

## **Ethical Corporate Management Best Practice Principles for CHUNGHWA TELECOM CO., LTD.**

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### **Article 1 (Purpose of enactment and applicable scope)**

The Ethical Corporate Management Best Practice Principles (“Principles”) is enacted to assist Chunghwa Telecom Co., Ltd. and its affiliated institutions (hereinafter referred to as the “Company”) to establish a corporate culture of ethical management and sound development.

The applicable scope of the Principles covers the Company’s subsidiaries, any foundation constituted as a juristic person to which the Company’s direct or indirect accumulated contribution of funds exceeds 50% of the total funds received, and other institutions or juridical persons which are substantially controlled by the Company (hereinafter referred to as the “Business Group”).

### **Article 2 (Prohibition of Unethical Conducts)**

When engaging in commercial activities, directors, supervisors, managers, employees of the Company or persons having substantial control over such companies (hereinafter referred to as the “Substantial Controllers”) shall not directly or indirectly offer, promise to offer, request or accept any improper Benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty (hereinafter referred to as the “Unethical Conduct”) for purposes of acquiring or maintaining Benefits.

Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and directors, supervisors, managers, employees or Substantial Controllers or other interested parties of the same.

### **Article 3 (The type of benefits)**

The “Benefits” mentioned in the Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

### **Article 4 (Legal compliance)**

The Company shall comply with the Company Act, Securities and Exchange Act, Business Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM-listing related rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

### **Article 5 (Policy)**

The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.

### **Article 6 (The Prevention Guidelines)**

The Company has established the “Guidelines for Prevention of Unethical Conduct of Chung Hwa Telecom” (hereinafter referred to as the “Prevention Guidelines”) in order to implement the operational philosophies and policies prescribed in the preceding article.

The Prevention Guidelines established in accordance with the previous paragraph shall comply with relevant laws and regulations of the territory where the Company and its Business Group are operating.