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Implementing Green Consumption to Build Sustainable Supply Chain, Yuanta FHC Recognized by Taiwan's Executive Yuan for 12 Consecutive Years of Excellence in Green Procurement

Yuanta Financial Holding Company (FHC) advocates green procurement to drive the green production chain, and last year's green procurement amounted to more than NT\$210 million. On December 13, Yuanta FHC was awarded by the Ministry of the Environment of Taiwan's Executive Yuan (MOE) as an enterprise with excellent green procurement performance. Yuanta FHC has won this award for twelve consecutive years for proactive approach to green consumption, and will continue to utilize the "wild goose queue effect" and financial influence to extend the spirit of sustainable management to the supply chain.

In order to promote the concept of green consumption, the MOE recognizes private entities whose green procurement amount reaches NT\$50 million or more every year. Yuanta FHC has fully implemented the ISO 20400 sustainable procurement guidelines since 2020 and established a systematic sustainable procurement process, prioritizing the purchase of products with labels of environmental protection, energy saving, ENERGY STAR, water saving, green-building materials, Forest Stewardship Council (FSC) sustainable forestry, and carbon reduction. Also by selecting 97% of local suppliers by 2022, Yuanta FHC is taking action to support local companies that provide low-carbon, sustainable goods and services.

"Green procurement" is one of the key sustainability initiatives promoted by the Coalition of Movers and Shakers on Sustainable Finance convened by Taiwan's Financial Supervisory Commission. As a member of the Coalition, Yuanta FHC's green

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procurement amount in the first eleven months of this year totaled more than NT\$240 million, an increase of thirteen percent (13%) over last year. In addition to our own green procurement, we have also led our suppliers to build a sustainable supply chain, and earlier this year we were recognized as an “A” leading company in the Supplier Engagement Rating by the CDP, an international carbon disclosure authority. We organized a Self-Directed Carbon Inventory Workshop at this year’s supplier conference to help manufacturers build up a corporate carbon database and progressively achieve net-zero emission sustainability goals. In terms of supplier management, we have conducted counseling and engagement with high-risk suppliers through a tiered evaluation process, and tracked follow-up improvement actions.

With the aim of embedding the concept of green procurement into corporate culture, Yuanta FHC has held four quarterly procurement conferences and eight procurement workshops this year to educate and train procurement staff on all aspects of ESG (environmental, social, and governance) practices and supplier management, share the key points of the Yuanta Group’s procurement-related audits, and observe large-scale procurement cases together to strengthen the awareness of sustainable procurement.

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Photo: Yuanta FHC has been actively practicing green procurement and has been awarded an excellent enterprise in green procurement performance by the Ministry of the Environment of Taiwan's Executive Yuan for 12 consecutive years.