



Protect Employee Rights ¹⁰²⁻⁴¹

Chunghwa Telecom treats employees as the most important business partners. For best protection of employees' work rights, Chunghwa Telecom signs "employment contracts" with individual employees and notifies them of changes in terms of employment by Labor Standards Act. Furthermore, we exploit various communication channels including seminars and labor-management meetings to maintain a harmonious and mutually beneficial working relationship.

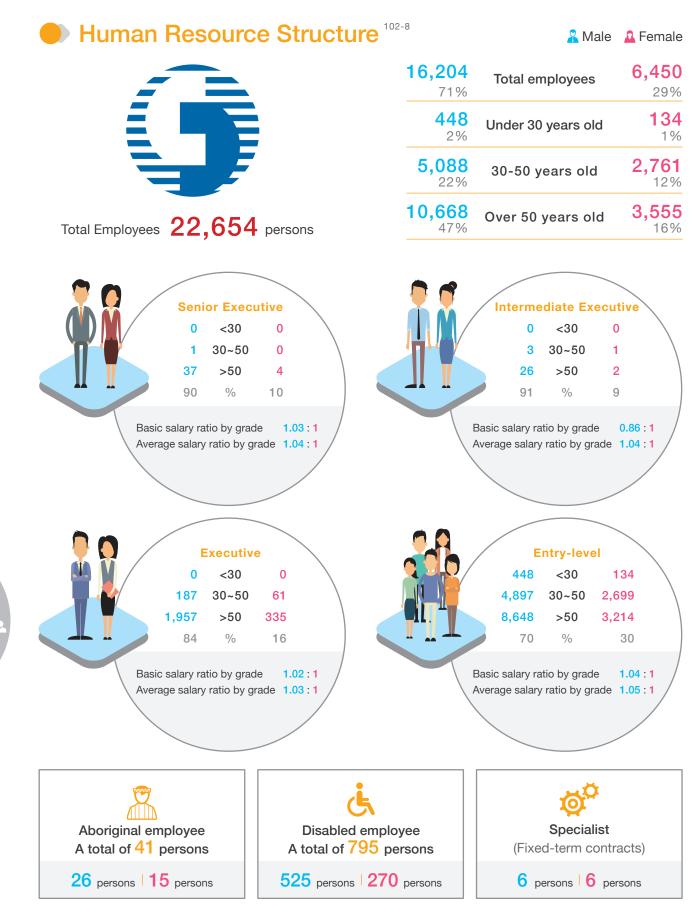
A Competitive Compensation System

We have a "Compensation Committee" in place to ensure the competitive compensation for the best talents. In addition, the Company has a transparent system of sharing business performance with its employees. Compensations for the executive management have been standardized with details publicly disclosed in annual reports. The Company offers equal compensation for entry-level employees of the same grade. Those who possess relevant skills and work experience may have compensation evaluated based on educational background, career experience, expertise, and professional certification. Under no circumstances will the compensation be determined based on gender or racial differences. In 2016, we raised employees' salaries by an average of 0.81% and a maximum of 1.68% as a response to the government's new employment policy, and to boost employees' morale against market competition.

	S trategy M anagement	Chunghwa Telecom is committed to providing employees with "assurance," including their work rights and freedom of association. The Company takes the initiative to care for employees' needs, and implements communication channels to facilitate exchange of opinions between the employer and employees Ensure all employees enter into a formal "employment agreement," duly observes the Labor Standards Act and other applicable laws, and calls for labor-management meetings at regular intervals
	Action	 The Company has a specialized training facility - "Telecommunication Training Institute" and an occupational safety and health department in place The Happiness at Work Survey Transparent and diverse means of communication and grievance
	R esponse	The only Taiwanese carrier with union establishment
	T arget	Foster talents and allow all employees to share the results of operations
	ndicator	 GRI The basic salary offered by Chunghwa Telecom is 1.39 times the minimum wage in Taiwan. GRI Employee Satisfaction Survey on "Employee Happiness" with an overall scoring of 80 marks. GRI Per Capita Training Hours: 46 hours.
Base Salary in Taiwa NT\$ 21,0	n	y NT\$ 65,811

Note. 1. According to Executive Yuan Directorate-General of Budget.

2. The level of basic-level employees (including males and females) is 0.



Note: 1. All employees are full-time; all employees are Taiwanese.

2. For all grades, basic salary is defined as fixed salary (monthly).

- 3. For all grades, average salary includes fixed salary and variable portion (including monthly salary, year-end bonus, performance bonus, etc.)
- 4. Levels of all grades: Basic-00~10; Executive-11~16; Intermediate Executive-17; Senior Executive-18~22.

New Recruitments

New recruitment number	313 persons rate 1.38%	age <30	120 persons 38.34%	2	230 persons 73.48%
New recruitment turnover number	12 persons rate 3.83%	30~50 >50	190 persons 60.70% 3 persons 0.96%	Ω	83 persons 26.52%

age age <30 <30 14 persons 5 persons 1.86% 0.66% Turnover number 752 persons 30~50 30~50 22 persons 57 persons rate 3.3% 7.58% 2.93% >50 530 persons >50 124 persons 70.48% 16.49% Note: Turnover number = Number of employees leaving/number of employees

Human Resource Structure of Outsourcing Human Resource Honghwa Subsidiary



Note: All employees are full-time; and all employees are Taiwanese.

Gender Equality and Diversity

Chunghwa Telecom values human rights and gender equality at work. In 2016, female staff accounted for 28.47% of total staff, while female managers accounted for 25.41% of total managers. To conform with the essence of Act of Gender Equality in Employment, the Company has outlined its sexual harassment prevention policy and established a "Complaint Investigation Committee" that specializes in handling employees' complaints regarding work-related discriminations and improper behaviors. The investigation committee has 5 members, with 3 female members. Because of our effective control, no incident of discrimination was reported in 2016.

With regards to the diversity of manpower, we have been hiring persons with disabilities above the quota specified in Article 38 of Persons with Disabilities Rights Protection Act. In 2016, the number of persons with disabilities hired by the Company was 3.66 times more than the statutory quota (statutory quota: 212; actual hire: 795). As for the 41 indigenous employees onboard in 2016, we fully respect their cultures, and therefore no violation of work rights or human rights was reported during the year.

The Only Taiwanese Carrier with Union Establishment

Chunghwa Telecom is the only telecommunication carrier in Taiwan with union establishment; it has also signed a collective bargaining agreement with the union. This agreement covers an extensive range of issues from redundancy, reward, discipline, promotion, to health and safety. This initiative not only complies with local laws and international human rights conventions, but is also a show of our commitment to protect employees' interests. In addition to the union established by Chunghwa Telecom, employees have also assembled 11 other unions under the organization. In 2016, 99.86% of employees had attained union membership. A director seat has also been reserved for workers' representative, so that employees can more freely express their opinions.



Note: Chunghwa Telecom complies with Article 16 of the group agreement with regards to job transfers. If there is a need to transfer a union member due to organizational changes (such as establishment, alteration, merger, and termination of department), the Company will arrange so only if necessary and will respect the member's will. In addition, all transfers are bound to comply with the "Five Principles" stated in the Labor Standards Act.

Open Communication and Complaint Channels

We have open communication channels in place to make sure that employees' needs and suggestions are heard. Any violation or misconduct discovered at work can be reported to the relevant department using the channels provided. Chunghwa Telecom received no internal complaint regarding human rights issues in 2016.

We hold regular labor-management meetings to maintain active communications between employees and the employer. Employees and the employer each assign 9 representatives and take turns to chair the meeting. The Chairman and President of Chunghwa Telecom constantly engage with the union's Chairman, Directors, and Supervisors in communication via meetings and telephone. The Chairman of Chunghwa Telecom Workers' Union is entitled to participate in disciplinary review meetings, performance appraisal meetings, and business report meetings to make sure that workers are kept up to date on news of the Company.

In 2016, the Company held 5 nationwide labor-management meetings and 1 extraordinary meeting, during which employees and the employer were able to reach consensus on many issues. Furthermore, the Company held 6 coordination meetings to discuss terms of employment, including the removal of mandatory requirement to take the 7-day special leave.

The Employee Grievance Channels

- CHT intranet portal: http://eip.cht.com.tw
- Accountable Department: Human Resource Division, Head Office (Room 503, No. 21-3, Section 1, Xinyi Road, Taipei City 100)
- Hotline: 0800-080998
- Fax: (02) 2357-0007
- Email: chthr@cht.com.tw

Value Employee Training and Development

We adopt a business focus of "core competitiveness, professionalism, efficiency, and service" and seek to develop innovative talents through a combination of internal and external training.

We have a comprehensive training system to assist employees' development in all dimensions. The system incorporates "needs analysis" and "in-depth planning" before a program begins, and follows up with performance assessment and review after a program ends. This systematic approach enhances employees' professional skills and work efficiency, and enables the Company to make better coordination of human resources.

Talent Development Strategies

Chunghwa Telecom's Telecommunication Training Institute has devised human resource development strategies based on the organization's business focus us and talent requirements between 2016 and 2018.

- Alignment of training and business development
 Nurturing of managerial talents
 - Professional training
 Digital and diverse learning

Social learning

Chunghwa Telecom has introduced an online learning social network (the Digital College) and an e-Learning approach, unlike the conventional classroom teaching. Instead of one-way teaching, the social network provides an environment where users may share and transfer knowledge at lower cost and yield better results. The broadband installation college, for example, is a platform where information such as technical documents, cases, video tutorial, and technical discussions can be exchanged and learned.

Online broadcast

Online broadcasts can be used to teach topics related to specific works. They are delivered over the internal UC platform, and offer employees a fast and convenient way to learn new knowledge and trends. Topics covered in 2016 included: new ICT technologies, big data applications and development, energy and carbon conservation trends, green energy, marketing information, and business administration. 113 training sessions were held to a total audience of 8,369.



Results

1.Information security certification

• 4 employees obtained EC-CHFI certification and 32 employees obtained EC-CEH certification in 2015; after a series of focused training, these two numbers had increased to 26 and 39, respectively, in 2016.

2.Improved sales performance

- Employees who underwent the 4G Service Talent Enhancement Program have shown near 15% improvement in sales performance.
- 52% of employees who underwent MOD and Fixed Network Specialist Training have exhibited improvement in sales performance at their respective service outlets.

3.Enhanced professional skills

• Employees who underwent 4G Network Quality Improvement Talent Program have exhibited 15% capacity improvement on average.

4.New business potentials

• The Company organized 31 courses to train facilitators, promoters, planners, designers, and maintenance workers for photovoltaic technology; these courses received a total of 867 enrollments.

Dedicated Training Units

In order to sustain competitive advantage, Chunghwa Telecom has founded a "Telecommunication Training Institute" that specializes in training technical as well as managerial talents in the telecommunication field. Furthermore, a "Talent Development Team" has been convened by the President to conduct regular reviews on the planning and outcome of the Company's training efforts, thereby making sure that the training programs are practical and closely aligned with operational policies.

The Institute currently offers 870 professional training courses in 18 categories including networking and marketing. It also has managerial courses available to enhance employees' technical as well as managerial capabilities. A total of 24,646 persons enrolled in professional training courses in 2016, while managerial courses were held to a total of 832 persons.



Diversified Learning Channels

To meet organizational needs, personal interest and personality traits of employees, Telecommunication Training Institute provides a diversity of channels for leaning, to help employees develop their professional skills in depth and renew their management skills. These measures help to bring about growth and proper career development of employees.

Employees can receive training at the Telecommunication Training Institute during regular hours and in the evening or on holidays. Telecommunication Training Institute can also dispatch tutors to relevant business units for organizing training. We offer diversified learning channels: class teaching, distance education, digital learning, direct-broadcast courses, Digital College, tutor, take programs externally, and digital library.

New Employee Orientation

The orientation is intended to provide newly recruited with a general understanding of the organization's vision, values and culture that would help them adapt faster. In 2014, we established "New Recruit Counseling Guidelines for Chunghwa Telecom and Subordinate Institutions" and introduced a counselor system along with digital learning tools to help shorten employee's learning curve.

Recruitment and Development of the New-Generation Talents

According to an internal manpower survey, Chunghwa Telecom will encounter a retirement wave of senior managers in 5 years. The following measures have been developed in response to the retirement wave and to resolve possible disruptions in the transfer of knowledge:

- Engage Honghwa where necessary to fill in shortfalls of frontline staff.
- Recruit additional talents for the R&D of IT, ICT and 4G technologies and to support business growth. Recruitment needs are to be approved on a case-by-case basis.
- Nurturing the next-generation talents: The Company outlines talent-training programs on a yearly basis. It provides employees with professional and diverse training options, and certifies their skill development.
- Emerging businesses: new ICT technologies are being integrated with knowledge in different fields, the Company will focus on training professional talents that can adapt and apply knowledge across different fields of expertise from cloud computing, big data, product packaging, to actual practices.

Fair Assessment Mechanism

Chunghwa Telecom has instituted the "Employees Performance Evaluation Guidelines" which apply to all employees to evaluate the performance of employees and develop the corporate culture where employees, customers, shareholders, and the Company are winners. For particular employees who are underperforming, the Company will give supervision to guide the corrective actions and keep track until improvement is made under appropriate procedures.

Chunghwa Telecom conducts performance appraisal in 3 different levels: entry-level staff, entry and mid-level managers, and senior managers. A performance appraisal involves a series of face-to-face discussions between employees and line managers at the beginning of a year to set personal goals, and at mid-year and year-end to evaluate employee's contributions to the Company's performance. During these sessions, managers would also discuss with employees about career plans and suggest courses that are relevant to their future careers. Performance bonus and employee remuneration are tied to employees' performances.

Nurturing of Professional Talents

Chunghwa Telecom is dedicated to providing employees with a diverse learning environment. In 2016, Chunghwa Telecom incurred more than NT\$ 500 million in training expenses and trained employees for a total of 1.07 million hours. Meanwhile, we encourage employees to commit to life-long learning, offering as much as NT\$ 30,000 of education subsidy per semester. 669 people had applied subsidies, and the Company compensated their efforts for NT\$ 9.21 million.

	2014	2015	2016
Total Training Expense (NT\$ million)	679,171	572,351	529,744
Per Capita Training (NT\$)	28,857	24,733	23,384
Total Training Hours	1,129,809	1,078,140	1,046,253
Per Capita Training Hours	48	47	46

Note: We adopted a precision training policy since 2015 and asked internal personnel to be the instructors in many courses. As a result, the number of budgeted training expenses had decreased while the number of total and average training hours remained unchanged from 2014.

2016 Production and Sales Conference Discussion: IoT

The Telecommunication Training Institute has envisioned itself as a communication platform for "production, sales and research" activities. By facilitating communications, it contributes to reducing the R&D cycle and ensures that production, sales and research activities are coordinated to meet customers' needs. The conference is where internal departments develop a preliminary understanding of product specifications, goals, and delivery time; these details are further revised based on interactions and feedback from customers to better conform with customers' expectations.

The 2016 IoT Production and Sales Conference had 114 participants. They were gathered to discuss IVS, iEN, eHome, ITS and platforms, which are the five key elements to developing IoT. The conference provides an opportunity for product, R&D and supervisory departments to exchange opinions and communicate in ways that contribute to the development and operation of IoT.

The Happiness at Work Survey

Since 2011, we have been engaging outside 3rd parties to conduct annual "Chunghwa Telecom Happiness at Work Survey" on an anonymous basis. These surveys are designed to measure employees' satisfaction towards the work environment, welfare and compensation. It serves as a means of learning employees' opinions and understanding how they feel and what they expect from work.

Since the surveys began, the Company has received an increasing level of satisfaction and response year after year. In the future, we will continue to respond and communicate on employees' opinions, and provide suitable training to further enhance employees' satisfaction and happiness.



80

80

78

Occupational Health and Safety

Chunghwa Telecom was the first telecommunication service provider in Taiwan to adopt Occupational Health and Safety Management System (OHSAS 18000). By the end of 2016, the Company already had 27 business groups and branches that passed the international certification. We adopt systematic management to ensure employees' health and safety. In addition to identifying hazards and assessing risks associated with telecom operations, the Company has also applied restrictions and enhanced risk control for high-risk tasks, while taking effective precautions to prevent occupational hazards. In addition to complying with safety and health regulations, the Company has also been active in the improvement of the current work environment and taking actions in regards to safety and health facilities and measures.

We actively participate in the government's initiatives to promote a healthy workplace. 4 divisions within the Company have received awards under the "National Workplace Safety and Health Campaign" organized by Occupational Safety and Health Administration, Ministry of Labor; Taipei Office of Northern Taiwan Business Group received the "Five Star Award" from the Ministry of Labor to commend excellent performance in terms of occupational safety and health.

Follow the Safety and Health Regulations and Enforce Self-Management.

Strengthen both Mental and Physical Health Services.

Continue on Equipment Improvement, Create Quality Work Place. Implement Hazard Identification and Enforce Risk Control.

Encourage Participation through Open Communication and Consultation

Conduct Safety Training Programs to Raise Safety Awareness

Dedicated Occupational Safety and Health Management Unit

We have a dedicated "Labor Safety and Health Department" responsible for planning and implementation of labor safety and health matters, meanwhile, "Labor Safety and Health Committee" is established and meets quarterly to deliberate, coordinate and make suggestions on the issues of labor safety and health.

"Labor Safety and Health Committee" consists of 26 members, including representatives from each department units and the labor union as well as technicians and medical personnel, etc. Among which, 9 members are from the labor union, accounted for 35% of all members. 4 meetings were held in 2016 with 12 proposals presented by the labor representatives, of which 5 related to the issue of the improvement of safety and health facilities, 5 related to refinement of safety and health management, 1 related to food hygiene, and 1 related to employee benefits.

	2	2	Countrywide
Number of Disabling Injury	14	11	10,668
Disabling Injury Frequency	0.44	0.87	1.39
Disabling Injury Severity Rate	19	36	107
Occupational Injury Rate per 1,000 Workers	0.86	1.71	2.76



Hiring Full-Time Physicians and Nurses to Improve Employee's Health Management

In order to provide immediate medical assistance, we hired 17 full-time nurses and contracted 17 physicians in 2016 specifically to tend to workers' health. They were assigned to perform service at Xinyi, Aiguo, Da'an Industrial Park, New Taipei City, Taoyuan, Hsinchu, Miaoli, Central Taiwan, Chiayi, Tainan, Kaohsiung and Pingtung.

For employees involved in high-risk activities, the Company has deployed 6 i-med System at local customer centers to perform blood pressure measurement and monitor employees' health conditions before performing duties, and hence minimize chances of occupational hazards.

Health Promotions for Senior Employees

A significant portion of Chunghwa Telecom's employees are aged 50 and above, which is why we consider health care an important issue, especially for senior employees. In 2016, we launched a series of health checkups and health management programs for senior employees. In addition to helping them develop physical capabilities, it was also part of our intentions to create a support system among friends.

1.Health checkups: The Company provided checkup services that were specifically targeted at senior employees, including carotid duplex and echocardiography for risk of ischemic stroke, coronary artery narrowing and incomplete closure of heart valve, and fundus photography for checking of macular degeneration, retinal vessel and glaucoma.

2.Health seminars: The Company invited Chief of Rehabilitation Medicine from Taiwan Adventist Hospital to host a seminar on "Prevention of Common Muscle and Bone Diseases for Office Workers," which taught employees that human body functions degrade over time, and the importance of starting plan making to maintain physical health.

3.Participation in external events: Taipei City Government's "2016 Sports Frenzy" and INBODY program, that include analysis and explanations of body composition and introduction to stretching and aerobic exercises that can be performed at home and office; and Kaohsiung City Government's "Walking Against Aging" program.

4.Others: To prevent influenza, Chunghwa Telecom subsidized the administering of influenza vaccines for a total of 1,100 employees.

National Fitness Program

In response to the government's policies and the Healthy Workplace Week introduced by the Ministry of Labor, the Sports Administration, Ministry of Education, commissioned NTU School of Physical Therapy to organize a National Fitness Program in 2016, during which a total of 280 employees from Northern Taiwan Business Group had signed up to learn more about fitness. The program comprised many tests including body measurement (height, weight, waist-hip ratio), muscle strength and endurance, flexibility and cardio-respiratory fitness designed to help employees learn more about their health, develop exercise habits, and ways to maintain them.



Video of the Sports Enterprise certification



Reducing Occupational Hazards

Chunghwa Telecom's "Work Accident Guidelines" contain detailed procedures for assessing occupational illness. Employees who are suspected to have suffered from occupational illness are assisted in applying for verification at the local municipal/county/city authority, in accordance with the Act for Protecting Worker of Occupational Accidents.

We manage risks at the source, making sure that construction risks are within control as early as in the design stage. The line construction management system has been added with remarks to highlight high-risk operations along with risk assessment information. The system was launched in March 2015, giving workers the effective means to identify risks and take precautions.

All high-risk operations are subject to approval. Workers are also required to take site pictures with handheld devices and upload them to the monitoring system, so that precautionary measures can be identified and taken to prevent falls, oxygen deficiency, etc. To promote employee's awareness and skills on safety and health, we organized 208 training sessions and received 9,000 enrollments in 2016. The Company encountered 33 cases of occupational hazard in 2016; 20 of which had occurred during work while 13 had occurred when commuting. The top 3 accidents were work-related injuries, traffic accidents while commuting, and falls. Main reasons of these accidents included: lack of attention to road conditions (neglect of incoming vehicles when turning or changing lanes), failure to maintain a safe distance (inability to respond in time), failure to give way, and lack of attention to the road surface. Employees are being reminded repeatedly during Occupational Safety and Health Committee meetings, work safety meetings and training sessions to exercise greater attention over personal safety and safe driving.

	2014	2015	2016
Inium Poto (IP)	0.07 0.18	0.07 0.11	0.09 0.17
Injury Rate (IR)	0.11	0.08	0.11
Occupational Diseases	0 0	0 0	0 0
Rate (ODR)	0	0	0
Lest Dev Dete (LDD)	2.46 2.80	2.68 2.47	3.79 7.12
Lost Day Rate (LDR)	2.56	2.62	4.74
Abcontos Data (AD)	0.22 0.49	0.28 0.59	0.31 0.66
Absentee Rate (AR)	0.30	0.37	0.41

Injury Rate (IR) = (Total number of injuries/Number of hours worked by all employees) x 200,000 Occupational Diseases Rate (ODR)= (Number of occupational diseases/Total work hours) x 200,000 Lost Day Rate (LDR) = Total loss of work days * 200,000/Total work hours

Absentee Rate (AR) (Including personal and sick leaves) = (Total number of missed (absentee) days/Total number of workforce days) x 100%

Occupational Safety Competition

The Company has established a set of "Work Safety Competition Guidelines" as an encouragement to complying with work safety and preventing accidents. Under the guidelines, accidents may include:

- 1. Traffic accidents occurred while commuting, for which an occupational injury leave of one day or above has been taken.
- 2. Injury, death or damage from property suffered by employee or others while performing duties or caused by Chunghwa Telecom's facilities; and damage caused to Chunghwa Telecom's property while performing duties.

All employees on the roster at the end of December each year are reviewed by the occupational safety unit of the respective institution. Once the assessment results have been approved by the Occupational Safety Committee, employees will be rewarded for the level of safety they have exhibited, according to the terms of the work safety competition. Contesting departments are classified and grouped by work nature and headcount; if no accident occurs for an entire year, employees of that department are awarded prizes equivalent to the full value as an encouragement. For departments that encounter accident during the year, the value of prizes may be halved or waived entirely depending on the frequency and severity of the accident, as stated in the "Work Safety Competition Prize Standards." In any case, no prize is awarded to the employee that causes the accident in the given year.

Establishing a Happy Corporation

Chunghwa Telecom has set its goals to maintaining "sustainable business operations." A comprehensive set of incentives and training systems have been established to develop and retain talents. "Peace of mind" is the commitment we offer to our employees, and we refrain from making layoffs and salary reductions so that employees can fully devote themselves to boost performance at work.

Item	Activitie	Number of Participant/ Beneficiaries	Contribution/ Supplement
Maternity Pension	Company continue to provide subsidy to full term after 6 months' unpaid leave ends (up to 1.5 years)	127 persons	NT\$ <mark>12,350</mark> thousand
Sports Activity	Regional activities including 74 roads running, 177 hikings, 265 ball activities and 400 other activities (such as employee year-end dinner, travel, etc.)	<mark>648,181</mark> persons	NT\$ <mark>15,699</mark> thousand
S ESOT	Improve employee welfare, enhance employee coherence, share company's achievement and establish employee stock ownership committee so that employees' quality of life is guaranteed after retirement or resignation	Approximately 20,000 persons	NT\$ 2,000/ person per month on average
Dependent Education Subsidy	Twice a year (2 semesters)	31,926 persons	NT\$ 246,463 thousand
Wedding Subsidy	Wedding subsidy is available for employees who are getting married lawfully	227 persons	NT\$ <mark>568</mark> thousand
Childbirth Subsidy	Childbirth subsidy is eligible to employees or their spouses for childbirth	512 persons	NT\$ 1,280 thousand
Funeral Subsidy	Funeral subsidy is available for the death of employees' parents, foster parents, step-parents, spouse and children	902 persons	NT\$ <mark>4,510</mark> thousand
Group Wedding	Chairman of the board will be invited to be the officiator of the wedding. Besides, venue and wedding gifts will be provided to make an unforgettable wedding ceremony for couples and create a unique business culture in Chunghwa Telecom	45 couples	 Wedding gift: NT\$ 6,000; a total of NT\$ 270,000 were paid A sum of NT\$ 900,000 were provided to the organizer - the Employee Welfare Committee
Recreational	Includes integrated stadium, swimming pool, tennis court, badminton court, basketball court, table tennis court, multi-functional event space, karaoke room, and employee dormitory		Total 13,103 square meters

Note: Welfare includes those that are provided for employees of Chunghwa Telecom, and excludes subsidiaries.



Safe and Healthy Workplace

Chunghwa Telecom considers employees' health as company's fortune. Providing a safe and healthy workplace is the basic requirement of corporate social responsibility. In 2016, our spendings on employee health care reached NT\$ 82,728 thousand. Our contribution in relation to employee health including:

Health Examination of Employees and Dependents	The Company offers better care than what the laws require. Employees are given various health checkup packages to choose from, depending on their age, risk factors of employees and etc. A total of 22,407 (98.16%) employees had taken their health checkup during the year. Employees' family members are also entitled to health checkup at the same rate, and a total of 3,442 people had participated during the year.			
Emotional and Stress Management Seminar	Chunghwa Telecom organized 24 stress management seminars at diverse business locations to help employees manage their emotions. From self-understanding and self-acknowledgment, employees were guided step-by-step towards dealing with emotions, resolving conflicts, communicating with people, eliminating communication barriers, managing stress and improving work performance.			
Employee Assistance Program (EAP)	As one of the large corporation to introduce Employee Assistance Program (EAP), Chunghwa Telecom has started to promote since 2007. The EAP comprises mainly of 5 consultation sessions a year, in which outside experts are hired to help employees resolve legal, medical, family, workplace, and stress troubles. Since 2013, the Company has hired a case manager to provide services on-site, and created an E-Service platform for related matters. The case manager made 3 visits and completed a total of 563 service sessions in 2016.			
Employee Health	The physicians visited the plant 35 times a month, and each employee can have 30 minutes for each appointment. The healthcare personnel uses the "Employee Health Management System" for the analysis and evaluation of the health examination record of employees. Where necessary, consultation will be arranged between the physicians and the employees for proper guiding of health and healthcare. Related expenses amount NT\$ 11.65 million.			
Service	Headcount of medical consultation with physicians (30 minutes/per person)	Frequency of on-site physician service	Persians/times of consultation	
	1,954 persons	370 persons	6,248 persons	
 We have organized 171 health seminars with a total of 11,818 employees part 6 sports competitions with 353 employees participated. 118 intellectual trips v employees participated. 27 sessions of health examination with 2,320 er participated, and 429 large-scale events and community activities with 36,223 e participated. 				
	The Company published 2 health-related articles each month to convey the proper disease prevention concept.			
Healthy Workplace	Our offices are tested regularly on noise, lighting, temperature, humidity and air quality, and are maintained and cleaned on a regular basis to provide employees with a comfortable working environment. Furthermore, all offices feature ergonomic chairs, natural ventilation, indoor plants and other elements of a healthy work environment.			
Employee Cafeteria	Our employee cafeteria offers a diverse range of nutrition-balanced meals to choose from. All food suppliers are subjected to rigorous review to ensure the safety of food served to employees.			
Balancing Work and Life	With 29 hostels established in 2014, Chunghwa Telecom provides travel accommodations and an annual travel subsidy of NT\$ 8,000 to encourage employees to achieve the balance between work and life.			
Flexible Working Hours	Chunghwa Telecom provides 2 sessions of flexible working hours in the morning and afternoon: 8:00~9:00 and 17:00~18:00.			

Encourage the Work-family Balance

We have been implementing an unpaid childcare leave system since 2006 to help employees juggle between work and family. Chunghwa Telecom is required under the Employment Insurance Act to pay 6 months of allowances for employees who have taken the leave; female employees are further entitled under company policies to receive additional monthly allowances totaling half the sum assured under the Labor Insurance Scheme during child care leave, for a period up to 2 years. Employees of Chunghwa Telecom are also entitled to other privileges such as family care leave, paternity leave, menstrual leave, and nursery room. In 2016, a sum of NT\$ 12,349,000 was paid as child care leave allowance, increase NT\$ 5,140 thousand more than 2015; 183 employees applied for maternity leaves; 164 employees applied for unpaid child care leaves; 127 employees applied for child care leave allowance, increase of 23 people in 2016.

	Item	2	<u>.</u>	Total
	The Number of Qualified for UPL for Raising Children (A)	698	368	1,066
	The Number of Person Actual Applied UPL (B)	26	138	164
2016	Application Rate for UPL (B/A)	3.72%	37.5%	15.38%
2010	The Number of Reinstatement-to-be (C)	28	147	175
	The Number of Application for Reinstatement (D)	15	55	70
	Reinstatement Rate (D/C)	53.57%	37.41 %	40.00%
2015	The Number of Reinstatement (E)	12	72	84
	The Number of Retention Over 1 Year After Reinstatement (F)	12	72	84
	The Retention Rate (F/E)	100%	100%	100%

Note: 1. The number of employees entitled to apply for parental leaves of absence in 2016: calculated by employees who have applied for maternity leaves and parental leaves in 2015-2016.

- 2. The actual number of employees applying for parental leaves: the total number of employees who were still on parental leaves in 2016.
- 3. The number of employees pending on returning to work after parental leave in 2016: the total number of employees applying for parental leave in 2015-2016 the number of employees applying for returning to duties in 2014 and 2015.

Retirement Benefits

Employees' retirement requests are processed according to" Chunghwa Telecom Employee Retirement Pension and Separation Guidelines," the "Labor Standards Act," and the "Labor Pension Act."

- Labor Standards Act: The Company makes monthly pension contributions up to 15% of employees' monthly salaries to the pension fund. This fund is held under the supervision of Labor Pension Supervisory Committee. The current balance of the pension fund account is NT\$ 33.7 billion.
- Labor Pension Act: The Company makes monthly contributions of no less than 6% of employees' monthly salary. These contributions are deposited into employees' pension accounts held under the Bureau of Labor Insurance, Ministry of Labor according to the Contribution Rate Sheet approved by the Executive Yuan.

To help employees adapt to life after retirement, the Telecommunication Training Institute was invited to organize a series of "Retiree Adaptation Course." A total of 6 sessions were organized in 2016 to 189 audiences. Furthermore, donations totaling NT\$ 4.5 million were made to "Chunghwa Telecom Retirees Association" for various activities, while another NT\$ 1.5 million was donated to the organization of travel events, and NT\$ 300,000 were donated to organize Chinese New Year banquet for volunteers.

To help to adapt the transfer of experience, we have established a set of "Consultant Recruitment Guidelines" to engage retired employees in our growth continually. Consultants are distinguished between paid roles and honorary roles. Executive vice presidents and above and heads of first-grade institutions may be hired by Chunghwa Telecom as paid consultants after retirement. Paid consultants shall serve a term no longer than one year, and will be converted into honorary roles from the day after the one-year expiry.

Develop Paid Volunteer

Since 1985, Chunghwa Telecom and its branch offices have initiated social responsibility programs such as "New Hope Project," "Love and Dedication Group," "Changhua Coal Team," "Computer Program in Shanlin Tzu Chi Love Create Community, Kaohsiung City" to help those who need help. Chunghwa Telecom fully supports the initiatives proposed by its employees. In November 2007, Chunghwa Telecom completed the first corporate volunteer guideline and plan based on The Volunteer Service Act, provided paid volunteer leaves and volunteer training courses. We also assisted our employees to obtained Volunteer Handbooks from Ministry of Interior to ensure that the rights of those who accept service are protected, and to encourage its employees to take the initiative to propose and participate in the social activities.