

Chunghwa Telecom Co., Ltd.

Board Performance Evaluation Report for 2020

1. Basis: The Company's regulations governing the performance evaluation of the board of directors

2. Evaluation method and cycle

(1). Internal evaluation: The board performance self-evaluation scope covers the board as a whole, individual directors and functional committees, and shall be conducted by the end of each year.

(2). External evaluation: The board performance evaluation shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years.

In 2019, the Company commissioned the Taiwan Corporate Governance Association to conduct board performance evaluation, which included 38 indexes in 8 aspects: the composition of board directors, guidance, delegation, supervision, communication, internal control and risk management, self-discipline of the board and other supporting system of the board. The evaluation was executed by questionnaire and on-site visit. The Company will execute external evaluation by an independent professional institution in year 2022.

3. Evaluation indexes and period

(1). The Company conducted performance self-evaluation of individual directors which includes the following six aspects: Alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control.

(2). The Company conducted board performance self-evaluation which includes the following five aspects: Participation in the operation of the Company, improvement of the quality of the board of directors' decision making, composition and structure of the board of directors, election and continuing education of the directors and internal control.

(3). The Company conducted performance self-evaluation of functional committees which includes the following five aspects: Participation in the operation of the Company, awareness of the duties of the functional committee, improvement of quality of the decision made by the functional committee, the makeup of the functional committee and the election of its members, and internal control.

4. Evaluation procedure

(1). For internal board performance evaluation, the administrative unit shall collect

information about the activities of individual directors and functional committees before December 31st, every year and distribute questionnaires to directors to fill in.

- (2). The administrative unit shall collect all the questionnaires completed, give scores, record the evaluation results in a report, and submit the report to the board before the end of March of the following year as a reference for discussion and improvement.

5. Evaluation results

- (1). Self-evaluation of the performance of individual directors: with totaling 25 indexes included in six aspects, the average score in each aspect is between 4.82~5 points out of 5 points.

Aspects of Evaluation	Average score
	The year 2020
Alignment of the goals and missions of the Company	4.97
Awareness of the duties of a director	5
Participation in the operation of the Company	4.82
Management of internal relationship and communication	4.82
The director's professionalism and continuing education	4.82
Internal control	4.97

- (2). Self-evaluation of the performance of the Board: with totaling 38 indexes included in five aspects, the average score in each aspect is between 4.90~5 points out of 5 points.

Aspects of Evaluation	Average score
	The year 2020
Participation in the operation of the Company	4.90
Improvement of the quality of the board of directors' decision making	4.96
Composition and structure of the board of directors	4.98
Election and continuing education of the directors	4.92
Internal control	4.98

- (3). Self-evaluation of the performance of functional committees: Of totaling 21, 17, 15 indexes were evaluated separately in three different functional committees. Other than one index evaluated in the Corporate Strategy Committee scored by 3 points and two indexes evaluated in the Compensation Committee scored by 4 points, all the other indexes scored 5 points.

Aspects of Evaluation \ Functional Committee	Audit Committee	Compensation Committee	Corporate Strategy Committee
Participation in the operation of the Company	5	5	4.5
Improvement of quality of decisions made by the functional committee	5	4.7	5
Awareness of the duties of the functional committee	5	4.8	5
Makeup of the functional committee and the election of its members	5	5	5
Internal control	5		

(4). The above results of the performance evaluation, indexes that did not score 5.0 points, and improvement suggestions have been reported at the 11th meeting of the 9th term board of directors on January 26th, 2021.