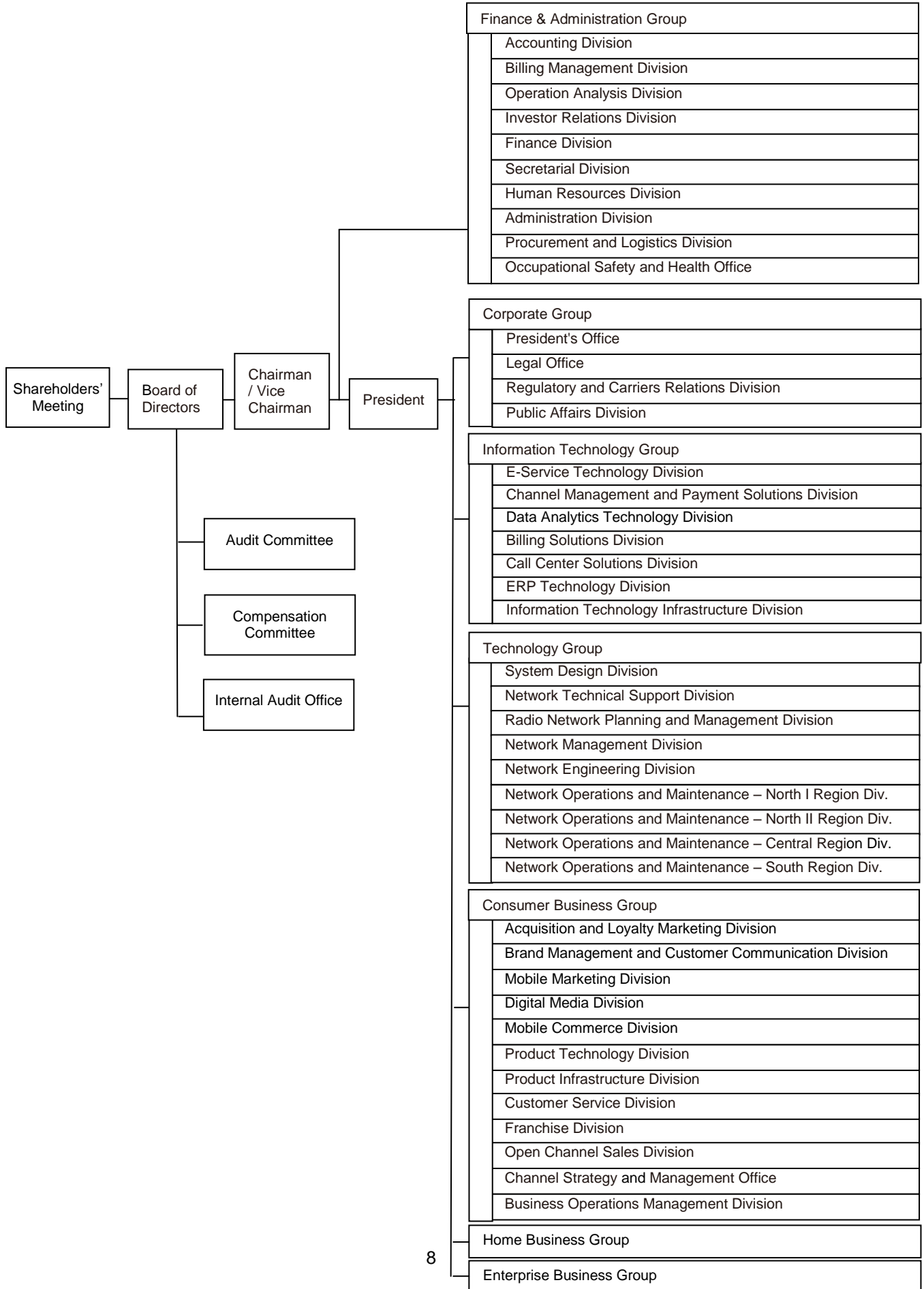


Chapter 2 Organization and Corporate Governance

Organization

Organization Chart

As of March 20, 2014



Divisional Scope of Responsibilities

Division		Scope of responsibilities
Internal Audit Office		<p>Audit of the Company and its subsidiaries</p> <p>Monitor and examine effectiveness and efficiency of the Company's internal control system</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 Affairs Division	<p>Corporate image promotion and management</p> <p>Media communication, news agenda, press release and crisis management</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	Analysis of operating performance, review of financial forecasts/annual budget, and cost & benefit analysis of capex project
	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>Monitor 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</p> <p>Receipt/transmission of corporate documents</p>
	Human Resources Division	Human resources planning, staffing, employee compensation and benefits, training and relations coordination between employees and the Company
	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</p> <p>Suppliers evaluation and management</p> <p>Contract negotiations and signing</p>
Occupational Safety and Health Office	<p>Occupational safety and health management</p> <p>Site area safety management</p> <p>Environmental protection management</p> <p>Workplace health promotion</p>	

Information Technology Group	E-Service Technology Division	Corporate website and e-service systems Service-oriented architecture and enterprise service bus (SOA/ESB) Fixed network application systems 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 and business intelligence solutions Telecom network assets management, warehouse management, repair and maintenance management system solutions
	Billing Solutions Division	Billing systems operation and development
	Call Center Solutions Division	Call center infrastructure and operational management solutions
	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
	Network Technical Support Division	Mobile network technical support Fixed network technical support IP-based network technical support
	Radio Network Planning and Management	Radio network strategy development Radio network planning Site planning and performance management Radio network quality management
	Network Management Division	24-hour supervision of mobile/fixed network management System design and maintenance of network management system Technical support for network issues from customers Network security management of Technology Group
	Network Engineering Division	Mobile telecom and fixed network business infrastructure budget, control and management Supervision of outsourced engineering and construction projects Cable, conduit management for government agencies Fixed network service management, project evaluation and coordination
	Network Operations and Maintenance – North I, North II, Central and South Regions	2G/3G and fixed network construction, expansion, operation, maintenance and optimization, including core, transmission and radio networks Network construction management and technical support
	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
	Brand Management and Customer Communication Division	Manage brand identity, strategic development, integrated marketing communication, and implement ad campaigns Execute store signage/interior design and customer retention plans Integrate marketing resources and cost control Integrate and operate Company website, including e-marketing, online sales and customer service

Consumer Business Group	Mobile Marketing Division	Establish leading content platforms, communication platforms, and mobile advertising solutions
	Digital Media Division	Business management and product quality assurance for online music, online bookstore, mobile gaming and legacy value-added services (VAS) Strategy setting, product planning, development and management of online music, online bookstore and mobile gaming services
	Mobile Commerce Division	Strategy planning, business development and operation management of mobile commerce and online video services Merchandising, digital content development, supply chain management, product mix, marketing promotion, member acquisition management of mobile commerce and online video services Development/management of payment system, logistics and information flows of mobile commerce and online video businesses
	Product Technology Division	Technical consultation and solution analysis for VAS products and CPE technologies Solutions design, systems development and delivery for VAS products and marketing promotions
	Product Infrastructure Division	Design, integrated construction and operation management of the cloud internet data center Design, integrated implementation and operation management of Infrastructure as a service (IaaS) product Design, integrated implementation and operation management of value-added services and innovated products
	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 positioning and deployment, sales targets setting, performance evaluation and devising incentive schemes Planning and managing retail store layouts and displays, sales materials and special campaigns Setting up training programs Products and services promotions, sales skill certifications and sales support
	Business Operations Management Division	Front-end sales/service operation process planning and implementation Back-end resource management and channel performance awards management Sales channel logistics and service fulfillment
Home Business Group	CATV/DTV, broadband internet access (cable modem/FTTx), and connected TV services 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	
Enterprise Business Group	Strategy development and business analysis Direct sales and channel development, and customer relationship management Enterprise ICT solutions planning, marketing and execution Enterprise customer service and billing IDC and cloud service development Inter-carrier relations and international business (including international roaming) planning and implementation	

Board of Directors and Executive Management

Board of Directors

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

As of March 20, 2014

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

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

* Personal shareholdings

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

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

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

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

1. Major shareholders of TWM's institutional investors

As of March 20, 2014

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

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

As of March 20, 2014

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

3. Qualifications and independence of directors

As of March 20, 2013

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

"V" denotes meeting the conditions specified above

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

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

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

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

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

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

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

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

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

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

Management Team

As of March 20, 2013

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

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

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

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

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

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

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

Compensation to directors and management executives

1. Compensation to directors

Unit: NT\$

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

Unit: NT\$

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

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

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

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

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

2. Range of compensation to directors

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

* Including compensation from investees other than subsidiaries

3. Compensation to management executives

Unit: NT\$

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

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

4. Range of compensation to management executives

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

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

* Including compensation from investees other than subsidiaries

5. Managers and employee bonuses

Unit: NT\$
As of March 20, 2014

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

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

1. Compensation to directors

Unit: NT\$

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

* Including compensation from investees other than subsidiaries

Guiding principles for compensation to directors

Remuneration policies, standards and package

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

Procedure for setting remuneration

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

Performance factor

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

2. Compensation to management executives

Unit: NT\$

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

* Including compensation from investees other than subsidiaries

Guiding principles for compensation to management executives

Remuneration policies, standards and package

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

Procedure for setting performance bonus

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

Performance factor

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

Corporate Governance

Board of Directors attendance

1. The Board of Directors convened six times in 2013

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Chairman	Fu-Chi Venture Corp. Representative: Richard Tsai	6	0	100%	None
Vice Chairman	Fu-Chi Venture Corp. Representative: Daniel Tsai	6	0	100%	None
Director	TCC Investment Co., Ltd. Representative: Vivien Hsu / Benny Chen	6	0	100%	Benny Chen took over Vivien Hsu's duties on October 1, 2013. Mr. Chen and Ms. Hsu each attended three board meetings during their tenure.
Director	TCC Investment Co., Ltd. Representative: Cliff Lai	6	0	100%	Cliff Lai resigned as representative on January 6, 2014. James Jeng has been appointed to take over the position in 2014.
Director	Fu-Chi Venture Corp. Representative: Victor Kung / Vivien Hsu	6	0	100%	Vivien Hsu took over Victor Kung's duties on October 1, 2013. Ms. Hsu and Mr. Kung each attended three board meetings during their tenure.
Independent Director	Jack J.T. Huang	5	1	83%	None
Independent Director	Tsung-Ming Chung	6	0	100%	None
Independent Director	Wen-Li Yeh	5	1	83%	None
Independent Director	J. Carl Hsu	4	2	67%	None

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 interests 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." It also passed the "Rules and Procedures on Evaluating Board of Directors' Performance" to enhance efficiency, under which the Compensation Committee would evaluate the board's performance and submit a report on proposed improvements to the board. All members participated in a self-evaluation of individual performances for 2013 during the 17th meeting of the sixth board of directors on January 28, 2014.
- (2) Training programs for directors: Since 2008, the Company has conducted annual in-house seminars to facilitate interaction between the lecturer and directors and to meet 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 operation is 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 2013

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	6	0	100%	
Independent Director	Wen-Li Yeh	5	1	83%	
Independent Director	J. Carl Hsu	4	2	67%	

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 interests among the 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
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 interest	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 has set up "Rules and Procedures on Conducting Transactions between Group Companies and Related Parties" and "Rules and Procedures on Monitoring Subsidiaries" as risk control mechanisms.
Board of directors and its responsibilities	Independent directors	The Company's board includes four independent directors.
	Periodic review of CPA's independence	<p>The Audit Committee is authorized to evaluate the independence of the CPAs according to the "Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China" and "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies" on a quarterly basis based on the following criteria:</p> <ol style="list-style-type: none"> 1. The CPAs neither serve as a director/supervisor /manager nor hold a position with major influence in the Company or its subsidiaries. Neither are they related parties nor do they have direct or indirect interests that conflict with the Company's. 2. The Company has not engaged the services of the same CPA for seven consecutive years. 3. The CPAs should provide the Company with a Declaration of Independence on a periodic basis. <p>All CPAs engaged by the Company have fulfilled the aforementioned criteria.</p>
Communication channels with shareholders		The spokesperson and the mailboxes of the spokesperson and the Audit Committee serve as the main communication channels between the Company and shareholders.
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.
Functional committees		An Audit Committee and a Compensation Committee were set up under the board of directors. Their operations are detailed in Chapter 2.

Item	Current practice
<p>Has the Company established principles based on the “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies”? If yes, detail progress of implementation and any deviations:</p> <p>Although the Company has not established said principles, its operations fully comply with the requirements set forth in the “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.”</p>	

Additional information

1. Employee rights

The Company’s human resource policies not only comply with, but offer even better provisions than those 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 Company. These include holding regular employee and managerial meetings to accommodate suggestions for improvement and conducting surveys to collect 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. Corporate governance related training programs for management in 2013

Training program	Organizer	Date	Hours	Participants
The science of leadership: theories and practices	NTU EMBA	2013/01/02	2	Egon Chen
Negotiation: Collaborative decision making	NTU EMBA	2013/01/05 2013/01/19	8	Egon Chen
Corporate governance and capital market overview in Taiwan	Accounting Research and Development Foundation	2013/01/17	3	Darren Shih
Technology management	NTU EMBA	2013/02/02 ~ 2013/05/25	32	Egon Chen
Crisis management	TWM HR Div.	2013/03/12	4	Cliff Lai*, Jay Hong, Joseph Yang, Egon Chen, Chien Chen, Tom Koh, Steve Chou
How to develop long-term incentive programs for executives	Towers Watson	2013/03/29	4	Cliff Lai*

Training program	Organizer	Date	Hours	Participants
The 4th cross-strait CIO forum	Taiwan CIO magazine	2013/04/19	4	James Chang
Innovative marketing strategies and corporate competitiveness	TWM HR Div.	2013/05/7	2.5	Jeff Ku, Jay Hong, James Chang, Egon Chen, Chien Chen, Tom Koh, Steve Chou
Corporate governance and securities regulation	Taiwan Corporate Governance Association	2013/06/14	3	Rosie Yu
Management case studies: Industry competitive analysis	TWM HR Div.	2013/06/25	7	Vivien Hsu*, Jeff Ku, H.S. Wang*, Joseph Yang, Tom Koh, Paul Huang
Practical rules on "Personal Information Protection Act"	TWM Internal Audit Office	2013/08/27	0.5	Cliff Lai*, Vivien Hsu*, Rosie Yu, Jeff Ku, H.S. Wang*, Jay Hong, Ariel Hwang, Joseph Yang, James Chang, Egon Chen, Chien Chen, Tom Koh, Sean Hsieh, Paul Huang, Steve Chou
The corporate values and innovative approaches of Google	TWM HR Div.	2013/10/30	2	Jeff Ku, H.S. Wang*, James Chang, Tom Koh, Sean Hsieh, Paul Huang, Steve Chou
Information security fundamentals : Information leakage & hacking	TWM Internal Audit Office	2013/11/26	0.5	Cliff Lai*, Rosie Yu, Jeff Ku, H.S. Wang*, Jay Hong, Ariel Hwang, Joseph Yang, James Chang, Egon Chen, Chien Chen, Tom Koh, Sean Hsieh, Paul Huang, Steve Chou
Information security: protecting sensitive data	TWM Internal Audit Office	2013/11/27	0.5	Sean Hsieh

* Has resigned as manager

7. Training programs for directors in 2013

Training program	Organization	Date	Hours	Name
The impact of IFRS on corporate governance	Corporate Governance Association	2013/07/26	3	Richard Tsai, Daniel Tsai, Vivien Hsu, Jack J.T. Huang, Wen-Li Yeh, J. Carl Hsu, Cliff Lai*, Victor Kung*
Financial industry development policy	Corporate Governance Association	2013/12/18	3	Richard Tsai, Daniel Tsai
The responsibility of directors and supervisors in issuing IFRS- compliant financial statements	Corporate Governance Association	2013/01/30	3	Jack J.T. Huang
The legal implications of financial statement fraud	Chinese National Association of Industry and Commerce	2013/10/25	3	Benny Chen
The 9th Taipei corporate governance forum	Financial Supervisory Commission	2013/11/28	3	Tsung-Ming Chung
			6	Cliff Lai*

*Has resigned as director

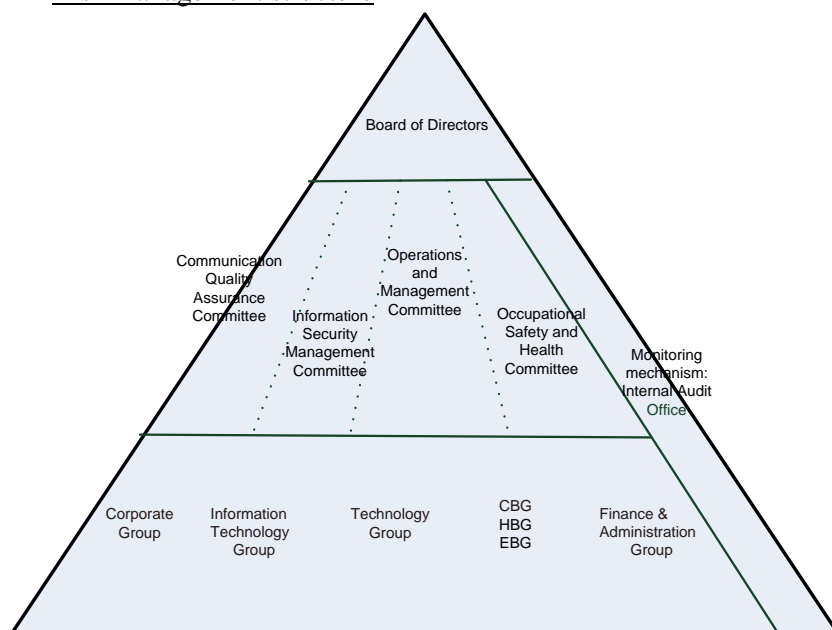
Note: The training hour requirements listed above have been fulfilled.

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 risk
- (3) Create a company-wide risk management structure that can limit risk 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:

(1) Ground

- 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.

(2) Middle

- Operations and Management Committee, Occupational Safety and Health Committee, Information Security Management Committee, and Communication Quality Assurance Committee assume responsibility. Presidents and committee heads convene a task force composed of unit chief officers of concerned departments.
- Should any material event or situation arise, the responsible unit shall report it to the Operations and Management Committee or the other three committees to examine the risks and undertake any necessary measures. The functions of the four committees are as follows:
 - Operations and Management Committee: Conduct periodic review of each business group's operating target and performance to meet the Company's guidance and budget.
 - Occupational Safety and Health Committee: Tasked with supervising and reducing potential risks to workers' safety and health.
 - 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.
 - Communication Quality Assurance Committee: Ensure and manage communication quality of the networks.

(3) Top: Board of Directors

- The Board of Directors is responsible for assessing material risks, designating actions to control these risks and keeping track of their execution.

(4) Monitoring mechanism: Internal Audit Office

- The Internal Audit Office regularly monitors and assesses potential and varying levels of risks that the Company may face and uses this information as a reference for drafting its annual audit plan.
- The Internal Audit Office should report any discrepancy to the concerned unit chief and ensure that remediation efforts are completed.

Risk factors and management structure

	Important risk factors	Responsible unit	Examining committee	Decision making and supervision	
1	Operating risk	Technology units / IT units	Operations and Management Committee	The highest decision-making body: Board of Directors	
2	Risks related to information security	Internal Audit Office - Information Security Management Department	Information Security Management Committee		
3	Technology and maintenance risk	President's Office - Communication Quality Assurance Department	Communication Quality Assurance Committee		
4	Market risk A. Competition B. New products C. Channel management D. Inventory management	Marketing units and Business Operations Management units	Operations and Management Committee		
5	Credit and collection risk	Business Operations Management Division and Billing Management Division			
6	Government policies and regulatory compliance	Regulatory and Carrier Relations Division			
7	Corporate image	Public Affairs Division			
8	M&A and investments	President's Office			
9	Employee safety	Occupational Safety and Health Office and Administration Division	Occupational Safety and Health Committee		Monitoring mechanism: Internal Audit Office
10	Employee behavior, code and ethics	Human Resources Division	Operations and Management Committee		
11	Volatility of interest rates, exchange rates and financial risks	Finance Division			
12	Financing and endorsements/guarantees provided to others, derivatives transaction and working capital management	Finance Division			
13	Financial report disclosure	Accounting Division			
14	Litigious and non-litigious matters	Legal Office			
15	Changes in shareholding of directors and major shareholders	Secretarial Division			
16	Board meeting facilitation	Secretarial Division			

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 customers’ trust and raise the quality of customer care.

10. The Company has purchased liability insurance for its directors.

11. Employee certifications relating to financial transparency

- (1) Certified Internal Auditor (CIA): six 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): six 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; four in the Operation Analysis Division; one in the Secretarial 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 board 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 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	1
Independent Director	Tsung-Ming Chung	V	V	V	V	V	V	V	V	V	1
Independent Director	Wen-Li Yeh	V	V	V	V	V	V	V	V	V	0
Independent Director	J. Carl Hsu	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 and accounting services or consultation 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: July 28, 2011 to June 14, 2014. The Compensation Committee convened three times in 2013:

Title	Name	Attendance in person	By proxy	Attendance ratio	Remarks
Independent Director	Jack J.T. Huang	3	0	100%	Appointed committee chairman
Independent Director	Tsung-Ming Chung	3	0	100%	-
Independent Director	Wen-Li Yeh	2	1	67%	-
Independent Director	J. Carl Hsu	3	0	100%	-

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> <ol style="list-style-type: none"> 1. Establishing a CSR policy or system and review mechanism 2. Setting up a unit to carry out this policy or system 3. Holding regular training programs on business ethics for directors and employees and establishing a reward-and-punishment system incorporated in the Company's employee performance evaluation 	<ol style="list-style-type: none"> 1. The Company set up the "Taiwan Mobile CSR Policy" to ensure effective execution of corporate social responsibility in January 2011. 2. In 2007, TWM established a Social Responsibility Department under the Public Relations 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. 3. In addition to regular training programs on business ethics, the Company formulated a Code of Ethics that all directors, managers and employees are expected to follow and support. Since August 2010, employees can access the Code of Ethics through TWM's e-learning website. An intranet hotline was also set up for employees to report any violation of the Code. Violators shall be punished in accordance with Company regulations. 												
<p>Environmental sustainability</p> <ol style="list-style-type: none"> 1. Promoting advanced and efficient use of renewable resources to reduce their impact on the environment 2. Establishing an environmental management system in line with the nature of the Company's business operations 3. Setting up a framework and allocating staff to promote environmental conservation 4. Monitoring the impact of climate change on operating activities and adopting measures to reduce greenhouse gas emissions and minimize their impact on the environment 	<ol style="list-style-type: none"> 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. 2. TWM has established an internal Sustainable Development Committee that is responsible for monitoring energy management activities and environment-related indexes and efforts to reduce carbon emissions, as well as planning, promoting and integrating all of the Company's environmental protection-related activities. 3. The Company has designated personnel in the Administration Division, Public Affairs Division and Network Engineering Division to promote its environmental protection program. 4. TWM has made use of its operating management practices and communications technology to reduce energy consumption and greenhouse gas (GHG) emissions. These measures include: <ul style="list-style-type: none"> ● Data center energy-saving program ● Base station equipment upgrading ● Energy management program for TWM's office buildings and direct stores ● Telepresence service ● Green value-added service ● e-service and mobile service <p style="text-align: right;">Unit: tCO₂e</p> <table border="1" data-bbox="628 1512 1378 1812"> <thead> <tr> <th></th> <th>2012</th> <th>2013*</th> </tr> </thead> <tbody> <tr> <td>Direct emissions</td> <td>2,617</td> <td>3,016</td> </tr> <tr> <td>Indirect emissions</td> <td>160,201</td> <td>173,082</td> </tr> <tr> <td>Total GHG Emissions</td> <td>162,818</td> <td>176,098</td> </tr> </tbody> </table> <p>* The increases were due to the inclusion of a cloud internet data center completed in October 2013.</p>		2012	2013*	Direct emissions	2,617	3,016	Indirect emissions	160,201	173,082	Total GHG Emissions	162,818	176,098
	2012	2013*											
Direct emissions	2,617	3,016											
Indirect emissions	160,201	173,082											
Total GHG Emissions	162,818	176,098											

Item	Current Practices
<p>Commitment to corporate social responsibility</p> <ol style="list-style-type: none"> 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 2. Providing employees with a safe and healthy working environment, as well as regular training on safety and health education 3. Building a regular communication mechanism and notifying employees about potential operating changes that may have a significant impact on them 4. Drawing up a policy on protecting consumers' rights and providing a transparent and effective mechanism for filing and processing complaints about products and services 5. Working with vendors to promote corporate social responsibility. 6. Promoting community development projects and philanthropic work through commercial activities, donations, volunteer work or other services 	<ol style="list-style-type: none"> 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. In addition, TWM's Code of Ethics serves as a guideline for employees. The company has also established a performance-based reward system to motivate employees. 2. 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. 3. The Company has set up multiple channels to communicate with employees on a regular basis about the company's operational decisions. <ol style="list-style-type: none"> (1) Dialogue between employees and management: Managerial meetings are held every three months to deliver the company's vision and recent critical developments to all employees. (2) A President's Mailbox has been set up for employees to submit recommendations to the company. (3) 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. 4. To protect consumers' rights, the Company provides various services and information, such as information related to outdoor coverage for wireless broadband; free trial service for mobile internet; customers' prior agreement needed to activate mobile internet and international roaming services; measures to protect young adults and children; notification of activating international data roaming service; and voluntarily notifying customers about the collection, processing and use of their personal information. All these are written in the customer service contracts and posted on the company website and on posters in Company stores. The Company aims to provide customers with the most diversified and convenient service channels by integrating its call center service, store service, website service and smartphone app service into an integrated customer-centric service network. In 2013, the Company was awarded an ISO 10002 certification for its customer service system. 5. 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." Furthermore, TWM provides first bargaining rights to green-product and conflict-free product suppliers to encourage others to likewise produce environmentally friendly products. <ol style="list-style-type: none"> (1) TWM does not use any product from conflict material/product suppliers. (2) TWM requests its suppliers investigate their supply chains to ensure that no products are from conflict areas. 6. TWM has made significant progress in fulfilling its corporate social responsibility systematically and strategically. The Company leverages its core competence to generate wider benefits for society. <ol style="list-style-type: none"> (1) The potential benefit of carbon emissions reduction throughout the ICT industry is far greater than what TWM can achieve on its own. As such, the Company has actively helped consumers and other organizations meet energy-saving and carbon-reduction goals through handset recycling, e-billing, video conferencing and green value-added services (electronically and mobilized). (2) In addition to the 5180 Mobile Donation Hotline and 909 Mobile Phone Audio Guide, TWM holds the annual myfone Mobile Awards to encourage

	<p>creativity and innovation in order to enrich digital content and applications for its telecom business.</p> <p>(3) TWM provides discount rates for people with disabilities, and has also contributed hardware equipment and applications to promote information literacy to expand digital opportunities for remote and underprivileged communities to enhance the nation's digital competitiveness.</p> <p>(4) In 2007, TWM introduced its "Corporate Volunteer Guidelines" to encourage employees to take an active role in fulfilling their social responsibilities. Volunteers can take two paid days off a year to participate in community service activities. Transportation allowances and insurance, as well as comprehensive training, are provided. To date, 1,616 participants have joined these activities.</p>
<p>Information disclosure</p> <p>1. Disclosing relevant and reliable information on corporate social responsibility</p> <p>2. Process for preparing and disclosing CSR information</p>	<p>1. 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>2. TWM released its first CSR report in 2007. A second report, released in 2009, complies with the GRI and the AA1000 assurance standards on CSR disclosure practices. In addition, information disclosed in the 2013 CSR report complies with the latest GRI G3.1 application level of A+, as audited by an independent third-party organization.</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 has been embedded in the strategic decisions and daily operations of all departments. TWM went a step further, with the Board of Directors passing the "Taiwan Mobile CSR Policy" to serve as a long-term guideline for promoting CSR and fulfilling the company's commitment to society in January 2011.</p> <p>The policy contains six articles, with the Company's underlying corporate philosophy and core values serving as the foundation, emphasizing corporate governance, stakeholder's interests and full disclosure, and leveraging 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. 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 (GHG) emissions and removals as well as received an ISO 50001 certification for energy management.

2. Consumers’ interests

TWM introduced a global standard information security management system to ensure that customers’ personal information is strictly protected every step of the way – from form application to activation, information changes, billing, settlement and customer service. The Company strictly follows government regulations and information security policies on respecting customer privacy and protecting the use of client information.

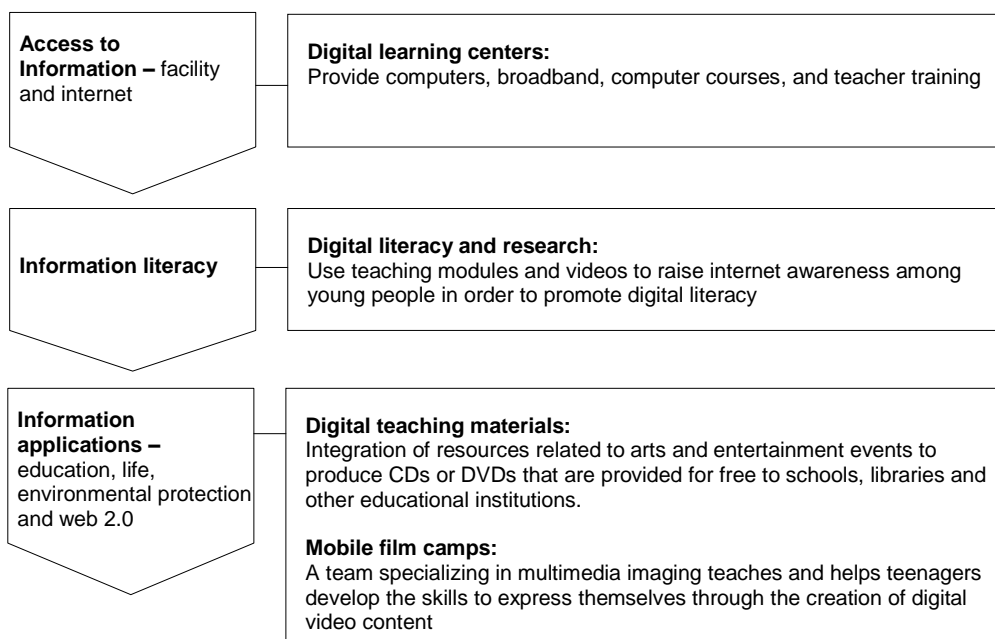
3. Human rights

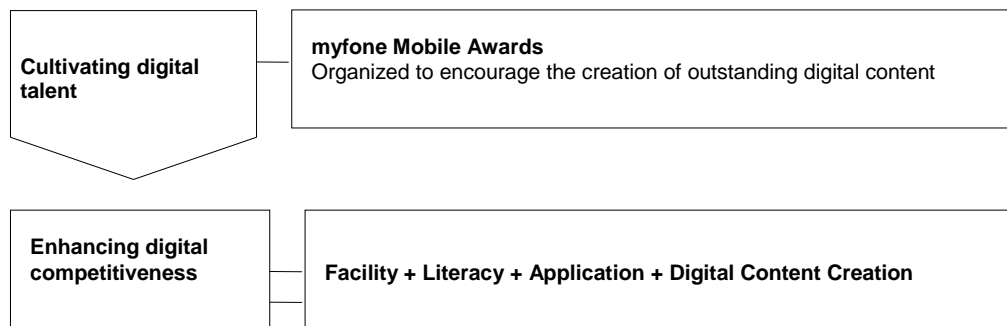
TWM has never employed child workers. Pursuant to the Gender Equality in Employment Act and Employment Services Act, the Company has never discriminated against any employee and ethnic group or forced labor on its employees. Employees are free to form associations.

4. Safety and health

To build a vital, happy and healthy workplace, TWM has designed various activities for its employees with a focus on promoting a safe environment, disease prevention, health and spiritual relaxation. From 2007 to 2013, the Company received the following awards: “LOHAS (Lifestyles of Health and Sustainability),” “Community Health,” “Leader in Health” and “Best Weight Loss Office” from the Cabinet-level Department of Health. It also received top certifications from Taipei City’s Health Department for its breastfeeding rooms.

5. Enhancing digital competitiveness





- TWM continued to set up broadband services in remote areas in 2013. The Company also collaborated with local nonprofit organizations (NPOs) and was operating 15 digital learning centers as of the end of 2013.
- TWM has published 26 sets of digital teaching materials since 2009, with content covering live concerts, raising internet literacy among young adults and children, creating digital videos, digital music composition, environmental education and human care.
- TWM hosted the “Mobile Film Creation Camp for Teenagers” 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.
- TWM launched the “myfone Mobile Awards” to encourage the creation of new types of literature and music. The contest attracted a record nearly 50,000 entries in 2013.

6. Digital social welfare “i-Infinity”

In 2012, TWM started integrating its core competencies and resources to help non-profit 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 2013, TWM proposed five mobile application programs to aid these organizations’ digital application development and cater to their digital marketing and training needs. Cumulatively, 37 social welfare groups attended 51 seminars on these programs.

- “Wheelmap (Taiwan)” App was launched to enable the elderly, people with disabilities and parents with small children search for attractions, hotels, restaurants and shopping centers in Taiwan that have barrier-free facilities and for bus routes served by low-floor buses.
- “Flora App,” developed in collaboration with the Society of Wilderness, National Taiwan University, and National Chengchi University’s computer science department, is a mobile flower library in Taiwan.
- Three social-welfare short films have helped NPOs raise more than NT\$6 million since they were posted online.
- Teleconferencing service: TWM has helped thirteen NPOs install video conference equipment as of the end of 2013. The teleconferencing service has helped these NPOs save more than NT\$5 million in travel expenses and more than 60 tons in carbon emissions. More than 7,300 participants have been trained using the service.
- E-books: TWM has assisted 27 NPOs in developing electronic books. As of the end of 2013, the e-book service has helped reduce mailing costs by 30%, which translates into savings of around NT\$720,000 from annual printing expenses.

7. 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 sponsors tutorial sessions after school for more than 60 children from underprivileged families.
- 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 45,000 participants took part in these activities in 2013.
- TWM sponsors an NGO that provides classes on “EQ Management” and “Suicide Prevention” to junior-high school students. More than 192,000 students have been involved in this program.

8. Cultural promotions:

- TWM introduced the “909 Mobile Phone Audio Guide,” which employs mobile communications technology and cloud database to promote art and culture.
- To promote cultural literacy, TWM has since 2005 held 39 large outdoor concerts throughout the country, with more than 530,000 people attending these events.

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, information disclosed in the 2013 CSR report complies with the latest GRI G3.1 application level of A+, as audited by an independent third-party organization.

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 and training – to prevent dishonest behavior</p> <p>(3) Adopting measures to prevent high-risk dishonest behavior, such as offering or accepting bribes, giving illegal political donations</p>	<p>(1) The Company has promulgated its Ethical Corporate Management Best Practice Principles and disseminates 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 have established 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 were announced and disseminated to employees, managers and board directors to enhance integrity and self-discipline. In addition, all employees are required to sign a "Declaration of Integrity" every year starting 2014.</p> <p>(3) The Company has set up an accounting system and internal control system for business activities that are at higher risk of dishonest behavior. The Company has no under-the-table accounts or secret accounts. The aforementioned systems are reviewed periodically to ensure that they are working and measures are implemented.</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 and supervision by the board of directors</p> <p>(3) Setting up policies to prevent conflict of interests and providing channels to report such conflict</p> <p>(4) Building an effective accounting system and internal control system to carry out ethical corporate management, with internal auditors auditing the process</p>	<p>(1) The Company's Guidelines on Corporate Social Responsibility for Suppliers states that all suppliers should not engage in bribery.</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 interests. Any violation should be reported to the Audit Committee, the managers or the chief internal audit officer.</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. No material violation has ever been found.</p> <p>Moreover, all employees are required to sign a "Declaration of integrity," while suppliers are required to sign a "Declaration of Integrity in Business Conduct."</p>
<p>3. Providing reporting channels and a system for appeal and punishment in cases of ethics violation</p>	<p>The reporting channels include mailboxes for employee or vendor complaints. If any violation is found, the Internal Audit Office will conduct an investigation and report the results, with punishment being meted out in accordance with the severity of the offense. The Company has incorporated its Ethical Corporate Management Best Practice Principles into its employee performance evaluation and human resource policies to create an effective reward/punishment mechanism.</p>
<p>4. Strengthening information disclosure</p> <p>(1) Disclosing related information on ethical corporate management on the Company's website</p> <p>(2) Other ways of disclosure (e.g. setting up an English website or designating dedicated personnel to collect and disclose related information on the Company's website)</p>	<p>(1) The Company's Ethical Corporate Management Best Practice Principles have already been posted on the Company's Chinese / English websites as well as its intranet.</p> <p>(2) The Company has designated dedicated personnel to collect and disclose related information on the official website and update the revision of related regulation duly.</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>	

6. Other important information to facilitate understanding of the Company's implementation of ethical corporate management practices, such as the Company publishing its ethical corporate management practices and inviting vendors to participate in the Company's training on and amendment of the principles:

The Company has promulgated its Guidelines on Corporate Social Responsibility for Suppliers to serve as a guide for doing business with vendors. In addition, the Company issued a CSR report in 2013, which was verified by an independent third-party organization, in accordance with its AA1000 (2008) Type 2 high assurance standards. The information disclosed in the aforementioned report complies with the latest GRI G3.1 application level of A+, as audited by an independent third-party organization. This is another evidence of the Company's commitment to carrying out ethical corporate management.

Corporate governance rules and procedures

The Company has implemented a number of rules and procedures to enhance its corporate governance practices. It has revised the Audit Committee Charter, the 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, and Rules and Procedures on Conducting Transactions between Group Companies and Related Parties. With these changes, 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 ensures fair and independent financial oversight
- Compensation Committee ensures sound corporate governance practices and compensation systems for directors and managers are in place
- Adoption of a high cash dividend payout policy
- Shareholders' rights guaranteed with the right to vote on all proposals at the annual general meeting or through an electronic voting system
- Strict compliance with the Code of Ethics and Ethical Corporate Management Best Practice Principles and establishment of an internal audit mechanism

To ensure that employees, managers and directors promote information transparency and timely disclosure, the Company 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

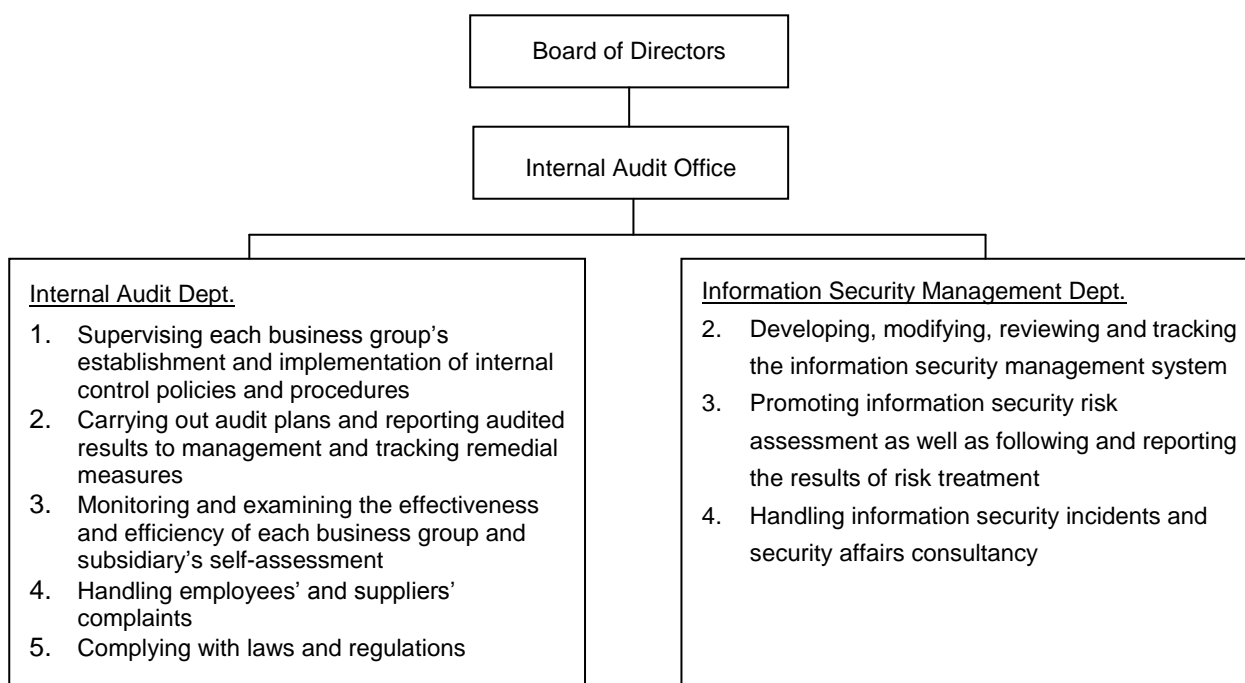
1. Internal control mechanism

The Company's Internal Audit Office is made up of two departments: internal audit and information security management. The internal audit department carries out audits, while the information security management department sets information security affairs into action.

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 11 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.

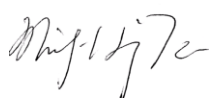
Internal Control Statement

Date: January 28, 2014

Taiwan Mobile (TWM) states the following with regard to its internal control system for the year 2013:

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 "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, 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, 2013, 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 28, 2014, 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 2013 shareholders' meeting

Issues approved and subsequent execution:

(1) 2012 business report and financial statements

(2) 2012 earnings distribution proposal

Execution: Set record date of ex-dividend for July 14, 2013, cash payment on July 26, 2013.

(3) Approved plan for the Company to consign its direct store related operations to Taiwan Digital Service Co., Ltd.

Execution: The Company signed a management contract consigning its direct store related operations to Taiwan Digital Service Co., Ltd. from July 1, 2013.

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

Execution: Already approved by Minister of Economic Affairs on July 15, 2013 and disclosed on Company website

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

Execution: implemented in accordance with the revised rules.

(6) Amendments to rename the Company's "Election Rules on Directors and Supervisors"

Execution: implemented in accordance with the revised rules.

2. Major resolutions by the board (from 2013 up to the publication date in 2014)

1. 10th meeting of the sixth BOD on January 31, 2013

(1) Approved 2012 business report and financial statements

(2) Approved plan to change chief internal audit officer

(3) Approved changes to accounting policy on bundled sales starting January 1, 2013

(4) Approved 2013 consolidated financial forecasts

(5) Approved 2013 capital expenditure plans

(6) Approved the consignment of the Company's direct store related operations to a newly established 100%-owned subsidiary, Taiwan Digital Service Co., Ltd.

(7) Approved schedule for 2013 general shareholders' meeting

2. 11th meeting of the sixth BOD on April 30, 2013

(1) Approved 2012 earnings distribution proposal and cash returns distributed from legal reserve

(2) Approved proposal to participate in Taiwan Cellular Co., Ltd.'s rights issue

3. 12th meeting of the sixth BOD on July 30, 2013

(1) Approved plan to participate in the government's 4G license auction

4. 13th meeting of the sixth BOD on October 1, 2013

(1) Approved the appointment of a new Managing Director and Co-President Vivien Hsu's resignation

5. 14th meeting of the sixth BOD on October 31, 2013

(1) Approved additional capital expenditure plans for 2013

6. 15th meeting of the sixth BOD on November 26, 2013

- (1) Approved additional capital expenditure plans for 2013
- 7. 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
- 8. 17th meeting of the sixth BOD on January 28, 2014
 - (2) Approved 2013 business report and financial statements
 - (3) Approved 1Q14 consolidated financial forecasts
 - (4) Approved 2014 capital expenditure plan
 - (5) Approved the procurement of mobile broadband equipment from Nokia Siemens Networks Taiwan Co., Ltd.
 - (6) Approved the schedule for the 2014 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 2013 up to the publication date in 2014: None

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

As of March 20, 2014

Title	Name	Date of taking office	Date of resignation	Reason for resignation/discharge
Co-President	Vivien Hsu	2011.01.01	2013.10.01	Resignation
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 Janice Lai	8,500	-	1,315	1,315	2013.01.01~2013.06.30	Fees for other non-audit services were for tax-related and attestation services.
	Simon Chen Leo Chi					2013.07.01~2013.12.31	

Note: Change of CPAs dated July 1, 2013 was due to job rotations at KPMG.

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, 2013

Unit: shares, %

Long-term investments under equity method	Investment by TWM		Direct and indirect investment by TWM 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.	39,065,000	100.00%	–	–	39,065,000	100.00%
Taipei New Horizons Co., Ltd.	174,650,000	49.90%	–	–	174,650,000	49.90%
Alliance Digital Technology Co., Ltd.	3,000,000	19.23%	–	–	3,000,000	19.23%

Changes in shareholdings of directors, managers and major shareholders

1. Minor changes in shareholder structure

Unit: shares

Title	Name	2013		2014 (as of March 20)	
		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 (Note 1)				
Director	TCC Investment Co., Ltd. Representative: Benny Chen (Note 2)	0	0	0	0
Director	TCC Investment Co., Ltd. Representative: James Jeng (Note 3)				
Independent Director	Jack J.T. Huang	0	0	0	0
Independent Director	Tsung-Ming Chung	0	0	0	0
Independent Director	Wen-Li Yeh	0	0	0	0
Independent Director	J. Carl Hsu	0	0	0	0
Major Shareholder (shareholding of more	TFN Union Investment Co., Ltd.	0	0	0	0

Title	Name	2013		2014 (as of March 20)	
		Net change in shareholding	Net change in shares pledged	Net change in shareholding ¹	Net change in shares pledged
than 10%)					
President	James Jeng (took office on January 6, 2014)	NA	NA	0	0
SVP and Chief Financial Officer	Rosie Yu	0	0	0	0
Acting Chief Technology Officer	CH Jih (took office on February 10, 2014)	NA	NA	0	0
Acting SVP & Chief Business Officer	Jeff Ku	(2,000)	0	0	0
Vice President	Jay Hong	0	0	0	0
Vice President	Ariel Hwang	0	0	0	0
Vice President	Joseph Yang	(13,720)	0	0	0
Vice President	James Chang	0	0	0	0
Vice President	Egon Chen	(20,000)	0	0	0
Vice President	Chien Chen	0	0	0	0
Vice President	Tom Koh	0	0	0	0
Vice President	Sean Hsieh	0	0	0	0
Vice President	Paul Huang	0	0	0	0
Vice President	Steve Chou	0	0	0	0
Chief Accounting Officer	Darren Shih	0	0	0	0
Co-President	Vivien Hsu (resigned on October 1, 2013)	0	0	NA	NA
President	Cliff Lai (resigned on January 6, 2014)	0	0	0	0
Vice President & Acting Chief Technology Officer	HS Wang (resigned on February 10, 2014)	0	0	0	0

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

Note 2: TCC Investment Co., Ltd. appointed Benny Chen as its representative, taking over Vivien Hsu's duties on October 1, 2013.

Note 3: TCC Investment Co., Ltd. appointed James Jeng as its representative, taking over Cliff Lai's duties on January 6, 2014.

2. Shareholding transferred with related party: None

3. Stock pledged with related party: None

Relationship between TWM's top 10 shareholders

As of July 14, 2013

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. Wan-Tsai Tsai Daniel Tsai Richard Tsai	A and B have the same chairman B's chairman is a relative within two degrees of A's chairman Related party A and B have the same chairman B's chairman is a relative within two degrees of A's chairman B is a relative within two degrees of A's 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. Wan-Tsai Tsai Daniel Tsai	A is B's chairman A is B's chairman A is a director at B A is a director at B A is B's chairman A is a director at B B is A's relative within two degrees 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. Wan-Tsai Tsai Daniel Tsai Richard Tsai	A and B have the same chairman B's chairman is a relative within two degrees of A's chairman Related party A and B have the same chairman B's chairman is a relative within two degrees of A's chairman B is a relative within two degrees of A's chairman B is a director at A B is A'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
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. Wan-Tsai Tsai Daniel Tsai	A is B's chairman A is B's chairman A is a director at B A is a director at B A is B's chairman A is a director at B B is A's relative within two degrees 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. Dao Ying Co., Ltd. Wan-Tsai Tsai Daniel Tsai Richard Tsai	B's chairman is a relative within two degrees of A's chairman B's chairman is a relative within two degrees of A's chairman Related party B's chairman is a relative within two degrees of A's chairman A and B have the same chairman B is A's chairman B is a director at A B is a director at A
Chairman: Wan-Tsai 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 Richard Tsai	B's chairman is A's relative within two degrees B's chairman is A's relative within two degrees A is B's chairman Related party B's chairman is A's relative within two degrees A is B's chairman B is A's relative within two degrees B is A's relative within two degrees
Fubon Life Insurance Co., Ltd.	123,791,400	3.62%	-	-	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. TCCI Investment & Development Co., Ltd. Dao Ying Co., Ltd. Wan-Tsai Tsai Daniel Tsai Richard Tsai	Related party Related party Related party Related party Related party Related party Related party B is a director at A
Chairman: Oliver Cheng	-	-	-	-	None	None
TCCI Investment & Development Co., Ltd.	119,563,804	3.50%	-	-	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd.	A and B have the same chairman 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
					Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. Dao Ying Co., Ltd. Wan-Tsai Tsai Daniel Tsai Richard Tsai	B's chairman is a relative within two degrees of A's chairman Related party B's chairman is a relative within two degrees of A's chairman B is a relative within two degrees of A's 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. Wan-Tsai Tsai Daniel Tsai	A is B's chairman A is B's chairman A is a director at B A is a director at B A is B's chairman A is a director at B B is A's relative within two degrees B is A's relative within two degrees
Dao Ying Co., Ltd.	104,954,742	3.07%	-	-	TFN Union Investment Co., Ltd. TCC Investment Co., Ltd. Ming Dong Co., Ltd. Fubon Life Insurance Co., Ltd. TCCI Investment & Development Co., Ltd. Wan-Tsai Tsai Daniel Tsai Richard Tsai	B's chairman is a relative within two degrees of A's chairman B's chairman is a relative within two degrees of A's chairman A and B have the same chairman Related party B's chairman is a relative within two degrees of A's chairman B is A's chairman B is a director at A B is a director at A
Chairman: Wan-Tsai 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 Richard Tsai	B's chairman is A's relative within two degrees B's chairman is A's relative within two degrees A is B's chairman Related party B's chairman is A's relative within two degrees A is B's chairman B is A's relative within two degrees B is A's relative within two degrees
JP Morgan Chase Bank N.A. Taipei Branch, custodian for Saudi Arabian Monetary Agency	100,866,526	2.95%	-	-	None	None
Shin Kong Life Insurance Co., Ltd.	100,561,000	2.94%	-	-	None	None

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
Chairman: Tung-Chin Wu	-	-	-	-	None	None
Daniel Tsai	91,979,990	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. Wan-Tsai Tsai 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 B is A's relative within two degrees
Richard Tsai	90,127,938	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. Wan-Tsai Tsai Daniel Tsai	A is B's chairman A is B's chairman A is a director at B A is a director at B A is B's chairman A is a director at B B is A's relative within two degrees B is A's relative within two degrees