

Message from the CEO

2010 is a year of major digital development trends in the telecommunications industry. On the one hand, consumers demonstrate stronger demand for value-added services with the rising popularity of smart phones and flat screen computer products, committing us deeper into people's lives. On the other hand, due to innovative and forward-looking research capabilities, we have successfully transitioned into the information and communication industries. I was also fortunate to have been nominated as the Director of the Cloud Computing Association of Taiwan to contribute value-added services for the industry chain.

2010 is also the beginning of a new era of frequent cross-Strait exchanges that will bring Taiwan 5 million international tourists. We are committed to infusing ICT technologies into tourism, medicine, cultural innovation, and other emerging industries to enhance overall national competitiveness as our objective. We will also continue to expand overseas markets, develop new growing spaces, and establish a foundation for consolidated internationalization.

During its activities and developments, Chunghwa Telecom had always enjoyed the utmost business reputation. The power of being a reliable brand is our greatest foundation. The positive corporate image created from enforcing our corporate social responsibilities are also an important component of our brand assets.

In the past year, we have increased brand values through fulfilling corporate social responsibilities. We have won the platinum award for reliable telecommunications brands from Reader's Digest for seven consecutive years. The respectable Asian financial magazine, Finance Asia, also awarded us the best management, corporate governance, corporate social responsibility, and highest emphasis on dividend policy promise awards in the Taiwan region. Also, we were further awarded with Commonwealth Magazine's outstanding corporate social responsibility award, Global Views Magazine's outstanding service award in 2010, IT Magazine's best corporate governance and information disclosure awards for the greater Chinese region, and IR Global Ranking's gold awards from outstanding financial information disclosure in the Asia Pacific region, Taiwan corporate sustainability report gold award, etc., all of which resoundingly showcase our proactive image as a competent corporation.

Looking into the future, we will begin strategically, continue using our core capabilities, fulfill reliable business practices, and create benchmarks for corporate social responsibilities. We will also attend to employee needs, fulfill environmental education, welcome the cloud era, create responsible brands, address climate change, focus on digital opportunities, and face the new era's challenges. The core of all of our strategies point to the same objective, which is our vision: "to become the most valuable and reliable information and telecommunications company."

After the Taiwan Stock Exchange promulgated the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" in 2010, corporate social responsibilities have been fully infused into our business processes. Here, we would like to report to all of our stakeholders our strategies, management models, policies, responses, and objectives behind our promotion of corporate social responsibilities. We hope that everyone will participate in feedback and discussions.

Chairman
Shyue-Ching Lu

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