

Messages from the Chairman and CEO

In 2008, we published the second Corporate Social Responsibility (CSR) Report with the enthusiastic effort of our dedicated CSR Committee and staffs. The Report continued to set out the various issues concerning our stakeholders. We have undertaken various actions for systematic organization and directions to address these issues to facilitate the corporation's continual CSR development in line with the contemporary social requirements and global trends.

Our corporate's vision is "to become the most valuable and reliable provider of information and communications services". We shall maintain focus on our core business, emphasize our professional competency, improve the operational efficiency and offer inspiring services to customers. In spite of the global financial crisis, we will continue to adopt rigorous corporate governance principles and an overall risk control mechanism. Given the effort of the entire Chunghwa Telecom team and support from our customers as well as the support from all, we have managed to accomplish our operating targets, a consolidated operating income of NT\$ 201.67 billion for the 2008 income year.

We understand that our stakeholders have keen interest in the various issues such as improvement in information transparency, employee assurance, consumer trust, social investment accounting, energy saving and carbon reduction. As such, we offer complete and real-time disclosure of our operating information to allow investors and shareholders to be fully on track of the corporation's current status of operation. We also enhance communications with employees and the labor union to offer special "voluntary" resignation and retirement plans.

For the free webmail service offered to our HiNet mailbox subscribers, we launched an e-mail filtering mechanism in compliance with the domestic regulatory requirements to further reduce the disturbance of "Spam E-mails" to consumers. In addition, we have allocated resources to address the electromagnetic wave issue associated with base stations by engaging professional academic agencies to undertake the relevant study in hope of keeping on top of the latest developments.

The Corporation is a keen participant in numerous charitable events and we have a high level of interest in the welfare of disadvantaged groups. Besides being a part of the ADOC 2.0 (APEC Digital Opportunity Center) program, our dedication to social welfare is evident from our sponsorships for software/hardware infrastructure and participation in charitable events by corporate volunteers, to name just a few. We have accounted our social investments for the past year on the basis of the "Five Dimensions of Social Contribution". The evaluation process not only demonstrated our promise to the society but also allowed us to better understand the effects and benefits of our social investments. We shall plan our CSR events on the basis of higher "value creation".

Climate change is a vital contemporary issue confronting all global enterprises. We have launched the "iEN (Intelligent Energy Network)" targeting our corporate customers. We were the first telecommunications service provider in Taiwan to complete the greenhouse gas inventory. From understanding carbon emission to achieving energy saving for switching offices and office buildings, we have been engaging in an overall reduction of energy consumption. These comprehensive experiences were transformed into our "iEN (Intelligent Energy Network)", through which we hope to help our industries to conserve energy and reduce carbon emissions. The optimal goal is to create positive influence on the country's economic development.

In the world of sustainability, there is no unconditionally growth. With respect to CSR fulfillment, in future, we will be more focused on paving the foundation to enhance our core competitiveness, while at the same time, placing high levels of importance on creating digital opportunities and environmental sustainability development. Meanwhile, we will employ more efficient CSR management strategies to transform the issues arisen from interactive communications with our stakeholders into actions. We aim to develop a CSR blueprint unique to the Chunghwa Telecom. We trust that we are capable of becoming the most reliable and valuable provider of information and communications services with team dedication as well as the supervision and support from public.

Chairman & CEO

