



Social Contribution

We have been maintaining the corporate concept of “giving back to the society what we benefited from it”. The fact that we are the largest provider of composite telecommunication services with our extensive network and service coverage across Taiwan and its offshore islands shapes our self-awareness for social contribution. For many years, we have leveraged on our core competency and worked robustly to create value for our society and improve the living standards of our citizens.

In response to the requests of domestic and offshore stakeholders, in 2008, we have made cash donations and offered free products and services with the purpose of bridging the digital divide and making our part of the contribution to social charitable events. The total amount of our donation for 2008 was estimated to be NT\$ 248 million, making up 0.43% of our operating profit.

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The ADOC 2.0 Project

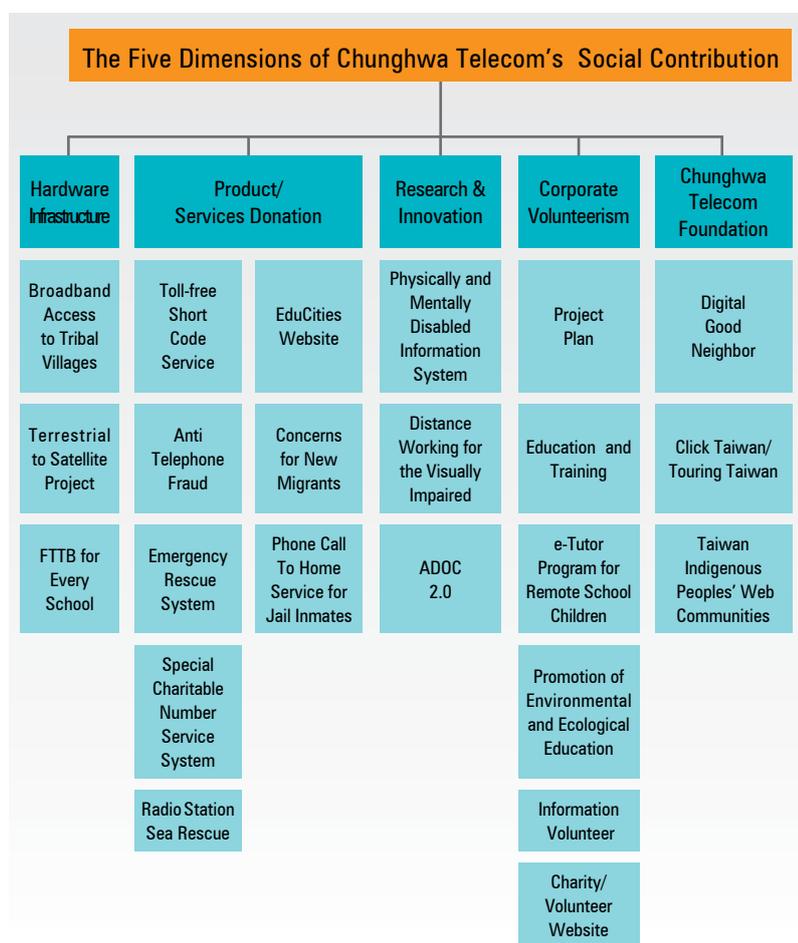


Five Dimensions of Social Contribution

We have categorized different forms of social contribution into the following 5 dimensions: "Hardware Infrastructure" is fundamental to people-to-people communication; "Product or Services Donation" makes information technology more valuable; "Research and Innovation" is centered on assisting the disabled to mutually share the convenience of communication services; "Corporate Volunteerism" gives our employees the opportunity to directly take advantage of their expertise and be involved in enriching lives in communities; the "Chunghua Telecom Foundation" is our pioneer in creating digital opportunities.



Jing Liao Village is the starting point for our Digital Good Neighbor project, covering new migrants, school children to cultural assets.





Management Approach



Mike Lin
CEO of Chunghwa
Telecom Foundation

The Chunghwa Telecom Foundation has installed the “Digital Good Neighbor” sites at 29 remote locations. In addition to installing digital hardware equipment at the sites and setting up digital classrooms, the Chunghwa Telecom employee volunteers have assisted to promote a digital learning environment within the communities that has helped disadvantaged people narrow the digital gap and also created digital opportunities. The optimal goal is to allow the power of technology to grow and take root within the local communities.

In 2007, the Chunghwa Telecom Foundation and the Tourism Bureau, Ministry of Transportation and Communications, joined efforts to organize the “Touring Taiwan” project, taking cultural tours to every part of the island with the objective of enhancing and depth and authenticity of travel in Taiwan. The Foundation will continue to leverage on the corporation’s core competency to actively create digital opportunities for remote and disadvantaged communities on the various dimensions of CSR including education, local industry and culture and volunteerism.

Create Digital Opportunities

Education Industry Culture Volunteerism

Chunghwa Telecom Foundation

Corporate Volunteer Services

Product/Services Donation

Hardware Infrastructure

Illustration of “Creation of Digital Opportunities”

Chunghwa Telecom Foundation

The “Chunghwa Telecom Foundation” was founded in 2006. Besides our concerns for environmental issues, our founding mission is to integrate our core competency with social resources to assist with the development of community culture, bridge the digital divide and be involved in the cultivation of community living. Our endeavors are centered on the local culture and we take community involvement and services as the starting point. Our optimal goal is to make our contribution to community development in Taiwan.

Our major work include the following:

- Assist the Local Culture and Industry: Construct the “Click Taiwan” website, offering the community and industry a platform for information exchanges. We hope that through text, images and videos we can join hands with local enterprises to record their efforts and the stories created in local communities.
- Bridge the Digital Divide: To bridge the digital divide by establishing Digital Good Neighbor facilities in remote parts of the island that will offer equipment and broadband connections. The Foundation’s aim is to provide resources and volunteers to improve the quality of life, education, and industry in deprived local communities.
- To Enrich Lives in Local Communities: Chunghwa Telecom’s volunteers are helping communities with sustainable development through active and affective participation in local issues.

Create Digital Opportunities

With respect to social contribution, we place special emphasis on the concept of “creating digital opportunities”, which is closely related to our core business. Our dedicated team of technical experts traveled far and deep into remote regions to build a major part of the broadband network, paving the foundation for our endeavor in creating digital opportunities. With the backup of hardware facilities, we have gone a step further to make product or services donation or other special offers to remote communities. And our work does not stop there. To maximize the benefits of our products and services, the Foundation’s corporate volunteers have been dedicating themselves to educating the remote population on the application of digital products and services. Besides caring for the next generation’s growth, our work also extends to assisting with the local cultural and industrial developments and looking after the disadvantaged groups. We hope to achieve digital-inclusion in the society with our total, bottom-up effort.



Key Issues

Quantifiable Social Contributions

At the request of domestic and offshore stakeholders, we estimated our social contributions for 2008 to total NT\$ 248 million, making up 0.43% of the operating profit. Our next step is to continuously enhance quantification management and communication of our social contribution initiatives.

Quantification of social contributions is vital in that the statistics will help us make more appropriate resource allocation to avoid duplicate investments, effectively integrate financial and non-financial information and satisfy the needs of our stakeholders for life quality.

Social Contributions for 2008

Unit: Thousand Dollars

Type of Social Contribution	Amount
Cash Donation	71,380
Product or Services Donation	176,136
Grant Total	247,516
Social Contributions As a Percentage of Operating Profit	0.43%



Fixed line telephone services were not available to the residents of the Xian-Bi region of Tai-An Village, Miaoli County. Farmers relied on cell phones to conduct their businesses but frequently encountered problems due to poor reception. Our colleagues from the Miaoli Operation Office installed the fixed line telephone and broadband services network for the locals at a total cost of NT\$ 2 million, severing approximately 20 households. Chunghwa Telecom absorbed the total costs of this project. The costs of making call service available to each household amounted to about NT\$ 100,000 per household.

2007 CSR Report

Our Commitments to Digital Opportunities:

In future, we will continue utilizing both direct and indirect methods of assisting communities and disadvantaged groups apply Internet technologies to improve their communities and personal quality of life and promote the development of community and tribal cultural assets. This continues to be our unwavering commitment to create digital opportunities.



Major Responses



Network construction is fundamental to bridge the digital divide. Our active devotion to this project reflects our disregard for the initial hardware construction costs and subsequent repair and maintenance expenditure. Pictured above is the engineering site in Chihshang Village, Taitung.



We have not only created network but also offered computers, the true "eFamily". Pictured above is the A-Li Tribe in Wutai Village, Pingtung.

Telecom Universal Services

We have been working on our long-term objective of achieving the universality of telecommunication services in the country, allowing citizens to have access to basic telecommunication services. At present, the household penetration rate for fixed line telephone services is 98%. We have offered over 220 thousand households telephone services and 28,000 households data communication services in over 81 remote and economically deprived areas, installed over 20,000 sets of public telephones in 25 counties/cities and offered data communication intercepting services to some 3,700 primary and high schools and public libraries. We have also cooperated with the government's initiative in promoting a 100% school penetration rate for Internet services and raising the broadband usage rate. By the end of 2008, we have assisted 81.03% of remote schools to gradually switch from their existing ADSL network or data circuit over to FTTB.

Broadband Access to Every Village

By the end of 2007, NCC planned to implement broadband infrastructure in 46 village, in which we have completed 43 village (93%). In June, 2008, NCC planned to implement broadband infrastructure in 50 tribes, in which we have completed 42 tribes (84%). Above accomplishment has reached 7,388 villages and tribes, which covers 75% of the families in Taiwan.

We also take the initiative to provide 31 primary schools in 42 tribes with premium rates in compliance with NCC's project called "Broadband Access to Every Village", including free installation, free circuit and internet access fee for 2 years, free anti-virus and antihacker services for 2 years, free HiNet learning e-card for 2 years, and 2 notebooks. In addition, we also donate PC to communities, held computer courses, help the residents to design the website as well as to teach them the computer skills and help them to promote their agricultural products and tourism.

We have promoted over 1,500 broadband users in areas where we have constructed the broadband network under the "Broadband Access To Every Village" and "Broadband Access to Tribal Villages" projects. The broadband household penetration rate has grown from 0% to 30% and our services have indirectly improved the living standards of residents in remote areas and promoted local developments.

Terrestrial to Satellite Project

From 2004, as requested by the Council of Indigenous Peoples of Executive Yuan, we began construction of a direct satellite broadcast system to improve the problem of poor reception in tribal villages. As at the end of 2008, we have installed the system in a total of 64,620 households.

Promote Digital Learning

Network services enable a remote tribal village to connect to the globe and create infinite possibilities. We believe that digital opportunities are built on the creation of digital learning environments for remote communities, tribal villages and disadvantaged groups.

Digital Good Neighbor

The project, "Digital Good Neighbor," started in 2006. The Corporation and our team of some 24,000 employees were dedicated towards accomplishing the corporate promise of creating digital opportunities. By the end of December 2008, we have completed the construction of 29 Digital Neighbor Sites, and donated 466 computers and 355 sets of computer software equipment to remote areas and tribal villages. We introduced the various resources according to specific needs and different features of community industry developments. Our goal is to enable digital learning to take root in every part of the remote regions by joining the efforts of CHT and other sources of volunteer services.

PunCar Action

The PunCar Action was undertaken by a group of bloggers and enthusiasts, realizing the concept of "Delivering Nerdy Boys to Villages" in their own unique way. A second-hand van was transformed into the PunCar—a van equipped with Internet technology and online communication devices, commissioned to conduct digital education in deprived communities. The creative and practical way of teaching gave the students at the digital sites an extremely fun learning experience.

EduCities Learning

"EduCities", the first Internet educational city of its kind in the world, responds to the real world, connects people and the current education and carries out the learning activities online. The programs, "English Vocabulary Marathon" and "IQ king" are popular among students and teachers of primary and secondary schools across the island. In 2008, over 500 schools registered for the programs with over 170,000 students signed up for the competition. Meanwhile, in an effort to promote the criticalness of environmental issues such as global warming and climate change, "EduCities" has launched the anti-global warming, dream building campaign in hope of making our children show more care and love for the Earth.



The digital site located in Jiamu Tribal Village, Wutai Township, Pingtung was inaugurated! The Rukai women extended their warm greetings for Mr. Lin, CEO of the Chunghwa Telecom Foundation and our corporate volunteers.



The cute PunCar van was surrounded by a group of enthusiastic children.



The final of the "English Vocabulary Marathon Competition". Winner of the Distinction Award from the Junior High School Category excitedly joined Mr. Ma Hong-Tsian, Head of Marketing Department, Data Communications Group for a photo together.

 EduCities

<http://www.educities.edu.tw>



Major Responses



Jingliao Village

Jingliao Village in Tainan was our starting point for the Digital Good Neighbor project. Corporate volunteers were assigned to assist newly immigrated foreign spouses build up their computer literacy through weekly computer lessons. A strong bond was formed between our volunteers and the newly immigrated foreign spouses.

"Yi-Chang Rice Grinding Factory" was founded in the early period of Taiwan's restoration in 1945 and ceased operation in early 2006. The style of the factory is simple and ancient and 80-year old rice grinding machine made purely of wood is moreover a precious antique. Our corporate volunteers took part in the factory restoration project. The purpose is to allow our future generations to see the ancient cultural objects that are of high historical significance.

Tung Yuan Village

Mr. Wen Wei-Luan, Chief of the Tung Yuan Village has returned to his hometown from the city only two years ago due to his father's illness. He has been an advocator for digital learning. We joined efforts with the volunteers of Chiao Tung University to teach indigenous children how to use the blog, improve photo-taking skills and organize small-scale artwork presentation. The objective is to help these children enjoy the fun of learning and build up their confidence.

Hsin Hsin Primary School

In November 2008, we organized an orientation program, which took place at the Hsin Hsin Primary School in Jin Fong Village, Taitung, allowing the local advocators of the "Digital Good Neighbor" site and volunteers to get to know each other and undertake information exchanges. Besides experience sharing and improving understanding, we hope to duplicate the success stories of the "Digital Good Neighbor" project to create more digital communities.

Banoh Tribe

The Banoh Tribe located in the Nan Juiang Village, Miaoli County became widely known due to a TV ad on automobiles that was filmed there. In the ad, the village was located in an mountain environment with winding roads and beautiful landscapes. It has become a popular tourist attraction subsequently and at the height of its popularity, reservation for the local B & B must be made 6 months in advance. However, the area observed a significant decline in its local tourism industry after several typhoons inflicted severe damages on the area. It became This, however, gave the local residents more time to rethink the future for their tribe.

The local travel agencies together with the advantages of borderless Internet facilities offered the local people much hope in allowing the public to learn more about their Atayal culture. After the computer room was put in use, a series of computer training programs were also planned and offered. The local people are pondering on ways of constructing their own tribal blog to create more business opportunities for the tribal families.

MeMelihang Workshop

The MeMelihang Workshop was founded with the mission for continuing the Atayal Dying and Weaving Culture. The Studio is a prominent teaching center for the traditional indigenous weaving and dying art. In 2008, we helped the MeMelihang Workshop to undertake digital archiving of the Atayal weaving artwork. We offer the digital tools to allow more systematic and comprehensive preservation and continuation of the indigenous culture.

Lohok Tribe

Mr. Wang, a teacher at Song Pu Primary School in Yuli Township, Hualien, who came to work in the remote town from the big city, has fell in love with the tribal culture every since his arrival. Mr. Wang has expressed his appreciation for the fact that continuation of the Amei Culture shall begin from early childhood and that digital application tools are essential to achieve this purpose. In light of this, Mr. Wang worked with tribal youth groups to promote digital learning and document the bits and pieces of tribal events using digital application tools. In addition, they were also able to create the tribal stories on the website with the aid of network facilities. At present, we have trained up near 10 school pupils to assume the role of the tribal journalists. Just log onto the tribal website and you can browse articles written by these junior journalists as well as details of the cultural collection stories.

With all's encouragement, the Lohok Tribe began to try out organic farming. Details of the trial process were published on the website, allowing interested parties to keep track of the latest development. The objective is to create new opportunities for the tribal people using digital applications.

Yuanaye Cloth Workshop

In order to create a stable source of income for the tribal families, Mr. Cheng, the Principal of Hsin Hsin Primary School in Taitung, founded the "Yuanaye Wood Workshop" and "Yuanaye Cloth Workshop" by joining the various resources. The workshops create a variety of products made by cloth and wood with a rather limited supply of resources. The Chunghwa Telecom Foundation made its share of contribution by inviting leading designers to discuss with the workshop artists about their creative work while offering them some valuable tips to ensure a delivery of higher quality and more mature products.

Lijia Tribe

The Lijia Tribe is located near the popular Alishan National Scenic Area. The communities have been hoping to utilize the power of broadband network to promote the local industries. In 2007, the Lijia Tribe was the first "Broadband Access to Every Tribal Village" site gaining access to Chunghwa Telecom's broadband services. The Li Jia Primary School, with its comprehensive computer equipment, is the most popular and convenient public space for the villagers. We installed the "Digital Good Neighbor" site in the village to allow the children construct a website and blog for their own home place, introducing technology into their living.





Major Responses

Bridging the Digital Divide

We fully understand the importance of NPOs (Non-Profit Organizations) on social welfare. As such, we make product donations, online promotion and donation of e-Receipts to support the development of the various social charitable organizations. Specific for the disadvantaged groups such as low-income families and people with disabilities, we offer several different plans at much reduced rates to help them gain access to high-efficiency communication services at relatively low costs.

*1: We offer plans at much reduced rates for the visually, hearing, and vocally impaired applicants and double the premium on domestic communications services. They can choose either the 2G "88 option" or 3G "183 option" and in addition we double the value of the original low monthly rates on domestic communications (NT\$ 88 or NT\$ 183) providing NT\$ 176 or NT\$ 366 of service at the same low cost.

*2: The visually and vocally impaired applicants can choose the 2G "188 option" or 3G "183 option" and be entitled to 300 free on-net SMS messages and 100 off-net SMS messages.

*3: A manual communication service featuring customer service representatives of the Hearing Impaired Service Hotline passing on the messages of the hearing impaired caller to a normal callee.

Discount of Telecom Services Fee

Item	Description	Performance
1	Number of Low Income Households with Broadband Internet Discount (256K/64K & 2M/256K at 50% off the normal monthly fee)	5,633
2	Number of Low Income Households with NT\$ 600 Phone Card Discount Per Year	7,030
3	Number of Disabled People with Broadband Internet Discount (2M/256K at 15% off the normal monthly fee; others at 0.5% off the normal monthly fee)	1,022
4	Number of Disabled People with "Care and Love Premium A" *1	1,499
5	Number of Disabled People with "Care and Love Premium B" *2	1,558
6	Number of Visually Disabled People with NT\$ 200 Phone Card Per Year	1,170
7	Number of Telecom Transit Calls for Those with Speaking and Hearing Difficulties *3	585

Information current as at December 31, 2008



The "Children Are Us" Bakery and Cafeteria located at the basement level of the corporate headquarter. The Foundation paid for the upfront interior design costs as well as the monthly water and electricity bills to offer long-term employment opportunities for these disadvantaged children.

Taiwan Indigenous Peoples' Tribal Portal Site

The "Taiwan Indigenous Peoples Tribal Portal Site" gives the tribal people the opportunity to utilize the web's resources to set up a website for their tribe, a channel to allow the external world gain knowledge on their tribe. As at the end of December 2008, there were over 591 tribal websites being constructed. Upon review, we offered a \$ 20,000 subsidy program to 40 (out of 43) respective eligible tribes that constructed their own websites by using the web resources in 2008. We also organized events or computer training sessions to enhance computer usage by the tribal people with the longer term goal of promoting digital learning opportunities.

The subsidy program has proven to produce brilliant results. For instance, the Makazai Tribe of Pingtung county published a detailed record of the traditional Paiwan wedding ceremony on their tribal website for many to take a glance at the solemnity of the tribal wedding ceremony. The Banaguali Tribe located in Taian Township, Miaoli had a longstanding problem of lacking broadband access and inability to get online and the \$ 20,000 subsidy grant was the solution to their problem and also allowed the tribal people to start their computer training. The Madawdaw Tribe of Taitung County offered traditional bark weaving courses to hand down their handcrafting techniques to the next generation.

Care for New Immigrants

Due to changes in social and economic trends, the population of foreign spouses is expanding. Statistics shows that one out of every 8 newborn were the children of foreign spouses. We help the foreign spouses and their children to bridge the cultural gap with our actions.

Over 600 phones calls per month were received through the dedicated line "0800-080508" designed specifically to look after the life of newly immigrated foreign spouses. This toll-free number provides services in 5 different languages (Mandarin, English, Indonesian, Thai, and Vietnamese), offering extremely helpful living consultation services to newly immigrated foreign spouses.

In order to assist new female immigrants in obtaining learning materials and adapting to life in Taiwan, we have completed 100 volumes of multimedia course materials for families of the new female immigrants. The course materials are broadcasted on the MOD platform free of charge. In 2008, more than 97,000 people benefited from the program. In addition, we also donated this program to several governmental organizations and charities.



Chunghua Telecom Foundation is a long-term supporter for the Taiwan Indigenous Peoples' Tribal Websites.

<http://www.hohayan.net.tw>



On the Mothers' Day Fair, we offered newly immigrated foreign spouses free international calls to relieve their nostalgic feelings for their home town.



Major Responses

2007 CSR Report

Our Commitments to Digital Opportunities:

We introduced the “Corporate Volunteerism” project in 2007 to create more opportunities for our enthusiastic employees to be actively involved in community events. Backed up by a systematic and well-planned project, we encourage our employees to demonstrate their kindness and potential, taking the Chunghwa Telecom’s mission deep into the communities to create more digital opportunities for the locals.



Chunghwa Telecom volunteers (right) assisted remote schools to resolve communication problems.



The Banciao training center provided the venue for the “Glad To See Each Other” event and accommodation arrangements for the students.

Corporate Volunteerism

Being a highly local provider of telecommunication services, our service network covers the entire nation. Besides corporate resources, we have some 24,000 employees, who are our most valuable manpower resources in assisting with the corporation’s initiatives on community, social concern, and environmental and ecological issues. Our telecommunication expertise enables us to become the pioneer in creating digital learning opportunities.

On November 30, 2007, we completed Taiwan’s first “Corporate Volunteer Service Guidelines and Plan” in accordance with the spirit of the Volunteer Service Act. The Guidelines and Plan will serve as a basis for us to promote volunteer services and care for communities.

By the end of 2008, 678 CHT employees (2.76% of the CHT workforce) have completed volunteer training courses and were awarded the “National Volunteer Service Booklet.” In addition, due to differences in the service projects, we have conducted a total of 10,690 hours of special training on volunteer services. We also offered a total of 49,355 hours of corporate volunteer services through different charitable events by joining our corporate resources and corporate volunteerism.

Remote Classes for Children of Remote Areas

In May 2008, we joined efforts with the Fu Jen Catholic University to undertake the distance tutorial project for school pupils living in remote areas. We leveraged on our core telecommunications resources to share the Joint Net platform, donated computer software/ hardware and provided subsidies for circuit price spreads to resolve remote schools’ inability to expand their existing digital facilities due to budget constraints. We do what we do because we are fully aware of the fact that helping school pupils living in deprived regions quickly pick up their schedule of learning is the very first step in narrowing the digital gap between urban and remote areas. In addition, we have also involved local corporate volunteers to take charge of the repair and maintenance of school computer facilities

On top of the attentive tutorials given by the teachers from the Fu Jen Catholic University, we place high emphasis on pupils’ character building. On the other hand, the extended “Glad To See Each Other” event not only helped children from remote regions the opportunity to broaden their vision but also for teachers and students to interact face to face, enhancing the warmth between the tutors and students. We have not only successfully delivered concerns the urban people have for the remote people but also inspired the remote pupils’ planning for and thoughts about their future.

A Documentary Film on Environmental Conservation – The Man Who Plants Trees

In July 2008, in an effort to fulfill our open commitment to the society and encourage people to integrate the “Going Green” art into their daily living, we provided an exclusive sponsorship for the documentary film “The Man Who Plants Trees”, which tells a true story on LU Ming-Shih, a man who vows to plant trees along the Tropic of Cancer. Production of the film took over a year with the crew going out of their ways to obtain countless interviews with the main character and experiencing his spirit of “action is louder than words”. The audience is deeply intrigued by the authenticity of the passion for land and nature. The documentary film was nominated by environmental conservation groups as an excellent teaching material for ecological education.

Besides a nation-wide screening tour and free downloads from MOD and hiChannel, we have also offered the film for organizations and groups to use free of charge. We also invited experts to write a teaching program on screening of the film. The green concepts are communicated to viewers of different ages to awaken their passion for this land- Taiwan!

Promotion of “Biodiversity”

Starting from fall 2007 to June 2008, we joined efforts with our business partners and green organizations to promote the concept of “Biodiversity” by going to 104 schools across the nation to promote the concept of going green by planting native trees. It was a warm, inspiring activity with our friendly volunteers accompanying the school children to touch, exercise and experience the softness of soil together and get to know the resilience and vital force of native species.



The exclusive website of the documentary film not only provides online filming but also a platform for opinion exchanges.

 The Man Who Plants Trees
<http://life.cht.com.tw/TreeMan>



Unification of our love for the earth and concerns for the disadvantaged people: our corporate volunteers accompanied children with multiple disabilities to experience the nature.

 The Digital Forest Green Thumb Event Journal
<http://blog.xuite.net/chttree/treeblog>



Major Responses

2007 CSR Report

Our Commitments to Digital Opportunities:

From 2006, the Chunghwa Telecom Foundation has launched different projects in 16 communities nation-wide. Prior to including each community to our project, we undertook detailed study and several field visits, including full interactions with the local people until we are certain about the true needs of the local residents for information services. We then draw up a constructive project and action plans, which we implement step-by-step with revisions to the project plan from time to time with our corporate manpower and resources.

Community Cultural Industry

Little Market Place & Little Indigenous Market Place

At the end of 2007, for the purpose of promoting local industries, we organized a 3-day "Forest Black Tea" fair in "southvillage" located at the commercial circle within the proximity of the National Taiwan Normal University. The event was a huge success in that we have successfully marketed a local brand outside of the local community, which received overwhelming popularity. Beginning March 2008, the Chunghwa Telecom Foundation once again joined efforts with southvillage to host a series of activities for exhibition of local produce. Besides, during the period from March to June 2008, we organized 6 story-sharing events about the origins of some local industries with community industry participants including the Fuh Ting Aboriginal Development Center (Hualien), Varasa Workshop (Titung), Yuanaye Cloth Workshop and Wood Workshop (Hsin Hsin Primary School), Melihang Workshop (Miaoli) and Cidiyao Farm (Nantou).

During the period from August to November 2008, a total of 13 local industries participated in the little market place events that took place at "southvillage" including: Forest Black Tea, Varasa, Cidiyao, Melihang Workshop, Yuanaye Wood Workshop and Yuanaye Cloth Workshop and so on. A fruitful sale of approximately NT\$ 1 million was created through The "Little Market Place" and "Little Indigenous Market Place" events that lasted for over 6 months.



The little market place at "southvillage" narrows the distance between remote and urban communities as well as the producer and consumer. We not only integrated network with actual events, but have also assisted with the development of local culture and industries.

Click Taiwan

In 2008 the website of "Click Taiwan" has contained information on over 100 community cultures, 74 unique community stories and over 100 documentary films. In 2009, we expect to add 16 community life stories about "Digital Good Neighbor" to the website so that more people can understand the beauty of Taiwan.

Starting February 2009, we started to publish the monthly "Click Taiwan" ePaper of which contents are presented in different subject areas. The ePaper gives the reader an introduction on the abundant contents of the "Click Taiwan" website and some interesting local stories associated with the "Digital Good Neighbor" communities and other local industries. At present, the "Click Taiwan" ePaper has attracted close to 10,000 subscribers. In future, we will continue to add more diverse and in-depth contents to the ePaper to enhance the compactness between the "Click Taiwan" website and "Click Taiwan" community partners.

Touring Taiwan

Based on the concept of "Click Taiwan," Chunghwa Telecom Foundation and the Tourism Bureau of the MOTC co-organized the event, "Touring Taiwan & Tell Your Own Story," in November 2007. We invited 50 celebrities and 150 travel experts to write their own travel stories and construct a database containing over 300 scenic spots classified under the Natural, Cultural, Local and Energetic categories. In January 2008, the Chunghwa Telecom Foundation and Reading Times co-published the book, "Touring Taiwan, Celebrities Telling Their Own Stories". In light of the overwhelming support received for the first book, in June the same year, we published the 2nd book "Touring Taiwan, Follow the Experts", taking our readers for an in-depth, inspiring tour of Taiwan with the experts.

To continue the awesome feelings inspired by traveling, we donated the full amount of the royalty payment for the first book "Touring Taiwan, Celebrities Telling Their Own Stories" to support the "Charity Tour for Children" program, which provides for children from deprived regions and disadvantaged children living in metropolitan areas to genuinely feel the beauty and warmth of Taiwan through travel exchanges and experiences. The "Charity Tour for Children" program organized four, 2-day itineraries of art, cultural, science and local experience tours. Children can freely choose their favorite tour as they prefer and enjoy a fun, special tour that enables them to learn at the same time.



Click Taiwan

<http://www.clicktaiwan.com.tw>



Children who participated in the charity tour expressed their heart-felt gratitude through their drawings.



Charitable Telecom Services

Toll-Free Numbers and Public SMS Services

We provide various toll-free numbers (local telephone and mobile), such as 110 (police), 113 (children and women protection), 118 (coastline crime reporting), 119 (fire), 165 (anti-fraud inquiry), 1922 (national epidemic situation report), and 1957 (assistance), a total of eight numbers. In addition, 1985 (MOD consultation service) is a local telephone toll-free number. In 2008, the total expense on public communications service is estimated to be NT\$ 18.72 million with 11.22 million calls.

We also send SMS messages to assist the government in sending out information on Chinese New Year Transportation, enterovirus, government-issued coupons, and etc. In 2008, we have sent a total of 11.43 million public SMS messages.

Anti-Fraud Dedicated Line

- 165 Anti-Fraud Dedicated Line
 - Our customer service center initially takes all calls through the 165 anti-fraud dedicated line and deals with any queries about telephone fraud, but if the caller wishes to report a crime the call is immediately transferred to the police.
 - In relation to any fraudulent number reported through the 165 hotline, we use the network management system of the signal network to make call tracking and filter the related calls. Designated personnel manually goes through the warning reports and confirms that the reported number has been diverted without authorization. We will cancel the call divert and notify the account user.
- Offer Customers Call Filtering Service: We provide our customers with the call filtering service. Customers may activate the function to reject any private number calls.
 - Mobile Phone Service (caller black list): customers may create their own black list (up to 30 sets of telephone numbers) through the Internet and activate the black list or divert any private number calls to the voicemail system.
 - Fixed Line Telephone (call filtering service): filters calls according to the black list created by the client. The function may be used to filter private number calls and international calls. The account user may reject any private call numbers.
 - Secure Lock Service for the Fixed Line Call-Divert Option: when a local call customer sets up the call-divert option on the telephone, he/she is required to get the password authenticated. The password verification mechanism may effectively avoid the telephone number being unlawfully diverted by fraudsters.

- Anti-Fraud Measures

To avoid fraudsters from installing intercepting or eavesdropping devices in our outdoor cross connecting cabinets or cabinets installed inside buildings, we have completed the construction of a cabinet surveillance system in all regions. Besides enhancing the surveillance function and the structure of the cabinets, we have affixed anti-eavesdropping posters on the bulletin boards of buildings, the building administration office, on the cabinets or at other visible places in accordance with the NCC requirements to remind the building occupants to be highly alert of and join efforts to prevent any act of fraud and eavesdropping.

Complete the Construction of the Emergency Rescue and the Special Charitable Number Service System

- In line with the project of the National Fire Agency, Ministry of Interior, to improve the 119 emergency reporting network, we have restructured the 119 reporting network and finished constructing the related network equipment platform.
- The 1999 Citizen Hotline provides a one-contact service system for government information and enquiry services to callers. We have assisted the Taipei Municipal and County Governments to complete constructing the telecommunications and information system required by the 1999 Call Center to ensure that enquiries or complaints be handled in a timely manner.
- In line with the project of the Council for Economic Development, Executive Yuan to set up a 24-hour consultation services center for government-issued consumption vouchers, we have devoted a massive amount of manpower resources and supplies to complete constructing the network platform (0800-883-600 and 02-412-3600) for the Consumption Voucher Contact Center.

Sea Rescue Communication Service

Our coastal radio stations, in coordination with the national policies as well as rules of the international organizations, are assigned by the Ministry of Transportation and Communications to deploy a communications service called "Global Maritime Distress and Safety System (GMDSS)." The service provides local and foreign vessels in our sea regions with free information on communications with the land in case of emergencies, navigation safety, rescue plan, and international news. The service is also responsible for the communication work in case of any dangers or accidents on the sea. The Ministry of Transportation and Communications allocated a NT\$ 35 million subsidy grant for this service. Our actual business expenditure was approximately NT\$ 100.46 million. In 2008, 122 emergency radio transmissions were deployed. Out of 122 emergency radio transmissions deployed, there were 35 shipwrecks in particular and 229 people were rescued. There were also 79,502 DSC safety calls and 172,930 times of navigation warning telex (NAVTEX) were issued.



You can call "1999" from your cell phone at any place in Taipei to be connected to the Citizen Hotline of the Taipei Municipal Government.



COSPAS-SARSAT System

<http://www.cospas-sarsat.org>

Major
Responses

Charitable Activities

Olympic Broadcast-Outdoor TV

We obtained the exclusive right to broadcast the 2008 Beijing Olympic Games. We broadcasted the Olympic through MOD (TV), hiChannel (network) and emome (cell phone) and leverage on the various advantages of IPTV to offer customers high-resolution services (MOD), the most comprehensive coverage (hiChannel) and the convenience of viewing the games at any time (emome). Comparing to services provided by traditional wireless and cable broadcasting providers, our synchronized Olympic Games broadcasting services gave local viewers an entirely new viewing experience, which also received a high level of recognition from the governmental organizations, the academic fields and the general public.

During the period of the Olympic Games, free Olympic programs offered to our customers are in excess of NT\$ 40 million. To help our citizens cheer for the Chinese-Taipei team, we joined efforts with the various county/municipal governments and organizations to host 110 rounds of the "Olympic Broadcast, Outdoor TV Party" in 34 locations. We endeavored to offer the baseball fans a higher level of visual experience and created the awesome feelings as if they were in a live show through our live broadcasting (MOD) and high-resolution images. The launch of the Olympic parties received overwhelming responses from citizens and every party was packed. We estimated total of 300,000 people were cheering for the Chinese-Taipei team in a single outdoor event across Taiwan, creating an amazing record of joining together the largest crowd, spread across the most number of locations with the highest amounts of cash rewards.



We co-organized with the Taipei Municipal Government for the "Olympic Chinese-Taipei Baseball Game Broadcast-Outdoor TV", and attracted thousands of fans to cheer for the Chinese-Taipei team on site.

Warmup for The Deaflympics

The 21 summer Deaflympics will be convened in Taipei on September 5, 2009. Before this, we have offered telecommunication related services including local call, FTTB ADSL and HilinkVPN, server collocation, multimedia messaging system, 3G number and SIM cards, Ideal Card and stored value cards to the Taipei Organising Committee of the 21st Summer Deaflympics in the planning of the "World Deaf Swimming Championships" and "Invitational Games for the Deaf, Taipei". The sponsorship was about NT\$ 4 million. We have experienced to provide the services for hearing impaired by participating above activities so that we could brain storm and plan the completed services for 2009 Deaflympics. Our acts fully demonstrate our support for sports events and the determination to care for the society.

Sichuan Earthquake Relief

In order to show our concern for the Sichuan Earthquake, we donated 100 Inmarsat Satellite Phones for people in the disaster zones to make external contacts. We offered 20 voice phones with data modem and 80 voice-only phones. Every phone was sent with two prepaid cards offering 850 minutes of free talking time. The donations were delivered by the China Telecom and the China Charity Association to the Chengdu Command Center, which then passed on the donations to the disaster zones. During the period from May 12, the day of the Earthquake, to late May, calls to Sichuan from any home phone using the "019" IDD service were charged at the discounted rate of only NT\$ 1 per minute. The total amount of discount was credited against the balance of the subscriber's phone bill. This special offer was specifically for our clients in Taiwan to extend their concerns to their relatives in the Sichuan disaster zones. Our employees also initiated a fundraising event to raise a cash donation of NT\$ 17.67 million in total, which is the act to show the humanitarian concern from the Corporation and employees.



Key Action Items



The convenience of technology shall be accessible to all. As such, we develop the Guide Mouse System to enable visually impaired users to use computers freely.



We organized the event "Explore the Secrets of Communication-Cheng Ching Lake Internet Pals Club". Our volunteers lead the visually impaired friends to experience the culture and people in southern Taiwan. The event also gave us the opportunity to demonstrate the results of applying voice techniques in accessible technology.

The ADOC 2.0 Project

The development of core techniques of over 10 intelligent technology by our telecommunication laboratories is near maturity. The objective of these technological developments is to fulfill our CSR and assist the disabled people. Besides the following technology including the intelligent document analytical system, optical character recognition, intelligent computer text-to-speech synthesis, intelligent Mandarin speech recognition, listen to text messages, the phonebook for answered/missed calls and the 616 fast voicemail dial function, we have been devoted to developing an Internet access interface for the disabled people in 2008. We have completed the following:

- Automatic recognition by a single key, pure traditional Chinese text, pure simple Chinese text or pure English characters and numerical.
- The TTS software system that supports multiple languages.
- The selection of male or female voice to allow system output of the body contents and messages using different voices.
- Customers can listen to SMS messages using a smart phone or choose a male or female voice for the voicemail system.
- The Guide Mouse system (Windows 2000, XP, Vista).
- The website of the telecommunication laboratory is modified to be user friendly to disabled users. They can browse or listen to the page contents. The website is rated as an A+ Accessible Web.

We have donated the above innovation to the Tamkang University's resource center for the visually impaired students for teaching purposes. In 2008, the total number of people that benefited from our innovation was as follows:

- Computer training for the visually impaired: 671 person-times.
- Learning aid for the visually impaired: 842 person-times.
- Accessible website and Chinese e-Library for the visually impaired: 1,936 person-times.

Besides the development of an exclusive information system, we have co-organized ICT experience camps with charities for the handicapped people to reduce the distance between normal and visually impaired people. We hope to create new possibilities and opportunities for the disabled people by giving them warmth and love through our volunteer events.

In the 2003 annual meeting of APEC, Taiwan proposed the APEC Digital Opportunity Center with the mission of narrowing the digital gap. The initiative was put in action in August 2004 to set up digital opportunity centers in 7 member nations including Vietnam, Chile etc. The project is built upon the Taiwan's advantages in information technology and industrial experience. It is project that is affirmed by the APEC each year, which helps to raise Taiwan's international reputation significantly.

In the 2007 APEC meeting in Sydney, Australia, Mr. Stan Shih, Taiwan's representative for the ADOC 2.0 project, which differed from the Phase-1 project in that the project now also relied on private-sector funding instead of just on governmental funding. Private-sector and non-governmental organizations of the APEC member nations were invited to participate in the project to establish a mutual cooperative platform.

On August 1, 2008, we have signed the "Letter of Intent for Participation in the ADOC 2.0 Project" and officially became one of the private-sector initiator of the ADOC 2.0 project. To carry out the related ADOC 2.0 sponsorship programs in line with our spirit to narrow the digital gap and create digital opportunities, we have joined efforts with the Tamkang University Resource Center for the Visually Impaired Students and the customer service center of our telecommunication laboratories to promote the "ICT Assisted Long-distance Working By the Visually Impaired" project to create more employment opportunities for the visually impaired people in Taiwan. Our experience in this project will enable us to set up a model. In future, we expect to offer the related mechanisms and interfaces to required APEC economies to show our contribution to the ADOC 2.0 project.

 The ADOC 2.0 Project
<http://www.apecdoc.org>



Mr. Lee Yen-Song, Vice President of Chunghwa Telecom (left), Mr. Huang Shao-Hua, CEO of the Private-Sector Office, ADOC 2.0 and Chang, Chia-Yi, Principal (center) of Tamkang University jointly hosted the inauguration ceremony for the "ADOC 2.0 Digital Opportunity Center" and announced the official start of the distance-working dream for the visually impaired.