2024 Sustainability Report

CHIEF TELECOM

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A Message from Our Chairman and President

In 2024, the growing adoption of AI and cloud technologies in Taiwan spurred a wave of emerging AI applications across the market. The substantial electricity demands of AI infrastructure have become a strategic impetus for telecommunications providers to rapidly expand high-power data centers and cloud-based services.

Chief Telecom Inc. (hereinafter referred to as "Chief Telecom") continues to invest in data centers and cloud services in response to the future development trends of the AI and cloud industries, as well as the restructuring of the global supply chain. In addition to completing the construction of the LY2 LienYun AI Intelligent Cloud Data Center, Chief Telecom has also built a "Three Rings and Three Routes" network infrastructure, enabling fast and efficient cloud adoption and AI application access for its customers. With the ongoing expansion of its overseas service coverage, the company's total domestic and international bandwidth capacity has exceeded 1,000G. Moreover, TPIX (Taipei Internet Exchange), operated by Chief Telecom, has become the largest internet exchange center in Taiwan in terms of both membership and traffic exchange volume. As of December 2024, IX ranked 73rd globally among internet exchange centers, making it one of the top 100 internet exchanges worldwide.

In response to the medium- and long-term growth needs of Chief Telecom's IDC and cloud businesses, the construction of the LY2 data center was completed in 2024. The LY2 facility features smart building technologies,

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President

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green building standards, and Lead Rubber Bearing (LRB) seismic isolation design, meeting the demands of customers requiring high power usage and high-performance computing. To ensure the quality of its data center services, the company also invests resources annually to maintain compliance with international standards, including ISO and DCOS certifications, through regular re-evaluation processes.

In terms of data network services, the "Three Rings and Three Routes" network architecture includes the "Taipei Ring", which connects the LY, HD, and LY2 data centers; the "Taiwan Ring", which links major science parks across the island; and the International Ring, which connects to Hong Kong, Japan, Singapore, and Southeast Asian countries via submarine cables—extending services globally. Through Chief Telecom's Taiwan data service ecosystem and its extensive domestic and international bandwidth capacity of 1,200G, spanning 40 countries, 60 cities, the company collaborates closely with global partners and cloud service providers, enabling mutual support and delivering the best possible services to clients on both sides.

In 2024, with the guidance of the Board of Directors, the effective leadership of the management team, and the collective efforts of all employees, Chief Telecom demonstrated strong team spirit and delivered impressive results. Compared to 2023, both operating revenue and net profit continued to grow steadily. Consolidated operating revenue for the year reached NT$3.793 billion, marking a 16.97% increase over the previous year. Consolidated net income after tax was NT$1.077 billion, an increase of 16.89%, resulting in earnings per share (EPS) of NT$13.82. Both annual revenue and net profit once again reached new record highs.

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In the face of an increasingly competitive business environment, Chief Telecom remains committed to excellence in all aspects of its operations, steadily advancing toward the goal of sustainable development. The Company has established a sound corporate governance framework and has further strengthened the management and supervisory functions of the Board of Directors. To ensure procedural compliance and enhance decision-making quality, the Board has formally adopted the Rules of Procedure for Board Meetings and implemented the Regulations for Board Performance Evaluation. In adherence to the principles of accuracy, timeliness, and fairness, Chief Telecom has also established a comprehensive information disclosure system to ensure that shareholders are kept well-informed with the most up-to-date corporate information.

To strengthen corporate governance, the Company has established an Audit Committee, a Remuneration Committee, a Risk Management Committee, and an Information Management Committee. Additionally, ISO standards have been implemented to enforce information security assessment protocols for products, ensuring that the quality of services and network operations complies with information security and business continuity requirements.

In response to global climate change risks and the issue of carbon neutrality, Chief Telecom not only continues to closely monitor international trends but also formulates corresponding response plans in compliance with regulatory requirements, aiming to minimize negative environmental impact. For example, energy management of the data center's chilled water systems has been enhanced through the installation of energy-saving flow monitoring systems. In addition, traditional chilled water pumps have been replaced with variable frequency drive (VFD) systems. Newly constructed data centers have also adopted green building designs to further reduce greenhouse gas (GHG) emissions.

To cultivate international talent, Chief Telecom encourages employees to pursue further education to enhance their professional expertise and language proficiency. The Company also offers subsidies for obtaining internationally recognized certifications. Currently, Chief Telecom holds over one hundred professional and information security certifications. The Company firmly believes that talent development is essential for responding to the rapidly evolving information era and for strengthening its organizational foundation.

Corporate social responsibility is an essential part of business development. Chief Telecom is committed to giving back to society and supporting underprivileged communities as part of its efforts to fulfill its corporate social responsibility. In 2024, the Company continued to make charitable donations to support social welfare initiatives. Donation recipients included private institutions such as the Kaohsiung Ci-De Children's Home, the Kaohsiung Christian Mountain Children's Home, and the New Garden Day Care Center under the One Grain of Wheat Foundation at Taitung Christian Hospital. Additionally, starting in 2023 and continuing for a second year, the Company has partnered with the Digital Humanitarian Association to provide remote support through

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video conferencing. These efforts include delivering online health education and wellness courses, offering live medical consultation services, and conducting caregiver training programs for sub-healthy elderly individuals served by the Taiwan LOHAS Service Development Association.

Chief Telecom consistently upholds its social responsibility by caring for its employees. The Employee Welfare Committee has established the Employee Welfare Fund Subsidy Guidelines, which clearly define the applicable subsidy items. Health checkups are arranged at reputable medical institutions to ensure high-quality examinations. In 2023, the median salary for full-time employees, excluding management positions, ranked 28th among all publicly listed companies, with the ranking improving year over year.

Chief Telecom will continue to build upon its foundation as a telecom-neutral IDC data center. By integrating the globally top-ranked TPIX service, the Company is well-positioned to meet the growing demand for data centers and network infrastructure driven by the rapid development of AI and cloud services. This synergy is expected to create a flywheel effect, generating strong growth momentum for future revenue and profitability. Chief Telecom has become the preferred choice for both domestic and international clients seeking to establish service nodes in East Asia. The Company is steadily progressing toward its market positioning as a digital convergence hub, as well as a center for AI and cloud-based business applications in the region. Through these efforts, Chief Telecom aims to create lasting value for society, shareholders, employees, and customers—ultimately achieving a win-win business model and fulfilling its mission of sustainable corporate development.

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Editorial Approach 2-2~2-5

Chief Telecom has published its 2024 Sustainability Report (hereinafter referred to as the "Report") as part of its commitment to corporate sustainability and transparency. Through this Report, the Company outlines its ongoing efforts and performance in key areas such as corporate governance, environmental stewardship, and social responsibility. We invite stakeholders to review our initiatives and share their valuable feedback, which will help guide the Company in advancing its sustainable business practices.

Scope of Disclosure and Boundaries

This report covers Chief Telecom's four operational sites in Taiwan. To ensure consistency, the disclosed financial data is based on publicly available consolidated financial statements and is presented in thousands of New Taiwan dollars (NTD). Information related to information security, carbon emissions, and employee data is compiled and verified by the respective responsible departments and confirmed by supervisors. The data is presented in accordance with internationally recognized indicators. This report does not contain any restated information from previous disclosures.

The basis for writing and information verification methods are outlined in this Report.

◆ The Report has been compiled in accordance with the GRI Standards 2021 issued by the Global Reporting Initiative (GRI), and complies with the requirements of the "Measures for the Preparation and Declaration of Sustainability Reports by Listed (OTC) Companies". The GRI Content Index and the Disclosure Form for Sustainability Information of the Communication Network Sector are also provided in the Appendixes of the Report for stakeholder reference.

◆ To ensure the quality of the information disclosed in the Report, Chief Telecom retained GREAT Certification to conduct Type 1 Moderate Assurance in accordance with AA 1000: AS V3 and ensure adherence to the GRI Standards 2021. The assurance statement is also provided in the Appendix of the Report.

◆ Chief Telecom (Stock Code: 6561), established in 1991, is the largest international carrier-neutral data center service provider in Taiwan. The Company operates three IDC facilities and maintains extensive international Internet backbone connections. It has obtained multiple information security certifications, including ISO 27001 (Information Security Management), ISO 27011 (Telecom-Specific Security Controls), ISO 27017 (Cloud Security Management), ISO 27018 (Protection of Personal Data in Cloud Services), as well as the DCOS-4 certification for data center operations standards.

Frequency of Publication

This is the third sustainability report issued by Chief Telecom. To enhance the transparency and accessibility of the information within the report, Chief Telecom will publish reports annually in the future and make the complete electronic files available for download on the official Chief Telecom website.

Date of most recent report: August 2025

Date of next report: August 2026

Frequency of Publication

Please do not hesitate to reach out to us if you have any questions or suggestions regarding the contents of the Report.

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Sustainability Performance

Governance / Economic Aspect

The consolidated revenue of the company is **NT$37.93 billion**.

Net income after tax amounted to **NT$1.077 billion**, achieving the Company's goal of maintaining annual profitability.

Enhance our Corporate Governance Evaluation rating to rank among the top **5%** of listed (OTC) companies.

The customer satisfaction survey achieved a **score of 9.4** out of 10.

All members of the board of directors completed a total of **80 hours** of continuing education.

The Company reported no instances of personnel violating integrity, no records of corporate governance regulation violations, and no significant deficiencies in its internal control.

There were no significant information security incidents that caused business interruptions to the Company, and no personal information incidents occurred.

Environment

Having implemented the **ISO 14064-1:2018** GHG inventory standards and successfully obtained third-party assurance.

In Category 1, the Company generated **1,323.5805** MT CO_2e for GHG emissions, **29,251.4502** MT CO_2e for Category 2, and **5,572.0063** MT CO_2e for Categories 3 to 6.

The Company had no records of violating environmental regulation

There were no supply chain disruptions caused by material violations of regulations of environment, human rights and occupational safety, among other things, by suppliers in connection with social responsibility.

Society

In order to protect the employment rights and interests of employees, all our employees were full-time workers with indefinite-term employment contracts.

The average compensation of employees in non-supervisory positions was increased by **NT$135,000** over the prior year. The median compensation was increased by **NT$192,000**.

The ratio of female employees reached **34.8%**; and the ratio of female members in the Management reached **21%**.

The training hours per employee reached **19.4 hours**.

The Company had no occurrences of disasters. None of our employees experienced any deaths caused by occupational injuries, severe occupational injuries, or recordable occupational injury incidents, and there were no deaths caused by occupational diseases or recordable occupational diseases.

The Company did not report any violations of labor regulations.

The Company was not involved in any labor disputes.

The Company donated **NT$719,000** for public welfare.

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Stakeholder Engagement

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1 Stakeholder Engagement

1.1 Sustainability Committee 2-14

A Sustainability Committee headed by the President was established in April 2022 in accordance with the Sustainable Development Best Practice Principles passed by the Chief Telecom Board of Directors. The Sustainability Committee is responsible for formulating the sustainable development strategy and its internal implementation so that the ideals of sustainable development are progressively incorporated into the corporate culture of Chief Telecom.

Specialized teams were set up under the Sustainability Committee corresponding to the environmental, social and corporate governance (hereinafter referred to as "ESG") aspects of sustainable development. The topics of concern to stakeholders in terms of corporate governance, business performance, environmental sustainability, quality of service, and employee care are collated by the competent units. A stakeholder

Sustainability Committee

Committee Chair of the Promotion Team (President)

Director GeneralSam Shen

Business Management Team
Team Leader ‧ Vice President Chiang
Team Members ‧ Li-jen Huang
Team Members ‧ Ming-Hung Tsai

Scope of Duties

- Corporate Governance
- Service Innovation
- Ethics and Integrity
- Operational Performance
- Supplier Management
- Supplier Management

Sustainable Environment Team
Team Leader ‧ Vice President Chou
Team Members ‧ Chi-Yao Chang
Team Members ‧ Tzu-Jui Liu

Scope of Duties

- Energy Conservation
- Carbon Reduction
- Water Resource
- Effluents and Waste

Information Security Team
Team Leader ‧ Vice President Chou
Team Members ‧ Chuan-Yu Li

Scope of Duties

- Network Security Management
- Information Security Management
- Network Quality

Labor Rights Team
Team Leader ‧ Vice President Hsiao
Team Members ‧ Mei-Ling Lai

Scope of Duties

- Compensation and Benefits
- Labor Relations
- Occupational Health and Safety
- Talent Cultivation

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section is provided on the Chief Telecom website out of respect for stakeholders' rights to respond to the sustainability topics of stakeholder concern in an appropriate manner. In the future, Chief Telecom also intends to provide annual reports on its ESG execution results to the Board of Directors, enhancing the Board's engagement in the Company's ESG initiatives.

Chief Telecom Sustainable Development Best Practice Principles

1.2 Stakeholder Identification 2-29

Chief Telecom values all of its stakeholders and in order to identify its key stakeholders, the Sustainability Committee and each department conducted a preliminary screening for all types of stakeholders that we come into contact with, according to the frequency of interaction with Chief Telecom, the degree of mutual influence and the degree of mutual importance. As a result, six key stakeholders were identified through discussions by the Sustainability Committee and peer information, including government agencies, shareholders/investors, customers, employees, suppliers/contractors, and the media.

● **Identify Key Stakeholders**

Reach out to various stakeholders through routine business dealings

Discuss at internal meetings with reference to peer information

Identifying 6 Major Stakeholder Groups

1.3 Stakeholder Communication Channels and Topics of Concern 2-29

Chief Telecom units take the initiative to engage with stakeholders through a variety of channels so that key stakeholders are kept up to date on sustainable developments of the Company. Chief Telecom can also understand what the stakeholders need and expect, and respond in a timely manner. Besides, communication outcomes with shareholders will be shown in the annual report to the Board of Directors.

Topics of concern are compiled by each unit through their business dealings with key stakeholders and concluded by the Sustainability Committee. With reference to the GRI standards published in 2021 and the sustainability reports of industry peers, 20 sustainability topics are summarized, encompassing the economic, environmental and social aspects, to ensure the completeness of sustainability information disclosed by Chief Telecom in accordance with the GRI Standards.

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Key Stakeholder	Importance to the Company	Topic of Concern	Communication Channel/Frequency
Government Agencies	Chief Telecom is an Over-the-Counter (OTC) listed company and is under the supervision and regulation of the Financial Supervisory Commission and Taipei Exchange. All decisions made by the Company should be in compliance with the relevant legal and regulatory requirements imposed by these authorities.	• Business Performance • Corporate Governance • Information Security • Compliance • Climate Change Response • Energy Management • Greenhouse Gas Management • Green Operations	• Official correspondence / promptly • Material information / promptly • Regulatory compliance seminars / quarterly • Seminars or symposiums / quarterly • Market Observation Post System website / promptly
Shareholders/ Investors	We offer operational information to shareholders and investors openly and transparently. We prioritize the rights of shareholders and continuously gather feedback through investor communications to earn the trust of our shareholders and investors.	• Business Performance • Network Quality • Risk Management • Compliance • Energy Management	• Annual Shareholders' Meeting / yearly • Participate in investor conferences by invitation / quarterly • Announcement of material information on Market Observation Post System and corporate website / promptly • Company website e-mail and telephone / promptly • Contact person: Spokesperson, Deputy spokesperson / promptly
Customers	The experience of each customer is important to Chief Telecom. We strive to provide customers with the best quality of service as well as the most secure information and network services. We maintain a constructive working relationship with customers to ensure customer satisfaction.	• Network Quality • Information Security • Risk Management • Compliance • Service and Product Innovation • Brand Image and Market Positioning	• Customer service satisfaction survey / half-yearly • Company website and customer service e-mail / promptly • e-newsletter / monthly • Contact person: Customer Service Department / promptly

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Key Stakeholder	Importance to the Company	Topic of Concern	Communication Channel/Frequency
Suppliers / Contractors	The quality of services we provide to our customers relies significantly on our key partners. Therefore, suppliers, contractors, and outsourcers who provide high-quality products, construction, and services are of paramount importance to Chief Telecom.	• Supplier Management • Network Quality • Business Performance • Service and Product Innovation	• Supplier evaluation / yearly • Contact person: Administrative Department / promptly
Employees	Quality talent is crucial to corporate competitiveness. For the sake of talent retention, we not only offer competitive compensation and generous bonuses, but also encourage employees to take part in education and training to strengthen employee loyalty and build a robust corporate culture.	• Business Performance • Compliance • Talent Cultivation and Retention • Employee Relations	• Employee Suggestion Box and phone number / promptly • Communication with the department head / promptly • Feedback from the Employee Welfare Committee and Labor-Management Meetings, conducted at least once per quarter. • Employee communication window - Finance Division and Human Resources Department / promptly
The Media	Media relations not only influence our corporate image but also serve as an important channel for market communications. A positive relationship and mutual trust are maintained with all leading media platforms so that feedback can be provided or critical information can be obtained as quickly as possible if something serious happens.	• Service and Product Innovation • Business Performance • Information Security	• Chief Telecom Media Chat Group / promptly • Corporate website and telephone number of corresponding department / promptly • Contact Point: Public Relations Planning Department / promptly

1.4 Material Topics Identified

Chief Telecom engages in regular communication with stakeholders to gather input on the sustainability issues they care about. Taking into account stakeholder concerns, benchmarking against industry peers, and reflecting on the Company's operational context, 20 sustainability topics relevant to Chief Telecom were identified. These topics were reviewed and discussed by the Sustainability Committee. Given that there were no significant changes in the Company's operations during the reporting year, the material topics remain consistent with those identified in the previous year. The six material topics are: talent cultivation and retention, brand image and market positioning, business performance, network quality, energy and greenhouse gas (GHG) emissions, and water resource management.

These six material topics represent both risks and opportunities for Chief Telecom. In the face of an increasingly challenging business environment—particularly as the Company strives for operational excellence and to maintain the trust of shareholders and customers—it is equally important to safeguard the quality of the local living environment and protect employee health and well-being. Any legal or regulatory violations could significantly damage the Company's hard-earned reputation. Conversely, if the Company can successfully transform risks into opportunities and achieve a balance among economic performance, environmental sustainability, and social well-being, it will be well-positioned for continued growth and long-term sustainable development. This report outlines the management approach and disclosure items related to each of the six material topics. To ensure balanced reporting, the report also highlights Chief Telecom's achievements in public welfare and community engagement.

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ESG

Environment

Energy and GHG (Greenhouse Gas) Management, Water Resource Management, Supplier Sustainability Management, Green Operations, Climate Change Response, and Waste Management

Society

Talent Cultivation and Retention, Brand Image and Market Positioning, Employee Relations Workplace Diversity and Gender Equality, Occupational Safety and Health, Assisted Community Development, and Promoted Cultural Development

Governance / Economic

Business Performance, Network Quality, Corporate Governance, Information Security, Compliance, Risk Management, as well as Service and Product Innovation

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Analysis Chart of Material Topics

Degree of stakeholder impact (y-axis: 2.50–4.30)

Degree of economic, environmental and social impacts (x-axis: 1.80–5.30)
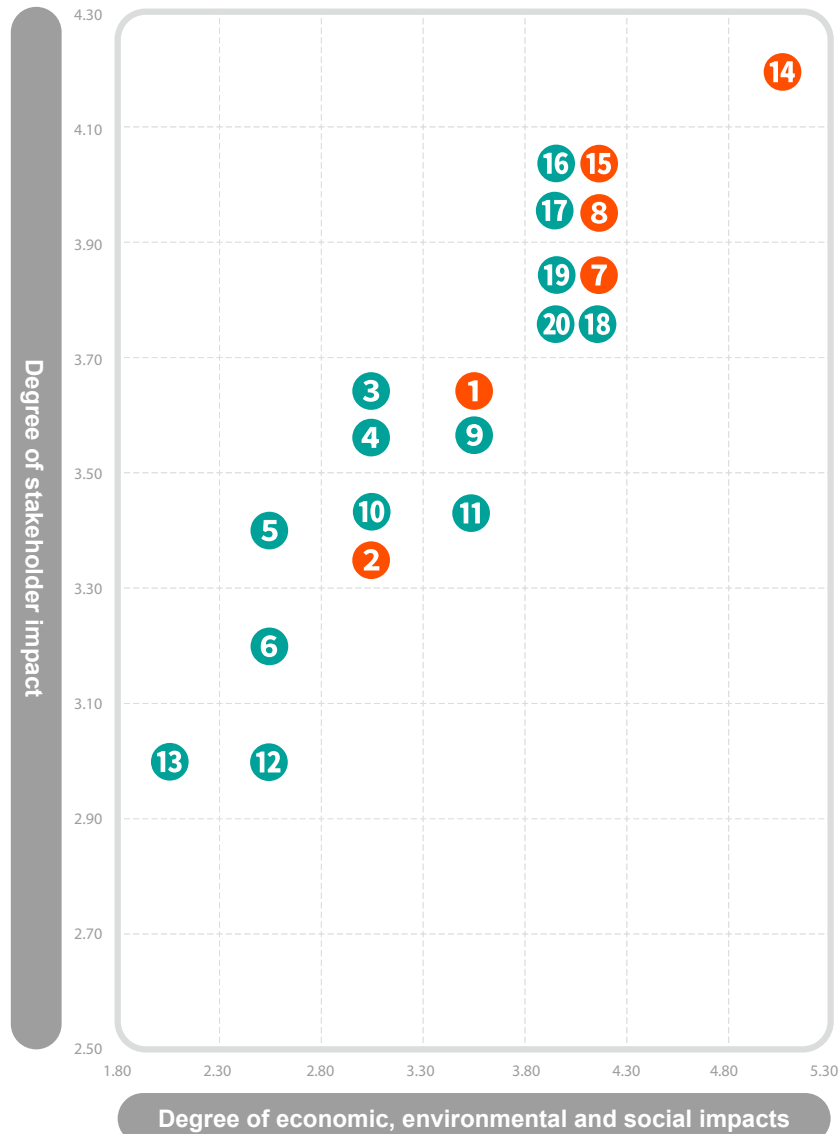
ESG	Material Topic (positive impacts/negative impacts)
Environment	Energy and GHGs (positive impact), water management (positive impact)
Society	Talent cultivation and retention (positive impact), brand image and market positioning (positive impact)
Governance	Business performance (positive impact), network quality (positive impact)

Environment
1. Energy and GHG
2. Water management
3. Supplier Sustainability Management
4. Climate Change Response
5. Climate Change Response
6. Assisting in Community Development

Society
7. Talent Cultivation and Retention
8. Brand Image and Market Positioning
9. Employee Relations
10. Climate Change Response
11. Workplace Diversity and Gender Equality
12. Assisting in Community Development
13. Promoted Cultural Development

Governance/Economic
14. Business Performance
15. Network Quality
16. Corporate Governance
17. Information Security
18. Compliance
19. Risk Management
20. Employee Relations

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● Editorial Principles

Chief Telecom has prepared its ESG report in accordance with the reporting principles outlined in the GRI Standards. These principles encompass:

Reporting Principles

- Accuracy
- Balance
- Clarity
- Comparability
- Completeness
- Sustainability Context
- Timeliness
- Verifiability

Complete ESG Report

1. The principle of sustainability context, which necessitates Chief Telecom to transparently disclose how it takes responsive measures to mitigate or reduce negative impacts on the actual economic, environmental, and social conditions of the operating area and its surrounding regions.

2. The principle of completeness, which dictates that the information disclosed in the report should provide a comprehensive reflection of the scope of significant impacts of the economic, environmental, and social aspects of the Company.

3. The principle of accuracy, which requires that the information contained in the report must be entirely accurate and detailed, enabling stakeholders to assess Chief Telecom's ESG performance accurately.

4. The principle of balance, which mandates that the information within the report should fairly represent both positive and negative performance, allowing stakeholders to reasonably evaluate Chief Telecom's ESG performance.

5. The principle of clarity, which stipulates that the information presented in the report should be easily comprehensible and accessible to stakeholders.

6. The principle of comparability, which obliges the report to disclose ESG information using internationally accepted standards, enabling stakeholders to analyze the Company's long-term performance.

7. The principle of timeliness, which requires the Company to issue ESG reports regularly and promptly provide significant ESG information for stakeholders to make informed decisions.

8. The principle of verifiability, which necessitates that the Company should prepare ESG reports in a manner that allows internal and external personnel to review them, ensuring the accurate disclosure of information.

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Aspect	Material Topic	Importance to Chief Telecom	Internal Boundary	External Boundary			Corresponding GRI Standard	Disclosure in Report
			Company	Shareholders/Investors	Suppliers	Customers		
Economic	Business Performance	Business performance reflects a company's overall performance and serves to protect the rights and interests of investors and other stakeholders	●	●	●	●	201 Economic Performance: 2016(201)	Operational Performance
Economic	Network Quality	Ensure normal network operations to satisfy customer requirements and enhance customer loyalty.	●			●	Custom material topic defined by Chief Telecom	Network Quality
Society	Brand Image and Market Positioning	Establishing customer trust in the Company and enhancing customer loyalty through the Company's brand image and market positioning.	●	●	●	●	Custom material topic defined by Chief Telecom	Brand Image and Market Positioning
Environment	Energy and GHG	Improve the energy efficiency of data centers, reduce GHG emissions and lower operating costs.	●			●	302 Energy: 2016 305 Emissions: 2016	Energy Efficiency and GHG Reduction
Environment	Water management	The air conditioning system is a vital component of the Company's data center, helping mitigate operational risks associated with water shortages and contributing to the reduction of water scarcity risks on Earth.	●			●	303: Water and Effluents 2018	Water management
Society	Talent Cultivation and Retention	Employees are a valuable asset to the company.	●			●	404 Talent Cultivation: 2016	Enhancing Employee Soft Skills

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1.5 Sustainable Development Goals (SDGs)
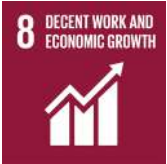
The Sustainable Development Goals (SDGs) were introduced by the United Nations in 2015, comprising 17 SDGs and 169 targets. These goals and targets serve as guiding principles for sustainable development, both for member states and businesses worldwide, with a commitment extending until 2030.

Chief Telecom has integrated the SDGs into our business strategy, broadening our previous emphasis on economic performance to encompass environmental protection, regulatory compliance, enhancing employee retention through improved compensation, addressing workplace inequalities, and reducing emissions, effluents, and greenhouse gases. We also encourage our suppliers to join us in efforts to contribute to a more sustainable environment and improved workplace conditions. Chief Telecom aspires to make an even more significant impact on the SDGs in the future, aligning with our corporate social responsibility goals.

Sustainable Development Goals (SDGs)	Targets	Response from Chief Telecom
1 NO POVERTY	1.4 Ensure that all men and women, in particular the poor and vulnerable, have equal rights and access to economic resources.	• Employees with disabilities were employed to promote employment for the vulnerable. Relevant rules and regulations have also been drawn up to specifically protect the rights and interests of all employees.
4 QUALITY EDUCATION	4.5 Eliminate disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations. 4.7 Promote education for sustainable development, sustainable lifestyles, human rights, gender equality, and a culture of peace and non-violence.	• Continuing to improve employee benefits and training to create a positive working environment. • Regulations for education and training management have been developed to equip employees with the professional knowledge and skills required to excel in their roles, enhance productivity, and ensure the quality of work. This, in turn, enables the Company to achieve its sustainability and development objectives. • Cultivation of internationalized talent through a forward-looking human resources strategy. Employees were encouraged to enhance their professional abilities and language proficiency through ongoing education. Additionally, subsidies were offered to support the acquisition of international certifications. • Donations were made to the National Taiwan University. Supporting the cultivation of corporate governance expertise at quality domestic academic institutions will boost corporate and national competitiveness.

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Sustainable Development Goals (SDGs)	Targets	Response from Chief Telecom
5 GENDER EQUALITY	5.1 End all forms of discrimination against all women and girls. 5.4 Recognize and value the protection of women, girls and families through social protection policies.	• We are also dedicated to upholding the principles of the "UN Universal Declaration of Human Rights" by refraining from discrimination based on factors such as race, social class, language, ideology, religion, political affiliation, nationality, gender, sexual orientation, age, marital s tatus, appearance, facial features, physical and mental abilities, or other characteristics. We are committed to promoting gender equality and ensuring equitable treatment for all employees. Appropriate rules and regulations have been established to safeguard the rights and interests of every employee. • An anonymous suggestion box and the provision of Board of Directors' contact information on the internal website, among other measures, consistently maintain open communication channels for employees to safeguard and enhance their rights and interests. In 2024, no complaints related to human rights were received.
8 DECENT WORK AND ECONOMIC GROWTH	8.4 Improving energy efficiency and productivity. 8.5 Achieve full and productive employment and decent work for all women and men, including for young people and people with disabilities, and equal pay for work of equal value. 8.7 Prohibition of child labor and eradication of forced labor.	• For the past three years, the average annual energy savings rate was 1.47%. • Our primary focus when promoting or hiring personnel is their professionalism. We strictly prohibit discrimination and ensure equal employment opportunities to cultivate a workplace culture of gender equality. • In alignment with the parent company, Chief Telecom, a Remuneration Committee has been established to oversee the development of compensation policies, systems, standards, and structures. Compensation packages, which include monthly salaries and variable pay, are composed of two components: bonuses and employee compensation. Monthly salaries are determined based on employee competencies and roles, while variable pay is contingent on the Company's business performance and individual performance.

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Sustainable Development Goals (SDGs)	Targets	Response from Chief Telecom
8 DECENT WORK AND ECONOMIC GROWTH	8.8 Protect labor rights and promote safe and secure working environments for all workers including women and those in precarious employment.	• We are dedicated to upholding the principles of the "UN Universal Declaration of Human Rights" by refraining from discrimination based on factors such as race, social class, language, ideology, religion, political affiliation, origin, gender, sexual orientation, age, marital status, appearance, facial features, physical and mental abilities, or any other attributes. We champion gender equality, fair treatment of all employees, and the employment of individuals with disabilities to foster opportunities for marginalized groups. Appropriate rules and regulations have been established to safeguard the rights and interests of all employees.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.5 Encourage innovation, and increase the number of research and development workers and the amount of research and development spending.	• Donations were made to National Taiwan University. Supporting the development of corporate governance and high-tech research and development talent at reputable domestic academic institutions contributes to enhancing corporate and national competitiveness.
13 CLIMATE ACTION	13.3 Improving education, awareness, and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	• In alignment with the parent company, Chief Telecom participates in the RE100 initiative, continuously conducts ISO 14064-1 greenhouse gas inventory, and undergoes verification.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16.6 Develop effective, accountable and transparent institutions at all levels. 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.	• The "Corporate Governance 3.0 - Sustainable Development Roadmap (2021~2023)" by the Financial Supervisory Commission serves as our blueprint for reinforcing the Board of Directors' role, elevating transparency, fostering better communication with stakeholders, encouraging institutional investors to exercise due diligence, and nurturing a culture of sustainability governance within the Company. These actions are geared towards advancing corporate governance and promoting sustainable development.

02

About Chief Telecom

CHIEF | 是方

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2 About Chief Telecom

2.1 Company Profile 2-1~2-6 (Fiona)

Chief Telecom (Stock Code: 6561), established in 1991, is the largest international carrier-neutral data center service provider in Taiwan. The Company operates three IDC facilities and maintains extensive international Internet backbone connections. Chief Telecom has obtained multiple information security certifications, including ISO 27001 (Information Security Management), ISO 27011 (Telecom-Specific Security Controls), ISO 27017 (Cloud Service Security Management), ISO 27018 (Protection of Personal Data in Cloud Services), as well as the DCOS-4 certification for data center operations standards. In response to customer demand, Chief Telecom has completed construction of its fourth IDC facility, which incorporates smart building and green building design. The new facility has already attracted numerous domestic and international clients.

The global network backbone and integration of ICT capabilities make Chief Telecom the top choice for multinational enterprises. Chief Telecom is also the perfect business partner for international telecom companies who are looking to enter Taiwan and China markets.

Customers can have global internet access provided by multiple ISPs through Chief Telecom. Chief Telecom's total solutions and diverse business models enables customers to improve their operational effectiveness and strengthen their competitive advantages.

Becoming the hub for digital convergence, AI and cloud business applications in East Asia

Chief Telecom Taipei Submarine Cable Exchange Center (TPCX)

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Company Name

Chief Telecom Inc.

Capital (Thousand)

779,514

Primary products/ services

IDC services, cloud application products service, data services, voice services, and exchange centers.

Location of headquarters

2F, No.68, Ruiguang Road, Neihu District, Taipei, Taiwan

Revenue for 2023 (Thousand)

3,793,013

Product sales (Unit)

approximately 12,009 m²)

Cloud application services: 2,382 Mbps

Data network services: 857,379 Mbps

Voice communication services: 106,265,622 minutes

Exchange centers: 4 (Taipei Internet eXchange Center (TPIX), Taipei Submarine Cable eXchange Center (TPCX), Taipei Voice eXchange Center (TPVX), and Chief Cloud eXchange Center (CCX))

Sector

Communication network sector

Total Employees

164 employees

Shareholding ratio

Chief Telecom's shareholding structure was as follows: 66.86% held by domestic corporations, 19.90% by domestic individuals, and 13.24% by foreign institutions and individuals.

Operating locations

Taiwan: 1 operating location (1 office, 3 data centers)

Note: As of the end of 2024

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1991
Formally registered as Shi Fang Information Technology Inc. (是方資訊) with NT$20 Million in registered capital.

1999
Company renamed as Chief Telecom Inc.; obtained general business license as Type 2 telecommunications operator.

2002
Took on the role of exchange operator and established Taipei Internet Exchange Center (TPIX). The Taipei Voice Exchange Center (TPVX) and Taipei Submarine Cable Exchange (TPCX) were also established in the same year.

2006
Become an affiliate of Chunghwa Telecom Co., Ltd.

2011
Obtained international certifications of ISO 27001 (Information Security Management) and ISO 27011 (Implementation of information security controls in telecommunications organizations) due to our commitment to provide customers with high-quality integrated information and communications services.

2021
The President visited the ground-breaking ceremony for Chief Telecom's smart, green IDC building. The President hoped that the development will become the hub of digital convergence and AI cloud commerce applications in East Asia. Chief Telecom celebrated its 30th anniversary and also updated our corporate identification system.

2019
Chief Telecom was the first telco in Taiwan to pass the DCOS-4 (Data Center Operations Standard). Chief Telecom's Taipei Internet eXchange (TPIX) was included in the national level-2 key infrastructure.

2018
• Established Chief Cloud eXchange (CCX) and partnered with Microsoft to launch the Azure ExpressRoute cloud service solution; introduced the AWS Direct Connect service; introduced AWS Direct Connect service so that AWS customers can easily set up a dedicated Internet link for connecting to basic local facilities and AWS.

• Chief Telecom was formally listed on the OTC, with trading stock code 6561. Cloud services revenue increased by NT$158,420 thousand. After the capital increase, total capital reached NT$988,566 thousand, allocated for cloud protection and cloud services.

2017
Obtained international certifications of ISO 27017 (Cloud Security Management) and ISO 27018 (Personal data protection for cloud services).

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2022

1. Chief Telecom passed the greenhouse gas inventory and certification under ISO14064-1 in 2021.
2. Chief Telecom completed the 2021 Sustainability Report, had it certified, and uploaded it to the public information disclosure website.
3. The Microsoft Teams services were integrated into Chief Telecom's 070 Network Phone, providing services such as network collaboration, conference tools and voice services to Teams enterprise users simultaneously.
4. Chief Telecom joined hands with Yunlin County to build the i Sports City; Chunghwa Telecom joined hands with Chief Telecom to enter the health wearable device market.

2023

1. LY2 Green Energy Smart IDC had its topping-out ceremony.
2. Chief Telecom was voted by CIO Taiwan as the "Local Cloud Integration service" provider in the "2023 Elite Vendor Brand Survey."
3. Chief Telecom ranks in the top 5% of listed company governance Evaluation System.
4. Elevating Chief Telecom's operation of the TPIX Taipei Internet eXchange to rank among the top 100 global IXs.
5. Launched the global Bare Metal cloud services, serving over 40 countries and 60 cities.
6. Awarded the Best IT Employer in the 2023 IT Matters Awards.
7. Chief Telecom's TPIX collaborated with Japan's JPIX to expand the global internet exchange platform.
8. Received the "Small Giant Award" at the 2023 Taiwan's Excellence in Corporate Social Responsibility Award.
9. Won the "Best IT Employer Award" at the inaugural 2023 IT Matters Awards.
10. Recognized in the "2023 Taiwan Best-in-Class 100."

2024

1. Chief Telecom's TPIX partnered with Genie Networks to incorporate intelligent traffic analysis, enabling precise forecasting of customer needs and delivering high-quality Internet services.
2. Chief Telecom was honored with the 2024 Elite Vendor Award for Local Cloud Integration Services by CIO Taiwan.
3. Chief Telecom, GrandTech, and GMI Cloud formed a strategic alliance to jointly shape a new landscape for AI cloud computing power in Asia.
4. Chief Telecom was once again ranked in the top 5% of the Corporate Governance Evaluation for OTC-listed companies.
5. Chief Telecom, HGC, and AMS-IX signed a memorandum of understanding, enabling TPIX and AMS-IX Hong Kong to jointly expand global network connectivity.
6. Chief Telecom partnered with Germany-based exchange operator DE-CIX, aiming to build a global internet ecosystem through resource sharing.
7. Chief Telecom was listed in the 2024 edition of Taiwan's Top 5000 Large Enterprises.
8. The Taiwan AI Computing Center (AICC) was officially launched. Xiang Yao Technology, Chief Telecom, and Supermicro formed a strategic alliance to strengthen Taiwan's AI computing ecosystem.
9. In Matsu, Chief Telecom supported the development of an e-health management platform and mobile application, enhancing preventive care and health promotion for residents in remote island areas.
10. Chief Telecom received both the 2024 Commonwealth Magazine Corporate Social Responsibility Award and the Talent Sustainability Award.
11. Honored with the 2024 OTC-listed Happy Enterprise Award by the Taipei Exchange.
12. In support of the "Healthy Taiwan" policy, Chief Telecom collaborated with the Digital Humanitarian Association to promote a remote health promotion program.
13. Received the 2024 Best IT Employer Award at the "IT Matters Awards".
14. Once again recognized by CIO Taiwan's Elite Vendor Awards for excellence in Local Cloud Integration Services.

Chief Telecom Milestones

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Organizational Structure

Shareholders' Meeting

Board of Directors Chairman

Audit Committee
Remuneration Committee
Risk Management Committee

Auditing Office

Corporate Governance Executive

President

Information Management Committee
Sustainability Committee

Planning Division
- Product Development Department
- Marketing Support Department
- Information Management Department
- Public Relations Planning Department

International Business Division

IDC Service Division
- Electromechanical Division I
- Electromechanical Division II
- IDC Service Dept. I
- IDC Service Dept. II

Technology Division

Internet and Applied Services Division
- Internet Service Department
- Telecommunication Services Department
- Installation Maintenance Department
- Cloud Services Department

Business Division
- 1st Domestic Business Department
- 2nd Domestic Business Department
- 3rd Domestic Business Department
- 1st International Business Department
- 2nd International Business Department
- New Business Development Department

Finance Division
- Finance Department
- Accounting Department
- Billin Department
- Human Resources Department

Management Division
- Administrative Department
- Legal Affairs Department
- Customer Service Department

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Primary Products/Services

Chief Telecom's portfolio generally includes IDC services, cloud services, data services, voice services, and exchange centers.

OUR BUSINESS

IDC SERVICE | DATA SERVICE | CLOUD SERVICE | EXCHANGE SERVICE | VOICE SERVICE

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CARRIER

BROADBAND

MOBILE

Taipei Internet eXchange

ENTERPRISE

CSP

ISP

SECURITY

Chief Telecom's Taipei Internet eXchange (TPIX) serves as a platform for the exchange of information between local and international ISP, ICP, and CDN

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The top five public cloud service providers are the partners of Chief Cloud exchange (CCX).

CCX
Chief Cloud eXchange Center

CHIEF GLOBAL BACKBONE

Corporate Clients

aws
Google Cloud
Azure
ORACLE CLOUD
IBM Cloud
CHIEF APP CLOUD

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2.2 Business Philosophy

Guided by our business philosophy of "division of labor, sharing of resources, industry cooperation, and win-win outcomes", Chief Telecom has formed a team of cloud, network, content and telecommunication partners, all working together to create business opportunities through resource sharing so that everyone wins. We strive to achieve a winning outcome for shareholders, employees and customers in order to realize our vision of becoming the hub for digital convergence, AI and cloud business applications in East Asia.

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Five Core Values Drive Business Growth

Everyone at Chief Telecom acknowledges, adheres to, and embraces our five core values. By fostering a spirit of teamwork and commitment among all employees, these values serve as the foundation for the Company's continued growth and sustainability. Chief Telecom's five core values are Professionalism, Reliability, Enthusiasm, Innovation, and Integrity.

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2.3 Awards over the Years and Management Systems

Chief Telecom's data centers, products, and services have obtained certification for ISO 27001 (Information Security Management), ISO 27011 (Implementation of information security controls in telecommunications organizations), ISO 27017 (Cloud Security Management), ISO 27018 (Personal data protection for cloud services), and DCOS-4 (Data Center Operations Standard). We provide customers with a wide variety of international sources and satisfy their diverse technical requirements so that they can enjoy the benefits of online platforms.

Chief Telecom President Yao-Yuan Liu (right) and TUV NORD representative

Felix Chou, VP of Technology at Chief Telecom (left) accepts the DCOS certificate from SGS Senior VP David Huang (right) to become the first telco in Taiwan to achieve this honor.

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Chief Telecom was recognized by CIO Taiwan as the "Local Cloud Integration Service" provider in the "2024 Elite Vendor Supply Brand Survey."

In addition to demonstrating a strong commitment to expanding its presence in the international market, Chief Telecom is also dedicated to creating a happy and fulfilling workplace. The company's high employee recognition, people-centered work environment, and comprehensive employee benefits have earned Chief Telecom numerous honors. These include being ranked in the top 5% of first-tier companies in the 10th Corporate Governance Evaluation by the Taipei Exchange, being listed in the 2024 edition of Taiwan's Top 5000 Large Enterprises, and receiving the 2024 CommonWealth Corporate Sustainability Award, the 2024 CommonWealth Talent Sustainability Award, the 2024 Taipei Exchange Emerging Stock Market Happy Enterprise Award, and the 2024 Best IT Employer Award at the IT Matters Awards. the "2024 CommonWealth Talent Sustainability Award", the "2024 Taipei Exchange Emerging Stock Market Happy Enterprise Award", and the "2024 Best IT Employer Award" at the "IT Matters Awards". Chief Telecom's outstanding operational performance continues to be widely recognized and praised by all sectors.

Chief Telecom was voted by as the "Local Cloud Integration Service" provider in the "2024 Elite Vendor Supply Brand Survey."

Chief Telecom was recognized as a top 5% Tier 1 company in the 10th Corporate Governance Evaluation conducted by the Taipei Exchange.

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2024 CommonWealth Magazine Corporate Sustainability Award – Winner Seal

2024 CommonWealth Magazine Talent Sustainability Award – Winner Seal

Chief Telecom won the "Best IT Employer Award" at the inaugural 2024 IT Matters Awards.

Chief Telecom Wins 2024 IT Matters Awards – Best IT Employer

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2.4 Membership of Associations 2-28

Chief Telecom is a leading carrier-neutral data center (IDC) service provider in Taiwan. Even as we continue to improve the competitiveness of our own products, we also actively participate in related industry associations and work with other association members to stay on top of the latest industry trends. We strive to cultivate the ecosystem for telco services in Taiwan in order to provide customers with the best possible one-stop service.

Taipei Computer Association

TCA 台北市電腦公會 Taipei Computer Association

Member

Taipei Neihu Technology Park Development Association

TPDA 社團法人 台北內湖科技園區發展協會 Taipei Neihu Technology Park Development Association

Member

Taiwan Network Information Center (TWNIC)

TWNIC 財團法人台灣網路資訊中心 TAIWAN NETWORK INFORMATION CENTER

Member

Taiwan Internet Association (TWIA)

TWia 台灣網際網路協會 TAIWAN INTERNET ASSOCIATION

Member

Taiwan Computer Network Crisis Response and Coordination Center (TWCERT/CC)

twcertcc 台灣電腦網路危機處理暨協調中心 Taiwan Computer Emergency Response Team / Coordination Center

Member

Taiwan Internet Exchange Center (TPIX)

TPIX Taipei Internet eXchange Center

Operator and Member

Information Management Association of R.O.C.

IMA 中華民國資訊經理人協會 Information Management Association

Member

03

Integrity Governance

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3 Integrity Governance

Corporate governance and transparent operations are valued by Chief Telecom. Our corporate governance structure was set up and implemented in accordance with the relevant regulations such as the Company Act, and Securities and Exchange Act for making continuous improvements to management performance. A sound Board of Directors, robust internal controls and stable financial controls are employed to protect the rights and interests of investors and other shareholders. The Corporate Governance Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Management Procedure for Prevention of Insider Trading were passed by the Board of Directors. The management and supervisory functions of the Board were also strengthened through the establishment of the audit Committee and Remuneration Committee composed of independent directors. Chief Telecom also established a comprehensive disclosure system based on the principles of accuracy, timeliness, and fair disclosure to make information relating to operations, finance, Board of Directors, and Shareholders' Meeting publicly accessible on the corporate website and the Market Observation Post System to ensure that shareholders are kept up to date on the latest company developments.
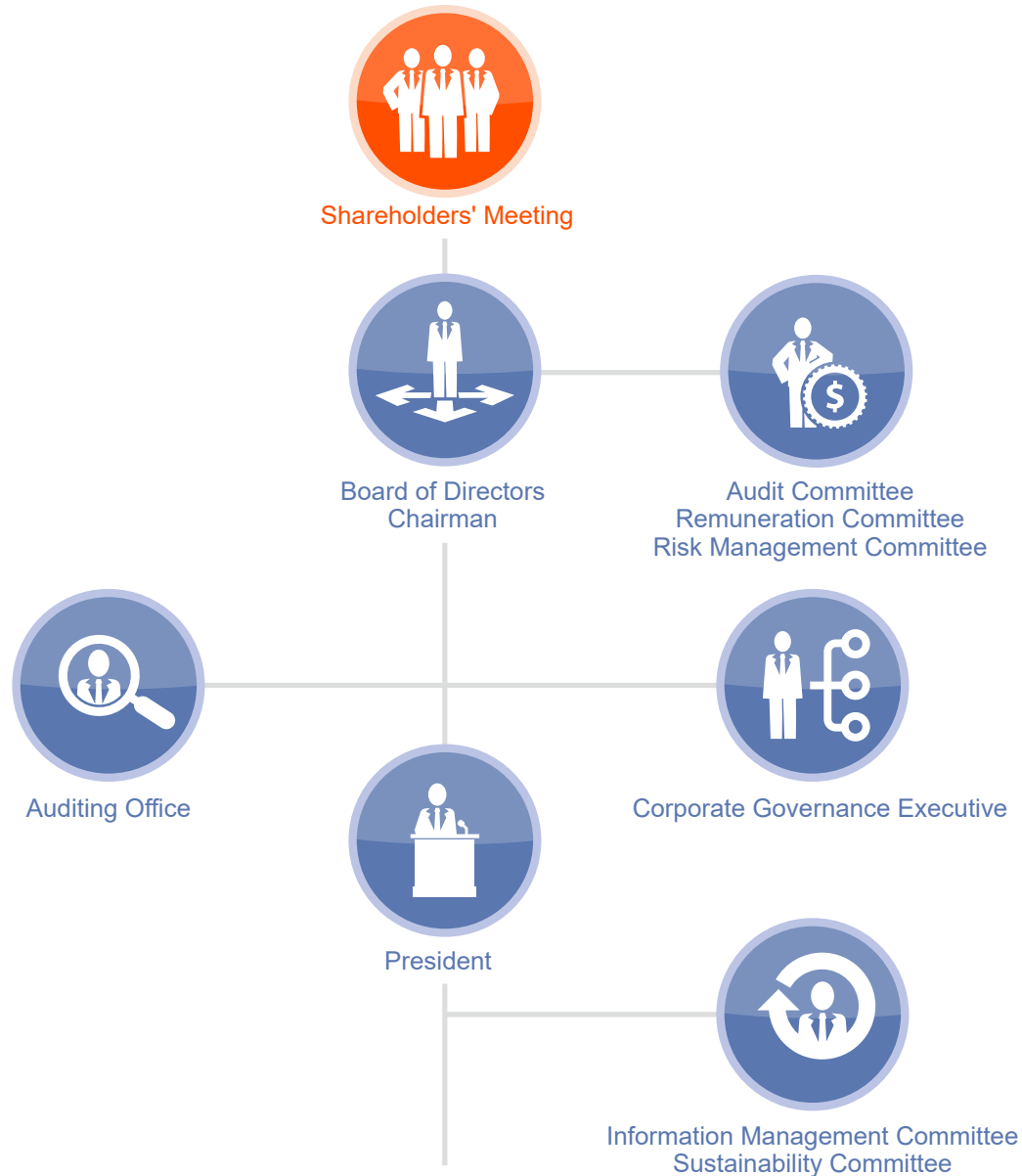
Corporate Governance Best Practice Principles

3.1　Governance Practices2-9~2-13, 2-15~2-18, 2-21, 2-25~2-26

The Shareholders' Meeting is the highest decision-making body of the Company. The Board of Directors plays a critical role in corporate governance, not only providing strategic guidance on company operations, but also supervising the business performance of the company management. It is the highest governance body. In addition to appointing independent directors to draw on their professional knowledge, the Audit Committee, Remuneration Committee, Auditing Office and Information Management Committee all played a part in assisting Board members in fulfilling their supervisory duties and maximizing shareholder returns through the effective execution of various business activities.

In April 2022, Chief Telecom Board of Directors appointed the VP of Finance as the CGO. A Risk Management Committee was also set up to enhance corporate governance synergies.

In the future, the Company will continue to strengthen the function of the Board and progressively incorporate the sustainable governance strategy into the Company's governance structure. These can also help the Company boost its competitiveness and create brand value in order to realize the goal of sustainability

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Shareholders' Meeting

Board of Directors
Chairman

Audit Committee
Remuneration Committee
Risk Management Committee

Auditing Office

Corporate Governance Executive

President

Information Management Committee
Sustainability Committee

3.1.1 Board of Directors

A Board of Directors composed of 7 to 9 directors is selected by Chief Telecom in accordance with the Articles of Incorporation. Each director serves for a term of three years and can be re-elected. Directors' elections are based on the candidate nomination system. The elections for independent and non-independent directors are held concurrently and the quota of seats calculated separately. The current Board is composed of seven directors with extensive industry and academic experience in commerce, telecommunications, law, accounting and auditing. Among them, there are 3 external independent directors. The Board Meeting will be held at least once every quarter in accordance with the law. A total of 8 Board Meetings were held in 2024.

The Board of Directors clearly established the "Rules of Procedure for Board of Directors Meetings" for observation, and directors also adhere to a high degree of self-discipline in abstaining from interest conflicts. If a director or the legal person they represent has an interest conflict with the Company for a matter on the agenda of the Board meeting, they, except explaining the important nature of their interest at the Board meeting, are expected to abstain from participating in discussions and voting, and they may not exercise their rights to vote on behalf of other directors.

● Board of Directors

Title	Name	Actual attendance rate (%)	Number of directors concurrently serving as directors of other companies	With sector and ESG-related background/experience
Chairman	ChungHwa Telecom Co., Ltd. Representative: Yen-Hong Wu (Note 1)	100%	1	Industry
Director	ChungHwa Telecom Co., Ltd. Representative: Hong-Jia Shao (Note 1)	100%	1	Industry
Director	ChungHwa Telecom Co., Ltd. Representative: Ben-Yuan Zhang	75%	5	Industry
Director	ChungHwa Telecom Co., Ltd. Representative: Chung-Shuo Lin (Note 2)	100%	4	Industry
Director	InveStar Corporation Representative: Zhong-He Tai	62.5%	9	Industry
Independent Director	Chan-Jane Lin (Note 2)	87.5%	3	Accounting
Independent Director	Tao-Hong Lu	100%	-	Audit
Independent Director	Ai-Chun Pang (Note 3)	50%	-	Information
Independent Director	Yu-Fen Lin (Note 3)	100%	3	Laws

Note 1: Chunghwa Telecom Co., Ltd. changed its representative from Yen-Hung Wu to Hong-Jia Shao, who was elected as Chairman of the Board by the Company's Board of Directors on November 13, 2024.

Note 2: Chunghwa Telecom Co., Ltd. changed its representative from Chung-Shuo Lin to Yi-Hsiu Lin on January 1, 2025.

Note 3: Independent Director Ai-Chun Pang's resignation became effective on May 28, 2024. Lin Yu-Fen was elected as the new Independent Director in a by-election held at the shareholders' meeting on August 27, 2024.

The "Rules for Performance Evaluation of Board of Directors" were also drawn up by the Company to provide assurance on the quality of Board decision-making. An annual internal evaluation is conducted on the performance of the Board and individual Board members. In August 2022, the Company appointed the Taiwan Corporate Governance Association to complete the external evaluation on the performance of the Board. The evaluation focuses on the 8 dimensions including composition, guidance, authorization, supervision, communication, internal control and risk management, self-discipline and other aspects of the Board of Directors (Board meetings, support systems, etc.), and was made through surveys and video interviews. The outcomes of the evaluation will be taken into account for the selection or nomination of directors in the future.

Chief Telecom takes out liability insurance for directors every year to increase the incentive for talented professionals to serve on the Board as well as distribute the risk of serious harm to the Company and shareholder due to the negligence of directors. The Company also actively arranged continuing education courses for directors on topics such as compliance, governance practices and ESG. In 2024, the total training hours for directors amounted to 80 hours.

Rules of Procedure for Board of Directors Meetings

Board Member Work Experience and Education

List of Key Shareholders

Performance Evaluation Mechanism for Board of Directors

- **Annual internal self-assessment through surveys**
- **Third-party experts will be retained to conduct an evaluation once every three years from 2022 onwards**

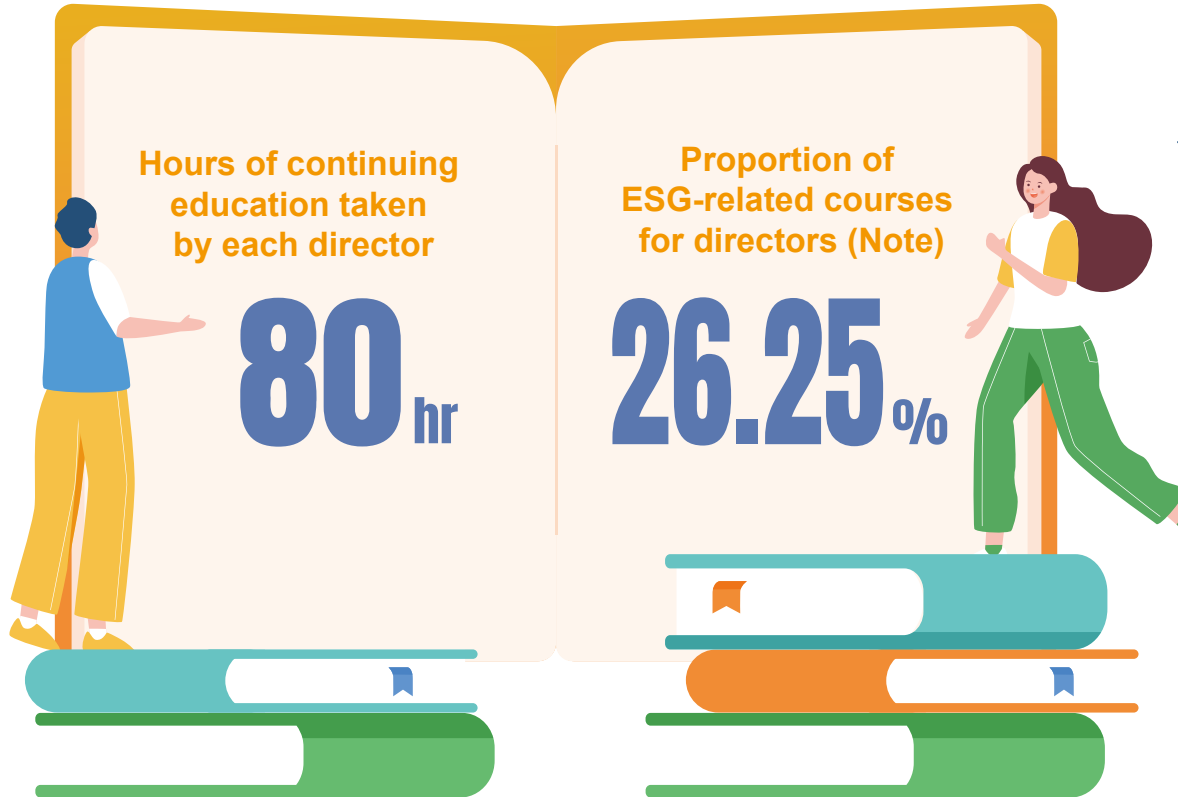### Outcome of 2024 Performance Self-Assessment

- **The Board of Directors scored an average of 99**
- **Board members scored an average of 99.7**
- **In 2024, the Company held a total of eight board meetings, with an attendance rate of 88.9% by the directors. Each director had ample opportunity to express opinions and provide suggestions on various company proposals, offering their full support.**

Enhancement Plan

- **Coordinate with directors so that they attend Board meetings in person**
- **Arrange professional continuing education courses**
- **Strengthen effective communication among independent directors, chief audit officer and CPAs**
- **According to the "Rules for Performance Evaluation of Board of Directors",annual self-evaluation by functional committees and external evaluation on performance of the Board of Directors every 3 years are conducted to continuously improving performance of the Board of Directors.**

● **2-17 Collective Knowledge of the Highest Governance Body and Continuing ESG Courses**

Hours of continuing education taken by each director

80 hr

Proportion of ESG-related courses for directors (Note)

26.25 %

Note: (Total hours related to ESG courses/total hours of education taken by directors) 100%

3.1.2　Functional Committee 2-19~2-20

Chief Telecom established the "Audit Committee" and "Remuneration Committee" convened by and composed of the three independent directors in terms of functioning of functional committees to uphold the spirit of corporate governance and strengthen the structure of the Board. In April 2022, the "Risk Management Committee" was established under the Board of Directors to implement the functions of independent monitoring and supervision.

Note: The Risk Management Committee will be covered in detail in 3.2 Risk Management

The Audit Committee of Chief Telecom consists of all independent directors and is convened at least once per quarter to assist the Board with supervising the quality of the Company's accounting, auditing, financial reporting process, and financial controls. The assessment outcome is submitted to the Board for discussion. The Audit Committee was convened a total of 5 times during 2024 and the total attendance rate was 92.86%.

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The chief audit officer held closed-door meetings with all independent directors at least once a quarter to report on the Company's internal audit execution. In 2024, independent directors held a total of 8 meetings with the chief audit officer, and also held 8 meetings with CPAs. In addition to reporting the audit or review results of financial reports to independent directors, CPAs introduced regulations and exchanged opinions during the meetings.

Remuneration Committee

The Remuneration Committee was established by Chief Telecom in 2015 to strengthen the integrity of the compensation system for Board directors and managerial officers. The Committee evaluates and provides recommendations on the compensation policy and system for Board directors and managerial officers to avoid compensation policies that lead to directors and managerial officers engaging in conduct that exceed the risk capacity of the Company. Independent directors make up all 3 members of the Audit Committee. The Committee was convened a total of 6 times during 2024 and the total attendance rate was 93.75%.

Chief Telecom is currently in the process of implementing ESG initiatives. At this stage, ESG development goals and performance have not yet been linked to the compensation of board members and managerial officers. However, Chief Telecom will continue to monitor ESG trends, and once internal ESG practices have matured, the Remuneration Committee will deliberate and assess the formulation of relevant mechanisms.

Audit Committee Members	2024 Actual Attendance (%)
convener Chan-Jane Lin	100%
Tao-Hong Lu	100%
Ai-Chun Pang (Note 1)	50%
Yu-Fen Lin (Note 1)	100%

Note1 : Commissioner Ai-Chun Pang's resignation became effective on May 28, 2024, and Commissioner Yu-Fen Lin assumed office on August 27, 2024.

Remuneration Committee Members	2024 Actual Attendance (%)
convener Chan-Jane Lin	100%
Tao-Hong Lu	100%
Ai-Chun Pang (Note 1)	50%
Yu-Fen Lin (Note 1)	100%

Note1 : Commissioner Ai-Chun Pang's resignation became effective on May 28, 2024, and Commissioner Yu-Fen Lin assumed office on August 27, 2024.

Risk Management Committee

In April 2022, the Board of Directors of Chief Telecom approved the establishment of a Risk Management Committee and appointed three independent directors as members and Yao-Yuan Liu, President of the Company, as the convener of the Risk Management Committee. The Risk Management Committee meets at least once a year and may convene its meetings where necessary from time to time. The 2nd meeting of the 2nd Risk Management Committee of Chief Telecom was held on December 19, 2024. The Risk Management Committee proposed contingency plans for potential risk events and impact assessments for risk types such as "politics and laws", "technology and operation and maintenance", "market and competition", and "climate change and environmental protection", and submit risk management reports to the Board of Directors. In addition, the Company's risk assessment report is prepared and issued by the Planning Division on a monthly basis, and submitted to the Risk Management Committee for review within 15 days after the end of each quarter. The Risk Management Committee gives advice on the content of the risk assessment report. The Committee was convened a total of 1 time during 2024 and the total attendance rate was 100%.

Information Management Committee

The "Information Management Committee" was established by Chief Telecom in response to manage the implementation of information business operations and resolutions relating to security management matters. The Vice President of Planning Division serves as its convener while the Vice President of Technical Service Division serves as the deputy convener. The members of the Committee are drawn from the heads of each Company unit. The Committee is responsible for the implementation of the Company's information business management and passing of resolutions relating to security management matters. Meetings are convened on a periodical or ad hoc basis each year to review matters relating to information security management. An information security convener is appointed by the Information Management Committee for coordinating the Information Security Team and Emergency Response Team's information security operations, periodical review of access control logs, and review of management procedures.

● **Information Security Team:** It is composed of personnel designated by the Information Management Committee. It is responsible for planning and implementing various information security operations and information security project management, including but not limited to formulating information security management standards, promoting information security activities, conducting education and training on information security, warning and monitoring information security status, and handling information security accidents and incidents, establishing risk management systems, and implementing resolutions adopted by the Information Management Committee.

● **Emergency Response Team:** The Emergency Response Team is a mission-based team made up of the Emergency Response Team Leader and the heads of critical business processes. The Team is convened after a major information security incident to assist emergency response units with the recovery of personnel, materials, and equipment, as well as provide on-site incident command and control. It is also responsible for clean-up after a disaster and planning the restoration of the operating location.

● **Information Security Audit Team:** The Team is appointed by the Information Management Committee and is responsible for evaluating the execution of the information security management system. The Information Security Audit Team is responsible for defining the information security internal audit plan, execution of the information security internal audit, compilation of the information security internal audit report, and tracking corrective action for non-compliant matters.

Information Management Committee

Information Security Audit Team

Information Security Team

Emergency Response Team

Every month, the chief information security officer of Chief Telecom convenes relevant personnel of various units to hold an Information Security Team meeting, where each of the units reports on information security implementation and discusses measures for strengthening information security to reduce the Company's operational risks.

Chief Telecom has renewed the quadruple certifications for ISO/IEC 27001 (Information Security Management), ISO 27011 (Implementation of information security controls in telecommunications organizations), ISO 27017 (Cloud Security Management), ISO 27018 (Personal data protection for cloud services), and DCOS-4 (Data Center Operations Standard) in 2024.

3.1.3 Internal Audit

The purpose of internal audits is to assist the Board and managerial officers with the inspection and review of internal controls' effectiveness, as well as the measurement of operational results and efficiency. An effective internal control system that takes overall business activities into account was established by Chief Telecom in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies. The Auditing Office reports to the Board and devises an audit plan for the following year at the end of each year. Once the plan has been submitted to the Board and approved, routine audits are conducted each month in accordance with the annual plan, or special audits are conducted as necessary. In 2024, the Auditing Office completed a total of 47 audits, and found no significant defects or anomalies of internal control.

Internal Audit Regulations

3.1.4 Ethics and Integrity 2-23~2-24

Chief Telecom is committed to maintaining the highest standards of ethics and integrity in all business activities. Accordingly, the Ethical Corporate Management Best Practice Principles, the Procedures for Ethical Management and Guidelines for Conduct, the Guidelines for the Adoption of Codes of Ethical Conduct, and the Code of Conduct of Chief Telecom Inc. have been established to define the ethical expectations and responsibilities of all directors, managerial officers, employees, agents, and persons with substantial control. These standards prohibit any direct or indirect offering, promising, requesting, or acceptance of improper benefits, as well as any unethical acts, including breaches of ethics, illegal activities, or violations of fiduciary duties. The Human Resources Department serves as the dedicated unit responsible for amending and supervising the implementation of these standards. It discloses the Company's ethical corporate management practices on the corporate website and in the annual report, and submits an annual report on the implementation of ethical corporate management to the Board of Directors. The most recent report was presented to the Board on October 30, 2024.

Chief Telecom implements corporate governance and ethical corporate management, and regularly provides internal education and training for all employees every year to promote the philosophy of ethical corporate management to daily business implementation of all employees. In 2024, there were with 163 participations for a total of 326 hours in the courses on ethical corporate management regulations for all employees. In addition, all employees were required

to read and sign the "Code of Conduct of Chief Telecom Inc." online every year, and required to abide by honesty and ethics to avoid personal interest conflicts. In 2024, all employees signed such Code.

In order to ensure the implementation of the ethical corporate management policy, Chief Telecom encouraged internal and external personnel to make complaints on dishonest or improper behaviors, established a range of complaints channels, and awarded bonuses based on the severity of the complained circumstances. There is a "Stakeholder Zone" on the Company's website used as a channel of communication among employees, customers, suppliers, investors, or stakeholders of the Company. Stakeholders whose rights were infringed upon or who find that any employee of the Company had engaged in illegal or corporate governance activities may contact the Company by using ir_chief@chief.com.tw at any time. An anonymous entity opinion box was set up in the office for employees to express their opinions or make complaints on misconduct, which were received and processed by the Human Resources Department. The internal website announced the directors' e-mails and dedicated phone lines, through which employees may directly complain dishonest behaviors to directors at any time. Chief Telecom promises to protect whistle blowers against retribution over their complaint, and to report anonymously. In 2024, there were no illegal incidents reported from the range of complaints channels and various statistics.

Range of Complaints Channels	No. of cases received in 2024	No. of cases processed	No. of cases closed
IR mailbox	0	0	0
Anonymous Physical Suggestion Box	0	0	0
Directors' Mailbox Ir_chief@chief.com.tw	0	0	0

Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Guidelines for the Adoption of Codes of Ethical Conduct:

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3.2 Risk Management

The risk management policy adopts an integrated approach for proactive identification of risks, risk management, connection to performance indicators, and continued monitoring and improvement with an emphasis on sustainable development. To promote better governance at Chief Telecom, a sound risk management process has been put into place to provide reasonable assurance that company targets can be met and the goal of sustainability achieved.

A risk assessment report is prepared by Chief Telecom every year and reported to the Board of Directors when the budget for the annual business plan is being discussed. Major risks, risk response plans and action plans are continuously monitored, tracked and reviewed via business meetings in order to respond to environmental changes. If the residual risk should exceed the risk capacity for the year then new risk response plans are developed and submitted to the Board for discussion.

The appointment of the 2nd Risk Management Committee was approved by the Board on November 16, 2023. Independent directors Chan-Jane Lin, Tao-Hong Lu, Yu-Fen Lin were currently appointed as members of the Risk Management Committee. Company president, Yao-Yuan Liu, was also designated as the convener in accordance with Article 4 of Chief Telecom's "Organic Charter of the Risk Management Committee. " The Risk Management Committee is responsible for making operational judgments, identifying and managing risk events so they don't exceed the Company's risk capacity, and supervision of risk management. The key responsibilities of the Committee include review of risk management policy and structure, risk capacity and tolerance, supervision of risk management mechanism, review the management report for high-risk topics, and reporting to the Board of Directors on the state of risk management in a timely manner. The first meeting of the Second Term of the Risk Management Committee of Chief Telecom was held on December 19th, 2024, where the risks of the Company's operations in 2025 were reported and relevant responses and implementation plans were proposed to ensure the achievement of the Company's operational targets.

Risk Item	Risk Description	Risk Management Strategy (Response Measure)
Politics and Law	1. Laws of telecommunications management, digital convergence, digital intermediaries, telecommunication fraud and cybersecurity requirements amended by National Communications Commission (NCC) and Ministry of Digital Affairs (MODA), as well as the regulation of OTT/CDN. 2. Adjustments to government energy policies and increases in electricity fees. The government announced that, starting in 2026, it will impose carbon fees on businesses emitting over 25,000 metric tons of carbon dioxide annually. A fee of NT$300 will be charged per metric ton for emissions exceeding the 25,000-ton threshold.	1. Paying close attention to the progress of NCC and MODA amendments and OTT control, and proposing applicable and legal operational adjustment plans. 2. Paying attention to the government energy policies and regulations; and the operating costs increased by increased electricity fees charged by Taiwan Power will be transferred to IDC customers through business contracts to avoid affecting the Company's profits. The government plans to implement carbon taxation starting from 2025 for entities emitting over 25,000 metric tons of carbon.
Technology and operation and maintenance	There may be operational interruptions in replacing old equipment and maintain in IDCs with new ones, which may in turn affect the risks of compensation for customer operations.	The technical units and the equipment manufacturers carefully discuss and simulate the equipment maintain and replacement plan, and propose complete and safe operation processes to reduce risks.
Environmental Protection	1. Risk of increase in GHG emissions. 2. Operating risks due to increase in data center power consumption and power shortages in Taiwan.	1. Adoption of LED energy-saving lighting, use of UPS systems with higher power conversion efficiency, replacement of outdated data center air conditioning equipment, and implementation of various energy-saving measures. The newly constructed LY2 data center also features water-cooled system support, significantly improving Power Usage Effectiveness (PUE). In addition, the LY2 facility adopts smart building and green building design to reduce greenhouse gas (GHG) emissions.2. 2. Equipping data centers with UPS and diesel generators to ensure their continuity of operations.

Risk Item	Risk Description	Risk Management Strategy (Response Measure)
Operational Performance	1. Risk from company operations being insufficiently competitive. Challenges in delayed completion and marketing of LY2 new data center. 2. Compliance risks due as regulations related to TPEx and Financial Supervisory Commission.	1. Enhancing product functions, advancing network quality, expanding network service coverage, improving customer satisfaction and loyalty, reducing the rate of revenue loss from lease termination by customers; and continuously improving market competitiveness under the competitive advantages of existing carrier-neutrality and magnetic effect of customer base clustering. Strictly managing the construction progress of the LY2 new data center and actively initiating marketing activities. The construction progress of the new LY2 data center is being strictly managed, while investment promotion efforts are actively underway. 2. Strengthen corporate governance: Enforce the audit system and comply with the relevant regulations on disclosure of material information and financial reports in accordance with the relevant processes.
Information Security	1. SLA and business continuity requirements for products, services, and network quality. 2. Compliance requirements (Telecommunications Management Act, Cyber Security Management Act, Personal Data Protection Act).	1. Introduction of ISO to enforce information security assessments for products. The data centers undergo annual ISO and DCOS re-evaluations to ensure that products, services, and network quality comply with information security and business continuity requirements. 2. Established Information Management Committee and Information Security Team, appointed Chief Information Security Officer and dedicated information security personnel, strengthened training and certification requirements for information security personnel, and enforced information security measures to comply with information security laws and regulations.

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Risk Item	Risk Description	Risk Management Strategy (Response Measure)
Labor	1. Occupational safety risk. 2. Risk of labor shortages/talent gap.	1. Continuously strengthen workplace safety by implementing occupational safety and health training and safety measures to reduce the risk of operational disruptions. 2. Continued improvements were made to employee benefits and the compensation structure adjusted with an emphasis on talent selection, incubation, employment and retention measures to reduce the risk of labor shortages/talent gap.
Climate Change	1. Risk of disruption to data center operations from extreme precipitation caused by climate change. 2. Global warming and melting glaciers is reducing the load on the Earth's crust. These may trigger earthquakes that pose a risk to data center operations.	1. Stainless steel flood barriers were installed on the periphery of existing data centers, elevated foundations will be incorporated into new data centers, flood barriers installed across the data center driveways, and flood/typhoon exercises held at data centers at different times. 2. The existing data centers were reinforced with shockproof steel beams, and the new LY2 data centers were designed to be seismic-isolative using LRB lead rubber support to ensure that the data centers can support level-7 earthquakes.

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3.3 Operational Performance 201

Material Topic	Importance to the Company	Policy/Commitment
Business Performance	Business performance reflects a company's comprehensive performance and plays a crucial role in safeguarding the rights and interests of investors and other stakeholders.	Create value for society, shareholders, employees and customers to achieve a positive outcome for all and sustainable development for the Company.

Short-term Goals ⟶ Medium and Long-term GoalsMedium and Long-term Goals

Short-term Goals

1. Definition of annual business plans and financial performance indicators to pursue steady growth in revenue and profits.
2. Set annual Key Performance Indicators (KPI) using the four aspects of the Balance Score Card (BSC) every year.
3. Elevating Chief Telecom's operation of the TPIX Taipei Internet Exchange to rank among the top 100 global IXs.

Medium and Long-term Goals

1. Developing a medium to long-term strategic development plan for the Company; continuously expanding the magnetic effect of customer base clustering based on the carrier-neutral data center service characteristics, becoming the hub for digital convergence, AI and cloud business applications in East Asia.

1. Resources (funding, personnel, projects) invested during the year   2. Substantive outcomes

1. This year, capital expenditures exceeding NT$1.5 billion have been invested in the LY2 Smart Data Center and network equipment to sustain the pursuit of future revenue and profitability growth for the Company.
2. Development of diverse and high-value products as well as upgrade equipment to keep pace with next-generation network developments and provide new services to meet customer requirements.
3. The Board of Directors was convened and financial statements disclosed in accordance with regulations

Responsible Department/Grievance Mechanism

Finance Division, Stock Affairs/company website, and e-mail: service@chief.com.tw; consult the Stock Affairs or shareholders' meeting

Evaluation Mechanism/Outcomes

1. Operating income increased by 16.97%
2. Earnings after tax increased by 16.89%.
3. The achievement rates of BSCs and KPIs were 100%.
4. As of December 2024, TPIX's membership count ranked 73th globally among Internet Exchanges (IX), successfully entering the top 100 globally.

In 2024, under the supervision of the Board of Directors, the leadership of the management team, and the concerted efforts of all employees, Chief Telecom demonstrated a strong spirit of teamwork and delivered outstanding performance. The company's consolidated total revenue for 2024 reached NT$3.793 billion, representing a 16.97% increase compared to 2023. Consolidated net profit after tax amounted to NT$1.077 billion, reflecting a 16.89% year-on-year growth. Earnings per share (EPS) stood at NT$13.82. Both annual revenue and net profit after tax reached new historical highs.

In addition to achieving operational targets, the Company continued to expand its international backbone submarine cable bandwidth between Taipei and Hong Kong, Singapore and Japan to extend overseas service nodes in response to the restructuring and layout of the global supply chain. The Company also expanded its cooperation with businesses in East Asian countries to expand its overseas service coverage to more than 40 countries and 60 cities, in order to compete for service opportunities for multinational enterprise customers. In 2023, the company successfully completed the construction of the Taiwan Ultra Fiber Network, linking industrial parks and technology zones across major metropolitan areas in Taiwan. This infrastructure enables customers to connect to Chief Telecom's data centers through high-quality, fast, and stable broadband networks, meeting the demand for various data and cloud service ICT solutions for enterprises. The TPIX (Taipei Internet eXchange) operated by the company is Taiwan's largest internet exchange center in terms of membership and traffic volume. As of December 2024, TPIX ranked 73rd globally among internet exchange centers, marking a significant milestone by entering the top 100 internet exchange centers worldwide. In addition, considering that the utilization rate of the existing IDC data center space was approaching its full capacity, the Company strictly controlled the progress of the LY2 intelligent data center in Neihu in accordance with relevant investment plans in 2024, the new LY2 intelligent data center has already completed and successfully put into use in the second quarter of 2024 to meet the needs of future IDC data center business growth. The Company continued to move towards the market positioning of a digital convergence center and an AI and corporate cloud business application center in East Asia.

Unit: NT$ 1,000 (Carry)

Item	2022	2023	2024
Income	3,080,306	3,242,698	3,793,013
Operating Cost	1,568,129	1,606,455	1,925,018
Employee Compensation and Benefits - Cost	43,001	49,352	58,532
Employee Compensation and Benefits - Expenditure	388,085	391,025	413,160
Payments to Investors (Dividend)	657,346	825,384	976,448
Payments to Government (Cost - Telecommunication universal service fees)	548	735	9,780
Payments to Government (Fees - Taxes, fines)	252,400	43,091	34,310
Community Investment (Public welfare expenditure)	392	542	719
Retained Economic Value	170,405	326,114	375,046

Note: Retained economic value is calculated as revenue minus (operating costs + employee wages and benefits + payments to providers of capital + payments to government + community investments).

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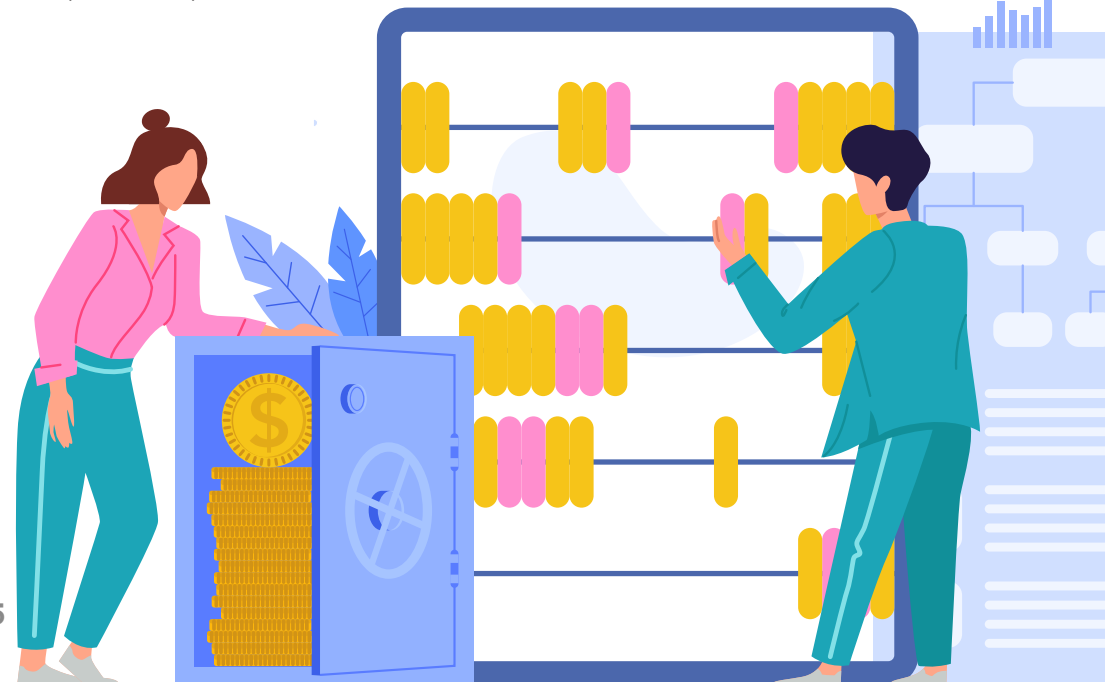
3.4 Brand Image and Market Positioning

Material Topic

Brand Image and Market Positioning

Importance to the Company

Establishing customer trust in the Company and enhancing customer loyalty through the Company's brand image and market positioning.

Policy/Commitment

Establishing a service platform to provide customers with complete information and communication services through professional labor division, resource sharing, industrial cooperation, and creating a win-win telecommunications ecosystem, based on the market positioning of providing carrier-neutral data center services.

Short-term Goals ⟶ **Medium and Long-term GoalsMedium and Long-term Goals**

1. It is scored above 8 out of 10 in the annual customer satisfaction survey.
2. The rate of revenue loss from lease termination by customers is less than 6.5%.
3. In terms of the number of members, the TPIX operated by Chief Telecom ranked among the global top 100 IX exchange centers.

Becoming the hub for digital convergence, AI and cloud business applications in East Asia.

1. Resources (funding, personnel, projects) invested during the year　　**2. Substantive outcomes**

1. The Company invested approximately NT$6.23 million in marketing and advertising in 2024.
2. In 2024, a total of 115,419 marketing electronic newspapers were distributed in connection with the Company's products and market positioning.
3. The TPIX Internet Exchange operated by Chief Telecom improved its global ranking in terms of number of members from 95th at the end of 2023 to 73rd at the end of 2024.

Responsible Department/Grievance Mechanism

Public Relations Planning Department:
Company website and e-mail: service@chief.com.tw; consult the Stock Affairs or shareholders' meeting

Evaluation Mechanism/Outcomes

1. It was scored 9.4 points (higher than the target 8 points) in the customer satisfaction survey for 2024.
2. The rate of revenue loss from lease termination by customers is counted as 3.21% for 2024 (lower than the target 7%).

In order to establish a good brand image for the Company, Chief Telecom focuses on customers' experience in using products and conducts annual customer satisfaction surveys. In case of a low level of customer satisfaction, the Public Relations Planning will summarize the problems raised by customers, report them to the heads of relevant departments for review, and take effective improvement measures to enhance customer satisfaction. The customer satisfaction of Chief Telecom has been above 9 points in the past three years.

A successful brand image and market positioning can not only assist the Company in establishing an advantageous position and locating target customer bases in the competitive market, but also establish the brand's conceptual direction. It has become one of the factors considered by customers in choosing and purchasing products by deeply embedding the good brand image in the hearts of target customer bases, making product marketing more efficient and effective.

● **Customer Satisfaction Scores (out of 10)**

2020	2021	2022	2023	2024
8.0	8.1	9.1	9.3	9.4
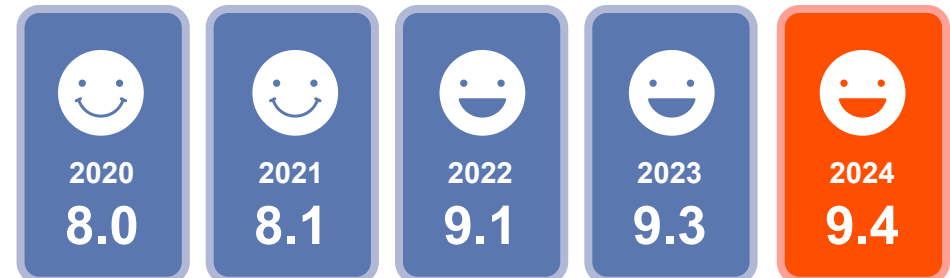
Chief Telecom's services have become increasingly diversified over time. With a greater emphasis on the development of cloud services in recent years, Chief Telecom's services have surpassed the framework of traditional telecommunications services. In order to respond to the service and future trends, and reshape its own brand image, Chief Telecom changed the enterprise identification system. The fact that Chief Telecom's platform economy gathers customers and partners like a sea of rivers constitutes the blueprint of the new enterprise identification system. At present, Chief Telecom's brand value and philosophy is demonstrated through a brand-new visual logo design and corporate representative colors, and Chief Telecom has successfully transformed itself from a data center service provider to a cloud business service application center. Chief Telecom communicates its core corporate philosophy and brand commitment and positioning to customers through media advertising, social networking platforms, EDMs, poster slogans, etc.

As more enterprises transition their services and systems to the cloud, Chief Telecom has established a robust 1200G domestic and international backbone network spanning regions around the world. This infrastructure provides a convenient, efficient, redundant, and diversified environment for cloud and network aggregation, while also addressing the massive data traffic, complex operations, and enhanced user experience brought by cloud service applications. In 2024, the newly launched Lianyun Building data center was designed with green building and smart building principles. It not only meets the high power consumption demands of customers such as those in the AI sector but, through Chief Telecom's "Three Rings and Three Routes" network architecture, also enables rapid and efficient cloud and access to AI applications. This allows customers to benefit from enhanced performance in cloud-based AI services and improved network security, supporting their global operational expansion.

In response to global Internet exchange center development trends, Chief Telecom has strengthened cooperation with international Internet exchange centers to increase membership and data traffic, thereby expanding the operational scale of TPIX and attracting both domestic and international members. The global ranking of TPIX in terms of number of members improved from 95th at the end of 2023 to 73rd at the end of 2024, with the goal of advancing into the world's top 100 Internet exchanges (IXs).

Chief Cloud eXchange Center (CCX) continues to deepen cooperation with numerous international public cloud manufacturers, has the largest number of public cloud partners in Taiwan, and leads the platform service providers of direct connection solutions for multicloud and hybrid clouds on the market. Chief Telecom, an international carrier-neutral data center service operator with a leading position in Taiwan, gathers numerous domestic and foreign cloud, data and telecommunications operators here. Based on the neutral position of Chief Telecom, the main private submarine cables and various consortium submarine cable systems in the Asia Pacific region converge here. High-quality service capabilities and customer reputation, etc., have also established the international brand image of Chief Telecom, and are also the primary reasons for international businesses to establish offices in Taiwan.

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Chief Telecom leverages its telecom-neutral AI intelligent data center as a cornerstone, attracting AI and cloud service providers to establish their operations. By building the network of the "Three Rings and Three Routes", domestic and foreign customers can connect to the data centers of Chief Telecom through high-quality, fast and stable broadband networks, , fulfilling the demand for enterprises purchasing various data and cloud service solutions. This establishes a strong market competitiveness and growth focus for the company.

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Product and Sustainability

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4　Product and Sustainability

4.1　Product Introduction

Chief Telecom's core businesses include IDC services, cloud and AI application services, data services, and voice services. Chief Telecom has the advantages of international carrier-neutral IDC services and clustering effects of domestic and foreign customer bases. For years, it has been committed to building an digital ecosystem for data and AI service exchange in Taiwan, providing a complete upstream and downstream data and application industry chain that gathers domestic and foreign telecommunication carriers, Internet operators, cloud service providers and enterprise customers.The centralized digital ecosystem can effectively reduce the cost of repeated or discrete investments in electricity, infrastructure, and equipment, etc., help improve the quality and efficiency of network service exchange, and enhance the incentives for attracting international businesses to invest in Taiwan.

Centered around the Taipei Internet Exchange (TPIX), Chief Cloud eXchange (CCX), and Taipei Cable eXchange (TPCX), Chief Telecom has successfully attracted domestic and international telecom operators, submarine cable providers, content service providers, cloud and AI application providers, globally renowned social networking platforms, and enterprise clients to its data centers. In addition, (CCX) has established partnerships with several leading global public cloud providers to deliver secure and high-quality direct connection services to customers. Chief App Cloud continues to expand its services in collaboration with a wide range of SaaS partners. The ecosystem built by Chief Telecom is now demonstrating a strong and accelerating magnetic effect, forming a virtuous cycle that is propelling the company rapidly toward its goal of becoming the digital convergence, AI, and cloud application hub of East Asia.

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TPIX
Taipei Internet eXchange Center

Carrier Neutral IDC/Tele-Center

Information Security
IDC/IPS/DDos

Cloud Backup & Replication Service

Enterprise VPN Service

VPN

Public Cloud

CHIEF
Taiwan Network Exchange Gateway

Enterprise Private Cloud

CCX
Chief Cloud eXchange Center

Cloud Migration Service

International IDC/Tele-Center
(JP, HK, SG...)

Internet

Chief Telecom's "Three Rings and Three Routes" network architecture effectively addresses customers' cloud migration and access to AI application challenges.

1. Carrier-Neutral Data Centers (IDCs) of Chief Telecom: The first choice for domestic and foreign customers to settle in Taiwan

Chief Telecom currently operates more than 14,000 ping (approx. 46,300 square meters) of data center space across the Liyuan, Hongding, and Lianyun Buildings. In addition to comprehensive telecommunication, electromechanical, security, fire protection, air conditioning, and environmental control systems, Chief Telecom has obtained multiple certifications, including ISO 27001 (Information Security Management), ISO 27011 (Information Security Controls for Telecommunications), ISO 27017 (Cloud Security Management), ISO 27018 (Protection of Personal Data in the Cloud), as well as DCOS-4 (Data Center Operations Standard) certification. The Lianyun Building data center, newly launched in 2024, features both green building and smart building designs. It supports both air-cooled and water-cooled systems, and is capable of meeting the high power and density demands of AI-related clients. Chief Telecom's IDCs offer customers a wide range of international resources to meet diverse technical requirements and fully leverage the benefits of online platforms. Our key clients include leading enterprises across various industries, such as top-ranking companies by market capitalization on the U.S. NASDAQ, major domestic and international telecommunications carriers, prominent cross-border e-commerce platforms, globally recognized search engines, smartphone manufacturers, leading international social networking platforms, multimedia streaming service providers, and others.

Liyuan Building (LY)

Hongding Building (HD)

Fiber Ring

聯雲大樓 (LY2)

International Carrier-Neutral IDCs of Chief Telecom
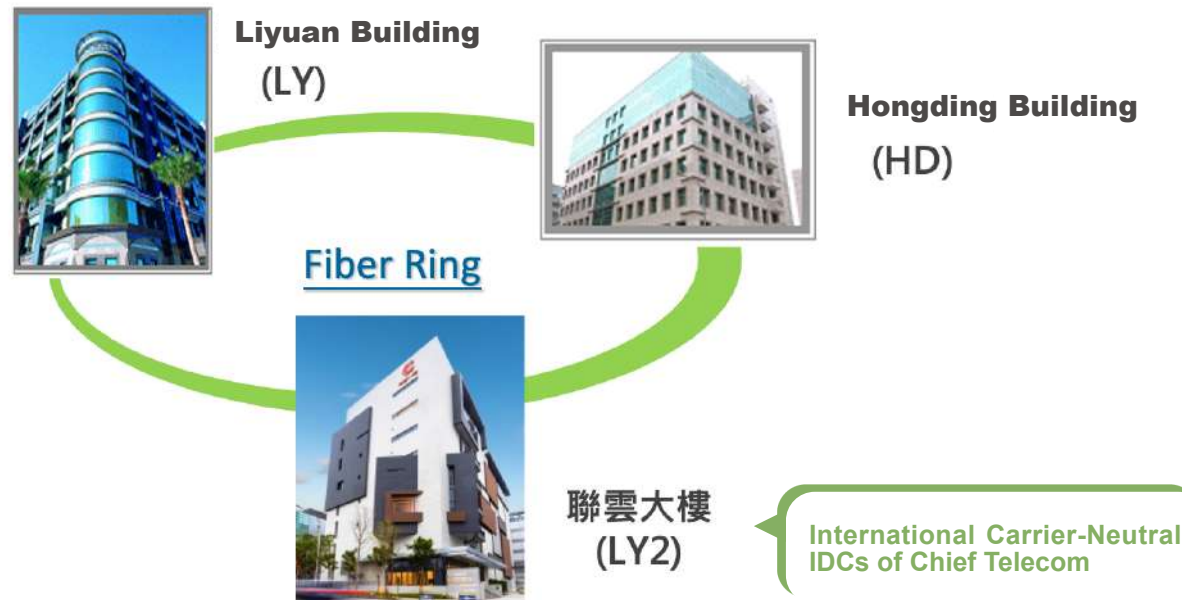
2. Taipei Internet eXchange (TPIX): The largest Internet exchange center in Taiwa

TPIX, the largest Internet exchange center in Taiwan, is operated and maintained by Chief Telecom. The exchange has more than 192 members and over 300 Gb/s of traffic exchange by December, 2024. It is the leading IX in Taiwan by membership count and exchange traffic. In 2019, TPIX has been granted as the "National Level-2 Critical Infrastructure" due to its leading IX position in Taiwan. TPIX is the traffic exchange platform for domestic/international ISP, ICP and CDN operators. In addition to lowering connection costs, reducing connection times and increasing operation efficiency between Internet eXchange (IX) members, it is also the most important internet exchange hub and ecosystem in Taiwan. In terms of number of members, TPIX, operated by Chief Telecom, ranked 73th globally at the end of 2024, solidifying its position among the top 100 Internet exchange centers worldwide!

Chief Telecom TPIX serves as a platform, providing internet traffic exchange service for domestic/international ISPs, ICPs, and CDN operators.

CONTENT
CARRIER
ENTERPRISE
MOBILE
TPIX
BROADBAND
CSP
ISP
SECURITY

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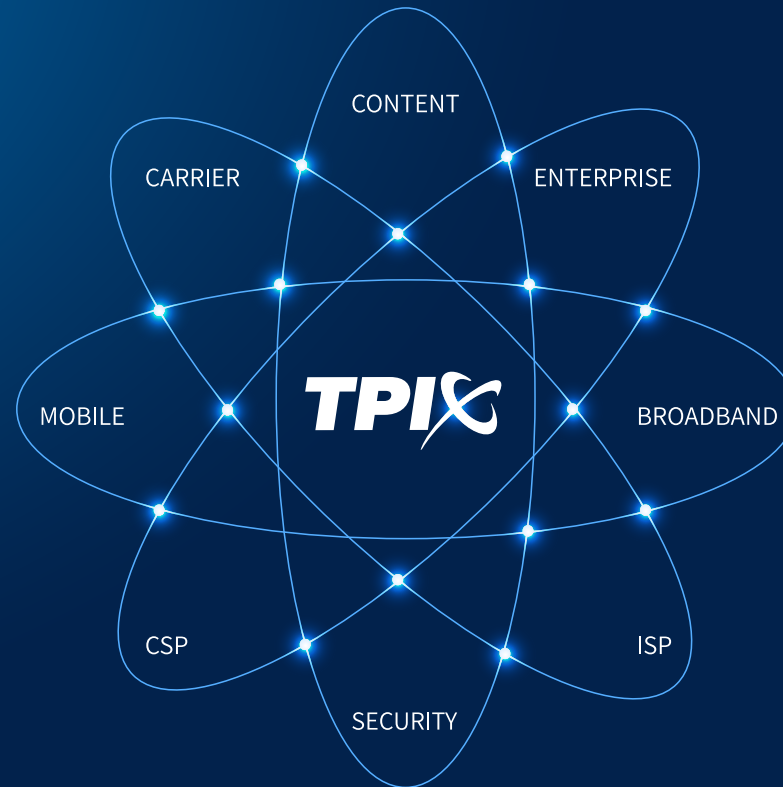
3. Taipei Cable Exchange (TPCX): Convergence of private submarine cables and various consortium submarine cable systems

Taiwan's prime location has made it the network hub of East Asia. The convergence of major privately-owned submarine cable systems and consortium submarine cable systems in the Asia-Pacific makes TPCX become Taiwan's key gateway for domestic and global internet connections. Customers can access global internet by connecting to different submarine cable systems through Chief Telecom IDC to lower their cost of cable access and improve the quality of cable services.

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Korea, Japan, China, USA, Hong Kong, India, Thailand, Cambodia, Vietnam, Philippines, Malaysia, Singapore, Indonesia

1st

The 1st carrier neutral IDC in Taiwan

The 1st IXP (TPIX) in Taiwan

The 1st cloud exchange gateway in Taiwan

The major submarine cable gateway in Taiwan

Chief Telecom's global backbone network spans over 40 countries and includes 1,200G of domestic and international bandwidth resources.

10+	40+	60+	1200G+
Submarine Cable Connected	Countries served	Global cities Pops	Backbone capacity

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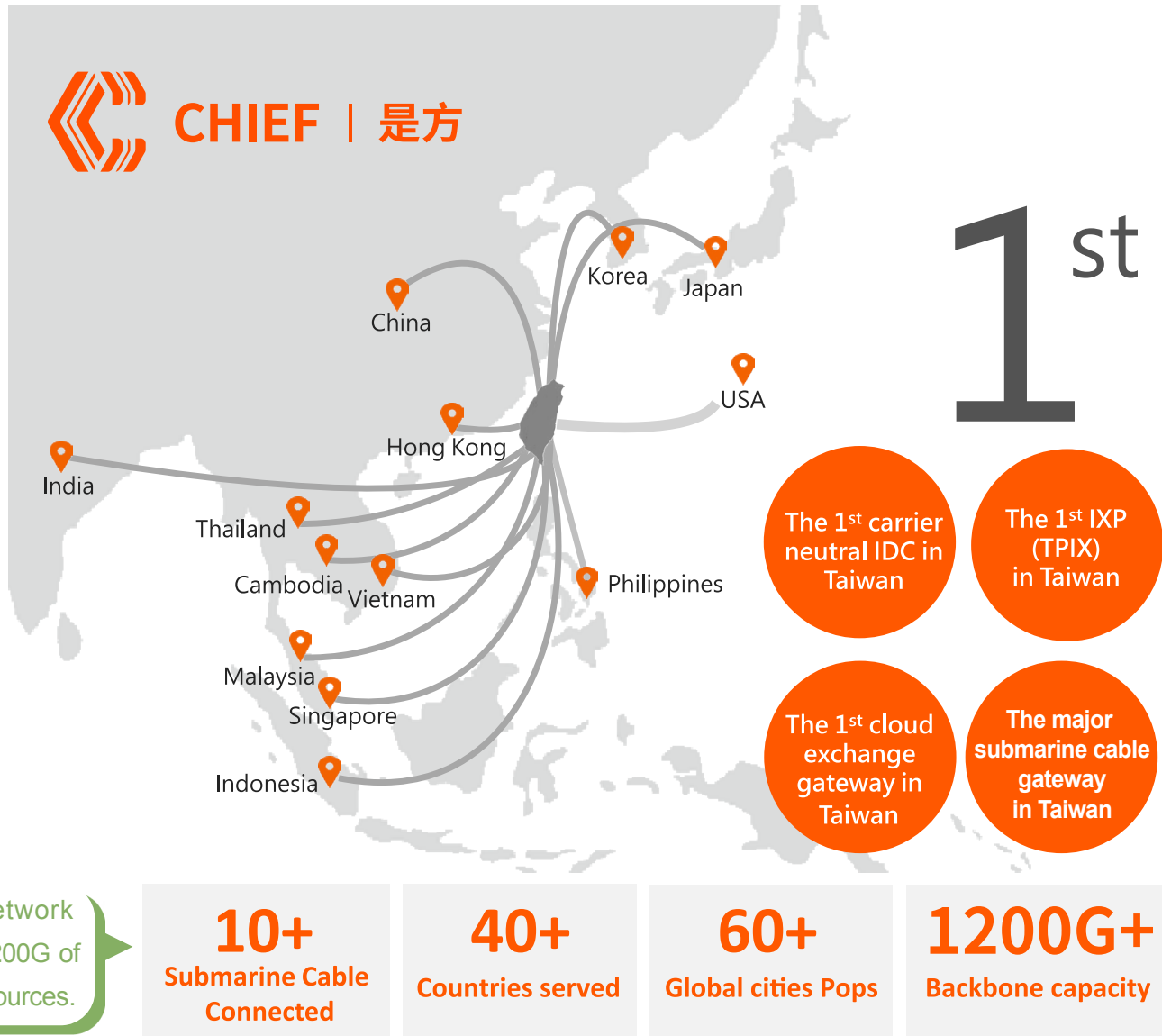
4. Chief Cloud eXchange (CCX): A private online service that integrates multicloud platforms

Direct connection to the international public clouds through the CCX can help achieve more stable connection quality for critical applications of enterprise customers. Because such direct connection does not pass through public network lines, the security of data transmission is also guaranteed, providing an excellent choice for enterprises' digital transformation and cloudification. The top global five cloud service providers are all CCX partners, such as AWS, Azure, Google Cloud, IBM Cloud, and Oracle Cloud.

Through the Taiwan data service ecosystem of Chief Telecom and 1,200G of domestic and international bandwidth of 60 cities in 40 countries, Chief Telecom is able to cooperate with partners from various countries, and cloud partners can support each other and provide the best services to their respective customers. Traditional point-to-point connection services are resource and manpower intensive as all the planning and provisioning must be carried out separately. The digital convergence developed by Chief Telecom makes the most efficient use of backbone and network resources based on customers' needs to effectively improve the provisioning speed, scalability and service migration.

The top five cloud service providers are CCX partners

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4.2 Network Quality

Material Topic	Importance to the Company	Policy/Commitment
Brand Image and Market Positioning	**Ensure normal network operations to satisfy customer requirements and enhance customer loyalty.**	**Chief Telecom offers customers 24x7 network services with 99.95% network availability.**

Short-term Goals → Medium and Long-term GoalsMedium and Long-term Goals

Short-term Goals

1. DCOS-certified data center for backbone equipment.
2. The principle of network redundancy with multiple links is followed during equipment procurement and deployment to ensure continuity of service with no connectivity issues.

Medium and Long-term Goals

1. Continuing to strengthen network resilience and optimize the network architecture, invest in the latest technologies, and continuing to improve network quality and services to meet the operational requirements of customers.
2. Update of network quality monitoring system to ensure the quality of customer service delivery.

1. Resources (funding, personnel, projects) invested during the year   2. Substantive outcomes

1. Continuing education and training, strengthening employees' awareness of network and operation security, and enhancing their proficiency in relevant operation procedures.
2. Expand the talent pool and optimize the backup personnel system to ensure the continuity of technical expertise and integrity of service quality.
3. Set up a second-generation network traffic management and analysis system for service quality assurance.

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Responsible Department/Grievance Mechanism

Responsible Unit: Technology Division
Grievance Mechanism:
1. Leave message through corporate website
2. Customer service hotline: 070-1017-1800 and customer service e-mail: service@chief.com.tw
3. Business Handling Point:Public Relations Planning Department

Evaluation Mechanism/Outcomes

1. Pass ISO and DCOS annual re-evaluation
2. Monthly network quality report, network management and analysis report.
3. Customer satisfaction survey and churn rate analysis:

The customer satisfaction survey achieved a score of 9.45 out of 10
The rate of revenue loss from lease termination by customers is less than 3.21%

Network quality and security are the core value of Chief Telecom. The Company is committed to providing high-quality, secure, quick and smart telecommunication services to meet the diversified and continuously growing needs of customers. We have recognized that network quality affects not only customer experience and satisfaction, but also social well-being and environmental protection. Therefore, we consider network quality to be an important link of our ESG strategy, and we have invested a large amount of resources and management efforts in network equipment, network information and network software to meet customer needs.

As part of its efforts to enhance network service quality, Chief Telecom has established a "second-generation traffic monitoring and analysis system" to expand overall monitoring capacity and targets. With improved monitoring efficiency, the system enables faster issue resolution. It also supports targeted traffic analysis, allowing for the rapid identification and effective handling of abnormal traffic, thereby reducing customer complaints and improving customer satisfaction.

Network security is a measure taken to prevent hackers from invading, attacking or stealing sensitive information by using network. Such behaviors may cause significant damages to enterprises and affect their normal operation. Therefore, Chief Telecom adopted internal and external technologies to enhance network protection. Chief Telecom underwent no material network incidents or legal problems in 2024. The following measures were taken to improve our performance in this regard:

Chief Telecom used dual power supplies, dual control cards, dual Metro routers, multiple upstream circuits, etc., for equipment from transmission equipment to Internet backbone equipment in order to ensure network quality and operational security.

Chief Telecom also provided client-to-cloud information security solutions for enterprise customers. Such solutions include but are not limited to secure user login, anti-virus and hackers protection for server farms, IPS, and WAF services, which allow customers to feel free to use Chief Telecom's cloud services. Chief Telecom attached great importance to data protection and risk management, established sophisticated information security policies, technical standards and data backup mechanisms, and conducted restoration tests regularly every year to ensure that the information system can return to normal in case of acts of God or man-made disasters and achieve the system recovery targets set by the Company.

We attached great importance to the protection of customer privacy and data security. When establishing and managing network infrastructure, we followed all relevant regulations and standards to ensure customers' personal information were protected to the largest extent possible. We also assessed risks and scanned vulnerability on a regular basis, and developed sound protection, control and emergency plans in response to various network security threats and incidents. In addition, we actively promoted education and advocacy on information security to enhance the security awareness and skills of customers and employees.

We were also very concerned about environmental impacts. When designing and maintaining network infrastructure, we adopted energy efficiency and carbon reduction plans. For example, we used next-generation certified devices with low-power consumption to build network bones of Chief Telecom, and used smart energy-efficient systems to regulate air conditioning temperature and wind speed to reduce power consumption and carbon emissions. By taking the above measures, in customer satisfaction surveys, we achieved an average score of 9.45 out of 10. Additionally, we have a low customer churn revenue loss rate of only 3.21%. We not only improved network quality, but also demonstrated our responsibilities and contribution to customers, society and environment. We believe that this would help strengthen our competitiveness and brand image, and create a basis for long-term value.

Internally

We used up-to-date technologies to scan computers and update systems and software. We also strengthened firewalls and network controls to prevent the spread of computer viruses.

Externally

We provided web application firewalls (WAFs) to help protect businesses against OWASP Top10 and other emerging threats. We also provided next-generation firewalls (NGFWs) that can identify and control traffic from different applications, and that are equipped with the IDP function to communicate with firewalls and block dangerous traffic.

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4.3　Information Security

In order to provide enterprise customers with strong information security assurance in using data centers and networks, Chief Telecom has adopted a three-pronged approach. First, the company formulated information security policies to strengthen management practices, ensure the confidentiality, integrity, and availability of information assets, and comply with relevant regulatory requirements. Second, it established an Information Security Management System (ISMS) to safeguard customers' critical data and systems after cloud deployment, achieving multiple international certifications such as ISO 27001, ISO 27011, ISO 27017, and ISO 27018. Third, Chief Telecom assigns risk owners through risk assessment and management, and regularly evaluates the achievement of information security objectives to drive continuous improvement.

In establishing an ISMS, Chief Telecom considered the information security topics (including cloud service information security and cloud personal privacy protection) of internal units and external entities and the expectations and requirements of the parties concerned for the ISMS, and included them in the target and efficiency evaluation. Such topics, expectations or requirements related to information security were also included in risk assessment and risk management to ensure that the ISMS can achieve the expected results and continuously improve. In risk assessment, Chief Telecom must be able to identify the risk owners. Chief Telecom established information security targets consistent with or connected to information security policies in various departments and at various levels. Each of such information security targets must:

(1) be measurable

(2) have an effectiveness measurement method

(3) have a completion date

(4) have a responsible person (responsible unit).

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The Company attached great importance to information security and held"Information Security Team" meetings on a monthly basis to review and update information security policies and measures in accordance with management cycle mechanisms of the international standards, and reported the implementation to the senior management.

The Company was concerned about employees' information security awareness and responsibility, added professional personnel for information security, regularly conducted education and training and drills, and enhanced employees' knowledge and skills of information security. The Company also continues to conduct multiple operations including but not limited to vulnerability scans, penetration tests and social engineering exercises to ensure that employees can effectively prevent and handle various information security risks.

The Company focused on customer trust and satisfaction, introduced the 2FA system, upgraded the file archiving system, and strengthened permission control to prevent the leakage of personal or commercial secrets of customers. The Company also implemented file backup and remote storage mechanisms to ensure that customer systems will not be affected by disasters or attacks. In addition, the Company adopts a segmented management policy for internal networks and uses dedicated computers to prevent malicious software intrusion or data theft.

The Company developed a complete set of information security policies to strengthen information security management, protect the Company's internal information assets against internal and external threats and comply with relevant regulations. The Company established a set of information security management systems (ISMSs) for its actual needs in accordance with laws and regulations to ensure the confidentiality, completeness and availability of information. The ISMSs were applicable to the Company's IDCs, VPN data centers, Cloud services, NOC operation and maintenance systems, as well as relevant departments and personnel to effectively control information operation and management processes and meet various security needs and expectations.

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4.4　Water Management　303

Material Topic

Water management

Importance to the Company

The air conditioning system is a vital component of the Company's data center, helping mitigate operational risks associated with water shortages and contributing to the reduction of water scarcity risks on Earth.

Policy/Commitment

Continuously improving the water consumption efficiency of the air conditioning system of the data centers every year.

Short-term Goals　⟶　Medium and Long-term GoalsMedium and Long-term Goals

Increase water efficiency by 1% annually.

1. Priority should be given to purchasing equipment with high water-efficient performance for ice water hosts and cooling towers in the air conditioning system.
2. Replacing old devices with new equipment featuring better water efficiency.
3. Improving cooling efficiency and reducing the use of air conditioning system.

1. Resources (funding, personnel, projects) invested during the year　　2. Substantive outcomes

1. Continuously implementing water-efficient measures to reduce water consumption.
2. Replacing air conditioning systems featuring less water consumption after evaluation.
3. Reducing air conditioning usage through IDC airflow management (hot/cold aisle configuration, reasonable adjustment of air volume).
4. Adoption of smart and green building design for new data centers to reduce GHG emissions.
5. Evaluating the recycling of air conditioning condensate water, recycling condensate water and using it for the air conditioning water tower.

Responsible Department/Grievance Mechanism
Responsible Unit: Technology Division/ Grievance Mechanism: Corporate website.

Evaluation Mechanism/Outcomes
Water efficiency

4.4.1 Water Management Policy

Chief Telecom attached importance to valuing and protecting water. The Company is not a business of the manufacturing industry and thus does not have process water. During the Company's operation, all the water consumed came from third-party water companies, without using groundwater or other sources. It was found after investigation that the main water consumption were attributed to the cooling tower and ice water host of the air conditioning cooling system for data centers and general domestic water. No process water were discharged during the process.

4.4.2 Water Consumption Inventory

Chief Telecom attached importance to valuing and protecting water. The Company is not a business of the manufacturing industry and thus does not have process water. During the Company's operation, all the water consumed came from third-party water companies, without using groundwater or other sources. It was found after investigation that the main water consumption were attributed to the cooling tower and ice water host of the air conditioning cooling system for data centers and general domestic water. No process water were discharged during the process.

● **Water consumed in the past 3 years**

Water consumption: million liters

Year	Water Extraction Category	Water Extraction in Water-Stressed Areas	Total Water Intake	Total Water Consumption
2021	Third-Party Water	-	88.638	88.638
2022	Third-Party Water	-	90.061	90.061
2023	Third-Party Water	-	88.481	88.481
2024	Third-Party Water	-	86.640	86.640

Note: Third-party water refers to tap water, with total dissolved solids ≤1,000 mg/L.

● **Water efficiency**

Year	Revenue (NT$ 1,000)	Water consumption (cubic meters)	Cubic meters/NT$ 1 million	Efficiency Improvement (%)
2020	2,564,650	95,216	37.126	Benchmark year
2021	2,801,046	88,638	31.645	14.76%
2022	3,080,306	90,061	29.238	21.25%
2023	3,242,697	88,481	27.286	26.50%
2024	3,793,013	86,640	22.842	38.47%

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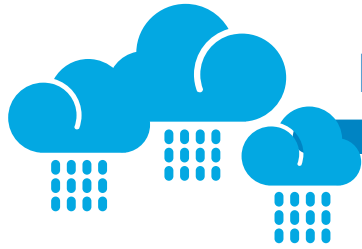
Promotion Measures

- **Advocating that employees should have the concept of saving water and take practical actions to turn off the faucet at hand.**
- **Notifying in real time and immediately repairing any damage or water leakage of water supply equipment to avoid wasting water.**
- **Adjusting the water output or water-saving valve of the water supply device, and using sanitary equipment affixed with a water-saving certification stamp.**
- **Dosing the cooling water tower to maintain water quality, lowering the frequency of cleaning the water tower, and reducing large amounts of water consumption.**
- **Evaluating the rainwater recycling system and using the recycled rainwater for greening and planting irrigation.**
- **Evaluating the recycling of air conditioning condensate water, recycling condensate water and using it for the air conditioning water tower.**

Water efficiency targets

The control target is to increase the average annual water consumption efficiency by 1% from the benchmark year 2020.

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4.5　Energy Efficiency and GHG Reduction 302□305

4.5.1　Energy Management

Material Topic	Importance to the Company	Policy/Commitment
Energy and GHG	**Improve the global competitiveness of the industry and reduce greenhouse gas emissions to protect the planet.**	**Continue to improve the power efficiency of data centers every year.**

Short-term Goals ⟶ Medium and Long-term GoalsMedium and Long-term Goals

Short-term Goals	Medium and Long-term Goals
Reduce energy consumption by 1%	1. Give preference to energy-saving designs during procurement of energy-consuming equipment. 2. Formulate energy-saving measures for data centers. 3. Implement energy-efficiency improvements for data centers.

1. Resources (funding, personnel, projects) invested during the year　　2. Substantive outcomes

1. Continue to execute energy-saving measures to improve power efficiency.
2. Enhancing energy management of the chilled water system by adding energy-saving monitoring and control for chilled water flow.
3. Gradually replacing data center air conditioning equipment with EC-FAN box-type units.
4. Replacing chilled water pumps in the air conditioning system with variable frequency drive (VFD) control systems.
5. Adoption of smart and green building design for new data centers to reduce GHG emissions.

Responsible Department/Grievance Mechanism

Responsible Unit: Technology Division/
Grievance Mechanism: Corporate website.

Evaluation Mechanism/Outcomes

MOEA Energy Bureau - Integrated energy data reporting platform.

Information Technology (IT) is currently a key industry in Taiwan. Rapid advances in ICT have led to a significant increase in power consumption from data centers in recent years. Consensus on energy efficiency and carbon reduction not only helps to boost the global competitiveness of the industry but it is also important for GHG reduction.

Chief Telecom is a provider of carrier network and application services. We provide design, construction, operation & maintenance, and management services for data centers. As a provider of IDC/Tele-center services we have very stringent security protocols. To satisfy the international standards for telecommunications data centers, all equipment has dual power supplies and dual-path redundancy backed by 24-hour operations & maintenance center and provides a wide range of telecommunications services.

Electricity is the main type of energy consumed by IDC is primarily from non-renewable sources at present. We are actively monitoring legislative developments regarding the use of renewable energy and assessing our compliance status. We will develop measures as needed to ensure compliance with regulations. Longstanding energy management measures to improve power efficiency have been put into place by Chief Telecom. The introduction of other technologies in support of national energy policy will be evaluated in the future to improve the energy efficiency of our data centers.

Energy Consumption	Fuel - Diesel (L)	Diesel (GJ)	IDC services electricity consumption: (MWh)	IDC services (GJ)	Total energy consumption (GJ)
2021	10,831	380.84	55,945	201,409.92	201,790.76
2022	10,028	352.61	51,469	185,292	185,644.61
2023	10,798	379.67	50,849	183,061.44	183,441.11
2024	11,092	390.03	53,539	192,741.84	193,023.87

Note: Per Kilowatt-hour refers to 3,600KJ , 1GJ=1*10^9 joule
The GJ refers to 10^9 the joule. 1 Kcal refers to 4,186 joules. The heating value of one liter of diesel is 8,400 Kcal according to the Greenhouse Gas Emission Coefficient Management Table Version 6.0.4 issued by Taiwan Environmental Protection Agency.

Most of Chief Telecom's energy consumption comes from servers and associated facilities, air conditioning systems, and other equipment supporting IT workloads and data center operations. Research suggested that air conditioning accounted for about 45% of a data center's total power costs while power distribution and energy conversion losses accounted for 15 ~ 20%.

The abnormal temperature changes caused by climate changes in recent years have indirectly increased the load on air conditioning equipment and thus increased air conditioning power consumption. Secondly, the power consumption of IDCs often changed with customer consumption adjustments and transfers. However, the Company continues to advance various energy-efficient measures and more efficient energy utilization to minimize negative impacts on the environment.

Proper monitoring of energy consumption can therefore help improve the efficiency of data centers. The efficiency of data centers is generally measured using the "Power Usage Effectiveness" indicator proposed by the Green Grid alliance in 2007.

Chief Telecom has reduced our power consumption by 1% each year in accordance with energy management regulations over the past four years. Total energy savings amounted to 3,487 kWh. Preference was given to products with energy-saving design during equipment upgrades and new procurements, and some of the energy-saving measures including but not limited to high sensible heat EC FAN constant temperature and humidity box-type units, high-efficiency UPS, high-efficiency air conditioning chiller pumps, and installation of energy monitoring system to manage the air flow efficiency of the data centers (hot/cold aisle configuration) were taken.

Power Usage Effectiveness (PUE)

Power Usage Effectiveness (PUE) is used to measure the energy efficiency of a data center.

$$PUE = \frac{\text{IDC Total Power Consumption (Servers, Lighting, Air Conditioning, UPS Losses)}}{\text{IDC Power consumed by servers}}$$
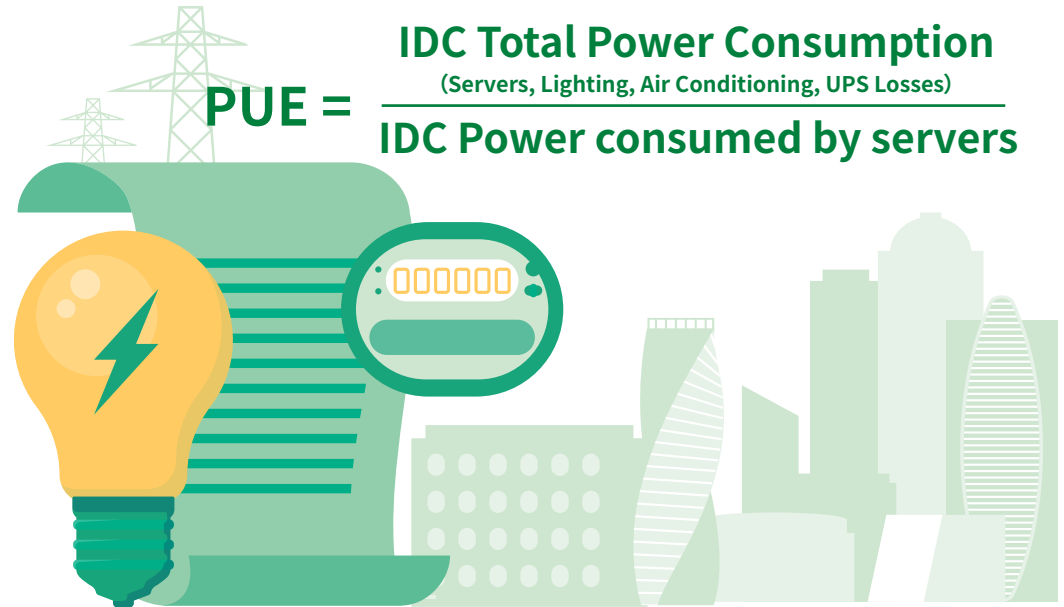
Energy intensity	Data Center A		Data Center B		Data Center C		Average temperature of Neihu District throughout the year
	Electricity usage (MWh)	PUE	Electricity usage (MWh)	PUE	Electricity usage (MWh)	PUE	
2021	19,428	1.62	17,451	1.71	19,066	1.74	24.17 °C
2022	18,584	1.58	15,549	1.73	17,336	1.78	23.65 °C
2023	19,013	1.57	14,134	1.70	17,702	1.77	24.05 °C
2024	19,339	1.57	14,596	1.70	19,604	1.75	23.88 °C

Data Center A, B and C: Customer equipment were transferred on the floor.

Direct Reduction of energy Annual Electricity Savings (kWh)	Data Center A	Data Center B	Data Center C
2021	185,337	208,124	436,410
2022	268,168	456,460 (Note 1)	218,160
2023	256,218	552,293	218,197
2024	236,520	171,063	280,507
Average annual rate of power saving from 2015 to 2024 (%)	1.52%	1.60%	1.29%

Note 1. Based on the revision data corrected by the Ministry of Economic Affairs' Energy Bureau letter in September 2023.

Replace High sensible heat EC Fan constant temperature and humidity box-type unit

Implementation of a chilled water flow monitoring and energy management system for the chiller units.

Installation of a variable frequency drive (VFD) control system for the chilled water pumps in the air conditioning system.

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4.5.2 Greenhouse Gas Emissions Management

Chief Telecom has launched GHG inventorying since 2021 and has passed ISO-14064-1 certification. This year, Chief Telecom continues to monitor the GHG emissions from 2024, including our subsidiary, Shanghai ShiTai Network Technology Co., Ltd., located in Mainland China, within the scope of this assessment. The greenhouse gases being monitored include seven types of GHGs: CO_2, CH4, N_2O, HFCs, PFCs, SF6, and NF3. As shown in the table below, the main source of emissions was electricity at 80.92%. Management policy for GHG reduction including reduction targets, measures and progress were based on energy management.

● 2024 Chief Telecom GHG Emissions

Categories of emission		Emission equivalent (Metric tons CO_2e/year) Emissions in 2024	Types of Activity Data.	Data Level	Emission Factors	Category Total
Category 1						
Stationary Source Emissions (generators)	CO_2	44.2269	Self-Assessment	Sub- Level	Country Specific Emission Factors	44.3746
	CH_4	0.0500			Country Specific Emission Factors	
	N_2O	0.0978			Country Specific Emission Factors	
Mobile Emission Sources(Official Vehicle)	CO_2	1.6365	Financial Accounting Estimation	Level 1	Country Specific Emission Factors	1.7045
	CH_4	0.0165			Country Specific Emission Factors	
	N_2O	0.0516			Country Specific Emission Factors	
Fugitive Emissions	Air Conditioning Equipment	153.3743	Self-Assessment	Sub- Level	Country Specific Emission Factors	473.1543
	Chiller	319.5068	Self-Assessment	Sub- Level	Country Specific Emission Factors	
	Water Dispenser	0.0012	Self-Assessment	Sub- Level	Country Specific Emission Factors	

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Categories of emission		Emission equivalent (Metric tons CO_2e/year)	Types of Activity Data.	Data Level	Emission Factors	Category Total
		Emissions in 2024				
Category 2						
Purchased Electricity (TW)		17,565.7132	Period (intermittent)Monitoring	Level 1	Country Specific Emission Factors	17,565.7132
Category 3						
Employee Business Travel	Business Travel (Airplane)	3.3700	Financial Accounting Statistics	Level 1	Country Specific Emission Factors	4.5165
	Business Travel (HSR)	0.9833	Financial Accounting Statistics	Level 1	Country Specific Emission Factors	
	Business Travel (Taxi)	0.1633	Financial Accounting Estimation	Sub- Level	Country Specific Emission Factors	
	Business Travel (Personal Vehicle Use)	0.0000	Financial Accounting Estimation	Sub- Level	Country Specific Emission Factors	
Category 4						
Purchased Goods	Purchased Copy Paper	2.0844	Financial Accounting Statistics	Level 1	Country Specific Emission Factors	3,481.2115
Purchased Electricity	Upstream Extraction and Transmission Carbon Footprint of Electricity	3,459.8055	Period (intermittent) Monitoring	Level 1	Country Specific Emission Factors	
	General Industrial Waste Treatment(Incineration)	19.3216	Per Capita Waste Generation (Transportation)	Sub- Level	Country Specific Emission Factors	
Category 5						NA
Category 6						NA

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格瑞國際驗證有限公司 GREAT International Certification Co., Ltd.

聲明書編號：Great-GHGER-25-0301

溫室氣體排放與移除查證聲明書

是方電訊股份有限公司

溫室氣體排放和移除的盤查在以下地點進行：

台北市內湖區瑞光路 68 號 2 樓

台北市內湖區瑞光路 188 巷 37 號(2、3、4 樓)

台北市內湖區陽光街 250 號（2、3、8、9 樓）

台北市內湖區瑞光路 76 巷 45 號（3、4、5 樓）

台北市內湖區舊宗路一段 255 號(1、2、3 樓機房、全棟公共區域)

已根據 ISO 14064-3:2019 於 2025 年 03 月 04 日進行查證，符合以下標準要求：

ISO 14064-1:2018

溫室氣體排放資訊：

直接排放(類別 1)： 519.2334 噸二氧化碳當量；

間接排放(類別 2)： 17,565.7132 噸二氧化碳當量；

其他間接排放類別(類別 3~類別 6)將於下一頁面表列。

❖ 查證目標：格瑞以獨立第三方立場，公正客觀地收集、查證支持溫室氣體宣稱所揭露之資訊，確保報告資訊符合準確性、完整性、一致性及透明度之準則，且內容無錯誤或遺漏之處。

❖ 報導期間：2024 年 01 月 01 日至 2024 年 12 月 31 日。

❖ 類別 1 和類別 2 以合理保證等級進行查證，類別 3 至類別 6 以有限保證等級進行查證。

❖ 不確定性評估：-7.07%~+7.07% (95%信心水準，實質性：5%)。

總經理　陳文俊

首次發行日期：2022 年 10 月 03 日；最新發布日期：2025 年 03 月 21 日

❖ 報導溫室氣體的類型，包括 CO_2、CH_4、N_2O 和 HFCs。

This verification statement is invalid without the full scopes, categories, criteria, level of assurance and findings available on the Statement.
Verification Body: Great International Certification Co., Ltd.　Address: 4F., No. 28, Dahua 1st St., Dayuan Dist., Taoyuan City 337002, Taiwan (R.O.C.)

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格瑞國際驗證有限公司 GREAT International Certification Co., Ltd.

聲明書編號：Great-GHGER-25-0301

❖ 排放係數：2024 年依經濟部能源局公告之 2023 年電力排放係數為 0.494 $kgCO_2e$/kWh；其他排放係數參見 EPA 管理表 6.0.4。各種溫室氣體的 GWP 值是根據 IPCC 第六次評估報告所得。

❖ 本聲明是基於對已查證客戶提供的相關資訊進行查查後得出的結論。因此，格瑞驗證認為盤查資訊是完整有效的。

❖ 對本聲明書內容或相關關注的問題和疑問，均need由此受查證客戶回答(客戶類別代碼：A-27)。

❖ 該客戶報導的溫室氣體排放和移除量期間為：2024 年 1 月 1 日至 2024 年 12 月 31 日。

單位: 噸 CO_2e

按類別和子類別劃分的報告邊界	備註	溫室氣體排放量
類別 1：直接溫室氣體排放與移除		519.2334
1.1 固定燃燒的直接排放	發電機	44.3746
1.2 移動燃燒的直接排放	汽油車	1.7045
1.3 產業過程之直接過程排放和移除		非顯著*
1.4 人為系統所釋放的溫室氣體的釋放直接暫時逸散排放	空調設備、冷水機、飲水機、冰箱、公務車冷媒、滅火器(HFCs)、滅火器(CO2)	473.1543
1.5 土地利用、土地利用變化和林業的直接排放和移除		非顯著*
類別 2：來自輸入能源的間接溫室氣體排放		17,565.7132
2.1 輸入電力的間接排放	外購電力	17565.7132
2.2 輸入能源的間接排放		非顯著*
類別 3：交通運輸產生的間接溫室氣體排放		4.5165
3.1 上游運輸和配送貨物的排放		非顯著*
3.2 下游貨物運輸和配送的排放		非顯著*
3.3 員工通勤排放		非顯著*
3.4 客戶和訪客交通工具的排放		非顯著*
3.5 商務旅行排放	商務旅行-飛機、高鐵、計程車、開車	4.5165
類別 4：組織使用的產品的間接溫室氣體排放		3,481.2115
4.1 商品採購的排放量	影印紙採購	2.0844
4.2 資本貨物的排放	上游電力提取與輸配電的碳足跡	3,459.8055
4.3 固體和液體廢物處置產生的排放	一般工業廢棄物處理(焚燒)	19.3216
4.4 資產使用產生的排放		非顯著*
4.5 上述子類別中未描述的使用服務產生的排放		非顯著*
類別 5：與使用組織產品相關的間接溫室氣體排放		
5.1 來自產品使用階段的排放與移除		非顯著*
5.2 來自下游租賃資產的排放		非顯著*

This verification statement is invalid without the full scopes, categories, criteria, level of assurance and findings available on the Statement.
Verification Body: Great International Certification Co., Ltd.　Address: 4F., No. 28, Dahua 1st St., Dayuan Dist., Taoyuan City 337002, Taiwan (R.O.C.)

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5.3 來自產品生命終點階段的排放		非顯著*
5.4 來自投資的排放		非顯著*
類別 6：其他來源的間接溫室氣體排放		非顯著*
直接移除		非顯著*
年終總儲量		非顯著*
碳財務工具		非顯著*

*非顯著或不適用：排除統計

組織查證活動按報告邊界子類別表列：

客戶或組織名稱	地址	子類別
是方電訊股份有限公司 Chief Telecom Inc.	台北市內湖區瑞光路 68 號 2F 2F., No. 68, Ruiguang Rd., Nei-hu Dist., Taipei City 114062, Taiwan (R.O.C.) 台北市內湖區瑞光路 188 巷 37 號(2、3、4 樓) No. 37, Ln. 188, Ruiguang Rd., 2F-4F, Neihu Dist., Taipei City 114, Taiwan (R.O.C.) 台北市內湖區陽光街 250 號（2、3、8、9 樓） No. 250, Yangguang St., 2F-3F, 8F-9F, Neihu Dist., Taipei City 114, Taiwan (R.O.C.) 台北市內湖區瑞光路 76 巷 45 號（3、4、5 樓） No. 45, Ln. 76, Ruiguang Rd., 3F-5F, Neihu Dist., Taipei City 114, Taiwan (R.O.C.) 台北市內湖區舊宗路一段 255 號(1、2、3 樓機房、全棟公共區域) No. 255, Sec. 1, Jiuzong Rd., 1F-3F (Data Center), Entire Public Areas, Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	1.1,1.2,1.4, 2.1, 3.5, 4.1,4.2,4.3

This verification statement is invalid without the full scopes, categories, criteria, level of assurance and findings available on the Statement.
Verification Body: Great International Certification Co., Ltd.　Address: 4F., No. 28, Dahua 1st St., Dayuan Dist., Taoyuan City 337002, Taiwan (R.O.C.)

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● 2024 UNIGATE TELECOM GHG Emissions (including Shanghai Shitai Network)

Categories of emission		Emission equivalent (Metric tons CO_2e/year)	Types of Activity Data.	Data Level	Emission Factors	Category Total
		Emissions in 2024				
Category 1						
Stationary Source Emissions (generators)	CO_2	121.1798	Self-Assessment	Sub- Level	Country Specific Emission Factors	121.5845
	CH_4	0.1369			Country Specific Emission Factors	
	N_2O	0.2679			Country Specific Emission Factors	
Mobile Emission Sources (Official Vehicle)	CO_2	0.0000	Financial Accounting Estimation	Level 1	Country Specific Emission Factors	0.0000
	CH_4	0.0000			Country Specific Emission Factors	
	N_2O	0.0000			Country Specific Emission Factors	
Fugitive Emissions	Air Conditioning Equipment (R-22)	0.0000	Self-Assessment	Sub- Level	Country Specific Emission Factors	682.7625
	Chiller	682.7625	Self-Assessment	Sub- Level	Country Specific Emission Factors	
	Water Dispenser	0.0000	Self-Assessment	Sub- Level	Country Specific Emission Factors	
	Refrigerator	0.0000	Self-Assessment	Sub- Level	Country Specific Emission Factors	
	Vehicle Refrigerant	0.0000	Self-Assessment	Sub- Level	Country Specific Emission Factors	
	Fire Extinguisher (CO_2)	0.0000	Self-Assessment	Sub- Level	Country Specific Emission Factors	
	Fire Extinguisher	0.0000	Self-Assessment	Sub- Level	Country Specific Emission Factors	
Category 2						
Purchased Electricity (TW)		11,681.3216	Period (intermittent) Monitoring	Level 1	Country Specific Emission Factors	11685.7370
Purchased Electricity (Shanghai Branch, China)		4.4154	Period (intermittent) Monitoring	Level 1	Country Specific Emission Factors	

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Categories of emission		Emission equivalent (Metric tons CO_2e/year)	Types of Activity Data.	Data Level	Emission Factors	Category Total
		Emissions in 2024				
Category 3						
Category 4						
Purchased Electricity (TW)	Upstream Extraction and Transmission Carbon Footprint of Electricity	2,085.6125	Period (intermittent) Monitoring	Level 1	Country Specific Emission Factors	2086.2783
Purchased Electricity (China)	Upstream Extraction and Transmission Carbon Footprint of Electricity	0.6658	Period (intermittent) Monitoring	Level 1	Country Specific Emission Factors	
Category 5						NA
Category 6						NA

● Chief Telecom - Analysis of emission statistics by types of emission sources

Types of emission sources		Scope 1	Scope 2	Scope 3	Total emission equivalence
		Direct emissions	Indirect emissions via energy	Other indirect emissions	
2022	Emission equivalence (MTCO$_2$e/year)	399.5627	26,099.2813	4,887.3534	31,386.1973
	Proportion (%) by gas	1.2731%	83.1553%	15.5717%	100.00%
2023	Emission equivalence (MTCO$_2$e/year)	213.6700	25,350.6117	5,032.3385	30,596.6202
	Proportion (%) by gas	0.70%	82.85%	16.45%	100%
2024	Emission equivalence (MTCO$_2$e/year)	1,323.5804	29,251.4502	5,572.0063	36,147.0359
	Proportion (%) by gas	3.66%	80.92%	15.41%	100%

Note 1. Scope 1 to 3 emissions are based on the 2021 baseline year.
Note 2. The electricity emission factors for the years are as follows: 0.509 kg CO_2 per kWh for 2021, 0.495 kg CO2e per kWh for 2022, and 0.494 kg CO_2e per kWh for 2023. The 2024 electricity emission factor is based on the 2023 value. Other emission factors can be referenced from EPA Management Table 6.0.4. The Global Warming Potential (GWP) values for various greenhouse gases are derived from the IPCC Sixth Assessment Report.
Note 3. This table represents the combined data of Chief Telecom and Shitai Network
The emission equivalents for the 2021 base year are: Scope 1 (Direct emissions) – 371.7764, Scope 2 (Energy indirect emissions) – 29,183.9992, Scope 3 (Other indirect emissions) – 5,310.6413, with a total emission equivalent of 34,866.4169.

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格瑞國際驗證有限公司
GREAT International Certification Co., Ltd.

聲明書編號：Great-GHGER-25-0302

溫室氣體排放與移除查證聲明書
領航電信股份有限公司

溫室氣體排放和移除的盤查在以下地點進行：

台北市內湖區瑞光路 188 巷 37 號 5、6、7、8 樓

台北市內湖區舊宗路一段 255 號(4、5、6、7 樓機房)

中國（上海）自由貿易試驗區基隆路 55 号 6 层 B09 室

已根據 ISO 14064-3:2019 於 2025 年 03 月 04 日進行查證，符合以下標準要求：

ISO 14064-1:2018

溫室氣體排放資訊：

直接排放(類別 1)：　　804.3470 噸二氧化碳當量；

間接排放(類別 2)：　　11,685.7370 噸二氧化碳當量；

其他間接排放類別(類別 3~類別 6)將於下一頁面表列。

- ❖ 查證目標：格瑞以獨立第三方立場，公正客觀地收集、查證支持溫室氣體宣稱所揭露之資訊，確保報告資訊符合準確性、完整性、一致性及透明度之準則，且內容無錯誤或遺漏之處。
- ❖ 報導期間：2024 年 01 月 01 日至 2024 年 12 月 31 日。
- ❖ 類別 1 和類別 2 以合理保證等級進行查證，類別 3 至類別 6 以有限保證等級進行查證。
- ❖ 不確定性評估：-7.07%~+7.07% (95%信心水準，實質性：5%)。

總經理　陳文俊

首次發行日期：2025 年 03 月 21 日；最新發布日期：2025 年 03 月 21 日

- ❖ 報導溫室氣體的類型，包括 CO_2、CH_4、N_2O 和 HFCs。
- ❖ 排放係數：2024 年依經濟部能源局公告之 2023 年電力排放係數為 0.494 $kgCO_2e/kWh$；其他排放係數參見 EPA 管理表 6.0.4。各種溫室氣體的 GWP 值是根據 IPCC 第六次評估報告所得。

格瑞國際驗證有限公司
GREAT International Certification Co., Ltd.

聲明書編號：Great-GHGER-25-0302

- ❖ 本聲明是基於對已查證客戶提供的相關資訊進行查證後得出的結論。因此，格瑞驗證認為盤查資訊是完整有效的。
- ❖ 對本聲明書內容或相關關注的問題和疑問，均需由此受查證客戶回答(客戶類別代碼：A-27)。
- ❖ 該客戶報導的溫室氣體排放和移除量期間為：2024 年 1 月 1 日至 2024 年 12 月 31 日。

單位：噸 CO_2e

按類別和子類別劃分的報告邊界	備註	溫室氣體排放量
類別 1：直接溫室氣體排放與移除		**804.3470**
1.1　固定燃燒的直接排放	發電機	121.5845
1.2　移動燃燒的直接排放		非顯著*
1.3　產業過程之直接過程排放和移除		非顯著*
1.4　人為系統所釋放的溫室氣體的釋放直接瞬時逸散排放	空調設備、冷水機、飲水機、冰箱、公務車冷媒、滅火器(HFCs)、滅火器(CO2)	682.7625
1.5　土地利用、土地利用變化和林業的直接排放和移除		非顯著*
類別 2：來自輸入能源的間接溫室氣體排放		**11,685.7370**
2.1　輸入電力的間接排放	外購電力	11,685.7370
2.2　輸入能源的間接排放		非顯著*
類別 3：交通運輸產生的間接溫室氣體排放		**非顯著***
3.1　上游運輸和配送貨物的排放		非顯著*
3.2　下游貨物運輸和配送的排放		非顯著*
3.3　員工通勤排放		非顯著*
3.4　客戶和訪客交通工具的排放		非顯著*
3.5　商務旅行排放		非顯著*
類別 4：組織使用的產品的間接溫室氣體排放		**2,086.9441**
4.1　商品採購的排放量		非顯著*
4.2　資本貨物的排放	上游電力提取與輸配電的碳足跡	2,086.9441
4.3　固體和液體廢物處置產生的排放		非顯著*
4.4　資產使用產生的排放		非顯著*
4.5　上述子類別中未描述的使用服務產生的排放		非顯著*
類別 5：與使用組織產品相關的間接溫室氣體排放		
5.1　來自產品使用階段的排放與移除		非顯著*
5.2　來自下游租賃資產的排放		非顯著*
5.3　來自產品生命終點階段的排放		非顯著*
5.4　來自投資的排放		非顯著*
類別 6：其他來源的間接溫室氣體排放		**非顯著***

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GREAT International Certification Co., Ltd.

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直接移除		非顯著*
年終總存儲量		非顯著*
碳財務工具		非顯著*

*非顯著或不適用：排除統計

組織查證活動按報告邊界子類別表列：

客戶或組織名稱	地址	子類別
領航電信股份有限公司 UNIGATE TELECOM INC.	台北市內湖區瑞光路 188 巷 37 號 5、6、7、8 樓 No. 37, Ln. 188, Ruiguang Rd., 5F-8F, Neihu Dist., Taipei City 114, Taiwan (R.O.C.) 台北市內湖區舊宗路一段 255 號(4、5、6、7 樓機房) No. 255, Sec. 1, Jiuzong Rd., 4F-7F (Data Center), Neihu Dist., Taipei City 114, Taiwan (R.O.C.) 中國（上海）自由貿易試驗區基隆路 55 号 6 层 B09 室 6F, Room B09, No. 55, Jilong Rd., China (Shanghai) Pilot Free Trade Zone, China	1.1, 1.4, 2.1, 4.2

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● **Emission Intensity**

Year	Revenue (NT$ million)	Total Emissions(MT CO$_2$e)	Emission Intensity (MT/NT$1 million)	Reduction of emissions
2021	2,801	34,866.4169	12.45	11.92%
2022	3,080	31,386.1973	10.19	18.14%
2023	3,242	30,596.6202	9.44	7.40%
2024	3,793	36,147.0370	9.53	-0.95% (Note)

Note. In accordance with the ISO 14064-1:2018 standard, the Company included the Lianyun Intelligent Data Center in its 2024 greenhouse gas emissions inventory. During this period, various electromechanical equipment underwent testing and commissioning, resulting in higher electricity consumption than under normal operations.

4.5.3　Task Force on Climate-related Financial Disclosures (TCFD) Framework

International response to climate change has looked beyond GHG reductions to place greater emphasis on climate change adaptation in recent years. In 2024, Chief Telecom promoted the "TCFD Climate-related Financial Impact Assessment", adopted the "Recommendations of the Task Force on Climate-related Financial Disclosures" (TCFD) structure, analyzed the status quo of financial disclosures related to climate changes, identified climate risks and quantified finance, and disclosed the impacts of climate changes on Chief Telecom and relevant response directions and measures. The following core elements of TCFD disclosure recommendations are explained in terms of governance, strategy, risk management, metrics and targets.

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• **Governance**

Chief Telecom established the ESG Committee, led by the President as the Chairman. ESG Committee holds regular meetings every year to discuss topics including but not limited to climate change risks that may arise from the Company's operation, energy and resource consumption efficiency, as well as various environmental impacts related to the product lifecycle. ESG Committee regularly reported climate change topics and implementation status to the Board of Directors every year. Chief Telecom also appointed a corporate governance. executive and a Risk Management Committee. Chief Telecom managed climate change factors as operational risks, and took responses to reduce operational risks.

• **Strategies**

In response to the impacts of climate-related risks and opportunities on the Company's strategies and financial planning, Chief Telecom used quantitative and qualitative analyses of climate-related scenarios to adopt corresponding strategies with reference to TCFD's climate-related scenario analyses. With reference to the 1.5°C scenarios (1.5DS), the Company discussed at the Sustainability Committee meeting, using the tools provided by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) as the evaluation reference for the scenario of physical risks of climate changes, to choose the 2DS/RCP2.6 scenario as the Company's scenario of physical risks of climate changes. In this scenario, the theme of climate change risks and opportunities was described for physical risks, regulation risks and transformation risks, etc. Finally, we identified the climate risks and opportunities related to the Company's operational scope, and referred to the TCFD report related to the communication network sector: In considering the long-term operation and development of the Company on a decade basis, the short term is defined as 1-3 years, the medium term as 3-5 years, and the long term as 6-10 years.

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● **TCFD Climate Risk and Opportunity Matrix of Chief Telecom for 2024**
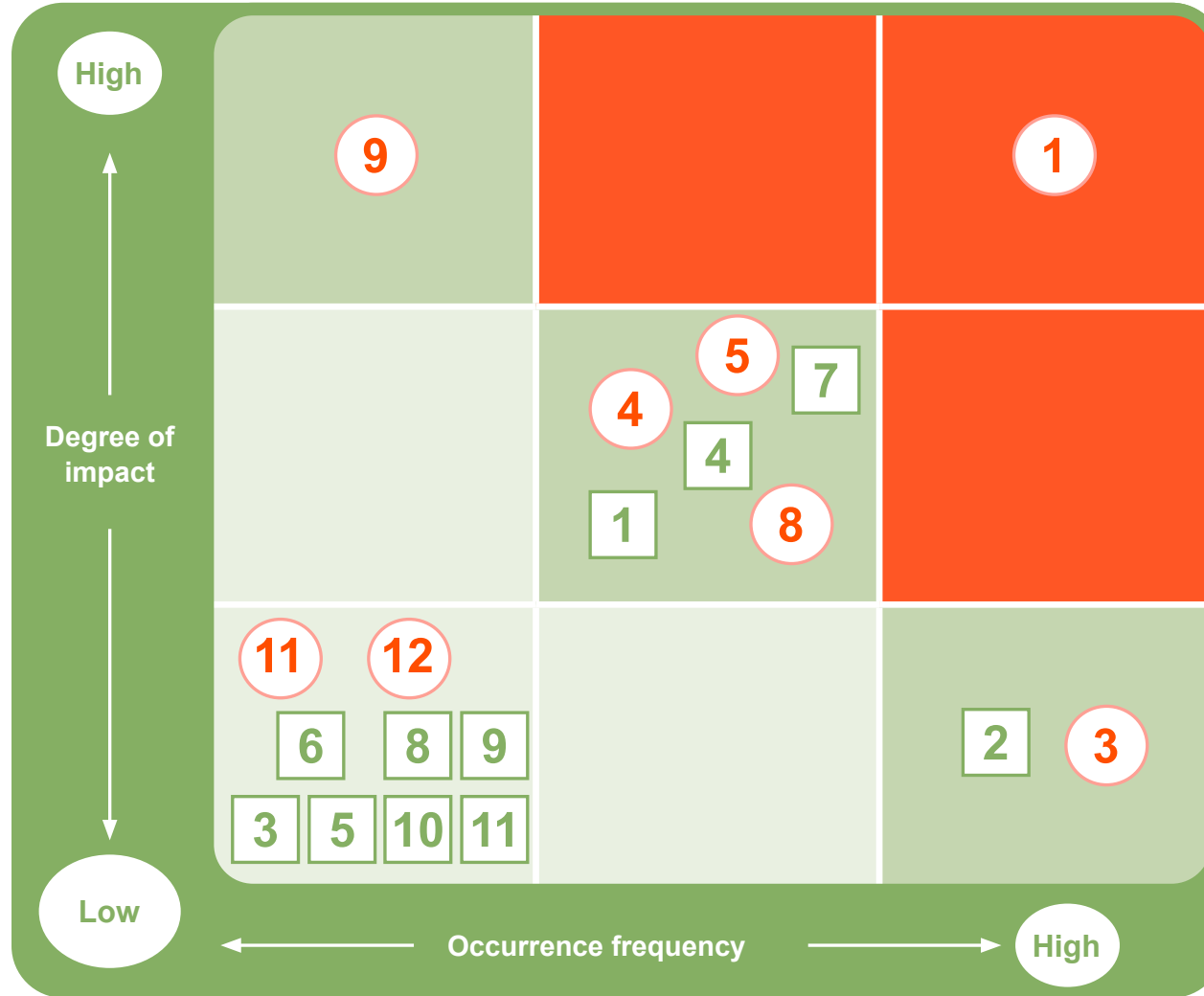
Note 1. A short term refers to 1-3 years. A medium term refers to 3-5 years. A long term refers to 6-10 years.

Note 2. The circles on the matrix represent risk topics, the squares represent opportunity topics, and the background colors indicate significant risk or opportunity topics.

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Risk/Opportunity	Factor	Climate change risk topic	Risk level	Time range
Transformation risk	Policies and regulations	R1 Increasing GHG emission prices	High	Medium or long term
		R2 Ratio of large power users using green energy	High	Long
	Technology	R3 Adopting low-carbon and energy-efficient equipment for data centers	Medium	Short, medium or long term
		R4 The cost of low-carbon technology transformation	Medium	Short, medium or long term
	Market	R5 Customers' demands for highly efficient computing cabinets	Medium	Short, medium or long term
		R6 Increases in power costs	High	Medium or long term
	Reputation	R7 Changes of consumer preference	Low	Short, medium or long term
		R8 Concerns of and negative feedback from stakeholders	Medium	Medium or long term
Physical risks	Immediate	R9 Increases in severity of extreme weather events including but not limited to typhoons, floods and droughts	Medium	Short, medium or long term
	Long-term	R10 Changes in rainfall (precipitation) patterns and extreme changes in climate patterns	Low	Short, medium or long term
		R11 Average temperature rise	Low	Short, medium or long term
		R12 Sea level rise	Low	Short, medium or long term

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Risk/Opportunity	Factor	Climate change opportunity topic	Opportunity level	Time range
Opportunity	Resource efficiency	O1 Using equipment of data centers with higher power efficiency	Medium	Short, medium or long term
		O2 Adopting design of green and smart buildings for data centers	Medium	Short, medium or long term
		O3 Reducing water usage and consumption in data centers	Low	Short, medium or long term
Opportunity	Sources of energy	O4 Using low-carbon energy for building data centers	Medium	Medium or long term
		O5 Building data centers by using new technologies and planning hot/cold aisles	Low	Short, medium or long term
		O6 Energy efficiency and carbon reduction of data centers, and participation of data centers in the carbon trading market	Low	Short, medium or long term
Opportunity	Products/ Services	O7 Developing or adding low-carbon goods and services	Medium	Medium or long term
		O8 Developing and innovating new products and services	Low	Short, medium or long term
Opportunity	Market	O9 Entering new markets including but not limited to cloud services	Low	Short, medium or long term
Opportunity	Resilience	O10 Participating in renewable energy projects and taking energy-efficient measures	Low	Short, medium or long term
		O11 Energy substitution/diversification	Low	Short, medium or long term

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Risk management

In the "Meeting of Task Force on Climate-related Financial Disclosures (TCFD)", the Company convened relevant members to discuss and identify climate change risks and opportunities and input the discussed content into the TCFD-suggested architecture, and discuss and identify transformation risks (policies and regulations, technology, market, reputation), physical risks (immediate risks, long-term risks) and opportunities (resource efficiency, energy sources, products/services, markets, resilience).

Transformation risks

3 significant risks identified, 2 policy and regulation risks, and 1 market risk

Note:

The GHG Reduction and Management Law has been changed to the Climate Change Response Law, and the government announces to levy carbon fees on entities emitting over 25,000 metric tons of carbon dioxide in 2026. The potential financial impact of risks in this aspect is increases in operating costs. Looking into the future, the Company will not only implement an all-round GHG inventorying in the short term, but also pay real-time attention to the new laws and regulations regarding purchasing green power and purchase of biomass energy, etc. The Company will evaluate the compliance of its status quo with the laws and regulations, and then formulate measures to comply with the laws and regulations, and set carbon reduction targets. The Company is a related enterprise of Chunghwa Telecom Group and will cooperate with the Group to achieve the policy target of RE100 in 2040 and formulate relevant response measures. In addition, the response to the market risk of rising power costs is to integrate the concept of reducing environmental impacts of climate changes into the smart and green building design of data centers, adopt energy-efficient and carbon-reducing equipment in data centers, improve the power usage effectiveness (PUE) in data centers, and give consideration to both environmental protection and customers' usage needs.

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Metrics & Targets

Based on the metrics items of TCFD climate risks and opportunities, Chief Telecom set further targets:

1. **Power efficiency: Saving power by 1% annually.**

2. **In the short term, Chief Telecom will follow ISO 14064-1 to promote the inventorying of GHG emissions and complete the GHG self-inventorying report.**

3. **GHG emissions intensity: Reduced by 1% annually.**

4. **Power Usage Effectiveness (PUE) of the data centers: PUE lower than 1.7 for the existing data centers and lower than 1.5 for new data centers.**

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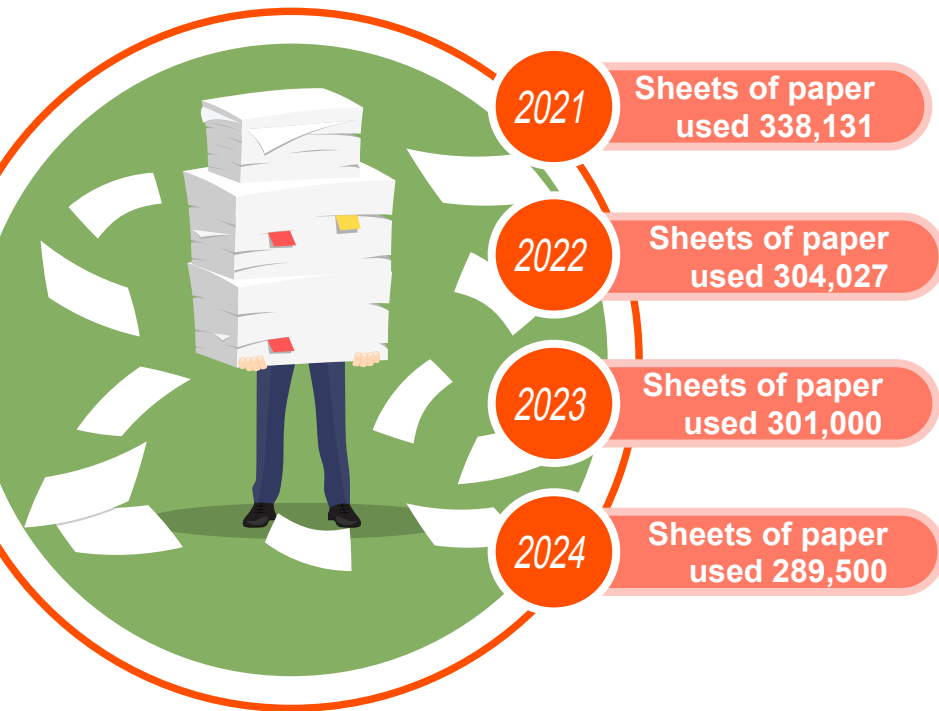
4.6　Waste Management 306

4.6.1　Waste Management Policy

The Company is mainly engaged in IDC services, data services, cloud services and voice services. The waste produced by the Company is mainly household waste. In terms of the management and reduction measures, the Company i) entrusted professional and qualified garbage collection and transportation companies to transport general household waste to garbage incinerators for incineration; and ii) arranged recycling service providers to recycle, dispose of and reuse recyclable resource waste to reduce pollution and harm to the environment. It was calculated from the ISO 14064-1 GHG inventorying that the GHG emissions generated by the organization's waste disposal represented approximately 0.55% of the total GHG emissions. The inventorying results showed that the Company's office waste was mainly paper.

4.6.2　Paper Consumption Inventory

2021　Sheets of paper used 338,131

2022　Sheets of paper used 304,027

2023　Sheets of paper used 301,000

2024　Sheets of paper used 289,500

4.6.3　Target Reduction of Paper Consumption

The target of reduction of paper consumption is to reduce paper consumption by 1% annually.

4.6.4　Promotion Measures

1. Digitalization of the signing system.
2. Digitalization of the survey and customer feedback system.
3. Digitalization of service application and operation.
4. Digitalization of business operation.
5. Promoting the reuse of newspaper and waste paper.

4.6.5　Promotion Measures

1. The online signing system was introduced to reduce the use of paper for signature.
2. The SurveyCake online survey system was introduced to replace paper-based surveys and customer feedback.

The digital system for customer service management and application was developed to reduce the number of papers used for customer application and operation.

05

Social Concern

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5 Social Concern

Happy Workplace and Employee Protection

Chief Telecom believes that employees are precious assets essential to the realization of the Company's core values and vision for sustainability. Employees are also the key to the continued growth and progress of the Company. We believe that only happy and positive employees can connect with customers. That is why the protection of employees has always been a priority for the ethical development of the management team. Fostering a happy, safe and gender equality working environment in particular has always been our long-term goal. We offer different communication channels and platforms for employees to provide the Company with feedback and suggestions. At any time, employees are able to anonymously improvement suggestions through the internal website and established complaint mail of the Company. We listen to employees' opinions by different means, promote bidirectional labor communication and understanding, relieve employees' emotions, and improve the work atmosphere.

Active efforts are made to create a friendly and happy workplace. We strive to ensure reasonable roles and work, and attract talented employees by offering adaptive, rewarding and competitive standards of compensation and generous bonus schemes. Employee stock options have been implemented to boost employee loyalty, reduce employee turnover, improve retention and maintain our operational capacity on an even footing.

Fulfillment of Social Responsibility

Corporate social responsibility is now crucial to business development. Chief Telecom actively gives back to society as well as to contribute to vulnerable groups. We not only promote social concern but also fulfill our corporate social responsibility.

In 2024, Chief Telecom continued to invest resources to sponsor charitable institutions every month, including but not limited to Tzu-Te Children's Home, Kaohsiung City, Christian Mountain Children's Home in Kaohsiung City, "Xinyuan Daycare Station" of A Kernel of Wheat Foundation at Taitung Christian Hospital, and Taitung Longtian Butterfly Conservation Association - Longtian District Office. The total donation amount has cumulatively exceeded NT$1.6 million, and Chief Telecom's love will be passed on.

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5.1 Workforce Overview

Chief Telecom employs different types of professional talent in accordance with regulatory, operational and other requirements. Employee recruitment, retention, compensation, benefits, training and development are also governed by annual plans and implementation guidelines.

5.1.1 Human Rights Protection 2-23 2-24

Chief Telecom supports and observes the various human rights frameworks and spirits of internationally recognized human rights conventions and International Labor Organization conventions. In November 2019, Chief Telecom formulated the "Chief Telecom Human Rights Policy" and announced it on the internal website of Chief Telecom. In addition to regular advocacy and implementation of this Policy every year, Chief Telecom held a total of 326 hours of internal education and training courses on human rights policies with a total of 163 participations in 2024. Chief Telecom provided convenience for implementation of this Policy, by means including but not limited to setting up anonymous opinion boxes and announcing the contact information of directors on the internal website, to continuously maintain the smooth channels for employees to express their opinions, and whereby protected and enhanced the rights and interests of employees.

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We are also committed to upholding the spirit of the "UN Universal Declaration of Human Rights" by not discriminating based on race, social class, language, thought, religion, political affiliation, origin, gender, sexual preference, age, marital status, appearance, facial features, physical and mental disabilities, or other factors. We uphold gender equality, fair treatment of all employees, and employment of people with disabilities to promote employment for the vulnerable. Suitable rules and regulations were drawn up to protect the rights and interests of all employees.

In alignment with government initiatives and awareness campaigns, our company continued in 2024 to invite Executive Director Huang Yi-Ling from the Taiwan Women's Link to conduct a specialized training course. To provide greater flexibility and convenience for employees, this year's course was delivered online. The course topic was "Regulations and Practical Analysis of Workplace Gender Equality Measures." In addition to reinforcing employees' understanding of the Gender Equality Act, the course also featured various news case studies to emphasize that gender equality is a fundamental human right. It is a vital responsibility for both companies and the nation to implement such measures effectively and raise awareness to prevent employment or workplace discrimination based on gender.

5.1.2　Employee Statistics 2-7, 2-8, 401-1, 405-1

Chief Telecom not only operates as Taipei Submarine Cable Exchange Center (TPCX), an important international submarine cable exchange in East Asia. We also operate the largest international Internet exchange (TPIX) in Taiwan by number of members and average traffic volume. Chief Telecom is also the largest provider of international carrier-neutral data centers in Taiwan. It invested in the construction of its fourth IDC in 2021 to meet the needs of domestic and foreign customers for HPC and high-power-consumption computing cabinets, and meet the future growth needs of IDC business. It is expected that the fourth IDC will be officially put into use in 2024.

Chief Telecom had a total of 164 full-time employees in 2024, all of whom were of Chinese nationality. There were 107 male employees and 57 female employees, with a ratio of approximately 2:1 by gender.

As Chief Telecom is mainly engaged in operating IDCs, the most positions required are engineers, and the proportion of male employees has always been higher than that of female employees. However, in 2024, there were a total of 7 women in key managerial positions. Nearly one fourth of the 33 executives of the Company were females holding key management positions. It is obvious that Chief Telecom, when promoting or recruiting personnel, prioritizes the professionalism and abilities of employees, continuously value employees' professionalism, eliminates discrimination, ensures equal work opportunities, and creates a workplace culture of gender equality.

Employee Analysis		2022		2023		2024	
Total Employees (Note 1)		151		162		164	
Employment Contract (Note 2)		Open-Ended	Stationary	Open-Ended	Stationary	Open-Ended	Stationary
Gender	Male	98	0	104	0	107	0
	Female	53	0	58	0	57	0
Type of Employment (Note 3)		Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Gender	Male	98	0	104	0	107	0
	Female	53	0	58	0	57	0

Note 1. Total employees as at the end of the year.

Note 2. Employment contracts were divided into those signed with indefinite-term employees (full-time) and definite-term employees (temporary, short-term, seasonal, dispatched, sourced, technical personnel and interns)

Note 3. The types of employment were divided into full-time employees (whose working hours in one week reached the statutory working hours) and part-time employees (whose working hours in one week did not reach, but only part of, the statutory working hours, including but not limited to part-time students and hourly-wage workers)

Note: In 2024, there were a total of 5 non-employee workers, all of whom were cleaning staff.

Total Number of Employees

Year	Total
2022	151
2023	162
2024	164
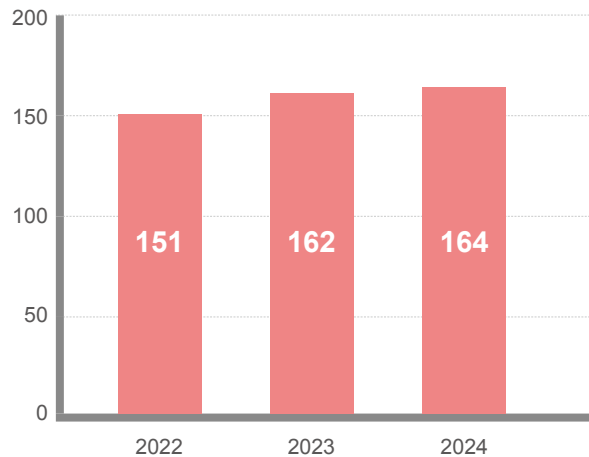
Employee Gender Statistics (Unit: Persons)

Year	Male	Female
2022	98	53
2023	104	58
2024	107	57
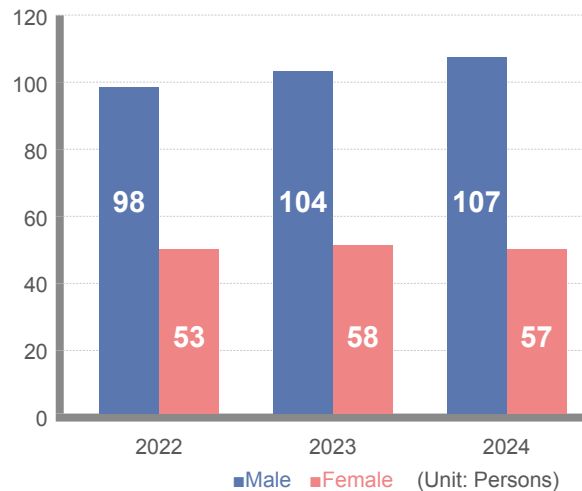
Gender Ratio of Employees

Year	Male	Female
2022	64.90%	35.10%
2023	64.20%	35.80%
2024	65.24%	34.76%
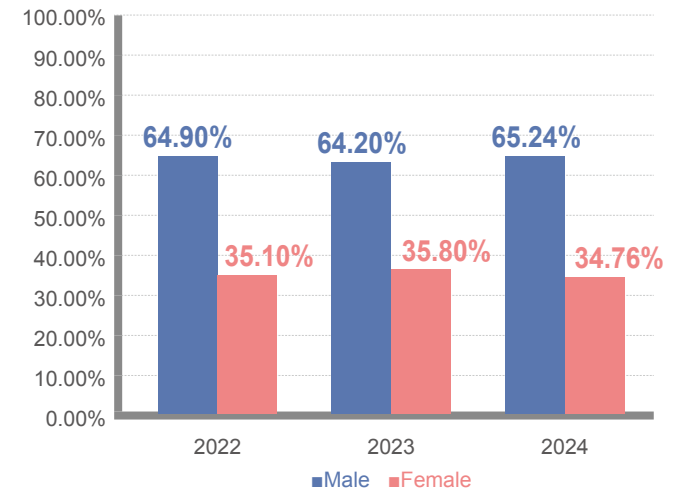
● **Diversified statistics of directors and employees**

Diversified statistics/Year				2022		2023		2024	
				Persons	Percentage	Persons	Percentage	Persons	Percentage
Director		Gender	Male	4	57.14%	4	57.14%	5	71.43%
			Female	3	42.86%	3	42.86%	2	28.57%
		Age	Under 50	1	14.29%	0	0.00%	1	14.29%
			50~60	1	14.29%	1	14.29%	1	14.29%
			Over 60	5	71.42%	6	85.71%	5	71.43%
		Education	Graduate	6	85.71%	6	85.71%	6	85.71%
			Undergraduate	1	14.29%	1	14.29%	1	14.29%
			Other	0	0.00%	0	0.00%	0	0.00%
Employees	Direct	Gender	Male	16	100%	22	100%	26	100%
			Female	0	0%	0	0%	0	0%
		Age	Under 30	0	0.00%	1	4.55%	1	3.84%
			30~50	10	62.50%	16	72.73%	19	73.08%
			Over 50	6	37.50%	5	22.73%	6	23.08%
		Education	Graduate	0	0.00%	0	0.00%	0	0.00%
			Undergraduate	11	68.75%	15	68.18%	18	69.23%
			Other	5	31.25%	7	31.82%	8	30.77%
	Indirect	Gender	Male	81	60.45%	81	58.27%	80	58.39%
			Female	53	39.55%	58	41.73%	57	41.61%
		Age	Under 30	5	3.73%	8	5.76%	8	5.84%
			30~50	93	69.40%	90	64.75%	81	59.12%
			Over 50	36	26.87%	41	29.50%	48	35.04%
		Education	Graduate	19	14.18%	19	13.67%	18	13.14%
			Undergraduate	111	82.84%	116	86.57%	115	83.94%
			Other	4	2.98%	4	2.98%	4	2.92%

NOTE: Formula: Percentage of female directors = (number of female directors at the end of the year/number of directors at the end of the year) * 100%.
Percentage of male directors = (number of male directors at the end of the year/number of directors at the end of the year) * 100%.
The sum of the percentage of female directors and the percentage of male directors should be 100%.
Percentage of direct personnel under 30 years old = (total number of direct personnel under 30 years old at the end of the year/total employees at the end of the year) * 100%.
Percentage of indirect personnel with graduate degrees = (total number of indirect personnel with graduate degrees in the year/total employees at the end of the year) * 100%.

New Hire and separation Analysis		2022		2023		2024	
		Total	Ratio (Note 2)	Total	Ratio (Note 2)	Total	Ratio (Note 2)
Total Employees for the Year (Note 1)		151	-	162	-	164	-
New Hires							
Age	Under 30	3	100.00%	6	66.67%	3	27.27%
	30~50	6	6.25%	10	9.43%	6	5.61%
	Over 50	0	0.00%	0	0.00%	3	6.52%
Gender	Male	8	8.16%	11	10.58%	11	10.28%
	Female	1	1.89%	5	8.62%	1	1.75%
Education	Graduate	3	15.79%	1	5.00%	2	10.53%
	Undergraduate	6	4.88%	13	9.92%	9	6.77%
	High School or lower	0	0.00%	2	18.18%	1	8.33%

New Hire and separation Analysis		2022		2023		2024	
		Total	Ratio (Note 2)	Total	Ratio (Note 2)	Total	Ratio (Note 2)
Total Employees for the Year (Note 1)		151	-	162	-	164	-
Employee Separation							
Age	Under 30	2	40.00%	0	0.00%	1	9.09%
	30~50	4	3.92%	3	2.83%	3	2.80%
	Over 50	3	6.82%	2	2.13%	5	10.87%
Gender	Male	9	9.18%	4	3.85%	8	7.48%
	Female	0	0.00%	1	1.72%	1	1.75%
Education	Graduate	3	15.79%	0	0.00%	3	15.79%
	Undergraduate	5	4.07%	5	3.82%	6	4.51%
	High School or lower	1	11.11%	0	0.00%	0	0.00%

Note 1. Total number of employees at the end of the year (December 31).

Note 2. Rate of new hires = (total number of new hires of this category for the year/total employees of this category at the end of the year) * 100%.

Employee Turnover Rate = (Number of the employee separations in the specific category during the year/Total number of the employees in the specific category during the year) * 100%.
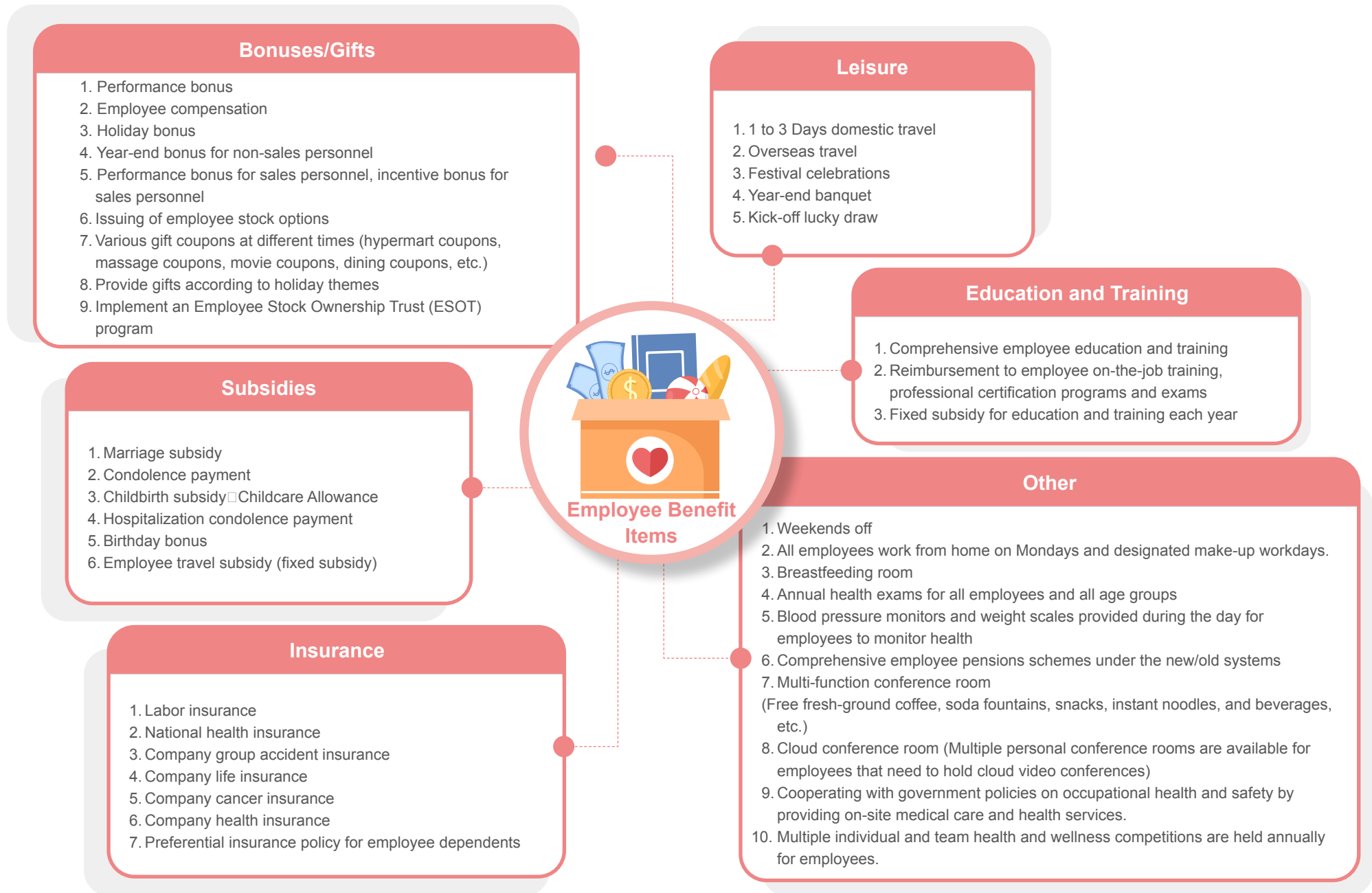
5.2　The Right People in the Right Roles

Chief Telecom hopes that all employees can develop into all-rounders through learning and growth in each field. Benefits include not only the development of individual skills but also being able to help the Company respond to the fast-changing information era and build even more solid foundations. At Chief Telecom, we are one big happy family that looks after our employees. We not only provide employees with generous compensation and benefits but also organize varied activities to encourage bonding.

5.2.1　Employee Benefit

A happy enterprise must not only fulfill its social responsibility but also create happiness for employees. Close attention is paid by Chief Telecom to enhancing employee benefits. We are not unionized but an Employee Welfare Committee has been set up. The "Employee Welfare Subsidy Rules" also specify financial benefits for employees. To encourage employees to go outside during their special leave, we also introduced the "Travel Subsidy Rules" to provide employees with a fixed travel subsidy each year.

We strongly believe that a healthy mind and body is essential to achieving the best performance at work. Sports clubs were therefore set up with long-term funding from the Welfare Committee so that everyone can relax through exercise outside of work. The clubs also create a venue for everyone to share their interests.

All employees are insured in accordance with labor regulations the day they report to the Company. Special leave, maternity leave, childcare leave, marital leave, bereavement leave, menstrual leave, family leave, pregnancy exam leave and paternity leave are also provided in accordance with the law. We fully comply with national labor regulations and even exceed some of its requirements.

Bonuses/Gifts

1. Performance bonus
2. Employee compensation
3. Holiday bonus
4. Year-end bonus for non-sales personnel
5. Performance bonus for sales personnel, incentive bonus for sales personnel
6. Issuing of employee stock options
7. Various gift coupons at different times (hypermart coupons, massage coupons, movie coupons, dining coupons, etc.)
8. Provide gifts according to holiday themes
9. Implement an Employee Stock Ownership Trust (ESOT) program

Subsidies

1. Marriage subsidy
2. Condolence payment
3. Childbirth subsidy、Childcare Allowance
4. Hospitalization condolence payment
5. Birthday bonus
6. Employee travel subsidy (fixed subsidy)

Insurance

1. Labor insurance
2. National health insurance
3. Company group accident insurance
4. Company life insurance
5. Company cancer insurance
6. Company health insurance
7. Preferential insurance policy for employee dependents

Leisure

1. 1 to 3 Days domestic travel
2. Overseas travel
3. Festival celebrations
4. Year-end banquet
5. Kick-off lucky draw

Education and Training

1. Comprehensive employee education and training
2. Reimbursement to employee on-the-job training, professional certification programs and exams
3. Fixed subsidy for education and training each year

Employee Benefit Items

Other

1. Weekends off
2. All employees work from home on Mondays and designated make-up workdays.
3. Breastfeeding room
4. Annual health exams for all employees and all age groups
5. Blood pressure monitors and weight scales provided during the day for employees to monitor health
6. Comprehensive employee pensions schemes under the new/old systems
7. Multi-function conference room (Free fresh-ground coffee, soda fountains, snacks, instant noodles, and beverages, etc.)
8. Cloud conference room (Multiple personal conference rooms are available for employees that need to hold cloud video conferences)
9. Cooperating with government policies on occupational health and safety by providing on-site medical care and health services.
10. Multiple individual and team health and wellness competitions are held annually for employees.

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Recharge Station

Chief Telecom made use of the limited space available to set up a rest area for employees. Like a well-known cafe, it provided colleagues with a place to unwind or sit on high stools and contemplatively gaze out of French windows. The Recharge Station serves not only fresh-ground coffee, snacks, instant noodles, dessert, and snacks. It also offers books and magazines. There is even a blood pressure monitor that employees can borrow at any time, allowing everyone to keep an eye on their own health and stay energized throughout the day.

In 2023, bidding farewell to the impact of the pandemic, and to enhance the energy levels of our colleagues, the snack area in the multipurpose break room not only features local Taiwanese snacks but also gradually introduces imported snacks from abroad. This diversification in snack choices allows colleagues to have a wider selection. Additionally, we arrange and display seasonal snacks to align with festive celebrations.

In 2024, the multifunctional break room, in addition to offering snacks as in previous years, introduced a smart multifunctional vending machine through collaboration with a supplier. Besides the usual beverage section, the machine also offers oat milk, fresh milk, freshly cut fruit boxes, imported yogurt, grass jelly, and Aiyu jelly, providing employees with a balanced and diverse selection of refreshments for their afternoon tea and snacks.

The multi-function break room at Chief Telecom serves not only as a place for employees to recharge. Its spacious and well-designed areas provide employees with a place to relax and unwind during breaks.

In 2024, the multi-function break room featured Halloween decorations.

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Protecting Health, Safeguarding Happiness

We recognize that due to high levels of stress in daily life, imbalanced diets, and irregular routines, the risk of illness among our employees has significantly increased. Especially for employees with a family medical history, it is crucial to initiate early monitoring.

In 2024, the company continued to arrange annual health check-ups for all employees. The health screening program maintained high standards, with a total cost of NTD 1,190,000 for 159 employees. In addition, employees were granted paid leave to complete their health check-ups, ensuring peace of mind during the process. Chief Telecom partnered with one of the most reputable health examination centers in the industry, providing a comfortable VIP environment for employees.

The bright and comfortable halls of the "Taipei Xinyi 101" and "Neihu 101" health examination centers

Health examination environment and meals

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After completing the check-up, employees received their digital health reports within two weeks, allowing them to quickly understand their health status and identify potential risk factors early on, thus supporting their physical and mental well-being.

Considering that colleagues may have questions about the health examination report, we also request the examination center to schedule one-on-one consultations with colleagues. This ensures that colleagues can fully understand the content of the health examination report and the significance of each index represented.

Club Activities

Clubs currently organized by employees include badminton courses and yoga courses. Other types of clubs will be set up in the future. The yoga courses not only comfort employees throughout their bodies and allow them to achieve physical and mental balance, but also infuse energy into them. Badminton class gets people moving and accelerates their metabolism to supercharge them at work.

Employee Welfare Committee

All members of the Chief Telecom Employee Welfare Committee are drawn from different departments across the Company. The committee members plan all sorts of creativity-filled activities for festivals. They also plan the end-of-year program and organize domestic/overseas company holidays that create a happy atmosphere and facilitate team-building.

In 2024, the Employee Welfare Committee thoughtfully organized travel activities and prepared holiday gift boxes, gift vouchers, and more.

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Holiday and Dragon Boat Festival Gifts

端午粽禮 B款 $699
精品包種茶3包、精品熟香型烏龍茶3包、蓋米豉醬1支、收納竹筒1個、粽形抹茶餅2片、粽形巧克力餅2片、櫻花藕果花果禮5包

D.O.D

福委會通知-年節祝福！

Dear All........
新年來臨~在這個充滿歡樂團圓和溫馨的時刻，福委會委員們特地準備「新年禮盒」，其中包含了許多健康的堅果及乾果，每一款都代表著對各位同仁的美好祝福。
預祝同仁新年快樂~龍年好運到~
禮盒於今天 1／30（二）到貨後，幹事組轉請各處福委會委員協助發放
是方電訊 職工福利委員會 敬上

Walking Activity Announcement and Point Collection Card.

日期：2024 年 12 月 21 日（六）
時間：上午 09：00-12：00（報到時間：上午 09：00-10：00）
地點：故宮博物院、至善園、原住民文化主題公園
活動內容包含：
員工經錄達成獎勵金/限員工（每人 NTD1500 元、獎勵金預計於 12 月 27 日匯款）
員工及春屬參加活動，現場就可以得到美味餐盒一份，故宮門票一張
向天借墨！活動當天若下雨，請同仁直接至第 2 個蓋章點集合喔！
蓋章地圖

第 1 個蓋章地點：國立故宮博物院大正門旁（故宮大正門與至善園入口處中間）

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Exciting and Enriching Domestic and International Travel Experiences

Japan – A joyful five-day tour to Miyama's Gassho-zukuri Village, Kyoto's cultural highlights, and Universal Studios Japan (Super Nintendo World) in Osaka.

Thailand – A relaxing five-day getaway to Hua Xin and a tuk-tuk adventure through Bangkok.

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Retirement Protection 404-2

Chief Telecom has financial programs in place to look after all employees in retirement. The pension system is divided into the pension fund until the old system, and pension contributions under the new system.

Confirmed Benefits Plan (Pension fund under the old system)

The pension system of Chief Telecom complies fully with the Labor Standards Act. Employees over the age of 55 with more than 15 years of service, or those that have more than 25 years of service with the Company may apply for retirement. Under the Labor Standards Act, employee pensions are based on their length of service. Two units are accumulated for each year of service, and one unit for each year over 15 years up to a maximum of 45 units.

Chief Telecom has set up a Labor Pension Fund Supervisory Committee and a dedicated pension account funded by 2% of total salary payments. Regular contributions are deposited into the pension preparatory fund held by the Department of Trusts at Bank of Taiwan. The fund is reviewed by actuaries at the end of each year to ensure that the preparatory fund is adequately funded.

The balance of the labor pension fund was NT$24,549 thousand at the end of 2024.

Confirmed Contributions Plan (Pension fund under the new system)

The new labor retirement scheme was implemented by Chief Telecom on July 1, 2005. Under the Labor Pension Act, Chief Telecom must make a monthly contribution of no less than 6% of the worker's monthly salary to the worker's pension account for all employees that opt to switch over to the new system or employees that joined the company after the introduction of the new system. Retirements must also be handled in accordance with the Labor Pension Act.

5.2.2 Employee Compensation 404-3, Average compensation of non-management employees, 202-1

A Remuneration Committee has been established by the Chief Telecom Board of Directors responsible for the formulation of compensation policy, system, standards and structure. Compensation packages including monthly salary and variable pay consist of two components, namely bonuses and employee compensation. Monthly salary is based on employee competency and role, while variable pay is determined by the company's business performance and individual performance.

The Company continuously conducts industry salary surveys at irregular intervals. Salary adjustments are based on overall company performance, individual performance, and government policies, with regular salary adjustments. We appropriately reflect business performance in employee compensation and conduct salary reviews every two years. The company conducted a salary adjustment in 2024.

● Percentage of employees that undergo regular performance evaluations

Employees evaluated in 2022		Number of Evaluations	Total Employees	Percentage
Gender	Male	97	98	99.0%
	Female	53	53	100.0%
Category	Management	32	32	100.0%
	General Employee	118	119	99.2%
Employees evaluated in 2023		**Number of Evaluations**	**Total Employees**	**Percentage**
Gender	Male	103	104	99.0%
	Female	57	57	100.0%
Category	Management	35	36	97.2%
	General Employee	125	125	100.0%
Employees evaluated in 2024		**Number of Evaluations**	**Total Employees**	**Percentage**
Gender	Male	105	106	99.1%
	Female	56	57	98.2%
Category	Management	32	32	100.0%
	General Employee	129	131	98.5%

Note 1. Note: Calculated according to the number of participants at the time of the assessment made in November, excluding the Chairman and new hires who had worked in the Company for no more than three months

Note 2. The Management refers to those in management roles within their unit; everyone else is classified as a general employee.

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Moving forward, our commitment remains unwavering. We will persist in furnishing our employees with challenging opportunities, allowing them to harness their full potential. Furthermore, we encourage our employees to embrace continuous learning, contributing to the Company's overall competitiveness. By consistently unlocking their value and capabilities, they will not only grow alongside the Company but also foster a mutually beneficial partnership, culminating in a win-win scenario!

In 2024, Chief Telecom continued its annual employee performance evaluation process. The evaluation applies to employees who have completed at least three months of service and passed their probation period. A variety of incentive programs are used to recognize, reward, and motivate outstanding employee performance, regardless of gender. Each year, departments nominate employees with exceptional or noteworthy performance. These individuals are recognized through awards and bonuses to encourage excellence in the workplace.

In addition to recognizing outstanding employees in 2024, the company gave special commendation to those who contributed significantly to the construction of the Lianyun Data Center. The Lianyun project began in June 2020 and included planning, design, bidding, supervision, and the implementation of related mechanical and electrical systems after the main structure was completed. During this time, technical teams worked tirelessly to meet project goals, while the business and planning departments successfully attracted internationally renowned companies to move into the facility. As a result, a total of 34 employees were honored in 2024 for their excellence and contributions to the new data center's development.

● Average compensation of non-management employees

Item		2023	2024	Difference
Number of full-time employees in non-management roles (Unit: Persons)		145	150	+5
Average annual compensation of full-time employees in non-management roles (Unit: NT$ 1,000)	Average	2,015	2,150	+135
	Median	1,855	2,047	+192

● Salary to Minimum Wage Ratio

Item	Gender	Standard Salary to Local Minimum Wage Ratio
Entry-Level Personnel (new hire)	Male	1.31
	Female	1.31

Note: Taiwan's statutory minimum wage in 2024 was NT$27,470.

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5.2.3 Enhancing Employee Soft Skills 404-1 404-2

Material Topic	Importance to the Company	Policy/Commitment
Talent Development and Retention	**Employees are important company assets.**	**Strengthen talent selection, development, employment and retention mechanisms.**

Short-term Goals → **Medium and Long-term GoalsMedium and Long-term Goals**

Short-term Goals
1. Continuing to improve employee benefits and training to create a positive working environment.
2. Budget NT$1,190,000 for employee health exams.
3. Provide NT$486,000 in fixed subsidies for education and training.

Medium and Long-term Goals
Enhance talent cultivation and retention while continuing to recruit quality talent.

1. Resources (funding, personnel, projects) invested during the year   **2. Substantive outcomes**

1. In 2024, total employee training costs amounted to NT$238,911 and the training program completion rate was 139%.
2. Provide competitive standard of compensation (salary adjustments once every two years on average), performance bonuses, employee compensation, issuance of Employee Stock Warrants and implementation of an Employee Stock Ownership Trust (ESOT)

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Responsible Department/Grievance Mechanism

Finance Division, Human Resources Department/
Employee Suggestion Box, phone number, and e-mail service@chief.com.tw, communication with department heads, employee feedback through Employee Welfare Committee, labor-management meetings

Evaluation Mechanism/Outcomes

1. Employee turnover in 2024 was 5.52% (including 3 retiring personnel).
2. Employees undertook 3,186.5 hours of training in 2024.

Education and training management regulations have been drawn up by Chief Telecom to equip employees with the professional knowledge and skills needed to perform their roles, improve productivity, and provide assurance on quality of work so that the Company goals for sustainability and development can be realized.

Cultivation of globally minded talent through a forward-looking human resources strategy is embraced by Chief Telecom. Employees are actively encouraged to enhance their professional skills and language proficiency through ongoing education. Furthermore, subsidies were made available to support them in obtaining international certifications. At present, Chief Telecom boasts a workforce with over 150 professional technical certifications. These certifications encompass nearly 40 in IDC mechanical-electrical and fire safety management, around 40 in network administration, and over 60 in cloud service and architecture. A significant portion of these certifications includes professional cloud certifications from prominent public cloud providers such as AWS, Azure, and Google Cloud. We also have a number of information security certifications (e.g. CISSP, CEH, CompTIA Security+) and other professional certifications (e.g. PMP, data management, programming, etc.). Chief Telecom hopes that all employees can develop into well-rounded professionals through learning and growth in each field. Benefits include not only the development of individual skills but also being able to help the Company respond to the fast-changing information era and build even more solid foundations.

Chief Telecom has established sustainable development as its objective for 2024. To achieve this, the company is concentrating on the following five key areas in education and training. The aim is to create an atmosphere and environment conducive to self-directed learning, ultimately facilitating the development of high-quality talent.

教育訓練重點
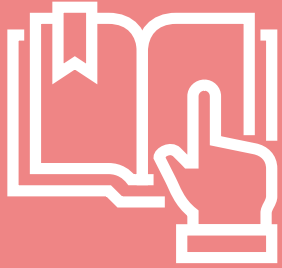
1. **Enhance and expand the professional competency of employees**
2. **Pass on the experience of senior personnel**
3. **Foster employee knowledge and quality**
4. **Cultivate a proactive work ethic in employees**
5. **Successor training**

To help managers with realizing their goals and track their progress, the internal/external training courses and certification targets for each unit and employee are set at the end of each year. Employee performance evaluation forms also take the competency of each unit and support for the Company's business goals into account. Completion rate is examined during the end-of-year performance evaluation to establish their training outcomes and compiling review reports. Required improvements and reinforcement training are incorporated into the performance evaluation form for implementation in the following year.

Self-Training

- Microsoft related courses (Azure IoT Developer Specialty, Data Analyst Associate, Azure AI Engineer Associate, etc.)
- Information security related courses (CompTIA Security+, EC-Council-CEHv8, CISSP, etc.)
- Professional competency courses such as Cisco, Vmware, Juniper, and Google
- Other courses: Mechanical-electrical technician license (Level C technician for interior wiring work, Level B technician for interior wiring work), other courses (senior telecommunications engineer, telecommunications engineer, fire fighting management personnel, health and safety for first-aid personnel, etc.)

Self-Training

- Each person is provided with NT$3,000 of training subsidies for any type of course or training method each year.
- We are continuing to provide employees with preferential packages for online English courses to encourage them to prepare for Chief Telecom's globalization efforts.

In 2024, we conducted 50 training sessions with a total of 1,366 participants, amounting to 3,186.5 man-hours of training. The total cost for education and training was NT$238,911, which included courses on ethical corporate management regulations. Among these, 326 man-hours of training were dedicated to 163 participants for anti-corruption policy and insider trading prohibition, while another 326 man-hours of training were conducted for courses on human rights.
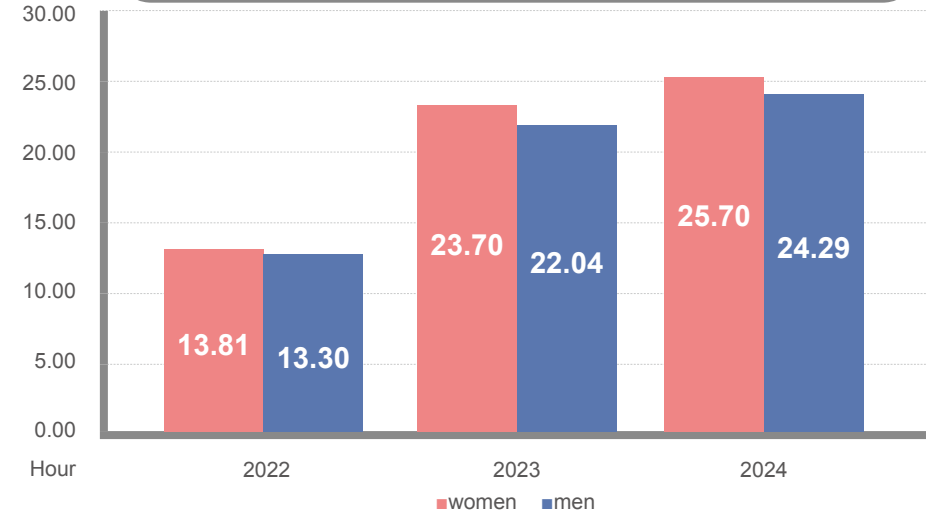
Average hours of training per employee

Year	Hours
2022	13.48
2023	18.22
2024	19.43

Average hours of training per employee (by gender)

Year	women	men
2022	13.81	13.30
2023	23.70	22.04
2024	25.70	24.29

Average hours of training per employee (by category)

Year	Management	General Employee
2022	16.24	12.70
2023	32.46	15.62
2024	35.06	16.29

Note 1. Average hours of training taken by all employees (total hours of training taken by all employees during the year/total employees at the end of the year).
Average hours of training per female employee were (total training hours for female employees during the year/ total number of female employees at the end of the year).
Average hours of training per employee category were (total training hours for all employees in that category during the year/ total number of employees in that category at the end of the year).
Note 2. The Management refers to those in management roles within their unit; everyone else is classified as a general employee.

5.3　Occupational health and safety 403

Chief Telecom implemented occupational health and safety management systems with the aim to provide a healthy workplace environment and ensure workers' safety. We are dedicated to delivering top-notch, safe products and services to our customers, in strict adherence to relevant laws, regulations, and standards. We prioritize preventing workplace accidents, fostering health, creating a welcoming work environment, and upholding our corporate social responsibility.

Chief Telecom is actively and steadfastly committed to advancing labor safety and health in accordance with the Occupational Safety and Health Act to maintain and protect employee work safety. In our efforts to mitigate occupational accidents, we adhere to occupational health and safety management systems and international standards for social responsibility. We are consistently enhancing the work environment to ensure the health and safety of our employees, prevent occupational injuries and illnesses, and minimize workplace hazards. We hope to comply with labor health and safety laws and regulations, and build a premium, safe and healthy workplace.

Sound occupational health and safety management systems

✓ Chief Telecom formulated the "Occupational Disaster Prevention Plan" every year and implemented it according to the project progress to reduce occupational disasters.

✓ Personnel responsible for occupational health and safety conducted regular patrols (including electrical safety inspections) and assisted in coping with abnormalities. Implementation of automatic inspections:The Company formulated plans for implementation of automatic inspections for electrical equipment, fire-fighting facilities and operating environment, actively identified potential hazards, and strived to improve relevant defects to effectively control risks. The efforts made to prevent potential safety hazards included a building security inspection every two years, annual declaration for maintenance of fire facilities, and maintenance and infrared thermal imaging inspections of the main switch boxes for the branch lines of data centers at each floor.

✓ We identified hazards in employees' operation, and provided personal protective equipment (safety shoes, goggles, electric-shock-resistant gloves, etc.) for employees involving high-risk operation (such as civil engineering).

✓ We regularly implemented fire self-defense-based drills and AED usage and emergency training to enhance employees' emergency response capabilities.

✓ Emergency personnel were assigned for each district office and took retraining as provided.

✓ We regularly promote electrical safety and occupational safety practices.

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In the long run, we have been committed to employee care, health and safety. We have fulfilled corporate social responsibility and been pursuing business continuity. We firmly believe at all times that employee health and safety are priceless to the Company!

● Occupational Health and Safety Training

Effectiveness of Occupational Health and Safety Training for 2024		
Training courses	**Description**	**Achievement rate for 2024**
Labor health and safety education and training	1. Promotion and Implementation of Occupational Safety and Health Education Programs: 2. Awareness promotion on "Understanding and Preventing Heat Hazards in High Temperatures." 3. Awareness promotion on "Summer Heart Care Actions and What to Do about Scoliosis." 4. Awareness promotion on "Understanding Metabolic Syndrome and How to prevent it." 5. Awareness promotion on "Understanding Food Poisoning and How to prevent it." 6. Awareness promotion on "Understanding Sudan Red and How to prevent it." 7. Awareness promotion on "Avoid Prolonged Sitting – Exercise at Work and Home" for disease prevention, and understanding the symptoms and prevention of influenza and myocardial infarction. 8. Health education session on "AED, CPR, and Heimlich Maneuver." 9. Health education session on "Gynecological Health and Common Diseases." 10. Health education session on "Preventing Ergonomic Hazards from Prolonged Sitting in the Office."	**100%**
1. **Security Supervisors** 2. **Security Inspector**	1. **Assign for training.** 2. **Assign for training**	**100%**
Fire Safety Drill	**Implementing fire self-defense-based drills annually**	**100%**

5.3.1 Worker Participation, Consultation, and Communication

Although the Company has not established an occupational safety committee, various occupational safety organizations, including occupational safety personnel, occupational physicians, psychologists, and nursing personnel, periodically conduct lectures on occupational health and safety. Additionally, the Company have established an "Employee Suggestion Box" internally to encourage employees to submit messages, inquiries, complaints, or suggestions, whether anonymously or not. Opinions and responses can be shared with all employees or restricted to specific individuals. The feedback will be forwarded to the responsible department for handling, and the department is required to respond back to the employees. Safeguarding the privacy of the complainant is of paramount importance throughout these processes. Employees are encouraged to freely submit messages or contact the designated occupational health care personnel via phone calls.

Furthermore, in accordance with regulatory requirements, regular quarterly labor-management communication meetings are convened, covering occupational health and safety matters to ensure effective communication of views between labor and management. Complete meeting records are kept after each meeting, and the current labor-management communication process is running smoothly.

5.3.2 Hazard Identification, Risk Assessment, and Incident Investigation

The working environment and work hazards mainly include abnormal workload and human-caused hazards. We established the "Identification, Assessment and Control of Work Environment or Work Hazards", the "Prevention of Diseases Induced by Abnormal Workload", and the "Work Rules for the Occupational Health and Safety Law" to ensure the effective operation of hazard identification and risk assessment. The hazard identification considers the workers' work safety risks in daily operation and the safety risks derived from changes that were evaluated to be of high risks. After approval by the President, an occupational health and safety target plan was established and the responsible unit was required to implement such plan, with the implementation results to be tracked by labor safety personnel. The Company's businesses are carried out mainly through office work, involving potential occupational diseases caused by overwork.

To effectively manage occupational health and safety risks within the company, relevant units are prepared to respond promptly in the event of occupational safety incidents. The Company has established the "Accident Handling and Investigation Management Procedures," which clearly outline procedures for incident classification, notification processes, and graded response measures. Following an incident, an investigation team is promptly convened to prepare an investigation report. Responsible units subsequently review the incident causes and develop

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improvement strategies based on injury severity, outlining improvement recommendations, responsible personnel, and timelines to prevent recurrence of similar incidents.

Emergency responders are stationed at all branch offices to ensure immediate care for victims and to control the scene to prevent secondary hazards. Occupational health and safety personnel are notified immediately after the incident is contained, escalating notifications progressively based on incident type and severity to senior management and labor inspection authorities, ensuring real-time awareness of incident status by the Company and regulatory bodies.

Incident types are categorized into medical, property damage, first aid, false alarms, traffic accidents, and fire or explosions, each classified into two severity levels (normal and significant). In the event of a normal incident, immediate telephone notification is required to department heads and occupational health and safety personnel. For significant incidents, notifications extend to include senior management, such as the President and the Chairman, enabling prompt response and mitigation measures to minimize risks.

Following a general disaster, the incident unit supervisor will convene relevant personnel to form an accident investigation team, and submit an investigation report (including improvement recommendations, responsible personnel, and completion date) to occupational health and safety personnel within three days.

In the event of a major disaster (such as fire or explosion, fatalities), labor inspection authorities must be notified within 8 hours. The occupational health and safety business manager will then assemble relevant personnel to form an investigation team for conducting an investigation.

Accident and Disaster Management

Upon approval of the "Accident Investigation Report," it will be distributed to relevant units for subsequent safety briefings as needed.

Occupational health and safety personnel will then monitor the implementation progress of improvement measures to prevent similar incidents from recurring.

The "Accident Investigation Report" will be concluded and archived for future reference by the occupational health and safety business manager.

We provided health protection services for our employees, carried out health promotion activities, health examinations and abnormality management. By matching the timing of employee health examinations every years and introducing four major occupational safety plan surveys including the "Mental Overwork Scale", the "Musculoskeletal Symptom Scale", the "Depression Assessment Scale" and the "Maternal Health Protection", we were committed to protecting employees from physical and mental illnesses by fighting against the harms from jobs that cause diseases induced by abnormal workload, repetitive musculoskeletal diseases, and psychogenic depression and anxiety, etc. In order to ensure

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Accident and Disaster Management	Processing Flow Key Execution Points
Occurrence or discovery of incident	• Control the scene and prevent secondary disasters. • Administer first aid to the injured and maintain the integrity of the scene.
Emergency handling of incidents	• Upon discovery, the on-duty personnel from the incident unit immediately notify department heads and occupational health and safety personnel via telephone or verbally.
Notification and related matters	• As necessary, the occupational health and safety business manager initiates occupational accident notifications and subsequent notifications to higher-level management.
Conducting incident investigation	• Conduct an investigation according to the classification outlined in section 6.1.2 of the accident investigation guidelines. Submit an investigation report within three days, including improvement recommendations specifying responsible units, personnel, and completion dates.
Submission and distribution of the Accident Investigation Report to relevant personnel and occupational safety training	• The accident report is sequentially forwarded to the occupational health and safety management unit. It may be distributed to relevant units as needed for safety briefings. • The report will be distributed to relevant units for subsequent safety briefings as needed. • The occupational health and safety business manager is responsible for monitoring the implementation of improvement measures.
Implementation and tracking of improvement suggestions	• The occupational health and safety business manager is responsible for monitoring the implementation of improvement measures.
Closure and archiving of the Accident Investigation Report	• Once the investigation report's improvement actions are completed, the case is closed and archived. • The original copy of the Accident Investigation Report will be concluded and archived for future reference by the occupational health and safety business manager.Copy will be stored by the incident unit.

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the safety of employees in the workplace environment, we also provided annual physical examinations for employees involved in special work, supervised employees to avoid occupational hazards, and reminded them to take relevant protective measures. In terms of the emotional stress of employees, employees understood their psychological state by filling in the "Depression Self-assessment Scale", and psychologists would care for and track employees with high emotional risks to optimize and strengthen their psychological quality. By overall health examinations, special health examinations and occupational safety-related physical examinations, we conducted a comprehensive inventory of employees' physical and mental health, analyzing their strengths, weaknesses, gain spirals, and profit and loss spirals. On that basis, we moderately planned annual health lectures and health promotion activities to provide courses or training that met the physical and mental health needs of employees.

5.3.3 Statistics and Analysis of Occupational Disasters

According to the statistics and analysis data of employee occupational injuries and occupational diseases shown in the table below, there were no deaths or occupational diseases (including recordable occupational diseases) caused by any occupational injuries among all employees of Chief Telecom between 2021 and 2024, achieving the target of zero occupational disasters.

Statistics/Year	2021	2022	2023	2024
Total working hours	299,736	307,408	315,040	328,464
Deaths caused by occupational injuries	0	0	0	0
	0	0	0	0
Severe occupational injuries	0	0	0	0
	0	0	0	0
Recordable occupational injuries	0	0	0	0
	0	0	0	0
Work-related ill health	0	0	0	0
	0	0	0	0
Recordable work-related ill health	0	0	0	0
		0	0	0

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5.3.4 Promotion of a Healthy Workplace

In response to evolving societal and economic changes, the International Labor Organization (ILO) and the World Health Organization (WHO) have underscored the significance of workplace health and safety as fundamental rights for workers. In alignment with the principles set forth by the ILO and the WHO, and in strict adherence to relevant laws and regulations, Chief Telecom has proactively devised, advocated, and executed health initiatives that encompass three critical dimensions: health services, health education, and fostering a healthy workplace environment. We regularly promote disease prevention and control, provide key hygiene lectures, offer employee prevention and health consultations, and conduct employee health examinations. In order to protect employee health, we focused on services including but not limited to health risk assessment, health management, health promotion, and workplace environment hazard assessment and recommendations. We also educated employees to have a sense of occupational health, with the expectation that their work would not be affected by health problems, and implemented health care for workers in the workplace.

The Company provided on-site health services for the year 2024 in accordance with Articles 10, 11 and 12 of the Labor Health Protection Rules.

In order for employees to balance their work and physical and mental health, we implemented the concept of preventive medicine, and provided health examinations for employees once a year at many high-quality health examination institutions provided by us in a manner that is more favorable than those stipulated by laws. We granted health examination subsidies to employees based on their titles, and also included their family members in the scope of preferential health examinations. In 2024, we budgeted an average health examination subsidy of NT$7,484 per employee. The number of employees who should take health examinations was 159, and the number of people who completed physical examinations was 159, with a 100% completion rate of physical examinations. We granted health examination subsidies at a total of NT$1,190,000. Following the completion of health examinations by employees, vocational nurses categorized the examination results into four health levels: Normal (Level 1), Slightly Abnormal (Level 2), Moderately Abnormal (Level 3), and Severely Abnormal (Level 4). Depending on the severity of their health status, vocational nurses either referred employees to vocational physicians for individual consultations and follow-ups or offered relevant health management and occupational health education. This ongoing care and tracking of employees' health ensured comprehensive health support for our workforce.

Item	Content
Vocational physicians	Vocational physicians provided on-site services every 4 months, providing real-time medical consultation and assistance in connection with new medical knowledge, overall health examination reports, infectious diseases, occupational diseases or material diseases.
Vocational nurses	Nurses provided on-site services three times a month, mainly providing consultations on general nursing, employee and special health examinations, health consultation, health care and management, as well as health promotion activities.
Health examinations	• The Company selected high-quality medical health examination institutions to provide health examinations for in-service employees once a year. In terms of examination items, the Company, in addition to providing basic examinations like blood drawing and urine testing, provided multiple health examination items including but not limited to abdominal ultrasound and cancer indexes, in a manner that is more favorable than those stipulated by laws. • The Company also provided preferential items for employees' family members and opportunities of registration at their own expenses.
Health management	• The Company provided physical examinations for new employees, health examinations for in-service employees, and managed the examination results in a classified manner. • Classification of and responses to health risks: Management measure level 1 (Normal): Regular health examinations. Management measure level 2 (Slightly Abnormal): Disease prevention and health promotion. Management measure level 3: Health care and referral to vocational specialists for individual consultation. Management measure level 4: Health care, referral to vocational specialists for individual consultation, and assessment and adjustment of the employee's position nature.

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● **An All-round Health Management Service Model**

Health Monitoring and Management

Occupational Safety and Prevention

All-round Health Management

Health Promotion and Maintenance

Plans for Assistance to Employees

To promote employee health, the "i Health" initiative was relaunched in 2024, along with a joint corporate employee walking challenge. Participants aimed to walk 35,000 steps per week (an average of 5,000 steps per day) and were encouraged to reduce the use of cars and motorcycles. Employees who met the target for all 4 weeks had the chance to win prizes. A total of three events were held, with a combined 364 participants and an impressive total of 80,790,374 steps achieved. Kudos to everyone who worked hard for their health! This collective effort also contributed to a reduction of 11,472 kilograms of carbon dioxide emissions.

Furthermore, to prevent the recurrence of recent sudden death incidents and enhance first aid capabilities, we have installed a total of 4 Automated External Defibrillators (AEDs) in all our operational buildings. We also regularly provide AED usage and emergency training to improve employees' readiness in handling emergencies.

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5.4 Corporate Philanthropy

Chief Telecom has always upheld the principle of "giving back to society" in sustainability so we attach great importance to ESG topics such as environmental protection, social responsibility and corporate governance. Chief Telecom continued to donate to worthwhile cause in society during 2024 including charities involved in environmental protection and helping rural regions, as well as quality domestic academic institutions engaged in the cultivation of governance expertise.

Historic Site Maintenance

The Luye District Office in Taitung County is a structure of significant historical and cultural importance. It stands as the sole surviving district office from the Japanese Period in Taitung County and was officially included in Taitung County's register of historical buildings in the year 2012. Once used by the district administration, the site is now managed by the Long Tien Butterfly Association on a lease from Taiwan Sugar. Chief Telecom's donations to Long Ten Butterfly Association go towards the long-term management and refurbishment of the district office.

Supporting Rural Regions

Tzu-Te Children's Home in Kaohsiung City has been serving its community for over 30 years, offering family-based care to orphaned children and juveniles in Yanchao, Kaohsiung. Presently, Tzu-Te is home to over 20 residents. Chief Telecom's contributions to Tzu-Te Children's Home support the integrated management team in providing academic and lifestyle counseling to enhance the well-being and rights of children and juveniles.

The Christian Mountain Children's Home in Kaohsiung City is situated in the suburban area of Takuling Mountain in Liugui Township, Kaohsiung. This facility provides a home for orphaned indigenous children and currently accommodates over 30 residents, spanning from 7-year-old toddlers to university students over 18 years old. All of the residents had been abandoned due to economic poverty, illness, family circumstances or abuse. The founder believes strongly in self-sufficiency. They support themselves by growing fruit and vegetables, and does not actively engage in outside fund-raising. Chief Telecom's donations to Christian Mountain Children's Home go towards improving the lives of the residents so that more orphans in the mountain regions can be helped.

Chief Telecom's donation to the "Xinyuan Daycare Station" of A Kernel of Wheat Foundation at Taitung Christian Hospital help support the foundation's community daycare station for seniors. The program emphasizes the development of community care services, as well as enhanced care for children and

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seniors in the community. The community initiative engage in the promotion of a healthy community by providing elders with a venue for activities, learning, and inter-personal interactions.

Environmental Protection

The "5G Plastic-Free, Flexible, and Unrestricted" volunteer beach cleaning activity was conducted in collaboration with Chunghwa Telecom.

Chief Telecom is dedicated to respecting and preserving the environment. In 2022, two Vice Presidents led a team of employees in collaborating with Chunghwa Telecom to organize the Taiwan Enterprise Volunteer Beach Cleaning Activity. This event saw participation from over 29 organizations, involving more than 2000 employees and their families. The primary objectives were to strengthen awareness regarding environmental conservation and reduce plastic waste. During the morning of the event, a total of 20.7 tons of garbage were collected and processed, focusing on converting larger plastic items into smaller ones and eliminating smaller pieces. By taking practical measures to reduce plastic pollution, we collectively raised awareness about envir-onmental issues. The goal was to restore the beauty of recreational areas, attract tourists to the seaside for leisure

activities, and contribute to the development of local communities.

Talent Cultivation

Chief Telecom also made donations to National Taiwan University. Supporting the development of corporate governance talents at reputable domestic academic institutions will enhance both corporate and national competitiveness.

Donations to Charity	Expenses (NT$1,000)
Tzu-Te Children's Home, Kaohsiung City	60
Christian Mountain Children's Home, Kaohsiung City	60
Xinyuan Daycare Station, A Kernel of Wheat Foundation, Taitung Christian Hospital	36
Longtian District Office, Longtian Butterfly Conservation Society, Taitung County	36
National Taiwan University	377
Digital Humanitarian Association	150
Total	719

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Appendix 1　GRI Content Index

★ marks Material Topics

Statement of use	Chief Telecom has reported the content for the period from January 1 to December 31, 2024 in accordance with the GRI Standards.
Applicable GRI 1	GRI 1: Foundation 2021
Applicable GRI sector standards	N/A. There are currently no applicable titles of the GRI sector standards.

Topic	Disclosures	Description	Section	Page	Reasons for omission / Necessary explanations
GRI 2　General Disclosures 2021					
The organization and its reporting practices	2-1	Organizational details	2.1 Company Profile	24	
	2-2	Entities included in the organization's sustainability reporting	Editorial Approach	7	
	2-3	Reporting period, frequency and contact point	Editorial Approach	7	
	2-4	Restatements of information	Editorial Approach	7	
	2-5	External assurance	Editorial Approach	7	
Activities and workers	2-6	Activities, value chain and other business relationships	2.1 Company Profile	24	
	2-7	Employees	5.1.2 Employee Statistics	98	
	2-8	Workers who are not employees	5.1.2 Employee Statistics	98	
Governance	2-9	Governance structure and composition	3.1 Governance Practices	39	
	2-10	Nomination and selection of the highest governance body	3.1 Governance Practices	39	
	2-11	Chair of the highest governance body	3.1 Governance Practices	39	
	2-12	Role of the highest governance body in overseeing the management of impacts	3.1 Governance Practices	39	

Topic	Disclosures	Description	Section	Page	Reasons for omission / Necessary explanations
Governance	2-13	Delegation of responsibility for managing impacts	3.1 Governance Practices	39	
	2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainability Committee	11	
	2-15	Conflicts of Interest	3.1.1 Board of Directors	40	
	2-16	Communication of critical concerns	3.1.4 Ethics and Integrity	47	
	2-17	Collective knowledge of the highest governance body	3.1.1 Board of Directors	40	
	2-18	Evaluation of the performance of the highest governance body	3.1.1 Board of Directors	40	
	2-19	Remuneration policies	3.1.2 Functional Committees	Functional Committees	
	2-20	Process to determine remuneration	3.1.2 Functional Committees	Functional Committees	
	2-21	Annual total compensation ratio	-	-	Confidentiality / Remuneration is confidential and shall not be disclosed.
Strategy, policies and practices	2-22	Statement on sustainable development strategy	A Message from Our Chairman and President	3	
	2-23	Policy commitments	3.1.4 Ethics and Integrity	47	
	2-24	Embedding policy commitments	3.1.4 Ethics and Integrity 3.2 Risk Management 5.1.1 Human Rights Protection	47 49 97	
	2-25	Processes to remediate negative impacts	3.1.2 Functional Committees	43	
	2-26	Mechanisms for seeking advice and raising concerns	3.1.4 Ethics and Integrity	47	
	2-27	Compliance with laws and regulations	3.1.4 Ethics and Integrity	47	
	2-28	Membership associations	2.4Participation in External Organizations	37	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	1.2 Stakeholder Identification 1.3 Stakeholder Communication Channels and Topics of Concern	12 12	
	2-30	Collective bargaining agreements	1.3 Communication Channels and Key Concerns of Stakeholders	12	

Topic	Disclosures	Description	Section	Page	Reasons for omission / Necessary explanations
GRI 3: Material Topic 2021					
Material Topic	3-1	Process to determine material topics	1.4 Determine Material Topics	15	
	3-2	List of material topics	1.4 Determine Material Topics	15	
Economic					
Economic Performance					
GRI 3: Material Topic 2021	3-3	Management of material topics	3.3 Operational performance	53	
★ GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	3.3 Operational performance	53	
	201-2	Financial implications and other risks and opportunities due to climate change	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	87	
	201-3	Defined benefit plan obligations and other retirement plans	5.2.1 Employee Benefits	102	
	201-4	Financial assistance received from government	-	-	Not Applicable: No government financial assistance received
Market Presence					
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.2.2 Employee Compensation	110	
Indirect economic impacts					
GRI 203: Indirect Economic Impacts 2016	203-1	Investment in infrastructure and the development and Impact of support services	5.3 Corporate Philanthropy	116	
Network Quality					
GRI 3: Material Topic 2021	3-3	Management of material topics	4.2 Network Quality	67	
★ Network quality		Customized material topics	4.2 Network Quality	67	

Topic	Disclosures	Description	Section	Page	Reasons for omission / Necessary explanations
Environment					
Energy					
GRI 3: Material Topic 2021	3-3	Management of material topics	4.5.1 Energy Management	76	
★ GRI 302: Energy 2016	302-1	Energy consumption within the organization	4.5.1 Energy Management	76	
	302-2	Energy consumption outside of the organization	-	-	No details are available in this regard, and it is therefore not disclosed.
	302-3	Energy intensity	4.5.1 Energy Management	76	
	302-4	Reduction of energy consumption	4.5.1 Energy Management	76	
	302-5	Reductions in energy requirements of products and services	-	-	N/A:The sector characteristics of this items are not applicable
Water and effluents					
GRI 3: Material Topic 2021	3-3	Management of material topics	4.4 Water management	72	
★ GRI 303: Water and Effluents 2018 Management Approach	303-1	Interactions with water as a shared resource	4.4 Water management	72	
	303-2	Management of water discharge-related impacts	4.4 Water management	72	
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	4.4 Water management	72	
	303-4	Water discharge	4.4 Water management	72	
	303-5	Water consumption	4.4 Water management	72	
Emissions					
GRI 3: Material Topic 2021	3-3	Management of material topics	4.5.2 Greenhouse gas emissions management	81	

Topic	Disclosures	Description	Section	Page	Reasons for omission / Necessary explanations
★ GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.5.2 Greenhouse gas emissions management	81	
	305-2	Energy indirect (Scope 2) GHG emissions	4.5.2 Greenhouse gas emissions management	81	
	305-3	Other indirect (Scope 3) GHG emissions	4.5.2 Greenhouse gas emissions management	81	
	305-4	GHG emissions intensity	4.5.2 Greenhouse gas emissions management	81	
	305-5	Reduction of GHG emissions	4.5.2 Greenhouse gas emissions management	81	
	305-6	Emissions of ozone-depleting substances (ODS)	-	-	N/A: The Company has no emissions of ozone-depleting substances.
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	-	N/A: The Company has no other significant air emissions.
Waste					
GRI 306: Waste 2020 Management Approach	306-1	Waste generation and significant waste-related impacts	4.6 Waste Management	94	
	306-2	Management of significant waste-related impacts	4.6 Waste Management	94	

Society					
Employee Relations					
GRI 401: Employee 2016	401-1	New employee hires and employee turnover	5.1.2 Employee Statistics	98	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2.1 Employee Benefits	102	
	Remuneration	The disclosures should encompass information about the number of full-time employees in non-managerial positions, the average and median salaries, and the differences compared to the previous year for the aforementioned three aspects	5.2.2 Employee Compensation	110	

Topic	Disclosures	Description	Section	Page	Reasons for omission / Necessary explanations
Occupational health and safety					
GRI 403: Occupational Health and Safety 2018 Management Approach	403-1	Occupational health and safety management system	5.3 Occupational Health and Safety	116	
	403-2	Hazard identification, risk assessment, and incident investigation	5.3 Occupational Health and Safety	116	
	403-3	Occupational health services	5.3 Occupational Health and Safety	116	
	403-4	Worker participation, consultation, and communication on occupational health and safety	5.3 Occupational Health and Safety	116	
	403-5	Worker training on occupational health and safety	5.3 Occupational Health and Safety	116	
	403-6	Promotion of worker health	5.3 Occupational Health and Safety	116	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3 Occupational Health and Safety	116	
GRI 403: Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system	5.3 Occupational Health and Safety	116	
	403-9	Work-related injuries	5.3 Occupational Health and Safety	116	
	403-10	Work-related ill health	5.3 Occupational Health and Safety	116	
Training and Education					
GRI 3: Material Topic 2021	3-3	Management of material topics	5.2.3 Enhancing Employee Soft Skills	112	
★ GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	5.2.3 Enhancing Employee Soft Skills	112	
	404-2	Programs for upgrading employee skills and transition assistance programs	5.2.3 Enhancing Employee Soft Skills 5.2.1 Employee Benefits	112 102	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2.2 Employee Compensation	110	

Topic	Disclosures	Description	Section	Page	Reasons for omission / Necessary explanations
Diversity and equal opportunity					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	5.1.2 Employee Statistics	98	
	405-2	Ratio of basic salary and remuneration of women to men	5.2.2 Employee Compensation	110	
Customer health and safety					
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	There was no such situation with the Company during the reporting period.	-	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There was no such situation with the Company during the reporting period.	-	
Marketing and labeling					
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	There was no such situation with the Company during the reporting period.	-	
	417-2	Incidents of non-compliance concerning product and service information and labeling	There was no such situation with the Company during the reporting period.	-	
	417-3	Incidents of non-compliance concerning marketing	□□□□□□□□□□□	-	
Customer privacy					
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There was no such situation with the Company during the reporting period.	-	

Customized topics					
GRI 3: Material Topic 2021	3-3	Customized material topics	3.4 Brand Image and Market Positioning	56	
★ Brand Image and Market Positioning	□	Customized material topics	3.4 Brand Image and Market Positioning	56	
GRI 3: Material Topic 2021	3-3	Customized material topics	4.2 Network Quality	67	
Network Quality		Customized material topics	4.2 Network Quality	67	
GRI 3: Material Topic 2021	3-3	Customized material topics	4.3 Information Security	70	
Information Security		Customized material topics	4.3 Information Security	70	

Appendix 2　Assurance Statement

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GREAT International Certification Co., Ltd.

Independent Assurance Statement Based on
2024 Sustainability Report of Chief Telecom Inc.

Statement No.：2505019

Chief Telecom Inc. (hereinafter referred to as Chief Telecom) and GREAT International Certification Co., Ltd. (hereinafter referred to as GREAT) are independent companies and organizations. Except for the evaluation and verification of the company's 2024 sustainability report, GREAT has no financial relationship with Chief Telecom.

The purpose of this independent assurance statement (hereinafter referred to as the Statement) is only to serve as the conclusion of guaranteeing the relevant matters within the scope defined in the following relevant Chief Telecom's Sustainability Report, and not for other purposes. Except for the Statement for fact verification, GREAT does not bear any relevant legal or other responsibilities for the use of other purposes, or anyone who reads this Statement.

This Statement is based on the conclusions made by the relevant information verification provided by Chief Telecom to GREAT. Therefore, the scope of the review is based on and limited to the content of the information provided. GREAT believes that the information content is complete, accurate and precise. Any questions about the content of this Statement or related matters will be answered by Chief Telecom.

The Scope of Assurance
The verification scope of Chief Telecom and GREAT agreement includes:
- The contents of the entire sustainability report and all operating performance of Chief Telecom from January 1, 2024 to December 31, 2024;
- According to the type 1 of AA1000 Assurance Standard v3, evaluate the nature and degree of Chief Telecom's compliance with the AA1000 Accountability Principles (2018), excluding the verification of the reliability of the information/data disclosed in the report.
- This Statement is made in Chinese and translated into English for reference.

Verification Opinion
We summarize the content of Chief Telecom's sustainability report, and provide a fair standpoint of Chief Telecom 's related operations and performance. We believe that the specific performance indicators of Chief Telecom in 2024, such as environment, society and corporate governance, are presented correctly. The performance indicators disclosed in the report demonstrate Chief Telecom's expectations and efforts to identify and satisfy stakeholders.

Our verification work is carried out by a group of teams with verification capabilities according to the AA1000 Assurance Standard v3, as well as the planning and execution of this part of the work to obtain the necessary information data and instructions. We believe that the evidence provided by Chief Telecom is sufficient to show that its reporting method and self-declaration in accordance with the AA1000 Assurance Standard v3 and its 2018 appendix are in line with the GRI Sustainability Reporting Guidelines.

Verification method
To gather the evidence relevant to the conclusions, we performed the following:
- To conduct a senior management review of issues from external parties related to Chief Telecom 's corporate policies to confirm the appropriateness of the statement in this report;
- To discuss with the managers of Chief Telecom about the way of stakeholder participations, and have no direct contact with external stakeholders;
- To interview with employees related to the preparation of the sustainability report and information provision;
- To audit the performance data of Chief Telecom on a sampling basis;
- To evidence supporting the claims made in the review report;
- To Review the management process of the principles of inclusivity, materiality, responsiveness, and impact described in the company report and its related AA1000 Accountability Principles (2018).

Conclusion
The results of a detailed review of the AA1000 Accountability Principles (2018) including inclusivity, materiality, responsiveness, impact and GRI sustainability reporting standards are as follows:
- **Inclusivity**
    Chief Telecom has established a process of cooperation with major stakeholders, including government agencies,

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of stakeholder activities in 2024, involving economy, environment, society and a series of major themes. In terms of our professional opinion, this report covers the inclusivity issues of Chief Telecom.

- **Materiality**
    The report has stated that Chief Telecom focuses on economy, environment and society topics, and identified 6 major topics including operating performance, internet quality, energy and greenhouse gas, water resources management, talent development and retention, brand image and market positioning, etc. In terms of our professional opinion, this report appropriately covers the materiality issues of Chief Telecom.

- **Responsiveness**
    Chief Telecom responds to requests and opinions from stakeholders. Implementation methods include government agencies' official correspondence/regulations promotion meeting/symposium or seminar, public information observatory, shareholders' meetings, corporate briefing sessions, company website announcements, spokesperson/deputy spokesperson, customer service satisfaction survey/email/e-newsletter, supplier evaluation, employee feedback box, welfare committee meetings, labor-management meetings, news media community groups and corresponding department telephone numbers, etc., those numerous internal and external stakeholder communication mechanisms, as an opportunity to provide further responses to stakeholders, and to promptly respond to stakeholder concerns. In terms of our professional opinion, this report covers the responsiveness issues of Chief Telecom.

- **Impact**
    Chief Telecom has identified and fairly demonstrated its impact with balanced and effective measurement and disclosure. Chief Telecom has established a process for monitoring, measuring, evaluating and managing impacts, which helps to achieve more effective decision-making and results management within the organization. In terms of our professional opinion, this report covers the impact issues of Chief Telecom.

- **GRI Guidelines**
    Chief Telecom provides the self-declaration of compliance with the GRI Sustainability Reporting Standards and relevant information. Based on the results of the review, we confirm that the report refers to the social responsibility and sustainability of the GRI Sustainability Reporting Standards. Relevant disclosure items for developments have been disclosed, partially disclosed, or omitted. In terms of our professional opinion, this self-declaration covers Chief Telecom 's social responsibility and sustainability themes.

Assurance level
According to the AA1000 Assurance Standard v3 and its 2018 Appendix, we have verified that this Statement is a moderate level of assurance, as described in the scope and methods of this Statement.

Responsibility
The responsibility of the sustainability report, as stated in this Statement, is owned by the person in charge of Chief Telecom. The responsibility of GREAT is solely to provide professional opinions based on the scope and methods described, and to provide a Statement for the stakeholders.

Ability and Independence
GREAT is composed of experts in various management system fields. The verification team is composed of members with professional background, who have received training in a series of sustainable development, environmental and social management standards such as AA1000 AS v3, ISO 9001, ISO 14001 and ISO 45001, and are qualified as lead auditors.

On behalf of the assurance team JUNE 02, 2025
GREAT International Certification Co., Ltd.
Taiwan, Republic of China

Signed by General Manager　W. J. Chen

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Appendix 3   Comparison Table of Sustainability Accounting Standards (SASB) _ Software and Information Technology Service Sector

Disclosure Topics	Metric Code	Disclosure Metrics	Nature	Disclosures/ Corresponding sections	Unit
Environmental footprint of hardware infrastructure	TC-SI-130a.1	(1) Total energy consumption (2) Grid power percentage (3) Renewable energy percentage	Quantitative analysis	(1) Total energy consumption: 193,023.87 (2) Grid power percentage: 100% (3) Renewable energy percentage: 0%	Gigajoules (GJ), percentage (%)
	TC-SI-130a.2	(1) Total water withdrawal (2) Total water consumption, percentage in areas with high or extremely high pressure of baseline water resource	Quantitative analysis	Report 4.4.2 Water Consumption Inventorying No areas with high or extremely high pressure of baseline water resource are involved.	Cubic meter (m³), Percentage(%)
	TC-SI-130a.3	Discussion on incorporating environmental factors into demand strategy planning of the data center	Discussion and analysis	During data center demand strategy planning, energy-efficient design products were given priority during equipment replacement and new purchases. Examples include high sensible heat EC FAN constant temperature and humidity box-type units, the addition of chilled water flow energy-saving control systems to chillers, replacement of cooling water pumps with variable frequency control systems, and the implementation of an energy monitoring system to manage airflow efficiency in the server room (cold/hot aisle configuration). These energy-saving measures aim to reduce environmental impact.	N/A
Information privacy and freedom of speech	C-SI-220a.1	Describe policies, behavioral advertising and user privacy-related practices	Discussion and analysis	The Company does not apply user privacy data in its advertising.	Quantity
	TC-SI-220a.2	The number of users for secondary purposes of the information	Quantitative analysis	0	Currency of the financial statements
	TC-SI-220a.3	Total monetary losses arising from lawsuits on user privacy	Quantitative analysis	0	Quantity, percentage (%)
	TC-SI-220a.4	(1) Number of requests from regulatory authorities for user information (2) Number of users with requested information (3) Percentage of resulting leakage of information	Quantitative analysis	Cooperating with law enforcement authorities in investigating online fraud cases, the correspondence involves requests for document review and responses (one letter per user). (1) 414 (2) 414 (3) 0	n/a

Disclosure Topics	Metric Code	Disclosure Metrics	Nature	Disclosures/ Corresponding sections	Unit
Information privacy and freedom of speech	TC-SI-220a.5	List of countries/regions where the core products or services are subject to monitoring, blocking, content filtering or review required by governments	Discussion and analysis	The Company is currently not subject to monitoring required by governments.	n/a
Information Security	TC-SI-230a.1	(1) Number of information leakages (2) Percentage of personal identifiable information (PII) involved (3) Number of users affected	Quantitative analysis	(1) 0 (2) N/A (3) N/A	Quantity, percentage (%)
	TC-SI-230a.2	Description of methods for identifying and solving information security risks, including the use of third-party network security standards	Discussion and analysis	The Company has established ISO/IEC27001 information security management system, and made risk assessment and solved on a regular basis.	n/a
Recruitment and management of global, diversified and professional workforce	TC-SI-330a.1	(1) Foreign employees (2) Percentage of employees located overseas	Quantitative analysis	(1) No foreign employees (2) 0	Percentage (%)
	TC-SI-330a.2	Percentage of employee engagement (engagement degree)	Quantitative analysis	100%	Percentage (%)
	TC-SI-330a.3	Percentages by gender and racial/ethnic representation of (1) the management, (2) technical personnel, and (3) all other employees	Quantitative analysis	Refer to 5.1.2 "Employee Statistics" of the Report	Percentage (%)

Disclosure Topics	Metric Code	Disclosure Metrics	Nature	Disclosures/ Corresponding sections	Unit
Intellectual property protection and competition	TC-SI-520a.1	Total amount of monetary losses arising from lawsuits related to anti-competition regulations	Quantitative analysis	NT$ 0	Currency of the financial statements
Management of systematic risk arising from technological interruptions	TC-SI-550a.1	Statistics of (1) number of performance problems, (2) number of service interruptions, and (3) total customer downtime	Quantitative analysis	(1) Performance problems: 143 cases (2) Service interruptions: 44 cases (3) Total customer downtime: 53 hours and 54 minutes	Quantity, days
	TC-SI-550a.2	Description of business continuity risks related to business interruptions	Discussion and analysis	Operational impact analysis was made in accordance with the ISO/IEC 27001 Business Continuity Management Operation Procedures to examine the risk factors that cause interruptions to the Company's services. Based on the analysis results, the current risks that may cause business interruptions include heavy rain, abnormal access control systems, power outages, network equipment errors, backup system errors, and infectious diseases. In order to reduce operational risks and impact on customers, the Company has established a business continuity plan responsive to the above risks.	n/a

Activity Metrics	Metric Code	Nature	Disclosures/ Corresponding sections	Unit
(1) Number of licenses or subscriptions , (2) Cloud-based percentage	TC-SI-000.A	Quantitative analysis	Refer to Appendix I at the bottom of this page	Quantity Percentage
(1) Data processing ability, (2) Outsourced percentage	TC-SI-000.B	Quantitative analysis	(1) Refer to Appendix I at the bottom of this page (2) 0%	Percentage
(1) Data storage capacity, (2) Outsourced percentage	TC-SI-000.C	Quantitative analysis	(1) Refer to Appendix I at the bottom of this page (2) 0%	PB Percentage

Year ▶ Sales Volume ▶ Primary Products ▼	2023		2024	
	Sales Volume	Sales Value	Sales Volume	Sales Value
IDC services (ping (about 3.3 square meters))	3,648	1,015,576	4,556	1,478,364
Data service (Mbps)	662,246	1,424,227	857,379	1,474,754
Voice service (minutes)	122,323,691	275,643	106,265,622	241,730
Cloud service (G)	1,737	527,251	2,382	598,165
Total	-	3,242,697	-	3,793,013

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Appendix 4 Comparison of TCFD Disclosures

Aspect	TCFD Disclosures	Corresponding sections	Page
Governance	Monitoring of climate-related risks and opportunities by the Board of Directors	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
	The role of the Management in assessing and managing climate-related risks and opportunities	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
Strategy	Short, medium and long-term climate-related risks and opportunities identified by the organization	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
	Describe the impacts of climate-related risks and opportunities on the business, strategy and financial planning of the organization.	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
	The organization's strategy resilience, considering different climate-related scenarios	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
Risk Management	The organization's processes for identification and assessment of climate-related risks	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
	The organization's processes for management of climate-related risks	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
	How to integrate the processes for identification, assessment and management of climate-related risks into the overall risk management system of the organization	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
Metrics and Targets	Metrics used by the organization to assess climate-related risks and opportunities by following strategy and risk management processes	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
	Disclosure Scopes 1, 2, and 3 (if applicable) of GHG emissions and related risks	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64
	The targets used by the organization in managing climate-related risks and opportunities and the performance of achieving the targets	4.5.3 Task Force on Climate-related Financial Disclosures (TCFD) Framework	64

Appendix 5 Disclosure Form for Sustainability Information of the Communication Network Sector

Metric Code	Metrics	Metrics category	Disclosures of 2024	Unit
I	Total energy consumption, percentage of purchased electricity, and utilization rate of renewable energy	Quantization	Total energy consumption:193,023.87 Percentage of Externally Purchased Electricity: 100% Utilization rate of renewable energy: 0%	Gigajoules (GJ), percentage (%)
II	Total water withdrawal and total water consumption	Quantization	Total water withdrawal: 86.640 Total water consumption: 86.640	Thousand cubic meters
III	The weight and recycling percentage of hazardous waste produced	Quantization	Weight of hazardous waste: 0 metric tons Recycling percentage: N/A	Metric tons (t), Percentage (%)
IV	Disclose the category, number of people and ratio of occupational disasters	Quantization	0	Ratio (%), quantity
V	Disclosure of product life cycle management: Weight and recycling percentage of scraps and electronic waste (Note 1)	Quantization	(1) Recycle from battery scrapping: 0 metric tons (2) N/A	Metric tons (t), Percentage (%)
VI	Description of risk management related to the use of key materials	Qualitative description	Chief Telecom does not produce products, so it does not use key materials.	N/A
VII	Total amount of monetary losses arising from lawsuits related to anti-competition regulations	Quantization	0	Reporting currency
VIII	Output of major products by product category	Quantization	DC server room space: 4,556 ping or about 12,008.7 square meters (sales volume) Data network: 857,379 Mbps (sales volume) Voice service: 106,265,622 minutes (sales volume) Cloud service: 2,382G (sales volume)	Varying with product type

Note 1. If it includes the sales or other recycling of scraps, relevant information should be provided.

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Appendix 6 Climate-related Information of Listed and OTC Companies

1. Describe the overseeing and governance of climate-related risks and opportunities by the Board of Directors and the Management

The Company has been following the "Sustainable Development Roadmap for Listed and OTC Companies" issued by the Financial Supervision Commission in March 2022. Since April 2022, we have implemented quarterly reporting to the Board of Directors for greenhouse gas inventory and verification, as per the roadmap's guidelines.

As a subsidiary included in the consolidated financial statements of a listed company with paid-in capital exceeding NT$10 billion, the Company is subject to the second phase of the greenhouse gas inventory requirement (completion of inventory by 2025 and verification by 2027). With the support of the Board of Directors and management, the Company proactively completed the greenhouse gas inventories for 2021, 2022, 2023, and 2024 ahead of schedule in 2022, 2023, 2024, and 2025, respectively, all of which passed external verification. Starting in 2024, the scope of the greenhouse gas inventory was extended to include subsidiaries, which also underwent their first external verification.

The Company places significant emphasis on risk management and has established a "Risk Management Committee" under the jurisdiction of the board. The committee convenes regular meetings annually to address and manage risks effectively. The Risk Management Committee proposed contingency plans for potential risk events and impact assessments for risk types such as "climate change and environmental protection", and submits reports to the Board of Directors.

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2. Describe how the identified climate-related risks and opportunities affect the business, strategy and finance of the Company (in the short, medium and long terms).

In response to climate-related risks and opportunities affecting the Company's strategy and financial planning, we have utilized the Task Force on Climate-related Financial Disclosures (TCFD) climate scenario analysis. This analysis helps identify climate risks and opportunities relevant to our operational scope. We define short-term as 1-3 years, medium-term as 3-5 years, and long-term as 6-10 years, aligning these periods with the Company's long-term operational development over a decade.

Risk/Opportunity	Factor	Climate change risk topic	Risk level	Time range
Transformation risk	Policies and regulations	R1 Increasing GHG emission prices	High	Medium or long term
		R2 Ratio of large power users using green energy	High	Long
	Technology	R3 Adopting low-carbon and energy-efficient equipment for data centers	Medium	Short, medium or long term
		R4 The cost of low-carbon technology transformation	Medium	Short, medium or long term
	Market	R5 Customers' demands for highly efficient computing cabinets	Medium	Short, medium or long term
		R6 Increases in power costs	High	Medium or long term
	Reputation	R7 Changes of consumer preference	Low	Short, medium or long term
		R8 Concerns of and negative feedback from stakeholders	Medium	Medium or long term
Physical risks	Immediate	R9 Increases in severity of extreme weather events including but not limited to typhoons, floods and droughts	Medium	Short, medium or long term
	Long-term	R10 Changes in rainfall (precipitation) patterns and extreme changes in climate patterns	Low	Short, medium or long term
		R11 Average temperature rise	Low	Short, medium or long term
		R12 Sea level rise	Low	Short, medium or long term

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2. **Describe how the identified climate-related risks and opportunities affect the business, strategy and finance of the Company (in the short, medium and long terms).**

Risk/Opportunity	Factor	Climate change opportunity topic	Opportunity level	Time range
Opportunity	Resource efficiency	O1 Using equipment of data centers with higher power efficiency	Medium	Short, medium or long term
		O2 Adopting design of green and smart buildings for data centers	Medium	Short, medium or long term
		O3 Reducing water usage and consumption in data centers	Low	Short, medium or long term
Opportunity	Sources of energy	O4 Using low-carbon energy for building data centers	Medium	Medium or long term
		O5 Building data centers by using new technologies and planning hot/cold aisles	Low	Short, medium or long term
		O6 Energy efficiency and carbon reduction of data centers, and participation of data centers in the carbon trading market	Low	Short, medium or long term
Opportunity	Products/Services	O7 Developing or adding low-carbon goods and services	Medium	Medium or long term
		O8 Developing and innovating new products and services	Low	Short, medium or long term
Opportunity	Market	O9 Entering new markets including but not limited to cloud services	Low	Short, medium or long term
Opportunity	Resilience	O10 Participating in renewable energy projects and taking energy-efficient measures	Low	Short, medium or long term
		O11 Energy substitution/diversification	Low	Short, medium or long term

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3. Describe the financial implications of extreme climate events and transformation actions

Describe the financial implications of extreme climate events and transformation actions:

1. The air conditioning system is a vital component of the Company's data center, helping mitigate operational risks associated with water shortages and contributing to the reduction of water scarcity risks on Earth.
2. Global warming entails reducing GHG emissions to be environmentally friendly.

Financial implications of transformation actions:

- When replacing or purchasing new equipment, priority is given to products with energy-saving designs, such as high sensible heat EC FAN constant temperature and humidity box-type units, high-efficiency UPS (uninterruptible power supply) systems, high-performance air conditioning cooling water pumps, and the implementation of an energy monitoring system to manage airflow efficiency in the server room (cold/hot aisle configuration), among other energy-saving measures.
- Continuing to implement energy-saving measures to enhance energy efficiency, and adopting smart and green building design for new data centers to reduce GHG emissions.

The Company incurs necessary operational costs in response to extreme weather events, with no significant financial impact.

4. Describe how the identification, assessment and management processes of climate risks are integrated into the overall risk management system.

The Company established the ESG Committee, led by the President as the Chairman. ESG Committee holds regular meetings every year to discuss topics including but not limited to climate change risks that may arise from the Company's operation, energy and resource consumption efficiency, as well as various environmental impacts related to the product lifecycle. ESG Committee regularly reported climate change topics and implementation status to the Board of Directors every year. Chief Telecom also appointed a corporate governance executive and a Risk Management Committee. Chief Telecom managed climate change factors as operational risks, and took responses to reduce operational risks.

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5. If scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions and analysis factors used, and the major financial implications should be explained.

The Company used quantitative and qualitative analyses of climate-related scenarios to adopt corresponding strategies with reference to TCFD's climate-related scenario analyses. With reference to the 1.5°C scenario (1.5DS) and using the tools provided by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) as the evaluation reference for the scenario of physical risks of climate changes, the Company chose the 1.5DS/RCP2.6 scenario as its scenario of physical risks of climate changes. In this scenario, the theme of climate change risks and opportunities was described for physical risks, regulation risks and transformation risks, etc. The Company ultimately identified risks and opportunities relevant to our operational scope.

The Company also held regular ESG Committee meetings every year to discuss topics including but not limited to climate change risks that may arise from the Company's operation. ESG Committee regularly reported climate change topics and implementation status to the Board of Directors every year. Climate change risks include carbon pricing, which has no significant financial impact on the company.

6. If there is any transformation plan responsive to managing climate-related risks, the content of the plan and the metrics and targets used to identify and manage entity risks and transformation risks should be disclosed.

The Company's climate-related risk management transition plan identifies the following risks: a carbon fee will be levied on products with direct, indirect or high emissions in the future. The potential financial impact of risks in this aspect is an increase in operating costs. Looking into the future, the Company will not only implement an all-round GHG inventorying in the short term, but also maintain real-time monitoring of the new laws and regulations regarding purchasing green power and biomass energy, etc. The Company will evaluate the compliance of its status quo with the laws and regulations, and then formulate measures to comply with the laws and regulations, and set carbon reduction targets. The Company is a related enterprise of Chunghwa Telecom Group and will cooperate with the Group to achieve the policy target of RE100 in 2040 and formulate relevant response measures. In addition, the response to the market risk of rising power costs is to integrate the concept of reducing environmental impacts of climate changes into the smart and green building design of data centers, adopt energy-efficient and carbon-reducing equipment in data centers, improve the power usage effectiveness (PUE) in data centers, and give consideration to both environmental protection and customers' usage needs..

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7. If the internal carbon pricing is used as the planning tool, the basis for pricing should be disclosed.

The Company continues to monitor the government's potential implementation of corporate carbon taxes aimed at environmental protection, as well as requirements for businesses to purchase green energy, which may increase operational costs. At present, we are evaluating the use of internal carbon pricing as a planning tool.

8. If there are any climate-related targets set, the information such as the activities covered, the scope of GHG emissions, the planning timetable, and the annual progress achieved should be provided; if relevant targets are achieved by using carbon offsets or renewable energy certificates (RECs), the source and quantity of carbon offset credits or the quantity of RECs should be disclosed.

Based on TCFD climate risk and opportunity goals and achievements:

1. Energy savings: Targeting an annual energy efficiency improvement of 1%. The Company has reduced our power consumption by 1% each year in accordance with energy management regulations over the past four years. Total energy savings amounted to 3,487 kWh.

● In the short term, Chief Telecom will follow ISO14064-1 to promote the inventorying of GHG emissions and complete the GHG self-inventorying report. In 2024, 2023, 2022 and 2021, we have completed our internal GHG inventory reports and passed external verification.

● **GHG Emissions Intensity:** The target is to reduce GHG emissions intensity by 1% annually. In 2024, the reduction in GHG emissions intensity was 0.95%. The primary reason for the smaller reduction was an overall increase in revenue. The Company will continue to review and enhance reduction measures to meet the established target.

● **Power Usage Effectiveness (PUE) of the data centers:** PUE lower than 1.7 for the existing data centers and lower than 1.5 for new data centers. The existing main data center had a PUE (Power Usage Effectiveness) of 1.57 in 2023. The new data center is being constructed with a target PUE of less than 1.5.

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9. GHG inventory and assurance status, reduction targets, strategies, and specific action plans.

The Company, as a subsidiary included in the consolidated financial statements of a listed company with paid-in capital exceeding NT$10 billion, follows the "Sustainable Development Roadmap for Listed and OTC Companies." We are currently in the second phase of greenhouse gas inventory (to complete inventory by 2025 and verification by 2027).

Our company completed the greenhouse gas inventory for 2021, 2022 and 2023 in advance, according to the ISO 14064-1:2018 standard, in 2022, 2023 and 2024 respectively. We have also successfully passed external verification conducted by GREAT International Certification Co., Ltd. (verification scope includes the Company only, excluding subsidiaries).

- **2021:** Direct emissions (Scope 1): 371.77 metric tons of carbon dioxide equivalent (CO_2e), Indirect emissions (Scope 2): 29,183.99 metric tons of carbon dioxide equivalent (CO_2e).
- **2022:** Direct emissions (Scope 1): 399.56 metric tons of carbon dioxide equivalent (CO_2e), Indirect emissions (Scope 2): 26,099.28 metric tons of carbon dioxide equivalent (CO_2e).
- **2023:** Direct emissions (Scope 1): 213.6700 metric tons of carbon dioxide equivalent (CO_2e), Indirect emissions (Scope 2): 25,350.6117 metric tons of carbon dioxide equivalent (CO_2e).

GHG Emission Reduction Plan: Based on inventory data, the Company's primary emission sources are related to electricity usage. Therefore, our plan to reduce greenhouse gas emissions focuses on reducing energy consumption. Our strategies include using renewable energy, improving energy efficiency, and minimizing energy waste.

Energy Saving Goal: Continuously promote energy-saving initiatives with a target of reducing electricity consumption by 1% annually. Implementation Measures: Prioritize the use of energy-efficient products in equipment replacement and new purchases, such as:

- High sensible heat ECFAN constant temperature and humidity box-type unit.
- High-efficiency Uninterruptible Power Supplies (UPS).
- The cooling water tower and pipelines of air conditioning were replaced and renovated.
- Implemented an energy monitoring system to manage data center airflow efficiency (hot/cold aisle containment) and other energy-saving measures. Achievement status: The Company has reduced our power consumption by 1% each year in accordance with energy management regulations over the past three years. Total energy savings amounted to 3,487 kWh.

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