

The Company establishes and facilitates Corporate Sustainable Development and the operation and implementation of the dedicated unit that responsible for encouraging ethical management

Evaluation Criteria	Corporate Sustainable Development	Ethical Conduct
Dedicated Unit (People)	FET has established the " Sustainable Development Committee", which serves as the highest supervising unit for sustainable governance and strategic planning. The Chairman of the Board of Directors serves as the committee chair, the president serves as the CEO, and Executive Management Team (EMT) serves as the convener of the task groups across business groups, supervising representatives from all units. Also, FET has established a dedicated unit, "PR and Corporate Sustainability Division," holding accountable for the mapping and execution of sustainable development policies, systems, and relevant management guidelines. FET also established the "Executive Sustainability Officer" to reinforce the management of sustainable development.	Far EasTone’s President Office & Human Resources is the unit responsible for encouraging ethical management.
Tasks Performed	FET CSR Committee holds quarterly meetings, has work groups report the progress of sustainability goals and action plan results, and conducts the tracking and proposal discussion on material issues with consideration of environmental, social and corporate governance aspects. At the end of 2015, the board of directors resolved to incorporate ESG topics as part of the meeting agenda.	Its major responsibilities and implementation situation: reported regulatory compliance, promotion, education training and handling declaration matters etc. It reports the status of its implementation to the Board of Directors every year. The Human Resources Department will report contravening matters to the Board of Directors.
Implementation Situation	A total of four meetings were held by the Committee in 2024. FET regularly reports relevant decisions and performance to the Board once a year. “The 2023 Sustainability Reports’ and “The important sustainability matters of the Company” have been approved and amended by the 2nd meeting of the 10th term of Board of Directors on August 8, 2024. On the 3rd meeting of the tenth term Board of Directors on November 7, 2024, FET's report included: The recent implementation of ESG	The “Ethical Corporate Management Best Practice Principles” and “Guidelines for the Adoption of Code of Ethical Conduct” have been approved and amended by the 3rd meeting of the 7th term of Board of Directors on July 30, 2015, and has been submitted to the 2016 FET Shareholders’ Meeting. The “Ethical Corporate Management Best Practice Principles” have been approved and amended by the 11th meeting of the

	<p>and the stakeholders' communication status of the Company. Sustainability promotion results are regularly reported to the Board, and the Board supervises and asks for adjustments of the management team when necessary. FET followed Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in 2019 to present a comprehensive inventory of key climate changes, energy risks and FET management, with a focus on corporate governance, strategy, risk management, indicators and targets. FET identified six major climate change risks, while also evaluating the process and scale of financial impacts related to those risks and related countermeasures in the event of an increase in global temperatures by 2 degrees Celsius. In order to implement enterprise risk management, the Company refers to the framework of the international standard "ISO 31000 Risk Management – Principles and Guidelines" and formulates "Risk Management Policy" ("The Policy") in accordance with the P-D-C-A model. The Policy has been approved by the board of directors as the guiding principle for all divisions to follow. The Scope of risk assessment is only the Company. All divisions conduct risk assessment annually and regularly based on the materiality principle, with consideration of economic, environmental and social aspects of corporate governance issues that have significant impact on customers, investors and other stakeholders, and formulate risk management strategies and plans. Please see Annex 1 for risk assessment and management strategy of major issues.</p> <p>In the fiscal year of 2023, the specific projects and performances are promoted as follows:</p> <p>1. The Company strived to bridge the digital gap by strengthening the broadband infrastructure at remote areas and carrying out urban-rural developments. It achieved a network coverage rate of 98.3%. Moreover,</p>	<p>8th term of Board of Directors on May 7, 2020, and has been submitted to the 2020 FET Shareholders' Meeting.</p> <p>In order to fulfill the "Ethical Corporate Management Best Practice Principles" and "Guidelines for the Adoption of Codes of Ethical Conduct", the Company undertakes educational communications of principles for employees on a regular basis. It also promotes the concept of business conduct in daily operations to all employees. Furthermore, Far EasTone communicates the guidance of "Ethical Corporate Management Best Practice Principles" and "Guidelines for the Adoption of Code of Ethical Conduct" to the Board of Directors and company management at Board of Director meetings quarterly to ensure their understanding of the guidelines. The Company also requires new suppliers to sign "Code of Conduct for Fareastone Supplier Chain Social Responsibility" within the commercial document data sheet provided to suppliers as a way of encouraging them to comply with the Company's "Ethical Corporate Management Best Practice Principles".</p> <p>The performance of FET's Code of Ethical Conduct was reported at the third meeting of the 10th term Board of Directors on November 7, 2024. We hosted the "Ethical Management, Code of Conduct, and Anti-Corruption Advocacy" training course for all employees, with a total of 5,325 participants, running for a total of 1,775 hours (digital courses).</p>
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	<p>communication quality and location at mountainous regions are crucial for mountain rescues. To improve the rescue quality, FET cooperated with the Yushan National Park Headquarters to conduct comprehensive signal measurement and optimization. Since 2015, FET has been cooperating with eight Forest District Offices, the Shei-Pa National Park Headquarters, Yushan National Park Headquarters, National Nature Park Headquarters, and the Tourism and Travel Department, New Taipei City Government on improving the majority of popular trails in Taiwan. Over ten thousand of engineering personnel were mobilized and more than 1,400 mobile coverage signs have been set up for climbers to orientate.</p> <p>2.The Company initiated the forward-looking project of 5G remote diagnosis and treatment to resolve the shortage of specialist physicians and limited access to medical services at remote areas. In 2023, the telemedicine service has reached 14 counties/cities and 48 townships in Taiwan, serving more than 41,000 people.</p> <p>3. The Company has been caring for disadvantaged children for 17 years. It has raised over NT\$53 million and helped more than 6,000 children. In 2023, FET initiated the "Collecting Love and Spread It Far and Wide" project and helped the Taiwan Catholic Mission Foundation and Prader-Willi Syndrome Association raise NT\$1.09 million.</p> <p>4. The Company collaborated with Taiwan Youth Climate Coalition (TWYCC) and combined the "air-conditioning in every classroom" project to launch the "FET Climate Change and Energy Saving and Carbon Reduction Courses", with volunteers from TWYCC as instructors and designing the course structure while FET provides EMS energy-saving technology information. In cooperation with the Taiwan Youth Climate Coalition (TWYCC) on energy</p>	
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	<p>education courses, FET trained employees to become climate education teachers. A total of 24 courses were completed in 2023, reaching nearly 1,500 teachers, students and parents.</p> <p>5.The Company closely follows the latest industry developments both at home and abroad, and actively participates in telecommunications, net zero, and CSR associations with an annual spending of nearly NT\$10 million to raise corporate competitiveness and contribute to the progress of the industry as a whole.</p> <p>6.The Company took the lead and called on supply chain partners to form the "Sustainability Vanguard Team," aiming to help the disadvantaged groups with core specialties of FET and its suppliers. In 2020, over NT\$1 million was spent on repairing the basketball court of Binmao Junior High School in Taimali Township, Taitung County. In 2021, the team established technology classrooms and computer classrooms for Wanli Elementary School in New Taipei City to narrow the digital education gap. In 2022, the team assisted the Hualien Food Bank to build a freezer so that children living in remote areas can also obtain adequate supplies. In 2023, FET assisted in the renovation of the "Taitung Luye Children's Care Classroom" and built a library with the theme of SDGs to deepen sustainable education in rural areas.</p> <p>7.The Company has been selected as a component in the Dow Jones Sustainability Indices (DJSI) World for 5 consecutive years and a component in the DJSI Emerging Markets Index for 8 consecutive years. In the 2023 DJSI assessment, FET received perfect scores of 10 in the 24 evaluation items covering the economic, environmental and social aspects. FET ranked first in DJSI World Index for the Global Telecommunications Industry. The results demonstrated FET's dedication to corporate sustainability again which received</p>	
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	<p>international recognition.</p> <p>8.The Company actively promotes paperless operation and leads the industry in launching "digital form mobile self-service" in physical stores to implement innovative digital services. By using digital forms instead of paper, the Company is able to save approximately 7.36 million sheets of paper annually. In 2023, 80% of the Company's customers are using e-billing.</p> <p>9.The Company has been fulfilling its corporate social responsibility by partnering with suppliers to hold the "Circular Economy Workshop" in 2023 to create opportunities and models for a circular economy. The Company also held the "Supplier Carbon Inventory Kick-off Meeting" to assist the supply chain in implementing the "carbon inventory, reduction and neutralization". The target is to achieve a 16.2% reduction in supply chain carbon emissions by 2030 compared to that of 2021. FET is also the first telecommunications industry player to be certified by a third-party certification body under the ISO 20400 Sustainable Procurement - Guidance, and is actively making a impact in sustainability.</p> <p>10. The Company named as one of the top 5% corporations in the "Corporate Governance Evaluation" from TWSE for the 9th consecutive year, and was recognized for its sustainable operation and corporate governance performance.</p>	
Related Specification	<p>“Sustainable Development Best Practice Principles”</p>	<p>1. “Ethical Corporate Management Best Practice Principles”</p> <p>2. ” Procedures for Ethical Management and Guidelines for Conduct”</p> <p>3. “Ethical Management Violation Reporting Policy”</p>

Annex : Risk Assessment and Management Strategy of Major Issues.

Category	Major Issues	Risk Management Strategy and Plan
Governance	Network Quality and Infrastructure	FET continues to invest in the construction and maintenance of telecommunications infrastructure. By monitoring and analyzing network performance and base station resource usage, FET identifies high traffic base stations based on factors such as time periods and number of users accessing the network. FET uses carrier aggregation technology to expand wireless radio bandwidth and distribute traffic, ensuring that network speeds are maintained at a certain level, and maintain same level of speed from annual mobile speed benchmarking report of international speed test certification organization.
	Information security and privacy protection	FET has established a corporate security organization and stipulated ICT security vision and policy objectives based on ISO standards. Also, FET sets up management mechanisms from perspectives such as personnel, operation, technology, and regulations, review regularly, and continues to make improvements. FET's privacy protection policies and regulations apply to FET's overall operation processes, including the collection, storage, processing, utilization of personal data and privacy information, and sharing with suppliers, etc.
Environment	Climate Strategy	Complying with climate-related financial disclosure suggestions (TCFD), FET manages climate risk comprehensively from 4 major perspectives of governance, strategy, risk management, and indicator and goal, identifies potential impacts of major risk, conducts scenario analysis on individual risk factors, and inventories each response measure.
	Electronic Waste Management and Utilization	FET has signed a memorandum of understanding (MOU) with the Environmental Protection Administration (EPA) of the Executive Yuan to establish mobile device recycling points at all FET stores throughout the country. These points allow for the free collection of discarded mobile phones, GPS devices, chargers, and other accessories. FET has also launched activities such as mobile phone trade-in programs and exchange of recycled mobile phones for shopping vouchers to encourage people to recycle their old mobile phones and devices, and promote resource recycling and utilization.

	Biodiversity	<ul style="list-style-type: none"> ● By 2030 : FET has committed to achieve No Net Loss (NNL) and meet the Zero Deforestation criteria for its own operations. ● By 2040: The Company commits itself to achieving a Net Positive Impact (NPI) on its operations; while both first-tier and non-first-tier suppliers achieve No Net Loss (NNL) and meet zero deforestation criteria. ● By 2050: The operating activities of the Company, the first-tier and non-first-tier suppliers are committed to achieving a Net Positive Impact (NPI). ● In the process of business activities, FET avoids engaging in operational activities in critical biodiversity areas (including office/store location selection, base station installation); the Company applies the following mitigation hierarchy to minimize impact: avoid impact, minimize impact, compensate/offset impact. ● Require FET's value chain partners to follow the same preceding standards and commit to not conduct activities in critical biodiversity areas, to ensure that they comply with relevant biodiversity conservation regulations, and to prioritize suppliers that meet the principles of sustainable development and biodiversity conservation to establish long-term partnerships.
Social	HR Development and Management	<p>With the arrival of the 5G era, in response to revolutions in the telecom industry, FET is actively recruiting interdisciplinary integrative service and technical personnel skilled in telecommunications, digital media, information security, cloud-based computing, artificial intelligence (AI), and the Internet of Things (IoT), in order to continuously accumulate human resources in the field of innovation.</p>