

# **Chunghwa Telecom Co., Ltd.**

## **Framework for Sustainable Bonds**

### **1. Purpose**

Chunghwa Telecom Co., Ltd. (“the Company”, “we”, “us”, “our”) upholds a brand spirit of being “Always Ahead.” We have long leveraged our advantages in the ICT industry and associated technologies in active implementation of sustainable development, and established our sustainable development vision: “Be a leader in smart living and promote sustainable development on the concept of ‘green and low carbon, digital enabler, ethical integrity and transparency.’” The Company has established the Sustainability Development Committee (“the Committee”) which set medium and long-term goals and strategies for sustainable development, formulates policies and guidelines, and monitors implementation results. Under the Committee, four task forces are established including the E team responsible for environmental sustainability, the S1 team responsible for corporate volunteers and employee care, the S2 team responsible for digital opportunities and customer care, and the G team responsible for corporate governance; all teams, supervised by senior executive vice presidents, formulate execution plans to response the UN SDGs, and ensure that strategies for sustainable development are fully implemented in operational activities.

In terms of issues related to environmental sustainability, the Company continues to promote upgrading and optimization of network architecture and telecommunications equipment while also focusing on issues such as generation of on-site renewable energy and procurement of renewable energy as we proactively

invest in energy-saving and carbon-reducing measures. We aim to halve our carbon emissions by 2030 (compared with 2020), achieve 100% usage of renewable energies at our data centers (IDCs) by 2030, and reach zero emissions by 2050. Additionally, we are the first domestic telecom operator to institute sustainable supply chain management as we work with our supplier partners to achieve sustainable transformation. In terms of corporate social responsibilities, the Company actively enhances employee well-being and works to establish a happy workplace, while also establishing telecommunications equipment in remote regions and surrounding areas and offshore islands to minimize the digital divide, digitally enable SMEs, and assist disadvantaged groups in achieving digital integration. In early 2020 we quickly established the pandemic prevention team to confront the sudden COVID-19 outbreak in Taiwan and developed the “QR code for real-name registration system” and the “Quarantine monitoring system.” In the meantime, the Company provided high-quality broadband connection with fixed, mobile and Wi-Fi services to help its users safely navigate the pandemic period.

For many years, the Company’s efforts in sustainability and corporate governance have been recognized by many parties. In terms of sustainability, we have won numerous accolades, such as 10 consecutive years of inclusion in the Dow Jones Sustainability Index (DJSI) and received the Asset ESG Corporate Awards 2021-Jade Award (highest distinction) and many other domestic awards focused on excellence in the area of sustainability. In terms of corporate governance, we ranked in the top 5% of listed companies in Taiwan by the Corporate Governance Evaluations for many years, and received Capital Finance International (CFI) 2021 Corporate Governance Award - the Best Telecom Holdings.

The Company plans to use the Bond proceeds in accordance with the aforementioned service concepts to fund projects that enhance energy efficiency, reduce greenhouse gas emissions, minimize the digital divide, and create digital opportunities so as to display our determination toward sustainable development through practical actions as we comprehensively fulfill our corporate social responsibilities.

## **2. Framework for Sustainability Bonds**

The Company conducted evaluations in accordance with the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) of the International Capital Market Association (ICMA), and Taipei Exchange Operation Directions for Sustainable Bonds (“the Operation Directions”), administered by the Taipei Exchange (TPEX), when formulating the Framework for Sustainability Bonds (“the Framework”). This Framework contains four core elements: (1) Use of proceeds; (2) Process for evaluation and selection; (3) Management of proceeds; (4) Reporting.

Issuance of the Bonds by the Company will adhere to the scope of application, related operations, and management procedures specified in this Framework; the Framework will also be used to evaluate whether proceeds raised by the Bonds comply with the requirements for substantial improvement of environmental benefits and social benefits specified under this Framework and the Operation Directions.

This Framework should obtain an assessment opinion or certification report from a qualified independent third party stating that it adheres to the Operation








Directions or conventional principles for sustainability bonds practiced in international financial markets.

### **(1) Use of proceeds**

Proceeds raised from the Bonds issuance will be used for our projects with environmental and social benefits, and all relevant projects will comply with the criteria for green investment projects and social benefits investment projects in this Framework. The green investment project category includes projects related to development of renewable energy and energy technology, improvement of energy efficiency and energy conservation, or other matters approved by the TPEX, with the scope limited to green investment project categories with substantial environmental benefits as listed in Article 4 of the Operation Directions; the social benefits investment project category includes projects related to affordable basic infrastructure, access to essential services, affordable housing, socioeconomic advancement and empowerment, or other matters approved by the TPEX, with the scope limited to social project categories with substantial social benefits as listed in Article 5 of the Operation Directions.







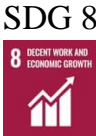

Categories, projects, and evaluation of benefits for green investment project and social benefits investment project are shown in the table below:

### 1. Green Investment Projects

Category	Projects	Expected Environmental Benefits	UN SDGs Categories
Other climate change adaptation or matters approved by the TPEX (green buildings)	Green buildings	Enhance energy usage efficiency by constructing operations buildings or data centers which adhere to the Ministry of the Interior regulations for green buildings.	SDG 11  SDG 13 
Improvement of energy efficiency and energy conservation	PSTN-to-NGN migration	Use new communications technologies based on IP network components to replace legacy Public Switched Telephone Network (PSTN) systems to enhance efficiency of data transmission.	SDG 9  SDG 13 
Development of renewable energy and energy technology	Projects related to establishment of solar, wind, and biogas power generation facilities; fuel cells; and energy storage	Use renewable energy to reduce usage of thermal power and other energy types that damage environmental sustainability, thereby creating opportunities for development in relevant industries	SDG 7  SDG 9  SDG 13 

Note: The aforementioned green investment projects refer to currently scheduled projects or those still under negotiation; future implementation, actual project content, financing amounts, and allocation ratios may be adjusted in accordance with actual capital utilization.

## 2. Social Benefits Investment Projects

Category	Projects	Expected Social Benefits	UN SDGs Categories
Access to essential services	Establishment of 5G base stations in remote regions and surrounding areas	The Company previously established 4G base stations in remote regions and surrounding areas and now is constructing 5G base stations so that people in remote regions and surrounding area have equal opportunities in accessing 5G services.	 SDG 8  SDG 9  SDG 11
Affordable basic infrastructure	Establishment of broadband facilities for remote regions and surrounding areas and offshore islands	The Company actively invests in establishment of network infrastructure, is committed to enhancement of ICT services in remote regions and surrounding areas and offshore islands, and continues to strengthen broadband facilities to minimize the digital divide.	 SDG 9  SDG 11
Socioeconomic advancement and empowerment	EYE Social Innovative Call Center	The Company has engaged in long-term cooperation with the Resource Center for the Visually Impaired at Tamkang University. The EYE Social Innovative Call Center was set up in 2011, and unveiled the first “Telephone Call Center Total Solution for the Visually Impaired” in Taiwan. It includes research, development, and improvement of a computer-assisted telephone system and associated talent development and training to create diversified job opportunities for the visually impaired.	 SDG 1  SDG 8  SDG 10

Note: The aforementioned social benefits investment projects refer to currently scheduled projects or those still under negotiation; future implementation, actual project content, financing amounts, and allocation ratios may be adjusted in accordance with actual capital utilization.

## **(2) Process for project evaluation and selection**

The Company has established the Sustainability Development Committee to expand core competence, implement CSR vision, and execute projects associated with sustainable development. A project team is formed, composed of business and finance departments, to select and evaluate projects refers to ICMA's GBP, SBP and SBG, international regulations and standards, as well as the internal processes and management procedures. The project team will periodically report project schedule and benefits to senior management and the Committee.

Qualification criteria for projects listed in this Framework are shown below:

### **1. Green Investment Projects**

<b>Projects</b>	<b>Project Selection and Capital Utilization</b>
Green buildings	Funding for construction of green buildings that fulfill Ministry of the Interior Green Building Label Silver Level and above or LEED Silver Certification Level or above.
PSTN-to-NGN migration	Energy-saving efficiencies should improve by more than 20% compared with legacy equipment, or new equipment should have the highest energy-saving efficiency of similar equipment on the market.
Projects related to establishment of solar, wind, and biogas power generation facilities; fuel cells; and energy storage	Limited to renewable energy projects listed by the RE100 initiative; project funds are used for relevant CAPEX.

## 2. Social Benefits Investment Projects

Projects	Project Selection and Capital Utilization
Establishment of 5G base stations in remote regions and surrounding areas	Construction of broadband facilities and 5G base stations in remote regions and surrounding areas and offshore islands as defined by the Ministry of the Interior, with funds used for relevant construction.
Establishment of broadband facilities for remote regions and surrounding areas and offshore islands	
EYE Social Innovative Call Center	Aimed at call center projects to assist people with disabilities in employment, with relevant funds used only for call center project expenditures.

### (3) Management of proceeds

The Company formulated the Framework in accordance with the Operation Directions. Bond proceeds will be managed in accordance with the internal regulations and management procedures, and will be utilized for projects that provide the aforementioned benefits. Each project item has been assigned a project code to track the investment progress, and finance department will periodically track records to ensure the capital utilization adheres to the projects. Pending proceeds from the Bond issuances will be temporarily maintained in demand deposits or invested in money market operations with high safety and liquidity that do not involve any equity.

The Company distinguishes between funds utilized for new projects and funds used for project refinancing based on the Bond issuance date: if the issue date for a certificate of appropriation falls after the Bond issue date, all funds are considered as being utilized for new projects. We estimate that the project refinancing ratio for each bond will not exceed 50% of issuance amount for said bond.



#### **(4) Reporting**

During the life of the Bonds or the period of allocation of the proceeds raised by the Bonds, the Company shall, within 30 days from the date of public disclosure of the annual financial report (or within its self-defined time limit as set out in its application to TPEX), have a certification body issue an assessment opinion or certification report on whether the status of allocation of the proceeds conforms to this Framework. We shall, within the aforementioned time limit, enter the qualified independent third party assessment opinions or certification reports on the status of allocation of the proceeds (including but not limited to Bond proceeds utilized for green investment project and social benefits investment project, Bond proceeds yet to be utilized, and ratio of allocation between utilization for new projects and project refinancing) into the Internet information reporting system designated by the TPEX.

The Company plans to disclose the following green investment project and social benefits investment project benefit measurement indicators the year after Bond issuance:

##### 1. Green Investment Projects

Category	Indicators for measuring expected benefits
Other climate change adaptation or matters approved by the TPEX (green buildings)	1. Number of projects (#) 2. Certification Level of Green Building Labels obtained (qualitative description)
Improvement of energy efficiency and energy conservation	1. Estimated total annual electricity savings (kWh) 2. Estimated total reduction of annual carbon emissions (tons CO <sub>2</sub> e)
Development of renewable	1. Number of renewable energy projects (#)

energy and energy technology	<ol style="list-style-type: none"> <li>2. Total installed capacity of renewable energy equipment (MW)</li> <li>3. Estimated annual power generation of renewable energy equipment (MWh)</li> <li>4. Estimated annual carbon reduction of renewable energy projects (tons CO<sub>2</sub>e)</li> </ol>
------------------------------	--

Note: The aforementioned green investment project benefit measurement indicators refer to currently planned content; actual indicators may be adjusted in accordance with actual capital utilization.

## 2. Social Benefits Investment Projects

Category	Indicators for measuring expected benefits
Access to essential services	<ol style="list-style-type: none"> <li>1. Total number of remote regions and surrounding areas covered by the service (#)</li> <li>2. Estimated service coverage rate of overall remote regions and surrounding population (%)</li> </ol>
Affordable basic infrastructure	<ol style="list-style-type: none"> <li>1. Length of submarine communications cables (km)</li> <li>2. Estimated population of offshore islands covered by broadband infrastructure (#)</li> <li>3. Number of remote regions and surrounding areas or offshore-island locations with established microwave radio systems (#)</li> </ol>
Socioeconomic advancement and empowerment	<ol style="list-style-type: none"> <li>1. Number of disabled people employed by call centers (#)</li> <li>2. Annual number of customer support cases handled by call centers (#)</li> </ol>

Note: The aforementioned social benefits investment project benefit measurement indicators refer to currently planned content; actual indicators may be adjusted in accordance with actual capital utilization.

Chunghwa Telecom Co., Ltd.

Chairman and Chief Executive Officer: Chi-Mau Sheih

February 7, 2022

# 中華電信股份有限公司

## 可持續發展債券投資計畫書

### 一、計畫目的

中華電信股份有限公司(以下簡稱本公司)秉持「永遠走在最前面」的品牌精神，長期以來致力發揮在資通訊產業及技術優勢，積極推動 ESG 永續發展，訂立永續發展願景為：「以『綠化低碳、數位賦能、誠信透明』的服務理念，領航智慧生活、促進永續發展」。本公司設置永續發展委員會，擬定永續發展之中長期目標與策略，制定政策及管理方針督導追蹤執行成效。委員會下設有 E 分組負責環境永續發展、S1 分組負責企業志工和員工關懷、S2 分組負責數位機會與消費者關懷、G 分組負責公司治理，四個分組分由執行副總經理督導，具體連結聯合國永續發展目標(SDGs)，擬訂執行計畫，確保永續發展策略充份落實於營運活動。

在環境永續議題上，本公司持續推動網路架構與電信設備之升級和優化、以及自建與採購再生能源等重點項目，積極投入節電和節降碳排放，朝向 2030 年碳排放(較 2020 年)減半、2030 年 IDC 資料中心 100% 使用再生能源、以及 2050 年達成淨零碳排目標邁進。此外，本公司為國內首家推動供應鏈永續管理之電信業者，攜手供應商夥伴共同邁向永續轉型。在企業社會責任方面，本公司除積極提升員工福祉、形塑幸福企業外，亦致力於偏鄉及離

島電信建設以縮短數位落差、數位賦能中小企業與弱勢族群以達成數位共融等。2020年初全球爆發 COVID-19 疫情對社會民生造成重大衝擊，本公司善用「ICT 科技防疫」，迅速組建「科技防疫團隊」，創新研發「簡訊實聯制」、「防疫監護管制系統」，並打造固網、行網、Wi-Fi「三網齊上」的寬頻網路環境，力挺全台用戶安心度過防疫階段。

多年來本公司在永續及公司治理作為已獲多方肯定，在永續方面，除了連續十年入選道瓊永續指數，去年更獲頒 The Asset ESG Corporate Award 頂級獎項 Jade Award，並長年獲得遠見企業社會責任獎、天下永續公民獎、台灣企業永續獎。在公司治理方面，除公司治理評鑑連年排名台灣上市企業前 5 %入選，也獲 Capital Finance International (CFI) 2021 Corporate Governance Award – Best Telecom Holdings。

本公司預計發行之可持續發展債券所募資金將遵循上述服務理念，將資金投入於增加能源效率、減少溫室氣體排放、縮短數位落差、創造數位機會之相關專案計畫，期能以具體行動展現永續發展的決心，履行全方位企業社會責任。

## 二、 可持續發展債券投資計畫書內容

本公司依據國際資本市場協會(ICMA)之綠色債券原則(Green Bond Principles, GBP)、社會債券原則(Social Bond Principles, SBP)、及可持續發展債券指引(Sustainability Bond Guidelines, SBG)標準評估，並遵循財團法人中華民國證券櫃檯買賣中心(以下簡稱「櫃買中心」)「永續發展債券作業要點」(以下簡稱「作業要點」)之規範，據以訂定可持續發展債券投資計畫書(以下簡稱「本計畫書」)，本計畫書包含四大核心內容：(一)投資計畫及其環境或社會效益評估(Use of proceeds)、(二)投資計畫之評估與篩選流程(Process for evaluation and selection)、(三)資金運用計畫(Management of proceeds)、(四)發行後資金運用報告之相關事項(Reporting)。

本公司發行本債券將遵循本計畫書所訂之適用範圍及相關作業、管理方式等，並評估本債券發行募得之資金用途是否符合本計畫書及作業要點規定具實質改善環境效益及社會效益之項目。

本計畫書應經認證機構出具符合作業要點或國際金融市場慣例之可持續發展債券原則之評估意見或認證報告。

### (一) 投資計畫及其環境或社會效益評估(Use of proceeds)

本債券發行所募得資金將運用於本公司具環境與社會效益之專案，且相關專案皆須符合本計畫書之綠色投資計畫及社會效益

投資計畫之內容。綠色投資計畫類別包含再生能源及能源科技發展、能源使用效率提昇及能源節約、或其他經櫃買中心認可者，以櫃買中心永續發展債券作業要點第四條所列示之綠色投資計畫類別且具實質改善環境效益者為限；社會效益投資計畫類別包含可負擔的基礎生活設施、基本服務需求、社會經濟發展和權利保障、或其他經櫃買中心認可者，以櫃買中心永續發展債券作業要點第五條所列示之社會效益投資計畫類別且具實質社會效益者為限。

綠色投資計畫和社會效益投資計畫之類別、項目及效益評估









等如下表所示：

1. 綠色投資計畫

類別	計畫項目	預期產生之環境效益	聯合國可持續發展目標之類別
其他氣候變遷調適或經本中心認可者(綠建築)	綠建築建設	透過新建符合我國內政部綠建築規範之營運大樓或機房達到能源使用效率提升之功效。	SDG 11  SDG 13 
能源使用效率提昇及能源節約	PSTN 系統 IP 化設備汰換	透過新通訊科技，汰換過往老舊公眾交換電話網路 (PSTN) 系統，以 IP 化網路元件設備為基礎，達到高效率數據傳輸之功效。	SDG 9  SDG 13 
再生能源及能源科技發展	太陽能、風力發電及沼氣發電設施，燃料電池及儲能專案建置	透過再生能源建置降低火力發電等損害環境永續之能源類型占比，並提升相關產業發展機會。	SDG 7  SDG 9  SDG 13 

註：上述綠色投資計畫項目為預計內容或尚處於洽談階段，未來實際承作之項目內容、金額及所分配比率將視實際資金運用狀況調整。

## 2. 社會效益投資計畫

類別	計畫項目	預期產生之社會效益	聯合國可持續發展目標之類別
基本服務需求	5G 基地台偏鄉建置	本公司過往已針對偏鄉進行 4G 基地台的強化建置，隨我國網路技術提升，預計將展開偏鄉地區 5G 基地台的強化建置，使偏鄉民眾有公平發展機會接受 5G 服務。	 SDG 8  SDG 9  SDG 11
可負擔的基礎生活設施	偏鄉與離島寬頻建設	本公司積極投入網路基礎設施建設不遺餘力，更致力於提升偏鄉與離島的資通訊服務，不斷強化偏遠地區寬頻網路建置，縮短數位落差。	 SDG 9  SDG 11
社會經濟發展和權利保障	EYE 社會創新客服中心	本公司長期與淡江大學視障資源中心合作，並於 2011 年成立 EYE 社會創新客服中心，發表國內第一套「視障電話客服整體解決方案」，包括無障礙值機系統的研發與改良、人才的培訓與輔導等，為視障者創造更多元化的就業機會。	 SDG 1  SDG 8  SDG 10

註：上述社會效益投資計畫項目為預計內容或尚處於洽談階段，未來實際承作之項目內容、金額及所分配比率將視實際資金運用狀況調整。



## (二) 投資計畫篩選與評估流程(Process for evaluation and selection)

本公司設有永續發展委員會，以擴大核心職能效益、落實企業社會責任願景為出發點，推動各項永續發展相關計畫為旨，並參照 ICMA 之綠色債券原則、社會債券原則、可持續發展債券指引等，依據國內外法規標準及公司內部流程及管理辦法，結合相關業務部門及財務處共組專案團隊，就各項投資項目及技術進行篩選及評估。計畫執行後，專案團隊將定期提報執行進度、減量成果/效益等數據予高階管理階層及永續發展委員會以追蹤進度。

有關本計畫書之專案資格條件說明如下：

### 1. 綠色投資計畫

計畫項目	專案挑選及資金使用條件
綠建築建設	以可申請我國內政部綠建築標章銀級以上或美國 LEED 認證銀級以上之綠建築建設相關款項。
PSTN 系統 IP 化設備汰換	節能效率需與舊有設備相比增加 20% 以上，或新設備需為目前市面上同等級所能取得最節能之設備產品。
太陽能、風力發電及沼氣發電設施，燃料電池及儲能專案建置	依照國際 RE100 組織所公布之再生能源項目種類為限，專案資金用於相關 Capex 款項。

## 2. 社會效益投資計畫

計畫項目	專案挑選及資金使用條件
5G 基地台偏鄉建置	依照我國內政部定義之偏遠地區及離島地區之寬頻及 5G 基地台建設為準，資金用於相關建設款項。
偏鄉與離島寬頻建設	
EYE 社會創新客服中心	特定針對輔導身心障礙朋友就業之客服中心專案，且相關資金運用僅限於客服中心專案支出款項。

### (三) 資金運用計畫(Management of proceeds)

本公司依據櫃買中心之作業要點，訂定可持續發展債券資金運用計畫，募得之債券資金，將依據本公司內部規範及管理作業流程進行資金管理，並運用於符合上述效益之專案項目，各項投資項目設有專案預算代碼，以此代碼追蹤紀錄各筆投資之進度，並由財務處定期紀錄追蹤，確保該資金運用符合投資計畫之執行需求，對於未立即動撥之募集資金，將存於活期存款或運用於具高度安全性及流動性之投資工具，如定期存款、附條件交易、短期票券等不涉及任何股權之貨幣市場工具。

本公司依債券發行日區分是否為新專案使用或專案再融資，如撥款憑證開立日期於債券發行日後，一律以新專案使用款項計算。預計各債券於既有專案再融資之比例不超過當次債券發行募集金額之 50% 為原則。

#### (四) 發行後資金運用報告之相關事項(Reporting)

本公司將於本債券存續期間或所募資金運用期間，於年度財務報告公告後三十日內(或向櫃買中心申請依自行訂定之期限內)，由認證機構出具對資金運用情形是否符合本計畫書之評估意見或認證報告，並於前述期限內，將資金運用情形(包括但不限於本債券募集資金已運用至綠色投資計畫及社會效益投資計畫之金額、本債券募集資金尚未運用之金額、新專案與再融資比例等)及認證機構出具之評估意見或認證報告輸入櫃買中心指定之網際網路資訊申報系統。

本公司預計將於債券發行後下一年度揭露綠色投資計畫和社會效益投資計畫之效益衡量指標如下表所示：

##### 1. 綠色投資計畫

類別	預期之效益衡量指標
其他氣候變遷調適或經本中心認可者(綠建築)	1. 專案數量(#) 2. 取得綠建築標章等級(質化描述)
能源使用效率提昇及能源節約	1. 年度總節省電量估計(kWh) 2. 年度總減碳量估計(tons CO2e)
再生能源及能源科技發展	1. 再生能源專案數量(#) 2. 再生能源設備總裝置容量(MW) 3. 再生能源設備年度總發電量估計(MWh) 4. 再生能源專案年度總減碳量估計(tons CO2e)

註：上述綠色投資效益衡量指標為預計內容，未來實際衡量之指標將視實際資金運用狀況調整。

## 2. 社會效益投資計畫

類別	預期之效益衡量指標
基本服務需求	1. 服務涵蓋之偏鄉地區總數(#) 2. 整體偏鄉人口服務涵蓋率估計(%)
可負擔的基礎生活設施	1. 海纜建設長度(km) 2. 寬頻接取基礎建設涵蓋之離島人口數估計(#) 3. 偏鄉與離島微波系統建置地點數量(#)
社會經濟發展和權利保障	1. 客服中心進用身心障礙者人數(#) 2. 客服中心年處理客服案件量(#)

註：上述社會投資效益衡量指標為預計內容，未來實際衡量之指標將視實際資金運用狀況調整。

