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I. Scope of Business

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

1. Mail delivery
2. Postal savings
3. Remittance services
4. Postal simple life insurance
5. Philately and related merchandise
6. Management of postal assets
7. Chunghwa Post may, subject to the approval of the Ministry of Transportation and Communications (MOTC), operate as an agent for other businesses, make investments or engage in relevant businesses as described in subparagraphs 1 to 6 of this article hereof.

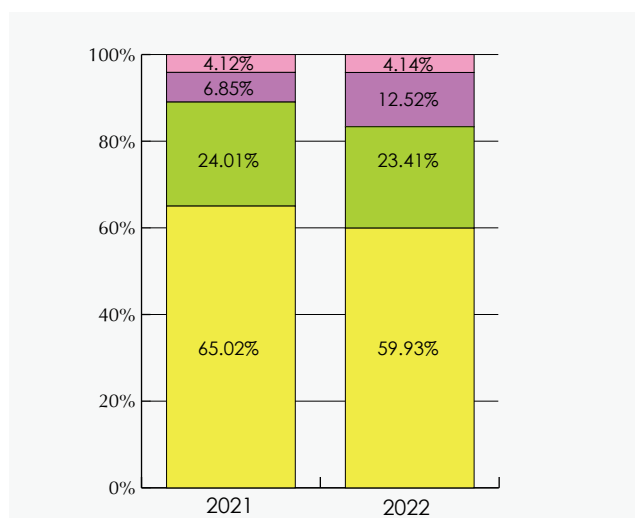
Percentage of Major Assets and Liabilities to Total Assets, 2021 and 2022

Unit: NT\$1,000; %

Major Items	2021		2022	
	Amount	%	Amount	%
Total Assets	7,687,037,500	100.00	7,987,751,956	100.00
Mutual Funds and Long-Term Investment	4,998,091,913	65.02	4,787,315,974	59.93
Due from Central Bank	1,845,309,408	24.01	1,869,734,976	23.41
Cash and Due from Other Banks	526,343,054	6.85	1,000,092,074	12.52
Other Assets	317,293,125	4.12	330,608,932	4.14
Total Liabilities	7,455,763,622	96.99	7,795,202,023	97.59
Deposits and Remittances	6,602,632,438	85.89	6,904,657,201	86.44
Insurance Liabilities	746,575,732	9.71	760,757,599	9.52
Amount Dues	60,484,123	0.79	65,418,127	0.82
Other Liabilities	46,071,329	0.60	64,369,096	0.81

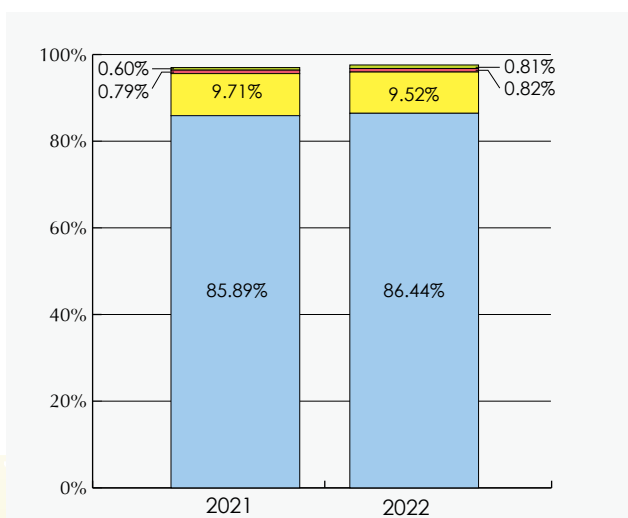
Note: Figures for 2021 are readjusted by the CPA in accordance with figures approved by the National Audit Office; figures for 2022 are CPA approved.

Comparison Chart of Asset Allocation, 2021 and 2022



■ Mutual Funds and Long Term Investments ■ Due from Central Bank
■ Cash and Due from Banks ■ Other Assets

Comparison Chart of Liabilities, 2021 and 2022



■ Savings and Remittances ■ Insurance Liabilities
■ Amount Due ■ Other Liabilities



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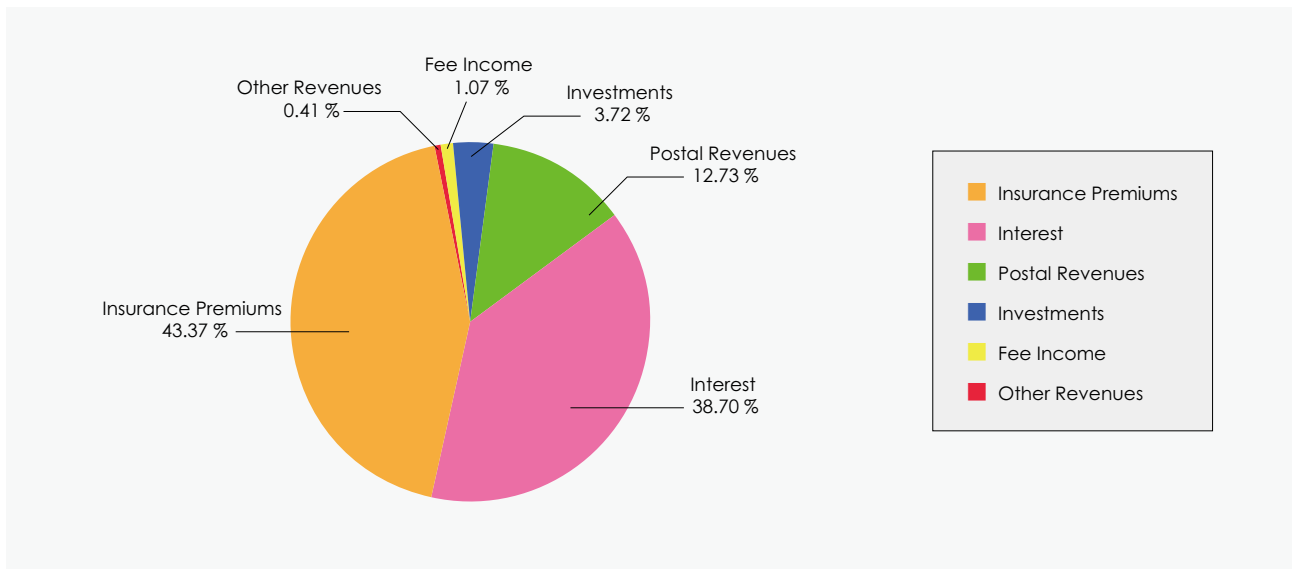
Percentage of All Business Revenues, 2021 and 2022

Unit: NT\$1,000; %

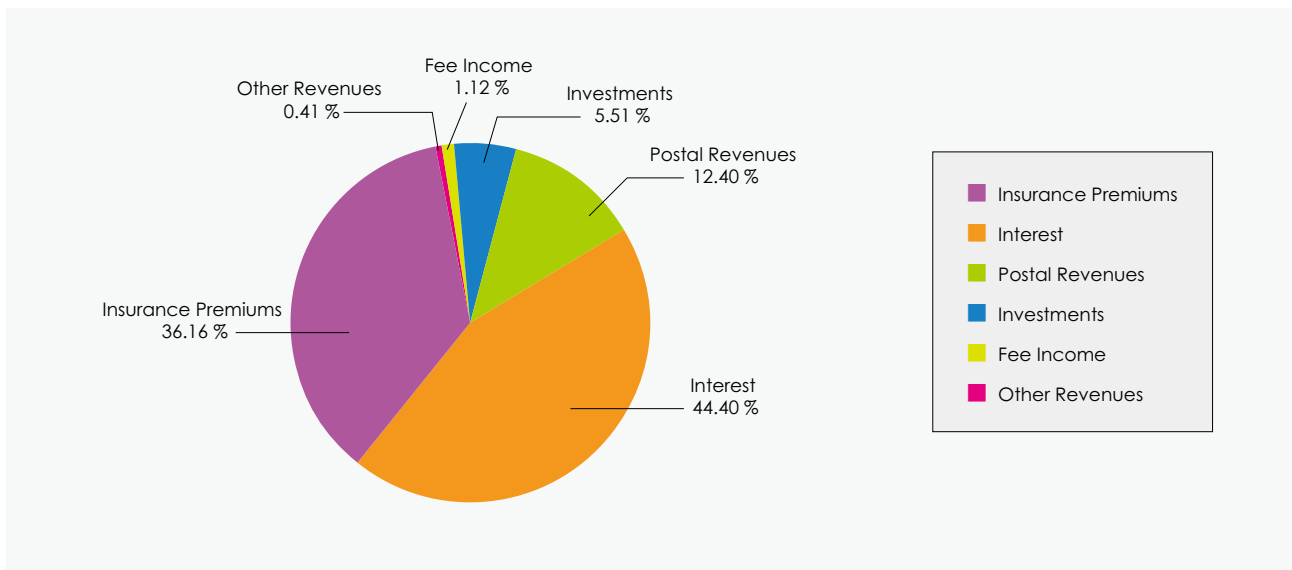
Item	2021		2022	
	Amount	%	Amount	%
Insurance Premiums	99,178,459	43.37	84,045,343	36.16
Interest	88,516,231	38.70	103,191,700	44.40
Postal Revenues	29,110,781	12.73	28,812,673	12.40
Investments	8,514,796	3.72	12,801,549	5.51
Fee Income	2,451,098	1.07	2,613,017	1.12
Other Revenues	927,458	0.41	937,850	0.41
Total Revenues	228,698,823	100.00	232,402,132	100.00

Note: Figures for 2021 are readjusted by the CPA in accordance with figures approved by the National Audit Office; figures for 2022 are CPA approved.

Sources of Business Revenues, 2021



Sources of Business Revenues, 2022

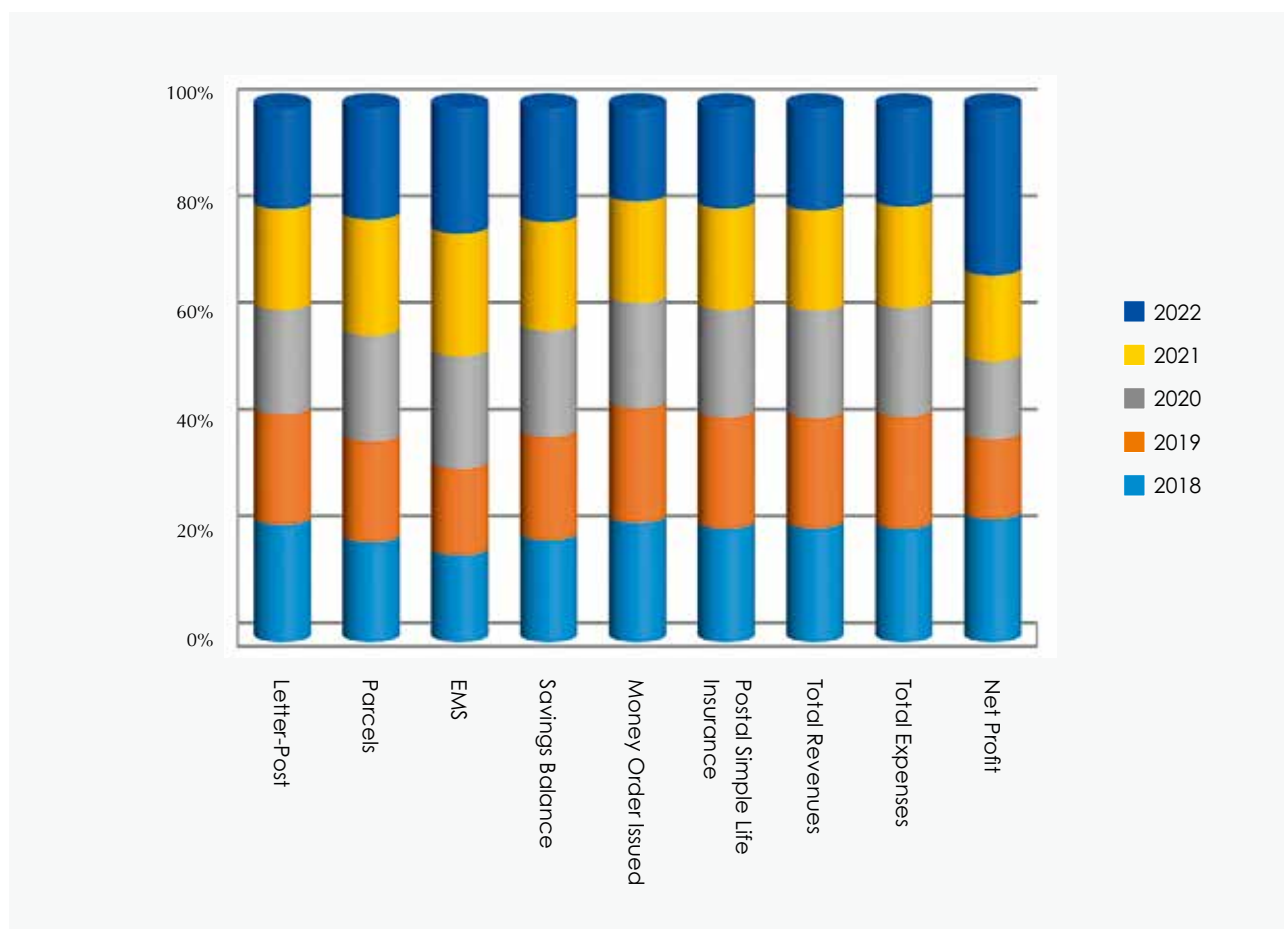


Business Highlights over the Past 5 Years

Item	Unit	2018	2019	2020	2021	2022
1. Letter-Post	Milion pcs.	2,152	2,023	1,912	1,845	1,850
2. Parcels	Thousand pcs.	25,737	25,946	27,362	29,821	28,726
3. EMS	Thousand pcs.	12,457	12,364	16,186	17,548	18,015
4. Savings Balance	Million NT\$ Dollars	6,171,759	6,279,948	6,418,183	6,610,818	6,912,359
5. Money Order Issued	Thousand pcs.	16,890	16,174	14,948	14,353	13,217
6. Postal Simple Life Insurance	Thousand pcs.	2,308	2,270	2,185	2,065	2,048
7. Total Revenues	Million NT\$ Dollars	259,616	252,033	244,668	228,992	233,403
8. Total Expenses	Million NT\$ Dollars	245,185	242,685	235,531	218,964	213,769
9. Net Profit	Million NT\$ Dollars	14,431	9,348	9,137	10,028	19,634

Note: Figures for 2018, 2019, 2020, and 2021 are readjusted by the CPA in accordance with figures approved by the National Audit Office; figures for 2022 are CPA approved.

Business Highlights over the Past 5 Years





VII Operations Summary

(I) Mail services that cross all boundaries

1. Letter-post items

The rapid development of information technology in recent years has promoted the widespread use of the Internet and e-mail. As it is becoming more and more convenient for clients to obtain information services, the use of mail delivery, a traditional way of communication, has gradually declined. Letter-post service nowadays is faced with a number of challenges. In addition to the price war initiated by private corporations, telecommunications operators and banks have also started to send more than one bill in a single letter, while some bills are even e-mailed only. The offshoring of some industries also makes the quality and number of letter-post items sent and received hard to grow. However, in 2022, due to the requirement of the Financial Supervisory Commission that a notice of entitlement must be sent for any insurance policy for children and the change in the frequency of sending dividend notices made by listed and OTC companies, the domestic items sent and received in 2022 thus increased slightly to 1,837.35 million pieces, which is 0.43% higher than the 1,829.53 million pieces in 2021. The correspondence posted per capita was 78.98.

International letter-post items sent and received in 2022 totaled some 12.94 million pieces, 16.30 % lower than that in 2021, which was some 15.46 million pieces. This was mainly because of the charge adjustment in the "transit mail" business, where extra fees can be charged per piece due to the weight difference.

2. Parcels

Due to the competition of online shopping platforms on fast delivery speed, some of them have switched to sharing economy logistics (i.e., express delivery service in urban areas) for parcel delivery, a total of 28,115,000 pieces of domestic parcels were delivered in 2022, 3.17% lower than that in 2021, which was 29,036,000. In order to enhance Chunghwa Post's competitiveness in the parcels sector, we have been striving to improve the quality of our delivery services by engaging in the exchange of mailing information with online shops as well as the integration of multiple services. We have also continued to encourage local farmers to sell quality produce on our online shopping site, Post Mall, thereby promoting the sales of produce and specialties through e commerce and increasing our revenues.

The international parcels sent and received in 2022 totaled 611,000 pieces, 22.17% lower than the 785,000 pieces in 2021 mainly because of the announcement of additional surcharges for aviation emergencies and adjustments of U.S. postage from March 2021.

3. Express Mail Service (EMS)

Due to the Covid-19 pandemic, logistics business and marketing activities by major online-shopping platforms thrive as the need for home shopping grows. Express mail delivered domestically in 2022 totaled 16,699,000 pieces, up 4.43 % compared with that in 2021, which was 15,991,000 pieces. Chunghwa Post will continue to offer integrated logistics services such as doorstep pick-up, express delivery, and cash on delivery in order to meet online shopping merchants' demand for multichannel services. In addition, the company will further promote the iBox pickup service. Services catering to senders will also be upgraded with a view to ensuring a stable growth in the number of items we are entrusted to deliver.

The volume of international express mail sent and received in 2022 amounted to 1,316,000 pieces, 15.48% lower than the 1,557,000 pieces in 2021 mainly because of the announcement of additional surcharges for aviation emergencies and adjustments of U.S. postage from March 2021.

4. E-mail service

We at Chunghwa Post seeks to promote our e-mail service and ensure the security of our clients' data. Our management system has met the ISO27001 information security standard, and we are being reviewed every 6 months with an aim to further boost clients' confidence and strengthen our competitiveness. A total of 301.95 million e-mails were handled in 2022, 2.01% lower than the 308.13 million in 2021.

5. Cross-strait service

The completely direct mail service between both sides of the Taiwan Strait was launched on December 15, 2008. Over the past 14 years, the direct air and sea transport across the strait have seen substantial development, and related services in both Taiwan and China have also been streamlined. We at Chunghwa Post are therefore able to maintain a stable quality in our delivery of letter-post items, parcels, and express mail. Our comprehensive services have, in addition to satisfying the public's demand for mail delivery, promoted cross-strait economic and trading activities as well. In recent years, we have launched services including the Cross-strait Postal Courier (EMS) and Cross-Strait Postal e-Packet, offering more convenient and varied options for the customers. These services can meet the needs of the general public and businesses alike such as sending and/or receiving groceries, goods purchased online, and business samples. We also continue to support the e-commerce industry in expanding consumer markets in China. Below are our achievements in 2022.

(1) Cross-strait mail delivered in 2022

The volume of mail sent from Taiwan amounted to more than 2,310,000 items, 10.99% lower than that in the previous year; more than 980,000 items were received from China, 19.69% lower than the volume in the previous year.

(2) Execution of the Cross-Strait Postal Service Agreement and the cooperation and communication of cross-strait postal services

Due to the COVID-19 pandemic in 2022, postal personnel from Taiwan and China ceased to visit each other while the communication of relevant postal services continued. Chunghwa Post plans to have face-to-face business communication with postal personnel from China when the pandemic slows down.

6. Cargo to Mail services

(1) In 2022, due to factors such as the sharp increase in terminal dues of international mail charged by postal services in various countries and the soaring prices of Taiwan's sea and air freight caused by the COVID-19 pandemic, the operation volume and value of the transshipping Cargo to Mail services, declined. In 2022, the services processed 934 metric tons of merchandise, generating NT\$ 199.32 million of revenues, a 51.12% and 50.66% decrease, respectively, compared to the previous year.

(2) The Free Trade Zone-to Mail (FTZ-to-Mail) services have been rendered to assist Taiwanese logistics service providers in collaborating with cross-border e-commerce platforms by allowing the e-commerce companies to transfer their shipping warehouses originally set up in foreign countries to Taiwan Free Trade Zone so that when a overseas order is established, the order can be shipped by us, Chunghwa Post, to the destination, which can be any country in the world, through our FTZ-to-Mail process. With the FTZ-to-Mail services, competitive advantage of Taiwan's logistics industry can be enhanced. In 2022, the services have processed 317 metric tons of merchandise, an 293.91% increase compared to the previous year.



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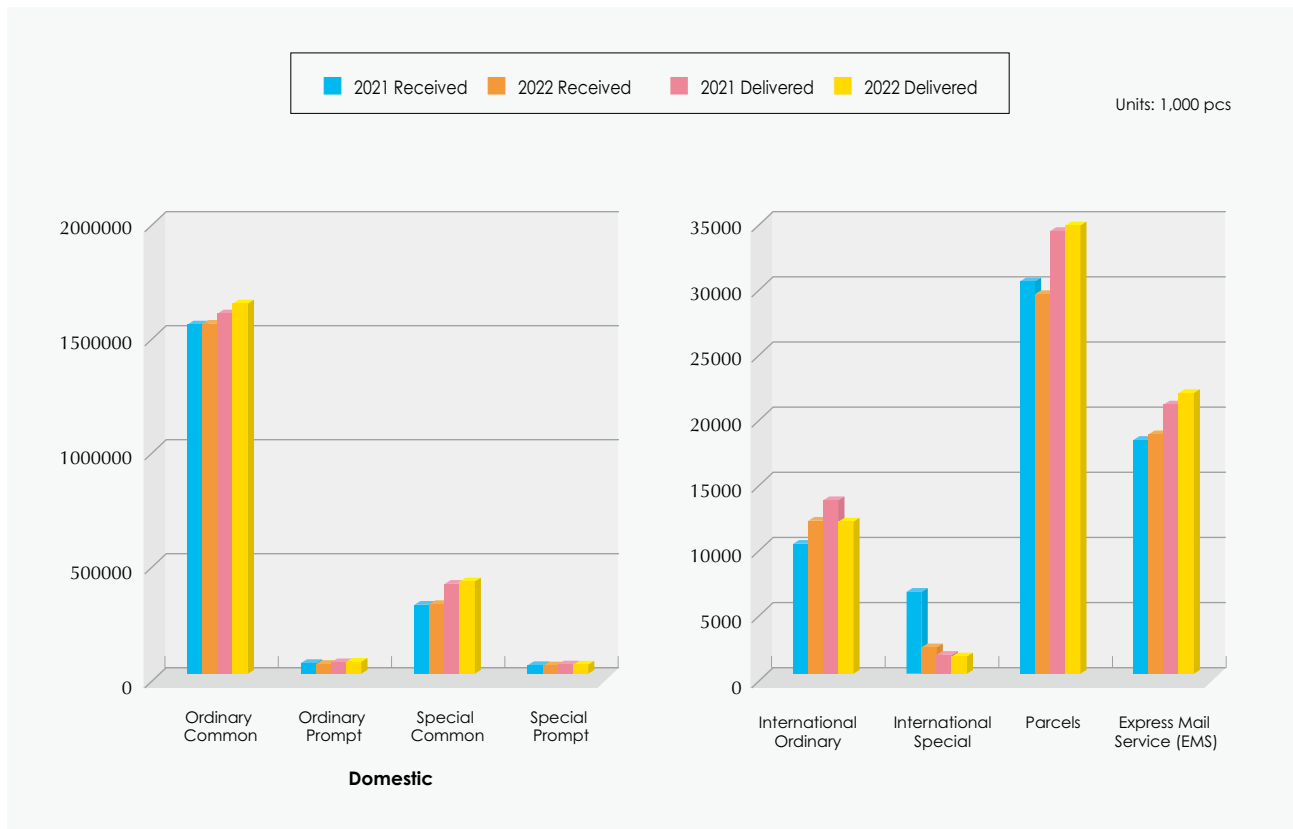
Operations Summary

Number of Mail Items Received and Delivered, 2021 and 2022

Units: 1,000 pcs

Postal Item		Received		Delivered		
		2021	2022	2021	2022	
Domestic Letter	Ordinary	Common	1,506,435	1,509,623	1,555,322	1,596,394
		Prompt	25,889	25,273	31,557	32,494
	Special	Common	280,966	286,796	373,920	381,536
		Prompt	16,240	15,658	18,886	17,949
	Sub-total		1,829,530	1,837,350	1,979,685	2,028,373
International Letter	Ordinary	9,573	11,295	12,890	11,285	
	Special	5,883	1,649	1,063	980	
	Sub-total	15,456	12,944	13,953	12,265	
Parcels	Domestic	29,036	28,115	32,973	33,375	
	International	785	611	639	588	
	Sub-total	29,821	28,726	33,612	33,963	
Express Mail Service (EMS)	Domestic	15,991	16,699	17,726	18,257	
	International	1,557	1,316	2,538	2,920	
	Sub-total	17,548	18,015	20,264	21,177	
Total		1,892,355	1,897,035	2,047,514	2,095,778	

Graphic Presentation of Mail Items Received and Delivered, 2021 and 2022



7. Mail routes

(1) Domestic mail routes

Efficiency, safety, accessibility, precision, and affordability are valued in postal services. Therefore, domestic delivery is carried out with the support of a wide array of transportation resources offered by both the government and the private sector. In addition, we at Chunghwa Post also provide our own transportation vehicles and facilities, thereby constructing a delivery network which consists of highways, railroads, waterways, and air routes. By the end of 2022, the combined length of all the routes within the intricate network, which encompasses the Taiwan island, the Penghu County, the Kinmen County, and the Matsu Islands, had reached an impressive 113,405 kilometers.

(2) International mail routes

As Taiwan is an island, most international mail is delivered through air or over water. Taiwan's international mail routes start here on the island, extend overseas, and end at the exchange offices of foreign countries where cross-border mail is exchanged in bulk. By the end of 2022, the international air routes (EMS routes included) and waterways had reached 1,203,635 and 591,116 kilometers respectively.

Mileage of Mail Route, 2021 and 2022

Unit: KM

Type	2021	2022	%
I. Land	107,612	107,655	0.04%
1. High-speed Railway	345	345	0%
2. Railroads	Suspended from 2016	Suspended from 2016	–
3. Highways	17,897	17,548	-1.95%
4. Others	89,370	89,762	0.44%
II. Waterways	592,629	592,629	0%
1. Domestic	1,513	1,513	0%
2. International	591,116	591,116	0%
III. Air Routes	1,207,872	1,207,872	0%
1. Domestic	4,237	4,237	0%
2. International	1,203,635	1,203,635	0%

(II) Savings services – Offered to the general public

Developed based on the idea that postal agencies are easily accessible to the general public, the postal savings system is aimed at providing services to all Taiwanese nationals. Postal savings accounts come in three types: passbook accounts, time deposit accounts, and giro accounts. As the government continues to encourage thrift and saving, all three types of accounts have absorbed large amounts of hot money, which was subsequently used to fund major constructions of Taiwan and stabilize the domestic financial market. Despite negative factors such as the 2008 financial crisis, economic downturns, offshoring, and capital outflows, the postal savings system still outperforms all the other financial institutions in Taiwan in terms of the number of accounts and the total savings balance thanks to the robust operations of Chunghwa Post over the years. In the future, we will keep striving to expand our services in the fields of payroll direct deposit, iPost, Mobile Post APP, online ATM, VISA debit card, mobile payment services, and digital savings account in order to increase our share in the passbook savings market. We will also strive to deliver services through a more diversified range of electronic channels and expand our scope of business, thereby enhancing our competitiveness.



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Chunghwa Post's giro account, which allows account holders to make deposits and withdrawals as well as transfer payments and remittances, is one of the most unique services provided in the Taiwanese financial industry. Giro deposit slips are sent in the electronic form to increase the efficiency of giro payment; in the case of a giro deposit where the payer is to be specified, payer information is sent electronically to the recipient so that no manual write-off is needed. In addition, holders of giro accounts can also make transfers and request checks therefrom, which are two functions of demand deposit accounts. In the future, we at Chunghwa Post will continue to promote our online ATM, and ACH payment channels in order to make it more convenient for our clients to send and receive payments. We will also be in line with the finance digitization policy of the government, providing our clients with convenient and safe channels of mobile payment and e-payment.

By the end of 2022, the number of accounts totaled over 36,850,000, 0.99% more than that of 2021, while the balance of all accounts combined had climbed 4.56% compared with the previous year to NT\$6,912.3 billion, which translates into more than NT\$ 180,000 per account.

1. New services introduced in 2022

(1) Online Application for Digital Savings Account

Starting from March 21, 2022, domestic customers aged 18 or over can apply to open a digital savings account online or on a mobile device, simultaneously applying for a Postal VISA Debit Card, iPost ID, and Post App ID. With this simple and time-saving online application process, we believe the convenience in opening accounts has been greatly improved.

(2) Launching the new Post App

We launched the new Post APP on March 21, 2022. Through user experience research, we, designed the Post APP, an integration of the old e-Post App and Post Guard App, which, with a simple and intuitive interface, allows for personalized banking settings and biometric authentication, and offers digital services that adds convenience to physical banking and postal services, to provide our customers with greater convenience.

(3) Multilingual ATMs

Starting from June 21, 2022, about 3,200 ATMs across the country offer multilingual options, including Japanese, Indonesian, Vietnamese and Thai, for services such as deposits and withdrawals, funds transfers, bill payments, and balance inquiries so as to implement the Principle for Financial Service Industries to Treat Clients Fairly and inclusive financial policies.

(4) Cross-industry collaborations for banking services

We have partnered with Far EastOne Telecommunications Co. to provide integrated services. Starting from June 23, our depositors can check the balances of their postal savings accounts and account transactions via the friDay Wealth Management + app upon authentication and authorization on Post APP, enjoying greater convenience in account management.

(5) Intelligent Service Machines

On July 4, 2022, we installed Intelligent Service Machines at the main halls of certain post offices. The Machines, using smart code scanning and recognition technology, allow our customers to scan their bills with the payment information automatically recognized and pay the bills using Postal Debit Cards, saving the time waiting in line at the counter.

2. Improved working procedures

(1) Transfers to a mobile phone number on Post APP

We have improved our bank-to-bank transfers service. Starting from March 21, the Post APP supports funds transfers to mobile phone numbers (that have been linked to savings accounts of other banks) to enable our customers to make bank-to-bank transfers without memorizing the recipients' bank accounts.

(2) Optimized online form prefilling process for account opening

We have optimized the online form pre-filling process after making an account-opening appointment. Starting from November 12, 2022, customers who have made an account-opening appointment online can pre-fill certain fields on forms as required on the Account-Opening Checklist, with their ownership status of savings accounts and their ID card replacement records checked in advance by our system. Also, sanction checks will be performed, and their tax residency information prefilled. All the prefilled information will be automatically imported into the relevant fields on the account-opening forms so as to shorten the time for account opening operations when the customers come to the counter.

3. New services for the convenience of the public

(1) Post APP new function: enabling non-designated account transfers

From May 9, 2022, our depositors can apply to enable transfers to non-designated accounts and set-up device-binding passwords on Post APP and activate the account transfer function by inserting their Postal VISA Debit Cards into Chunghwa Post's ATMs or into card readers with Chunghwa Post's online ATM, enjoying greater convenience and saving the time waiting in line at the counter.

(2) Simplified time deposit-related processes

In order to strengthen customer service, starting from May 17, 2022, the legal representatives or guardian of a minor or a person subject to guardianship can apply for the transfer of a time deposit certificate via fax on behalf of the minor or the person, and those who have reported the loss of a deposit inheritance certificate are exempted from going to the account opening office for the revocation of the certificate.

(3) New online ATM function: checking/changing non-designated account transfer settings

From July 28, 2022, our depositors can check and change the settings (displayed below the ID number) for transfers to non-designated accounts via the online ATM without visiting the counter, enjoying greater convenience.

(4) More collaborating E-payment platforms for more payment options

We have collaborated with PXPAY Plus Co., Ltd. and All Win Fintech Company Limited. Our depositors can link their postal savings accounts to PXPAY Plus and Plus Pay as a payment option from August 24 and September 20, 2022, respectively. By the end of December 2022, Chunghwa Post has collaborated with JKOPAY, Line Pay Money, PChomePay, GAMA PAY, O'Pay, icash, EasyWallet, PXPAY Plus, and Plus Pay to provide diverse payment channels.

(5) SWIFT messaging for international remittances

In order to optimize our processing of international remittances, reduce risks related to other banks, and strengthen our future business development, we established the SWIFT Messaging System on September 24, 2022 to handle SWIFT messaging operations for international remittances by ourselves instead of outsourcing.

(6) Interbank ATM Deposits

Starting from December 22, 2022, customers can deposit cash into their or others' postal savings accounts or bank accounts by using Postal VISA Debit Cards or debit cards of other banks at a Chunghwa Post ATM that provides deposit services.

(7) Enhanced ATM functionality

For greater convenience of cash withdrawals, we continuously installed ATMs supporting QR code scanning, allowing customers to make contactless cash withdrawals by scanning QR codes on Post APP or Taiwan Pay App.

(8) Digital Quintuple Stimulus Vouchers

In line with the government's policy of issuing Quintuple Stimulus Vouchers, Chunghwa Post provided



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postal VISA Debit Card and Postal ATM Card Scan-to-Pay (Taiwan Pay) electronic linking service with additional cashback. Postal passbook depositors were provided with diversified payment choices while the economic stimulus effect was enhanced through the service.

(9) Taoyuandoublepon Cashing Service

In cooperation with the Taoyuan City Government's promotion of "Taoyuandoublepon" program, from January 3, 2022 to June 30, 2022, post offices at all levels under the jurisdiction of the Taoyuan Post Office was open to cash the Doublepons.

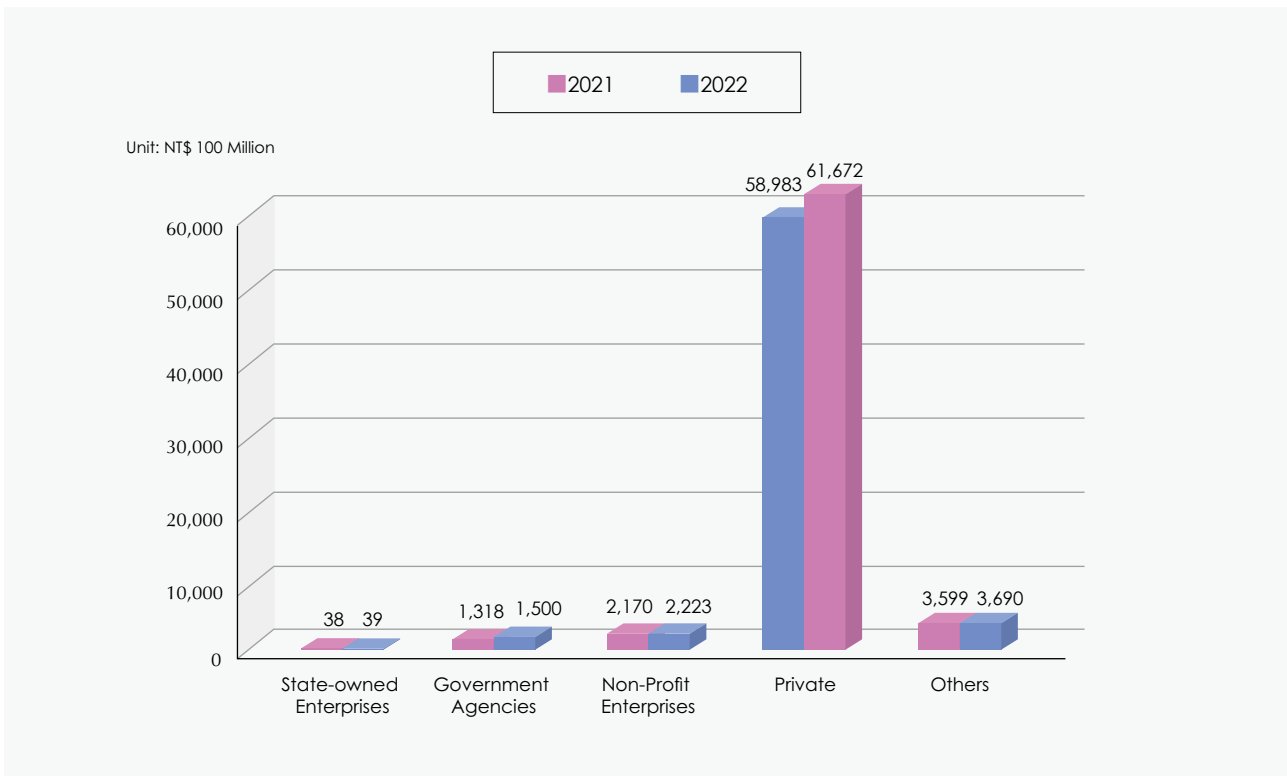
(10) To make it more convenient for remittances, the Company continuously increases the number of handling branches providing inter-bank remittances. By the end of 2022, there were 1, 268 branches providing the service.

Volume of Postal Savings Services

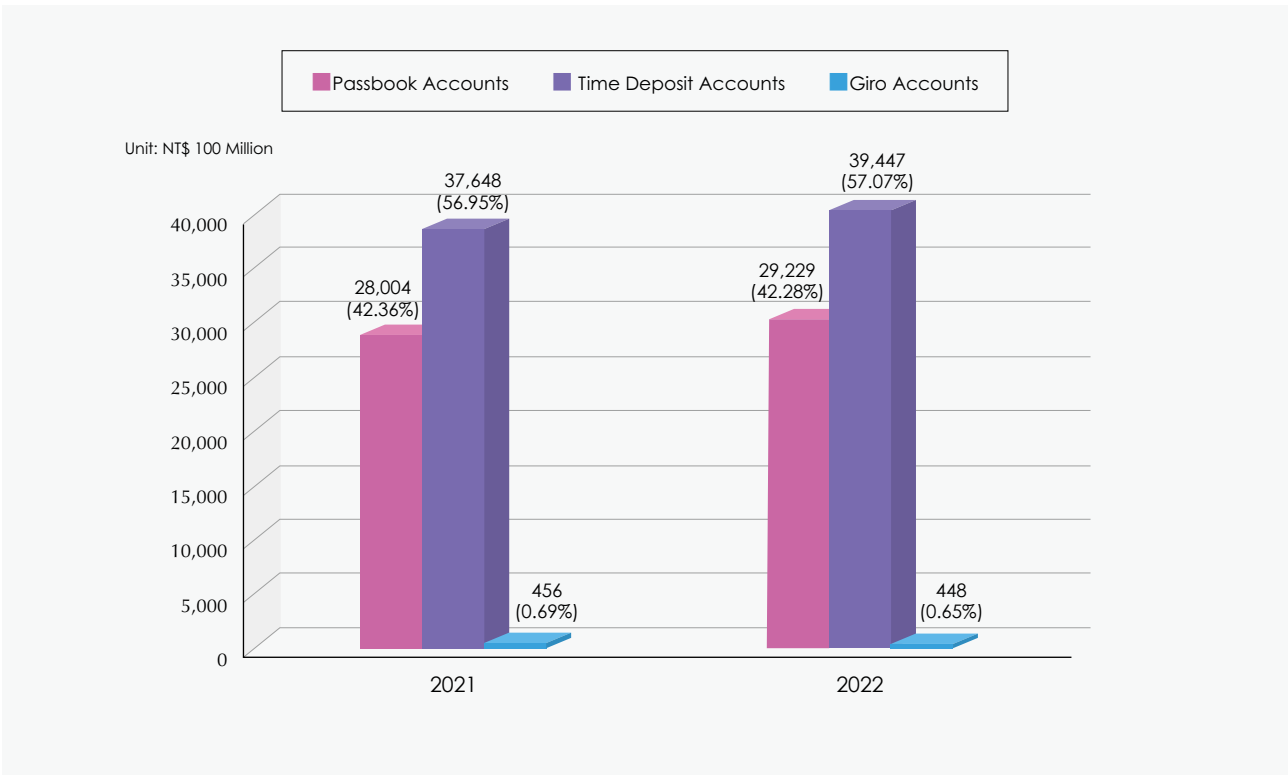
Unit: NT\$ Million

Type	Number of Deposits		Number of Withdrawals		Number of Accounts		Total Balance	
	2021	2022	2021	2022	2021	2022	2021	2022
Passbook Accounts	302,286,605	318,436,043	434,267,228	465,045,895	28,982,729	29,163,053	2,800,401	2,922,867
Time Deposit Accounts	6,816,755	7,076,740	41,304,209	40,944,615	5,964,083	6,151,834	3,764,780	3,944,708
Giro Accounts	42,423,690	42,273,332	14,340,770	14,321,540	1,550,738	1,535,722	45,637	44,784
Total	351,527,050	367,786,115	489,912,207	520,312,050	36,497,550	36,850,609	6,610,818	6,912,359

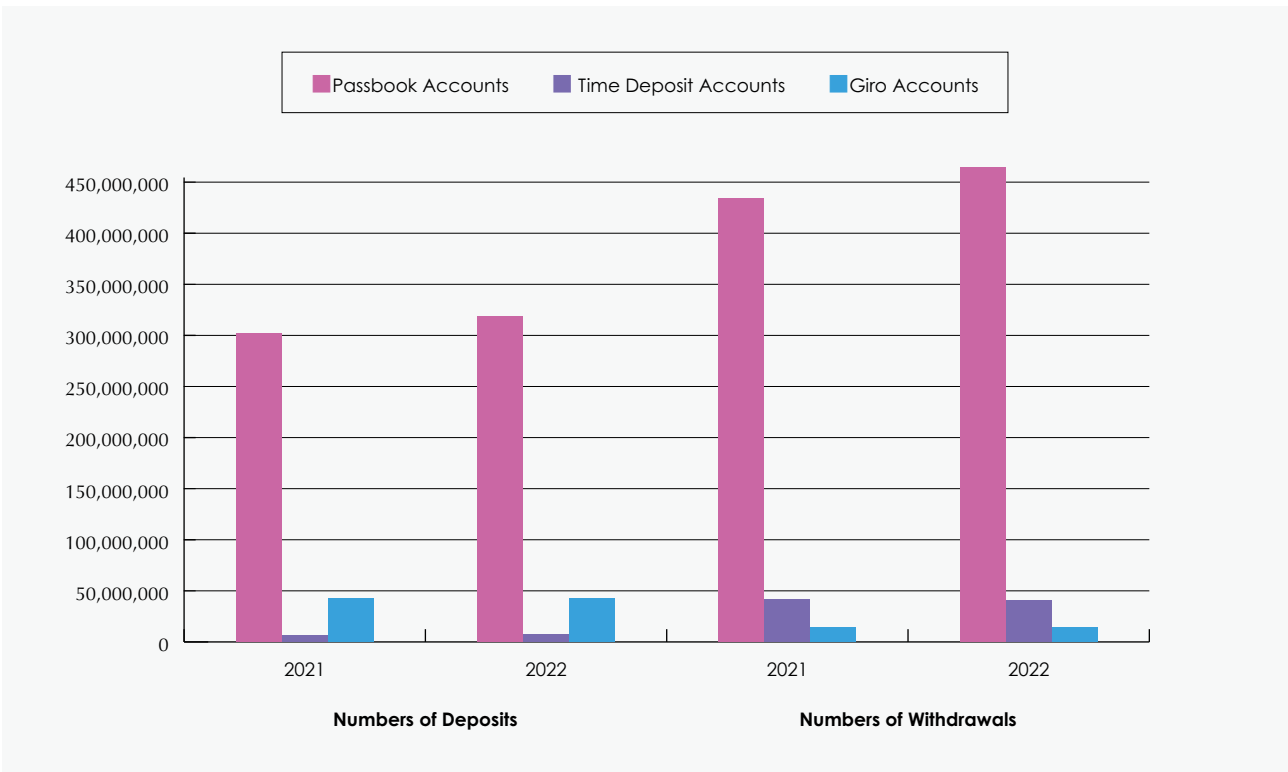
Comparison Chart of Savings Account Holders, 2021 and 2022



Comparison Chart of Postal Savings Services, 2021 and 2022



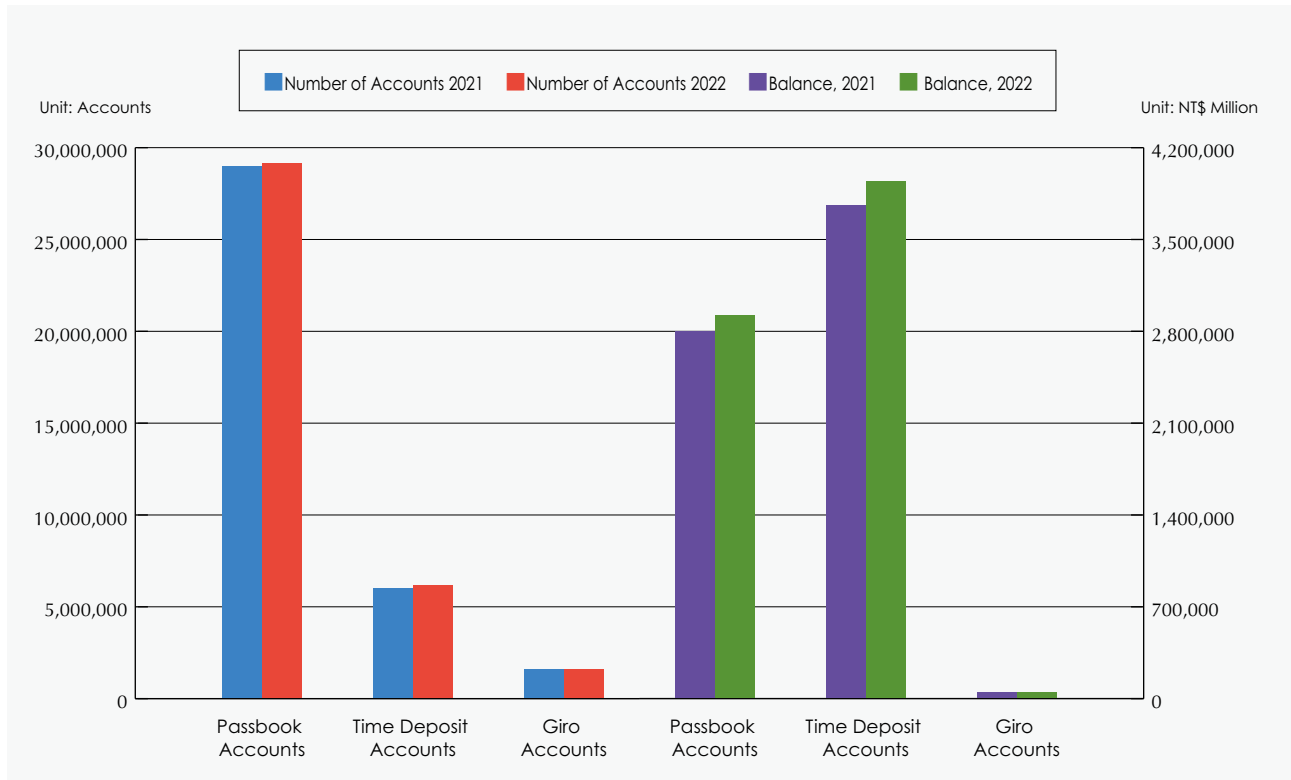
Numbers of Deposits and Withdrawals of Various Types of Accounts, 2021 and 2022





VII Operations Summary

Numbers of Accounts and Balances of Various Types of Accounts, 2021 and 2022



(III) Remittance Services – Connect our clients to the world

Chunghwa Post's convenient and efficient remittance services, which are provided through a nationwide remittance network, play a significant role in stimulating the flow of funds and the financial market in Taiwan. For domestic remittances, we currently accept postal money orders, remittances between postal passbook accounts, fax money orders, postal gift coupons, as well as remittances between Chunghwa Post and commercial banks. As for the international sector, we handle international postal money orders, outward/inward international remittances, as well as the exchange of foreign currencies and buying back travelers' checks in US dollars. By the end of 2022, the number of branches which provide international remittance services, including the trading of foreign currency, had reached 258, and the Taoyuan International Airport as well as 27 scenic areas/regional branches had been appointed to undertake the exchange of foreign currencies and the trading of US dollar travelers' checks.

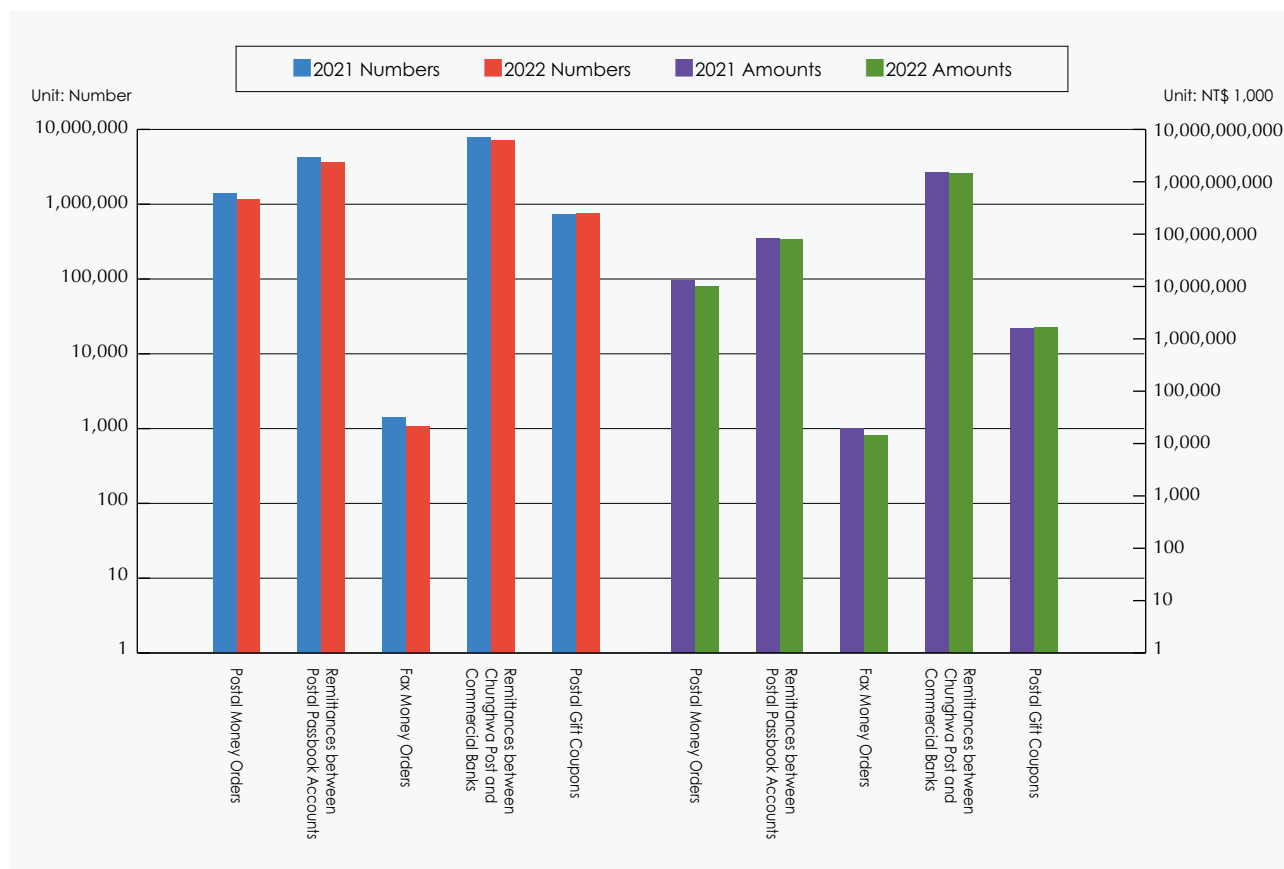
In 2022, funds remitted through Chunghwa Post amounted to over NT\$ 1,594 billion, down 2.92% compared with that of 2021, while money orders totaled more than 13,210,000, down 7.94% compared with that of 2021.

Volume of Remittance Services

Unit: NT\$ 1,000

Type	Number		Amount	
	2021	2022	2021	2022
Postal Money Orders	1,443,115	1,168,786	13,594,671	10,135,219
Remittances between Postal Passbook Accounts	4,261,308	3,580,952	83,842,835	83,062,813
Fax Money Orders	1,445	1,081	19,030	14,920
Remittances between CHP and Commercial Banks	7,774,329	7,475,655	1,541,171,148	1,496,946,237
Postal Gift Coupons	735,465	779,947	1,575,044	1,711,359
International Postal Money Orders	0	0	0	0
International Outgoing Remittances	6,776	6,660	1,471,092	1,748,923
Travelers' Checks in USD	0	0	0	0
Remittances to Mainland China	2,835	2,467	241,467	219,612
Trading of Foreign Currencies	127,984	201,611	139,211	255,625
Total	14,353,257	13,217,159	1,642,054,498	1,594,094,708

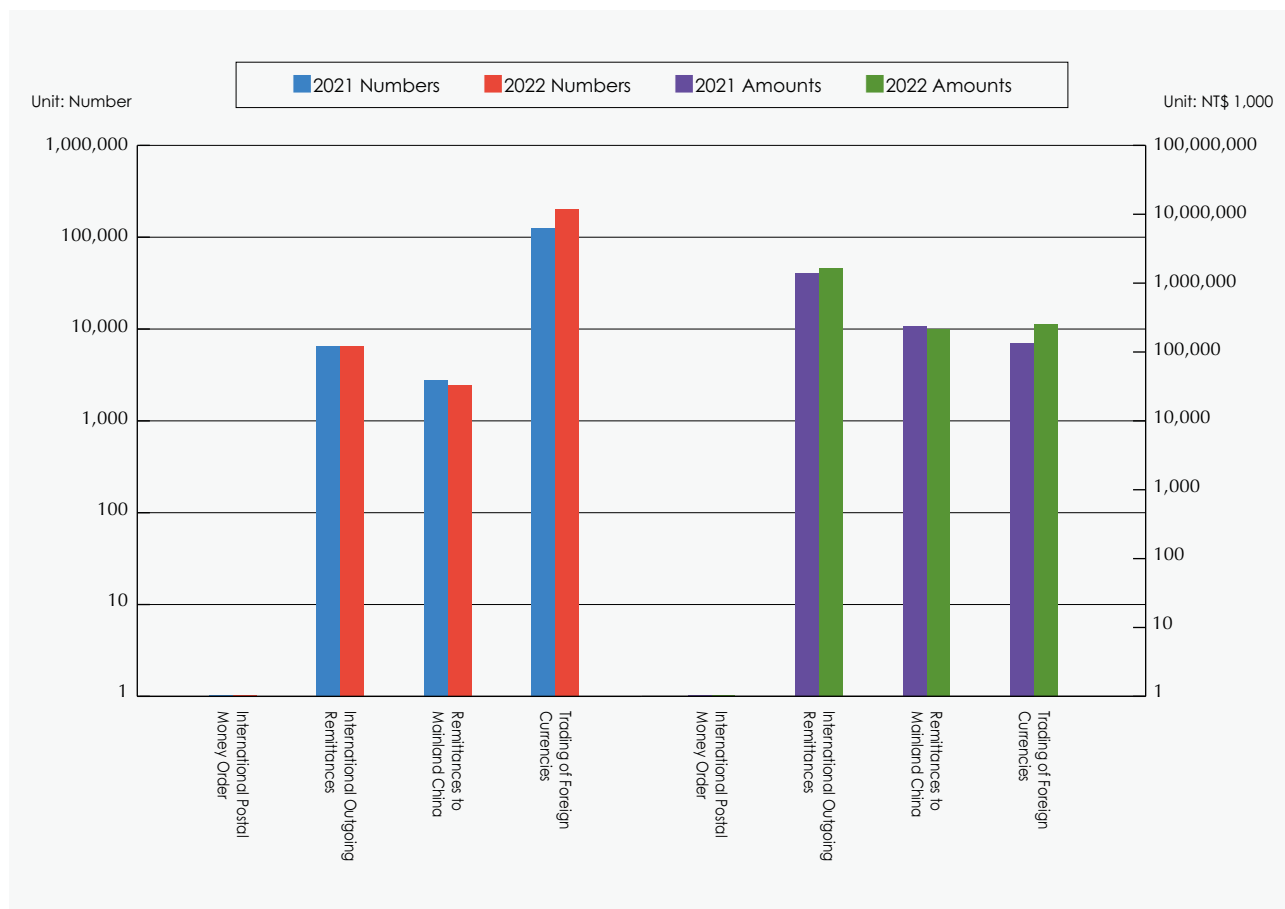
Volume of Domestic Remittance Services, 2021 and 2022





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Volume of International Remittance Services, 2021 and 2022



(IV) Postal Simple Life Insurance – The best safeguard

The Postal Simple Life Insurance is aimed at guaranteeing our nationals' basic economic security and improving the wellbeing of the society. The ubiquitous presence of postal agencies all over the country has made taking out the postal insurance policy an easy task. In addition, as no health checkup is required from the insured, and the application procedure is fairly simple, the Postal Simple Life Insurance has won the public's favor and trust.

When the Postal Simple Life Insurance was first introduced back in 1935, the then Nationalist Government expected it to be an extensively promoted service that is non-profit because it is specially administered by the government, simple and secure because it is exclusively managed by postal agencies, protective and carefree because it provides a safeguard against worrying about family financial conditions and life after retirement. This means the Postal Simple Life Insurance carries a specific significance in benefiting the general public and a policy-related mission to improve social welfare. Therefore, we at Chunghwa Post regard “溥益民生”, which means “enhance the wellbeing of the general public”, as the principle of providing the Postal Simple Life Insurance, hoping that this service will help protect our social security and contribute to a sound social security net in Taiwan.

Ever since the Directorate General of Posts was corporatized to become Chunghwa Post in 2003, we have been striving to create a favorable business environment, make full use of information technology, diversify our products, and provide a comprehensive array of services so as to satisfy customers' needs. In

the future, we will continue to recruit and train professionals, hoping to win the confidence of all Taiwanese people by offering quality insurance programs that reflect our emphasis on honest, reliable, and customer-oriented services.

1. Characteristics of Postal Simple Life Insurance

(1) Types of products

The Postal Simple Life Insurance comprises pure endowment insurance, insurance against death, and endowment, as well as health insurance and accident insurance which may be provided as a rider. All nationals of the Republic of China are eligible to be insured.

(2) No health checkup required

Health checkups are not required for persons who are insured with the Postal Simple Life Insurance. However, in order to facilitate the insurer's underwriting process, the insured and the proposer shall respond with complete honesty to the questions on the insurance application form.

(3) Insured amount

No insured individual, regardless of how many policies he/she holds, is allowed to be insured for more than NT\$6 million in total.

(4) Premium payment

Unless otherwise specified, premium payments can be made on either a yearly, semi-yearly, quarterly, or monthly basis. The subsequent installments have to be transferred from the postal passbooks or giro accounts, a way of payment that trims 1% off the original transfer fees.

2. New insurance products introduced in 2022

(1) The e68 Term Insurance was launched on March 21, 2022.

i. Age eligibility: 20-60 (Applicants applying for insurance for the first time are required to register for the Chunghwa Post insurance membership before entering the application process.)

ii. Premium paying term: 10 years

iii. Insurance policy period: 12 years

iv. Restrictions:

- Available for online purchase only: Adults who are nationals of the Republic of China (ROC) with a capacity to make juridical acts may purchase the Term Insurance online after registering for the Chunghwa Post insurance membership and having their identities verified to obtain membership accounts and passwords.
- Eligibility of the applicant/the insured: the applicant should be the insured, who should be a national of the Republic of China (ROC) and an adult with a capacity to make juridical acts.
- Deceased beneficiary: limited to direct blood relatives, the spouse or legal heir.

v. The minimum sum assured: NT\$ 680,000.

The maximum sum assured: NT\$ 1,680,000.

(2) The Jin-sing-fu Endowment was launched on May 20, 2022.

i. Age eligibility: 16 to 68

ii. Premium paying term: 6 years

iii. Insurance policy period: 15 years

iv. Living benefits:

Provided that the insured is alive and the policy is still in force on the 3rd, 6th, 9th, and 12th policy anniversaries measured from the effective date of the policy, 2%, 3%, 4%, and 5% of the sum assured at the time will be paid to the insured as living benefits.

v. Policy maturity benefit: Provided that the insured survives to the expiry date of the policy and the policy is still in force, the amount of the sum assured at that time will be paid as the maturity benefit.



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- vi. The minimum sum assured: NT\$100,000
The maximum sum assured: NT\$2,000,000

(3) To provide basic insurance protection for the citizens of Republic of China, the minimum entry age for the Postal Simple Life Insurance- An-xin Whole Life Insurance has been lowered for each premium paying term since July 21, 2022. The adjustments are as below:

Premium paying term	6 years	10 years	15 years	20 years
Insured age	16 to 73	16 to 70	16 to 66	16 to 60

(4) The Chang-hong Increasing Endowment was launched on September 5, 2022

- i. Age eligibility: 16 to 65
- ii. Premium paying terms: 6 years and 10 years
- iii. Insurance policy period: 20 years
- iv. Sum assured: From the 1st policy year, the basic sum assured will increase by 5% annually on simple interest basis until the 20th policy year.
- v. Living benefits:
From the effective date of the policy, 10% of the sum assured at the time will be paid to the insured as a living benefit on policy anniversary of each 2-year term, provided that the insured survives and the policy is still in force at that time.

vi. Policy maturity benefit:
Provided that the insured survives to the expiry date of the policy and the policy is still in force, an amount twice the basic sum assured at that time will be paid as the policy maturity benefit.

- vii. The minimum sum assured: NT\$100,000
The maximum sum assured: NT\$1,200,000

(5) The You-e-kao Endowment was launched on November 1, 2022.

- i. Age eligibility: 20-60 (Applicants applying for insurance for the first time are required to register for the Chunghwa Post insurance membership before entering the application process.)
- ii. Premium paying term: 15 years
- iii. Insurance policy period: 15 years
- iv. Restrictions:
 - Available for online purchase only: Adults who are nationals of the Republic of China (ROC) with a capacity to make juridical acts may purchase the Term Insurance online after registering for the Chunghwa Post insurance membership and having their identities verified to obtain membership accounts and passwords.
 - Eligibility of the applicant/the insured: the applicant should be the insured, who should be a national of the Republic of China (ROC) and an adult with a capacity to make juridical acts.
 - Deceased beneficiary: limited to direct blood relatives, the spouse or legal heir.

v. Policy maturity benefit:
Provided that the insured survives to the expiry date of the policy and the policy is still in force, the maturity benefit will be paid in the amount of the sum assured at that time.

- vi. The minimum sum assured: NT\$ 100,000.
The maximum sum assured: NT\$ 1,000,000.

3. New policies

In 2022, newly-issued Postal Life Insurance policies totaled 191,190, the sum assured reached NT\$76.62423 billion, and the first-year premium income generated therefrom was NT\$8.82424 billion.

New Policies by Type

Unit of Sum Insured and Premium: NT\$1,000

Types	Number of Policies	%	Sum Insured	%	First-year Premium Income	%	
Total	191,190	100.00	76,624,233	100.00	8,824,236	100.00	
Endowment	Chang-le Increasing Endowment	40,536	21.20	10,987,737	14.34	2,976,185	33.73
	Chang-hong Increasing Endowment	25,307	13.24	6,184,848	8.07	1,311,426	14.86
	Jin-sing-fu Endowment	10,680	5.59	4,113,735	5.37	533,676	6.05
	You-sing-fu Endowment	4,081	2.13	1,527,700	1.99	191,462	2.17
	Jin-huan-si Increasing Endowment	3,875	2.03	1,125,560	1.47	294,317	3.34
	Lohas-168 Endowment	1,348	0.70	533,050	0.70	151,314	1.71
	Chang-fu-123 Endowment	446	0.23	191,860	0.25	68,055	0.77
	You-e-kao Endowment	393	0.21	58,320	0.08	1,589	0.02
Insurance Against Death	An-xin Whole Life Insurance	89,802	46.97	43,595,480	56.90	3,281,930	37.19
	1-year Term Insurance	8,289	4.34	1,445,520	1.89	2695	0.03
	e68 Term Insurance	6,433	3.36	4,608,179	6.01	7,113	0.08
	Kang-shun Term Insurance	0	0.00	0	0.00	68	0.00
Accident Insurance	Accident Microinsurance Rider	4,695	-	2,033,790	2.65	2,627	0.03
	Jin-ping-an Accident Insurance Rider	297	-	138,360	0.18	233	0.00
	Ji-an Accident Insurance Rider	203	-	79,560	0.10	109	0.00
Health Insurance	Daily Hospitalization Expense Insurance Rider	437	-	534	0.00	1,437	0.02

Note: Accident Insurance and Health Insurance are sold as a rider and therefore not included in the total number of policies.



Chairperson of Chunghwa Post, Wu, Hong-Mo, served as a panelist at the 2022 Global Views Leaders Forum



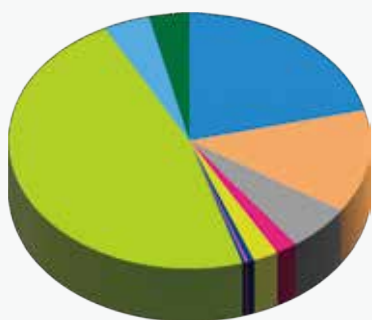
Recognition Conference of "Chunghwa Post Life Insurance Ultimate Competition"



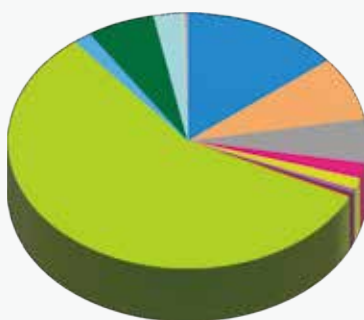
VII Operations Summary

Percentage Distribution of New Policies by Type

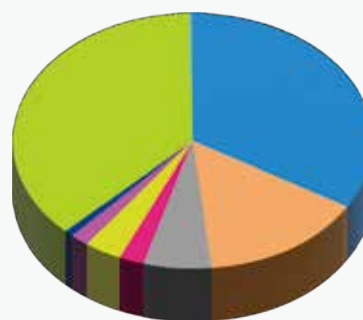
■ Chang-le Increasing Endowment 21.20%	■ Chang-le Increasing Endowment 14.34%	■ Chang-le Increasing Endowment 33.73%
■ Chang-hong Increasing Endowment 13.24%	■ Chang-hong Increasing Endowment 8.07%	■ Chang-hong Increasing Endowment 14.86%
■ Jin-sing-fu Endowment 5.59%	■ Jin-sing-fu Endowment 5.37%	■ Jin-sing-fu Endowment 6.05%
■ You-sing-fu Endowment 2.13%	■ You-sing-fu Endowment 1.99%	■ You-sing-fu Endowmen 2.17%
■ Jin-huan-si Increasing Endowmen 2.03%	■ Jin-huan-si Increasing Endowmen 1.47%	■ Jin-huan-si Increasing Endowmen 3.34%
■ Lohas-168 Endowment 0.70%	■ Lohas-168 Endowment 0.70%	■ Lohas-168 Endowment 1.71%
■ Chang-fu-123 Endowment 0.23%	■ Chang-fu-123 Endowment 0.25%	■ Chang-fu-123 Endowment 0.77%
■ You-e-kao Endowment 0.21%	■ You-e-kao Endowment 0.08%	■ You-e-kao Endowment 0.02%
■ An-xin Whole Life Insurance 46.97%	■ An-xin Whole Life Insurance 56.90%	■ An-xin Whole Life Insurance 37.19%
■ 1-year Term Insurance 4.34%	■ 1-year Term Insurance 1.89%	■ 1-year Term Insurance 0.03%
■ e68 Term Insurance 3.36%	■ e68 Term Insurance 6.01%	■ e68 Term Insurance 0.08%
	■ Accident Microinsurance Rider 2.65%	■ Accident Microinsurance Rider 0.03%
	■ Jin-ping-an Accident Insurance Rider 0.18%	■ Daily Hospitalization Expense Insurance Rider 0.02%
	■ Ji-an Accident Insurance Rider 0.10%	



Number of Policies



Sum Insured



Premium Income

4. Policies in force

In 2022, the number of in-force postal life insurance policies were 2,048,184, the sum assured amounted to NT\$ 656.19552 billion, and the premium income was NT\$84.04534 billion.

Policies In Force by Type

Unit of Sum Insured and Premium Income: NT\$1,000

Types		Number of Policies	%	Sum Insured	%	Premium Income	%
Total		2,048,184	100.00	656,195,520	100.00	84,045,343	100.00
Endowment	Chang-chun Increasing Endowment	926,978	45.26	205,464,543	31.31	54,950,700	65.38
	An-jia Refundable Whole Life Insurance	159,170	7.77	58,301,467	8.89	9	0.00
	Chang-le Increasing Endowment	75,098	3.67	19,833,943	3.02	4,627,223	5.51
	Joyful-families Increasing Endowment	67,141	3.28	14,832,879	2.26	2,802,449	3.33
	Sing-fu-ba-ba Endowment	66,508	3.25	23,228,181	3.54	2,767,255	3.29
	Others	389,064	18.99	129,345,095	19.71	12,749,942	15.17
Insurance Against Death	An-xin Whole Life Insurance	158,022	7.71	69,453,728	10.58	5,405,959	6.43
	An-ho Whole Life Insurance	80,070	3.91	54,100,186	8.24	48,058	0.06
	1-year Term Insurance	21,019	1.03	3,727,960	0.57	9,162	0.01
	An-pin Double-indemnity Whole Life Insurance	16,205	0.79	8,466,175	1.29	13,588	0.02
	Fu-an Whole Life Insurance	12,112	0.59	7,447,926	1.13	186,216	0.22
	Others	76,797	3.75	51,048,365	7.79	462,118	0.55
Accident Insurance	Accident Microinsurance Rider	12,550		4,777,081	0.73	2,627	0.00
	Ji-an Accident Insurance Rider	10,041		4,410,267	0.67	3,976	0.01
	Jin-ping-an Accident Insurance Rider	3,834		1,753,316	0.27	2,145	0.00
Health Insurance	Daily Hospitalization Expense Insurance Rider	3,610		4,408	0.00	13,916	0.02

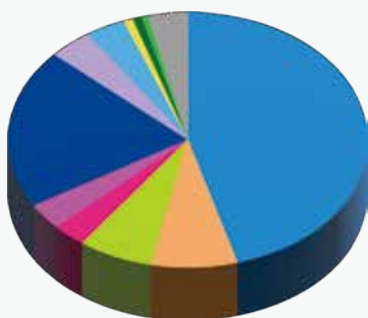
Note: Accident Insurance and Health Insurance are sold as a rider and therefore not included in the total number of policies.



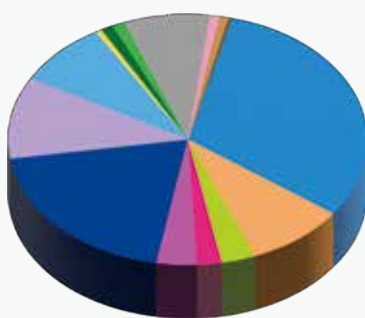
VII Operations Summary

Percentage Distribution of Policies in Force by Type

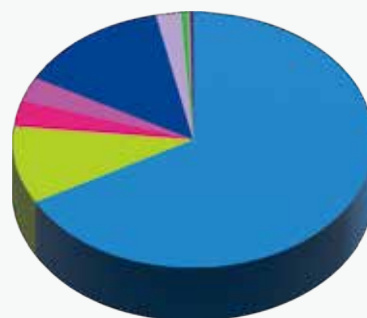
Chang-chun Increasing Endowment 45.26%	Chang-chun Increasing Endowment 31.31%	Chang-chun Increasing Endowment 65.38%
An-jia Refundable Whole Life Insurance 7.77%	An-jia Refundable Whole Life Insurance 8.89%	Chang-le Increasing Endowment 5.51%
Chang-le Increasing Endowment 3.67%	Chang-le Increasing Endowment 3.02%	Joyful-families Increasing Endowment 3.33%
Joyful-families Increasing Endowment 3.28%	Joyful-families Increasing Endowment 2.26%	Sing-fu-ba-ba Endowment 3.29%
Sing-fu-ba-ba Endowment 3.25%	Sing-fu-ba-ba Endowment 3.54%	Other Endowments 15.17%
Other Endowments 18.99%	Other Endowments 19.71%	An-xin Whole Life Insurance 6.43%
An-xin Whole Life Insurance 7.71%	An-xin Whole Life Insurance 10.58%	An-ho Whole Life Insurance 0.06%
An-ho Whole Life Insurance 3.91%	An-ho Whole Life Insurance 8.24%	1-year Term Insurance 0.01%
1-year Term Insurance 1.03%	1-year Term Insurance 0.57%	An-pin Double-indemnity Whole Life Insurance 0.02%
An-pin Double-indemnity Whole Life Insurance 0.79%	An-pin Double-indemnity Whole Life Insurance 1.29%	Fu-an Whole Life Insurance 0.22%
Fu-an Whole Life Insurance 0.59%	Fu-an Whole Life Insurance 1.13%	Other Insurances Against Death 0.55%
Other Insurances Against Death 3.75%	Other Insurances Against Death 7.79%	Ji-an Accident Insurance Rider 0.01%
	Accident Microinsurance Rider 0.73%	Daily Hospitalization Expense Insurance Rider 0.02%
	Ji-an Accident Insurance Rider 0.67%	
	Jin-ping-an Accident Insurance Rider 0.27%	



Number of Policies



Sum Insured



Premium Income

5. Benefit payment

(1) Payment on maturity

In 2022, a total of 155,193 payments were made on maturity, and the sum assured was NT\$64.73057 billion.

(2) Payment to claims

The year of 2022 saw 8,278 payments to claims, and the sum assured was NT\$3.04077 billion.

(3) Surrender value

The year of 2022 saw 32,406 cases of surrender, and the sum insured was NT\$8.55425 billion.

6. Policy loans

Under the circumstances where a policyholder has paid for the premiums of a still-in-force policy for no less than one (1) year, he/she may apply for a loan no greater than the policy value reserve as a way to fulfill his/her financial needs. The application procedure is simple and easy. In addition to consulting counters personally, policyholders can also make use of Chunghwa Post's ATMs and the postal WebATM to apply for loans in a more convenient and efficient manner.

The year of 2022 saw 73,201 cases of policy loans, and the loan balance was NT\$10.86527 billion.

7. Secured mortgage loans

Starting to be offered in 1997, Chunghwa Post's secured mortgage loans are not only available to policyholders of the Postal Simple Life Insurance but all applicants who meet the loan requirements as well. The loan service can be accessed all over the territory of Taiwan, except for the Matsu Islands, at the 19 branches undertaking mortgage loan-related services or the 201 branches collecting required documents.

In 2022, the number of secured mortgage loans issued by Chunghwa Post totaled 11,595, and the loan balance was NT\$24.64681 billion.

8. Business Operations in Recent Years

General Account of the Business and Premium Income in the Last Five Years

Unit: Pieces; NT\$ Million

Year	2018	2019	2020	2021	2022
New Business (Policies)	228,543	251,780	217,654	173,679	191,190
Increase or Decrease%	-0.14	10.17	-13.55	-20.20	10.08
New Business (Amount)	54,645	62,060	62,596	65,079	76,624
Increase or Decrease%	3.83	13.57	0.86	3.97	17.74
Business in Force (Policies)	2,308,467	2,269,987	2,184,668	2,065,329	2,048,184
Increase or Decrease%	-6.35	-1.67	-3.76	-5.46	-0.83
Business in Force (Amount)	813,179	765,461	713,072	664,153	656,196
Increase or Decrease%	-10.04	-5.87	-6.84	-6.86	-1.20
Premium Income	133,672	127,794	118,502	99,178	84,045
Increase or Decrease%	-7.03	-4.40	-7.27	-16.31	-15.26

Note: The increase or decrease is calculated with the previous year as the base year.



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Operations Summary

General Account of Total Annual Payouts in the Last Five Years

Unit: Pieces; NT\$ Million

Year	2018	2019	2020	2021	2022
Claims Payment to Beneficiaries (Number of Policies)	375,461	282,118	295,314	284,092	195,877
Increase or Decrease %	11.02	-24.86	4.68	-3.80	-31.05
Matured Endowment (Number of Policies)	331,993	241,778	256,285	248,083	155,193
Increase or Decrease	13.75	-27.17	6.00	-3.20	-37.44
Death & Disability (Number of Policies)	6,276	6,549	6,671	7,136	8,278
Increase or Decrease %	8.13	4.35	1.86	6.97	16.00
Surrender (Number of Policies)	37,192	33,791	32,358	28,873	32,406
Increase or Decrease %	-8.23	-9.14	-4.24	-10.77	12.24
Claims Payment to Beneficiaries (Amount)	138,360	104,162	109,891	107,569	76,326
Increase or Decrease %	14.63	-24.72	5.50	-2.11	-29.04
Matured Endowment (Amount)	125,413	92,750	99,676	97,564	64,731
Increase or Decrease %	18.68	-26.04	7.47	-2.12	-33.65
Death & Disability (Amount)	2,480	2,520	2,506	2,651	3,041
Increase or Decrease %	6.86	1.61	-0.55	5.80	14.71
Surrender (Amount)	10,467	8,892	7,709	7,354	8,554
Increase or Decrease %	-17.64	-15.05	-13.31	-4.61	16.32

Note: The increase or decrease is calculated with the previous year as the base year.

(V) Philately – Educational and Entertaining

Philately is among the key business activities operated by Chunghwa Post. In order to provide better services for philatelic customers, promote philatelic culture, and fulfill corporate social responsibilities, Chunghwa Post encourages all of its branches to vigorously expand philatelic business, which generated a revenue of NT\$ 626.59 million in 2022.

1. Philately business overview

(1) 2022 budget execution

Business Item	Unit	Final Accounts for 2022	Budget	Final Accounts for 2021	Budget Achievement (%)	YoY Growth (%)
Philately	NT\$1,000	626,587	558,765	616,720	112.14%	1.60%

(2) 2023 Business Objective

The revenue from the philately business is estimated to be NT\$568.9 million in 2023.

2. Issuing new postage stamps and philatelic accessories

- (1) A total of 18 sets of postage stamps were issued in 2022, including 1 set of definitive stamps, 2 sets of commemorative stamps and 15 sets of special stamps. Among them, the Taichung MRT Souvenir Sheet was issued on April 25, featuring a streamlined shape of the front car of an MRT train, which infuses more fun into stamp collecting. The Taiwan Scenery Postage Stamps – Yunlin County were issued on May 12, and along with the set, the customizable personal greeting version without marginal inscriptions – the full set of the Stamps with printed perforations – were released, which

makes a perfect collectible set. The Felicitations Postage Stamps (Issue of 2022) were issued on May 20, suitable for wedding invitations with traditional wedding greetings printed on them. On August 3 and November 3, as part of our planned series of stamps featuring ancient Chinese paintings from the National Palace Museum, 2 sets of the Ancient Chinese Paintings from the National Palace Museum Postage Stamps – 24 Solar Terms (Autumn) and 24 Solar Terms (Winter), were released respectively, delicately displaying classic landscape paintings from the National Palace Museum with each set in a se-tenant block and shaped perforations at the center of the long sides of the stamps. On August 17, the Fong Fei-fei Postage Stamps were issued in commemoration of the hat-wearing pop queen and are well-loved by the public, and a Fong Fei-fei pictorial was released along with the Stamps. Additional issues include 1 stamp yearbook (one in hardback and the other in loose leaf), 1 postage stamp catalogue, 1 pictorial, 3 stamp folios, 5 maximum cards, 2 commemorative registered stamped envelopes, 1 commemorative postal card, and 1 press sheet of New Year's Greeting Postage Stamps (Issue of 2022). Furthermore, in line with business demands, Chunghwa Post also released envelopes for domestic registered mail (1 vertical type and 1 horizontal type), 1 postal card for domestic mail (vertical type), 2 Bountiful Rabbit New Year Cards, 1 set of postage labels, and 1 set of 2 New Year's Greeting postal cards.

(2) Issuing philatelic accessories

In our quest for diversified product development and growth in philately business, we, Chunghwa Post manufactured and launched the Alpine Plants Paper Tapes (4 types), Chinese Character Stickers, Alpine Plants Pattern Insulated Bags (2 types), Prosperity and Fortune Tea Set, Thanks Mom Gold Ingot, SNOOPY co-branded series (15 items, including the Music Box, Travel Bag, 2 types of Plushies, 2 types of Mugs, Canvas Bag, Postcard, Piece Stickers, Message Stickers, Stamp Folio, 2 types of Miniature Mail Trucks, Limited Set A, and Limited Set B), Chinese Zodiac Mug Set, 2 types of Greeting God of Wealth Gold Ingots, Canvas Bag, 6 types of Bountiful Rabbit Ingots, Jimmy Liao co-branded series (20 items, including the Silk Scarf, 2 types of Canvas Satchels, 3 types of Tote Bags, 2 types of Ceramic Coasters, Carry-On Luggage, Sling Bag, Picnic Blanket Set, 2 types of Insulated Flip-Lid Bottles, Lunch Box, 2 types of Card Covers, Silica Gel Tablemat, Key Ring, and Mini Storage Bags), Chunghwa Post 2023 calendar, Chunghwa Post 2023 notebook, and Bath Towel. A total of 13 philatelic accessories were launched. Additionally, Chunghwa Post authorized its branches nationwide to design and sell a total of 59 types of philatelic products.

3. Organizing sales promotions to expand philately business

(1) Stamp Yearbook Issue of 2021 Sales Promotion

The Stamp Yearbook Issue of 2021 Sales Promotion was held from January 5 to April 30, 2022. During the event period, for every purchase of a Stamp Yearbook Issue of 2021 (hardcover or loose-leaf), the purchaser would get 1 scratch off. A diverse range of prizes were available, including an Apple iPhone 13 Pro Max, a Collectible Set of Auspicious Tiger Pure Gold Ingot, the Fine Silver Ingot and High Relief Copper Medal, an iRobot Roomba 960 Robot Vacuum, a Garmin Vivosmart 4 wrist band, and a variety of exquisite philatelic accessories.

(2) 2022 Stamp Beauty Pageant

The 2022 Stamp Beauty Pageant was held from March 1st to March 31st, 2022. In the event, people can vote for the most beautiful stamps in their minds through postal cards, or on the website or Facebook fan page, or via LINE. The top three winners were Thanksgiving Souvenir Sheet: Homage to All Health Workers, New Year's Greeting Postage Stamps (Issue of 2021) - Souvenir Sheet, and South Penghu Marine National Park Postage Stamps - Blue Cave on Xijiyu.



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4. Philately promotion events

- (1) Holding the issuing ceremony of 150th Anniversary of George Leslie Mackay's Arrival in Taiwan Commemorative Souvenir Sheet
2022 marks the 150th anniversary of the arrival of Dr. Mackay in Taiwan. In fond commemoration of his contribution to Taiwan, on March 9, Chunghwa Post issued the 150th Anniversary of George Leslie Mackay's Arrival in Taiwan Commemorative Souvenir Sheet, which depicts a portrait of Dr. Mackay, and held the issuing ceremony of the stamp on the same day.
- (2) Holding the ROCUPEX 2022 Changhua, 2022 National Stamp Exhibition of R.O.C. and the issuing ceremony of Taiwan Scenery Postage Stamps – Changhua County
To encourage and promote philately, we held the exhibition at Changhua Post Office from November 11 to 14, 2022 and issued a variety of philatelic products for philatelists, including 1 type of commemorative postal card and 2 types of commemorative stamped registered envelopes for the exhibition. On the first day of the exhibition, we hosted the ceremony for its opening and the unveiling of the Taiwan Scenery Postage Stamps – Changhua County.
- (3) Supporting philatelic societies to participate in philatelic events at home and abroad
In 2022, we supported philatelic societies and other groups nationwide to organize philatelic exhibitions and stamp-collection promotions, totaling 52 times.
- (4) Organizing various youth-oriented philatelic events:
 - i. A total of 162 Philatelic Classrooms in schools nationwide were established in 2022, with 3,975 members recruited.
 - ii. On October 13, 2022, the Best Philatelic Works Competition was held to encourage students in the Philatelic Classroom to make 4-page Little Philatelic Artworks and 16-page One Frame Stamp Collections. The entries included 48 pieces of Little Philatelic Artworks and 9 sets of One Frame Stamp Collections with rich and diversified materials used.



Opening Ceremony of ROCUPEX 2022 National Stamp Exhibition

- iii. We have been supporting senior high and vocational schools as well as universities, colleges and junior colleges to start philatelic clubs, of which 17 were established in academic year 2021-2022.

(5) Establishment of Senior Philatelic Clubs:

- i. We invited communities and organizations to establish Senior Philatelic Groups, aiming to fulfill our corporate social responsibilities by expanding and promoting philatelic activities with local community resources, developing philatelic communities, and creating adaptive learning environments for the elderly that help to improve physical and mental health.
- ii. A total of 8 Senior Philatelic Clubs were established, with 182 registered members.

(6) Organizing exhibitions and activities at the Postal Museum

The Postal Museum was established for collecting, preserving, displaying and conducting research on postal artifacts, so as to carry on postal missions, promote postal culture, and provide the public with a recreational place to learn about postal business and appreciate the beauty of stamps. In the year of 2022, despite the Covid-19 pandemic, 10 stamp exhibitions and special exhibitions and 20 philatelic lectures were held at the Postal Museum, attracting a total of 84,917 visitors. Stamp sales and site renting generated a revenue of NT\$4,038,821. In addition, in order to strengthen good neighborliness and show a high-quality corporate image, we actively took part in 2 community activities and held the Brother Pigeon's Story Time sessions at the Postal Museum on a regular basis.

- i. Holding stamp exhibitions and special exhibitions to promote philately and artistic aesthetics
 - 5 at Postal Museum: The Roaring Tiger – Chinese Zodiac Stamp Special Exhibition, Her Stories on the Postage Stamps Special Exhibition, Dancing Feathers-Images Postage Stamps Special Exhibition, Fantasy Starry Sky Philatelic Exhibition, and Nice to Meet U – Rabbit Year Chinese Zodiac Postage Stamps, Banknotes, Art and Culture Joint Exhibition
 - 2 at Taipei Branch: Blessed Tigers Welcome the Spring - A Trip to Postage Stamps Special Exhibition and Loving the Railway - Train Postage Stamps Special Exhibition
 - 3 at Kaohsiung Branch: Colorful Ocean Stamps Special Exhibition, Ancient Early Kaohsiung – Postal Stationery and Rare Stamps Special Exhibition, and "Her Stories" Women Diversity Special Exhibition
- ii. Organizing philatelic lectures to encourage philately culture
 - To promote philatelic exchange and educate philatelists, the Postal Museum has cooperated with the Chinese Taipei Philatelic Federation to hold monthly stamp lectures on every third Saturday. Philatelic experts are invited to introduce stamp collections and pass down their knowledge. 12 lectures were held in 2022.



Felicitations Postage Stamps (Issue of 2022) issued on May 20, 2022.



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- Since February 2022, Southern Taiwan Philatelic Lectures have been held in association with Kaohsiung Post Office, Kaohsiung Philatelic Society, Tainan City Philatelic Society, and Tainan Fucheng Philatelist Association. The Lecture is held every season, with a total of 4 held in 2022.
 - 1 special lecture on “Blessed Tigers Welcome the Spring – A Trip to Postage Stamps” was held at Postal Museum and 3 on “Ancient Early Kaohsiung – Postal Stationery and Rare Stamps” at Kaohsiung Branch to tie in with the special exhibitions.
- iii. Sales of stamp items and provision of venue rentals to increase revenue
- In order to promote philately and social education and cultural activities, in addition to selling stamps and products at the business counter on the 1st floor, the audio-visual room on the 2nd floor, the special exhibition room on the 6th floor, and the auditorium and meeting rooms on the 10th floor were also available for rent. In 2022, the operating income of venue rental and visitor tickets was affected by the ongoing COVID-19 pandemic. The rental income was NT\$1,193,900, stamp and product sales income was NT\$2,844,921, and total revenue was NT\$4,038,821.
- iv. Brother Pigeon's Story Time
- We have been holding the Brother Pigeon's Story Time story-telling sessions at the Forest Classroom of Children's Post Garden on the 4th floor of the Postal Museum on the 2nd and 4th Saturdays every month. In the sessions, the exhibition themes or elements in the stamps are employed to lead children into the beautiful world of stamps to appreciate the vastness of postal history, increase parent-child companionship and interaction, and create beautiful memories of learning and growing together. In 2022, a total of 24 sessions were held.
- v. Participating in community activities to enhance corporate image
- We took part in the Spring Book Fair at 2022 South Taiwan Fun Carnival organized by the General Association of Chinese Culture from April 2 to 3, 2022. In addition to setting up a stand to display and sell stamps (as well as philatelic products), we also organized activities such as Happy Reading Book Crossing, Back to Old Happy Days – Let's Write Letters, Stamp Painting, Let's Paint and Play with Paper Windmills, and Let's Visit the Postal Museum (Get a gift with a Facebook check-in); nearly 1,000 people enthusiastically participated in and visit the Postal Museum during these 2 days.
 - From December 17 to 19, 2022, for 2022 Guling Street Books & Creative Bazaar, we held activities such as A Letter to Your Future Self, Stamp Painting, Book Crossing, and Badge Pin DIY, to exert the social education function of the Postal Museum in an entertaining way.
 - To express our caring for the elderly persons, we invited them from the Long-Term Care Station set up by Sheng-gong Charity Foundation and Kaohsiung Association of Retired Persons to our special exhibition on August 10 and 24, 2022 respectively, and each elderly person was given personal greeting stamps and Colored Mailbox Vintage Postcards, enhancing our positive corporate image of actively promoting public welfare and fulfilling social responsibilities.

(VI) Agential Business – Inclusive of Everything

1. In accordance with Paragraph 7 Article 5 of the Postal Act, Chunghwa Post may operate as an agent for other business upon the approval of the Ministry of Transportation and Communications. At the present, the Company has been commissioned to sell 21 types of merchandise, including revenue stamps, anti-tuberculosis stamps, enrollment guidelines, web account ID and telephone cards, prepaid cards, tickets and accommodation vouchers, DVDs, clothes and ornaments, commemorative coins and gold/silver bars/bricks, beauty products, health products, health drinks (edible oil), wine, rice, electronic appliances, art gifts, coupons, festival gift items, daily supplies, organic foods and books.

2. Chunghwa Post continued to promote the Postmall, integrating postal logistics and distribution business. In 2022, the cumulative number of franchise stores totaled 2,347, and the cumulative number of products on the shelves exceeded 140,000. In order to establish the characteristics of the postal e-commerce platform, the Caring Agricultural Products Marketing Zone, AFA Recommendation Zone and Public Care Zone have been opened to assist small farmers and micro-enterprises to expand commodity marketing channels.
3. To meet multifaceted investment needs of deposit account clients, Chunghwa Post has designated 781 branch offices to sell 129 domestic funds by the end of 2022.

Volume of Agential Business (exclusive of bonds and military honorable discharge pension) Unit: NT\$10,000

Item	2021	2022	Growth %
Compensation Payment for Military Injuries and Death	104,527	105,591	1.02%
Payments to Government Employees	1,904	1,785	-6.25%
Train Ticket Sales	375	323	-13.87%
ATM Cash Advance	28,751	27,749	-3.49%
ATM Cash Withdrawal for the Pay Union Card and Inquiry	250,489	240,270	-4.08%
Collecting and Verifying Application Forms of Comprehensive Credit Report	143	139	-2.80%
Sales of Funds	33,549	26,089	-22.24%
Revenue Stamps	107,695	111,833	3.84%
Others	10,058	8,943	-11.09%
Total	537,491	522,722	-2.75%
Service Charge (Pretax)	5,182	5,025	-3.03%



Charity Press Conference: Supporting Pear Farmers, Boundless Love



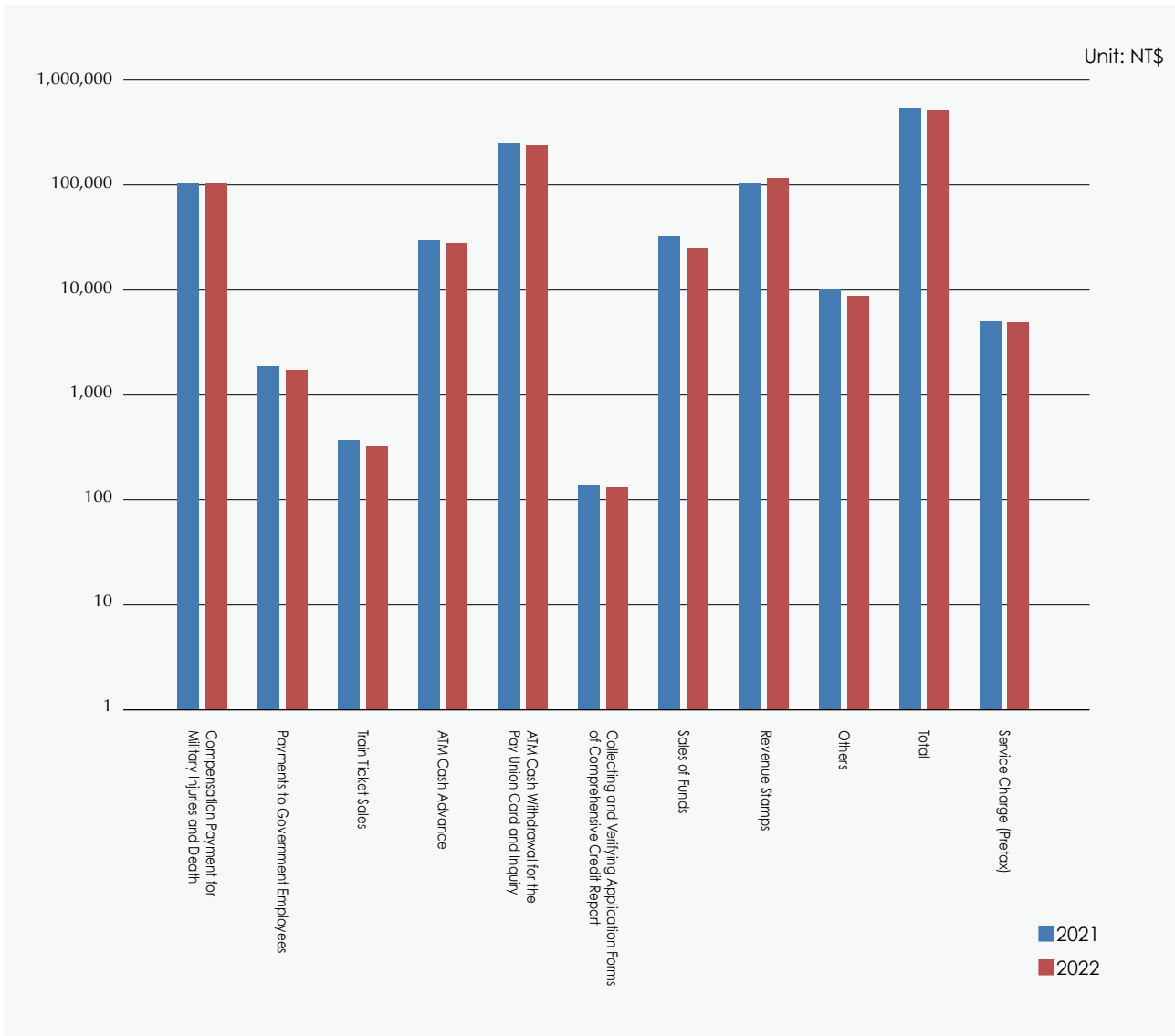
Press Conference Co-hosted by the Agriculture and Food Agency and Chunghwa Post



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Comparison Chart of Agential Business, 2022 and 2021



(VII) Asset Management – Asset Activation

Real properties under the management of Chunghwa Post are used to operate businesses such as postal service, savings and remittances services and life insurance. Paragraph 6 of Article 5 of the Postal Act provides that Chunghwa Post may engage in the management of postal assets. Moreover, according to the Plans for Strengthening the Management and Utilization Efficiency of State-owned Assets formulated by the Ministry of Finance, post offices and mail processing centers at all levels, while in alignment with objectives, originally designated purposes or profit-seeking businesses of Chunghwa Post, may properly utilize spare space or provide it to others at a cost after reviewing the actual utilization of real properties registered under their names. Such plans are aimed at increasing revenues, making full use of postal resources and boosting the rate of return on assets.

In order to enhance the utilization efficiency of postal assets, Chunghwa Post managed to better utilize postal real properties and aggressively repurposed spare space in 2022. Details are as follows:

1. Asset lease

(1) The lease of property assets is as follows:

- i. Renting out spare space after review and adjustment of the workspace configuration.
- ii. Renting out business premises for marketing display.
- iii. Allowing mobile communication companies to rent roofs of post offices for base station installation.
- iv. Renting out the interior and outer walls (or space) for posting ads.
- v. Others: renting out meeting rooms, auditoriums, parking lots and the employee training classrooms.

(2) All post offices and Taipei Mail Processing Center were asked to make an inventory of the actual use of their own real properties. Where there was spare space or any underused property, short-, mid- and long-term use improvement plans had to be proposed to guide the implementation of relevant asset revitalization program.

(3) Post-tax revenue from rent was NT\$345.29 million in the year of 2022, up NT\$ 47.18 million or 15.83% compared with the NT\$298.11 million generated in 2021.

2. Asset development

Chunghwa Post participated in a number of urban renewal projects:

- (1) Participated in 2 urban renewal projects launched by the private sector.
- (2) Participated in 1 urban renewal projects launched by the government.
- (3) Launched by ourselves 1 urban renewal project.

3. Continuing to demolish and rebuild old post offices to enhance the quality of service and use the space more efficiently

(1) If the assets of Chunghwa Post (old office buildings or lands having yet to be used) locate in urban areas (that are convenient, well-developed, and densely populated), potentially great locations, or scenic spots, Chunghwa Post is going to rebuild them to enhance the quality of service.

(2) In response to the change in the type of operation, Chunghwa Post evaluates the business performance and potential for development of post offices of all levels and Taipei Mail Processing Center, and accordingly adjusts the use of space. To utilize the real estate more efficiently, the old office buildings or lands of Chunghwa Post located in residential or business districts are rebuilt into or used for multi-purpose (commercial) buildings.

4. Building a positive corporate image

(1) Setting up more beautified post offices as examples, which provide bright, comfortable, convenient environments for the public to use the postal service and enhance the service quality. By the end of 2022, 32 exemplary post offices have been set up.

(2) In line with the sustainable energy policies promoted by the government, Chunghwa Post has installed photovoltaic power generation systems on the roof of post offices. From 2015 to 2022, photovoltaic power generation systems were installed on the roof of 109 offices, reaching a capacity of about 3,450 watts and resulting in a total carbon reduction of about 2.049 million kilograms per year (approximately the carbon reduction capacity of 5.258 Daan Forest Parks).

(3) Chunghwa Post provided long-term care institutions with spare post office space to support their development. For example, the third, fourth, and fifth floors of Nangang Post Office were rented out to the integrated long-term care institution of Keelung Hospital under the Ministry of Health and Welfare, and the third floor of Fengyuan Huludun Post Office in Taichung was rented out to the daycare center of Taichung Senior Health Promotion Association.

(4) 4 of the estates of Chunghwa Post were selected by the Ministry of the Interior and local governments to join the public housing scheme.



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5. Other measures to activate assets

- (1) Chunghwa Post established a Property Assets Operation Supervision Team and formulated Guidelines for Property Assets Operation Incentives at All Levels of Post Offices (Taipei Mail Processing Center) to orchestrate, arrange and support the activation of property assets owned and managed by post offices/centers at all levels, and to provide incentives accordingly. The supervision team convened one meeting once in 2022 to speed up the revitalization and resolve problems arising therefrom.
- (2) Meeting minutes, briefings along with training materials, regulations and reports regarding asset revitalization have been uploaded online, ready to be shared among post offices (centers) at all levels.
- (3) Chunghwa Post provided trainings on property assets utilization on a yearly basis. All levels of post offices (center) performing well in asset revitalization were invited to designate a representative to share their successful stories and experience.

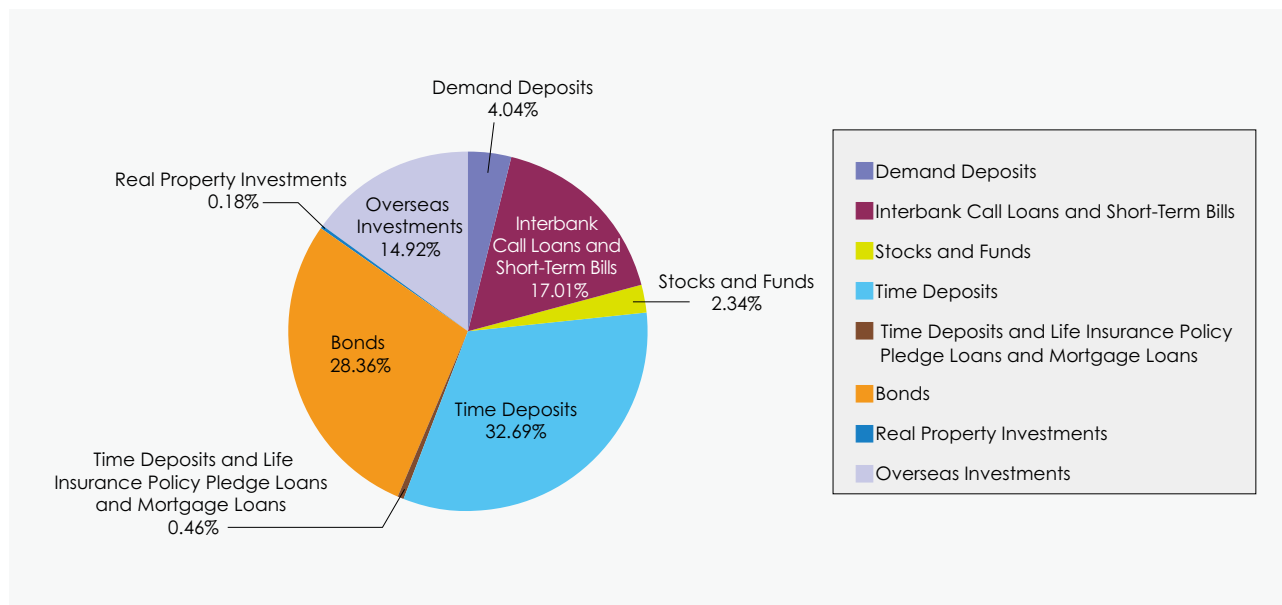
(VIII) Capital Utilization – Supporting state construction programs

Chunghwa Post keeps attracting non-government idle capital, accumulating a steadily growing amount of postal capital, which shall be spent in accordance with Article 18 of the Postal Remittances and Savings Act and Article 27 of the Simple Life Insurance Act. Portions of the capital shall be re-deposited with the Central Bank of the Republic of China (Taiwan) while the remaining may be spent in various ways: deposited with state-owned and private banks, invest abroad, purchase bonds, bills and stocks, provide time deposits and life insurance policy pledge loans and mortgage loans, and invest in real property. In coordination with government policies, Chunghwa Post also provide mid- and long-term capital plans to finance major state construction projects and private investment projects to boost economic development across Taiwan.

By the end of 2022, postal capital (savings, remittances and life insurance capital inclusive) put into use has totaled NT\$7,781.5 billion. The capital was distributed as follows:

1. Demand deposits (deposit reserves re-deposited with the Central Bank of the Republic of China, and revolving capital of post offices at all levels inclusive): NT\$314.5 billion, accounting for 4.04% of the total.
2. Time deposits (time savings deposits inclusive): NT\$2,543.9 billion, or 32.69% of the total.
3. Interbank call loans and short-term bills: NT\$1,324.2 billion, or 17.01% of the total.
4. Bonds (government bonds, corporate bonds and financial bonds inclusive): NT\$2,206.5 billion, or 28.36% of the total.
5. Overseas investments: NT\$ 1,160.7 billion, or 14.92% of the total.
6. Stocks and funds (outsourced investments inclusive): NT\$182.1 billion, 2.34% of the total.
7. Time deposits and life insurance policy pledge loans and mortgage loans: NT\$35.8 billion, or 0.46% of the total.
8. Real property investments: NT\$13.8 billion, or 0.18% of the total.

Utilization of Postal Capital



By the end of 2022, Chunghwa Post has provided more than NT\$1,612.6 billion postal capital, in coordination with government policies, to finance major state construction projects and private investment projects. Details are as follows:

Project Name	Amount / NT\$ 100 Million	Remarks
State Construction and Private Investment Projects	9,748	In coordination with the Committee for Planning and Promoting the Utilization of Short- and Long-Term Funding initiated by National Development Council
Small and Medium Enterprises (SME) Consolidation Project Loans	1,339	In coordination with Small and Medium Enterprise Administration of the Ministry of Economic Affairs
First Time Homebuyers Loans	1,057	In coordination with the Construction and Planning Agency, Ministry of the Interior
Manufacturing Industry and SME Project Loans	727	In coordination with the Central Bank of the ROC
First Time Homebuyers Loan for Citizens without Self-Use Residential Property	2,715	Same as above
Home Reconstruction Loans for 921 Quake Victims	515	Same as above
Reconstruction/Repair Loans for Schools, Medical Institutions, Temples and Churches Damaged in 921 Quake	25	Same as above



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II. Employee Composition

Items	Years	2021	2022	As of January 12, 2023
Number of Employees	Staff	14,078	14,083	14,128
	Laborers	9,612	9,439	9,435
	Contract Workers	1,738	1,707	1,706
	Total	25,428	25,229	25,269
	Average Age	45.8	45.6	45.7
Average Seniority		16.9	16.5	16.6
Educational Background (Half-day Workers Counted as Whole)	Doctorates	9	9	9
	Masters	1,404	1,471	1,486
	Bachelors	17,139	17,328	17,353
	Senior High School	6,762	6,334	6,334
	Junior High School and Below	554	506	506
Employee Holding Professional Certificates		1,589	2,718	361
2022 Employee Training	1. Training Courses: Launched 1,871 classes on technical skills, computer and lectures on specific topics for new recruits, executives and professionals, with 66,424 recorded attendances. 2. Online Learning: Launched for all employees, having total hours amounting to 572,450.5 hours.			
2022 Volunteering	In 2022, a total of 2,557 volunteers worked for 1,128,169.5 hours in branches and mail processing centers at all levels.			

(I) Budget quota

In accordance with the quota set in budget 2022, Chunghwa Post was allowed to employ a total of 27,496 employees, including 14,800 regular staff, 10,596 regular workers and 2,100 temporary workers.

(II) Outsourcing some of the businesses to private enterprises

To cut salary expense, non-core businesses continued to be outsourced, such as mail transport, mail processing, mail service counters, registered mail claiming and postal agencies.

(III) Workforce structure

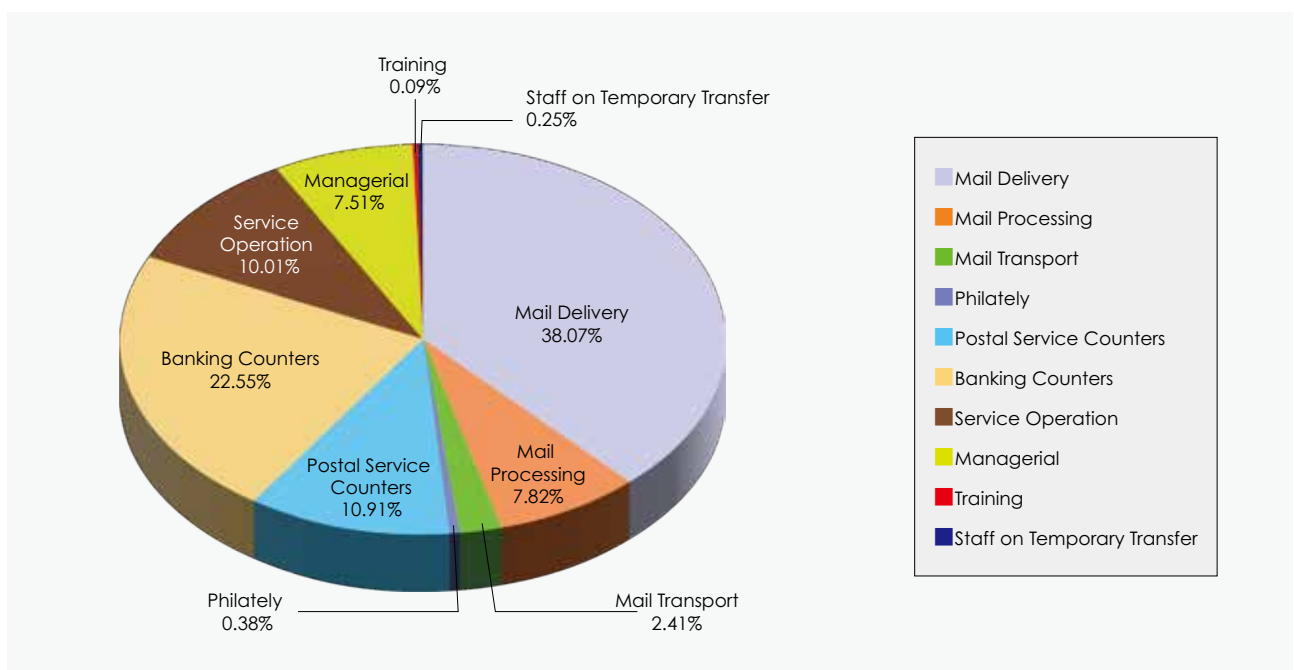
As of December 31, 2022, Chunghwa Post has employed a chairperson, a president, 8,024 transferred employees, 15,496 staff members and 1,707 contract workers, totaling 25,229 employees. Among them, 23,249 employees (92.15% of the entire workforce) were basic-level clerks, 1,894 employees (7.51%) worked at management level, 22 (0.09%) were training staff, and 64 (0.25%) were staff worked on temporary transfer. Such a workforce structure displays that, compared with a rather small number of managerial positions, a large number of employees work behind counters or at departments handling postal mail.

Employee by Function

December 31, 2022 Unit: Person

	Total	%	Head Office	Branches at All Levels	Mail Processing Center
Total	25,229	100%	1,746	22,772	711
Total Business Staff	23,249	92.15%	915	21,674	660
Mail Delivery	9,604	38.07%	0	9,604	0
Mail Processing	1,973	7.82%	0	1,563	410
Mail Transport	609	2.41%	6	353	250
Philately	97	0.38%	65	32	0
Postal Service Counters	2,752	10.91%	0	2,752	0
Banking Counters	5,689	22.55%	0	5,689	0
Service Operation	2,525	10.01%	844	1,681	0
Managerial	1,894	7.51%	773	1,071	50
Training	22	0.09%	18	4	0
Staff on Temporary Transfer	64	0.25%	40	23	1

Employees by Function





VII Operations Summary

III. Labor-Management Relations

(I) Employee benefit plans, retirement system and its implementation, as well as labor-management agreements and measures for protecting employees' rights and interest:

1. Employee benefit plans

- (1) Benefits provided by the Company: sports and recreational activities, birthday parties, vacation subsidies and continuing education opportunities.
- (2) Benefits provided by the Company's Employee Welfare Committee: gifts and gift certificates for three major Chinese holidays and the Labor Day, education subsidies for employees' children, mutual assistance in the event of wedding, childbirth and funeral of employees.

2. Retirement system

Depending on employee status (civil servant concurrent with labor status, or only labor status) and employment dates, the following laws and regulations will apply with regard to employees' retirement, severance and consolation payments: Regulations Governing the Retirement of Employees of Postal and Communications Enterprises under the MOTC, Regulations Governing the Retirement of Non-Ranking Current Employees of Chunghwa Post Co., Ltd, Labor Standards Act, Labor Pension Act, Enforcement Guidelines for the Severance of Transferred Employees of Chunghwa Post Co., Ltd, and Directions for Retirement, Consolation Payments and Severance of Regular Employees of Chunghwa Post Co., Ltd. We at Chunghwa Post keep working on providing retirees with proper care.

3. Labor-management agreements

To harmonize labor-management relations, labor-management meetings are held at least once every three months in accordance with Implementing Regulations Governing Labor-Management Meetings and Article 83 of the Labor Standards Act. In order to unite employees and build a cohesive team, both labor and management representatives are elected and designated to attend such meetings in accordance with applicable laws. Additionally, labor-management businesses including employees' salary, welfare, laying off, and pension were all conducting according to regulations.

4. Measures for protecting employees' rights and interests

To clearly regulate rights and obligations of laborers and the management, Chunghwa Post has formulated work rules in accordance with Article 70 of the Labor Standards Act, and made and entered into with its Labor Union a collective agreement, which shall be complied with by the both parties. In addition, a report meeting (an ad-hoc meeting when necessary) is called every year to reconcile the relations between the two parties and to resolve issues relevant to employees' benefits in a proper manner. Where any recommendation is put forward at labor-management meetings, or by the Labor Union or its members, Chunghwa Post has been responding to or processing relevant issues in a timely and proper manner.

(II) Loss resulting from labor disputes in the most recent fiscal year and during the current fiscal year as of the date of printing the annual report, disclosure of an estimated amount of loss incurred to date or likely to be incurred in the future, and mitigation measures: None

IV. IT Facilities

(I) Hardware and software deployment of the IT system

1. The host system of Taipei Main Computer Center

This main computer center is equipped with 2 IBM8562-V04 mainframe computers, each with four central processing units (CPUs) and a z/OS V2.5 operating system, and an 8562-A00 external processor

connected to the computers to allow mutual backup capabilities for a dual-mainframe Parallel Sysplex environment. Based on the needs of the Company and its business systems, the host system of the main computer center handles (1) online and batch operations of savings, remittances and life insurance business requested by 1,298 branch offices throughout the country, (2) accounting and mail services, (3) operation connections with other financial institutions to deal with interbank businesses, and (4) system testing for various businesses.

2. The host system of Taichung Disaster Recovery Center

The backup and disaster recovery center in Taichung is employed with an IBM8562-K02 mainframe computer, which has 2 CPUs and a z/OS V2.5 operating system, and an internal processor to support a Parallel Sysplex environment. Based on the needs of the Company and its business systems, the host system of the backup center is divided into various logical partitions corresponding to the mainframe computer of the main center in Taipei, preparing for the activation of the backup system in the event of any disaster so as to sustain the operational capacity of the Company's important systems.

3. The open system

The Company built a three-tiered centralized computing environment for the open system. The front end, equipped with a blade server, deals with input and output network services while the back end, a storage area network (SAN), controls heterogeneous storage and stores databases of various systems, which can enhance the efficiency of managing storage resources, and the middle tier, equipped with a high-end server, integrates various systems to access back-end data. 94 % of the systems in this environment are established upon a virtualized platform, where the application systems and databases are with high availability and are able to use the hardware resources of a virtualized platform more efficiently. This environment also provides a big data platform to respond to large data storage and reduce storage costs and provide energy for data analysis. Moreover, to support the relocating of the Postal Park of Smart Logistics near the A7 station of Taoyuan (Airport) Metro in the future, the Company will keep bringing in new technologies and virtualization management tools to enhance system performance and operation efficiency and to prepare for the movement of the facilities.

4. Maintenance

The Company have professional manufacturers maintain hardware and software equipment of Taipei Main Computer Center, Taichung Disaster Recovery Center and the open system, with maintenance engineers checking the operation of equipment regularly, to prevent in advance any possible failure and ensure that the hardware runs safely and stably. On the other hand, to maintain the safety and high availability of information and communications, system software has also been updated on a regular basis.

(II) Emergency backup and safeguarding measures

1. The Company has been holding regular disaster recovery drills each year, and such drills have been carried out as follows:
 - (1) Switching the operation system from Taipei Main Computer Center to Taichung Disaster Recovery Center twice a year to ensure that, after Taipei Center is hit by disasters, system operation can be resumed promptly and various businesses can continue to be provided.
 - (2) Organizing local backup and recovery drills at Taipei Main Computer Center twice a year to familiarize relevant staff with required procedures, and to ensure the availability of backup data. Therefore, system operation can be resumed promptly in the event of a localized disaster at Taipei Center.
2. Chunghwa Post has established a Network Monitor Center and an Information Security Monitor Center, to monitor network operations 24/7 and any potential unidentified intrusion from within and outside.