

2.4 Stakeholder Engagement

Stakeholder Communication

Yuanta Financial Holdings takes into account domestic and international trends in sustainability, and through cross-departmental and cross-subsidiary discussions among members of the Corporate Sustainability Office, in accordance with AA 1000 SES (AA 1000 Stakeholder Engagement Standard), eight categories of stakeholders, including shareholders and investors/creditors, government agencies, current employees, potential employees, customers/debtors, media, community, and suppliers, were selected as the main targets for communication.

In the process of promoting corporate sustainability, the Company attaches great importance to the expectations and needs of its internal and external stakeholders, and regularly discloses its operational performance and ESG-related information through the publication of annual reports, ESG reports, and press releases. We have also set up a stakeholder area on our website and a communication line to understand the needs of stakeholders and their expectations of the Company.

Stakeholder Communication Topics of Interest

Materiality	Topic	Communication channels, feedback methods	Communication frequency	2022 Key communication achievements
Stakeholder: Shareholders and Investors /Creditors				
Two-way communication through periodic overseas and domestic legal conferences and one-on-one meetings with institutional investors are carried out each year to provide institutional investors with a clear understanding of the Company's long-term development strategies and financial and business overview and to learn about institutional investors' suggestions and ideas for the Company and report them to decision makers for consideration of the Company's future strategic direction.	Corporate governance	Announcement of operation profile on Market Observation Post System and company website	Monthly	<ul style="list-style-type: none"> 1 shareholders meeting. The Company has been selected for multiple international ESG assessments, including being listed for 4 consecutive years in the Dow Jones Sustainability World Index and Dow Jones Sustainability Emerging Markets Index; S&P Global Sustainability Yearbook Silver Class; CDP Leadership Level A; Bloomberg Gender Equality Index; FTSE4Good Emerging Index; and FTSE4Good TIP Taiwan ESG Index. The Company, along with Yuanta Securities and Yuanta Bank, has been certified for excellent corporate governance systems by the Taiwan Corporate Governance Association through the CG6013 (2021) corporate governance assessment. (Certificate valid from December 29, 2022 to December 28, 2024). The 2021 Yuanta Financial Holdings ESG Report has been released in both Chinese and English versions and will be regularly updated on the Company's official website. We received invitations to participate in 4 investor conferences and conduct more than 60 meetings (including video and phone conferences) with analysts and institutional investors. As part of our ongoing efforts, we frequently gather investor feedback and analyze areas of concern, such as net-zero transition, risk management, and market trends, among others, which are in turn reported to senior management on a regular basis. Following the SASB's sustainability accounting standards for "Investment Banks and Brokerage Firms" and "Commercial Banks", with relevant information in the ESG Report, climate risks and opportunities have been identified and our first TCFD Report published using the TCFD framework. A third-party institution has been contracted to oversee and audit compliance with corporate debt obligations on behalf of the debt holders.
	Integrity management	Announcement of financial reports and investor presentations on the Company's website	Quarterly	
	Legal compliance	Shareholders meeting	Annual	
		International ESG ratings	Annual	
	Risk management	Participating in credit rating	Annual	
		Issuance of Annual Report and ESG Report in English and Chinese	Annual	
	Sustainable finance	Setting up Chinese and English website and stakeholder contact area	On a regular basis	
	Financial inclusion	Domestic and international investor presentations	Nonscheduled basis	
Information and transaction security	Disclosing the latest information on corporate governance and sustainable development	Nonscheduled basis		
	Communication with investors through bond underwriters, preparation of public prospectuses	Nonscheduled basis		
Climate action	Providing the Company's credit rating report and disclosing the latest financial and operational information for reference in credit evaluation	Nonscheduled basis		

Materiality	Topic	Communication channels, feedback methods	Communication frequency	2022 Key communication achievements			
Stakeholder: Government Agencies							
To comply with the relevant requirements and strengthen management capabilities through regular and periodic responses to surveys with the competent authorities and to release major information and to respond to relevant inquiries.	Legal compliance Customer rights Friendly and excellent working environment	Joined the "Coalition of Movers and Shakers for Sustainable Finance"	Quarterly	<ul style="list-style-type: none"> Under the leadership of FSC, Yuanta and financial peers have advanced the establishment of the "Coalition of Movers and Shakers for Sustainable Finance", and jointly promoted the "Financial Industry Net Zero Promotion Work Platform" with financial-related associations. On a monthly/quarterly basis, operational status reports and declarations have been submitted to the competent authorities, enabling them to grasp the overall financial landscape. The Company has not violated any regulations regarding information disclosure, material news, and press conference reporting requirements set forth by the Taiwan Stock Exchange. 			
		Reporting operations overview	Quarterly				
		Responding to inquiries from the competent authorities through official documents, meetings, phone calls, emails and public information	Nonscheduled basis				
		Announcement of material information	Nonscheduled basis				
		Reporting the results to the Market Observation Post System within 2 days of receiving the credit rating	Nonscheduled basis				
Stakeholder: Current Employees							
Through communication with employees, we listen to their opinions and needs, and communicate with them about the Company's policies, including education and training, workplace safety and health, compliance with laws and ethics, and performance appraisal, so that we can work together to achieve good results.	Corporate governance Integrity management Talent cultivation and development Friendly and excellent working environment	Club activities	Quarterly/Monthly	<ul style="list-style-type: none"> Company executives at all levels have incorporated sustainable development goals and ESG initiatives into their annual work objectives, and linked them to the reward system to promote sustainable business development. To develop and implement occupational health and safety prevention programs such as maternal health protection plans, prevention for diseases induced by abnormal workloads, ergonomic hazard initiatives, and other measures for infringements of job duties. The Company achieved an 85% participation rate in the Employee Sustainable Engagement Survey conducted among employees at home and abroad. Of the participating employees, 86% expressed a positive evaluation of the level of sustainable engagement. The average number of training hours and frequency, as well as the associated training expenses per employee, increased by 23.2% and 17.9%, respectively, compared to the previous year. The implementation of digitalized teaching methods resulted in a decrease of 5.4% in the average training expenses per employee. To ensure the safety of employees and maintain uninterrupted operations, verification has been conducted using the ISO/PAS 45005 COVID-19 occupational health and safety management guidelines during the pandemic period. Based upon daily COVID-19 situations, epidemiological investigations have been conducted, with notifications issued and preventive measures implemented. A total of 32 epidemic prevention guidelines have been released to safeguard the health of employees and their families. 			
		Convening labor-management meetings and occupational safety and health committees	Quarterly				
		Performance evaluation and feedback	Half year				
		Occupational safety and health training	Annual				
		Employee engagement survey	Every two years				
		Organized Summit Forum / "Yuanta e-Learning" online courses	On a regular basis				
		Employee complaint mailbox, internal communication channel, e-newsletter	On a regular basis				
		Employee Benefit Committee, Employee Stock Ownership Committee, and Labor Retirement Reserve Committee	Nonscheduled basis				
		Stakeholder: Potential Employees					
		The Company welcomes outstanding talents and helps students understand the current status of the financial industry to help them with their career choices.	Talent cultivation and development		Industry-academic cooperation internship	Annual/Half year	<ul style="list-style-type: none"> Collaborations established with 139 schools for industry-academic partnerships, cultivating a strong interest among the new generation to enter the financial industry. Through jointly developed credit courses, internships, keynote speeches, corporate visits, and campus recruiting, efforts are made to actively foster financial talent, with a total of 12,564 participations by individuals in 2022. We operate a Facebook fan page and an official internship opportunity website to assist students in understanding Yuanta and its various internship and employment opportunities.
Lectures, industry-academia cooperation	On a regular basis						
Recruitment website, company website, company Facebook	On a regular basis						
Course cooperation, career counseling	Nonscheduled basis						

Materiality	Topic	Communication channels, feedback methods	Communication frequency	2022 Key communication achievements
Stakeholder: Clients /Debtors				
<p>We provide a complete range of products to meet customers' needs, provide more diversified and convenient services, and combine multi-faceted issues and methods to attract customers' attention and increase customer loyalty. We also help customers understand the risks and costs associated with the use of financial products and services, so as to reduce the chance of future disputes.</p>	Customer rights	E-News and various investment research reports	Daily/ Monthly	<ul style="list-style-type: none"> The weighted average of customer satisfaction for the five major subsidiaries is 98.97%. Yuanta Securities' "Mr. Investor" is the first zero-carbon app in the securities industry to pass both ISO 14067 and PAS 2060 international certifications. Yuanta Bank has approved 22 sustainability-linked loans with a total amount of NT\$18.5 billion. Yuanta Life has undertaken 73 micro-injury insurance policies with a total coverage amount of NT\$1.778 million. Yuanta Funds has a total of 18 funds with the highest rating of 5 globes from Morningstar, Inc., with a combined fund size of NT\$512.506 billion. Yuanta Futures has been ranked in the top 20% in the Principle for Financial Service Industries to Treat Clients Fairly. It has also launched three ESG futures products, with a trading volume of 21.37 million contracts. Yuanta Securities Investment Consulting has established the "Money-Managing Expert" YouTube channel, producing and broadcasting 25 videos, accumulating nearly 600,000 views. A comprehensive grievance channel with dedicated units for dispute and complaint resolution. www.yuanta.com/TW/ESG/Stakeholder-Engagement/Contacts
	Financial product innovation and services	Payment discount program notification letter	Daily/ Monthly	
	Information and transaction security	Repayment negotiation	On a regular basis	
	Financial inclusion	Customer service center, customer service and complaint hotline	On a regular basis	
	Sustainable finance	Web services and mobile services app	On a regular basis	
		Investment and financial management seminars, talks and forums	Nonscheduled basis	
	Customer satisfaction survey	Nonscheduled basis		
	Debenture replacement	Every 5 years		
Stakeholder: Media				
<p>The Company has created good media relations and established smooth communication channels, so that the media can report fairly the Company's operating status to the public.</p>	Corporate governance			<ul style="list-style-type: none"> Issued 257 press releases this year. Provided the latest market overview and financial products information to help the public keep abreast of market trends. From time to time, the Company and its subsidiaries hold press conferences and events. Issued press releases or statements on major issues. Specialized staff is responsible for media communication between the Company and its subsidiaries, and respond to media questions immediately.
	Integrity management	Providing the latest market overview and financial commodity information	Regular	
	Legal compliance	Media, press conferences, and advertising	Nonscheduled basis	
	Financial product innovation and services	Explanation of unexpected events	Nonscheduled basis	

Materiality	Topic	Communication channels, feedback methods	Communication frequency	2022 Key communication achievements
Stakeholder: Community				
<p>The relationship between business and society is one of coexistence and co-prosperity. Our role as a "charity platform" helps others to realize their dreams, turn their lives around, and move forward to happiness. We also help the public to know more about the Group and how it continues to spread positive energy for Taiwan.</p>	Social welfare	Yuanta Blood Donation Campaign	Annual	<ul style="list-style-type: none"> The Group invested 2,989 volunteers, logged 7,386 volunteer hours, and benefited 670 thousand people from its annual public welfare activities. For six consecutive years, we have organized the "Dream Big Project" and provided human and material resources to assist 37 small social welfare organizations in need, benefiting 120 thousand people in total. For the past 12 consecutive years, we have been promoting the Yuanta-FJCU Dreams Take Flight Project and have provided 1,881 Yuanta scholarships, including 127 undergraduates and 6 graduate students, as well as academic tutoring for more than 300 primary and secondary school children in rural areas. Disclosure of the status of public donations on our website https://www.yuanta.com/TW/ESG/Social-Engagement
		Dream Big Project /Yuanta-FJCU Dreams Take Flight Project	Annual	
		Social welfare, academic education, and environmental protection activities	On a regular basis	
		Community care and neighborhood visits	Nonscheduled basis	
		Collaboration with NPO/NGO groups	Nonscheduled basis	
Stakeholder: Suppliers				
<p>To enable our suppliers to understand our environmental and human rights standards and to work together with them to promote ESG concepts</p>	Supplier management	Supplier reviews	Annual	<ul style="list-style-type: none"> Annual evaluation of 150 major suppliers, classified into three grades of ABC according to the evaluation results, including 10 grade A (excellent), 134 grade B (qualified), and 6 grade C (engaging and coaching). Following the "Yuanta Financial Holding Co., Ltd. and Subsidiaries Guidelines of Supplier Management" and evaluating both new and existing suppliers based on three ESG dimensions. Three supplier conferences conducted to communicate and negotiate over sustainability-related issues, including human rights and the environment. The entire group has been verified by ISO 20400 Sustainable Procurement Guidelines to systematically implement and manage the sustainable procurement process; business partners are required to include 100% of the "Yuanta Financial Holding Co., Ltd. Supplier's Terms and Conditions for Sustainable Procurement" and "Integrity Management Terms and Conditions" in their procurement contracts.
		Supplier self-assessment	Annual	
		Supplier conference	Annual	
	Information and transaction security	Signing of Supplier's Terms and Conditions for Sustainable Procurement	Regular	
		Social welfare		