

## Chapter 0

# About Chunghwa Post

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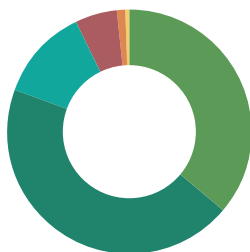
## Profile







### Profile of Chunghwa Post Co., Ltd.



Company Name	Chunghwa Post Co., Ltd.
Total assets	NT\$ 7.99 trillion (as of Dec. 31, 2022)
Headquarters	No.55 , Sec. 2, Jinshan S. Rd., Da-an District, Taipei City 106409, Taiwan
Capital	NT\$ 79.958 billion
Date of Corporatization	Jan. 1, 2003
Shareholder structure	100% owned by Ministry of Transportation and Communication
Number of employees	25,648 (as of Dec. 20, 2022)

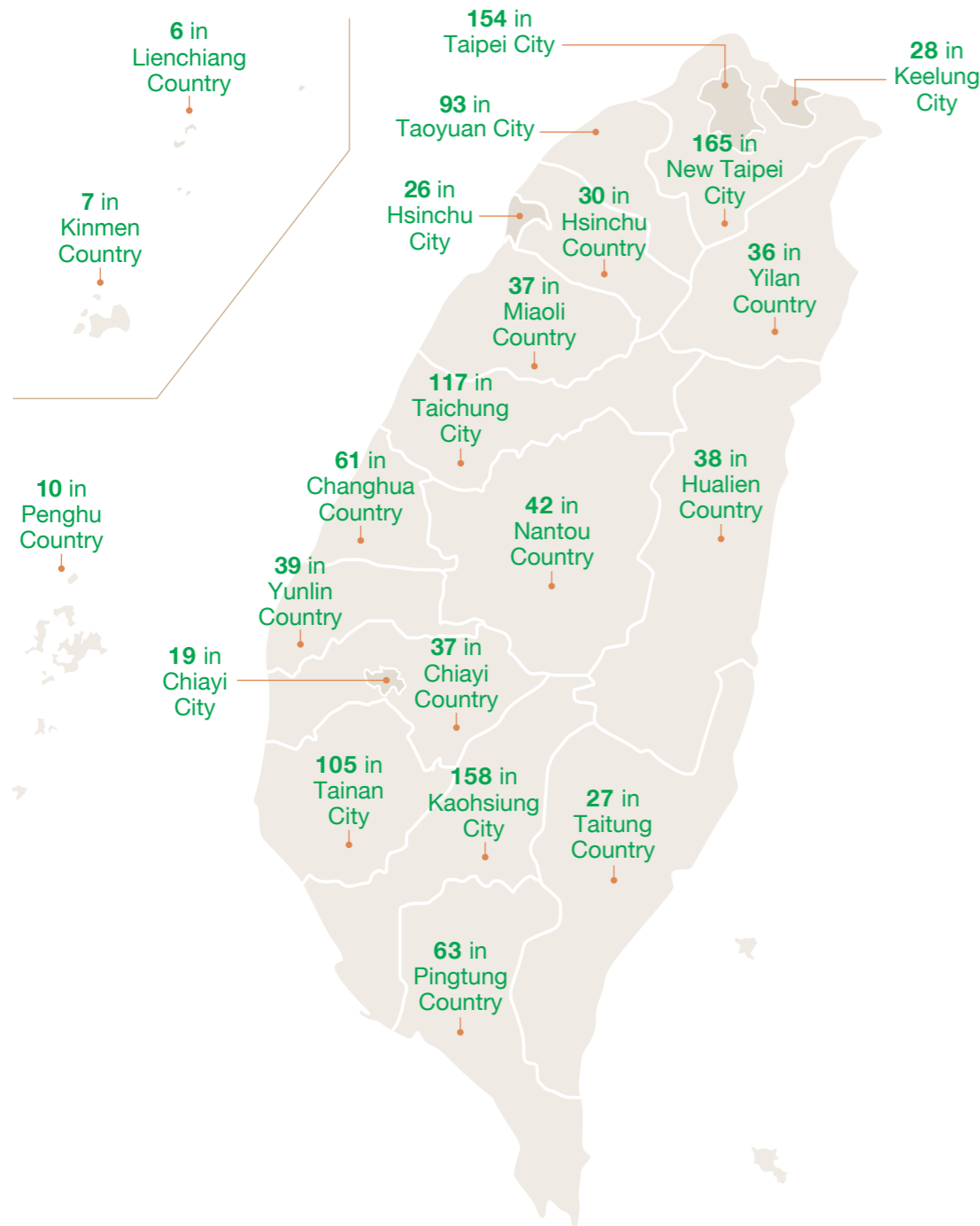
#### Sources of operating income in 2022



	Insurance premiums	36.16%	NT\$ 84.045 bn
	Interest income	44.40%	NT\$ 103.192 bn
	Postal revenue	12.40%	NT\$ 28.813 bn
	Net investment profit or loss	5.51%	NT\$ 12.802 bn
	Service income	1.12%	NT\$ 2.613 bn
	Other operating income	0.41%	NT\$ 938 mn






### Distribution Of Postal Establishments

As of the end of 2022, there are 20 administration establishments, including the Headquarters and 19 post offices; there are 2,068 postal facilities, including 1,299 post office branches (1 Mail Processing Centers in Taipei and 1,298 post office branches) and 769 contracted agencies (466 agencies and 303 stamp sales agencies).



### Core Operations and Services of Chunghwa Post

In accordance with Article 5 of Postal Act, Chunghwa Post may engage in the following businesses:

-  **Delivery of mail**
-  **Postal savings**
-  **Remittances**
-  **Simple life insurance**
-  **Philately and related merchandise**
-  **Management of postal assets**
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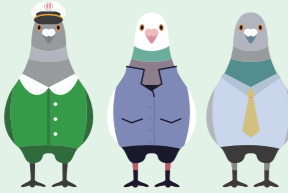
**Subject to approval by the MOTC, Chunghwa Post may also operate as an agent for other businesses, make investments, or operate related businesses as described under subparagraphs 1 to 6 of this article hereof**

In addition to the main businesses above, Chunghwa Post has e-commerce services and physical channel agency sales services, providing franchisees with more diverse business tentacles and sales channels. The Postal Museum has also been established as a professional postal museum to inherit the concept of postal life and promote postal culture.

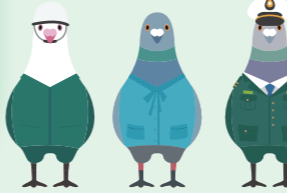
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# Operational Performance

The vision of Chunghwa Post is to become “A postal service company that provides excellent services and is trusted by the people”. To reach this vision, the strategic goals are set as follows.



**A postal service company that provides excellent services and is trusted by the people.**



-  Make good use of digital technology, strengthen innovation capability, improve business physique, and enhance competitiveness.
-  Strengthen asset management and application, actively activate real estate assets, and improve performance of asset operation.
-  Strengthen talent recruitment, cultivation and manpower utilization to cope with the business development demands and improve work efficiency.
-  To improve utilization efficiency of postal funds, support the government’s major public construction and private investment plans.
-  Implement corporate governance, develop sustainable development, maintain social welfare and fulfill corporate responsibility.
-  Develop smart logistics and digital finance, provide universal and high-quality service in postal, saving and life insurance operations.
-  Continue to expand cross-strait postal and remittance business to provide convenience services to the public.

The operation of taxation in the Company is compliant with regulations and laws. The profit-seeking enterprise income Tax is audited by a CPA and tax declaration is honestly filed within the prescribed time period to fulfill the social responsibility of a taxpayer. Tax information is disclosed in the financial statements as prescribed to ensure information transparency.

Financial Information of Chunghwa Post over the 3 years Unit: NTD 1,000

Item / Year	2020	2021	2022
Operating revenues	244,469,950	228,698,823	232,402,132
Operating cost	202,880,657	181,389,873	187,482,818
Gross profit	41,589,293	47,308,950	44,919,314
Operating income (loss)	15,064,620	12,323,444	10,647,133
Non-operating income (loss)	-4,668	180,474	860,731
Net income before tax	15,059,952	12,503,918	11,507,864
Net profit from continuing operations	9,136,804	10,027,944	19,633,579
Net Profit (loss)	9,136,804	10,027,944	19,633,579
Other comprehensive income (after tax)	17,595,129	16,874,500	-49,782,113
Total comprehensive income	26,731,933	26,902,444	-30,148,534
EPS (NT\$)	1.14	1.25	2.46
Employee welfares	33,832,095	42,151,262	41,905,161
Dividends paid to shareholders	7,911,027	8,589,089	8,575,411
Tax paid to the government	7,889,931	4,396,108	2,278,646

Attainment status of operational performance goals of Chunghwa Post in 2022

Business item	Unit	2021 Final account	2022 Goals	2022 Final account	Target attainment rate (%)
Mail business	Thousand items	1,892,355	1,797,739	1,897,035	105.52%
Philatelic business	Thousand dollars	616,720	558,765	626,587	112.14%
Savings business (Average daily balance)	100 million dollars	65,532.09	67,427.63	67,982.15	100.82%
Remittance business (Remittance capacity)	100 million dollars	16,420.54	14,545.00	15,940.95	109.60%
Postal simple life insurance business (Premium income)	100 million dollars	991.78	821.00	840.45	102.37%
Agential services (Notional amount)	100 million dollars	82.71	45.68	63.25	138.46%

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# Stakeholder Identification and Engagement

Chunghwa Post holds the meetings every year to discuss the identification of stakeholders, and to achieve effective stakeholder engagement. This year, the stakeholder identification and engagement of this Report followed the GRI standards of Stakeholder Engagement.

## Stakeholder Identification

By referring to the stakeholder groups identified in the same trade, the external ESG experts made evaluation of the Company's existing and potential negative and positive impact on the stakeholders and identified the significance. After reviewing and discussing the identified results with department heads, a total of 8 categories of stakeholders were identified.


Stakeholder of Chunghwa Post Co., Ltd.



## Stakeholder Engagement

Chunghwa Post has considerable responsibility to stakeholders. Therefore, there is a need to understand their needs and expectations of us through various means and channels, and their opinions also serve as reference for the formulation of CSR policies and related projects. Therefore, Chunghwa Post not only listens to the stakeholders' opinions through ordinary business contact but also understands the material topics through the identification meetings with internal and external experts.

	Issues of Concern	Engagement Channel	Frequency
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>Labor/Management Relations</li> <li>Employment</li> <li>Occupational Health and Safety</li> <li>Economic Performance</li> <li>Customer Privacy</li> </ul>	Official Correspondence	Instantly
		Chunghwa Post Official Website	Instantly
		Opinion exchange platform	Instantly
		Federation of Trade Unions Congress	Annually
		Labor-Management Meeting	Quarterly
		Trade Union Cooperation and Coordination Briefings	Annually
		Employees Welfare Association	Quarterly
		Employee satisfaction survey	Annually

	Issues of Concern	Engagement Channel	Frequency
 <p><b>Shareholders</b></p>	<ul style="list-style-type: none"> <li>Labor/Management Relations</li> <li>Human Capital Development</li> <li>Complete Delivery Rate</li> <li>Innovative Services</li> <li>Universal Postal Service</li> <li>Active Ownership</li> </ul>	Board meeting	The board meeting is convened every 2 months, and special meetings are convened occasionally
		Annual report/Financial report	Regularly
		Official Correspondence	Instantly
		Chunghwa Post Official Website	Instantly
		External communication mailbox	Instantly
		Budget & settlement account	Annually



**Consumers/  
Clients**

Issues of Concern	Engagement Channel	Frequency
<ul style="list-style-type: none"> <li>• Information Security</li> <li>• Customer Privacy</li> <li>• Complete Delivery Rate</li> <li>• Universal Postal Service</li> <li>• Customer Satisfaction</li> </ul>	Grievance mailbox	Instantly
	Customer service hotline	Instantly
	Chunghwa Post Official Website	Instantly
	Facebook fan group	Instantly
	Customer Satisfaction Survey	Annually
	Service counter	Instantly
	External communication mailbox	Instantly



**Community  
residents**

Issues of Concern	Engagement Channel	Frequency
<ul style="list-style-type: none"> <li>• Information Security</li> <li>• Customer Privacy</li> <li>• Complete Delivery Rate</li> <li>• Universal Postal Service</li> <li>• Customer Satisfaction</li> </ul>	Chunghwa Post Official Website	Instantly
	External communication mailbox	Instantly
	Visits neighbors	Instantly
	Opinion through public opinion representatives	Instantly
	On-site communication by the person in charge	Instantly



**Suppliers/  
Contractors**

Issues of Concern	Engagement Channel	Frequency
<ul style="list-style-type: none"> <li>• Task Force on Climate-related Financial Disclosures (TCFD)</li> <li>• Innovative Services</li> <li>• Anti-corruption</li> <li>• GHG Emissions</li> <li>• Economic Performance</li> </ul>	Symposium/Educational Training	Instantly
	Supplier Evaluation Questionnaire	Annually
	Chunghwa Post Official Website	Instantly
	External communication mailbox	Instantly
	Distributor meeting	Quarterly
	Face-to-face communication	Instantly
	Purchasing/Distribution Contract	Contract period



**Media**

Issues of Concern	Engagement Channel	Frequency
<ul style="list-style-type: none"> <li>• Occupational Health and Safety</li> <li>• Customer Privacy</li> <li>• Information Security</li> <li>• Compliance</li> <li>• Economic Performance</li> </ul>	Chunghwa Post Official Website	Instantly
	Press conference	Instantly
	External communication mailbox	Instantly
	LINE group	Instantly
	News ticker	Instantly



**Government  
agencies**

Issues of Concern	Engagement Channel	Frequency
<ul style="list-style-type: none"> <li>• Information Security</li> <li>• Customer Privacy</li> <li>• Labor/Management Relations</li> <li>• Occupational Health and Safety</li> <li>• Universal Postal Service</li> </ul>	Corporate governance evaluation	Occasionally
	On-the-spot verification of work	Annually
	Chunghwa Post Official Website	Instantly
	Official Correspondence	Instantly
	Discussion meeting	Instantly
	External communication mailbox	Instantly
	Budget & settlement account	Annually



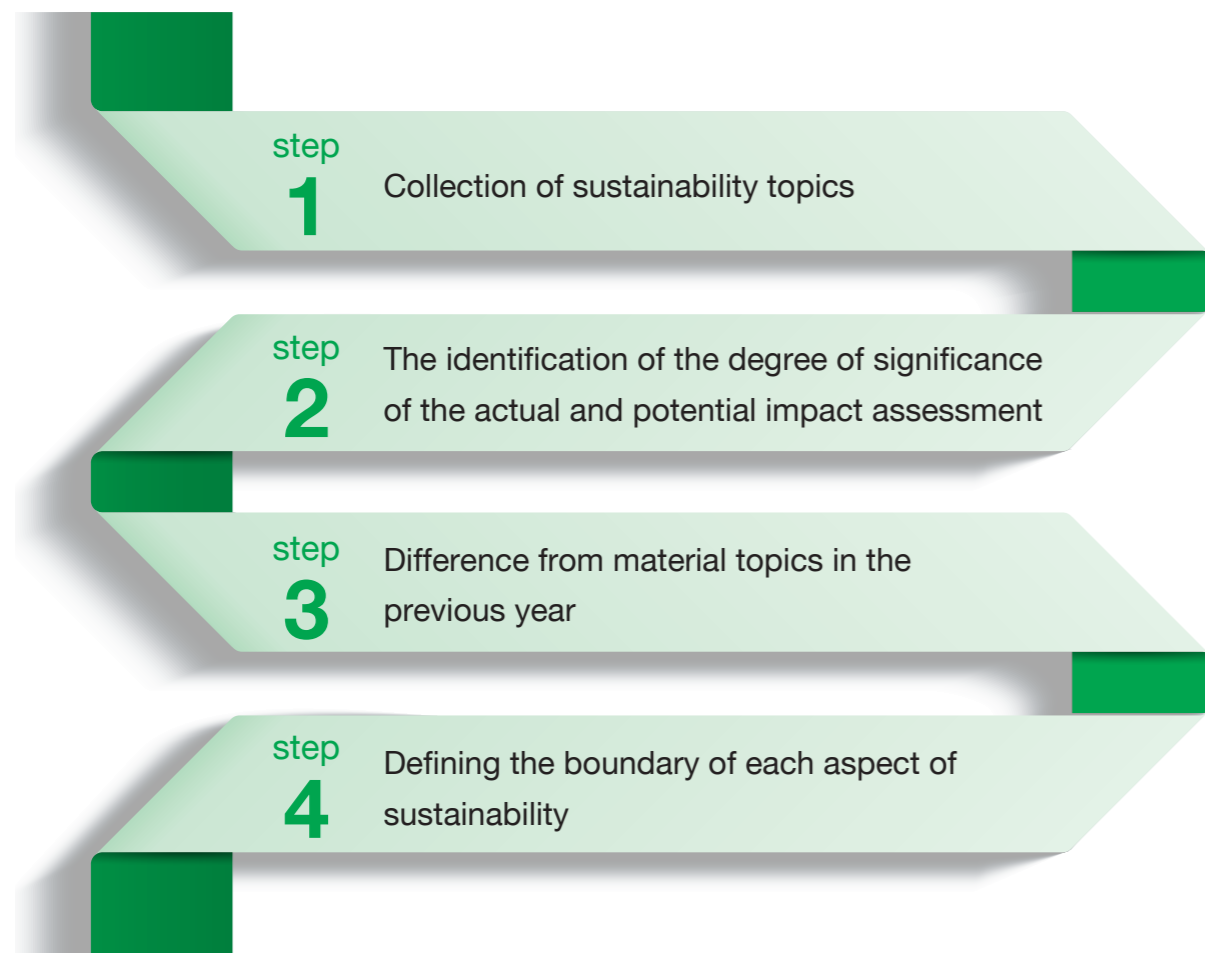
**Legislator**

Issues of Concern	Engagement Channel	Frequency
<ul style="list-style-type: none"> <li>• Universal Postal Service</li> <li>• Complete Delivery Rate</li> <li>• Customer Privacy</li> <li>• Innovative Services</li> <li>• Demographic Change</li> </ul>	Chunghwa Post Official Website	Instantly
	Various public opinion representative discussion meetings, coordination meetings	Instantly
	Legislative Yuan Councils, Committees	Instantly
	Official Correspondence	Instantly
	Face-to-face communication	Instantly

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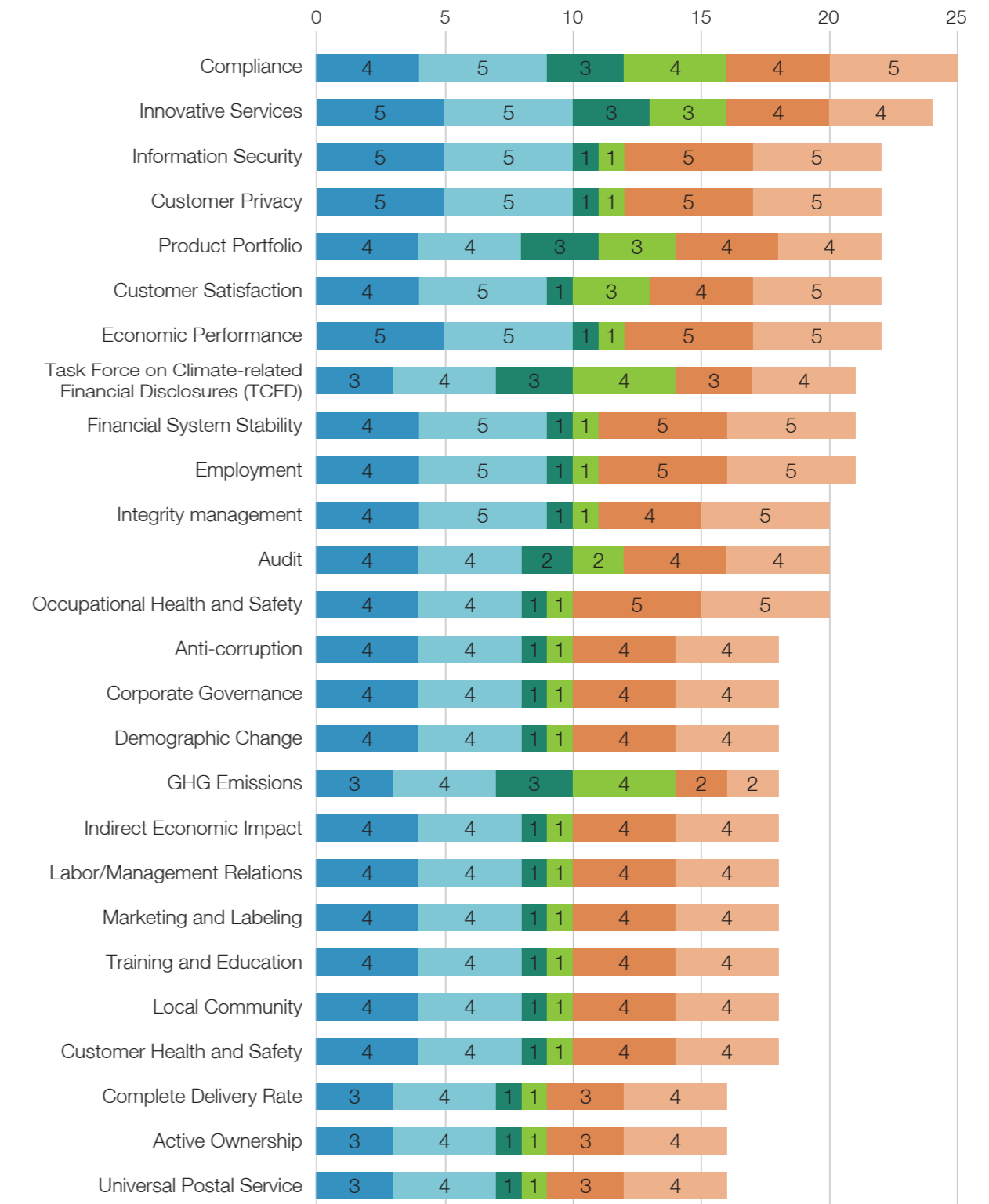
# Sustainability Materiality Assessment and Topic Boundary

To respond to the revision of GRI Standard 2021, which stipulated that the report published from 2023 shall comply with the latest GRI provisions, and that the identification of material topics shall be assisted by external and internal experts, this year, the distribution of questionnaires used for the identification of material sustainability topics was canceled and the meeting to consult and discuss with internal and external experts was held instead. After the assessment of the potential and actual positive and negative impacts on economic, environmental and social aspects as prescribed in the GRI Standards, the prioritization and boundaries of the material sustainability topics for 2022 Sustainability Report were determined.



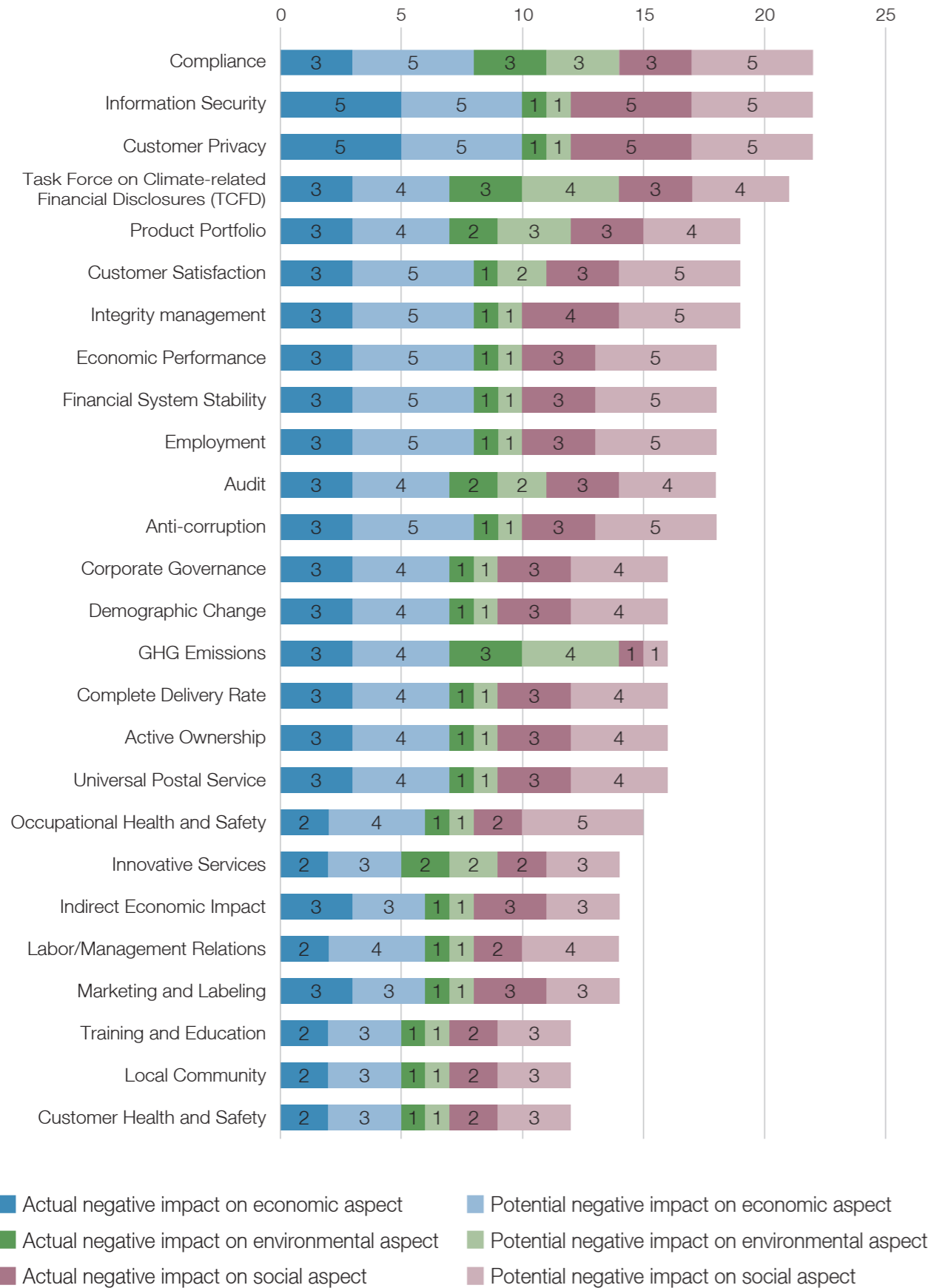
A total of 26 material sustainability topics were identified this year.

2022 Prioritization of the positive impact assessment of the material sustainability topics



■ Actual positive impact on economic aspect     ■ Potential positive impact on economic aspect  
■ Actual positive impact on environmental aspect     ■ Potential positive impact on environmental aspect  
■ Actual positive impact on social aspect     ■ Potential positive impact on social aspect

2022 Prioritization of the negative impact assessment of the material sustainability topics



2022 Prioritization of the comprehensive impact assessment of the material sustainability topics

