173,834,297	1.1585%	15,005,428,205
On a consolidated basis	2013	185,904,182	1.1930%	15,583,447,479
	2014	173,869,297	1.1587%	15,005,428,205

Guiding principles for compensation to management executives

Remuneration policies, standards and package

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

Procedure for setting performance bonus

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

Performance factor

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

Corporate Governance

Board of Directors attendance

1. The Board of Directors convened eight times in 2014

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Chairman	Fu-Chi Venture Corp. Representative: Richard Tsai	5	3	63%	None
Vice Chairman	Fu-Chi Venture Corp. Representative: Daniel Tsai	8	0	100%	None
Director	TCC Investment Co., Ltd. Representative: James Jeng / Cliff Lai	8	0	100%	James Jeng took over Cliff Lai's duties on January 6, 2014. Mr. Jeng and Mr. Lai attended seven and one board meeting(s) respectively during their tenure.
Director	TCC Investment Co., Ltd. Representative: Howard Lin / Benny Chen	8	0	100%	Howard Lin took over Benny Chen's duties after the board election on June 12, 2014. Mr. Lin and Mr. Chen each attended four board meetings during their tenure.
Director	Fu-Chi Venture Corp. Representative: Vivien Hsu	6	2	75%	None
Independent Director	Jack J.T. Huang	6	1	75%	None
Independent Director	Tsung-Ming Chung	7	1	88%	None
Independent Director	Hsueh-Jen Sung	4	0	100%	Mr. Sung was elected on June 12, 2014 and required to attend four board meetings.
Independent Director	Guu-Chang Yang	4	0	100%	Mr. Yang was elected on June 12, 2014 and required to attend four board meetings.
Independent Director	Wen-Li Yeh	4	0	100%	Mr. Yeh, who completed his tenure on June 12, 2014, was required to attend four board meetings.
Independent Director	J. Carl Hsu	1	2	25%	Mr. Hsu, who completed his tenure on June 12, 2014, was required to attend four board meetings.

2. Any objections or issues raised by independent directors against resolutions passed by the Board of Directors pursuant to Article 14-3 of the Securities and Exchange Act: None

3. Any conflict of interest among directors: None

4. Other BOD objectives:

- (1) Performance evaluation and enhancement: The board approved the "Rules and Procedures Governing Board of Directors' Meetings," which were modeled after the "Regulations Governing Procedures for Meetings of Listed Companies' Board of Directors."
- (2) Training programs for directors: Since 2008, the Company has conducted annual in-house seminars to facilitate interactions between lecturers and directors and to fulfill the required training hours.
- (3) Information transparency: Committed to upholding transparency in operations 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 investors' conferences on a quarterly basis.
- (4) Liability insurance: The Company purchases annual liability insurance for its directors and managers to cover risks as they carry out their duties.

Audit Committee attendance

The Audit Committee was set up in June 2008 to replace board supervisors, pursuant to provisions in the Securities and Exchange Act. The committee's operations are bound by the Audit Committee Charter and its main responsibility is to assist the board in overseeing the following:

- (1) Integrity of the Company's financial statements
- (2) Independent auditors' appointment (termination) and integrity/performance
- (3) Internal risk controls
- (4) Company's compliance with legal and regulatory requirements
- (5) Company's existing and potential risks

1. The Audit Committee convened six times in 2014

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Independent Director	Tsung-Ming Chung	6	0	100%	Appointed committee chairman
Independent Director	Jack J.T. Huang	5	1	83%	None
Independent Director	Hsueh-Jen Sung	3	0	100%	Mr. Sung was elected on June 12, 2014 and required to attend three committee meetings.
Independent Director	Guu-Chang Yang	3	0	100%	Mr. Yang was elected on June 12, 2014 and required to attend three committee meetings.
Independent Director	Wen-Li Yeh	3	0	100%	Mr. Yeh, who completed his tenure on June 12, 2014, was required to attend three committee meetings.
Independent Director	J. Carl Hsu	1	2	33%	Mr. Hsu, who completed his tenure on June 12, 2014, was required to attend three committee meetings.

2. Any objections or issues raised by the Audit Committee against resolutions, pursuant to Article 14-5 of the Securities and Exchange Act, that were approved by over two-thirds of the directors: None

3. Any conflict of interest among independent directors: None

4. Communication between independent directors and the Internal Audit Chief Officer and CPAs:

- (1) In addition to presenting monthly reports to the independent directors, the Internal Audit Chief Officer met with the independent directors at the quarterly Audit Committee meetings, bringing communication into full play.
- (2) The CPAs presented audit reports and findings to the independent directors during the committee's quarterly meetings.
- (3) The Internal Audit Chief Officer and CPAs also communicated directly with the independent directors when needed.

Corporate governance practices

Item		Current practice
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 MOPS (Market Observation Post System).
Shareholding structure and shareholders’ interests	Handling of shareholders’ suggestions and disputes	The spokesperson or 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.”
Board of directors and its responsibilities	Board diversity and execution	The board appointments and member qualifications are both regulated in the Company’s “Rules for Election of Directors.”
	Establishing a Compensation Committee and an Audit Committee in accordance with the law and voluntarily setting up other functional committees	The Company has established a Compensation Committee and an Audit Committee in accordance with the law. All corporate governance functions were executed by the Board, the Audit Committee and the Compensation Committee.
	Board performance evaluation	The Company passed the “Rules and Procedures on Evaluating Board of Directors’ Performance” to enhance efficiency, under which the Compensation Committee evaluates the board’s performance and submit a report on proposed improvements to the board. (All members participated in a self-evaluation on individual performances for 2014 during the board meeting on January 29, 2015.)
	Periodic review of CPA’s independence	The Audit Committee is authorized to evaluate the independence of the CPAs according to the “Bulletin of Norm of Professional Ethics for Certified Public Accountants of the Republic of China” and “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies” on an annual basis based on the following criteria: <ol style="list-style-type: none"> 1. Review of the CPA’s resumes. 2. The CPAs neither serve as a director/supervisor/ manager nor hold a position with major influence in the Company or its subsidiaries. They have no interests that conflict with the Company’s. 3. The Company has not engaged the services of the

Item		Current practice
		<p>same CPA 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. Quality and efficiency of the audit, taxes and other professional services.</p> <p>6. The CPAs are not involved in any lawsuit or litigation and have never been censured by the authorities.</p> <p>7. Scale and reputation of the CPA firm.</p> <p>8. Interactions with management and internal audit officer.</p> <p>All CPAs engaged by the Company have fulfilled the aforementioned criteria.</p>
	Has the Company established communication channels with stakeholders, including setting up a stakeholders' section on the Company's website?	Sections of investor relations, procurement and CSR have been set up on the Company's official website and will be integrated into one comprehensive stakeholders' section by the end of 2015.
	Has the Company outsourced its AGM management?	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, to handle information disclosure. It also has an English website and a team working on gathering and releasing relevant Company information.

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 employee and managerial meetings to accommodate suggestions for improvement and conducting surveys to gather employees' views and opinions.

3. Investor relations

The Company posts financial, operational and material information on the Company website and the market observation post system (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 protect the interests of stakeholders, the Company has established various free and open communication channels to promote trust and corporate social responsibility.

6. Training program for directors in 2014

Training program	Organization	Date	Hours	Name
Third-party payment service: opportunities and challenges	Corporate Governance Association	2014/12/26	3	Richard Tsai, Daniel Tsai, James Jeng, Vivien Hsu, Hsueh-Jen Sung, Guu-Chang Yang
Corporate social responsibility and sustainable management	Corporate Governance Association	2014/12/22	3	Tsung-Ming Chung
Advanced practice seminar for directors and supervisors (including independent officials)	Securities and Futures Institute	2014/12/4	3	Hsueh-Jen Sung
Audit and internal control from the perspective of directors and supervisors	Corporate Governance Association	2014/12/2	3	Hsueh-Jen Sung
Sustainable thinking and practices	Corporate Governance Association	2014/11/25	3	Richard Tsai, Daniel Tsai, Vivien Hsu
Practical business operations for independent directors	Corporate Governance Association	2014/10/21	3	Hsueh-Jen Sung
The battle to protect trade secrets	Corporate Governance Association	2014/8/19	3	James Jeng
Building a competitive capital structure	Accounting Research and Development Foundation	2014/8/6	3	Guu-Chang Yang
Supervising and auditing subsidiaries	Accounting Research and Development Foundation	2014/7/10	6	Guu-Chang Yang
Legal liabilities of insider trading (including securities regulation)	Corporate Governance Association	2014/7/9	3	James Jeng, Howard Lin
Corporate governance and securities regulation (including disclosure of internal material information)	Corporate Governance Association	2014/6/19	3	James Jeng
Directors and BOD performance evaluation	Corporate Governance Association	2014/5/27	3	Jack J.T. Huang
Items that need attention at board meetings and AGM	Corporate Governance Association	2014/3/26	3	James Jeng

Note: The training hour requirements listed above have been fulfilled.

7. Corporate governance related training program for management in 2014

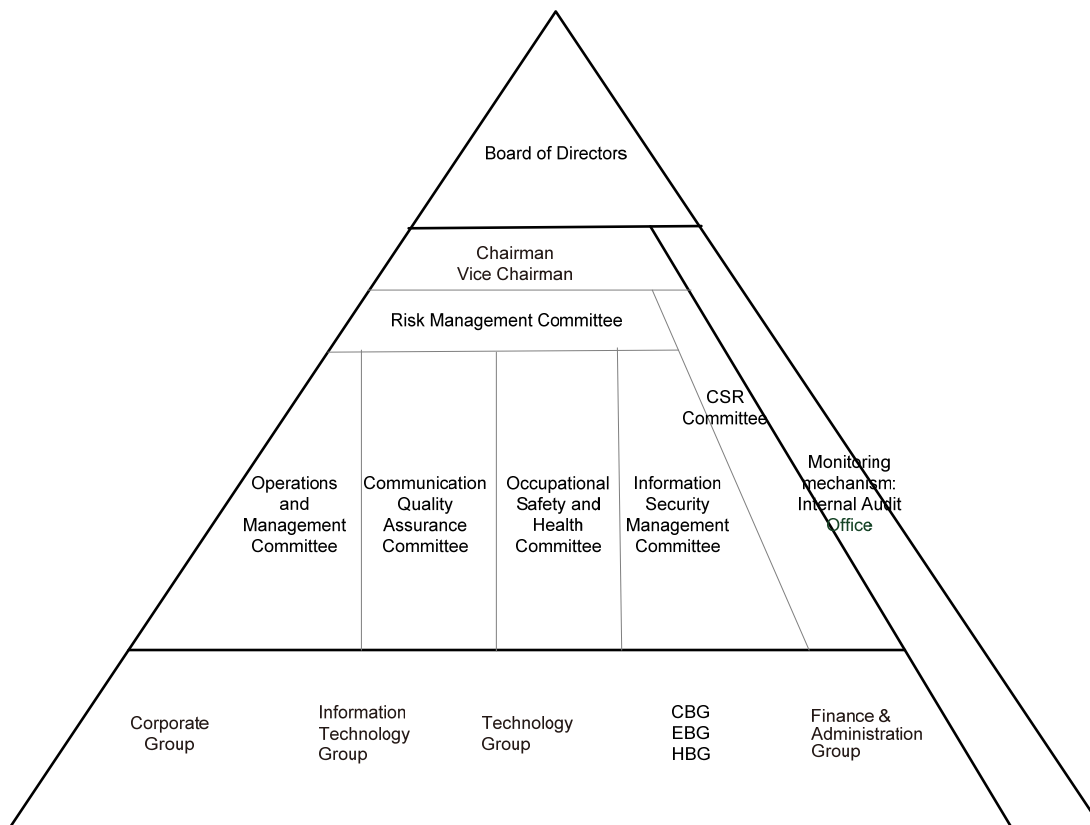
Training program	Organizer	Date	Hours	Participants
Information security (advanced): Practice of personal data protection law	TWM Internal Audit Office	2014/12-2015/1	1	James Jeng, Rosie Yu, C.H. Jih, Jeff Ku, Joseph Yang, James Chang, Jay Hong, Ariel Hwang, Egon Chen, Chien Chen, Tom Koh, Sean Hsieh, Paul Huang, Steve Chou, Daphne Lee, Iris Liu
Continually adding values: Disruptive innovation	TWM HR Division	2014/11/07	4	C.H. Jih, Tom Koh, Steve Chou
Seminars for listed companies to advocate good faith management and corporate social responsibility	Securities & Futures Institute	2014/09/09	3	Iris Liu
Co-opetition strategy: Application of game theory	TWM HR Division	2014/08/22	4	C.H. Jih, Jeff Ku, Joseph Yang, James Chang, Chien Chen, Tom Koh, Sean Hsieh, Paul Huang, Iris Liu
Information security (basic): Preventing information leakage and hacking	TWM Internal Audit Office	2014/07/25	0.5	Iris Liu
Benchmarking to good practices at IBM and GE	TWM HR Division	2014/05/20	3	C.H. Jih, Joseph Yang, James Chang, Egon Chen
Relativity theory of business management	NTU EMBA	2014/03/15	2	Egon Chen
Corporate social responsibility	Chunghwa Negotiation Management Society	2014/03/08	4	Egon Chen

8. 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 level
- (4) Introduce 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 the monitoring mechanism:

	Responsible unit	Function
Ground	Corporate Group, Information Technology Group, Technology Group, Consumer Business Group, Enterprise Business Group, Home Business Group, Finance and Administration 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 condition or other factors, the responsible unit shall report these to the Company for an appropriate course of action.
Middle	Corporate Social Responsibility Committee	Promote corporate social responsibility and implement sustainable management within the company.
	Risk Management Committee (Note)	Integrate the company's risk management framework and internal control mechanism. Execute risk management strategies and conduct a regular review of the structure, development and efficiency of the overall risk management mechanism. Exercise control over the four following committees:
	Operations and Management Committee	Conduct periodic review of each business group's operating target and performance to meet the Company's guidance and budget.

	Information Security Management Committee	Supervise important information assets for confidentiality, integrity, availability and regulatory compliance in order to control and reduce operational risks to an effective and reasonable level.
	Occupational Safety and Health Committee	Supervise and minimize potential risks to workers' safety and health.
	Communication Quality Assurance Committee	Ensure and manage network communication quality.
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 may 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.

Note: The Risk Management Committee exercises control over four units/systems: Operations and Management Committee, Information Security Management Committee, Occupational Safety and Health Committee, and Communication Quality Assurance Committee. Should any material event or situation arise, the responsible unit shall report it to the Operations and Management Committee or other committee(s) to undertake any necessary measures.

Risk factors and management structure

	Important risk factors	Responsible unit	Examining committee	Decisionmaking and supervision
1	Operating risk	Technology Group / IT Group	Operations and Management Committee	The highest decisionmaking body: Board of Directors Monitoring mechanism: Internal Audit Office
2	Market risk A. Competition B. New products C. Channel management D. Inventory management	CBG, EBG and HBG		
3	Credit and collection risk	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		
7	Financing and endorsements/ guarantees provided to others, derivatives transaction and working capital management	Finance Division		
8	Financial report disclosure	Accounting Division		
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		
12	Employee behavior, code and ethics	Human Resources Division		
13	Corporate image	Public Relations and Brand Management Division	CSR Committee	
14	Employee safety	Occupational Safety and Health Office and Administration Division	Occupational Safety and Health Committee	
15	Risks related to information security	Internal Audit Office - Information Security Management Department	Information Security Management Committee	
16	Technology and maintenance risk	President's Office - Communication Quality Assurance Department	Communication Quality Assurance Committee	

9. Implementation of customer policy

With the mission of "creating the best user experience," the Company is continuously striving to improve its products, services and operations to win clients' trust and raise the quality of customer care.

10. The Company has purchased liability insurance for its directors on a yearly basis.

11. Employee certifications relating to financial transparency

- (1) Certified Internal Auditor (CIA): eight employees in the Internal Audit Office; one in the Finance Division; and one in the Accounting Division
- (2) First-level examiner of internal controls (Securities and Futures Institute): three employees in the Secretarial Division
- (3) Qualified Internal Auditor (QIA): eight employees in the Internal Audit Office; one in the Finance Division; two in the Accounting Division; and one in the Procurement and Logistics Division
- (4) Certified Public Accountant (CPA): one in the Finance Division; two in the Accounting Division; five in the Operation Analysis Division; and one in the Procurement and Logistics Division

12. Any internal evaluation or third party assessment reports on corporate governance. If yes, specify results, major flaws or recommendations for improvements: None

Compensation Committee operations

The Compensation Committee, composed entirely of independent directors, is bound by the Compensation Committee Charter. The committee is responsible for evaluation of the following matters:

- (1) Establish a policy, system, standard and structure for directors and managers' compensation and review them periodically.
- (2) Decide compensation for directors and managers and carry out periodic evaluations.

Qualifications and independence criteria of members of the Compensation Committee

Identity (Note 1)	Name	Over five years of experience in business, finance, legal and/or other areas related to the Company's business	Independence criteria (Note 2)								No. of public companies in which he or she also serves as a member of the Compensation Committee
			1	2	3	4	5	6	7	8	
Independent Director	Jack J.T. Huang	V	V	V	V	V	V	V	V	V	3
Independent Director	Tsung-Ming Chung	V	V	V	V	V	V	V	V	V	1
Independent Director	Hsueh-Jen Sung	V	V	V	V	V	V	V	V	V	0
Independent Director	Guu-Chang Yang	V	V	V	V	V	V	V	V	V	0

Note 1: The identities of the members of the Compensation Committee all meet the requirements stipulated in Item 5, Article 6 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter."

Note 2: "V" denotes meeting the conditions during the tenure and a two-year duration prior to the tenure specified below:

- Criterion 1: Not an employee of the Company or its affiliated companies
- Criterion 2: Not a director or supervisor of the Company or its affiliated companies (unless the person is an independent director of the Company, the Company's parent company or of any subsidiary in which the Company holds, directly or indirectly, more than 50 percent of the voting shares)
- Criterion 3: Not a shareholder whose total holdings, including that of his/her spouse and minor children, or shares held under others' names reach or exceed 1 percent of the total outstanding shares of the Company or rank among the top 10 individual shareholders
- Criterion 4: Not a spouse or a relative within second degree of affinity, or within five degrees of consanguinity to any person specified in criteria 1 to 3
- Criterion 5: Neither a director, supervisor, or employee of an entity that directly or indirectly holds more than 5% of the Company's shares, nor one of the Company's top five shareholders
- Criterion 6: Not a director, supervisor, manager, or shareholder owning more than 5% of the outstanding shares of any company that has financial or business relations with the Company
- Criterion 7: Not an owner, partner, director, supervisor, manager, or spouse of any of the aforementioned, of any sole proprietorship, partnership, company, or institution that provides commercial, legal, financial or accounting services or consultations to the Company or its affiliates.
- Criterion 8: Not in contravention of Article 30 of the Company Act

Compensation Committee attendance

(1) The Compensation Committee consists of four members.

(2) Tenure: June 12, 2014 to June 11, 2017. The Compensation Committee convened three times in 2014:

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Independent Director	Jack J.T. Huang	2	1	67%	Appointed committee chairman
Independent Director	Tsung-Ming Chung	3	0	100%	None
Independent Director	Hsueh-Jen Sung	1	0	100%	Mr. Sung was elected on June 12, 2014 and required to attend one committee meeting.
Independent Director	Guu-Chang Yang	1	0	100%	Mr. Yang was elected on June 12, 2014 and required to attend one committee meeting.
Independent Director	Wen-Li Yeh	2	0	100%	Mr. Yeh, who completed his tenure on June 12, 2014, was required to attend two committee meetings.
Independent Director	J. Carl Hsu	1	0	50%	Mr. Hsu, who ended his tenure on June 12, 2014, was required to attend two committee meetings.

1. **Any suggestion made by the Compensation Committee that was not accepted or revised by the Board of Directors:** None
2. **Any written objections or issues raised by a member of the Compensation Committee against resolutions passed by the committee:** None

Corporate social responsibility (CSR)

Item	Current Practices												
<p>Corporate governance</p> <p>1. Establishing a CSR policy or system and review mechanism</p> <p>2. CSR course training</p> <p>3. Setting up a unit to carry out this policy or system</p> <p>4. Establishing a reward-and-punishment system as part of the Company's employee performance evaluation system and CSR policy</p>	<p>1. The Company set up the "Corporate Social Responsibility Policy" to ensure effective execution of corporate social responsibility in January 2011 and the "Corporate Social Responsibility Best Practice Principles" in January 2015. The Corporate Social Responsibility Committee reviews and tracks the execution of CSR related projects on a quarterly basis. A year-end review showed that all projects' targets were achieved in 2014. To bring more synergy in 2015, the Company will focus on integrating and optimizing resources to maximize efficiency.</p> <p>2. CSR course training is held periodically.</p> <p>3. In 2007, TWM established a Social Responsibility Department under the Public Relations and Brand Management Division to draft and carry out CSR initiatives. With designated personnel and a separate budget, the department provides planning, execution and coordination across different divisions. The Corporate Social Responsibility Committee was established in 2014, with the Company chairman and president serving as committee chairman and vice chairman respectively. The committee reports to the board on a quarterly basis.</p> <p>4. The Company's compensation policy is to reward employees commensurate 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 social responsibility. Performance is graded based on employees' fulfillment of the annual objectives and accordingly rewarded with bonuses and/or salary increases.</p>												
<p>Environmental sustainability</p> <p>1. Promoting advanced and efficient use of renewable resources to reduce their impact on the environment</p> <p>2. Establishing an environmental management system in line with the nature of the Company's business operations</p> <p>3. Monitoring the impact of climate change on operating activities and adopting measures to reduce greenhouse gas emissions and minimize their impact on the environment</p>	<p>1. The Company has continuously worked to improve the efficient use of resources, including paper, water and electricity, as well as to promote recycling of cables and battery modules.</p> <p>2. TWM established an internal Sustainable Development Committee in 2011 that is responsible for monitoring energy management activities and environment-related indexes, promoting efforts to reduce carbon emissions, and planning, promoting and integrating all of the Company's environmental protection-related activities. The committee is also tasked with incorporating the Company's environmental management rules and sustainable management roadmap into its CSR policies.</p> <p>3. TWM's operating management practices, including communications technology deployment, are designed to reduce energy consumption and greenhouse gas (GHG) emissions. These measures include:</p> <ul style="list-style-type: none"> ● Energy-saving program for data centers ● Base station equipment upgrading ● Energy management program for TWM's office buildings and direct stores ● Telepresence service ● Green value-added services ● e-service and mobile services <p style="text-align: right;">Unit: tCO₂e</p> <table border="1" data-bbox="632 1787 1378 1984"> <thead> <tr> <th></th> <th>2013</th> <th>2014*</th> </tr> </thead> <tbody> <tr> <td>Direct emissions</td> <td>3,147</td> <td>7,118</td> </tr> <tr> <td>Indirect emissions</td> <td>170,978</td> <td>201,209</td> </tr> <tr> <td>Total GHG emissions</td> <td>174,124</td> <td>208,327</td> </tr> </tbody> </table> <p>* Emissions saw sharp annual increases due to the inclusion of TFN Media and its five system operator subsidiaries and the expansion of TWM's internet data center business and 4G services.</p>		2013	2014*	Direct emissions	3,147	7,118	Indirect emissions	170,978	201,209	Total GHG emissions	174,124	208,327
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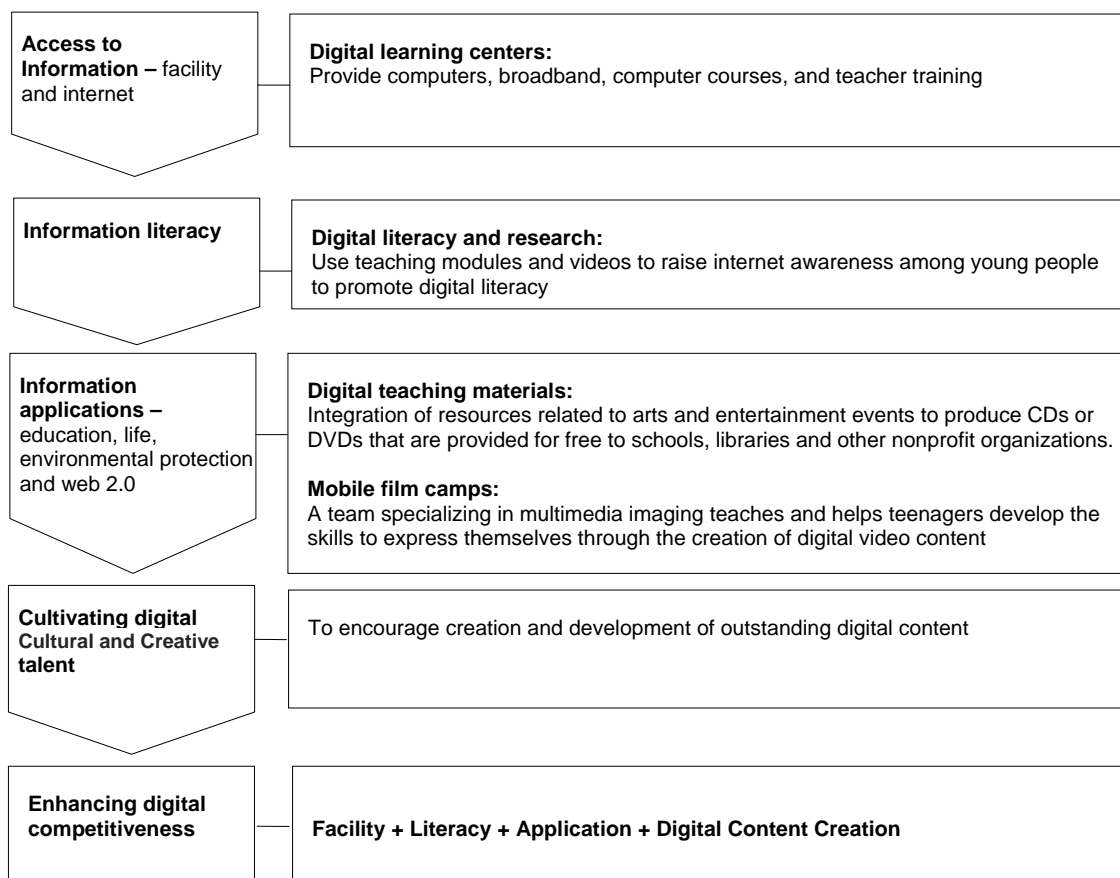
Item	Current Practices
Commitment to corporate social responsibility	
1. Complying with domestic and international labor laws to safeguard and uphold the rights of workers, following a non-discriminatory hiring policy and establishing appropriate management practices, procedures and execution	1. Pursuant to related national regulations, including the Labor Standards Act, Employment Services Act and Gender Equality in Employment Act, the Company has never employed child workers, discriminated against any employee or ethnic group, or forced its employees to work.
2. Setting up an employee appeals process	2. The Company has set up an "Employee Appeals Process" and designated the internal audit office to handle employee petitions and complaints through an exclusive e-mail or fax hotline. The complainant's name and identity are kept confidential and proper action shall be taken subject to verification of the case.
3. Providing employees with a safe and healthy working environment, as well as regular training on safety and health education	3. The Company aims to provide a safe and healthy working environment for employees and has implemented related measures to promote employee health and mental well-being. It also conducts 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.
4. Building a regular communication mechanism and notifying employees about potential operating changes that may have a significant impact on them	<p>4. The Company has set up multiple channels to communicate with employees on a regular basis about the company's operational decisions.</p> <p>(1) Dialogue between employees and management: Managerial meetings are held every three months to reinforce the company's vision and convey recent critical developments to all employees.</p> <p>(2) Labor-management meetings are held quarterly to enhance communication between employees and management for consensus building and to promote cooperation.</p> <p>(3) A forum is held twice a year for newcomers to familiarize them with Company policies and practices and help them adapt to the new environment.</p> <p>(4) A President's Mailbox has been set up for employees to submit recommendations to the Company.</p> <p>(5) Employee opinion surveys: A survey is conducted every two to three years to gauge job satisfaction rates and employees' views about the workplace and management practices. Additional surveys are conducted after company activities such as the year-end party and medical checkup to gather employee opinions.</p> <p>(6) Information disclosure: All information is posted on the company's intranet, where employees can view the company's press releases, product information and management measures.</p>
5. Developing Individual Training Plans (ITP) for career development	5. Based on individual career interests, strengths and weaknesses, supervisors help their staff draw up individual training plans at the annual performance review to give them systematic guidance on enhancing their skills and abilities for career development.
6. Developing consumer rights protection policies and appeals procedures related to R&D, procurement, production, operations and service processes	6. The Company is committed to enhancing its service quality to help customers navigate the complex network of telecom offerings in the 4G era. In 2014, TWM was again awarded an SGS Qualicert and SGS ISO 10002 certification for its customer service system. To protect personal data security, a committee was established to guide the Company through the formulation of its information security policy and supervise its implementation of the "ISO/IEC 27001 information security management system," which aims to protect every aspect of customer information linkage by adopting a professional management system and promoting personal awareness. Information on customers' rights and how personal information is collected, processed and utilized are available on the Company's website, service contracts, customer hotlines and stores. Customers can also provide feedback or file complaints through these channels or a special mobile app.

Item	Current Practices
<p>7. Complying with relevant regulations and international standards on marketing and labeling of products and services</p> <p>8. Evaluating prospective suppliers' track record on environmental and social issues</p> <p>9. Right to terminate a contract if supplier violates its social responsibility, causing a significant impact on the environment and society</p>	<p>7. 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 (NCC), having fully complied with the International Commission on Non-Ionizing Radiation Protection (ICNIRP) standards.</p> <p>8. Before entering into a contract with a supplier, TWM requires that the supplier comply with rules and regulations on protecting workers and the environment to avoid any incidents deemed harmful to society or the environment.</p> <p>9. 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 required 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 violate its social responsibility and adversely impact the environment and society, the Company has the right to suspend its account. Furthermore, TWM provides first bargaining rights to green-product and conflict-free product suppliers to encourage others to likewise produce environmentally friendly products.</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 are from conflict areas.</p>
<p>Information disclosure Disclosing relevant and reliable information on corporate social responsibility</p>	<p>CSR-related information is updated on the websites of the Company and the Taiwan Mobile Foundation in a timely manner. All information and data contained in the CSR reports are compiled internally and verified by an external party to ensure their reliability and accuracy. All information (subject and content) are deemed to be materially important and designed to meet stakeholders' expectations.</p>
<p>The Company's CSR policy and practices fully comply with the "Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies."</p> <p>The concept of corporate social responsibility is embedded in the strategic decisions and daily operations of all departments. TWM's Board of Directors passed the "Taiwan Mobile CSR Policy" in January 2011 to serve as a long-term guideline for promoting corporate social responsibility and the "Taiwan Mobile CSR Guideline" in January 2015 to ensure effective execution of the Company's commitment to society.</p> <p>With underlying corporate philosophy and core values serving as the foundation, the Company emphasizes corporate governance, stakeholders' interests and full disclosure, and leverages off the Company's core competence and services to promote environmental conservation and public welfare.</p>	

Additional information on CSR-related matters:

TWM leverages its core competence in telecommunications, network and digital convergence to generate wider benefits for society.

1. Enhancing digital competitiveness



- TWM continued to set up broadband services in remote areas in 2014. The Company also collaborated with local nonprofit organizations (NPOs) and was operating 17 digital learning centers as of the end of 2014.
- TWM has published 27 sets of digital teaching materials since 2009, whose content ranges from live concerts to raising internet literacy among young adults and children, creating digital videos, digital music composition, environmental education and human care.
- TWM has hosted the “Mobile Film Creation Camp for Teenagers” since 2009 to teach imaging techniques and applications, helping teenagers learn how to express their ideas through the creation of video content in order to cultivate future multimedia talent. As of the end of 2014, 133 short films had been made with 1,005 students participating.
- TWM launched the “myfone Mobile Awards” to encourage the creation of new types of literature and music in 2007. As of the end of 2014, the contest had attracted nearly 240,000 entries since 2007.

2. Environmental protection

Aside from compliance and reducing pollution, TWM has also taken the initiative to help build an intelligent low-carbon society by leveraging its key resources in the ICT service industry. The Company (i.e., its office buildings, server rooms, base stations and company stores) met ISO 14064-1 standards for greenhouse gas emissions and removals, as well as received an ISO 50001 certification for energy management.

3. Digital social welfare “i-Infinity”

In 2012, TWM started integrating its core competencies and resources to help nonprofit organizations develop the ability to harness the power of digital applications, help disadvantaged groups that other public or private institutions are not able to assist, and enhance these NPOs’ operating efficiency and fundraising capabilities. In 2014, TWM proposed five mobile application programs to aid these organizations’ digital application development and cater to their digital marketing and training needs. Since its inception, 181 social welfare groups had attended 59 seminars on these programs.

- “Wheelmap (Taiwan) App” enables the elderly, people with disabilities, and parents with small children to search for information regarding low-floor buses and attractions, hotels, restaurants and shopping centers in Taiwan that have barrier-free facilities.
- “Bubble Adventures App” is a tablet game application that appeals to children in need of early intervention and provides assistance in the rehabilitation process. The game process is designed in a way to promote rehabilitation in such areas as cognition, memory, social adaptation, and hand-eye coordination. The therapy process is extended to home care and the application serves as a reference for the observation of the child rehabilitation process by doctors, teachers and parents.
- “NFC Smart Tracking Wristband” was the first smart tracking wristband developed in Taiwan to help people with dementia who are lost when attempting to return home. The wristband, which employs NFC technology, transmits information to keep track of the wearer’s location.
- “iSharing Volunteer Platform,” the first cross-website and cross-application volunteer platform in Taiwan, provides a solution to the problem of matching volunteers, encouraging 17.3 million prospective volunteers aged 15 to 65 to sign up for volunteer services. This platform is looking to align with the government’s 12-year compulsory education program by establishing a volunteers’ database.
- Three social-welfare short films have helped NPOs raise fundraising income since they were posted online.
- Teleconferencing service: TWM had helped 13 NPOs install video conference equipment as of the end of 2014. The teleconferencing service has helped these NPOs save more than NT\$3.57 million in travel expenses and more than 105 tons in carbon emissions. Close to 18,000 participants have been trained using the service.
- E-books: TWM has assisted 27 NPOs in developing electronic books. As of the end of 2014, the e-book service had helped reduce mailing costs by 30%, which translates into savings of around NT\$720,000 in annual printing expenses.

4. Community participation and social care

- TWM introduced the “5180 Mobile Donation Hotline,” a micro-donation platform, to provide a long-term fundraising channel for 67 NPOs.
- TWM works with the Canlove Social Services Association to provide professional counseling services to people with depression and to promote suicide prevention awareness. More than 46,000 participants took part in these activities in 2014.

5. Cultural promotions:

- TWM introduced the “909 Mobile Phone Audio Guide,” which employs mobile communications technology and cloud database to promote art and culture. This mobile audio guide system has been used a total of 273,146 times for a total of over 32,520 hours.
- To promote cultural literacy, TWM has since 2005 held 41 large outdoor concerts throughout the country, with more than 560,000 people attending these events.

6. Supporting sports in Taiwan:

TWM is committed to providing consumers with a relaxed, pleasant and user-friendly mobile lifestyle and delivering its brand spirit — “Accompanying our Customers in Their Daily Lives” — through various efforts, including continuous sponsorships of major sporting events, such as golf, baseball, tennis and basketball, as well as athletes. TWM invested more than NT\$450 million accumulatively in sports sponsorships from 2003 to the end of 2014.

Has the Company issued CSR reports that have been verified by an independent third-party assurance organization?

Since 2009, TWM’s CSR reports have been verified by an independent third-party organization, the British Standards Institute, in accordance with its AA1000 assurance standards and GRI guidelines.

In addition, Taiwan Mobile published its 2014 CSR report based on the limited assurance engagement conducted by KPMG in accordance with ISAE 3000, with the information disclosed complying with the latest GRI G3.1 application level of A+. Taiwan Mobile is proud to be the first Taiwanese telecom company to pass ISAE3000, demonstrating the company’s commitment to integrity management.

Ethical corporate management

Item	Current Practice
<p>1. Establishing a policy on ethical corporate management:</p> <p>(1) Specifying the Company's policy on ethical corporate management in its official charter and material documents, including the board and management's commitment to its implementation</p> <p>(2) Setting up a system including operation, guidelines, punishment of violations and reporting system to prevent dishonest behavior</p> <p>(3) Adopting measures to prevent high-risk unethical conduct as specified in Article 7 Paragraph 2 of "Ethical Corporate Management for TWSE/GTSM-listed Companies"</p>	<p>(1) The Company has promulgated its Ethical Corporate Management Best Practice Principles and reinforces them on an annual basis to ensure that employees, management and the board comply with the principles. Moreover, the principles have been incorporated into the Company's internal control system.</p> <p>(2) The Company's Ethical Corporate Management Best Practice Principles details preventive measures against the following:</p> <ul style="list-style-type: none"> a. offering and accepting bribes b. illegal political donations c. improper charitable donations or sponsorship d. offering or accepting unreasonable gifts or hospitality, or other inappropriate benefits <p>The aforementioned principles and related regulations have been announced and disseminated to board directors, managers, employees and appointees to enhance integrity and self-discipline.</p> <p>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.</p> <p>(3) The Company has set up an accounting system and internal control system for business activities that are at a higher risk of dishonest behavior. The aforementioned systems are reviewed periodically to ensure that they are working and measures are implemented.</p> <p>The Company avoids contact with dubious traders. Its business contracts specify that suppliers or vendors must observe ethical corporate management, and failing that, the Company reserves the right to terminate or cancel the contract.</p>
<p>2. Implementation of ethical corporate management</p> <p>(1) Avoiding transactions with parties that have a record of dishonest behavior, stipulating in all contracts what constitute unacceptable behavior</p> <p>(2) Establishing a full-time or part-time unit to promote the Ethical Corporate Management Best Practice Principles under the supervision of the board of directors</p> <p>(3) Setting up policies to prevent conflict of interest and providing channels to report such conflict</p>	<p>(1) The Company provides "Guidelines on 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 account and terminate or rescind the contract at any time.</p> <p>(2) The Internal Audit Office is responsible for promulgating and overseeing policies and programs relating to ethical corporate management and tasked with reporting to the board of directors.</p> <p>(3) The Company has promulgated policies to prevent conflict of interest. Should there be a conflict of interest, directors should recuse themselves from discussing or voting on the issue. Any board director, manager, employee and appointee must not use his or her position or influence in the Company to obtain improper benefits.</p> <p>Any breach of ethical corporate management practices can be reported via email or fax hotline to the Company.</p>

Item	Current Practice
<p>(4) Building an effective accounting system and internal control system to carry out ethical corporate management, with internal/external auditors auditing the process</p> <p>(5) Conducting regular internal and external training courses on ethical corporate management</p>	<p>(4) The Company has established an effective accounting system and internal control system. In addition, internal auditors schedule regular audits according to the level of risks and report the findings to the board on a periodic basis.</p> <p>The Company periodically delegates independent accountants to audit its financial statements and to verify the effectiveness of the internal control system.</p> <p>(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 ethical corporate management practices.</p>
<p>3. Reporting ethical violations</p> <p>(1) Establishing a reporting and incentive system to facilitate the processing of complaints and assigning a person or unit to deal with the cases</p> <p>(2) Setting up investigation and confidentiality procedures</p> <p>(3) Protecting whistle-blower from harm</p>	<p>(1) The Company has established procedures for dealing with complaints about employees or suppliers, with the internal audit office tasked with dealing with the cases.</p> <p>(2) The internal audit office must immediately launch an investigation upon receipt of the complaint and ensure that the name and identity of the complainant are kept confidential.</p> <p>(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 does not come to harm.</p>
<p>4. Strengthening information disclosure</p> <p>Disclosing related information on ethical corporate management on the Company's website</p>	<p>The Company has posted its Ethical Corporate Management Best Practice Principles on its official website and MOPS. Its annual report and corporate social responsibility report further shed light on its execution and enhance corporate transparency.</p>
<p>5. Has the company promulgated its own ethical corporate management principles in accordance with the "Ethical Corporate Management for TWSE/GTSM-listed Companies"? If yes, describe the differences between the principles and current practices: No difference.</p>	
<p>6. Other important information to facilitate the understanding of the Company's implementation of ethical corporate management practices:</p> <p>(1) The Company's electronic procurement system mandatorily requires suppliers to sign a "Declaration of Integrity in Business Conduct" every year; otherwise, they are allowed to participate in the bidding process.</p> <p>(2) The Company regularly monitors developments in domestic and international ethical corporate management standards and reviews its performance to ensure compliance.</p>	

Corporate governance rules and procedures

The Company has implemented a number of rules and procedures to enhance its corporate governance practices: Corporate Governance Best Practice Principles, Audit Committee Charter, Compensation Committee Charter, Rules and Procedures Governing Board of Directors' Meetings, Rules and Procedures Governing Shareholders' Meetings, Regulations Governing Internal Material Information, Code of Ethics, Ethical Corporate Management Best Practice Principles, Corporate Social Responsibility Policy, Corporate Social Responsibility Best Practice Principles, and Rules and Procedures on Conducting Transactions between Group Companies and Related Parties. With these efforts, not only does the Company's corporate governance mechanism comply with Taiwan's Securities and Exchange Act, but it also adheres to the highest international standards. The aforementioned charters and rules are available on the Company's website: www.taiwanmobile.com.

Additional information on corporate governance operations:

Corporate governance principles

- Timely disclosure of material information
- Checks and balances between the board and management
- Fair representation of independent board members
- Audit Committee was established to ensure fair and independent financial oversight.
- Compensation Committee was established to strengthen corporate governance practices and promote a sound compensation system.
- Adoption of a high cash dividend payout policy
- Shareholders' rights are guaranteed with the right to vote on all proposals at the annual general shareholders' 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 disseminates its "Regulations Governing Internal Material Information" (approved by the Board on January 22, 2009) on an annual basis and has incorporated them into its internal control system to avoid risks of insider trading.

Internal control system

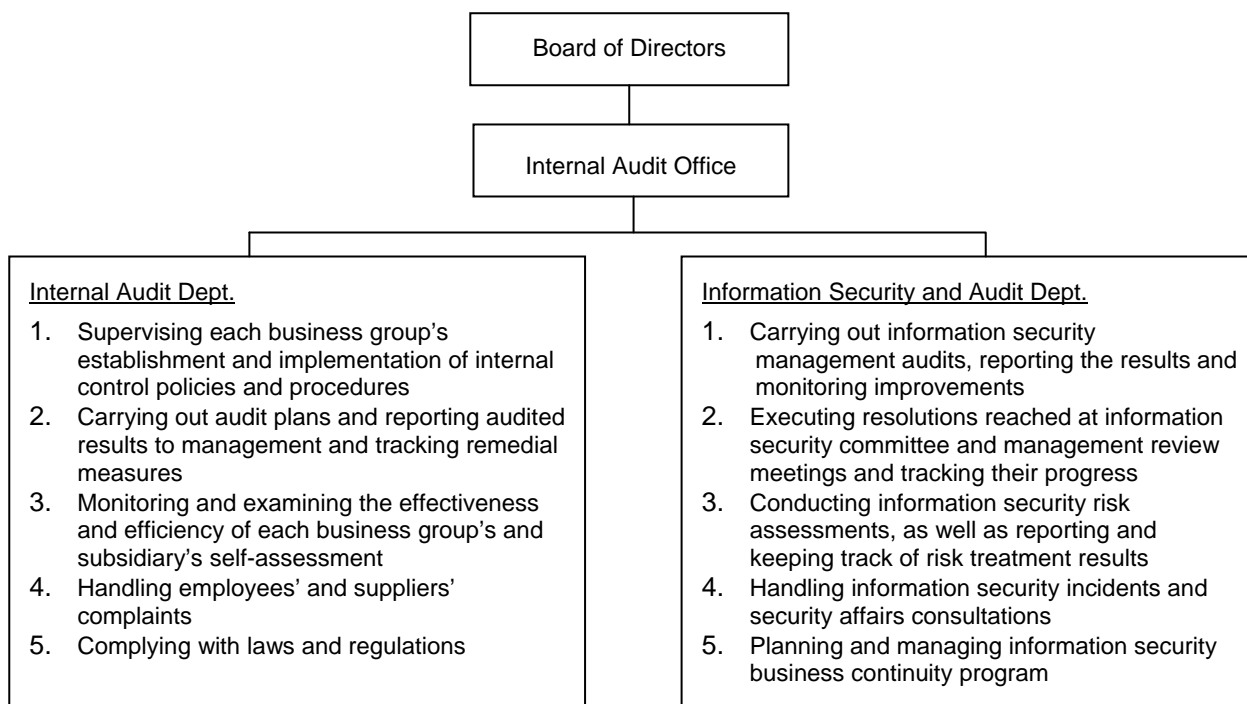
1. Internal control mechanism

The Internal Audit Office is an independent unit with designated personnel who report directly to the Board of Directors. It is responsible for the examination and assessment of the internal controls of the Company's financial, sales, operations and management departments. All departments, including those of the subsidiaries, are subject to its audit.

Regular internal audits are executed according to an annual audit plan. Special audit projects are implemented as needed. These audits enhance internal control and provide timely recommendations for future improvements. In accordance with corporate governance, audit reports are submitted on a regular basis and reviewed by the Chairman, as well as presented to the Audit Committee and the Board of Directors by the Chief Internal Auditor.

The Internal Audit Office also examines the mechanisms and results of self-evaluations by departments and subsidiaries to ensure strict implementation. In addition, it generates and consolidates related inspection reports for the President and the Board of Directors to evaluate the overall efficiency of existing internal control systems before generating an internal control system statement.

There are 15 dedicated internal audit staff members, including one supervisor in charge of the Internal Audit Office, whose responsibilities are detailed below:



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

No.

3. Internal control statement

Taiwan Mobile Co., Ltd.

Internal Control Statement

Date: January 29, 2015

Taiwan Mobile (TWM) states the following with regard to its internal control system for the year 2014:

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 Dec. 31, 2014, 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 29, 2015, where all of the nine attending directors did not express any dissenting opinion and affirmed the content of the same.

Taiwan Mobile Co., Ltd.



Richard Tsai
Chairman



James Jeng
President

Violation of regulations and internal policies: None

Major resolutions at the shareholders' meeting and board meetings

1. Major resolutions at the 2014 shareholders' meeting

Issues approved and subsequent execution:

(1) The 2013 business report and financial statements

(2) The 2013 earnings distribution proposal

Execution: Set record date of ex-dividend for July 5, 2014, cash payment on July 18, 2014.

(3) Amendments to the Company's "Articles of Incorporation"

Execution: Already approved by the Ministry of Economic Affairs on September 5, 2014 and disclosed on the Company website

(4) Amendments to the Company's "Rules and Procedures on Lending and Making Endorsements/Guarantees"

Execution: implemented in accordance with the revised rules

(5) Election of the seventh Board of Directors (including independent directors)

Directors: Fu-Chi Venture Corp. (representatives: Richard Tsai, Daniel Tsai and Vivien Hsu)

TCC Investment Co., Ltd. (representatives: James Jeng and Howard Lin)

Independent Directors: Jack J.T. Huang, Tsung-Ming Chung, Hsueh-Jen Sung and Guu-Chang Yang

(6) Removal of non-competition restrictions for the aforementioned directors

2. Major resolutions by the board (from 2014 up to publication date in 2015)

1. 16th meeting of the sixth BOD on January 6, 2014

(1) Approved the appointment of a new President and his exemption from non-competition restrictions

2. 17th meeting of the sixth BOD on January 28, 2014

(1) Approved the 2013 business report and financial statements

(2) Approved the 1Q14 consolidated financial forecasts

(3) Approved the 2014 capital expenditure plan

(4) Approved the procurement of mobile broadband equipment from Nokia Siemens Networks Taiwan Co., Ltd.

(5) Approved the schedule for the 2014 general shareholders' meeting

3. 18th meeting of the sixth BOD on April 29, 2014

(1) Approved the 2013 earnings distribution proposal

(2) Approved the 2Q14 consolidated financial forecasts

(3) Approved the appointment of new managers and internal auditor and their exemption from non-competition restrictions

(4) Approved the resignation of the Managing Director

(5) Approved the revision of the 2014 capex of TWM and its subsidiaries

4. 1st meeting of the seventh BOD on June 12, 2014

(1) Elected Richard Tsai and Daniel Tsai, representatives of Fu-Chi Venture Corp., as Chairman and Vice Chairman, respectively

5. 2nd meeting of the seventh BOD on July 28, 2014

- (1) Approved the proposal to participate in Wealth Media Technology Co., Ltd.'s rights issue
 - (2) Approved the 3Q14 consolidated financial forecasts
 - (3) Approved the issuance of the 1st euro-convertible bond (ECB)
 - (4) Approved the revision of the 2014 capex of TWM and its subsidiaries
 - (5) Approved the new vice presidents' exemption from non-competition restrictions
6. 3rd meeting of the seventh BOD on September 25, 2014
- (1) Approved the proposal to participate in Ambit Microsystems Corp.'s rights issue
 - (2) Approved the acquisition of 5MHz x 2 spectrum in the 700 frequency band from Ambit
7. 4th meeting of the seventh BOD on October 31, 2014
- (1) Approved the 4Q14 consolidated financial forecasts
 - (2) Approved the revision of the 2014 capex of TWM and its subsidiaries
8. 5th meeting of the seventh BOD on January 29, 2015
- (1) Approved the 2014 business report and financial statements
 - (2) Approved the 2015 consolidated financial forecasts
 - (3) Approved the 2015 capital expenditure plan
 - (4) Approved the schedule for the 2015 general shareholders' meeting

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

Major dissenting comments among directors over board meeting resolutions from 2014 up to publication date in 2015: None

Resigned/discharged chairman, president, chief accounting officer, chief financial officer, chief internal audit officer and chief research officer:

As of March 25, 2015

Title	Name	Date of taking office	Date of resignation	Reason for resignation/discharge
President	Cliff Lai	2011.01.01	2014.01.06	Resignation
Internal Auditor	Christine Yang	2013.01.31	2014.02.17	Position adjustment

Certified Public Accountant (CPA) Information

1. CPA service fees

Unit: NT\$'000

Accounting firm	Name of CPA	Audit fee	Non-audit fee			Period covered by CPA's audit	Remarks
			Company registration	Others	Total		
KPMG	Simon Chen Leo Chi	8,400	-	976	976	2014.01.01~2014.12.31	Fees for other non-audit services were for CSR report related consultation services.

Range of CPA service fee	Audit fee	Non-audit fee	Total
NT\$0~NT\$1,999,999	-	✓	-
NT\$2,000,000~NT\$3,999,999	-	-	-
NT\$4,000,000~NT\$5,999,999	-	-	-
NT\$6,000,000~NT\$7,999,999	-	-	-
NT\$8,000,000~NT\$9,999,999	✓	-	✓
NT\$10,000,000 and above	-	-	-

2. Other information

- (1) If non-audit fees paid to CPAs, their accounting firm and its affiliates are more than one-fourth of audit fees, specify the amount of audit and non-audit fees, as well as the scope of non-audit services: Not applicable
- (2) For CPA changes, if the audit fee in the first year is lower than that of the prior year, specify the audit fee before and after the change and the reasons: Not applicable
- (3) If audit fees dropped by more than 15%, specify the amount and percentage of decline and reasons: Not applicable

3. Information on CPA changes: Change on July 1, 2013 was due to job rotations at KPMG.

4. Company Chairman, President or finance/accounting manager held positions in the Company's audit firm or its affiliates within the past year: None

Direct and indirect investments in affiliated companies

As of December 31, 2014

Unit: shares, %

Long-term investments under equity method	Investment by TWM		Direct and indirect investment by TWM's directors and management		Total investment	
	Shares	Holding (%)	Shares	Holding (%)	Shares	Holding (%)
Taiwan Cellular Co., Ltd.	371,195,800	100.00%	–	–	371,195,800	100.00%
Wealth Media Technology Co., Ltd.	42,065,000	100.00%	–	–	42,065,000	100.00%
Taipei New Horizon Co., Ltd.	191,865,500	49.90%	–	–	191,865,500	49.90%
Alliance Digital Technology Co., Ltd.	3,000,000	13.33%	–	–	3,000,000	13.33%

Changes in shareholdings of directors, managers and major shareholders

1. Minor changes in shareholder structure

Unit: shares

Title	Name	2014		2015 (as of March 25)	
		Net change in shareholding	Net change in shares pledged	Net change in shareholding ¹	Net change in shares pledged
Chairman	Fu-Chi Venture Corp. Representative: Richard Tsai				
Vice Chairman	Fu-Chi Venture Corp. Representative: Daniel Tsai	0	0	0	0
Director	Fu-Chi Venture Corp. Representative: Vivien Hsu				
Director	TCC Investment Co., Ltd. Representative: James Jeng	0	0	0	0
Director	TCC Investment Co., Ltd. Representative: Howard Lin				
Independent Director	Jack J.T. Huang	0	0	0	0
Independent Director	Tsung-Ming Chung	0	0	0	0
Independent Director	Hsueh-Jen Sung (took office on June 12, 2014)	0	0	0	0
Independent Director	Guu-Chang Yan (took office on June 12, 2014)	0	0	0	0

Title	Name	2014		2015 (as of March 25)	
		Net change in shareholding	Net change in shares pledged	Net change in shareholding ¹	Net change in shares pledged
Major Shareholder (shareholding of more than 10%)	TFN Union Investment Co., Ltd.	0	0	0	0
President	James Jeng (took office on January 6, 2014)	0	0	0	0
EVP and Chief Financial Officer	Rosie Yu	0	0	0	0
SVP and Chief Technology Officer	C.H. Jih (took office on February 10, 2014)	0	0	0	0
SVP and Acting Chief Business Officer	Jeff Ku	0	0	0	0
Vice President	Jay Hong	0	0	0	0
Vice President	Ariel Hwang	0	0	0	0
Vice President	Joseph Yang	0	0	0	0
Vice President	Iris Liu (took office on July 14, 2014)	0	0	0	0
Vice President	James Chang	0	0	0	0
Vice President	Egon Chen	0	0	0	0
Vice President	Chien Chen	0	0	0	0
Vice President	Tom Koh	0	0	0	0
Vice President	Sean Hsieh	(10,000)	0	(10,000)	0
Vice President	Paul Huang	0	0	0	0
Vice President	Steve Chou	0	0	0	0
Vice President	Daphne Lee (took office on July 7, 2014)	8,000		(8,000)	
Chief Accounting Officer	Darren Shih	0	0	0	0
Independent Director	Wen-Li Yeh (tenure due on June 12, 2014)	0	0	NA	NA
Independent Director	J. Carl Hsu (tenure due on June 12, 2014)	0	0	NA	NA
President	Cliff Lai (resigned on January 6, 2014)	0	0	NA	NA
Vice President and Acting Chief Technology Officer	HS Wang (resigned on February 10, 2014)	0	0	NA	NA

2. Shareholding transferred with related party: None

3. Stock pledged with related party: None

Relationship between TWM's top 10 shareholders

As of July 5, 2014

Name (A)	Current shareholding		Spouse's/minor's shareholding		Name and relationship between TWM's shareholders who are defined as related parties, spouse or relatives within two degrees	
	Shares	%	Shares	%	Name (B)	Relationship
TFN Union Investment Co., Ltd.	410,665,284	12.00%	-	-	TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai Richard Tsai	A and B have the same chairman A and B have the same chairman Related party A and B have the same chairman A and B have the same chairman B is a director at A B is A's chairman
Chairman: Richard Tsai	-	-	-	-	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai	A is B's chairman A is B's chairman A is B's chairman A is a director at B A is B's chairman A is B's chairman B is A's relative within two degrees
TCC Investment Co., Ltd.	200,496,761	5.86%	-	-	TFN Union Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai Richard Tsai	A and B have the same chairman A and B have the same chairman Related party A and B have the same chairman A and B have the same chairman B is a director at A B is A's chairman
Chairman: Richard Tsai	-	-	-	-	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai	A is B's chairman A is B's chairman A is B's chairman A is a director at B A is B's chairman A is B's chairman B is A's relative within two degrees
Ming Dong Co., Ltd.	184,736,452	5.40%	-	-	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd.	A and B have the same chairman A and B have the same chairman Related party A and B have the same chairman

Name (A)	Current shareholding		Spouse's/minor's shareholding		Name and relationship between TWM's shareholders who are defined as related parties, spouse or relatives within two degrees	
	Shares	%	Shares	%	Name (B)	Relationship
					Dao Ying Co., Ltd. Daniel Tsai Richard Tsai	A and B have the same chairman B is a director at A B is A's chairman
Chairman: Richard Tsai	–	–	–	–	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai	A is B's chairman A is B's chairman A is B's chairman A is a director at B A is B's chairman A is B's chairman B is A's relative within two degrees
Fubon Life Insurance Co., Ltd.	124,997,400	3.65%	–	–	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai Richard Tsai	Related party Related party Related party Related party Related party Related party B is a director at A
Chairman: Oliver Cheng	–	–	–	–	None	None
Shin Kong Life Insurance Co., Ltd.	124,653,000	3.64%	–	–	None	None
Chairman: Tung-Chin Wu	–	–	–	–	None	None
TCCI Investment & Development Co., Ltd. (Note)	119,563,804	3.50%	–	–	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai Richard Tsai	A and B have the same chairman A and B have the same chairman A and B have the same chairman Related party A and B have the same chairman B is a director at A B is A's chairman
Chairman: Richard Tsai	–	–	–	–	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd.	A is B's chairman A is B's chairman A is B's chairman A is a director at B A is B's chairman

Name (A)	Current shareholding		Spouse's/minor's shareholding		Name and relationship between TWM's shareholders who are defined as related parties, spouse or relatives within two degrees	
	Shares	%	Shares	%	Name (B)	Relationship
					Dao Ying Co., Ltd. Daniel Tsai	A is B's chairman B is A's relative within two degrees
Dao Ying Co., Ltd.	113,609,742	3.32%	–	–	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Daniel Tsai Richard Tsai	A and B have the same chairman A and B have the same chairman A and B have the same chairman Related party A and B have the same chairman B is a director at A B is a A's chairman
Chairman: Richard Tsai	–	–	–	–	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai	A is B's chairman A is B's chairman A is B's chairman A is a director at B A is B's chairman A is B's chairman B is A's relative within two degrees
Daniel Tsai	92,109,990	2.69%	4,580,070	0.13%	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Richard Tsai	A is a director at B A is a director at B A is a director at B Related party A is a director at B A is a director at B B is A's relative within two degrees
Richard Tsai	90,257,938	2.64%	5,986,496	0.18%	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Daniel Tsai	A is B's chairman A is B's chairman A is B's chairman A is a director at B A is B's chairman A is B's chairman B is A's relative within two degrees
Nan Shan Life Insurance Co., Ltd.	83,289,500	2.43%	–	–	None	None
Chairman: Boon-Teik Koay	–	–	–	–	None	None

Note: TCCI Investment & Development Co., Ltd. disposed of 31,974,248 TWM's shares on October 6, 2014.