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Chunghwa Telecom Co., Ltd.

2023 Annual General Meeting Handbook

Date: May 26, 2023, Friday
Venue: Chunghwa Telecom Training Institute
No. 168, Minzu Road, Banchiao District,
New Taipei City, Taiwan, R.O.C.

Chunghwa Telecom Co., Ltd.

2023 Annual General Meeting Handbook

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Agenda

Method for holding the meeting: physical

Meeting Date: Friday, May 26, 2023

Meeting Venue: Chunghwa Telecom Training Institute

No. 168, Minzu Road, Banchiao District, New Taipei City 220, Taiwan, R.O.C.

The Chairman Calls the Meeting to Order

Chairman's Address

Report Items

- I. 2022 business report
- II. 2022 audit committee's review report
- III. 2022 compensation distribution to directors and employees
- IV. Amendments to the Code of Ethics
- V. Amendments to the Sustainable Development Best-Practice Principles (formerly known as Corporate Social Responsibility Best-Practice Principles)
- VI. Issuance of unsecured straight corporate bonds for 2022

Matters for Ratification

- I. Ratification of 2022 business report and financial statements
- II. Ratification of 2022 earnings distribution proposal

Matters for Discussion

- I. Amendments to the Articles of Incorporation
- II. Release of non-competition restrictions on Directors

Extemporaneous Motions

Meeting Adjourned

Report Items

I. 2022 business report

Dear Shareholders,

We are pleased to share that, our company, in 2022, operated under a new customer-centric organizational structure following our successful execution of a comprehensive strategic transformation, "Rise on, Together 2021." Despite the rapid rise in geopolitical and economic uncertainty as well as the disruption from the pandemic, we, with the support and hard work of all our employees, delivered solid results. In 2022, our consolidated revenue reached NT\$216.7 billion, net income attributable to stockholders of the parent company was NT\$36.5 billion, and basic earnings per share was NT\$4.70, all of which beat the high end of our financial forecasts. Notably, our revenue and profit measures not only continue the growth momentum but also set a five-year high.

Under our new customer-centric organizational structure, we continued to implement our business strategy, "Transformation x 5G x Sustainability." Our three business groups, Consumer, Enterprise, and International Business Groups, with the full support of our three technical groups, Network Group, Information Group, Research Lab, delivered impressive results. Meanwhile, we made great progress in ESG sustainability practices, thanks to the concerted efforts of our employees and strategic partners.

Fastest Network Speeds and Captivating Content Create Value for Individuals and Families

In 2022, building on our customer-centric strategy and quality-first guideline, we continued to actively deploy 5G networks and base stations across Taiwan, including remote areas, to provide customers with best network and entertainment experience and assist hundreds of enterprises across various industries to upgrade to 5G. The Company has been recognized and awarded by Speedtest® and Opensignal as Taiwan's number one operator with fastest 5G speed and the most extensive mobile coverage, enabling customers to enjoy innovative video, music, AR/VR, and metaverse applications and enterprise customers to upgrade in their value chain. After rebound in 2021, our overall mobile service revenue continued to grow steadily year over year in 2022. The average mobile monthly fee uplift resulting from 4G to 5G upgrades grew 38% year over year, taking the lead in the industry. In addition, both of mobile postpaid revenue and subscriber number increased and roaming and pre-paid business also grew for the first time since the pandemic, resulting in the mobile service revenue increase of 5.9% year over year, leading the industry.

In view of the significant increase in demand for digital entertainment, online learning and remote work, we provided incentives to our fixed broadband business customers to upgrade to higher speeds so as to accelerate the penetration of high-speed fixed broadband. Specifically, we launched a special higher-speed promotion package in 2022, and successfully fast-tracked the customer penetration for sign-ups of service speeds of 500 Mbps+ and 1 Gbps, and also increased the average revenue per user (ARPU) growth. Additionally, we had focused on promoting our multiple-play package plan that comprised of Fixed-Broadband + Mobile + Wi-Fi services to offer customers with seamless internet access anywhere, anytime, which

successfully drew a considerable number of users. Residential Wi-Fi installations doubled, which not only contributed to revenue, but also helped to accelerate smart home and streaming service adoption. In 2022, in order to provide best content to customers, we acquired exclusive right to broadcast the Beijing Winter Olympics and Qatar World Cup; meanwhile, we broadcasted the Chinese Professional Baseball League (CPBL) and invested into drama and movie content, driving the steady growth of IPTV/MOD ARPU. Together with the growth of our mobile OTT service, Hami Video, we are confident in maintaining our leading position as the largest video platform in Taiwan.

Further Industry Efforts and Build Innovative Application Ecosystems

We observed that, the wave of digital transformation prompted by the pandemic continued to drive up business opportunities in the enterprise business sector, especially the 5G + AIoT application demand. In 2022, our 5G private network services for enterprise businesses continued to exhibit rapid growth momentum, and was expanded overseas, setting precedence in the industry. We launched a new "rent-to-own" model to increase the accessibility of private networks and accelerate industry transformation and innovation, which was particularly well-received among the electronics industry. In addition, by leveraging our technological capability and innovation, we focused on furthering our efforts in developing replicable applications across verticals and building ecosystems to accelerate popularity of innovative applications. We have achieved to maintain the greatest number of smart applications, the widest industry coverage, and the deepest footprint in Information, Communications, and Technology (ICT) realm. Furthermore, we successfully launched innovative platforms and applications for the transportation, finance/insurance, manufacturing, healthcare, and other ecosystems, which have been highly recognized and adopted by our enterprise customers and in the end will bring more convenient and smarter life for general consumers. In 2022, the percentage of revenue contributions from both ICT and enterprise business group grew year over year respectively and net profits of these increased as well.

Export Smart Applications Overseas with a Focus on the Asia-Pacific Market

We continued to explore business opportunities and successfully promoted our digital innovation applications and ecosystems overseas. In 2022, following the footprint of our Taiwanese enterprise customers, we offered integrated ICT services in the United States and Japan. In Vietnam, we cooperated via a joint venture partnership to promote public cloud and 5G+ smart solutions. In Thailand, we provided 5G private network and smart manufacturing services to customers, and at the same time, we built a smart inpatient ward demo site for Thonburi Hospital. In Singapore and Indonesia, we actively developed international data and innovation services, further expanding the Asia-Pacific market.

Commit to Working on ESG

Deploy a New Layout for Sustainability

Low carbon emission and Net-Zero are our commitments to environmental sustainability. To realize our commitments, we submitted a Science-Based Target (SBTi) carbon reduction commitment and joined RE100, pledging to use 100% renewable energy by 2040. We entered into a green electricity transfer agreement that provides us with 50 million kWh per year, in total equivalent to the volume of carbon absorbed by 68 Daan Forest Parks in Taipei. In

addition, together with 35 key suppliers and partners, we have committed to reduce carbon emissions by 50% by 2030 and to achieve net-zero carbon emissions by 2050, across the entire supply chain. Leveraging our exceptional technical capabilities, we worked with our partners to jointly build the Asia's first mobile private network for offshore wind power, which is expected to provide clean energy for up to one million families in Taiwan in the future.

In addition to efforts made to reduce carbon emissions, we continued to develop "digital empowerment" and further implemented "Technology for the Greater Good." In 2022, together with the Chunghwa Telecom Foundation, we established the "Tech4Good Digital Empowerment Ecosystem" to bridge the digital divide, using high-quality and high-speed telecommunication services to provide life-changing opportunities to students in remote areas. Meanwhile, we leveraged our 5G private network to deliver emergency medical care services, improving the quality and capacity of medical care in remote areas. To be the best supporter for our employees, we provide favorable parenting policies in an effort to create a friendly and inclusive workplace and culture, and to support our employees' childcare needs. For this purpose, we established 16 workplace child care centers in Taiwan. We are also the sole employer in our industry to implement flexible working hours, offering employees with children under the age of 3 the option to apply to take one-hour off per working day with no impact on review and evaluation of salary, performance and attendance. In 2022, a total of 1,130 employees benefited from this policy with a cumulative total of 86,683 hours of work time reallocated to parenting.

To embed ESG into our DNA, we internalize it through our executive compensation structure. We have made definitive steps to link the variable component of executive compensation to ESG results to demonstrate our dedication to implement and integrate ESG practices into our daily operations. In addition, we are the first among Taiwan peers to introduce an internal carbon pricing mechanism, and to set up a carbon fee fund to encourage energy-saving initiatives. We also established an internal sustainability management system to strengthen sustainability data tracking management. We issued NT\$3.5 billion of sustainable development bonds for environmental protection and social development investment, the first in Taiwan's telecommunications industry. We also introduced a "data governance" system to ensure the safety and quality of data operations at the stage of system development, in order to protect the Company and stakeholder's rights and interests. We have received recognitions globally for our comprehensive sustainability efforts; in addition to being included in the Dow Jones Sustainability Index (DJSI), "World Index (DJSI-World)" and "Emerging Markets Index (DJSI-Emerging Markets)" for 11 consecutive years, in 2022, we once again won the Jade Award, the highest honor from The Asset ESG Corporate Awards, becoming the only cross-industry award-winning enterprise in Taiwan.

Solid Financial Performance, Shareholder Paybacks and Future Investments

Thanks to the steady growth of our core business and the improved profitability of emerging business, our EBITDA increased by 3.5% year-over-year in 2022. Along with effective resource allocation, we maintained healthy financial strength and strong cash flows. We maintained an "AA" credit rating from Standard & Poor's, which is the best and only one in the global telecom industry. Adhering to our intent to return surplus to our shareholders, our cash dividend payout ratio remained almost 100% in 2022. Looking forward, we plan to maintain a stable dividend policy to meet shareholder expectations.

Stable financial health is the cornerstone of our ongoing investments in the future. In 2022, our capital expenditures totaled NT\$31.5 billion, mainly used for the deployment of 5G and core access networks, the construction of IDC, and the layout of international submarine cables in response to opportunities driven by OTT digital content. Meanwhile, we continued to retire high-energy-consuming equipment to accelerate to achieve our carbon reduction goals.

Future Outlook

Looking to the future, we believe Taiwan's telecom market will develop healthier with industry consolidation. With the fastest 5G network, technology development capabilities including IOWN, our absolute leading position in mobile revenue market share and mobile customer number market share, abundant innovative applications, and close corporate customer relationships, we are fully confident that we will continue to lead the communications industry in this changing market, both on a local and global scale.

In 2023, to achieve our sustainability goals, we modify our strategic direction from "Transformation x 5G x Sustainability" to "Sustainability x 5G x Innovative Transformation." We work to actively develop 5G and drive innovation, and continue to lead enterprise transformation and development through innovation. At the same time, we actively compete for and attract talents. Although the macro-economic environment remains uncertain in the foreseeable future, we will continue to expand high-tech talent recruitment to strengthen our capabilities and strive to seize digital transformation and net-zero business opportunities.

We echo and fully support the government's transformation to net-zero and will continue to strengthen network security and resource security protection. Meanwhile, we also deepen our customer-insight capability to satisfy our customers' needs and grasp business opportunities, in order to enhance our growth momentum and dynamics in our three business groups. At the same time, we continue to implement strategies of "Three Keys of Technology," which include "creating a talent pool," "creating a technology pool" and "creating a standard blueprint" in order to build robust technological capabilities and infrastructure. Meanwhile, we are also implementing the "Three Principles of Operation," which include "Embracing Customers," "Facilitating Cross-Group Collaboration" and "Building Broad Partnerships," with the active spirit of "building alliances and reciprocity" to strengthen the ecosystem. We will continue to invest in innovative application services that have growth potential and leverage the collaborative operations of the Company and its subsidiaries in order to generate strategic synergies and sustainable growth to maximize value for our shareholders and other stakeholders.

Chairman and Chief Executive Officer: Chi-Mau Sheih

President: Shui-Yi Kuo

Vice President, Accounting Department: Shu-Ling Chen

February 24, 2023

II. 2022 audit committee's review report

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 business report, financial statements, and earnings distribution proposal. The CPA firm of Deloitte & Touche was retained to audit the Company's financial statements and has issued an audit report relating to the financial statements. The business report, financial statements, and earnings distribution proposal have been reviewed and determined to be accurate by the Audit Committee members of the Company. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

Chunghwa Telecom Co., Ltd.

Chairman of the Audit Committee

A handwritten signature in black ink that reads "Suming Lin". The signature is written in a cursive, flowing style.

February 24, 2023

III. 2022 compensation distribution to directors and employees

1. The 2022 compensation distribution to directors and employees was approved by the 5th meeting of the 10th Board of Directors on February 24, 2023.
2. The 2022 compensation distribution to directors and employees :

Item		NT\$
Net income		36,477,157,498
Profit	(A)	46,446,819,279
Ratio of Directors' compensation to profit	(B)	0.085%
Directors' compensation	(C)=(A)*(B)	39,479,796
Ratio of Employees' compensation to profit	(D)	3.2260%
Employees' compensation	(E)=(A)*(D)	1,498,374,390

3. The Compensation of Directors in year 2022, of which the Compensation Policy, the content and amount of individual compensation, and the relationship with the performance evaluation results

(1) Compensation Policy

The directors of the Company receive monthly fixed remuneration according to the resolution of the board of directors, and was distributed with directors' compensation according to the Articles of incorporation, and the independent directors of the Company do not participate in the distribution of Directors' compensation.

(2) Compensation Budgeting Procedure

The directors' compensation in fiscal year 2022 including fixed part-time compensation, the Directors' compensation, directors' related business execution expenses amount of NT\$ 45,018,408.

(3) Compensation and Performance

The directors' compensation is established based on the Company's performance target, financial status, and the director's respective responsibilities. The Compensation Committee shall periodically review and assess compensation packages for the Board of Directors, and then approved by the Board of Directors.

IV. Amendments to the Code of Ethics

1. In order to stipulate the link between the compliance of Code of Ethics and employee performance appraisal as well as in line with the evaluation requirements of the Dow Jones Sustainability Index (DJSI), the Company amended the Code of Ethics of Chunghwa Telecom Co., Ltd. The amendment was resolved by the 5th meeting of the 10th Board of Directors on February 24, 2023.
2. This amendment is to add the terms as shown below in Article 15 (Full understanding and compliance with this Code of Ethics):
“Implement the compliance of code of ethics shall be considered when assessing managers and employee’s performance and which shall also follow the relevant reward and punishment regulations.”

V. Amendments to the Sustainable Development Best-Practice Principles (formerly known as Corporate Social Responsibility Best-Practice Principles)

1. According to the relevant regulations of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, released by the Taiwan Stock Exchange Corporation (the "TWSE"), the Company amended the Sustainable Development Best-Practice Principles of Chunghwa Telecom Co., Ltd (the "principle") upon the approval of the 4th meeting of the 10th Board of Directors on January 31, 2023.
2. The amendments are summarized as follows:
 - (1) To amend the full name of the principle as "Sustainable Development Best-Practice Principles of Chunghwa Telecom Co., Ltd."
 - (2) To amend the name of Chapter 5 as "Enhancing Disclosure of Sustainable Development Information."
 - (3) To amend the relevant regulations of Sustainable Development Committee's establishment and its duties from Article 7 to Article 9, Subsection 1.
 - (4) To amend the professional phrases and terms of all articles except Article 20 and Article 32.
 - (5) To add Article 28-1.

VI. Issuance of unsecured straight corporate bonds for 2022

1. In response to requirements for the goals of the Company in environmental protection or social development investment, or for the operational development of the Company, it was resolved by the 16th meeting of the 9th Board of Directors on Jan 25, 2022 to issue domestic unsecured bond (including Sustainable Bond) with total amount no more than NT\$10 billion. The corporate bonds could be issued at a time or separately in one year.
2. A total of NT\$ 3.5 billion in unsecured straight corporate bond (Sustainable Bond) was raised in 2022, as specified below.
 - (1) Issue Date : 2022/3/15
 - (2) Total Issuance Amount : NT\$ 3.5 billion
 - (3) Issuance Period : 5 years (2022/03/15~2027/03/15)
 - (4) Coupon Rate : 0.69% p.a.
 - (5) Interest Payment : The interest is calculated on the coupon rate and paid annually
 - (6) Principal Repayment : Bullet at maturity

Matters for Ratification

I. Ratification of 2022 business report and financial statements

Proposed by the Board of Directors

Explanation:

1. The Company's 2022 financial statements (page 16-23 and page 27-33), including balance sheets, statements of comprehensive income, statements of changes in equity, and statements of cash flows, were audited by Ms. Yih-Shin Kao and Ms. Mei Yen Chiang of Deloitte & Touche. The audit opinions relating to the aforementioned financial statements were issued hereby (page 12-15 and page 24-26). The Company's 2022 business report (page 2-5) and the aforementioned financial statements have been reviewed and determined to be accurate by the Audit Committee members of the Company with review report submitted hereby (page 6).
2. This proposal was approved by the 5th meeting of the 10th Board of Directors on February 24, 2023.
3. This proposal is hereby submitted to the Annual General Meeting for ratification.

Resolution:

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Chunghwa Telecom Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Chunghwa Telecom Co., Ltd. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the consolidated financial statements for the year ended December 31, 2022 is as follows:

Revenue Recognition on Mobile Service

Refer to Notes 3 and 43 to the consolidated financial statements.

The Company's mobile service revenue consists of subscriber-based charges made up of a significant volume of low-dollar transactions. Because of the complexity and a variety of subscriber-based charges as well as a large number of transactions, the Company uses highly automated systems to process and record its revenue transactions.

Given the Company's systems to process and record revenue are highly automated, auditing revenue was complex and challenging due to the extent of audit effort required and involvement of professionals with expertise in information technology (IT) necessary for us to identify, test, and evaluate the Company's IT systems.

Our audit procedures related to the Company's systems to process revenue transactions included the following, among others:

- With the assistance of our IT specialists, we:
 - Identified the significant systems used to process revenue transactions and tested the general IT controls over each of these systems, including testing of user access controls and change management controls.
 - Performed testing of system interface controls and automated controls within the relevant revenue streams, as well as the controls designed to ensure the accuracy and completeness of revenue.
- We tested manual controls within the relevant revenue business processes, including those in place to reconcile the various systems to the Company's accounting system.
- We selected samples from mobile service revenue and agreed to customer contracts and records of cash receipts.

Other Matter

We have also audited the parent company only financial statements of Chunghwa Telecom Co., Ltd. as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Yih-Shin Kao and Mei Yen Chiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 24, 2023

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 50,192,604	10	\$ 39,778,624	8
Financial assets at fair value through profit or loss	3,953	-	2,566	-
Hedging financial assets	12,891	-	-	-
Contract assets	6,055,343	1	5,554,070	1
Trade notes and accounts receivable, net	24,672,473	5	23,947,107	5
Receivables from related parties	75,061	-	41,528	-
Inventories	11,316,406	2	11,327,409	2
Prepayments	2,398,608	-	2,330,097	-
Other current monetary assets	3,618,902	1	5,060,878	1
Other current assets	3,555,423	1	2,978,780	1
Total current assets	101,901,664	20	91,021,059	18
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss	1,020,203	-	908,775	-
Financial assets at fair value through other comprehensive income	3,491,381	1	3,615,888	1
Investments accounted for using equity method	7,155,851	1	7,332,774	2
Contract assets	3,136,801	1	2,607,744	-
Property, plant and equipment	291,527,910	56	289,100,461	56
Right-of-use assets	11,102,549	2	11,050,936	2
Investment properties	9,803,861	2	9,662,638	2
Intangible assets	79,187,087	15	83,945,083	16
Deferred income	2,196,645	-	2,785,006	1
Incremental costs of obtaining contracts	979,914	-	987,656	-
Net defined benefit assets	5,265,721	1	3,391,077	1
Prepayments	1,728,277	-	1,798,463	-
Other noncurrent assets	4,705,624	1	4,862,800	1
Total noncurrent assets	421,301,824	80	422,049,301	82
TOTAL	\$ 523,203,488	100	\$ 513,070,360	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans	\$ 722,000	-	\$ 65,000	-
Financial liabilities at fair value through profit or loss	-	-	6,180	-
Hedging financial liabilities	-	-	8,286	-
Contract liabilities	13,390,439	3	12,234,276	2
Trade notes and accounts payable	16,428,856	3	18,063,288	4
Payables to related parties	539,194	-	391,358	-
Current tax liabilities	4,956,465	1	4,593,458	1
Lease liabilities	3,338,813	1	3,210,564	1
Other payables	25,079,960	5	24,436,708	5
Provisions	226,019	-	284,813	-
Other current liabilities	1,016,179	-	998,367	-
Total current liabilities	65,697,925	13	64,292,298	13
NONCURRENT LIABILITIES				
Long-term loans	1,600,000	-	1,600,000	-
Bonds payable	30,477,357	6	26,976,675	6
Contract liabilities	7,674,095	2	6,840,056	1
Deferred income tax liabilities	2,300,845	-	2,189,411	-
Provisions	173,033	-	141,865	-
Lease liabilities	7,333,694	2	7,061,689	2
Customers' deposits	5,156,700	1	5,336,343	1
Net defined benefit liabilities	2,285,224	-	2,287,663	-
Other noncurrent liabilities	6,726,187	1	5,081,910	1
Total noncurrent liabilities	63,727,135	12	57,515,612	11
Total liabilities	129,425,060	25	121,807,910	24
EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE PARENT				
Common stocks	77,574,465	15	77,574,465	15
Additional paid-in capital	171,300,898	32	171,279,625	33
Retained earnings				
Legal reserve	77,574,465	15	77,574,465	15
Special reserve	3,083,569	1	2,675,419	1
Unappropriated earnings	51,868,574	10	50,639,022	10
Total retained earnings	132,526,608	26	130,888,906	26
Others	(223,084)	-	(408,150)	-
Total equity attributable to stockholders of the parent	381,178,887	73	379,334,846	74
NONCONTROLLING INTERESTS	12,599,541	2	11,927,604	2
Total equity	393,778,428	75	391,262,450	76
TOTAL	\$ 523,203,488	100	\$ 513,070,360	100

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
REVENUES	\$ 216,739,234	100	\$ 210,477,948	100
OPERATING COSTS	<u>136,717,375</u>	<u>63</u>	<u>135,110,751</u>	<u>64</u>
GROSS PROFIT	<u>80,021,859</u>	<u>37</u>	<u>75,367,197</u>	<u>36</u>
OPERATING EXPENSES				
Marketing	22,819,067	10	20,944,091	10
General and administrative	6,579,537	3	5,293,136	2
Research and development	3,774,309	2	3,687,747	2
Expected credit loss	<u>117,070</u>	<u>-</u>	<u>142,991</u>	<u>-</u>
Total operating expenses	<u>33,289,983</u>	<u>15</u>	<u>30,067,965</u>	<u>14</u>
OTHER INCOME AND EXPENSES	<u>93,013</u>	<u>-</u>	<u>(369,411)</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>46,824,889</u>	<u>22</u>	<u>44,929,821</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	249,129	-	94,684	-
Other income	368,523	-	377,820	-
Other gains and losses	(403,784)	-	460,830	-
Interest expense	(262,738)	-	(218,171)	-
Share of profits of associates and joint ventures accounted for using equity method	<u>452,931</u>	<u>-</u>	<u>421,640</u>	<u>-</u>
Total non-operating income and expenses	<u>404,061</u>	<u>-</u>	<u>1,136,803</u>	<u>-</u>
INCOME BEFORE INCOME TAX	47,228,950	22	46,066,624	22
INCOME TAX EXPENSE	<u>9,228,911</u>	<u>4</u>	<u>8,871,745</u>	<u>4</u>
NET INCOME	<u>38,000,039</u>	<u>18</u>	<u>37,194,879</u>	<u>18</u>

(Continued)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified to profit or loss:				
Remeasurements of defined benefit pension plans	\$ 1,153,576	-	\$ 390,441	-
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	(136,563)	-	(1,185,849)	-
Gain or loss on hedging instruments subject to basis adjustment	21,177	-	(10,038)	-
Share of other comprehensive income (loss) of associates and joint ventures	2,802	-	(4,154)	-
Income tax relating to items that will not be reclassified to profit or loss	<u>(230,715)</u>	<u>-</u>	<u>(78,088)</u>	<u>-</u>
	<u>810,277</u>	<u>-</u>	<u>(887,688)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising from the translation of the foreign operations	296,484	-	(76,620)	-
Share of other comprehensive income (loss) of associates and joint ventures	<u>5,961</u>	<u>-</u>	<u>(1,523)</u>	<u>-</u>
	<u>302,445</u>	<u>-</u>	<u>(78,143)</u>	<u>-</u>
Total other comprehensive income (loss), net of income tax	<u>1,112,722</u>	<u>-</u>	<u>(965,831)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 39,112,761</u>	<u>18</u>	<u>\$ 36,229,048</u>	<u>18</u>
NET INCOME ATTRIBUTABLE TO				
Stockholders of the parent	\$ 36,477,157	17	\$ 35,753,579	17
Noncontrolling interests	<u>1,522,882</u>	<u>1</u>	<u>1,441,300</u>	<u>1</u>
	<u>\$ 38,000,039</u>	<u>18</u>	<u>\$ 37,194,879</u>	<u>18</u>

(Continued)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
COMPREHENSIVE INCOME ATTRIBUTABLE				
TO				
Stockholders of the parent	\$ 37,569,082	17	\$ 34,789,149	17
Noncontrolling interests	<u>1,543,679</u>	<u>1</u>	<u>1,439,899</u>	<u>1</u>
	<u>\$ 39,112,761</u>	<u>18</u>	<u>\$ 36,229,048</u>	<u>18</u>
EARNINGS PER SHARE				
Basic	<u>\$ 4.70</u>		<u>\$ 4.61</u>	
Diluted	<u>\$ 4.70</u>		<u>\$ 4.60</u>	

(Concluded)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Stockholders of the Parent										Noncontrolling Interests	Total Equity
	Common Stocks	Additional Paid-in Capital	Retained Earnings			Exchange Differences Arising from the Translation of the Foreign Operations	Others		Total	Gain or Loss on Hedging Instruments		
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income					
BALANCE, JANUARY 1, 2021	\$ 77,574,465	\$ 171,261,379	\$ 77,574,465	\$ 2,675,419	\$ 47,918,166	\$ (314,531)	\$ 1,239,901	\$ 1,752	\$ 377,931,016	\$ 11,327,441	\$ 389,258,457	
Appropriation of 2020 earnings	-	-	-	-	(33,403,565)	-	-	-	(33,403,565)	-	(33,403,565)	
Cash dividends distributed by Chunghwa	-	-	-	-	-	-	-	-	-	-	-	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(896,335)	(896,335)	
Unclaimed dividend	-	1,968	-	-	-	-	-	-	1,968	-	1,968	
Change in additional paid-in capital from investments in associates and joint ventures accounted for using equity method	-	(437)	-	-	-	-	-	-	(437)	(136)	(573)	
Net income for the year ended December 31, 2021	-	-	-	-	35,753,579	-	-	-	35,753,579	1,441,300	37,194,879	
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	311,189	(77,745)	(1,187,836)	(10,038)	(964,430)	(1,401)	(965,831)	
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	36,064,768	(77,745)	(1,187,836)	(10,038)	34,789,149	1,439,899	36,229,048	
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	59,653	-	(59,653)	-	-	-	-	
Share-based payment transactions of subsidiaries	-	16,715	-	-	-	-	-	-	16,715	56,735	73,450	
BALANCE, DECEMBER 31, 2021	77,574,465	171,279,625	77,574,465	2,675,419	50,639,022	(392,276)	(7,588)	(8,286)	379,334,846	11,927,604	391,262,450	
Appropriation of 2021 earnings	-	-	-	408,150	(408,150)	-	-	-	-	-	-	
Special reserve	-	-	-	-	-	-	-	-	-	-	-	
Cash dividends distributed by Chunghwa	-	-	-	-	(35,746,314)	-	-	-	(35,746,314)	-	(35,746,314)	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(1,053,240)	(1,053,240)	
Unclaimed dividend	-	1,632	-	-	-	-	-	-	1,632	-	1,632	
Change in investments in associates and joint ventures accounted for using equity method	-	(12,719)	-	-	-	-	-	-	(12,719)	(1,491)	(14,210)	
Change in additional paid-in capital for not proportionately participating in the capital increase of subsidiaries	-	5,153	-	-	-	-	-	-	5,153	9,847	15,000	
Net income for the year ended December 31, 2022	-	-	-	-	36,477,157	-	-	-	36,477,157	1,522,882	38,000,039	
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	906,975	281,063	(117,290)	21,177	1,091,925	20,797	1,112,722	
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	37,384,132	281,063	(117,290)	21,177	37,569,082	1,543,679	39,112,761	
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(116)	-	116	-	-	-	-	
Share-based payment transactions of subsidiaries	-	27,207	-	-	-	-	-	-	27,207	62,385	89,592	
Net increase in noncontrolling interests	-	-	-	-	-	-	-	-	-	110,757	110,757	
BALANCE, DECEMBER 31, 2022	\$ 77,574,465	\$ 171,300,898	\$ 77,574,465	\$ 3,083,569	\$ 51,868,574	\$ (111,213)	\$ (124,762)	\$ 12,891	\$ 381,178,887	\$ 12,599,541	\$ 393,778,428	

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 47,228,950	\$ 46,066,624
Adjustments for:		
Depreciation	32,785,526	31,832,326
Amortization	6,642,657	6,568,547
Amortization of incremental costs of obtaining contracts	840,553	815,241
Expected credit loss	117,070	142,991
Interest expense	262,738	218,171
Interest income	(249,129)	(94,684)
Dividend income	(157,465)	(154,008)
Compensation cost of share-based payment transactions	15,513	19,371
Share of profits of associates and joint ventures accounted for using equity method	(452,931)	(421,640)
Loss on disposal of property, plant and equipment	4,907	3,349
Gain on disposal of financial instruments	(726)	(353)
Gain on disposal of investments accounted for using equity method	-	(3,239)
Provision for impairment loss and obsolescence of inventory	34,167	206,824
Impairment loss on right-of-use assets	-	420,590
Reversal of impairment loss on investment properties	(107,467)	(83,429)
Impairment loss on intangible assets	9,547	28,901
Valuation loss (gain) on financial assets and liabilities at fair value through profit or loss, net	205,805	(243,381)
Others	254,276	(132,924)
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Contract assets	(1,031,379)	(335,554)
Trade notes and accounts receivable	(785,476)	(1,339,250)
Receivables from related parties	(33,533)	189,168
Inventories	(23,164)	874,670
Prepayments	1,675	391,207
Other current monetary assets	(164,346)	(385,757)
Other current assets	(576,643)	(629,683)
Incremental cost of obtaining contracts	(832,811)	(803,304)
Increase (decrease) in:		
Contract liabilities	1,990,202	(1,651,461)
Trade notes and accounts payable	(1,630,693)	2,468,093
Payables to related parties	147,836	(254,586)
Other payables	782,340	248,112

(Continued)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
Provisions	\$ (27,626)	\$ 12,507
Other current liabilities	60,163	(12,390)
Net defined benefit plans	<u>(723,507)</u>	<u>(755,749)</u>
Cash generated from operations	84,587,029	83,205,300
Interests paid	(239,357)	(192,064)
Income taxes paid	<u>(8,396,824)</u>	<u>(8,155,036)</u>
Net cash provided by operating activities	<u>75,950,848</u>	<u>74,858,200</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(19,394)	(313,171)
Proceeds from disposal of financial assets at fair value through other comprehensive income	154	2,911,570
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	7,184	-
Acquisition of financial assets at fair value through profit or loss	(360,214)	(44,072)
Proceeds from disposal of financial assets at fair value through profit or loss	14,573	25,201
Proceeds from capital reduction of financial assets at fair value through profit or loss	65,967	-
Acquisition of time deposits and negotiable certificates of deposit with maturities of more than three months	(5,669,860)	(17,369,138)
Proceeds from disposal of time deposits and negotiable certificates of deposit with maturities of more than three months	7,310,021	18,446,270
Acquisition of investments accounted for using equity method	(52,175)	(329,520)
Proceeds from disposal of investments accounted for using equity method	-	8,519
Proceeds from capital reduction of investments accounted for using equity method	340,182	-
Acquisition of property, plant and equipment	(31,534,946)	(35,333,028)
Proceeds from disposal of property, plant and equipment	15,743	27,038
Acquisition of intangible assets	(1,892,675)	(255,852)
Acquisition of investment properties	(18,333)	(146)
Decrease in other noncurrent assets	235,178	336,878
Interests received	219,092	95,118
Dividends received	<u>550,310</u>	<u>621,972</u>
Net cash used in investing activities	<u>(30,789,193)</u>	<u>(31,172,361)</u>

(Continued)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	\$ 1,292,000	\$ 154,000
Repayments of short-term loans	(635,000)	(156,000)
Proceeds from short-term bills payable	-	5,000,000
Repayments of short-term bills payable	-	(12,000,000)
Proceeds from issuance of bonds	3,500,000	7,000,000
Payments for transaction costs attributable to the issuance of bonds	(4,463)	(7,675)
Increase (decrease) in customers' deposits	(221,994)	477,444
Payments for the principal of lease liabilities	(3,776,965)	(3,728,949)
Increase in other noncurrent liabilities	1,644,277	3,191,105
Cash dividends paid	(35,746,314)	(33,403,565)
Cash dividends distributed to noncontrolling interests	(1,053,240)	(896,335)
Change in other noncontrolling interests	199,836	54,079
Unclaimed dividend	<u>1,632</u>	<u>1,968</u>
Net cash used in financing activities	<u>(34,800,231)</u>	<u>(34,313,928)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>52,556</u>	<u>(12,942)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,413,980	9,358,969
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>39,778,624</u>	<u>30,419,655</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 50,192,604</u>	<u>\$ 39,778,624</u>

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Chunghwa Telecom Co., Ltd.

Opinion

We have audited the accompanying financial statements of Chunghwa Telecom Co., Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the financial statements for the year ended December 31, 2022 is as follows:

Revenue Recognition on Mobile Service

Refer to Notes 3 and 38 to the financial statements.

The Company's mobile service revenue consists of subscriber-based charges made up of a significant volume of low-dollar transactions. Because of the complexity and a variety of subscriber-based charges as well as a large number of transactions, the Company uses highly automated systems to process and record its revenue transactions.

Given the Company's systems to process and record revenue are highly automated, auditing revenue was complex and challenging due to the extent of audit effort required and involvement of professionals with

expertise in information technology (IT) necessary for us to identify, test, and evaluate the Company's IT systems.

Our audit procedures related to the Company's systems to process revenue transactions included the following, among others:

- With the assistance of our IT specialists, we:
 - Identified the significant systems used to process revenue transactions and tested the general IT controls over each of these systems, including testing of user access controls and change management controls.
 - Performed testing of system interface controls and automated controls within the relevant revenue streams, as well as the controls designed to ensure the accuracy and completeness of revenue.
- We tested manual controls within the relevant revenue business processes, including those in place to reconcile the various systems to the Company's accounting system.
- We selected samples from mobile service revenue and agreed to customer contracts and records of cash receipts.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2022, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Yih-Shin Kao and Mei Yen Chiang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 24, 2023

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

CHUNGHWA TELECOM CO., LTD.

BALANCE SHEETS DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 37,976,062	8	\$ 28,289,556	6
Financial assets at fair value through profit or loss	3,514	-	-	-
Hedging financial assets	12,891	-	-	-
Contract assets	2,114,559	1	1,982,596	1
Trade notes and accounts receivable, net	21,449,052	4	20,691,664	4
Receivables from related parties	1,209,306	-	1,789,959	-
Inventories	4,903,003	1	5,278,144	1
Prepayments	1,428,124	-	1,643,733	-
Other current monetary assets	1,376,203	-	1,359,713	-
Other current assets	<u>3,382,727</u>	<u>1</u>	<u>2,844,972</u>	<u>1</u>
Total current assets	<u>73,855,441</u>	<u>15</u>	<u>63,880,337</u>	<u>13</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss	978,196	-	884,670	-
Financial assets at fair value through other comprehensive income	3,143,866	1	3,058,606	1
Investments accounted for using equity method	20,396,082	4	20,120,401	4
Contract assets	1,212,847	-	1,105,747	-
Property, plant and equipment	281,135,193	56	279,910,890	57
Right-of-use assets	10,533,019	2	10,737,544	2
Investment properties	9,974,127	2	9,832,904	2
Intangible assets	78,697,640	16	83,435,418	17
Deferred income tax assets	1,935,053	-	2,271,292	1
Incremental costs of obtaining contracts	7,704,427	2	6,899,240	1
Net defined benefit assets	5,240,239	1	3,369,703	1
Prepayments	878,600	-	937,318	-
Other noncurrent assets	<u>3,940,642</u>	<u>1</u>	<u>4,100,621</u>	<u>1</u>
Total noncurrent assets	<u>425,769,931</u>	<u>85</u>	<u>426,664,354</u>	<u>87</u>
TOTAL	<u>\$ 499,625,372</u>	<u>100</u>	<u>\$ 490,544,691</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss	\$ -	-	\$ 6,180	-
Hedging financial liabilities	-	-	8,286	-
Contract liabilities	12,790,467	3	11,537,157	2
Trade notes and accounts payable	12,438,047	3	14,119,843	3
Payables to related parties	3,715,122	1	3,448,259	1
Current tax liabilities	4,580,440	1	4,079,823	1
Lease liabilities	3,038,698	1	2,918,782	1
Other payables	21,102,682	4	20,362,594	4
Provisions	130,161	-	175,454	-
Other current liabilities	<u>952,411</u>	<u>-</u>	<u>939,652</u>	<u>-</u>
Total current liabilities	<u>58,748,028</u>	<u>13</u>	<u>57,596,030</u>	<u>12</u>
NONCURRENT LIABILITIES				
Contract liabilities	5,680,583	1	5,063,165	1
Bonds payable	30,477,357	6	26,976,675	5
Deferred income tax liabilities	2,276,910	-	2,160,049	-
Provisions	169,168	-	141,865	-
Lease liabilities	7,066,749	1	7,037,599	2
Customers' deposits	4,991,461	1	4,881,790	1
Net defined benefit liabilities	2,224,847	-	2,188,572	-
Other noncurrent liabilities	<u>6,811,382</u>	<u>1</u>	<u>5,164,100</u>	<u>1</u>
Total noncurrent liabilities	<u>59,698,457</u>	<u>10</u>	<u>53,613,815</u>	<u>10</u>
Total liabilities	<u>118,446,485</u>	<u>23</u>	<u>111,209,845</u>	<u>22</u>
EQUITY				
Common stocks	<u>77,574,465</u>	<u>16</u>	<u>77,574,465</u>	<u>16</u>
Additional paid-in capital	<u>171,300,898</u>	<u>34</u>	<u>171,279,625</u>	<u>35</u>
Retained earnings				
Legal reserve	77,574,465	16	77,574,465	16
Special reserve	3,083,569	1	2,675,419	1
Unappropriated earnings	<u>51,868,574</u>	<u>10</u>	<u>50,639,022</u>	<u>10</u>
Total retained earnings	<u>132,526,608</u>	<u>27</u>	<u>130,888,906</u>	<u>27</u>
Others	<u>(223,084)</u>	<u>-</u>	<u>(408,150)</u>	<u>-</u>
Total equity	<u>381,178,887</u>	<u>77</u>	<u>379,334,846</u>	<u>78</u>
TOTAL	<u>\$ 499,625,372</u>	<u>100</u>	<u>\$ 490,544,691</u>	<u>100</u>

CHUNGHWA TELECOM CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
REVENUES	\$ 182,254,339	100	\$ 178,843,350	100
OPERATING COSTS	<u>113,210,698</u>	<u>62</u>	<u>113,928,789</u>	<u>64</u>
GROSS PROFIT	<u>69,043,641</u>	<u>38</u>	<u>64,914,561</u>	<u>36</u>
OPERATING EXPENSES				
Marketing	17,583,419	10	16,024,280	9
General and administrative	5,242,664	3	3,885,112	2
Research and development	2,812,225	2	2,837,425	2
Expected credit loss	<u>115,870</u>	<u>-</u>	<u>141,794</u>	<u>-</u>
Total operating expenses	<u>25,754,178</u>	<u>15</u>	<u>22,888,611</u>	<u>13</u>
OTHER INCOME AND EXPENSES	<u>102,882</u>	<u>-</u>	<u>(342,764)</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>43,392,345</u>	<u>23</u>	<u>41,683,186</u>	<u>23</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	191,932	-	56,471	-
Other income	255,214	-	255,445	-
Other gains and losses	(494,392)	-	471,086	-
Interest expense	(220,498)	-	(190,093)	-
Share of profits of subsidiaries, associates and joint ventures accounted for using equity method	<u>1,784,364</u>	<u>1</u>	<u>1,611,361</u>	<u>1</u>
Total non-operating income and expenses	<u>1,516,620</u>	<u>1</u>	<u>2,204,270</u>	<u>1</u>
INCOME BEFORE INCOME TAX	44,908,965	24	43,887,456	24
INCOME TAX EXPENSE	<u>8,431,808</u>	<u>5</u>	<u>8,133,877</u>	<u>5</u>
NET INCOME	<u>36,477,157</u>	<u>19</u>	<u>35,753,579</u>	<u>19</u>

(Continued)

CHUNGHWA TELECOM CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified to profit or loss:				
Remeasurements of defined benefit pension plans	\$ 1,116,673	1	\$ 398,352	-
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	92,444	-	(1,208,027)	(1)
Gain or loss on hedging instruments subject to basis adjustment	21,177	-	(10,038)	-
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	(191,987)	-	12,698	-
Income tax relating to items that will not be reclassified to profit or loss	<u>(223,335)</u>	<u>-</u>	<u>(79,670)</u>	<u>-</u>
	<u>814,972</u>	<u>1</u>	<u>(886,685)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising from the translation of the foreign operations	262,176	-	(76,359)	-
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	<u>14,777</u>	<u>-</u>	<u>(1,386)</u>	<u>-</u>
	<u>276,953</u>	<u>-</u>	<u>(77,745)</u>	<u>-</u>
Total other comprehensive income (loss), net of income tax	<u>1,091,925</u>	<u>1</u>	<u>(964,430)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 37,569,082</u>	<u>20</u>	<u>\$ 34,789,149</u>	<u>18</u>
EARNINGS PER SHARE				
Basic	<u>\$ 4.70</u>		<u>\$ 4.61</u>	
Diluted	<u>\$ 4.70</u>		<u>\$ 4.60</u>	

(Concluded)

CHUNGHWA TELECOM CO., LTD.

**STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)**

	Common Stocks	Additional Paid-in Capital	Retained Earnings			Exchange Differences Arising from the Translation of the Foreign Operations	Others		Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain or Loss on Financial Assets at Fair Value through Other Comprehensive Income	Gain or Loss on Hedging Instruments	
BALANCE, JANUARY 1, 2021	\$ 77,574,465	\$ 171,261,379	\$ 77,574,465	\$ 2,675,419	\$ 47,918,166	\$ (314,531)	\$ 1,239,901	\$ 1,752	\$ 377,931,016
Appropriation of 2020 earnings	-	-	-	-	(33,403,565)	-	-	-	(33,403,565)
Cash dividends	-	-	-	-	-	-	-	-	-
Unclaimed dividend	-	1,968	-	-	-	-	-	-	1,968
Change in additional paid-in capital from investments in subsidiaries, associates and joint ventures accounted for using equity method	-	16,278	-	-	-	-	-	-	16,278
Net income for the year ended December 31, 2021	-	-	-	-	35,753,579	-	-	-	35,753,579
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	311,189	(77,745)	(1,187,836)	(10,038)	(964,430)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	36,064,768	(77,745)	(1,187,836)	(10,038)	34,789,149
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	94,588	-	(94,588)	-	-
Disposal of investments in equity instruments at fair value through other comprehensive income by subsidiaries	-	-	-	-	(34,935)	-	34,935	-	-
BALANCE, DECEMBER 31, 2021	77,574,465	171,279,625	77,574,465	2,675,419	50,639,022	(392,276)	(7,588)	(8,286)	379,334,846
Appropriation of 2021 earnings	-	-	-	408,150	(408,150)	-	-	-	-
Special reserve	-	-	-	408,150	(408,150)	-	-	-	-
Cash dividends	-	-	-	-	(35,746,314)	-	-	-	(35,746,314)
Unclaimed dividend	-	1,632	-	-	-	-	-	-	1,632
Change in additional paid-in capital from investments in subsidiaries, associates and joint ventures accounted for using equity method	-	14,488	-	-	-	-	-	-	14,488
Change in additional paid-in capital for not proportionately participating in the capital increase of subsidiaries	-	5,153	-	-	-	-	-	-	5,153
Net income for the year ended December 31, 2022	-	-	-	-	36,477,157	-	-	-	36,477,157
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	906,975	281,063	(117,290)	21,177	1,091,925
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	37,384,132	281,063	(117,290)	21,177	37,569,082
Disposal of investments in equity instruments at fair value through other comprehensive income by subsidiaries	-	-	-	-	(116)	-	116	-	-
BALANCE, DECEMBER 31, 2022	\$ 77,574,465	\$ 171,300,898	\$ 77,574,465	\$ 3,083,569	\$ 51,868,574	\$ (111,213)	\$ (124,762)	\$ 12,891	\$ 381,178,887

CHUNGHWA TELECOM CO., LTD.

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 44,908,965	\$ 43,887,456
Adjustments for:		
Depreciation	31,637,715	30,748,863
Amortization	6,545,816	6,475,933
Amortization of incremental costs of obtaining contracts	5,787,729	5,684,693
Expected credit loss	115,870	141,794
Interest expense	220,498	190,093
Interest income	(191,932)	(56,471)
Dividend income	(150,569)	(149,918)
Share of profits of subsidiaries, associates and joint ventures accounted for using equity method	(1,784,364)	(1,611,361)
Loss on disposal of property, plant and equipment	4,585	5,603
Gain on disposal of investments accounted for using equity method	-	(3,239)
Provision for impairment loss and obsolescence of inventory	9,252	163,193
Impairment loss on right-of-use assets	-	420,590
Reversal of impairment loss on investment properties	(107,467)	(83,429)
Valuation loss (gain) on financial assets and liabilities at fair value through profit or loss, net	198,534	(243,417)
Others	251,791	(139,079)
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Contract assets	(239,255)	(347,693)
Trade notes and accounts receivable	(817,154)	(1,149,116)
Receivables from related parties	580,653	(449,409)
Inventories	365,889	1,605,349
Prepayments	274,327	263,649
Other current monetary assets	84,274	(304,927)
Other current assets	(537,755)	(661,501)
Incremental cost of obtaining contracts	(6,592,916)	(5,568,854)
Increase (decrease) in:		
Contract liabilities	1,870,728	(1,402,756)
Trade notes and accounts payable	(1,678,057)	1,888,527
Payables to related parties	266,863	67,771
Other payables	791,532	(77,677)
Provisions	(17,990)	2,437
Other current liabilities	35,291	(12,186)
Net defined benefit plans	(717,588)	(748,165)
Cash generated from operations	81,115,265	78,536,753
Interests paid	(59,037)	(57,637)
Income taxes paid	(7,701,426)	(7,470,701)
Net cash provided by operating activities	<u>73,354,802</u>	<u>71,008,415</u>

(Continued)

CHUNGHWA TELECOM CO., LTD.

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through other comprehensive income	\$ -	\$ 2,907,367
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	7,184	-
Acquisition of financial assets at fair value through profit or loss	(323,321)	-
Proceeds from capital reduction of financial assets at fair value through profit or loss	65,967	-
Acquisition of time deposits and negotiable certificates of deposit with maturities of more than three months	(4,013,040)	(13,133,853)
Proceeds from disposal of time deposits and negotiable certificates of deposit with maturities of more than three months	4,033,853	13,111,803
Acquisition of investments accounted for using equity method	-	(273,800)
Proceeds from disposal of investments accounted for using equity method	-	8,519
Proceeds from capital reduction of investments accounted for using equity method	-	813,793
Acquisition of property, plant and equipment	(29,630,706)	(34,302,157)
Proceeds from disposal of property, plant and equipment	15,413	15,454
Acquisition of intangible assets	(1,808,038)	(187,945)
Acquisition of investment properties	(18,333)	(146)
Decrease in other noncurrent assets	104,902	213,694
Interests received	164,371	57,190
Cash dividends received from others	150,569	149,918
Cash dividends received from subsidiaries, associates and joint ventures accounted for using equity method	<u>1,465,692</u>	<u>1,235,130</u>
Net cash used in investing activities	<u>(29,785,487)</u>	<u>(29,385,033)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term bills payable	-	5,000,000
Repayments of short-term bills payable	-	(12,000,000)
Proceeds from issuance of bonds	3,500,000	7,000,000
Payments for transaction costs attributable to the issuance of bonds	(4,463)	(7,675)
Increase in customers' deposits	87,139	134,718
Payments for the principal of lease liabilities	(3,368,085)	(3,342,213)
Increase in other noncurrent liabilities	1,647,282	3,192,888
Cash dividends paid	(35,746,314)	(33,403,565)
Unclaimed dividend	<u>1,632</u>	<u>1,968</u>
Net cash used in financing activities	<u>(33,882,809)</u>	<u>(33,423,879)</u>

(Continued)

CHUNGHWA TELECOM CO., LTD.

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 9,686,506	\$ 8,199,503
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>28,289,556</u>	<u>20,090,053</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 37,976,062</u>	<u>\$ 28,289,556</u>

(Concluded)

II. Ratification of 2022 earnings distribution proposal

Proposed by the Board of Directors

Explanation:

1. The Company's 2022 financial statements have been finalized, and earnings shall be distributed as stipulated in the 2022 Earnings Distribution Proposal on the following page. It is proposed that cash dividends paid to stockholders of NT\$36,475,513,654. Common stockholders will receive cash dividends of NT\$4.702 per share based on their number of shares held as recorded on the ex-dividend base date. The aforementioned cash dividends will be distributed to stockholders from 2022 earnings as a priority.
2. Each shareholder's cash dividend shall be issued to the rounded-down full NT dollar (fractional amount be ignored). The sum of all cash dividends less than NT\$1 shall be allocated in line with a progressive decrease in decimal numbers and a progressive increase in shareholders' ID number so that the total dividend distribution is fully paid. After which, the Chairman shall set a record date of ex-cash dividend for distribution after ratification by the Annual General Meeting.
3. Should the Company's capital position change in the future, requiring adjustments in the cash distribution ratio, it is proposed that the Chairman be authorized to manage the change in the cash distribution ratio.
4. This proposal was approved by the 5th meeting of the 10th Board of Directors on February 24, 2023 and is hereby submitted to the Annual General Meeting for ratification.

Resolution:

Chunghwa Telecom Co., Ltd.
2022 Earnings Distribution Proposal

Units: NT\$

Source items:		
Unappropriated retained earnings, beginning balance		14,484,557,959
Remeasurements of defined benefit pension plans recognized in retained earnings	906,976,236	
Disposal loss of investments in equity instruments at fair value through other comprehensive income by subsidiaries	(115,767)	
Net income of 2022	36,477,157,498	37,384,017,967
Appropriation of legal reserve (amounted to the authorized capital)		0
Reversal of special reserves according to Securities and Exchange Act		185,066,073
Distributable retained earnings for 2022		52,053,641,999
Distribution items:		
Cash dividends to stockholders (total of 7,757,446,545 shares x NT\$4.702 per share)		(36,475,513,654)
Unappropriated retained earnings, ending balance		15,578,128,345
Notes: The amount of "Unappropriated retained earnings, beginning balance" is the same as the amount of "Unappropriated retained earnings, ending balance" on the Earnings Distribution Proposal approved at the 2022 annual general meeting.		

Chairman and Chief Executive Officer: Chi-Mau Sheih

President: Shui-Yi Kuo

Vice President, Accounting Department: Shu-Ling Chen

Matters for Discussion

I. Amendments to the Articles of Incorporation

Proposed by the Board of Directors

Explanation:

1. In response to the global trend of net zero emissions and to actively promote the environmental sustainability, it is proposed to add a new business item of "Electric Power Generation (D101011)" in order to invest in renewable energy related business. In addition, in order to continuously promote the Company's maritime satellite communications service and to meet such business needs, it is proposed to add a new business item of "Commercial Port Area Ship-repair (CD01070)". Article 2 of the Articles of Incorporation are proposed to be amended accordingly by adding business items from Item 55 to Item 56 and the numbering for the original Item 55 is moved to Item 57 accordingly:
 - (1) "Electric Power Generation (D101011)"
 - (2) "Commercial Port Area Ship-repair (CD01070)"
2. The comparison table for the draft amendment to the Article 2 of the Articles of Incorporation of Chunghwa Telecom Co., Ltd. is attached.
3. This proposal was resolved by the 4th meeting of the 10th Board of Directors on January 31, 2023 and is hereby submitted to the Annual General Meeting for resolution.

Resolution:

The comparison table of the proposed amendments to Article 2 of the Articles of Incorporation of Chunghwa Telecom Co., Ltd.

1. All of 26 articles adopted by Promoters Meeting on June 11, 1996.
2. Article 15 amended by the Annual General Meeting on December 26, 1997.
3. Articles 2 and 22 amended by the Annual General Meeting on November 25, 1998.
4. Paragraph 1 of Article 21 amended by the Extraordinary General Meeting on July 13, 1999.
5. Articles 2, 3, 6, 7, 10, 12, 13, 19, 21, and 22 amended, and Articles 6-1 and 7-1 added by the Annual General Meeting on June 4, 2001.
6. Articles 2, 7, 8, 9, 10, 19, 21, and 22 amended and Article 5 deleted by the Annual General Meeting on June 21, 2002.
7. Article 2 amended by the Annual General Meeting on June 17, 2003.
8. Articles 2 and 22 amended by the Annual General Meeting on June 25, 2004.
9. Articles 2, 3, 6, 10, 11, 12, 14, 17, 19, 20, 22, 23, and 25 amended, and Articles 12-1, 18-1, and 18-2 added by the Annual General Meeting on May 30, 2006.
10. Articles 2, 12-1, 14, 22, and 23 amended, and Article 18-1 deleted by the Annual General Meeting on June 15, 2007.
11. Articles 2, 6, and 14 amended by the Annual General Meeting on June 19, 2008.
12. Articles 2, 6, 12 and 13 amended, and Article 6-1 deleted by the Annual General Meeting on June 19, 2009.
13. Article 2 amended by the Annual General Meeting on June 18, 2010.
14. The title of Chapter IV and Articles 12, 12-1, 14, 19, 20, and 22 amended by the Annual General Meeting on June 22, 2012.
15. The title of Chapter IV, Articles 2, 12, 13, 18-2, 21 and 22 amended; Articles 17 and 18 deleted, and Article 13-1 added by the Annual General Meeting on June 25, 2013.
16. Articles 2 and 15 amended by the Annual General Meeting on June 24, 2014.
17. Articles 1, 2 and 7-1 amended by the Annual General Meeting on June 26, 2015.
18. Articles 2 and 22 amended, and Article 22-1 added by the Annual General Meeting on June 24, 2016.
19. Article 2 amended by the Annual General Meeting on June 15, 2018.
20. Article 2 amended by the Annual General Meeting on June 21, 2019.
21. Article 2 amended by the Annual General Meeting on May 29, 2020.
22. Article 1, 2, 14, 19 and 20 amended by the Annual General Meeting on August 20, 2021.
23. Article 8 amended by the Annual General Meeting on May 27, 2022.
24. Article 2 amended by the Annual General Meeting on May 26, 2023.

Draft Amendment	Current Articles	Explanatory Notes
<p>Article 2</p> <p>The scope of business of the Company shall be as follows:</p> <p>1) Telecommunications Enterprises (G903010);</p> <p>2) Installation of the Computer Equipment Business (E605010);</p> <p>3) Telecommunication Equipment Wholesale Business (F113070);</p> <p>4) Telecommunication Equipment Retail Business (F213060);</p> <p>5) Telecommunication Engineering Business (E701010);</p>	<p>Article 2</p> <p>The scope of business of the Company shall be as follows:</p> <p>1) Telecommunications Enterprises (G903010);</p> <p>2) Installation of the Computer Equipment Business (E605010);</p> <p>3) Telecommunication Equipment Wholesale Business (F113070);</p> <p>4) Telecommunication Equipment Retail Business (F213060);</p> <p>5) Telecommunication Engineering Business (E701010);</p>	<p>1. In response to the global trend of net zero emissions and to promote the environmental sustainability, it is proposed to add a new business item of "Electric Power Generation (D101011)" in order to invest in renewable energy related business. The Item 55 of "Electric Power Generation (D101011)" is newly</p>

Draft Amendment	Current Articles	Explanatory Notes
<p>6) Installation of the Radio-Frequency Equipment whose operation is controlled by the Telecommunication Business (E701030);</p> <p>7) Information Software Service Business (I301010);</p> <p>8) Rental Business (JE01010);</p> <p>9) Other Wholesale Businesses (F199990);</p> <p>10) Management and Consulting Service Business (I103060);</p> <p>11) Other Corporation Service Businesses (IZ99990);</p> <p>12) Other Retail Businesses (F299990);</p> <p>13) Online Certification Service Businesses (IZ13010);</p> <p>14) Supply of Electronic Information Service Businesses (I301030);</p> <p>15) Information Process Service Business (I301020);</p> <p>16) Telecommunication Account Application Agency Businesses (IE01010);</p> <p>17) Residential and Commercial Building Development, Rental and Sales Businesses (H701010);</p> <p>18) Development of Special District/Zone Businesses (H701040);</p> <p>19) Real Estate Rental Businesses (H703100);</p> <p>20) Community Common Cable Television Equipment Businesses (J502020);</p> <p>21) Exhibition Service Businesses (JB01010);</p> <p>22) Parking Lot Operation Businesses (G202010);</p> <p>23) Environmental Assessment Service Businesses (J101050);</p> <p>24) Computer and Accessories Manufacturing Service (CC01110);</p> <p>25) Information Storage and Process Equipment</p>	<p>6) Installation of the Radio-Frequency Equipment whose operation is controlled by the Telecommunication Business (E701030);</p> <p>7) Information Software Service Business (I301010);</p> <p>8) Rental Business (JE01010);</p> <p>9) Other Wholesale Businesses (F199990);</p> <p>10) Management and Consulting Service Business (I103060);</p> <p>11) Other Corporation Service Businesses (IZ99990);</p> <p>12) Other Retail Businesses (F299990);</p> <p>13) Online Certification Service Businesses (IZ13010);</p> <p>14) Supply of Electronic Information Service Businesses (I301030);</p> <p>15) Information Process Service Business (I301020);</p> <p>16) Telecommunication Account Application Agency Businesses (IE01010);</p> <p>17) Residential and Commercial Building Development, Rental and Sales Businesses (H701010);</p> <p>18) Development of Special District/Zone Businesses (H701040);</p> <p>19) Real Estate Rental Businesses (H703100);</p> <p>20) Community Common Cable Television Equipment Businesses (J502020);</p> <p>21) Exhibition Service Businesses (JB01010);</p> <p>22) Parking Lot Operation Businesses (G202010);</p> <p>23) Environmental Assessment Service Businesses (J101050);</p> <p>24) Computer and Accessories Manufacturing Service (CC01110);</p> <p>25) Information Storage and Process Equipment</p>	<p>added under this Article.</p> <p>2. In order to continuously promote the Company's maritime satellite communications service and to meet such business needs, Item 56 of "Commercial Port Area Ship-repair (CD01070)" is newly added under this Article.</p> <p>3. The numbering for the original Item 55 is moved to Item 57 accordingly.</p>

Draft Amendment	Current Articles	Explanatory Notes
<p>Manufacturing Businesses (CC01120);</p> <p>26) Other Electrical and Electronic Machinery & Equipment Manufacturing Businesses (CC01990);</p> <p>27) General Hotel Business (J901020);</p> <p>28) Computer and Administrative Device Wholesale Businesses (F113050);</p> <p>29) Information Software Wholesale Businesses (F118010);</p> <p>30) Computer and Administrative Device Retail Businesses (F213030);</p> <p>31) Information Software Rental Businesses (F218010);</p> <p>32) Energy Service Business (IG03010);</p> <p>33) Engineering Consulting Business (I101061);</p> <p>34) Refrigeration and Air-Conditioning Consulting Business (E602011);</p> <p>35) Automatic Control Equipment Engineering Business (E603050);</p> <p>36) Lighting Equipment Installation Business (E603090);</p> <p>37) Non-store Retailer Business (F399040);</p> <p>38) Power Equipment Installation and Maintenance Business (E601010) ;</p> <p>39) Electrical Appliance Installation Business (E601020) ;</p> <p>40) Instrument Installation Engineering Business (EZ05010) ;</p> <p>41) Television Program Production Business (J503020) ;</p> <p>42) Broadcasting and Television Program Launch Business (J503030) ;</p>	<p>Manufacturing Businesses (CC01120);</p> <p>26) Other Electrical and Electronic Machinery & Equipment Manufacturing Businesses (CC01990);</p> <p>27) General Hotel Business (J901020);</p> <p>28) Computer and Administrative Device Wholesale Businesses (F113050);</p> <p>29) Information Software Wholesale Businesses (F118010);</p> <p>30) Computer and Administrative Device Retail Businesses (F213030);</p> <p>31) Information Software Rental Businesses (F218010);</p> <p>32) Energy Service Business (IG03010);</p> <p>33) Engineering Consulting Business (I101061);</p> <p>34) Refrigeration and Air-Conditioning Consulting Business (E602011);</p> <p>35) Automatic Control Equipment Engineering Business (E603050);</p> <p>36) Lighting Equipment Installation Business (E603090);</p> <p>37) Non-store Retailer Business (F399040);</p> <p>38) Power Equipment Installation and Maintenance Business (E601010) ;</p> <p>39) Electrical Appliance Installation Business (E601020) ;</p> <p>40) Instrument Installation Engineering Business (EZ05010) ;</p> <p>41) Television Program Production Business (J503020) ;</p> <p>42) Broadcasting and Television Program Launch Business (J503030) ;</p>	

Draft Amendment	Current Articles	Explanatory Notes
<p>43) Broadcasting and Television Advertising Business (J503040) ;</p> <p>44) Production, Licensed Recording and Supply of Videotape Program Business (J503050) ;</p> <p>45) The Third Party Payment Business (I301040);</p> <p>46) Water Pipe Construction Business (E501011);</p> <p>47) Machinery and Equipment Manufacturing Business (CB01010);</p> <p>48) Traffic Signals Installation and Construction Business (E603080);</p> <p>49) Traffic Labels Construction Business (EZ06010);</p> <p>50) Medical Device Wholesale Business (F108031);</p> <p>51) Medical Device Retail Business (F208031);</p> <p>52) Metrological Instruments Importing Business (F401181);</p> <p>53) Metrological Instruments Repairing Business (JA02051);</p> <p>54) Metrological Instruments Manufacturing Business (CE01021);</p> <p>55) <u>Electric Power Generation (D101011);</u></p> <p>56) <u>Commercial Port Area Ship-repair (CD01070);</u></p> <p>57) Except the permitted business, the Company may engage in other businesses not prohibited or restricted by laws and regulations (ZZ99999).</p> <p>The Company may handle endorsement and guaranty affairs in accordance with the Operation Procedures for the Endorsement and Guaranty of the Company if there is any business need.</p>	<p>43) Broadcasting and Television Advertising Business (J503040) ;</p> <p>44) Production, Licensed Recording and Supply of Videotape Program Business (J503050) ;</p> <p>45) The Third Party Payment Business (I301040);</p> <p>46) Water Pipe Construction Business (E501011);</p> <p>47) Machinery and Equipment Manufacturing Business (CB01010);</p> <p>48) Traffic Signals Installation and Construction Business (E603080);</p> <p>49) Traffic Labels Construction Business (EZ06010);</p> <p>50) Medical Device Wholesale Business (F108031);</p> <p>51) Medical Device Retail Business (F208031);</p> <p>52) Metrological Instruments Importing Business (F401181);</p> <p>53) Metrological Instruments Repairing Business (JA02051);</p> <p>54) Metrological Instruments Manufacturing Business (CE01021);</p> <p>55) Except the permitted business, the Company may engage in other businesses not prohibited or restricted by laws and regulations (ZZ99999).</p> <p>The Company may handle endorsement and guaranty affairs in accordance with the Operation Procedures for the Endorsement and Guaranty of the Company if there is any business need.</p>	

II. Release of non-competition restrictions on Directors

Proposed by the Board of Directors

Explanation:

1. According to Article 209 of the Company Act and Article 12 of the Meeting Rules of Order of the Board of Directors of Chunghwa Telecom Co., Ltd., a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall submit to the Board of Directors for discussion and explain to the meeting of shareholders the essential contents of such an act and to obtain its approval.
2. One of the Company's directors concurrently acts as a supervisor or run business for another institution which has the same or similar lines of business with the Company. Hence it is proposed to the shareholders' meeting to release the non-competition restrictions on the director in accordance with the laws.
3. It is proposed to release the non-competition restrictions on Director Hsiu-Chuan Tsai when she assumes the position at the following institution:

Director	Position at the institution with same or similar lines of business	Same or similar lines of business of the Company
Hsiu-Chuan Tsai (Director)	Supervisor, Central News Agency	Rental Business, Management and Consulting Service Business, Other Corporation Service Businesses, Supply of Electronic Information Service Businesses, Real Estate Rental Businesses, Television Program Production Business, Broadcasting and Television Program Launch Business, Broadcasting and Television Advertising Business

4. This proposal was approved by the 2nd meeting of the 10th Board of Directors on August 5, 2022 and is hereby submitted to Annual General Meeting for resolution.

Resolution:

Extemporaneous Motions

Meeting Adjourned

The Company's Rules

I. Articles of Incorporation of Chunghwa Telecom Co., Ltd.

1. All of 26 articles adopted by Promoters Meeting on June 11, 1996.
2. Article 15 amended by the Annual General Meeting on December 26, 1997.
3. Articles 2 and 22 amended by the Annual General Meeting on November 25, 1998.
4. Paragraph 1 of Article 21 amended by the Extraordinary General Meeting on July 13, 1999.
5. Articles 2, 3, 6, 7, 10, 12, 13, 19, 21, and 22 amended, and Articles 6-1 and 7-1 added by the Annual General Meeting on June 4, 2001.
6. Articles 2, 7, 8, 9, 10, 19, 21, and 22 amended and Article 5 deleted by the Annual General Meeting on June 21, 2002.
7. Article 2 amended by the Annual General Meeting on June 17, 2003.
8. Articles 2 and 22 amended by the Annual General Meeting on June 25, 2004.
9. Articles 2, 3, 6, 10, 11, 12, 14, 17, 19, 20, 22, 23, and 25 amended, and Articles 12-1, 18-1, and 18-2 added by the Annual General Meeting on May 30, 2006.
10. Articles 2, 12-1, 14, 22, and 23 amended, and Article 18-1 deleted by the Annual General Meeting on June 15, 2007.
11. Articles 2, 6, and 14 amended by the Annual General Meeting on June 19, 2008.
12. Articles 2, 6, 12 and 13 amended, and Article 6-1 deleted by the Annual General Meeting on June 19, 2009.
13. Article 2 amended by the Annual General Meeting on June 18, 2010.
14. The title of Chapter IV and Articles 12, 12-1, 14, 19, 20, and 22 amended by the Annual General Meeting on June 22, 2012.
15. The title of Chapter IV, Articles 2, 12, 13, 18-2, 21 and 22 amended; Articles 17 and 18 deleted, and Article 13-1 added by the Annual General Meeting on June 25, 2013.
16. Articles 2 and 15 amended by the Annual General Meeting on June 24, 2014.
17. Articles 1, 2 and 7-1 amended by the Annual General Meeting on June 26, 2015.
18. Articles 2 and 22 amended, and Article 22-1 added by the Annual General Meeting on June 24, 2016.
19. Article 2 amended by the Annual General Meeting on June 15, 2018.
20. Article 2 amended by the Annual General Meeting on June 21, 2019.
21. Article 2 amended by the Annual General Meeting on May 29, 2020.
22. Article 1, 2, 14, 19 and 20 amended by the Annual General Meeting on August 20, 2021.
23. Article 8 amended by the Annual General Meeting on May 27, 2022.

Chapter I - General Provisions

Article 1 - The Company is promoted by the Ministry of Transportation and Communications ("MOTC") and others and organized under the Telecommunication Law and the provisions of the Company Law pertaining to companies limited by shares and is named "Chunghwa Telecom Co., Ltd."

The English name of the Company is "Chunghwa Telecom Co., Ltd."

In response to the implementation of Telecommunications Management Act, the Company has completed the telecommunication business conversion registration on September 30, 2020, and the telecommunication business is changed to be governed under the Telecommunications Management Act.

Article 2 - The scope of business of the Company shall be as follows:

- 1) Telecommunications Enterprises (G903010);
- 2) Installation of the Computer Equipment Business (E605010);
- 3) Telecommunication Equipment Wholesale Business (F113070);
- 4) Telecommunication Equipment Retail Business (F213060);

- 5) Telecommunication Engineering Business (E701010);
- 6) Installation of the Radio-Frequency Equipment whose operation is controlled by the Telecommunication Business (E701030);
- 7) Information Software Service Business (I301010);
- 8) Rental Business (JE01010);
- 9) Other Wholesale Businesses (F199990);
- 10) Management and Consulting Service Business (I103060);
- 11) Other Corporation Service Businesses (IZ99990);
- 12) Other Retail Businesses (F299990);
- 13) Online Certification Service Businesses (IZ13010);
- 14) Supply of Electronic Information Service Businesses (I301030);
- 15) Information Process Service Business (I301020);
- 16) Telecommunication Account Application Agency Businesses (IE01010);
- 17) Residential and Commercial Building Development, Rental and Sales Businesses (H701010);
- 18) Development of Special District/Zone Businesses (H701040);
- 19) Real Estate Rental Businesses (H703100);
- 20) Community Common Cable Television Equipment Businesses (J502020);
- 21) Exhibition Service Businesses (JB01010);
- 22) Parking Lot Operation Businesses (G202010);
- 23) Environmental Assessment Service Businesses (J101050);
- 24) Computer and Accessories Manufacturing Service (CC01110);
- 25) Information Storage and Process Equipment Manufacturing Businesses (CC01120);
- 26) Other Electrical and Electronic Machinery & Equipment Manufacturing Businesses (CC01990);
- 27) General Hotel Business (J901020);
- 28) Computer and Administrative Device Wholesale Businesses (F113050);
- 29) Information Software Wholesale Businesses (F118010);
- 30) Computer and Administrative Device Retail Businesses (F213030);
- 31) Information Software Rental Businesses (F218010);
- 32) Energy Service Business (IG03010);
- 33) Engineering Consulting Business (I101061);
- 34) Refrigeration and Air-Conditioning Consulting Business (E602011);
- 35) Automatic Control Equipment Engineering Business (E603050);
- 36) Lighting Equipment Installation Business (E603090);
- 37) Non-store Retailer Business (F399040);
- 38) Power Equipment Installation and Maintenance Business (E601010) ;
- 39) Electrical Appliance Installation Business (E601020) ;
- 40) Instrument Installation Engineering Business (EZ05010) ;
- 41) Television Program Production Business (J503020) ;
- 42) Broadcasting and Television Program Launch Business (J503030) ;
- 43) Broadcasting and Television Advertising Business (J503040) ;
- 44) Production, Licensed Recording and Supply of Videotape Program Business (J503050) ;
- 45) The Third Party Payment Business (I301040);
- 46) Water Pipe Construction Business (E501011);

- 47) Machinery and Equipment Manufacturing Business (CB01010);
- 48) Traffic Signals Installation and Construction Business (E603080);
- 49) Traffic Labels Construction Business (EZ06010);
- 50) Medical Device Wholesale Business (F108031);
- 51) Medical Device Retail Business (F208031);
- 52) Metrological Instruments Importing Business (F401181);
- 53) Metrological Instruments Repairing Business (JA02051);
- 54) Metrological Instruments Manufacturing Business (CE01021);
- 55) Except the permitted business, the Company may engage in other businesses not prohibited or restricted by laws and regulations (ZZ99999).

The Company may handle endorsement and guaranty affairs in accordance with the Operation Procedures for the Endorsement and Guaranty of the Company if there is any business needs.

Article 3 - In the event that the Company invests in another business as a limited-liability shareholder, the total investment amount may not exceed the total paid-in capital of the Company. Investment not related to telecommunications may not exceed 20% of the total paid-in capital of the Company.

Article 4 - The head office of the Company is located in Taipei City and the Company may establish branch office(s) and liaison office(s) at appropriate locations within or outside the territory of the Republic of China.

Article 5 - (Deleted)

Chapter II - Shares

Article 6 - The registered capital of the Company shall be One Hundred Twenty Billion New Taiwan Dollars (NT\$120,000,000,000), divided into Twelve Billion (12,000,000,000) common shares with a par value of Ten New Taiwan Dollars (NT\$10) per share. All the shares shall be issued in increments.

Two Hundred Million shares shall be set aside from the aforementioned common shares for the use as Stock Warrants, Preferred Shares with Warrants, and Bonds with Warrants.

For issuance of Stock Warrants where the price is less than the closing price of the Company shares on the date of issuance, or where the price of the treasury stocks to be transferred to the employees is less than the average price of the repurchased shares, shareholders representing the majority of the issued shares shall be present and approval by at least 2/3 of the presenting shareholders shall be required.

Article 6-1 - (Deleted)

Article 7 - The share certificates of the Company shall bear the shareholders' names, be signed or sealed by the Chairman and at least two other directors, be serially numbered,

affixed with the corporate seal of the Company, and legalized by the Ministry of Economic Affairs ("MOEA") (hereinafter referred to as the "Competent Authority") or its certified issuance registration agency before they are issued in accordance with the relevant laws.

When issuing new shares, the Company may print a share certificate in respect of the full number of shares to be issued at that time, and shall arrange for the certificate to be kept by a centralized securities custodian institution, in which case the preceding requirement for serial numbering of share certificates shall not apply.

Shares issued by the Company may also be exempt from printing of share certificates, and the Company shall arrange for such shares to be recorded by a centralized securities custodian institution, in which case the preceding 2 paragraphs shall not apply.

Any affair with regard to the shares of the Company shall be handled in accordance with the Guidelines for Handling Stock Affairs by a Public Issuing Company.

Article 7-1 - The stocks issued by the Company, upon the request of the centralized securities custodian institution, may be merged in exchange for the security with large par value.

Chapter III - Shareholders' Meeting

Article 8 - Shareholders' meetings shall be of two types: annual general meeting and extraordinary general meeting. Except as otherwise provided in the Company Law, shareholders' meetings shall be convened by the Board of Directors.

The annual general meeting shall be convened at least once every year and shall be convened within six (6) months after the close of each fiscal year except as otherwise approved by the Competent Authority for good cause shown.

The extraordinary general meeting shall be convened at such time as may be deemed necessary pursuant to relevant laws and regulations.

The shareholders' meetings may be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 9 - Where a shareholders' meeting is convened by the Board of Directors, the chairman of the Company shall act as the chairman of the shareholders' meeting. In the event that the chairman is to be on leave of absence or cannot attend the meeting for any cause whatsoever, the vice-chairman, or where the chairman and the vice-chairman are both to be on leave of absence or cannot attend the meeting for any cause whatsoever, one of the directors appointed by the chairman, or, where there is no appointment, a director elected among all the directors, may act on behalf of the chairman.

Where a shareholders' meeting is convened by a person with authority other than the Board of Directors, such convener shall act as the chairman of the shareholders' meeting. Where there are two (2) or more conveners, the chairman of the meeting shall be elected amongst such conveners.

Article 10 - Unless otherwise specified by the law, each shareholder of the Company shall be entitled to one vote for each share held.

Article 11 - (Deleted)

Chapter IV – Directors and Audit Committee

Article 12 - The Company shall have seven (7) to fifteen (15) directors to form the Board of Directors, one-fifth (1/5) of whom shall be expert representatives.

The Board of Directors shall have one (1) chairman elected by and from among the directors with the concurrence of a general majority of the directors present at a meeting attended by at least two-thirds (2/3) of the directors and shall have one (1) vice-chairman elected in the same way.

The Board of Directors may establish various functional committees according to the laws and regulations or business needs.

The Company shall establish an audit committee starting from the 7th Board of Directors. The provisions related to supervisors under the Company Act, Securities and Exchange Act and other laws shall apply mutatis mutandis to the audit committee.

Article 12-1 In accordance with Articles 181-2 and 183 of the Securities and Exchange Act, the Company shall, beginning in the fifth commencement, establish at least three (3) independent directors to be included in the number of directors designated in the preceding Article.

The elections for directors of the Company shall proceed with the candidate nomination system; the shareholders shall elect the directors from among the nominees listed in the roster of candidates.

Elections for independent and non-independent directors shall proceed concurrently, and the number of elected directors shall be calculated separately.

The professional qualifications, restrictions on shareholding and concurrent post, affirmation of independence, nomination and election processes, exercise of authority and other requirements of independent directors shall be determined and executed in accordance with the Securities and Exchange Law and related regulations.

Article 13- The tenure of office of the directors will be three (3) years and they will be eligible for re-election.

In the event that the representative of a government or corporate body is elected as the director, the government or corporate body may reappoint such representative at anytime to supplement the original tenure.

Article 13-1- The remuneration and compensation of the directors shall be determined by the Board of Directors based on the participation and the contribution of each director in the business operation of the Company and referencing the regular standards of other corporations in the similar industry.

Article 14 - The following items shall be decided by the Board of Directors:

- 1) Increase or reduction of capital of the Company.
- 2) Regulations with regard to the organization of the Company.
- 3) Establishment, amendment, and abolishment of the branch offices within or outside the territory of the Republic of China.
- 4) Examination of annual business budgets and final closing report.
- 5) Distribution of earnings or off-set of deficit.
- 6) The amount and term of domestic and foreign loan.
- 7) The amount of Investment.
- 8) Issuance of corporate bonds.
- 9) Policies regarding personnel matters, material purchase, accounting, and internal control.
- 10) Amendment and modifications of regulations of organization of the Board of Directors and the functional committee.
- 11) Amendment and modification of regulations with regard to the scope of duties of independent directors.
- 12) Appointment and removal of the president, executive vice presidents, presidents of branch offices, president of Telecommunication Laboratories, and president of Telecommunication Training Institute.
- 13) Appointment and removal of the chiefs of finance, accounting and internal audit.
- 14) Policies regarding recommendation of chairman and president to subsidiaries.
- 15) Other duties and powers granted by the law or by shareholders' meeting.

Article 15 - The Board of Directors' meeting shall be convened at least one time a quarter. The special Board of Directors' meeting shall be convened at such time as may be deemed necessary. Both meetings shall be convened by the chairman of the Company and such chairman shall act as the chairman of the meeting. In the event that the chairman cannot attend the meeting for any cause whatsoever, the vice-chairman, or where the chairman and the vice-chairman are both to be on leave of absence or cannot attend the meeting for any cause whatsoever, one of the directors appointed by the chairman, or, where there is no appointment, a director elected among all the directors, may act on behalf of the chairman.

Article 16 - All directors shall attend every Board of Directors' meeting; in case any of the directors cannot attend the meeting for any cause whatsoever, he/she may designate

the other directors to act on his/her behalf and such agent shall present the proxy setting forth the vested power of the purpose of the meeting each time. However, each agent shall only accept one appointment from the directors.

Except as otherwise provided in the relevant laws or this Articles of Incorporation, any resolution of a Board of Directors' meeting shall be adopted at a meeting which at least general majority of the directors attend and at which meeting a general majority of the directors present vote in favor of such resolution.

Minutes of meetings shall be prepared for all resolutions adopted at a Board of Directors' meeting.

Article 17 - (Deleted).

Article 18 - (Deleted).

Article 18-1 (Deleted).

Article 18-2 The Company may purchase liability insurance policies for directors during the term of their offices and within the scope of damages results from the performances of their official duties in order to reduce and disperse the risks for the Company and shareholders due to the fault, mistake, violation of duty, and inaccurate or misleading statements on part of the directors during the performance of their duties.

Chapter V - Managerial Officers

Article 19 - The Company shall have one (1) chief executive officer, to be served as a concurrent post by the chairman or by the president, to lead the managers in proposing and making significant policy decisions regarding to the Company and all affiliates of the Company.

The Company shall have one (1) president, several executive vice presidents and presidents of branch offices, and one (1) president for each of Telecommunication Laboratories and Telecommunication Training Institute.

The president shall be a director with professional knowledge in business of telecommunication or technology.

Article 20 - The president shall, in accordance with the decision made by the Board of Directors and with instruction from the chief executive officer, take charge of the affairs of the Company, and shall have the authority to sign on behalf of the Company; the executive vice presidents, presidents of branch offices, president of Telecommunication Laboratories, and president of Telecommunication Training Institute shall assist the president in all affairs, and shall have the power to sign on behalf of the Company within the scope set by rules decided by the president or authorized in writing by the president.

The division of powers and duties between the Board of Directors and the managers shall be determined in accordance with the Powers and Duties Chart.

Chapter VI - Accounting

Article 21 - The fiscal year of the Company shall be from January 1 to December 31 of each year.

At the end of each fiscal year, the Board of Directors shall prepare the following statements and reports, and shall submit the same to the annual general meeting for adoption according to the relevant legal procedures.

- 1) Report of Operations;
- 2) Financial statements;
- 3) Resolution governing the distribution of earnings or the making-up of losses.

Article 22 - In annual profit-making year, the Company should distribute 1.7% - 4.3% of profit as employees' compensation, and not more than 0.17% of profit should be distributed as Directors' compensation, however, that if the Company has any accumulated losses, an amount to offset should be reserved in advance.

The Company should by a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the preceding paragraph distributed in the form of share or in cash; and report at the General Meeting of shareholders.

The provisions in the two preceding Paragraphs have retrospective effect and should apply to the determination of compensation to employees and Directors for the fiscal year of 2015.

Article 22-1- After the Company has paid all taxes due at the end of each fiscal year, the Company shall make up its accumulated losses and set aside ten percent (10 %) earning as a statutory revenue reserve before distribution of earnings, except when the accumulated amount of such legal reserve equals to the Company's total authorized capital. The Company may also set aside or reverse special reserve(s) according to the business needs or laws and regulations. A minimum of fifty percent (50%) of the total amount of the remaining amount, along with the accumulated retained earnings from the previous year, shall be distributed to shareholders. Cash dividends shall not be less than fifty percent (50%) of the total dividends, but when the cash dividends fall below NT\$0.1 per share, dividends may be distributed in the form of shares.

The percentage of distribution stipulated in the preceding paragraph shall take actual profitability of the year, capital budgeting, and status of finance into consideration, and shall be executed following a resolution of shareholders' meeting.

Dividends and bonuses shall not be distributed where the Company has no earning.

Where the Company has no loss, it may distribute the capital reserve derived from the income of issuance of new shares at a premium, in whole or in part, by issuing new shares or by cash to shareholders in proportion to the number of their existing shares being held by each of them.

Article 23 - In the event that the Company issues new shares, excluding ad hoc ratification by the central competent authority, the Company shall reserve ten percent (10%) to fifteen percent (15%) of the total newly issued shares for preemptive subscription by employees of the Company.

Chapter VII - Supplementary Provisions

Article 24 - The regulations with regard to the organization of the Board of Directors and the Company shall be separately adopted.

Article 25 - Matters not specified herein shall be resolved in accordance with the Company Law.

Article 26 - This Articles of Incorporation was adopted on June 11, 1996.

II. Ordinance of Shareholders Meetings of Chunghwa Telecom Co., Ltd.

1. All 25 articles adopted by Annual General Meeting on December 26th, 1997.
2. Articles 3, 4, 8, 11, 12, and 13 amended by Annual General Meeting on June 4, 2001.
3. Articles 4, 5, 9, 12, 13, and 15 amended by Annual General Meeting on June 21, 2002.
4. All 18 articles amended by Annual General Meeting on June 25, 2004.
5. Articles 2, 4, 10, 12, and 15 amended, and articles 2-1, 2-2, 13, 13-1, 13-2, and 19 added by Annual General Meeting on May 30, 2006.
6. Articles 2, 2-1, 2-2, 4, 5, 8, 12, 13, 13-1, 14, 15 and 19 amended by the 2012 Annual General Meeting on June 22, 2012.
7. Articles 2, 2-2 and 15 amended by the 2021 Annual General Meeting on August 20, 2021.
8. Articles 2, 3, 4, 5, 7, 8, 10, 12, 15, 16, 23 and 24 amended, and articles 19, 20, 21 and 22 added by Annual General Meeting on May 27, 2022.

Article 1 (Applicable principles)

Except where prescribed by laws and regulations or Articles of Incorporation of Chunghwa Telecom Co., Ltd. (herein referred to as "the Company"), the rules of procedure at shareholders' meetings shall be as prescribed in this ordinance.

Article 2 (Convening a shareholders' meeting and notification)

Except where prescribed by laws and regulations, the Board of Directors shall convene shareholders' meetings.

Changes to methods for holding a Company's shareholders' meeting shall be resolved by the Board of Directors, which shall be conducted no later than the time when the shareholders' meeting notice is sent out.

All shareholders shall be notified 30 days in advance of an annual general meeting. Those shareholders who hold less than 1,000 shares of registered stock may be notified 30 days in advance by means of posting a public announcement on the Market Observation Post System website. All shareholders shall be notified 15 days in advance when an extraordinary general meeting is convened. Those shareholders who hold less than 1,000 shares of registered stock may be notified 15 days in advance by means of posting a public announcement on the Market Observation Post System website.

The Company shall provide the shareholders' meeting agenda handbook and supplemental materials of the meeting by the following methods for the shareholders' reference on the day of shareholders' meeting :

1. Distributed on-site at the shareholders' meeting place when a physical shareholders' meeting is held.
2. Distributed on-site at the shareholders' meeting place as well as transmission in electronic form to the video conference platform, when a shareholders' meeting supported by video conference is held.
3. Transmission in electronic form to the video conference platform when a video shareholders' meeting is held.

The subject of the meeting shall be explicitly stated in notices and public announcements. When the relevant parties grant their consent, notification may be performed using electronics means.

The election or dismissal of directors, amendment to the Articles of Incorporation, reduction

of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, split up of the Company, or anything as stated in Article 185, Paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, or any other issues prohibited by law from being proposed as special motions in the shareholders' meeting shall be stated as the causes of convention, and the main contents shall be enumerated and explained and shall not be proposed as special motions in the meeting.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any special motion or otherwise in the same meeting.

Article 2-1 (Preparation and public announcement of the shareholders' meeting handbook)

A handbook shall be prepared for the convention of shareholders meeting. This handbook and other materials for the meeting shall be publicly announced in compliance with the regulations of the competent authority.

The time and method of the public announcement mentioned in the foregoing paragraph, the main items stated in the meeting handbook, and other compliance requirements shall in all cases be as prescribed by the "Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Handbooks of Public Companies."

Article 2-2 (Handling of proposals made before the shareholders' meeting)

Shareholders holding at least 1% of the total number of issued shares may submit a proposal to general meeting to the Company, the number of items so proposed is limited to one only; such proposals shall be included among discussion proposals after approval by the Board of Directors.

The company shall publicly announce acceptance of shareholders' proposals, the method of acceptance, the place of acceptance, and the acceptance period before the book closure date prior to the annual general meeting. The acceptance period may be no shorter than 10 days.

Shareholders' proposals shall be included in the agenda and listed in the meeting notice of the annual general meeting when, following review by the board, none of the following circumstances apply:

1. The proposal is not a matter that may be resolved at the annual general meeting.
2. The proposing shareholder holds less than 1% of issued shares at the time of book closure date prior to that annual general meeting.
3. The proposal was not submitted during the publicly announced acceptance period in the foregoing paragraph.
4. The proposing shareholder has submitted more than one proposal, the proposal exceeds 300 characters in length (including punctuation marks).

The Company shall notify those shareholders who submitted proposals of the results of process of the proposals prior to the notification of annual general meeting. With regard to any shareholder proposals not included in the meeting agenda, the Board shall include in the meeting handbook an explanation of why each proposal was not included; such proposals shall not be included in the agenda, and shall not be mentioned in the minutes.

If the shareholders' proposals to be included in the meeting agenda according to Paragraph 3 are of the same kind, they may be joined as a whole.

Article 3 (Location and time of meeting)

A shareholders' meeting shall be held at the Company's business premises or at another location convenient for shareholders' attendance and suitable for holding such a meeting. The meeting shall not start earlier than 9:00 a.m. or later than 3:00 p.m.

The holding of a shareholders' meeting by the Company by video conference is not subject to any restriction on the venue of the shareholders' meetings set forth in the preceding paragraph.

Article 4 (The exercise of voting rights and attendance by proxy)

When the Company calls for shareholders' meeting, shareholders may elect to exercise the voting right through electronic voting or on the site.

The aforementioned exercise of voting right through electronic voting by shareholders shall be made at the designated electronic voting platform of the Company in compliance with the Company Act, Securities and Exchange Act, and Regulations Governing the Administration of shareholders services of Public Companies (hereinafter, "Regulations Governing the Administration of shareholders services").

For a shareholder having exercised voting right by electronic means and wishing to attend the shareholders' meeting in person or through video conference, the shareholder shall, no later than 2 days before the shareholders' meeting and in the same manner previously used in exercising the voting right, revoke his/her/its expression of intent in exercising the voting right under the preceding paragraph; the voting right exercised by way of electronic means will prevail for failing of such revocation by the deadline.

A shareholder who cannot attend a shareholders' meeting in person may present a proxy letter issued by the Company, stating scope of authorization and designating a proxy.

One shareholder may present one proxy letter and appoint only one proxy. A proxy letter must be delivered to the Company at least five days before the shareholders' meeting. The first proxy letter shall have precedence if repeated proxy letters are delivered. This restriction shall not apply, however, to those shareholders who declare to retract their prior appointment of a proxy.

For a shareholder wishing to attend a shareholders' meeting in person or through video conference after a proxy letter is delivered to the Company, the shareholder shall, no later than at least 2 days before the shareholders' meeting, notify the Company in writing to revoke his/her/its proxy appointment; the vote cast by the proxy in the meeting under authorization shall prevail for failing of such revocation by the deadline.

Where specific shareholder exercises voting right through electronic voting and also appoints a proxy with proxy letter to attend the shareholders' meeting, the vote cast by the proxy in the meeting under authorization shall stand.

Article 5 (Registration of shareholders for attendance)

Shareholders or their proxies shall be admitted to the shareholders' meeting on the basis of attendance passes, attendance sign-in cards, or other attendance verification. Those persons soliciting proxy letters shall carry other personal identification to facilitate checking.

The Company shall set up a registration desk for the registration of the shareholders or proxies to the meeting by presenting the attendance sign-in cards.

Government or juristic shareholders may send more than one representative to a shareholders' meeting. However, a juristic person attending a shareholders' meeting as a proxy may send only one representative to attend.

For a shareholders' meeting by video conference, the attendance registration shall be available

on the video conference platform for 30 minutes immediately before the meeting. Shareholders having completed the attendance registration shall be deemed to have attended the shareholders' meeting in person.

For a shareholders' meeting by video conference, the shareholder wishing to attend by video conference shall register with the Company by 2 days before the meeting.

For a shareholders' meetings by video conference, the Company shall, at least 30 minutes before the commencement of the meeting, upload shareholders' meeting agenda handbook, annual report and other relevant materials to the video conference platform for the shareholders' meeting, which shall be continuously disclosed until the end of the meeting.

Article 6 (Chairman, personnel attending in a non-voting capacity)

The Chairman shall serve as chairman of a shareholders' meeting convened by the Board. If the Chairman has taken leave of absence or cannot attend for some reason, the Vice Chairman shall act in his stead. If the Chairman and Vice Chairman have both taken leave of absence or cannot attend for some reason, the Chairman shall designate one director to act in his stead. If the Chairman has not designated anyone to act as chairman, the directors shall jointly elect one from among themselves to serve as meeting chairman.

If a shareholders' meeting has been convened by a person with convening powers other than the Board of Directors, the convener shall serve as the chairman. If there are two or more conveners, they shall jointly elect one from among themselves to serve as the chairman.

The company may designate commissioned lawyers, certified public accountants, or other relevant personnel to attend the shareholders' meeting in a non-voting capacity.

Article 7 (Audio or video recording of shareholders' meeting)

The Company shall make an audio or video recording of the entire proceedings of the shareholders' meeting, and shall preserve the recording for at least one year. If, however, a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, such a recording shall be preserved until the conclusion of the lawsuit.

For a shareholders' meeting by video conference, the Company shall retain the records for registration, attendance registration, questions raised, voting rights exercised, and vote counting results, and the Company shall continuously make the audio and video recording across the whole video conference without an interruption.

The materials and the audio and video recording under the preceding paragraph shall be properly preserved by the Company during the Company's existence, and the Company shall provide the audio and video records to those entrusted to handle the video conference affairs for retention.

Article 8 (Calculation of number of shares present, holding of meeting)

The calculation of attendance at a shareholders' meeting of the Company shall be based on the number of shares being represented. The number of shares attending the meeting shall be calculated based on the number of shares indicated in the attendance registration cards and those registered for attendance with the video conference platform, plus number of shares being voted by electronic means, provided that there shall be no double counting of the attending shares for shares voted by electronic means while the shareholders of which attended the shareholders' meeting in person or through video conference.

When the designated meeting time arrives, the chairman shall immediately announce to commence the meeting if shareholders representing a majority of the total number of issued shares are in attendance. The chairman may announce to delay the commencement of the

meeting if the statutory number of shares has not been reached. The commencement of the meeting may be delayed for no more than twice, and the total time delayed may not exceed one hour. If the number of shareholders present is still below one-third or more of the total number of issued shares after two times of delay, the chairman shall announce that the meeting has failed to be convened for lack of quorum; for a shareholders' meeting by video conference, the Company shall separately announce the same on the video conference platform.

Where the number of shares present is still insufficient after two delays under the preceding paragraph, but shareholders representing at least one-third of all issued shares are present, the meeting may make tentative resolutions with the consent of a majority of the voting rights in attendance. The Company shall then notify all shareholders of the tentative resolutions, and another shareholders' meeting shall be convened within one month. For a shareholders' meeting by video conference, the shareholder wishing to attend the meeting by video conference shall register again with the Company according to the Article 5 of the Ordinance of Shareholders Meetings of the Company.

If, after making a tentative resolution according to the procedures in the foregoing paragraph, shareholders representing a majority of issued shares become present at an in-progress meeting, the chairman may, in accordance with Article 174 of the Company Act, resubmit any tentative resolutions already made at the meeting for another vote.

Article 9 (Discussion of proposals)

The Board shall determine the agenda of a shareholders' meeting if it has convened that meeting. The meeting shall proceed in accordance with the agenda. The agenda may not be changed without a resolution of the shareholders' meeting.

If a shareholders' meeting has been convened by some person with convening powers other than the Board, the regulations of the foregoing paragraph shall still apply.

The chairman may not arbitrarily announce adjournment in the absence of a resolution to that effect before the conclusion of deliberation of items (including special motions) on the agenda determined as prescribed in the two foregoing paragraphs. If the chairman announces adjournment in violation of the rules of procedure, the attending shareholders may select a person to serve as chairman and continue the meeting with the consent of shareholders representing a majority of voting rights present.

Apart from the circumstances in the foregoing paragraph, after a meeting has adjourned, shareholders may not further select a chairman and continue the meeting at the original site or some other location.

The chairman must provide opportunities for adequate explanations and discussion in connection with proposals, revised proposals and special motions submitted by shareholders. The chairman may announce an end of discussion and put the motion to a vote when he considers it has reached the extent for making a resolution.

Article 10 (Speaking)

Before speaking, an attending shareholder or proxy shall first fill out a speaking slip specifying therein the major points of his or her speech, his or her shareholder account number (or attendance pass number), and account name. The chairman shall determine speaking order.

An attending shareholder or proxy who only submits a speaking slip but fails to actually speak shall be deemed to have not spoken. If the content of a shareholder's speech is inconsistent with that stated on his or her speaking slip, the content actually spoken shall take precedence.

An attending shareholder or proxy may question about report items on the agenda only after

the chairman or person designated by the chairman has read or reported all report items. Each speaker may speak no more than twice concerning each motion, and each instance may not exceed 5 minutes. Although a speaker may speak an additional five minutes with the chairman's approval, only one such extension may be given.

When an attending shareholder or proxy gives a speech with regard to the items for ratification and discussion listed on the agenda, and to the proposals made in the special motion session, the regulations in the foregoing paragraph governing speaking time and number of speaking opportunities shall apply.

When an attending shareholder or proxy gives a speech with regard to non-proposal issues during the special motion session, the regulations in Paragraph 3 governing speaking time and number of speaking opportunities shall apply.

The chairman may stop an attending shareholder or proxy if the person's speech goes past the prescribed time limit or exceeds the bounds of the issue at hand. The chairman may direct disciplinary personnel (or security personnel) to take necessary measures to maintain order in the meeting place or ensure the smooth progress of the meeting if a speaker still refuses to stop talking or other circumstances interfering with meeting procedures occur.

Other shareholders may not interfere with a speaking shareholder or proxy without obtaining the consent of the chairman and the speaking shareholder or proxy. The chairman shall stop anyone who violates this rule, and the regulations in the foregoing paragraph shall apply.

When a government or juristic shareholder sends two or more representatives to attend the shareholders' meeting, the shareholder may designate only one person to speak on each occasion.

The chairman may personally respond, or designate another relevant person to do so, after a shareholder has spoken.

For a shareholders' meeting held by video conference, a shareholder attending the meeting through video conference may, during the period that the meeting is announced to commence until the meeting is announced for the adjournment by the chairman, raise questions in writing through the video conference platform for shareholders' meetings, provided that questions raised for each proposal shall not exceed two times, 200 words for each question, and Paragraphs 1 to 8 shall not apply.

Article 11 (Calculation of number of voting shares, recusal system)

Votes at shareholders' meetings shall be calculated on the basis of number of shares.

When votes are taken on resolutions, the number of shares held by shareholders without voting rights shall not be included in the total number of issued shares.

A shareholder may not vote on a matter, and may not appoint another shareholder to exercise his or her voting rights, if the shareholder's conflict of interest with regard the motion may be detrimental to the company's interests.

In the foregoing paragraph, the number of voting rights that may not be exercised shall not be calculated among the total voting rights of the shareholders in attendance.

With the exception of trust enterprises and agents of stock affairs approved by the competent authority in charge of securities, a single person acting as the proxy for two or more shareholders may exercise voting rights not exceeding 3% of the voting rights of total issued shares. Any excess voting rights shall not be counted.

Article 12 (Voting on resolutions)

A shareholder shall receive one voting right for each share. However, this rule shall not apply

to those shareholders with restricted or no voting rights.

Although a government or juristic shareholder may appoint more than one person as a representative, the shareholder's voting rights are still calculated on the basis of the total number of shares held by that shareholder.

If, in the foregoing paragraph, a shareholder has sent two or more representatives, the representatives shall jointly exercise the shareholder's voting rights.

Proposals shall be resolved through voting by poll. Unless otherwise specified by the Company Act and the Articles of Incorporation of the Company, a resolution in favor of the proposal may be made with a simple majority of the voting rights represented by the total votes of on-site voting, voting right exercised through video conference, and electronic voting.

After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

If there shall be an amendment or alternative to one motion, the chairman may combine the amendment or alternative into the original motion, and determine their orders for resolution. If any one of the above shall be resolved, the others shall be considered as rejected, upon which no further resolution shall be required.

The chairman shall determine the order for discussion and vote for the proposals made during the special motion session. The chairman may also combine proposals that are of the same type.

When the Company holds a shareholders' meeting by video conference, a shareholder attending the meeting through video conference, after the chairman announces to commence the meeting, shall vote for each proposal and election proposal through video conference platform before the chairman announces to close the voting. Voting rights shall be deemed waived for failure of doing so by the time required.

For a shareholders' meetings held by video conference, votes shall be calculated at once after the chairman announces to close the voting, and the results of resolution and election shall be announced accordingly.

When the Company holds a shareholders' meeting supported by video conference, for a shareholder having registered to attend the meeting by video conference in accordance with Article 5 of the Ordinance of Shareholders Meetings of the Company but wishing to attend the meeting in person thereafter shall, by 2 days before the shareholders' meeting and in the same manner previously used for the registration, revoke the registration. For those failing of doing so by the time required may only attend the meeting by video conference.

For those shareholders having exercised voting rights by electronic voting without revoking their expression of intent but attending the shareholders' meeting by video conference, except for the extraordinary motion, they are not allowed to vote for original proposals, raise a proposal to amend the original proposals, or vote for the amendment to the original proposal.

Article 13 (Monitoring the voting, counting, and retention of ballots)

When a proposal is put to a vote on the scene of the shareholders meeting, the chairman of the meeting shall appoint two watchers for monitoring the voting and a number of counting officers to read and count the votes. Only shareholders may act as the watchers.

The votes on the proposals shall be counted in silence. The voting result on proposals, including votes cast on the site and through electronic voting, shall be announced on the site and kept as minutes on record. The watchers shall keep all counted ballot cast on the site together with the document stating the result of electronic voting in a package, affix their signatures or

seals to the package, and forward the package to the Company for retention.

The calculation of aforementioned voting result through electronic voting shall be verified by a functional unit which meets the requirements provided in Article 44 – 6 of Regulations Governing the Administration of Shareholder Services before the shareholders meeting.

Article 13-1 (Determine the validity of the ballots cast on the site)

If any of the following applies to a ballot cast for voting on the site of the shareholders meeting as determined by all watchers of voting, such ballot shall be deemed invalid:

1. The ballot is not prepared by the Company.
2. The ballot in the ballot box is left blank or not the one designated for voting on specific proposals.
3. The ballot is not being put in the ballot box.
4. The ballot is illegible due to damage or indistinct writing.
5. The ballot bears corrections or extraneous written text or symbols.
6. Both consent and oppose have been marked.

Article 13-2 (Resolution of disputes)

The chairman shall make a decision if a shareholder disputes any matters such as the voting process, the ballot counting method, or the validity of ballots. As requested by shareholders who dispute any points, the minutes shall state the shareholder's account number and the number of voting rights, and the subject of the dispute.

Article 14 (Matters concerning elections)

The proposal for the election of directors in the shareholders meeting shall be processed in compliance with the Directors Election Regulations of Chunghwa Telecom and the result of which shall be announced on the scene.

In the process of aforementioned proposal for election, watchers shall keep the ballots cast on the site together with the document stating the result of electronic voting in a package, affix their signatures or seals to the package, and forward the package to the Company for retention of at least one year, or as long as the conclusion of legal action instituted pursuant to Article 189 of the Company Act, where applicable.

Article 15 (Meeting minutes and signing)

The deliberation conducted at a shareholders' meeting shall be recorded in the meeting minutes. The chairman shall sign or affix his or her seal to the minutes. The minutes shall be issued to all shareholders within 20 days after the shareholders' meeting. The production and distribution of minutes may be performed using electronic means.

The release of the minutes of meeting on record as aforementioned may be announced by the Company through posting at Market Observation Post System.

The minutes shall record the year, month, day, and place of the meeting, the name of the chairman, the resolution method, a summary of deliberation, and the results of deliberation (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes of shareholders' meetings must be preserved for as long as the company is in existence.

For a shareholders' meeting by video conference, the meeting minutes, other than the

mandatory contents under the preceding paragraph, shall also be recorded with the commencement time and the time that the meeting is adjourned, the method for holding the meeting, the names of the chairman and secretary, and the contingency plans for disconnection issues due to natural disasters, incidents or other force majeure events that prevent the operating of the video conference platforms or that prevent shareholders from attending meetings by video conference.

For a shareholders' meeting held by video conference, in addition to complying with the provisions in the preceding paragraph, the meeting minutes shall also be recorded with alternative measures for shareholders who have difficulty in attending the shareholders' meeting by video conference.

Article 16 (Public announcements)

The company shall, on the day of the shareholders' meeting, compile a statistical table in prescribed format of the number of shares obtained by solicitors, by consigned agents and by shareholders exercising voting rights by electronic means on the day of the shareholders' meeting. This table shall be clearly displayed in the meeting venue. For a shareholders' meeting held by video conference, the Company shall, at least by 30 minutes before the meeting, upload the abovementioned materials to the video conference platform for shareholders' meeting which shall be continuously disclosed until the meeting is adjourned.

For a shareholders' meeting held by video conference by the Company, the total number of shares by shareholders attended shall be disclosed on the video conference platform when the meeting is announced to commence. Where the total number of shares and voting rights of shareholders attended are separately calculated during the meeting, the same rules shall apply.

Article 17 (Maintenance of order)

Personnel in charge of running a shareholders' meeting shall wear identification badges or armbands.

The chairman may ask disciplinary or security personnel to help maintain order at a meeting. Such personnel shall wear identification badges or armbands bearing the words "disciplinary personnel" when maintaining order at a meeting.

The meeting premises shall be equipped with loudspeaker equipment. The chairman may stop any shareholder speaking with loudspeaker equipment other than that arranged for by the Company.

The chairman may instruct disciplinary or security personnel to ask that any shareholder who violates the meeting rules of procedure and fails to heed a warning from the chairman, or impedes the progress of the meeting and fails to heed a call for restraint, to leave the premises.

Article 18 (Intermission, resumption)

The chairman may announce an intermission at an appropriate time during a shareholders' meeting. The chairman may also temporarily suspend a shareholders' meeting in the event of Force Majeure, and, if the circumstances permit, shall announce the time at which the meeting will resume.

If the meeting premises can no longer be used for the shareholders' meeting before the conclusion of deliberation of motions on the agenda (including special motions), the shareholders may make a resolution to seek another venue and continue the meeting.

In accordance with Article 182 of the Company Act, a shareholders' meeting may make a resolution to postpone the meeting until or resume the meeting at some other time within 5 days.

Article 19 (Information disclosure of the video conference)

For a shareholders' meeting held by video conference, the Company shall, after the close of the voting, timely disclose the voting results for each proposal and election on the video conference platform for shareholders' meeting for at least 15 minutes on a continuous basis after the chairman announces to adjourn the meeting.

Article 20 (Location of chairman and secretary of the shareholders' meeting by the video conference)

When the Company holds a shareholders' meeting by video conference, the chairman and secretary shall be at the same location in the R.O.C., and the chairman shall also announce the address of the location when the meeting is announced to be commenced.

Article 21 (Handling of disconnection)

For a shareholders' meeting held by video conference, the Chairman shall, when announcing to commence the meeting, separately announce that, in addition to the situation in which there is no need to postpone or continue the meeting specified in Paragraph 4 of Article 44-20 of the Regulations Governing the Administration of shareholders services, before the Chairman announces to adjourn the meeting, if any disconnection issues occurred due to natural disasters, incidents or other force majeure events that prevent the operating of the video conference platforms or that prevent shareholders from attending meetings by video conference lasts for 30 minutes or more, the dates when the meeting shall be postponed to or continued within 5 days, provided that Article 182 of the Company Act shall not apply.

In the event that the meeting is postponed or continued under the preceding paragraph, a shareholder who have not registered to attend the original shareholders' meeting through video conference shall not attend the postponed or continued meeting.

For a meeting being postponed or continued under Paragraph 1, shareholders having registered to attend the original shareholders' meeting by video conference and completed the attendance registration, but not attending the postponed or continued meeting, the number of shares attended, the voting rights exercised and votes for the election made in the original shareholders' meeting shall be counted in the total number of shares attended, voting rights and votes for election made in the postponed or continued meeting.

Where a shareholders' meeting is postponed or continued under Paragraph 1, for a proposal that the voting and counting of votes have been completed and the voting result or the list of elected directors and supervisors have been announced, there is no need to re-discuss and resolve the proposal.

When a shareholders' meeting supported by video conference is held and the meeting cannot be continued through video conference due to the reason under Paragraph 1, the shareholders' meeting shall continue if the total number of shares attended still reaches the statutory quorum for the shareholders' meeting after deducting the number of shares attended by video conference and it is no longer required to postpone or continue the meeting under Paragraph 1.

In the event that the meeting shall be continued under the preceding paragraph, the number of shares of shareholders attended through video conference shall be counted in the number of shares attended, provided that voting rights of which shall be deemed waived for all the proposals of the shareholders' meeting.

Where the Company postpones or continues a meeting in accordance with Paragraph 1, the Company shall, according to the provisions in paragraph 7 of Article 44-20 of the Regulations Governing the Administration of shareholders services, conduct the relevant preparatory works in the same way as the date of the original shareholders' meeting and related provisions.

For the period specified in the last paragraph of Article 12, Paragraph 3 of Article 13 of the Regulations Governing Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of shareholders services, the Company shall postpone or continue the shareholders' meeting on the date specified in Paragraph 1.

Article 22 (Handling of digital divide)

Where the Company holds a shareholders' meeting by video conference, the Company shall provide appropriate alternative measures for shareholders who have difficulty in attending the shareholders' meetings by video conference.

Article 23 (Supplementary provisions)

Except where explicitly prescribed in the laws and regulations and the Company's Articles of Incorporation, the chairman shall decide any matters not prescribed in these rules. Any matters still disputed by shareholders shall be handled in accordance with appropriate legal procedures, and shall not constitute a pretext for obstructing or disturbing deliberative procedures.

Article 24 (Enforcement)

These meeting rules of procedure shall take effect after being passed by the shareholders' meeting; likewise in the case of revisions.

III. Code of Ethics of Chunghwa Telecom Co., Ltd.

1. All articles adopted by the 2nd special meeting of the Company's 3rd Board of Directors on April 28, 2004.
2. The amendment approved by the 12th meeting of the Company's 4th Board of Directors on March 28, 2006.
3. The amendment approved by the 8th meeting of the Company's 6th Board of Directors on April 26, 2011.
4. The amendment approved by the 17th meeting of the Company's 6th Board of Directors on August 29, 2012.
5. The amendment approved by the 2nd meeting of the Company's 7th Board of Directors on August 13, 2013.
6. The amendment approved by the 9th Board of Directors at the 5th interim meeting on September 28, 2021.
7. The amendment approved by the 10th Board of Directors at the 5th meeting on February 24, 2023.

Article 1 Purpose and applicable scope

Chunghwa Telecom Co., Ltd. (hereinafter referred to as the “Company”) and its directors, managers and employees shall conduct business throughout the world in accordance with the highest ethical standards. This Code of Ethics is hereby stipulated in order to establish an obedience and maintenance standard.

The Code of Ethics embodies rules regarding individual and group responsibilities, as well as responsibilities to the Company, the public, and other stakeholders. This Code of Ethics applies to the Company’s directors, managers and employees. The purpose of this Code of Ethics is to prevent from wrongdoing and to cause their conducts to be in compliance with the following requirements:

1. Honesty and ethics;
2. Avoiding conflict of interest;
3. No appropriation for personal gains;
4. Caring for employees;
5. Keeping trade secrets;
6. Disclosing the Company’s information in a full, fair, accurate, timely, and understandable manner;
7. Treating fairly with the Company’s customers, suppliers, and competitors;
8. Protecting the Company’s assets and utilizing them in an efficient and legitimate manner;
9. Complying with laws, rules, and regulations;
10. Preventing from insider trading;
11. Preventing from corruption and bribery;
12. Implementing environmental protection and establish a healthy and safe working environment;
13. Reporting and handling discovered violations against the Code of Ethics; and
14. Full understanding and compliance with this Code of Ethics.

Article 2 Honesty and ethics

The Company’s directors, managers and employees shall act according to the ethics and perform their duties with honesty.

Honest conduct mentioned above refers to a conduct that is free from intent of fraud or fact of deception. Conduct in compliance with ethics refers to a conduct that meets the professional standards, including the handling of conflict of interests in connection with the personal matters or their duties.

Articles 3 Avoiding conflict of interest

“Conflicts of interests” stipulated in the previous Article refers to a situation where directors, managers and employees face a choice between their personal interests (financial interests or

otherwise) and the interests of the Company.

Conflicts of interests will always cause public concerns toward the Company image. Services to the Company shall not be provided basing on personal interests, and directors, managers and employees are required to act in the Company's best interest to avoid from any conflicts of interests.

Where the Company's directors, managers and employees are in a position whose objectivity may be questioned because of personal interests or interests of their spouse, children, or relatives within the second degree (including working for companies whose interests are in the direct competition with the Company) shall notify their immediate supervisor or the Company's Organization and Talent Development Department. Where any individual is aware that a material transaction or relationship might give rise to a personal conflict of interests, he/she shall discuss about the matter with his/her immediate supervisor or the Company's Organization and Talent Development Department immediately.

A conflict of interests may arise when a director takes action or has interests that might make him/her difficult to perform the director's duty objectively and effectively. A conflict of interests will arise where a director, or the director's spouses, children or relatives within the second degree, receives improper personal benefits because of the director's position in the Company. Directors shall not have a direct economic relationship with the Company unless otherwise authorized by Chunghwa's Board of Directors (hereinafter referred to as the "Board").

Loans to or guarantees in favor of directors, senior managers or their spouses, children, and relatives within the second degree are prohibited in order to avoid the conflicts of interests. Loans to the other personnel shall be reviewed and approved in advance pursuant to the Company's rules.

While potential conflict of interests involving directors, or senior managers shall be reviewed directly by the Board, those of other personnel of the Company shall be reviewed in accordance with the Company's relevant regulations. The relevant activities may be permitted if they are determined to be not harmful to the Company.

Article 4 No appropriation for personal gains

Directors, managers and employees have the obligation to protect the Company's legitimate interests. Any individual unless the Company otherwise agrees, shall not take advantage of the Company's assets, information or its position to obtain personal interests.

Any person is prohibited from competing with the Company unless it is otherwise approved in writing by the Company's Organization and Talent Development Department in advance.

Articles 5 Caring for Employees

Employees are the most important assets of the Company. The Company's sustainable development relies on excellent employees who have realized their dreams in an excellent working environment and abundant business opportunities. The Company's management shall be in compliance with the following requirements:

1. Complying with labor related laws and regulations;
2. Treating each employee fairly, openly, and justly;
3. Caring for employees, respecting employees, and listening to the employees;
4. Motivating employee's innovation and passion toward the Company;
5. Providing employees with a safe, healthy, and sanitary working environment;
6. Striving to improve working conditions;

7. Protecting employee's legitimate rights and interests;
8. Improving harmony relationship between employer and employees;
9. Creating working opportunities of employees and value; and
10. Implementing the compliance with collective bargaining agreement.

Article 6 Keeping trade secrets

"Trade secret" is defined under this Code of Ethics, which includes all the Company's trade secrets and information that is obtained from or through business or cooperative relationship which shall be kept confidential. The Company's directors, managers and employees shall keep the trade secret they obtain confidential, except where the disclosure is required by applicable laws, rules or regulations or authorized by the Company.

Article 7 Disclosing the Company's information in a full, fair, accurate, timely, and understandable manner

All the Company related transactions and any disposition of assets shall be reflected in the accounts, financial statements and records of the Company in a full, fair, accurate, and timely manner.

All directors, managers and employees handling the Company's disclosure process are required to know and understand the relevant rules with respect to disclosure requirements within the scope of their duties and shall ensure that information in documents that the Company files with or submits to the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan, R.O.C (hereinafter referred to as "SFB") and the U.S. Securities and Exchange Commission (hereinafter referred to as "U.S. SEC") or information otherwise disclosed to the public, is provided in a full, accurate, timely, and understandable manner.

The Company's financial statements must be prepared in accordance with the Company's internal accounting principles so that the financial statements will fairly and completely reflect the business transactions and financial condition of the Company.

Directors, managers and employees shall not intentionally make (or cause others to make) any incomplete, misleading, or false statement to an attorney, accountant, government agencies, audit institutions, or relevant agencies (such as the SFB, New York Stock Exchange, or U.S. SEC). Any of the above mentioned personnel shall not directly or indirectly force, manipulate, mislead, or fraudulently influence any of the Company's auditors if he/she knows (or should have known) that his/her actions, if successfully, have resulted in a significant misleading in the Company's financial statements.

Article 8 Treating fairly with the Company

The Company strives to increase its market competitiveness through its superior performance and products without the use of illegal or unethical methods. The Company's directors, managers and employees shall respect the rights and benefits of, and shall treat fairly with, the Company's customers, suppliers, competitors, and employees, and shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, or any material misrepresentation. Any person shall not be engaged in any of the following activities:

1. Receiving from or giving to any customer, supplier, or any party related to the Company any rebate or other improper benefits;
2. Spreading false rumors about customers, suppliers, or competitors;
3. Intentionally misrepresenting the function, quality or content of the Company's products and services; or

4. Taking unfair advantage of any third party to obtain unfair benefits in order to benefit the Company.

Article 9 Protecting the Company's assets and utilizing them in an efficient and legitimate manner

The Company's assets shall be well protected and can only be used for legitimate business purpose of the Company. The Company's assets, whether tangible or intangible, may be used only by authorized employees or their designees unless it is otherwise permitted by the management.

Any person shall not make use of, steal, or intentionally misappropriate the assets of the Company or of any customers (including any trade secrets of the Company), for personal use, the use of another, or for other improper purpose. Any person shall not remove, destroy, or dispose of any valuables of the Company without the permission of management.

Article 10 Complying with applicable governmental laws, rules and regulations

Directors, managers and employees are obliged to comply with all the laws and regulations applicable to the Company's business activities and with all the Company policies.

The Company's business activities are subject to the relevant laws, regulations, and rules in the ROC and U.S., and are subject to market examination and other regulatory supervisory. The Company's products and services are provided basing on contractual commitments which subject to the following principles:

1. Any person shall not intentionally violate any laws or regulations and shall consult with personnel in the internal legal department on any matter that is likely to violate any law or regulation or any of the Company's contractual commitment.
2. Any person shall not obtain benefits from a customer and supplier by any illegitimate manner (including intention to mislead or manipulate) and shall not make a misstatement about the Company or its products or services.
3. Any person shall not make a misstatement about facts, contractual terms, or Chunghwa policies to customer, supplier, or regulator. If a misstatement is made, it shall be presented to with the supervisor and the internal legal department for consultation and corrected as soon as possible.
4. Procedures established by the Company that governs the retention and destruction of records shall be in line with applicable laws and regulations, the Company policies, and business needs. Documents related to any pending or potential lawsuit or governmental investigation may not be destroyed, altered, or falsified. Where there is an event of litigation or government investigation, it shall be presented to the internal legal department for consultation and handled according to its instructions accordingly
5. Any of the following illegal business practices shall not be done with representatives of competing companies:
 - (1) Setting prices jointly;
 - (2) Allocating or dividing markets or customers;
 - (3) Boycotting or refusing from trading with other customers, suppliers, or competitors; or
 - (4) Engaging in any other illegal behavior that would restrain competition.
6. Any person shall not discuss or exchange sensitive business competing information with representatives of competing companies unless otherwise with a prior approval of the internal legal department or the compliance officer.

Article 11 Preventing from insider trading

Directors, managers and employees are prohibited from trading securities while they are in possession of material nonpublic information.

Directors, managers and employees shall comply with the relevant securities laws and the Company's policies regarding insider trading, securities transactions and processing of business confidential information.

The Company, directors, managers and employees shall follow the following basic rules when engaged in securities (including bonds) transactions:

1. Complying with all applicable insider trading related laws.
2. Unless otherwise permitted by the R.O.C. laws or approved by the relevant authority, any person shall not trade the Company securities while he/she possesses material and nonpublic information about the Company's operations, activities, plans, or financial results.
3. Material information refers to the information that may affect someone's decision to buy, hold, or sell a company's securities. Material information includes a company's expected earnings, significant businesses plans of acquisition or sale, and changes to senior high-level managers. Any trading is prohibited prior to disclosure of material information or within 18 hours after the disclosure.
4. Unless otherwise permitted by the laws or rules of the SFB or U.S. SEC, any person shall not trade securities of other companies when he/she possesses material nonpublic information about the companies. In addition, any person shall not trade securities of other companies when such trade will become illegal or result in a conflict of interests.
5. Material nonpublic information of the Company and other companies which belongs to the Company cannot be appropriated by any person and shall not be disclosed to the following persons even there is no profits arising therefrom:
 - (1) The Company's employees who does not need to know the information for operational purpose;
 - (2) Non-The Company's employees, unless otherwise a prior approval is obtained from the management.
6. The abovementioned rules apply to the Company's employees' spouses, children, relatives within the second degree, and anyone else who lives together. The Company's employees must be cautious when discussing about your work with friends, spouses, children, relatives within the second degree, anyone else who lives together, or with other employees.

The rules outlined above apply to the following situations:

1. Transactions of the Company's common shares (including stock options), preferred shares, and bond.
2. Transfers of accumulated value of any Chunghwa common share in any Chunghwa benefit plan that is subject to an individual's control.
3. Under certain circumstances, purchases or sales of securities in other companies and transactions made in foreign securities markets.

An insider trading is prohibited by the Company. While the Company has established rules to avoid from insider trading, any person who is found to likely have involved in an insider trading shall be reported to relevant authority for investigation.

Article 12 Preventing from corruption and bribery

All directors, managers and employees shall comply with Ethical Corporate Management Best Practice Principles for the Company and the following regulations:

1. Shall not provide, commit, demand, or accept illegal gains in any form directly or indirectly in order to establish a business relationship or affect commercial transactions.
2. Shall make donation directly or indirectly to political parties or organizations and individuals involved in political activities only in accordance with the Political Donations Act and internal relevant business procedure of company, and shall not acquire any commercial interest and/or trade advantages.
3. Shall make charity donations or execute sponsorships only in accordance with relevant rules and internal operational procedure which shall not engage in any bribery.

Article 13 Implementing environmental protection and establishing a healthy and safe working environment

Directors, managers and employees of the Company shall comply with environmental protection related to laws and regulations, as well as the company internal rules for implementing the company's environmental protection concept and realizing the company's commitment to environmental protection. The Company values efficiency and recycle of various resources in all business activities. The Company actively participates in environmental protection activities and strives to protect environment.

Directors, managers and employees shall comply with applicable domestic and international laws, regulations and the company's internal rules for maintenance of safety of working environment and physical/mental health. The Company provides employees with periodical health examination, safety education, health education and training, and physical/mental health activities. Customers' health and safety is the first priority in all business activities. The Company provides customers with the relevant information for the correct use of products and services as well as management methods.

Article 14 Reporting and handling discovered violations against the Code of Ethics

Where a director, manager and an employee becomes aware of or engages in any conduct or activity that is likely to violate this Code of Ethics or an applicable law or regulation, he/she shall promptly report the event to the Company's Organization and Talent Development Department. Any person making the report shall provide enough information to enable the Company to properly address the matter.

The Company has established related procedures for submitting matters regarding accounting, internal accounting controls, or auditing matters to the Audit Committee.

Any person will not be subject to retaliation of any kind (or threat of retaliation) for reporting any ethical concerns, suspected violations to securities related law, or other suspected misconduct in good faith. Any person who believes that he/she has been under a retaliation (or threatened or harassed) as a result of above action shall immediately report the matter to his/her immediate supervisor or the Company Organization and Talent Development Department.

Article 15 Full understanding and compliance with this Code of Ethics

Each director, manager and employee is obliged to carefully read, clearly understand, and comply with this Code of Ethics and, as necessary, to seek clarification on any key point. Where a manager or employee fails to comply with this Code of Ethics, including his/her supervisors who fail to make a report, may be subject to disciplinary action of termination of the employment agreement.

Implement the compliance of code of ethics shall be considered when assessing managers and

employee's performance and which shall also follow the relevant reward and punishment regulations.

The Company shall actively remind the importance of compliance with the company's policies. Any violation of certain of the Company's policies is likely to cause the Company and the relevant personnel to be responsible for civil liability and damages, administrative penalty, or criminal prosecution.

Any doubt regarding this Code of Ethics shall be directed to the immediate supervisor or the Company's Organization and Talent Development Department.

Article 16 Waivers

The Company may, by a prior approval, waive application to this Code of Ethics for directors, managers and employees under certain limited situations. The waivers for directors or senior managers shall be granted by the Board. Waivers of other personnel shall be reviewed by a special committee chaired by the Senior Executive Vice President of the company. Where the waiver shall be granted if it is in compliance with the laws or the company rules, the waiver that is not in violation of the company's legitimate business policies may be granted at discretion.

The Company shall promptly disclose to the shareholders about the names of directors or senior managers receiving the waiver, the contents of and reason for such waiver and state the same in the Company for the next issue.

Article 17 Application to affiliates and organization

Group enterprises or entities such as the Company's subsidiaries, institutes with direct or indirect cumulative donation funds exceeding 50%, and institutions or legal persons with substantial controlling power shall proceed with business activities in accordance with this Code of Ethics and may establish relevant provisions for need of business operation.

Article 18 Riders

This Code of Ethics is established solely for the internal use by the Company. It is not intended to and does not give any rights to any employee, customer, supplier, competitor, shareholder, or any other person or entity. It does not in any way constitute a commitment, by or on behalf of the Company, as to any fact, circumstance or legal conclusion.

Article 19 Enforcement

This Code of Ethics is enforced upon the approval of the Board and the same procedures will apply to amendment thereafter from time to time.

IV. Sustainable Development Best-Practice Principles of Chunghwa Telecom Co., Ltd.

1. All of 32 articles adopted by the 8th Board of Directors at the 7th meeting on August 8, 2017
2. Amended by the 9th Board of Directors at the 15th meeting on November 5, 2021
3. Amended by the 10th Board of Directors at the 4th meeting on January 31, 2023

Chapter 1 General Principles

Article 1 Chunghwa Telecom Co., Ltd. (hereinafter referred to as the “Company”) has established the Sustainable Development Best-Practice Principles of Chunghwa Telecom Co., Ltd. (hereinafter referred to as “Principles”) in accordance with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” to fulfill the corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development and facilitate the sound management of economic, environmental and social risks and impacts.

Article 2 The Principles apply to all operating activities conducted by the Company and its subordinate entities.

The Company actively fulfill sustainable development in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.

Article 3 In promoting sustainable development initiatives, the Company shall, in the corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

Article 4 To implement sustainable development initiatives, the Company shall conform to the following principles:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of corporate sustainable development information.

Article 5 The Company shall take into consideration the correlation between the development of domestic and international sustainable development issues and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing the corporate policies, systems or relevant management guidelines, and concrete

promotion plans for sustainable development programs, which shall be approved by the board of directors and then reported to the shareholders meeting.

When a shareholder proposes a motion involving sustainable development, the Company's board of directors is entitled to review and consider including it in the shareholders meeting agenda.

Chapter 2 Exercising Corporate Governance

Article 6 The Company has formulated “Code of Corporate Governance for Chunghwa Telecom Co., Ltd.”, “Ethical Corporate Management Best Practice Principles for Chunghwa Telecom Co., Ltd.”, and “Code of Ethics of Chunghwa Telecom Co., Ltd.” to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7 The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies.

The board of directors shall give full consideration to the interests of stakeholders, including the following matters, in the Company's furtherance of its sustainable development objectives:

1. Identifying the corporate sustainable development mission or vision, and declaring its sustainable development policies, systems or relevant management guidelines;
2. Making sustainable development the guiding principle of the corporate operations and development, and ratifying concrete promotional plans for sustainable development initiatives; and
3. Enhancing the timeliness and accuracy of the disclosure of sustainable development information.

The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall follow the Company's relevant regulations accordingly.

Article 8 The Company organizes education and training on the promotion of sustainable development initiatives on a regular basis, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9 For the purpose of managing sustainable development initiatives, the Company shall create governance structure for promotion of sustainable development, and establish the Sustainable Development Committee, an exclusively dedicated unit, to be in charge of proposing and enforcing the sustainable development policies, systems, or

relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a regular basis.

The Company formulates reasonable remuneration policies to ensure that remuneration arrangement support the strategic aims of the organization, and align with the interests of stakeholders.

The Company's employee performance evaluation system is combined with sustainable development policies, and that a clear and effective incentive and discipline system be established.

Article 10 The Company shall respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company's website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Chapter 3 Fostering a Sustainable Environment

Article 11 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12 The Company endeavors to utilize energy more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 13 The Company establishes a proper environmental management system based on the characteristics of Information and Communication Technology Industry. The system shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or actions plans, and examining the results of their operation on a regular basis.

Article 14 The Company establishes a dedicated unit of environmental management for drafting, promoting, and maintaining relevant environmental management systems and concrete action plans, and should hold environmental education courses for the managerial officers and other employees on a regular basis.

Article 15 The Company values the effect of business operations on ecological efficiency, promoting and advocating the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from its business operations:

1. Reduce resource and energy consumption of the products and services.
2. Reduce emission of waste and dispose of waste properly.
3. Improve recyclability and reusability of products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 16 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures.

The Company shall improve environmental protection treatment facilities to avoid polluting water, air and land, and make the best effort to reduce adverse impact on human health and the environment by adopting the optimal practical pollution prevention and control measures.

Article 17 The Company assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt related measures.

The Company adopts standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and make disclosures thereof, the scope of which includes the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.
2. Indirect greenhouse gas emissions: emissions resulting from the utilization of energy such as imported electricity, heat or steam.
3. Other indirect emissions: emissions resulting from corporate activities that are not indirect emissions from energy, but are from other sources of emissions owned or controlled by the Company.

The Company compiles statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The corporate carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter 4 Preserving Public Welfare

Article 18 The Company shall comply with relevant domestic laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

The Company, to fulfill the responsibility to protect human rights, shall adopt relevant management policies and processes, including:

1. Presenting a corporate policy or statement on human rights.
2. Evaluating the impact of the Company's business operations and internal management on human rights, and adopting corresponding handling processes.
3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.
4. In the event of any infringement of human rights, the Company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. The Company shall respond to any employee's grievance in an appropriate manner.

Article 19 The Company shall provide information for the employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the Company has business operations.

Article 20 The Company provides safe and healthful work environments for the employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The Company organizes training on safety and health for the employees on a regular basis.

Article 21 The Company creates an environment conducive to the development of the employees' careers and establish effective training programs to foster career skills.

The Company shall establish and implement responsible employee welfare measures (including remuneration, leave and other welfare, etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 22 The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information and express their opinions on the Company's operations, management and decisions.

The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among the employer, employees and employee representatives.

The Company shall, by reasonable means, inform employees of operation changes that might have material impacts on employees.

Article 23 The Company treats customers or consumers of its products or services in a fair and reasonable manner, including the following principles: fairness and good faith in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services, notification and disclosure, protection of the right to complain, professionalism of salespersons, etc. The Company shall also develop relevant strategies and specific measures for implementation.

Article 24 The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, operations and services, the Company shall ensure the transparency and safety of its products and services. The Company shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 25 The Company shall ensure the quality of the products and services by following the laws and regulations of the government and relevant standards of the industry.

The Company shall follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, the products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 26 The Company evaluates and manages all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The Company provides a clear and effective procedures for accepting consumer complaints to fairly and timely handle consumer complaints, and shall comply with laws and regulations related to the Personal Data Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 27 The Company may assess the impact of the procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with the suppliers to jointly implement the corporate social responsibilities initiatives.

The Company may establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, the Company may assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.

When the Company enters into a contract with any of the major suppliers, the content may include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time by the Company if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Article 28 The Company shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

The Company may, through equity investments, commercial activities, endowments, volunteering service or other charitable professional services, etc., dedicate resources to organizations that commercially resolve social or environmental issues, or participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Article 28-1 The Company may, through endowments, endorsements, investments, procurements, strategic collaboration, corporate volunteer technical services or other support model, continually inject resources to cultural and artistic events or cultural creativity industry to promote cultural development.

Chapter 5 Enhancing Disclosure of Sustainable Development Information

Article 29 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and shall fully disclose relevant and reliable information relating to the sustainable development initiatives to improve information transparency.

Relevant information relating to sustainable development which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the board of directors.
2. The risks and impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for promoting the sustainable development initiatives established by the Company, and performance in implementation.
4. Major stakeholders and their concerns.

5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information relating to sustainable development initiatives.

Article 30 The Company shall adopt internationally widely recognized standards or guidelines when producing the Environmental, Social, Governance (ESG) Report, to disclose the status of its implementation of the sustainable development policy and obtain a third-party assurance or verification for reports to enhance the reliability of the information in the report. The report includes:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals.

Chapter 6 Supplementary Provisions

Article 31 The Company shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve the Company's established sustainable development framework and to obtain better results from the promotion of the sustainable development policy.

Article 32 The Principles shall be implemented upon the approval of the board of directors; the same shall apply to any subsequent amendment thereto.

Appendix : Shares held by the directors

As of March 28, 2023 (book closure date for 2023 AGM)

Title	Name	Term	Representative	Number of shares	Shareholding ratio
Chairman and Chief Executive Officer	MOTC	2022/5/27 - 2025/5/26	Chi-Mau Sheih	2,737,718,976	35.29%
Directors	MOTC	2022/5/27 – 2025/5/26	Shui-Yi Kuo		
			Shin-Yi Chang		
			Sin-Horng Chen		
			Ching-Hwi Lee		
			Hsiang-Ling Hu		
			Shiu-Chuan Tsai		
	Shih-Hung Tseng				
Independent director	Yu-Fen Lin	2022/5/27 – 2025/5/26		0	0%
Independent director	Chung-Chin Lu	2022/5/27 – 2025/5/26		0	0%
Independent director	Yi- Chin Tu	2022/5/27 – 2025/5/26		0	0%
Independent director	Chia-Chung Chen	2022/5/27 – 2025/5/26		0	0%
Independent director	Su-Ming Lin	2022/5/27 – 2025/5/26		0	0%
Total				2,737,718,976	35.29%

Notes:

- The shareholding ratios in this table are based on a total of 7,757,446,545 outstanding shares as of the book close date before this year's Annual General Meeting.
- According to Article 26 of the Securities and Exchange Act and Article 2, Paragraph 1, Subparagraph 7 and Paragraph 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies: the minimum number of shares that shall be held by all directors of the Company is 124,119,144.