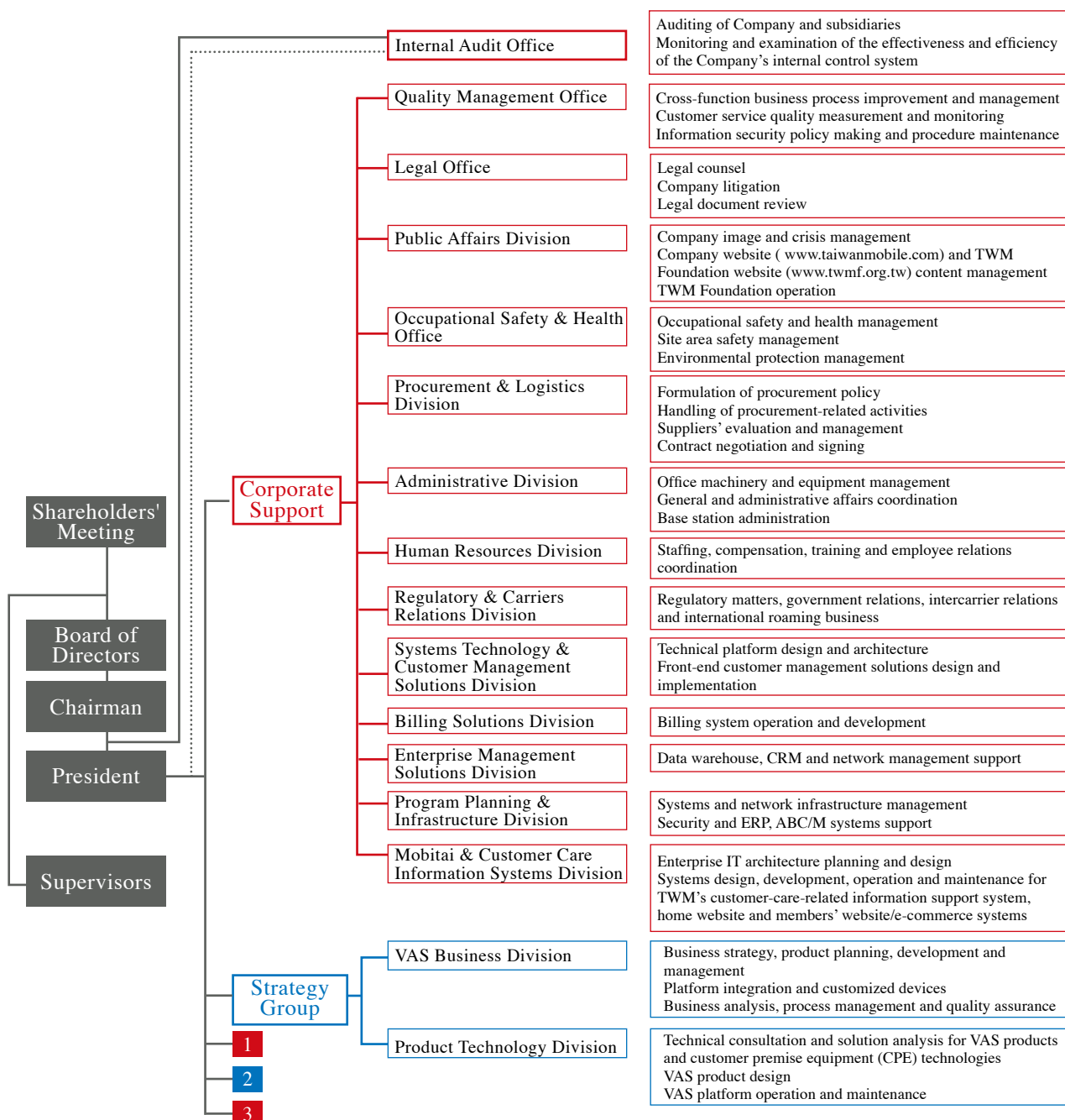
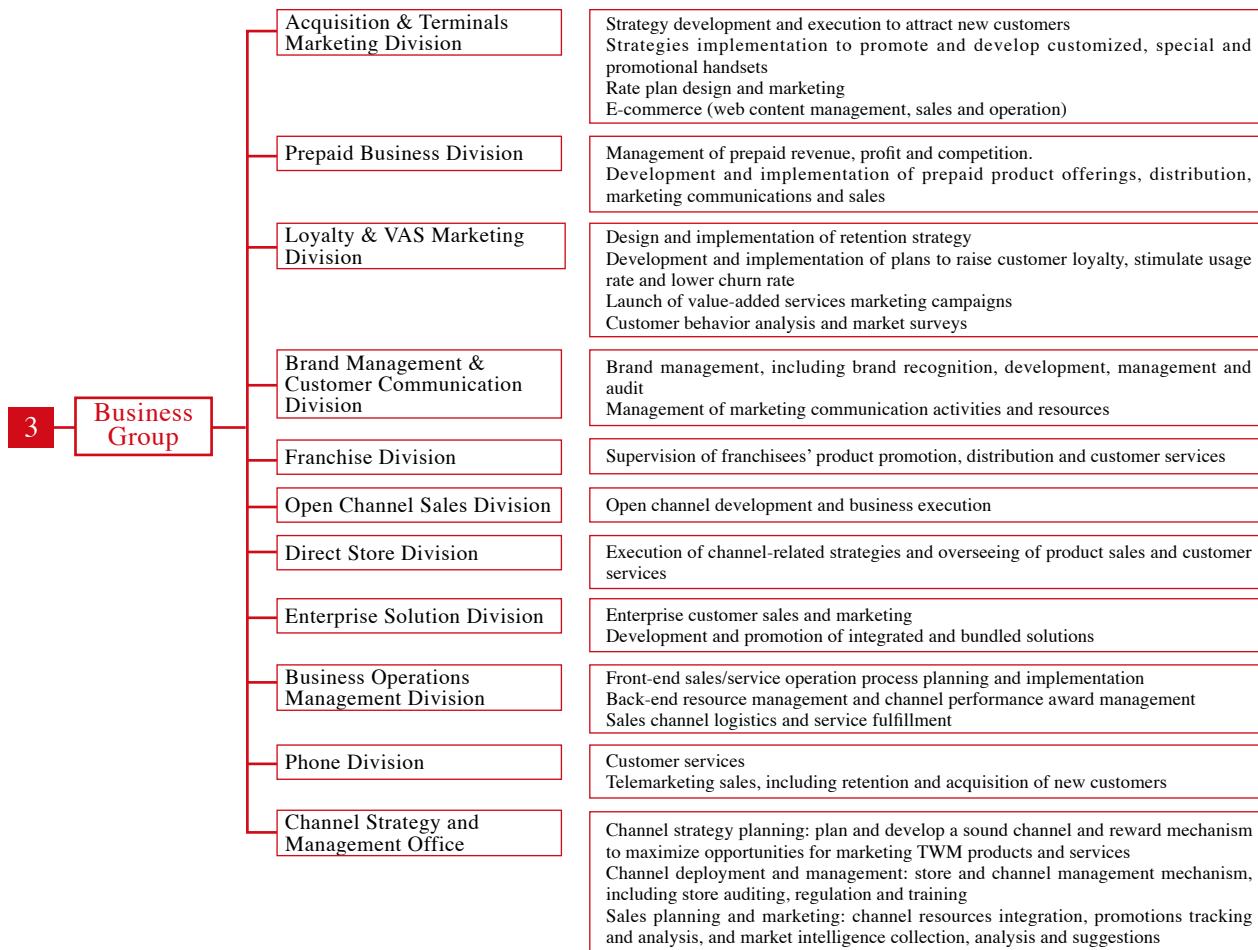
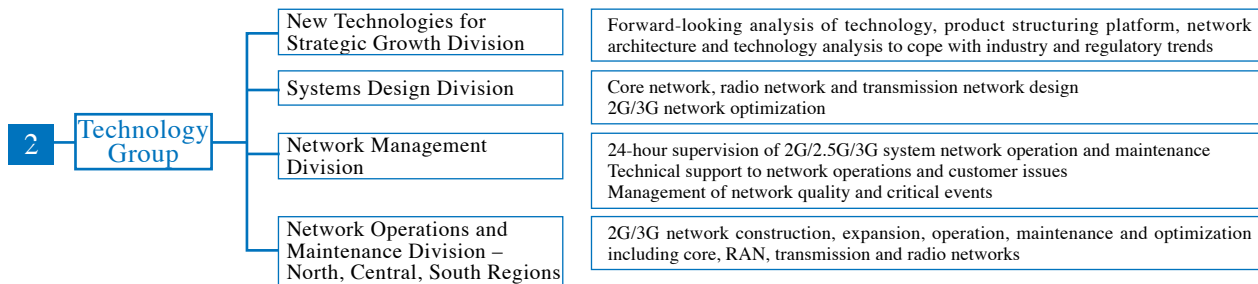
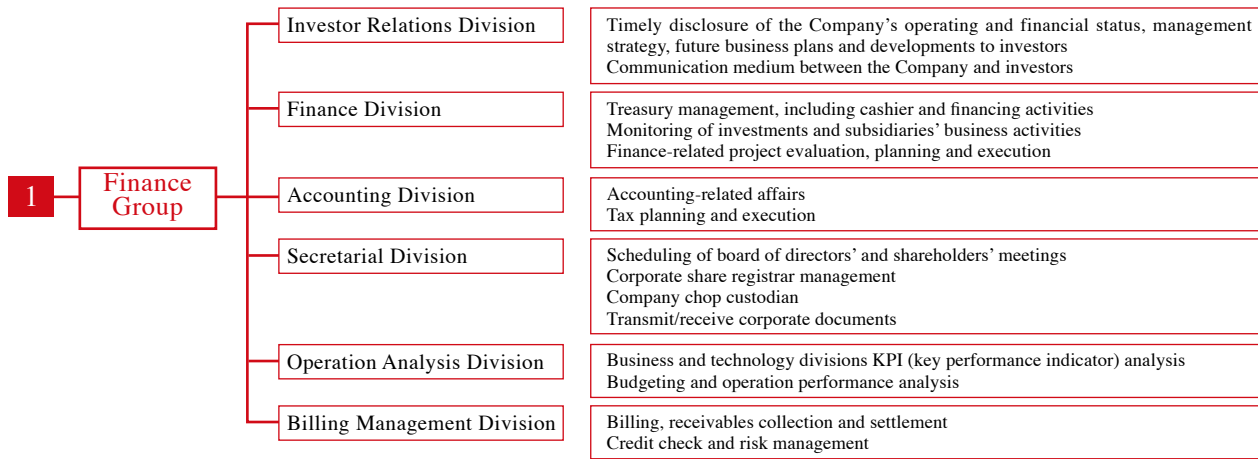


Organization

To protect the interest of investors, the Company has, pursuant to laws, set up a board of directors to represent investors in supervising the management team. The Company's major divisions are organized by functions. A Strategy Group was added in 2006 in line with industry developments.

Organization





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 14, 2005, is composed of 12 members, including four independent directors. This more than fulfills current regulations requiring public companies to have at least two independent directors. Information regarding the Company's Fourth Board of Directors is detailed below:



Chairman
Richard Tsai

Vice Chairman
Daniel Tsai

Director
Piere Chen

Representative of Fu-Chi Venture Corp.
Date elected 2005.06.14
Term expires 2008.06.13

Shareholding when elected
Shares 4,235,569
% 0.086%

Current shareholding
Shares 4,235,569
*106,109,964
% 0.085%
**2.134%

Spouse/minor's shareholdings
Shares 8,895,965
% 0.178%

Education and experience
MBA, Stern School,
New York University
Chairman, Fubon Securities Co., Ltd.

Current position(s) in other companies
Vice Chairman and CEO, Fubon Financial Holding Co.
Chairman, Fubon Life Assurance Co., Ltd.
Director, Taiwan Fixed Network Co., Ltd.
Chairman, TransAsia Telecommunications Inc.
Chairman, Mobitai Communications

Manager is a spouse or consanguineous within two degrees
Title: Vice Chairman
Name: Daniel Tsai
Relationship: Brother

Representative of Fu-Chi Venture Corp.
Date elected 2005.06.14
Term expires 2008.06.13

Shareholding when elected
Shares 4,235,569
% 0.086%

Current shareholding
Shares 4,235,569
*106,665,964
% 0.085%
**2.134%

Spouse/minor's shareholdings
Shares 8,155,618
% 0.163%

Education and experience
LL.B., National Taiwan University
LL. M., Georgetown University
Chairman, Fubon Insurance

Current position(s) in other companies
Chairman and CEO, Fubon Financial Holding Co.
Chairman, Taipei Fubon Commercial Bank
Chairman, Fubon Land Development Co.
Chairman, Taiwan Fixed Network Co., Ltd.
Director, TransAsia Telecommunications Inc.
Director, Mobitai Communications

Manager is a spouse or consanguineous within two degrees
Title: Chairman
Name: Richard Tsai
Relationship: Brother

Representative of Taiwan Fixed Network Co., Ltd.

Date elected 2005.06.14
Term expires 2008.06.13

Shareholding when elected
Shares 900,352,762
% 18.241%

Current shareholding
Shares 900,352,762
*None
% 18.013%
**None

Spouse/minor's shareholdings
Shares 523,741
% 0.010%

Education and experience
Dept. of Engineering Science, National Cheng Kung University
CEO, Yageo Corp.
Vice Chairman, Yageo Corp.

Current position(s) in other companies
Chairman, Yageo Corp.
Supervisor, Far Eastern Air Transport
Director, Taiwan Fixed Network Co., Ltd. Chairman, Global Testing Corp.

Manager is a spouse or consanguineous within two degrees
Title: -
Name: -
Relationship: -

*: Personal shareholding

** : Calculated based on 4,999,325,082 outstanding shares on Jan. 31, 2007.



Director
Yu-Lon Chiao

Director
Harvey Chang

Director
Nita Ing

Representative of Taiwan Fixed Network Co., Ltd.

Date elected 2005.06.14

Term expires 2008.06.13

Shareholding when elected

Shares	900,352,762
%	18.241%

Current shareholding

Shares	900,352,762
	*None
%	18.013%
	**None

Spouse/minor's shareholdings

Shares	-
%	-

Education and experience

BBA, University of Washington

Current position(s) in other companies

Chairman, Walsin Lihwa Corp.
Vice Chairman, Taipei Financial Center Corp.
Director, Taishin Financial Holding Co., Ltd.
Supervisor, Taiwan Fixed Network Co., Ltd.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Representative of Kuo-Ki Investment Co., Ltd.

Date elected 2005.06.14

Term expires 2008.06.13

Shareholding when elected

Shares	225,478
%	0.005%

Current shareholding

Shares	225,478
	*10,026,000
%	0.005%
	**0.201%

Spouse/minor's shareholdings

Shares	-
%	-

Education and experience

MBA, Wharton School, University of Pennsylvania
Senior Vice President, Chiao Tung Bank's trust and foreign departments
Founding President of Grand Cathay Securities Corp.
President, China Development Corp.
Chairman, China Securities Investment Trust Corp.
Vice Chairman, KG Telecommunications Co., Ltd.
SVP & CFO, Taiwan Semiconductor Manufacturing Co., Ltd.

Current position(s) in other companies

President, Taiwan Mobile Co., Ltd.
Director and President, TransAsia Telecommunications Inc.
Director and President, Mobitai Communications
Chairman, Taiwan Teleservices & Technologies Co., Ltd.
Director and President, Taiwan Cellular Co., Ltd. (former Taihsing Den Syun Co., Ltd.)
Chairman, IC Broadcasting Co., Ltd.
Chairman, Taiwan Fund Inc.
Director, CX Technology Corp.

Manager is a spouse or consanguineous within two degrees

Title: - / Name: - / Relationship: -

Representative of Ching Shang Zhen Corp.

Date elected 2005.06.14

Term expires 2008.06.13

Shareholding when elected

Shares	2,246,617
%	0.046%

Current shareholding

Shares	2,246,617
	*7,362,232
%	0.045%
	**0.147%

Spouse/minor's shareholdings

Shares	-
%	-

Education and experience

University of California, Los Angeles

Current position(s) in other companies

President, Continental Engineering Co., Ltd.
Director, Taiwan Synthetic Rubber Co., Ltd.
Chairman, Hao Ran Foundation
Chairman, Taiwan High Speed Rail Corp.
Chairman, Voice of Taipei Broadcasting Co., Ltd.
Director, Taiwan Fixed Network Co., Ltd.
Chairman, 921Earthquake Relief Foundation

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -



Independent Director
Jack J.T. Huang

Independent Director
Wen-Li Yeh

Independent Director
J. Carl Hsu

Date elected 2005.06.14 Term expires 2008.06.13	Date elected 2005.06.14 Term expires 2008.06.13	Date elected 2005.06.14 Term expires 2008.06.13
Shareholding when elected Shares - % -	Shareholding when elected Shares - % -	Shareholding when elected Shares - % -
Current shareholding Shares - *_ % - **_	Current shareholding Shares - *_ % - **_	Current shareholding Shares - *_ % - **_
Spouse/minor's shareholdings Shares - % -	Spouse/minor's shareholdings Shares - % -	Spouse/minor's shareholdings Shares - % -
Education and experience LL.B., National Taiwan University LL.M., Northwestern University S.J.D., Harvard University.	Education and experience Dept. of Architecture, Chung-Yuan Christian University Master and Ph.D. candidate, University of Paris Graduate Studies, University of California, Berkeley Planner, Council for Economic Planning and Development under the Executive Yuan Managing Director, United Pacific International Inc. President, United Communications Managing Director and Vice Chairman, United Advertising Co. Chairman, Carat-United Media Services (Taiwan) Ltd.	Education and experience BSEE, National Taiwan University Ph.D. and MS Computer Science, UCLA President, Lucent Technologies Group Executive Vice President, Bell Labs Senior Vice President, AT&T Professor, Taiwan Tsing Hua University, Peking University and others
Current position(s) in other companies Partner-in-Charge, Jones Day Taipei Director, Yulon Motor Co., Ltd. Director, China Motor Corp. Independent Director, World Peace Group Holding	Current position(s) in other companies Chairman, Aegis Media Group	Current position(s) in other companies Professor, Peking University and other universities
Manager is a spouse or consanguineous within two degrees Title: - Name: - Relationship: -	Manager is a spouse or consanguineous within two degrees Title: - Name: - Relationship: -	Manager is a spouse or consanguineous within two degrees Title: - Name: - Relationship: -

*: Personal shareholding

** : Calculated based on 4,999,325,082 outstanding shares on Jan. 31, 2007.



Independent Director
Tsung-Ming Chung

Supervisor
Polar Hsieh

Supervisor
Victor Kung

<p>Date elected 2006.06.15 Term expires 2008.06.13</p>	<p>Representative of Taiwan Fixed Network Co., Ltd. Date elected 2005.06.14 Term expires 2008.06.13</p>	<p>Representative of Fu-Chi Venture Corp. Date elected 2005.06.14 Term expires 2008.06.13</p>
<p>Shareholding when elected Shares - % -</p>	<p>Shareholding when elected Shares 900,352,762 % 18.241%</p>	<p>Shareholding when elected Shares 4,235,569 % 0.086%</p>
<p>Current shareholding Shares - % - *- **-</p>	<p>Current shareholding Shares 900,352,762 % 18.013% **0.000%</p>	<p>Current shareholding Shares 4,235,569 % 0.085% *None **None</p>
<p>Spouse/minor's shareholdings Shares - % -</p>	<p>Spouse/minor's shareholdings Shares - % -</p>	<p>Spouse/minor's shareholdings Shares 2,960 % 0.000%</p>
<p>Education and experience MBA, National Chengchi University BBA, National Taiwan University CPA, ROC CPA, Connecticut, USA Partner, T.N. Soong & Co. Instructor, Dept. of Accounting, National Chengchi University</p>	<p>Education and experience Master of Management Sciences, Tamkang University Vice President of Finance, GVC Corp. Executive Vice President, Sampo Corp. Vice Chairman, Tait Marketing & Distribution Co., Ltd. General Manager, Jenn Feng Industrial Co., Ltd.</p>	<p>Education and experience MA in Economics and MBA in Finance, New York University Executive Vice President, Walden International Investment Group Executive Director, Citicorp Capital Asia Ltd. Director of Direct Investments, AIG Investment Corp.</p>
<p>Current position(s) in other companies Vice Chairman, Arima Optoelectronics Corp. Chairman, Dynapack Corp. Director, Arima Computer Group Independent Supervisor, Chroma Ate Inc. Independent Supervisor, Polytronics Technology Corp. Director, Far Eastern Int'l Bank Director, Unity Opto Technology</p>	<p>Current position(s) in other companies Executive Vice President and CFO, Taiwan Fixed Network Co., Ltd. Director, Yeong Jia Leh Cable TW Co., Ltd. Director, North Coast Cable TW Co., Ltd. Director, Globalview Cable TW Co., Ltd. Supervisor, Fu Yang Multimedia Co., Ltd. Supervisor, Win TV Broadcasting Co., Ltd. Supervisor, Reach & Range Inc.</p>	<p>Current position(s) in other companies Director and President, Fubon Financial Holding Director, Fubon Insurance Co. Supervisor, Fubon Life Assurance Co., Ltd. Director, World Vision Taiwan Director, Taiwan After-Care Association Chairman, Fubon Asset Management Supervisor, Taipei Fubon Bank Charitable Foundation Supervisor, Fubon Asset Management Consulting Supervisor, Fubon Venture Capital Management Consulting Supervisor, Fubon Financial Holding Venture Capital Director, Fubon Bank (HK) Limited Director, Epoch Foundation</p>
<p>Manager is a spouse or consanguineous within two degrees Title: - Name: - Relationship: -</p>	<p>Manager is a spouse or consanguineous within two degrees Title: - / Name: - / Relationship: -</p>	<p>Manager is a spouse or consanguineous within two degrees Title: - / Name: - / Relationship: -</p>

Major Shareholders of TWM's Institutional Investors

As of January 31, 2007

Institutional investor	Major shareholders
Fu-Chi Venture Corp.	Richard Tsai (50.02%), Mei-Hui Ueng Tsai (49.75%), Cheng Ru Tsai (0.05%)
Ching Shang Zhen Corp.	Dugan Co. (100%)
Kuo-Ki Investment Co., Ltd.	Daniel Tsai (50%), Richard Tsai (50%)
Taiwan Fixed Network Co., Ltd.	Taiwan Mobile Co., Ltd. (9.87%), Acer Inc. (3.23%), Continental Engineering Co., Ltd. (2.17%), Fubon Insurance Co., Ltd. (1.90%), BenQ Corp. (1.63%), ASE Network Inc. (1.63%), Fubon Life Assurance Co., Ltd. (1.52%), EVA Airways Corp. (1.30%), Evergreen International Corp. (1.30%), China Development Industrial Bank (1.30%)

Major Shareholders of Companies Mentioned on the Right Hand Side of the Table Above

As of January 31, 2007

Company	Major shareholders
Dugan Co.	Long Reign Holdings Inc. (100%)
Taiwan Mobile Co., Ltd.	Taiwan Fixed Network Co., Ltd. (18.10%), TFN Investment (9.40%), Taiwan Hong Yuan Investment (2.66%), Taiwan Post Co., Ltd. (2.64%), Fubon Securities (2.55%), Fubon Life Assurance Co., Ltd. (2.43%), Fubon Insurance Co., Ltd. (2.40%), Daniel Tsai (2.13%), Richard Tsai (2.13%), Templeton Asian Growth Fund (1.98%)
Acer Inc.	JPMorgan Chase Bank, N.A., Taipei custodian of EuroPacific Growth Fund (4.99%), Hung Rouan Investment Corp. (2.83%), Acer Incorporated Global Depository Receipts (2.75%), Stan Shih (2.06%), National Stabilization Fund (1.90%), Management Board of Public Service Pension Fund (1.69%), JPMorgan Chase Bank, N.A., Taipei custodian of Capital World Growth and Income Fund Inc. (1.53%), Labor Pension Fund Supervisory Committee (1.47%), SinoPac Bank Trust Department Account (1.09%), Prudential Assurance Co., Ltd. (1.01%)
Continental Engineering Co., Ltd.	Yin Zuo He (11.92%), Wei Dar Development. (11.72%), Nita Ing (7.70%), Wei Da Investment Co., Ltd. (6.84%), Yin Ping (4.98%), Long Da Investment Co., Ltd.(4.37%), Metacity Developments Corp. (4.30%), TSRC Corp.(4.01%), Hao Ran Foundation (2.30%), Sin Lu Investment Co., Ltd. (1.81%)
Fubon Insurance Co., Ltd.	Fubon Financial Holding Co. (100%)
BenQ Corp.	Acer Inc. (6.88%), AU Optronics Corp. (5.00%), GDR-BENQ Corporation (3.25%), Labor Pension Fund Supervisory Committee (1.95%), Platinum Asset Management Ltd. as trustee of Platinum International Fund (1.53%), Bureau of Labor Insurance (1.39%), Management Board of the Public Service Pension Fund (1.21%), Taiwan Post Co., Ltd. (1.09%), Creo Venture Corp. (0.99%), Platinum Asset Management Ltd. in its capacity as Responsible Entity for the Platinum Asia Fund (0.97%)
ASE Network Inc.	Advanced Semiconductor Engineering, Inc. (90%), Accton Technology Corp. (10%)
Fubon Life Assurance Co., Ltd.	Fubon Financial Holding Co. (100%)
EVA Airways Corp.	Evergreen Marine Corp. (20.02%), Evergreen International Corp. (10.89%), Falcon Investment Services Ltd. (4.03%), Chang Kuo-Cheng (3.17%), Chang Yung-Fa (2.95%), Emerging Markets Growth Fund Inc. (2.86%), Chang Kuo-Hua (2.22%), Chang Kuo-Wei (2.16%), Chang Kuo-Ming (2.02%), Ultra International Inv. Ltd. (1.83%)
Evergreen International Corp.	Chang Yung-Fa Foundation (18.00%), Chang Kuo-Cheng (16.67%), Chang Kuo-Hua (12.90%), Chang Kuo-Ming (12.19%), Chang Kuo-Wei (10.86%), Lee Yu Mei (7.14%), Chen Huei Jhu (5.81%), Yang Mei Jhen (5.10%), Chang Lin Jin Jhih (5.00%), Chang Yung-Fa (5.00%)
China Development Industrial Bank	China Development Financial Holding Corp. (100%)

Independence Criteria of Directors and Supervisors

As of January 31, 2007

Name	Over five years of experience in business, finance, legal and/or other areas related to the Company's business	Independence criteria (Notes)									
		1	2	3	4	5	6	7	8	9	10
Richard Tsai	V						V	V		V	
Daniel Tsai	V						V	V		V	
Pieere Chen	V	V	V	V	V		V	V	V	V	
Yu-Lon Chiao	V	V	V	V			V	V	V	V	
Harvey Chang	V			V	V	V	V	V	V	V	
Nita Ing	V	V	V	V			V	V	V	V	
Jack J.T. Huang*	V	V	V	V	V	V	V	V	V	V	V
Wen-Li Yeh	V	V	V	V	V	V	V	V	V	V	V
J. Carl Hsu	V	V	V	V	V	V	V	V	V	V	V
Tsung-Ming Chung	V	V	V	V	V	V	V	V	V	V	V
Polar Hsieh	V	V	V	V			V	V	V	V	
Victor Kung	V	V	V	V	V	V	V	V	V	V	

"V" denotes meeting the conditions specified above

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

Criterion 2: Not a director or supervisor of the Company's affiliated companies

Criterion 3: Neither a shareholder directly or indirectly owning more than 1% of the Company's outstanding shares, nor one of the Company's top 10 individual shareholders

Criterion 4: Not a spouse, within two degrees relative, or within five degrees directly relative 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 certain companies that have financial or business relationship with the Company

Criterion 7: Not an owner, partner, director, supervisor, manager, and his/her spouse, of any sole proprietorship, partnership, company or institution that provided financial, commercial, legal consultation and other services to the Company or its affiliates within the past year

Criterion 8: Not a spouse, or within two degrees relative to other directors

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

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

*: also serves as an independent director in other public companies

Employee Bonus and Compensation to Directors and Supervisors

Earnings Distribution Plan According to the Company's Articles of Incorporation:

According to the Company's Articles of Incorporation, annual net income after paying income taxes, deducting previous years' losses, appropriating 10% thereof for legal reserves, and setting aside special reserves, shall be distributed in the following order:

1. Dividends and bonuses to preferred stockholders;
2. Maximum of 0.3% as compensation to directors and supervisors;
3. 1% to 3% as bonuses to employees;
4. Remainder thereafter to be set aside for stock/cash dividends to shareholders as determined in the annual shareholders' meeting.

The board of directors is empowered to decide the allocation of stock bonuses to employees. Recipients are to include qualified employees of subsidiaries. Compensation to specific directors or supervisors is calculated based on the performance of the Company and the board of directors.

Earnings Distributed as Employee Bonus and Compensation to Directors and Supervisors in the Previous Year

An employee bonus of NT\$403,939,784 and compensation to directors and supervisors of NT\$40,393,978, as approved in the 2006 board of directors' and shareholders' meetings, were duly paid in 2006.

2006 Employee Bonus and Compensation to Directors and Supervisors Proposal Adopted by Board of Directors

1. On January 25, 2007, the board of directors proposed to distribute an employee cash bonus of NT\$432,303,119 and compensation to directors and supervisors of NT\$43,230,312. The above proposal is subject to approval by the annual shareholders' meeting.
2. Proposed employee stock bonus as a percentage of retained earnings distributed: zero.
3. Pro forma earnings per share with employee bonus and compensation to directors and supervisors: NT\$3.18.

Compensation to Directors and Supervisors over the Past Two Years:

Unit: NT\$

Type	On a stand-alone basis		On a consolidated basis	
	2005	2006	2005	2006
Compensation to directors	62,302,517	135,680,102	62,335,517	149,603,877
As % of net profit	0.38%	0.84%	0.38%	0.92%
Compensation to supervisors	9,891,461	8,169,311	9,894,461	8,172,311
As % of net profit	0.06%	0.05%	0.06%	0.05%
Net profit	16,236,698,189	16,170,741,111	16,496,017,780	16,214,911,285

Compensation to Managers over the Past Two Years:

Unit: NT\$

Type	On a stand-alone basis		On a consolidated basis	
	2005	2006	2005	2006
Management compensation	215,970,311	244,480,785	294,263,562	300,715,516
% of net profit	1.33%	1.51%	1.78%	1.85%
Net profit	16,236,698,189	16,170,741,111	16,496,017,780	16,214,911,285



Compensation to Directors, Supervisors and Managers in 2006

1. Compensation to Directors

On a Stand-alone Basis

Unit: NT\$

Title	Name	Director's compensation (A)			Director's compensation as % of net profit	Employee profit sharing (B)			(A)+(B) as % of net profit	Compensation from investees outside subsidiaries	Other allowance	
		Cash compensation	Earnings paid as compensation to directors	Professional fee		Performance-based salary	Earnings paid as bonus to employees					Employee stock option granted
							Cash bonus	Stock bonus				
Chairman	Richard Tsai, Representative of Fu-Chi Venture Corp. (Note 1)	-	4,714,645	270,000	0.03%				-	-	-	
Vice Chairman	Daniel Tsai, Representative of Fu-Chi Venture Corp. (Note 1)	-	5,047,039	360,000	0.03%				-	-	-	
Director	Pieere Chen, representative of Taiwan Fixed Network Co., Ltd. (previous representative: George Huang)	-	2,789,052	0	0.02%				-	-	-	
Director	Yu-Lon Chiao, representative of Taiwan Fixed Network Co., Ltd. (previous representative: Ray-Ying Fan)	-	2,789,052	0	0.02%				-	-	-	
Director	Harvey Chang Representative of Kuo-Ki Investment Co., Ltd.	-	2,789,052	360,000	0.02%				-	-	-	
Director	Nita Ing, Representative of Ching Shang Zhen Corp.	-	2,789,052	0	0.02%				-	-	-	
Independent Director	Jack J.T. Huang	-	4,183,579	460,000	0.03%				-	-	-	
Independent Director	Wen-Li Yeh	-	4,183,579	460,000	0.03%				-	-	-	
Independent Director	J. Carl Hsu	-	4,183,579	420,000	0.03%				-	-	-	
Independent Director	Tsung-Ming Chung (Note 2)	-	2,292,372	150,000	0.02%				-	-	-	
Total		-	35,761,001	2,480,000	-	63,552,273	33,886,828	-	-	0.84%	YES 1,036,614	

Note 1: Daniel Tsai resigned as Chairman on August 15, 2006 and was elected Vice Chairman on the same day. Richard Tsai resigned as Vice Chairman on August 15, 2006 and was elected Chairman on the same day.

Note 2: Tsung-Ming Chung was elected as an Independent Director on June 15, 2006 and resigned from the position of Independent Supervisor on the same day.

On a Consolidated Basis

Unit: NT\$

Title	Name	Director's compensation (A)			Director's compensation as % of net profit	Employee profit sharing (B)			(A)+(B) as % of net profit	Compensation from investees outside subsidiaries	Other allowance	
		Cash compensation	Earnings paid as compensation to directors	Professional fee		Performance-based salary	Earnings paid as bonus to employees					Employee stock option granted
							Cash bonus	Stock bonus				
Chairman	Richard Tsai, Representative of Fu-Chi Venture Corp. (Note 1)	-	4,714,645	276,000	0.03%	-	-	-	-	-	-	
Vice Chairman	Daniel Tsai, Representative of Fu-Chi Venture Corp. (Note 1)	-	5,047,039	378,000	0.03%	-	-	-	-	-	-	
Director	Pieere Chen, representative of Taiwan Fixed Network Co., Ltd. (previous representative: George Huang)	-	2,789,052	0	0.02%	-	-	-	-	-	-	
Director	Yu-Lon Chiao, representative of Taiwan Fixed Network Co., Ltd. (previous representative: Ray-Ying Fan)	-	2,789,052	0	0.02%	-	-	-	-	-	-	
Director	Harvey Chang Representative of Kuo-Ki Investment Co., Ltd.	-	2,789,052	378,000	0.02%	-	-	-	-	-	-	
Director	Nita Ing, Representative of Ching Shang Zhen Corp.	-	2,789,052	0	0.02%	-	-	-	-	-	-	
Independent Director	Jack J.T. Huang	-	4,183,579	460,000	0.03%	-	-	-	-	-	-	
Independent Director	Wen-Li Yeh	-	4,183,579	460,000	0.03%	-	-	-	-	-	-	
Independent Director	J. Carl Hsu	-	4,183,579	420,000	0.03%	-	-	-	-	-	-	
Independent Director	Tsung-Ming Chung (Note 2)	-	2,292,372	150,000	0.02%	-	-	-	-	-	-	
Total		-	35,761,001	2,522,000	-	77,434,048	33,886,828	-	-	0.92%	YES	1,036,614

Note 1: Daniel Tsai resigned as Chairman on August 15, 2006 and was elected Vice Chairman on the same day. Richard Tsai resigned as Vice Chairman on August 15, 2006 and was elected Chairman on the same day.

Note 2: Tsung-Ming Chung was elected as an Independent Director on June 15, 2006 and resigned from the position of Independent Supervisor on the same day.

Range of compensation to directors

NT\$0~NT\$1,999,999

NT\$2,000,000~NT\$4,999,999

NT\$5,000,000~NT\$9,999,999

NT\$10,000,000~NT\$14,999,999

NT\$15,000,000~NT\$29,999,999

NT\$30,000,000~NT\$49,999,999

NT\$50,000,000~NT\$99,999,999

NT\$100,000,000 and above

Total

2. Compensation to Supervisors

On a Stand-alone Basis

Title	Name	Cash compensation
Supervisor	Tsung-Ming Chung (Note1)	-
Supervisor	Victor Kung, Representative of Fu-Chi Venture Corp	-
Supervisor	Polar Hsieh, Representative of Taiwan Fixed Network Co., Ltd. (previous representative: Ray-Ying Fan) (Note 2)	-

Note 1: Tsung-Ming Chung was elected as an Independent Director on June 15, 2006 and resigned from the position of Independent Supervisor on the same day.

Note 2: TFN reappointed Polar Hsieh as representative on Dec. 18, 2006. Professional fees were paid in full to the previous representative Ray-Ying Fan.

On a Consolidated Basis

Title	Name	Cash compensation
Supervisor	Tsung-Ming Chung (Note1)	-
Supervisor	Victor Kung, Representative of Fu-Chi Venture Corp	-
Supervisor	Polar Hsieh, Representative of Taiwan Fixed Network Co., Ltd. (previous representative: Ray-Ying Fan) (Note 2)	-

Note1: Tsung-Ming Chung was elected as an Independent Director on June 15, 2006 and resigned from the position of Independent Supervisor on the same day.

Note2: TFN reappointed Polar Hsieh as representative on Dec. 18, 2006. Professional fees were paid in full to the previous representative Ray-Ying Fan.

	Number of directors			
	Director's compensation		Employee profit sharing	
	On a stand-alone basis	On a consolidated basis	On a stand-alone basis	On a consolidated basis
	-	-	-	-
	9	9	7	7
	1	1	-	-
	-	-	-	-
	-	-	2	2
	-	-	-	-
	-	-	1	1
	-	-	-	-
	10	10	10	10

Unit: NT\$

	Earnings paid as compensation to supervisors	Professional fee	Total compensation as % of net profit	Compensation from investees outside subsidiaries
	1,891,207	220,000	0.01%	
	2,789,052	190,000	0.02%	YES
	2,789,052	290,000	0.02%	

Unit: NT\$

	Earnings paid as compensation to supervisors	Professional fee	Total compensation as % of net profit	Compensation from investees outside subsidiaries
	1,891,207	220,000	0.01%	
	2,789,052	190,000	0.02%	YES
	2,789,052	293,000	0.02%	

3. Compensation to Managers

On a Stand-alone Basis

Unit: NT\$

Title and Name		President and Chief Executive Officer, Harvey Chang; Chief Business Officer, Benny Chen; Senior Vice President and Chief Strategic Officer, Dr. JC Dorn; Senior Adviser and Acting Chief Technology Officer, Frank Lin; Vice President and Acting Chief Financial Officer, Ruth Law; Vice President, Rosie Yu; Vice President, Ariel Hwang; Vice President, Simon Wang; Vice President, C.A. Chuang; Vice President, Jerry Chu; Vice President, James Chang; Vice President, Egon Chen; Vice President, Chien Chen; Vice President, Techi Juan; Vice President, Charles Shen; Vice President, D.S. Chiou; Vice President, Jay Hong; Vice President, Andrew Wong; Vice President, HS Wang; Vice President, Jeff Ku; Vice President, Jerry Feng; Vice President, Paul Huang; Vice President, James Yang; Vice President, Sean Hsieh; Vice President, H.S. Wang; and Vice President, Daphne Yang	Resigned managers/ Managers that joined affiliated companies	Total
Salary		104,321,200	13,472,333	117,793,533
Performance based salary		18,603,009	2,489,710	21,092,719
Em- ployee profit sharing	Cash	105,594,533	0	105,594,533
	Stock	Shares	-	-
		Price	-	-
		Amount	-	-
Total compensation		228,518,742	15,962,043	244,480,785
As a % of net profit		1.41%	0.10%	1.51%
Employee stock options		-	-	-
Compensation from invest-ees outside subsidiaries		-	-	-
Other Allowance		2,524,700	1,587,156	4,111,856

On a Consolidated Basis

Unit: NT\$

Title and Name		President and Chief Executive Officer, Harvey Chang; Chief Business Officer, Benny Chen; Senior Vice President and Chief Strategic Officer, Dr. JC Dorn; Senior Adviser and Acting Chief Technology Officer, Frank Lin; Vice President and Acting Chief Financial Officer, Ruth Law; Vice President, Rosie Yu; Vice President, Ariel Hwang; Vice President, Simon Wang; Vice President, C.A. Chuang; Vice President, Jerry Chu; Vice President, James Chang; Vice President, Egon Chen; Vice President, Chien Chen; Vice President, Techi Juan; Vice President, Charles Shen; Vice President, D.S. Chiou; Vice President, Jay Hong; Vice President, Andrew Wong; Vice President, HS Wang; Vice President, Jeff Ku; Vice President, Jerry Feng; Vice President, Paul Huang; Vice President, James Yang; Vice President, Sean Hsieh; Vice President, H.S. Wang; and Vice President, Daphne Yang	Resigned managers/ Managers that joined affiliated companies	Total
Salary		126,581,497	17,057,333	143,638,830
Performance based salary		44,639,125	6,843,028	51,482,153
Em- ployee profit sharing	Cash	105,594,533	-	105,594,533
	Stock	Shares	-	-
		Price	-	-
		Amount	-	-
Total compensation		276,815,155	23,900,361	300,715,516
As a % of net profit		1.71%	0.15%	1.85%
Employee stock options		-	-	-
Compensation from invest-ees outside subsidiaries		-	-	-
Other Allowance		2,524,700	1,587,156	4,111,856

Range of compensation to management	Number of senior management	
	2006	
	On a stand-alone basis	On a consolidated basis
NT\$0~NT\$1,999,999	1	-
NT\$2,000,000~NT\$4,999,999	4	3
NT\$5,000,000~NT\$9,999,999	20	21
NT\$10,000,000~NT\$14,999,999	1	2
NT\$15,000,000~NT\$29,999,999	1	1
NT\$30,000,000~NT\$49,999,999	-	-
NT\$50,000,000~NT\$99,999,999	1	1
NT\$100,000,000 and above	-	-
Total	28	28

Management Team

The management team is composed of the Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Chief Business Office, Chief Strategy Officer and other professionals who, drawing from their diverse back-

grounds, offer a wide range of innovative and international management skills. The Company's key management personnel are listed below:



Corporate Support & Finance

Corporate Support

Corporate Support provides essential support and assistance to both management and the entire work force with its focus on improving the operational work flow and execution and adapting to changes in the market.

Finance Group

The Finance Group strives to uphold international standards and practices in corporate governance, promote financial transparency through discreet information disclosure to the Board of Directors and related parties on the Company's operation and roadmap, as well as maintain an open communication channel with domestic and overseas investors. The Group also helps all the business divisions to make good use of the Company's financial resources through effective cost controls and good financial and investment plannings.

Corporate Support
President and Chief Executive
Officer
Harvey Chang

Corporate Support
Vice President
Jerry Chu

Corporate Support
Vice President
C.A. Chuang

Effective date / 2003.09.08

Shareholding

Shares 10,026,000
% 0.201%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

MBA, Wharton School, University of Pennsylvania
SVP, Chiao Tung Bank's trust and foreign departments
Founding President of Grand Cathay Securities Corp.
President, China Development Corp.
Chairman, China Securities Investment Trust Corp.
Vice Chairman, KG Telecommunications Co., Ltd.
SVP and CFO, Taiwan Semiconductor Manufacturing Co., Ltd.

Current position(s) in other companies

Director and President, TransAsia Telecommunications Inc.
Director and President, Mobitai Communications
Chairman, Taiwan Teleservices & Technologies Co., Ltd.
Director and President, Taiwan Cellular Co., Ltd.(former Taihsing Den Syun Co., Ltd.)
Chairman, IC Broadcasting Co., Ltd.
Chairman, Taiwan Fund Inc.
Director, CX Technology Corp.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Effective date / 2003.12.01

Shareholding

Shares 420,000
% 0.008%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

MBA, University of Toronto, Canada
LL.B, Department of Law, National Taiwan University
Director, Finance Management Division, KG Telecom
Director, Business Process Management Division, KG Telecom
Director, Revenue Assurance Division, KG Telecom
Vice President, Quality Director, Corporate Banking, Citibank, N.A., Taipei Branch
Vice President, CitiService Head, Corporate Banking, Citibank, N.A., Taipei Branch
Vice President, Senior Country Operations
Officer, Operations and Technology Head, Global Transaction Service, Citibank, N.A., Taipei Branch

Current position(s) in other companies

Supervisor, Taihsing International Telecommunications Co., Ltd.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Effective date / 2003.12.01

Shareholding

Shares 177,000
% 0.004%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

MBA, International Institute for Management Development, Switzerland
MS in Industrial Education, National Taiwan Normal University
Manager, Human Resources Dept., China Steel Corp.
Vice President, TransAsia Telecommunications Inc.

Current position(s) in other companies
None

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Corporate Support
Vice President

Ariel Hwang

Effective date / 2004.03.01

Shareholding

Shares	105,000
%	0.002%

Spouse/ minor's shareholding

Shares	-
%	-

Education and experience

LL.B., National Taiwan University
LL.M., National Chung Hsing University
Judge, Taoyuan District Court, Taiwan
Judge, Banciao District Court, Taiwan
Judge, Taipei District Court, Taiwan
Judge, Taiwan High Court

Current position(s) in other companies

Legal consultant, Taiwan Fixed Network Co., Ltd.
Legal consultant, Fubon Financial Holding Co., Ltd.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Corporate Support
Vice President

James Chang

Effective date / 2004.09.17

Shareholding

Shares	170,000
%	0.003%

Spouse/ minor's shareholding

Shares	-
%	-

Education and experience

MS in Computer Science, University of Illinois, Chicago
District Manager, AT&T Laboratories
IBM Global Services Senior Delivery Manager
Senior Director, TBCommerce Network Corp.
Director, AT&T Laboratories

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Corporate Support
Vice President

Simon Wang

Effective date / 2004.10.11

Shareholding

Shares	105,000
%	0.002%

Spouse/ minor's shareholding

Shares	-
%	-

Education and experience

EMBA, National Taiwan University
BS in Telecommunications Engineering, National Chiao Tung University
Manager, Technology & Quality Division, Philips Electronics Industry Co., Ltd.
General Manager, Philips Optel Division Corp. Ltd.
General Manager, Fu Shing Can Manufacturing Co., Ltd.
General Manager, ICAN Manufacturing Co., Ltd.
Director, TECO Optical Electronics Co., Ltd.
Factory Manager, YATE P.C.B. Co., Ltd.
Executive Vice President, TransAsia Telecommunications Inc.

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Corporate Support
Vice President

D.S. Chiou

Finance Group
Vice President and Acting Chief
Financial Officer
Ruth Liaw

Finance Group
Vice President
Rosie Yu

Effective date / 2002.05.21

Shareholding

Shares 114,506
% 0.002%

Spouse/ minor's shareholding

Shares 5,608
% 0.000%

Education and experience

MS in Computer Science, University of California, Riverside
Project Manager, Siemens Telecommunication Systems Ltd.
Project Manager, Suretone Communications Co., Ltd.
Senior Director, Taiwan Mobile Co., Ltd.
General Manager, Taiwan Teleservices & Technologies Co., Ltd.

Current position(s) in other companies

Director, TT&T Life Insurance Agency Co., Ltd.
Director, TT&T Casualty & Property Insurance Agency Co., Ltd.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Effective date / 2006.05.15

Shareholding

Shares 70,000
% 0.001%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

MBA, National Chengchi University, Taiwan
Partner, Arthur Andersen & Co.
CFO, Arima Computer Corp.

Current position(s) in other companies

Supervisor, Taiwan Fixed Network Co., Ltd.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Effective date / 2006.02.06

Shareholding

Shares 70,000
% 0.001%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

BBA, National Taiwan University, Taiwan
Executive Vice President, China Securities Co., Ltd.
General Manager, Citicorp Int'l Securities Ltd., Taipei Branch
General Manager, Credit Lyonnais Securities (Asia) Ltd., Taipei Branch
President, Global Investment Holdings Co., Ltd.
Chairman, Global Investment Advisory (H.K.) Ltd.

Current position(s) in other companies

Supervisor, Taihsing Den Syun Co., Ltd.
Supervisor, Taiwan Teleservices & Technologies Co., Ltd.
Supervisor, Mobitai Communications
Supervisor, Tai Yi Digital Broadcasting Co., Ltd.
Supervisor, TransAsia Telecommunications Inc.
Supervisor, TT&T Life Insurance Agency Co., Ltd.
Supervisor, TT&T Casualty & Property Insurance Agency Co., Ltd.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -



Strategy & IT

Strategy Group

Through constant monitoring of global trends in telecommunication services and related industry developments, the Strategy Group endeavors to anticipate emerging trends and opportunities and to develop products and services that can best fulfill customers' needs by integrating the latest technologies and content.

Strategy Group
Senior Vice President and Chief
Strategy Officer
Dr. JC Dornig

Strategy Group
Vice President
Andrew Wong

Strategy Group
Vice President
Jeff Ku

Effective date / 2006.10.11

Shareholding

Shares 41,000
% 0.001%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

Master and Ph.D. in Computer Science, University of Illinois
Manager of Database System Group., Amdahl Corp.
Vice President of Transaction Engineers, Independence Technology Corp.
Founder and CEO, EnterpriseLink Technology Corp.
Founder and CEO, AscendLink Technology Consulting
VP and General Director, Institute for Information Industry

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -

Name: -

Relationship: -

Effective date / 2003.12.01

Shareholding

Shares 111,000
% 0.002%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

MBA, George Washington University
Manager, Johnson, Bassin & Shaw
Manager, MCI Communications
Vice President, Far EasTone Telecommunications Co., Ltd.

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -

Name: -

Relationship: -

Effective date / 2005.06.06

Shareholding

Shares 125,000
% 0.003%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

EMBA, National Taiwan University
MBA, University of Wollongong, Australia
Director, Far EasTone Telecommunications Co., Ltd.
Vice President, Taiwan High Speed Rail Corp.

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: Director, Tai Yi Digital Broadcasting Co., Ltd

Name: -

Relationship: -



Business

Business Group

Creating the best mobile experience is the fundamental philosophy that drives the Business Group. Through a combination of creativity and efficient execution, as well as a thorough understanding of consumer demand and behavior, the team has been able to plan and design products and services from a customer-centric perspective, boost the Company's brand value, and build long-term relationships with customers.

Business Group
Senior Vice President and Chief
Business Officer
Benny Chen

Business Group
Vice President
Sean Hsieh

Business Group
Vice President
James Yang

Effective date / 2005.06.16

Shareholding

Shares 270,000
% 0.005%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

MBA, Southern Illinois University, USA
Country Business Manager, Consumer Banking, Citigroup in China
Deputy President, Consumer Banking Group, China-trust Financial Holding
Chief Business Strategy & Marketing Officer, Far East-one Telecommunications Co., Ltd.

Current position(s) in other companies

Director, Taiwan Teleservices & Technologies Co., Ltd.

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Effective date / 2003.12.08

Shareholding

Shares 281,000
% 0.006%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

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.

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Effective date / 2004.03.08

Shareholding

Shares 699,504
% 0.014%

Spouse/ minor's shareholding

Shares 56,592
% 0.001%

Education and experience

BS in Transportation and Communications Management, National Cheng Kung University
Manager, Siemens Telecommunication Systems Ltd.
Sales Director, Best Way Telecom.
Senior Director, Taiwan Mobile Co., Ltd.
President, Taiwan Tele-Shop Co., Ltd.

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -
Name: -
Relationship: -

Business Group
Vice President

Jay Hong

Effective date / 2004.05.06

Shareholding
Shares 115,000
% 0.002%

Spouse/ minor's shareholding
Shares -
% -

Education and experience
EMBA, National Sun Yat-Sen University
Engineering Supervisor, Engineering
Division, Nan Ya Plastics
Director, TransAsia Telecommunications
Inc
Vice President, TransAsia Telecommuni-
cations Inc.
Vice President, Direct Store Division,
Taiwan Mobile Co., Ltd.

Current position(s) in other
companies
Director and President, Taiwan Teleser-
vices & Technologies Co., Ltd.
Director, TT&T Holdings Co., Ltd.
Chairman, Xiamen Taifu Teleservices &
Technologies Ltd.

Manager is a spouse or
consanguineous within two
degrees
Title: -
Name: -
Relationship: -

Business Group
Vice President

Jerry Feng

Effective date / 2004.08.01

Shareholding
Shares 157,000
% 0.003%

Spouse/ minor's shareholding
Shares -
% -

Education and experience
MBA in Business Information System
and Quantitative Analysis, Mississippi
State University, USA
General Manager, Regional Sales and
Business Alliance, Greater China, CPC-
Net Hong Kong Ltd.
General Manager, PCCW-HKT Taiwan
Branch Office

Current position(s) in other
companies
None

Manager is a spouse or
consanguineous within two
degrees
Title: -
Name: -
Relationship: -

Business Group
Vice President

Paul Huang

Effective date / 2005.10.19

Shareholding
Shares 105,000
% 0.002%

Spouse/ minor's shareholding
Shares -
% -

Education and experience
MS in Computer Science, Bradley Uni-
versity, 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 Operations,
Far Eastern Electronic Toll Collection
Co., Ltd.

Current position(s) in other
companies
None

Manager is a spouse or
consanguineous within two
degrees
Title: -
Name: -
Relationship: -

Business Group
Vice President

Daphne Yang

Effective date / 2006.05.04

Shareholding
Shares 253,000
% 0.005%

Spouse/ minor's shareholding
Shares -
% -

Education and experience
M.A. in Theatre Production, University of
Hull, UK
Commercial Planner, Kuo-hua Advertis-
ing Agency
Strategic Planning Manager, JWT Adver-
tising Agency
Strategic Planning Director and Business
Development Director, D'Arcy Advertis-
ing Agency
General Manager, Senses Strategic
Network

Current position(s) in other
companies
None

Manager is a spouse or
consanguineous within two
degrees
Title: -
Name: -
Relationship: -



Technology

Technology Group

Stability and adaptability best describe the Technology Group's short to long-term mission. Aside from offering a solid technology platform that ensures high network quality, the Group continues to implement forward-looking analysis of technology and products to cope with industry and regulatory trends and changes in order to enhance its leading edge.

Technology Group
Senior Adviser and Acting Chief
Technology Officer
Frank Lin

Technology Group
Vice President
Techi Juan

Technology Group
Vice President
Egon Chen

Effective date / 2006.05.02

Shareholding

Shares 102,000
% 0.002%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

BS, National Taiwan University of Science and Technology
Deputy General Director, Chunghwa Telecom
Chief Technical Adviser and Vice President, KG Telecom
CTO, SVP and EVP, VIBO Telecom

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -

Name: -

Relationship: -

Effective date / 2002.05.21

Shareholding

Shares 90,891
% 0.002%

Spouse/ minor's shareholding

Shares 1,339
% 0.000%

Education and experience

MS in Electronics Engineering, University of Missouri, Columbia
Engineer, Lucent Technologies Telecommunications Taiwan Co.
Technical Manager, Asia Pacific
Intellectual Property Association
Senior Director, Taiwan Mobile Co., Ltd.

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -

Name: -

Relationship: -

Effective date / 2004.02.16

Shareholding

Shares 297,554
% 0.006%

Spouse/ minor's shareholding

Shares -
% -

Education and experience

BS in Electronics Engineering, Tamkang University
Project Manager, Siemens Telecommunication Systems Ltd.
Director, Suretone Telecom Inc.
Director, Taiwan Mobile Co., Ltd.
Senior Director, Taiwan Fixed Network Co., Ltd.
Vice President, Howin Technologies

Current position(s) in other companies

None

Manager is a spouse or consanguineous within two degrees

Title: -

Name: -

Relationship: -

Technology Group
Vice President

Chien Chen

Effective date / 2004.02.16

Shareholding

Shares	96,000
%	0.002%

Spouse/ minor's shareholding

Shares	-
%	-

Education and experience

National Taipei Institute of Technology
Manager, Siemens Telecommunication Systems Ltd.
Director, Suretone Telecom Inc.
Vice President, Taiwan Fixed Network Co., Ltd.
Vice President, Howin Technologies

Current position(s) in other companies

None

Manager is a spouse or consanguineous
within two degrees

Title: -

Name: -

Relationship: -

Technology Group
Vice President

Charles Shen

Effective date / 2004.03.31

Shareholding

Shares	169,702
%	0.003%

Spouse/ minor's shareholding

Shares	-
%	-

Education and experience

MS in CTI, DePaul University, Chicago
Technical Staff, Lucent Bell Lab, USA
Supervisor, Lucent Taiwan
Director, Suretone Telecom. Inc.,
Director, Taiwan Mobile Co., Ltd.
Senior Director, Taiwan Fixed Network Co., Ltd.
Vice President, Howin Technologies

Current position(s) in other companies

None

Manager is a spouse or consanguineous
within two degrees

Title: -

Name: -

Relationship: -

Technology Group
Vice President

HS Wang

Effective date / 2005.05.01

Shareholding

Shares	88,159
%	0.002%

Spouse/ minor's shareholding

Shares	924
%	0.000%

Education and experience

Ph.D. in Electrical and Computer Engineering, Rutgers,
The State University of New Jersey
Lecturer/Assistant Professor, Information Engineering
Dept., The Chinese University of Hong Kong
Vice President, Mediatec Corp.
Vice President, First International Telecom

Current position(s) in other companies

None

Manager is a spouse or consanguineous
within two degrees

Title: -

Name: -

Relationship: -

Human Resources

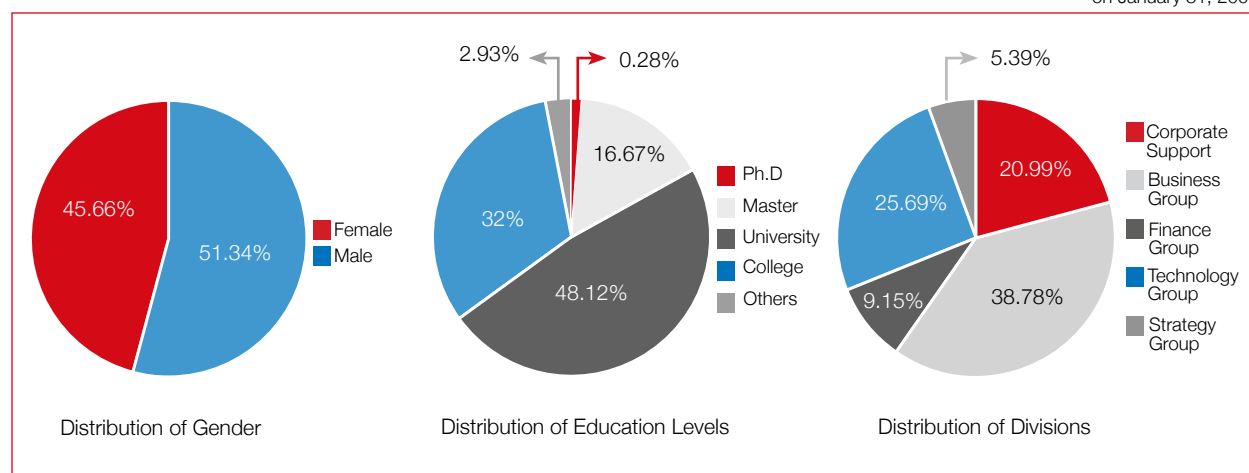
A wealth of outstanding and professional talent is the Company's most valued resource.

Human Resources Composition

Employee Statistics for the Most Recent Two Years and up to the Publication Date for 2007

Year		2005	2006	2007 (as of Jan. 31)
Number of employees	Male	1119	1165	1170
	Female	940	981	983
	Total	2059	2146	2153
Average age		34	35	35
Average years of service		4.5	5	5
Education level	Ph.D.	5	7	6
	Master	315	353	359
	University	957	1033	1036
	College	714	688	689
	Others	68	65	63

on January 31, 2007



Employee Benefits and Employee Rights Protection

The Company has set up an employee conduct/ethical standards policy to serve as guidelines for employee behavior and development. To motivate employees, the Company has launched various compensation and benefits programs that are performance-based. Overall, the Company's human resources policies surpass basic labor law requirements, such as the Labor Standards Law. These policies are detailed as follows:

1. Employee Behavior/Ethical Standards

The Company has established policies and rules as a guide for employees' conduct, rights, responsibilities, and ethical standards. They are detailed as follows:

- (1) Delegation of Authority
 - a. Authorization guidelines and limitations

Aimed to streamline the business process, strengthen the distribution of responsibility, as well as specify management's authority at each job level
 - b. Empowerment and delegation rules

Designed to ensure smooth and normal business operations

c. Job ranking, title and organizational structure policy

Formulated to correspond to employees' career plan

(2) Work Regulations

The Company's work regulations clearly define the rules and responsibility of both management and labor. A prime example of modern management has effectively promoted cooperation among employees and benefited the Company.

(3) Divisional Responsibilities

The Company's major divisions are separated by functions. Each division is tasked with specific job responsibilities, and this separation of functions has strengthened the core competency of the Company.

(4) Reward and Punishment Policies

The Company has drawn up a number of policies on rewards and punishments to encourage employees who have made special contributions to the Company as well as discourage employees from behaving in a manner deemed damaging to the Company. These policies are stated in Article 14 and Article 47 to Article 58 in the Company's "Work Regulations."

(5) Employee Assessment Policy

Supervisors provide feedback, assistance and map out individual development plans based on employee performance.

(6) Attendance and Leave Policy

Enforcement of this policy – designed to serve as a guideline for employees – helps enhance work quality.

(7) Business Confidentiality Policy

To safeguard the Company's advantages and competitiveness, employees are required to sign a "Confidentiality and Intellectual Property Rights Statement" and "Employment Contract" in order to protect the Company against potential damage from the disclosure of trade secrets. The Company provides employees with related training courses and information to strengthen the concept of information security.

(8) Sexual Harassment Prevention and Handling Procedures

To prevent sexual harassment in the workplace and promote gender equality, the Company has established related rules as specified in the "Work Regulations." The Company is actively disseminat-

ing information on related laws and procedures for filing complaints on sexual harassment in its intranet to serve as a guideline for employees.

2. Benefits Policies and Implementations

- (1) All employees are entitled to labor insurance, national health insurance and group insurance coverage starting from the first day of work.
- (2) The Company has an employee treasury stock subscription plan, an annual bonus plan and an employee profit-sharing plan.
- (3) An Employees' Welfare Committee was established in July 1998 to handle and implement employee benefits policies. The committee is in charge of a number of benefits designed to raise employees' quality of life and promote physical and mental well-being, including club activities, company outings, family day, and benefits for special occasions such as weddings, festivals and funerals.

3. Employee Stock Ownership Plan

Designed to boost employee retention, the Employee Stock Ownership Plan was implemented in January 2006. Under the plan, employees are encouraged to invest a certain amount of their monthly pay – with the Company contributing a similar percentage – to purchase Company shares.

4. Employee Training and Education Program

- (1) To help employees develop their expertise in telecommunication technologies and business administration, the Company has a scholarship program designed to provide employees with the opportunity to study at home or abroad. The Company is also committed to the continuous training and development of its employees in order to create a win-win situation for both the Company and its employees.
- (2) The Company sends annually a large number of employees to attend local and international telecommunication conferences, management forums, consulting seminars and vendor training programs. These activities exercise a profound influence in upgrading the Company's technologies, developing new products, introducing innovative new ideas and improving managerial skills.
- (3) The Company provides external training reimbursement to all employees annually. Employees can select external training courses related to their jobs and needs. Employees can also combine their interest and competence development to maximize

training effectiveness.

- (4) Orientation for new employees includes an introduction to corporate culture, company organization, telecommunications market, IT and network system, labor safety, as well as information security training.
- (5) Job-related training for new employees includes on-the-job training, introduction to their department's functions, business process and duties, as well as enhancement of professional expertise and knowledge of new technologies.
- (6) Core competency development: Focus on the common competencies, including problem solving, decision making, communication, project management, basic legal knowledge of the telecommunications market, team building, and service skills.
- (7) Management training and development: Separate training programs for entry-level management, mid-

dle management, and senior management. Training courses include performance management, leadership, motivation skills, strategy management, project management, team dynamics skills and organizational development skills.

- (8) Employees whose jobs are related to the release of the Company's financial information are encouraged to obtain certifications in related fields. Certification details are as follows:
 - a. Certified Internal Auditor (CIA): one employee in Operation Analysis Division; four in Internal Audit Office
 - b. Basic examination on internal control held by the Securities and Futures Institute: None.
 - c. Qualified Internal Auditor (QIA): One employee in Operation Analysis Division; three in Internal Audit Office; one in Accounting Division
 - d. Certified Public Accountants (CPA): two in Operation Analysis Division; three employees in Accounting Division



5. Retirement Structure and Implementation

- (1) The Company has drafted specific Employee Retirement Guidelines.
- (2) The Company has set up a Labor Pension Supervisory Committee, which was approved by the Taipei Municipal Government in February 1998. Since May 1988, the Company has been allocating on a monthly basis, a retirement pension equivalent to 2% of the employees' monthly salaries.
- (3) The Company implemented the New Labor Pension System in July 2005.
- (4) In accordance with Issue No. 18 of the Financial Accounting Standards of the ROC, the Company shall retain the services of an actuary to assess and calculate the labor pension reserve and provide a detailed report.

6. Employee Safety and Sanitary Policy

In order to fulfill the Company's social responsibility in providing its employees with a safe, healthy and comfortable working environment, the Company endeavors to:

- (1) Abide by and comply with regulations related to

environmental protection, safety and sanitation.

- (2) Be on constant lookout for potential hazards in the work environment to minimize accidents.
- (3) Promote health education, conduct physical examinations and implement health management programs.
- (4) Promote and instill energy-saving consciousness to help reduce waste of resources.

Management/Labor Relations

1. Losses due to management/labor disputes in 2006 up to Jan. 31 of 2007: None.
2. Estimate of current and potential losses due to management/labor disputes and preventive policies:
The Company, working under the management and labor as one concept and belief that a win-win situation can be achieved when the two sides work together, has followed relevant labor laws and associated rules, respected employees and valued employee benefits to build up a satisfactory management/labor relationship. The Company has therefore not experienced any losses due to management/labor disputes and does not foresee the situation occurring in the future.
3. Management/labor negotiations: None.
4. Items still pending negotiation between management/labor: None.
5. Labor rights protection: The Company holds a management/labor conference each quarter.

