

## NEWS RELEASE

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# **Yuanta FHC's Supplier Conference Focuses on Net-Zero Carbon Emissions & Responsible Procurement**

With the theme of “2050 Net-Zero Carbon Emissions,” Yuanta Financial Holding Company (FHC) held its second supplier conference this year today (7/26), inviting its supplier partners to join Yuanta FHC in the field of environmental sustainability, making efforts to reduce the negative impact on the environment in their own operations and encouraging and practicing green consumption. In this event, ten (10) excellent suppliers with “A” level were recognized, and our supplier partner, Tatung System Technologies Inc., was invited to share the actual case of ESG zero-carbon integration management, and Ernst & Young Taiwan (EY) explained the trend of carbon inventory in Taiwan, so as to enhance the negotiation and cooperation with suppliers through experience exchange, and to work together for the better.

Starting from 2019, Yuanta FHC has included education and training on diverse topics in its supplier conferences to strengthen suppliers' awareness and practice of sustainability issues and to carry out Yuanta Group's philosophy of corporate social responsibility in supply chain management. EY's senior consultant elucidated the four transition strategies of the Taiwan 2050 Net-Zero Transition, “energy, industrial, lifestyle, and social,” and the two foundations in governance of “technology research and development, and climate legislation” in the conference, and described in depth with simple terms the Sustainable Development Guidemap for TWSE- and TPEX-Listed Companies of Taiwan's Financial Supervisory Commission, to jointly promote the goal of net-zero carbon emissions and sustainable development.

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The supplier partner, Tatung System Technologies Inc., shared that the company has introduced smart meters since 2017 and has been promoting the progress of environmental protection actions such as electronic forms and documents and energy consumption monitoring system year by year, echoing Yuanta FHC's philosophy of establishing a green corporate culture. We expect to leverage the influence of the financial industry in leading small businesses to promote green initiatives along the supply chain, so as to reduce the risks posed by suppliers to the corporation itself and to achieve the objective of constructing a green supply chain for Yuanta Group in a concrete and effective manner.

While pursuing steady business growth, Yuanta FHC attaches equal importance to the management and control of procurement risks and the implementation of responsible procurement. Yuanta FHC has passed the ISO 20400 Sustainable Procurement Guidelines standard for three (3) consecutive years. The Procurement Department conducts an annual evaluation of major suppliers, with "sustainable development" as one of the evaluation items, and classifies major suppliers into A (excellent), B (qualified), and C (to be observed) levels based on the evaluation results. Last year, 154 suppliers were evaluated and 30 received an A level. By promoting sustainable supply chain management and systematically managing the sustainable procurement process, Yuanta FHC has fully implemented the concept of sustainability in the procurement process of its subsidiaries and promoted sustainable development together with its suppliers, and has taken specific actions to realize the vision of "international benchmark enterprise for sustainability."