

## III Company Profile

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### I. History

In 1888, Liu Minchuan, the first Qing Governor of Taiwan Province, issued 16 Articles of Taiwan Postal Service on February 21, created a new postal service, and established the Taiwan General Post Office (GPO) in Taipeh Prefecture on March 22. The GPO provided postage stamps and mail delivery services; however, this innovative postal service was not available in the mainland area. After the first Sino-Japanese War, the Japanese colonial government established the Field Command Post Office in 1895. In the next year, the Field Command postal service was abolished and the regular postal service was resumed.

In 1895, Sir Robert Hart was the Inspector-General of China's Imperial Maritime Custom Service (IMCS). He drafted modern postal regulations that included 4 items and 44 articles in total and presented it to the emperor through the Zongli Yamen, the Qing equivalent of the Foreign Office, on March 20, 1896. The regulations were soon passed on the same day and the Imperial Chinese Post was established with Sir Robert Hart as supervisor. To commemorate the beginning of modern postal service in our country, March 20 was therefore set as a memorial day by the Ministry of Transportation and Communications in 1947.

The Imperial Chinese Post was initially under the supervision of the IMCS. In 1911, the Ministry of Posts and Communications took over and established the Directorate General of Posts. A year later the Ministry was reorganized as the Ministry of Transportation and Communications and the Imperial Chinese Post was renamed as Chungghwa Post. Later, the General Postal Remittances and Saving Banks was established in 1930 and renamed to the Directorate General of Postal Remittances and Saving Banks after the Postal Act was announced in 1935. Subordinate to the Directorate General of Posts, the Directorate General of Postal Remittances and Saving Banks started providing life insurance service. The year 1936 saw the enforcement of the Postal Act and its supplementary rules, which laid the foundation for the company.

In 1946 the Administrative Bureau of Posts and Telecommunication was established yet in 1949 the bureau was authorized to be divided into two: The Administrative Bureau of Posts and Administrative Bureau of Telecommunications. That same year the Directorate General of Posts and the Directorate General of Postal Remittances and Saving Banks both retreated to Taiwan. The next year the Directorate General of Posts was instructed by the Ministry of Transportation and Communications to terminate the operation of the Directorate General of Postal Remittances and Saving Banks while the Administrative Bureau of Posts would continue providing postal savings and remittance service under the direct supervision of Directorate General of Posts. However, in 1962 the Directorate General of Postal Remittances and Saving Banks was reinstated to help encourage saving and revitalize the financial sector. In 1980, the Directorate General of Posts reorganized the Administrative Bureau of Posts into three bureaus situated in northern, central, and southern regions of Taiwan to develop business and strengthen management.

In response to fierce competition in the market as well as the need to broaden the scope of service, the amendments to the Postal Act were passed in July 2002. In January of the following year, the Directorate General of Posts of the Ministry of Transportation and Communications was officially reorganized into Chungghwa Post Company Limited with the Ministry of Transportation and Communications as its one and only shareholder. Chungghwa Post Company Limited has evolved from a government agency to a government-owned enterprise, taking over all the assets and debts of the Directorate General of Posts and continuing all the services.

Chungghwa Post Company Limited was once renamed Taiwan Post Company Limited in February of 2007. However, the amendment process of four acts that govern postal services had been pending and therefore the legal name of the Company was changed back to Chungghwa Post Company Limited in accordance with the law. The Company's rights, obligations, and scope of service all remain the same.

The Company has aimed to make postal service ubiquitous and adopted a business model that provides mails, savings and remittances, and life insurance service altogether. Putting the customers first has always been the spirit the Company upholds to fully understand the various needs of its clientele. Since 2003, the Company has continued to develop new businesses and improve the operating procedure. In recent years, the Company has also strived to renovate all postal offices, activate its real estate assets, create a friendly and harmonious working environment, and fulfill its social responsibility by actively participating in public welfare activities.

To date the establishment of Chunghwa Post has been 123 years and spanned 3 centuries. After several organizational reforms, Chunghwa Post is now a big family with more than 26,000 employees and many offices located in different administrative divisions nationwide that provide a wide range of services such as mails, savings and remittances, and life insurance for all citizens. With the trust and the confidence the citizens have in the Company over the past 12 decades, Chunghwa Post will continue to uphold the values of "honor, responsibility, and commitment," strive for sustainable management, and help create a better society.

## II. Vision

To run a postal administration that provides excellent services and is trusted by all citizens

## III. Core Values

Putting the customers first and providing services in honesty and efficiency

## IV. System

### (I) The management and governance of the Company adopts a two-tier system: The chairperson of the board and the president of the Company.

The chairperson of the board should take full responsibility for the Company's operations. The president of the Company should be one of the board directors and must be nominated and appointed by the board.

### (II) The personnel policy of the Company adopts a double-track system for the time being.

After the reorganization of postal services, the Act of Establishment stipulates that original personnel policies still apply to employees working at the Directorate General of Posts and/or related agencies prior to the reorganization and that new recruits will adhere to new personnel policies and no longer work as civil servant. With a flexible, incentivizing payment and bonus system, the Company is able to promote and reward eligible employees according to the business needs and the market price. All employees will be evaluated based on their actual performance concerning a promotion, new appointment, pay raise, or bonus. This system is hoped to encourage a right working attitude among employees and create a refreshing atmosphere at the Company.

### (III) Implementing the Responsibility Center System

To improve the flexibility and efficiency of the Company, the Northern, Central, and Southern Regional Head Offices and their subordinating branch offices were streamlined and reorganized as post offices (or Responsibility Center Offices) and branch offices to shorten the operating procedure and enhance the quality of service and business performance. Each post office (or Responsibility Center Office) has the authority of management and supervision and is responsible for executing policies released from the headquarters.