

# ✦ GRI Standards Index

## The Management Approach and Its Components

Material Topics	How We Manage the Topic
<b>Economic Performance</b> Innovative ICT Products and Services	We have a robust corporate governance system that involves independent directors and supervisors. The Audit Committee, the Strategy Committee and the Audit Department have been established for effective control of operating costs and business direction.
<b>Market Presence</b>	We have established a compensation committee, which helps to ensure that we provide employees with competitive salaries. We're also able to adequately reward our employees through transparent salary policies.
<b>Anti-Corruption</b>	To ensure that all employees can conduct business activities with the highest ethical standard, we have implemented the "Business Integrity Principles," the "Behavior Guidelines," and the "Integrity Procedures and Behavior Guidelines" that outline the ethics and responsibilities that employees are bound to obey in all commercial conducts. Furthermore, we actively convey to employees about the Company's culture or its ethical policies.
<b>Energy</b> Climate Change	We perform annual greenhouse gas inventories & verifications and publicly disclose the related environmental information. We effectively keep track of environmental resources and energy saving performance through the self-developed EARTH system.
<b>Employment</b>	CHT treats employees as its most important partners, and is committed to providing employees the utmost "assurance." For best protection of employees' work rights, Chunghwa Telecom has signed the "employment contracts" with individual employees and notifies them of changes regarding employment under the Labor Standards Act. Furthermore, we exploit various communication channels including seminars and labor management meetings to maintain a harmonious and mutually beneficial working relationship.
<b>Labor/ Management Relations</b>	
<b>Occupational Health and Safety</b>	Chunghwa Telecom is the first telecom company in Taiwan to incorporate an Occupational Health and Safety Management System (OHSAS 18000). We ensure the effective management of employee health & safety through an institutional and systematic mechanism. In addition to complying with health & safety regulations and other related regulations, we also continue to improve the OHS facilities and measures of our working environment.
<b>Marketing and Labelling</b>	In addition to providing relevant information and usage descriptions on all products and services offered, we also have a "Marketing Policy" in place to ensure that business activities are carried out in compliance with the authority's rules and requirements. Compliance with such policy constitutes part of senior managers' performance appraisal.
<b>Customer Privacy</b>	"Cybersecurity and Privacy Protection Steering Committee" has been established with the SEVP, appointed by Chairman, as the "CISO" to achieve the objective of zero toleration via regular meetings and third-party verification.
<b>Socioeconomic Compliance</b> Corporate Governance	Ethical management and legal compliance are the principles and guidelines that govern our operations. To ensure all operations comply with socioeconomic laws and regulations, all the departments as well as the level 1 and level 2 institutions of Chunghwa Telecom are operating in line with the laws and regulations pertaining to the businesses.

Purpose of the Management Approach	Policy	Goal & Target	Grievance Mechanism
To ensure that the Company's operations conform to the requirements of the government and supervising authorities, and that shareholders' and stakeholders' interests are protected.	"Business Integrity Principles" "Behavioral Guidelines" "Corporate Governance Principles"	p.16	<ul style="list-style-type: none"> <li>Shareholder hotline: 2394-1845</li> <li>Investor hotline: 2344-5488</li> </ul>
Ensuring that the company's compensation policies, systemic standards, and structures comply with government regulations and labor rights.	"Employment Contract"	p.67	<ul style="list-style-type: none"> <li>Grievance hotline: 0800-080998</li> </ul>
To effectively manage and ensure that all operating activities are compliant with commercial, marketing, and integrity principles, and to eliminate corruption.	"Business Integrity Principles" "Codes of Conduct" "Corporate Governance Principles"	p.17	<ul style="list-style-type: none"> <li>Grievance hotline: 0800-080998</li> </ul>
To improve the environmental management efficiency via the acquisition of international certifications.	"Environmental Policy"	p.97	-
To ensure that employees' employment and work rights are protected.	"Employment Contract" "Business Integrity Principles" "Codes of Conduct" "Corporate Governance Principles" "Collective Agreement"	p.66,67	<ul style="list-style-type: none"> <li>Compliant Investigation Committee</li> <li>Grievance hotline: 0800-080998</li> </ul>
Chunghwa Telecom guarantees its employees a safe and healthy working environment to prevent occupational hazards.	"Employee Contract" "Collective Agreement"	p.76	<ul style="list-style-type: none"> <li>Grievance hotline: 0800-080998</li> </ul>
To protect consumers' rights to information and ensure the clarity and transparency of marketing information.	"Distribution Sales Aid Management Guidelines" "Marketing Policy"	p.17,86	<ul style="list-style-type: none"> <li>Telecom Service hotline: 0800-080123</li> </ul>
To ensure that customers' personal information is strictly protected.	"Cybersecurity Policy" "Privacy Policy" "Personal Data Collection Notice"	p.50,85	<ul style="list-style-type: none"> <li>Telecom Service hotline: 0800-080123</li> </ul>
To ensure that the Company's operations are free from violations of environmental regulations.	"Business Integrity Principles" "Codes of Conduct" "Corporate Governance Principles" "Distribution Sales Aid Management Guidelines" "Marketing Policy" NCC's "Regulations for Administration of Base Stations of Mobile Communications Network Businesses"	p.17	<ul style="list-style-type: none"> <li>Compliant Investigation Committee</li> <li>Grievance hotline: 0800-080998</li> </ul>

## ✦ 2019 Evaluation of the Management Approach

Material Topics	Mechanism for Evaluation	Result of the Evaluation	Adjustment
<b>Economic Performance</b>	Independent directors, supervisor system, internal audit, Board of Directors evaluation (self-evaluation: by the directors and functional committees; third-party evaluation: by the external professional institutes commissioned), evaluation by the relevant authority	p.16	None
<b>Market Presence</b>	Compensation committee, internal audit, evaluation by relevant regulatory authorities	p.67	None
<b>Anti-Corruption</b>	Internal audit, communication/grievance system (including hotlines, emails, and specialized departments), annual online tests, TWSE Corporate Governance Evaluation, CoC obtained from the external third-party	p.17	None
<b>Energy</b>	ISO 14001, ISO 50001, and ISO 14064-1 management system certificate, TWSE corporate governance evaluation	p.97	None
<b>Employment</b>	TWSE Corporate Governance Evaluation, Employment Contract, Collective Agreement	p.67	None
<b>Labor/ Management Relations</b>	TWSE Corporate Governance Evaluation, Employment Contract, Collective Agreement	p.70	None
<b>Occupational Health and Safety</b>	Employment Contract, Collective Agreement	p.78	None
<b>Marketing and Labelling</b>	NCC's telecom service quality survey, communication/consumer complaint report	p.17	None
<b>Customer Privacy</b>	Grievance system, system certification (ISO 27001, BS 10012), internal auditor certification, TWSE Corporate Governance Evaluation	p.50,85	None
<b>Socioeconomic Compliance</b>	NCC's telecommunication service quality survey, communication/consumer complaint report, evaluation of Board of Directors' Performance by external third-party, TWSE Corporate Governance Evaluation, CoC by the external third party	p.17	None

	Disclosure Item	Page
<b>GRI 103 Management Approach</b>	103-1 Explanation of the material topic and its Boundary	p.30-31
	103-2 The management approach and its components	p.132-133
	103-3 Evaluation of the management approach	p.134

# General Disclosures

General Disclosures (2016)	Disclosure Items	Page / URL and Description	Identified Omission and Explanation	External Assurance
<b>Organizational profile</b>				
102-1	Name of the organization	Chunghwa Telecom		V
102-2	Activities, brands, products, and services	p.11		V
102-3	Location of headquarters	p.8		V
102-4	Location of operations	p.8		V
102-5	Ownership and legal form	p.8		V
102-6	Market served	p.11		V
102-7	Scale of the organization	p.8,14,68		V
102-8	Information on employees and other workers	p.67-68		V
102-9	Supply chain	p.12-13		V
102-10	Significant changes to the organization and its supply chain	None		V
102-11	Precautionary Principle or approach	p.40-51		V
102-12	External initiatives	p.17,109		V
102-13	Membership of associations	p.128		V
<b>Strategy</b>				
102-14	Statement from senior decision-maker	p.4-5		V
<b>Ethics and integrity</b>				
102-16	Values, principles, standards, and norms of behavior	p.17		V
<b>Governance</b>				
102-18	Governance structure	p.14		V
<b>Stakeholder engagement</b>				
102-40	List of stakeholder groups	p.35		V
102-41	Collective bargaining agreements	p.70		V
102-42	Identifying and selecting stakeholders	p.34		V
102-43	Approach to stakeholder engagement	p.32-33		V
102-44	Key topics and concerns raised	p.32-33		V
<b>Reporting practice</b>				
102-45	Entities included in the consolidated financial statements	2019 Annual Report p.109		V
102-46	Defining report content and topic Boundaries	p.30-31		V
102-47	List of material topics	p.31		V
102-48	Restatements of information	None		V
102-49	Changes in reporting	None		V
102-50	Reporting period	2019/1/1 - 2019/12/31		V
102-51	Date of most recent report	2019/8/15		V
102-52	Reporting cycle	Annually		V
102-53	Contact point for questions regarding the report	p.1		V
102-54	Claims of reporting in accordance with the GRI Standards	Core		V
102-55	GRI content index	p.132-140		V
102-56	External assurance	p.130-131 (SGS-Taiwan)		V

## ✦ Topic-Specific Disclosures

Topic-Specific Disclosures	Disclosure Item (topics without years noted are of the 2016 edition of the GRI standards)	Page / URL and Description	Identified Omission and Explanation	External Assurance
<b>201 Economic Performance</b>				
201-1	Direct economic value generated and distributed	p.16		V
201-3	Defined benefit plan obligations and other retirement plans	p.80-81		V
<b>202 Market Presence</b>				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	p.67		V
<b>205 Anti-Corruption</b>				
205-2	Communications and training about anti-corruption policies and procedures	p.17		V
205-3	Confirmed incidents of corruption and actions taken	None		V
<b>206 Anti-Competitive Behavior *</b>				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None		V
<b>302 Energy</b>				
302-1	Energy consumption within the organization	p.96,97		V
302-4	Reductions of energy consumption	p.96-99		V
302-5	Reductions in energy requirements of products and services	p.96-99		V
<b>305 Emissions *</b>				
305-1	Direct (Scope 1) GHG Emissions	p.49		V
305-2	Energy Indirect (Scope 2) GHG Emissions	p.49		V
305-3	Other indirect (Scope 3) GHG Emissions	p.49		V
305-5	Reduction of GHG Emissions	p.47-48		V
<b>307 Environmental Compliance *</b>				
307-1	Non-compliance with environmental laws and regulations	None		V
<b>308 Supplier Environmental Assessment *</b>				
308-1	New suppliers that were screened using environmental criteria	p.104		V
<b>401 Employment</b>				
401-1	New employee hires and employee turnover	p.68		V
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p.77-81		V
401-3	Parental leave	p.81		V

Topic-Specific Disclosures	Disclosure Item (topics without years noted are of the 2016 edition of the GRI standards)	Page / URL and Description	Identified Omission and Explanation	External Assurance
<b>402 Labor/Management Relations</b>				
402-1	Minimum notice periods regarding operational changes	p.70		V
<b>403 Occupational Health and Safety</b>				
403-1	Workers representation in formal joint management-worker health and safety committees	p.76		V
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	p.78		V
403-4	Health and safety topics covered in formal agreements with trade unions	<a href="https://goo.gl/gMRBN1">https://goo.gl/gMRBN1</a> Health and Safety topics make up 6.5% of the trade unions.		V
<b>405 Diversity and Equal Opportunity *</b>				
405-1	Diversity of governance bodies and employees	p.14,68,70		V
405-2	Ratio of basic salary and remuneration of women to men	p.69		V
<b>414 Supplier Social Assessment *</b>				
414-1	New suppliers that were screened using social criteria	p.104		V
<b>415 Public Policy *</b>				
415-1	Political contributions	None		V
<b>416 Customer Health and Safety *</b>				
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None		V
<b>417 Marketing and Labelling</b>				
417-2	Incidents of non-compliance concerning product and service information and labeling	None		V
417-3	Incidents of non-compliance concerning marketing communications	None		V
<b>418 Customer Privacy</b>				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None		V
<b>419 Socioeconomic Compliance</b>				
419-1	Non-compliance with laws and regulations in the social and economic area	None		V

Note: Topics marked with \* have been disclosed voluntarily, and are not part of the material topics identified in 2019.

## ✦ G3.1 Telecommunication Sector Specific Indicators

DMA and Indicators	Disclosure Items	Page / URL and Description	Identified Omission and Explanation	External Assurance
<b>SUB-CATEGORY: INTERNAL OPERATIONS</b>				
<b>MATERIAL ASPECT: Investment</b>				
DMA 116	I01	Capital investment in telecommunication network infrastructure broken down by country/region	p.88	V
	I02	Net costs for service providers under the Universal Service Obligation when extending service to geographic locations and low-income groups, which are not pro table. Describe relevant legislative and regulatory mechanisms	p.112,128	V
<b>MATERIAL ASPECT: Health and Safety</b>				
DMA 90	I03	Practices to ensure health and safety of field personnel involved in the installation, operation and maintenance of masts, base stations, laying cables and other outside plants. Related health and safety issues include working at heights, electric shock, exposure to EMF and radio frequency fields, and exposure to hazardous chemicals	p.75-76	V
	I04	Compliance with ICNIRP (International Commission on Non-Ionizing Radiation Protection) standards on exposure to radiofrequency (RF) emissions from handsets	p.90	V
	I05	Compliance with ICNIRP (International Commission on Non-Ionizing Radiation Protection) guidelines on exposure to radiofrequency (RF) emissions from base stations	p.90	V
	I06	Policies and practices with respect to Specific Absorption Rate (SAR) of handsets	p.90-91	V
<b>MATERIAL ASPECT: Infrastructure</b>				
DMA 90	I07	Policies and practices on the siting of masts and transmission sites including stakeholder consultation, site sharing, and initiatives to reduce visual impacts. Describe approach to evaluate consultations and quantify where possible	p.90	V
	I08	Number and percentage of stand-alone sites, shared sites, and sites on existing structures	p.90	V

**SUB-CATEGORY: PROVIDING ACCESS****MATERIAL ASPECT: Access to Telecommunication Products and Services: Bridging the Digital Divide**

DMA 109	PA1	Policies and practices to enable the deployment of telecommunications infrastructure and access to telecommunications products and services in remote and low population density areas. Include an explanation of business models applied	p.88,112	V
	PA2	Policies and practices to overcome barriers for access and use of telecommunication products and services including: language, culture, illiteracy, and lack of education, income, disabilities, and age. Include an explanation of business models applied	p.112	V
	PA3	Policies and practices to ensure availability and reliability of telecommunications products and services and quantify, where possible, for specified time periods and locations of down time	p.116	V
	PA4	Quantify the level of availability of telecommunications products and services in areas where the organization operates. Examples include: customer numbers/ market share, addressable market, percentage of population covered, percentage of land covered	p.116	V
	PA5	Number and types of telecommunication products and services provided to and used by low and no income sectors of the population. Provide definitions selected. Include explanations of approach to pricing, illustrated with examples such as price per minute of dialogue / bit of data transfer in various remote, poor or low population density areas	p.116,122	V
	PA6	Programs to provide and maintain telecommunication products and services	p.88	V

**MATERIAL ASPECT: Access to Content**

DMA 84	PA7	Policies and practices to manage human rights issues relating to access and use of telecommunications products and services	p.83,85	V
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## Customer Relations

DMA 84	PA8	Policies and practices to publicly communicate on EMF related issues. Include information provides at points of sales material	p.91	V
	PA9	Total amount invested in programs and activities in electromagnetic field research. Include descriptions of programs currently contributed to and funded by the reporting organization	None	V
	PA10	Initiatives to ensure clarity of charges and tariffs	<a href="http://www.emome.net/cell_phone_plans/monthly_rate_plan">http://www.emome.net/cell_phone_plans/monthly_rate_plan</a>	V
	PA11	Initiatives to inform customers about product features and applications that will promote responsible, efficient, cost-effective, and environmentally preferable use	p.84	V

## SUB-CATEGORY: Technology Applications

### MATERIAL ASPECT: Resource Efficiency

DMA 60	TA1	Provide examples of the resource efficiency of telecommunication products and services delivered	p.60	V
	TA2	Provide examples of telecommunication products, services and applications that have the potential to replace physical objects (e.g. a telephone book by a database on the web or travel by videoconferencing)	p.61-62	V
	TA3	Disclose any measures of transport and/or resource changes of customer use of the telecommunication products and services listed above. Provide some indication of scale, market size, or potential savings	p.63-65	V
	TA4	Disclose any estimates of the rebound effect (indirect consequences) of customer use of the products and services listed above, and lessons learned for future development. This may include social consequences as well as environmental	p.61-62	V
	TA5	Description of practices relating to intellectual property rights and open source technologies	p.64	V