



**Taiwan Mobile Co., Ltd.**

## **Corporate Social Responsibility Best Practice Principles**

### **(“CSR Principles”)**

Officially resolved by the board of directors on January 29, 2015

#### **Chapter I General Principles**

##### **Article 1**

For the purposes of sustainable development and the fulfillment of corporate social responsibility, Taiwan Mobile Co., Ltd. (the “Company”) hereby promulgates the CSR Principles.

##### **Article 2**

The CSR Principles apply to the Company, including the entire operations, products, service and any other related businesses of the Company and its business group.

##### **Article 3**

The Company shall assert the value of integrity, and shall combine its core resources and capabilities to fulfill the corporate social responsibility and to create maximum value for the stakeholders. The Company shall proactively exercise corporate governance, public welfare, environment sustainability, and bring them into the Company’s corporate management target and business strategy.

##### **Article 4**

To implement corporate social responsibility initiatives, the Company shall follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Value human rights and commitments to employees.
4. Ensure product liability.
5. Develop public welfare.
6. Enhance disclosure of corporate social responsibility information.

##### **Article 5**

The Company shall establish a blueprint for sustainable development, via the corporate social responsibility committee (the “CSR Committee”), to enhance corporate governance through senior management’s participation and shall hold regular meetings, make decisions, report the execution results to the board of directors annually to make sure its strategies in line with market trends.

## **Chapter II Exercising Corporate Governance**

### **Article 6**

The Company shall follow the relevant domestic laws and regulations and Articles of Incorporation to establish governance framework with transparency and integrity, and the code of ethics so as to enhance corporate governance.

### **Article 7**

1. The directors of the Company shall exercise due care of administrators to review the results of the implementation thereof periodically so as to ensure thorough implementation of the Company's corporate social responsibility policies.
2. The following matters are advised to be included in the Company's performance of corporate social responsibility initiatives:
  - (1) The CSR Committee shall report to the board of directors the Company's mission, vision and blueprint on corporate social responsibility and establish policies, systems, or management guidelines for corporate social responsibility. The performance plan of the Company's corporate social responsibility shall be approved by the board of directors.
  - (2) Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information.
  - (3) Senior management authorized by the board of directors shall manage and deal with the economic, environmental, and social issues arising from the operations, products, services and any other relevant activities, and report the status of the handling to the board of directors.

### **Article 8**

The Company shall organize CSR training and course (including environmental education) from time to time.

### **Article 9**

The Company adopts reasonable remuneration policies, to ensure that remuneration arrangements support the strategic target of the organization, and align with the interests of stakeholders. The employee performance evaluation system may, at the Company's discretion, be combined with corporate social responsibility policies, and comply with the Company's performance evaluation regulations.

### **Article 10**

The Company shall establish a designated section for corporate social responsibility on the Company's website, create a communication channel for stakeholders and adequately respond to the

stakeholders the important corporate social responsibility issues or issues which they are concerned about.

### **Chapter III Fostering a Sustainable Environment**

#### **Article 11**

1. The Company shall follow the relevant environmental laws, regulations and international standards to properly protect the environment, use the core capabilities of information and communication service industry to provide eco/green services and improve the efficiency of energy or equipment, and shall establish a relevant system of environment management to enhance an intelligent, carbon-conserved society and achieve the goal of a sustainable environment.
2. The Company shall establish measurable goals for environmental sustainability.
3. The Company shall adopt enforcement measures such as concrete plans or action plans, and examine the results of their operations on a regular basis.

#### **Article 12**

The Company establishes a Sustainable Development Committee (“The Committee”) to promote and integrate all of the Company’s environmental protection-related activities. The committee is also tasked with incorporating the Company’s environmental management rules and sustainable management roadmap into its CSR policies. The Committee shall hold meetings from time to time and be responsible to develop action plans relating to reducing the energy consumption and carbon emissions, monitor the execution results and submit the report to the CSR Committee.

#### **Article 13**

The Company endeavors to utilize all resources more efficiently and evaluates the use of renewable materials which have a low impact on the environment to improve sustainability of natural resources.

#### **Article 14**

The Company, subject to the relevance to the environmental protection methods and the Company’s development in operations, products, and services, conducts business in accordance with the following principles to reduce the impact on the natural environment and human beings:

1. Reduce resource and energy consumption of the Company’s operation, products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose or recycle waste properly.
3. Evaluate the sources of materials, and support due diligence of the conflict minerals.
4. Improve recyclability and reusability of raw materials or products.
5. Enhance the sustainability of renewable resources.
6. Enhance the durability of products.

7. Improve efficiency of products and services.
8. Use and economize the water resource efficiently.

#### **Article 15**

1. The Company adopts standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory annually and makes disclosures thereof, the scope of which shall include the following:
  - (1) Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.
  - (2) Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.
2. The Sustainable Development Committee shall establish the targets and strategies for carbon and greenhouse gas reduction and review the effect regularly.

### **Chapter IV Value Human Rights and Commitments to Employees**

#### **Article 16**

The Company shall comply with the domestic labor laws, regulations, the International Bill of Human Rights, and shall adopt relevant management policies and processes, including:

1. Evaluating the impact of the Company's operations, products, services, and internal management on human rights, adopting corresponding handling processes or human right policies, and reviewing the effectiveness of the execution on a regular basis.
2. In the event of any infringement of human rights, the Company shall disclose the processes for the handling of the matter with respect to the stakeholders involved.
3. Providing an effective and appropriate appeals process and responding to any employee's appeals in an appropriate manner.

#### **Article 17**

The Company shall provide information for their employees and a platform to facilitate regular two-way communication between management and employees, so that the employees have knowledge of labor laws and the rights they enjoy in the countries where the Company has business operations, obtain relevant information on and express their opinions on the Company's operations, management and decisions. The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

#### **Article 18**

The Company endeavors to provide safe and healthful work environments for their employees, conduct various healthy exercises/activities, and organize seminars or inquiry for health from time to time.

### **Article 19**

In order to enhance the employees' professional capabilities and to facilitate the Company's development, the Company shall, subject to a combination of annual development strategies and training requirements, establish and execute training programs to foster employees' career skills. The Company shall make performance evaluation for all employees regularly, and provide appropriate rewards, encouragement and assistance depending on the employees' performance.

## **Chapter V Ensure Product Liability**

### **Article 20**

The Company shall comply with the international guidelines, laws and regulations of the government and relevant standards of their industries to ensure the transparency and safety of its products and services. The Company further shall establish and disclose policies on consumer rights and interests.

### **Article 21**

The Company shall provide a clear and effective appeals procedure to fairly and timely handle consumer complaints, comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

### **Article 22**

The Company shall assess the impact that their procurement may have on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative.

## **Chapter VI Develop Public Welfare**

### **Article 23**

With digital convergence as the Company's core strategy, the Company shall participate in public welfare activities and embrace a spirit of local rootedness and local concern in the fulfillment its CSR. Except for employing personnel from the location of the Company's operations to enhance community acceptance, the Company also provides enterprise resources to facilitate public welfare groups, disadvantaged minority groups, and any specific groups for learning and experiencing digital application, and provides proactive training programs to digital creative individuals to promote digital culture creativity.

### **Article 24**

The Company shall stipulate and execute the enterprise volunteer guidelines, organize enterprise volunteering activities from time to time, encourage employees to join social services for the performance of corporate social responsibility.

## **Chapter VII Enhancing Disclosure of Corporate Social Responsibility Information**

### **Article 25**

The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its corporate social responsibility initiatives to improve information transparency.

Relevant information relating to corporate social responsibility which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Information related to carbon and greenhouse gas reduction.
7. Other information relating to corporate social responsibility initiatives.

### **Article 26**

The Company shall adopt relevant laws, regulations and internationally recognized standards or guidelines when regularly producing corporate social responsibility reports to disclose the performance of its implementation of the corporate social responsibility policy, and shall obtain a third-party assurance or verification for reports.

### **Article 27**

The CSR Principles shall be implemented after an approval is made by the board of directors, and shall be reported at the shareholders' meeting. The same procedure shall apply to any amendment thereto.