

6 Inclusive Financing



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6 Inclusive Financing

By providing professional, efficient, reliable services, Far Eastern International Bank builds a trustworthy, lasting partnership with customers, enhances service quality, develops new product, and builds a mechanism with careful product check process and risk disclosure. We integrate customer-oriented services into our process, utilizes digital technology, combine inclusive financing concept, quickly respond to customer need and expectation, firmly guarantee the customer's rights, and makes simple money management videos to share financial and money management knowledge and global economic condition, and strive for teaching inclusive financing.

Fair Treatment of Customers

Regular customer satisfaction survey

Perform satisfaction survey on wealth management customers by phone survey sampling every year. The survey result is associated with the performance appraisal of financial consultant to make sure that there's no mis-selling and improve service quality. In 2022, satisfaction of wealth management customer is 96.3 points. Our satisfaction has always been above 90 points for eight years in a row. In addition, we have been honored nine customer experience awards by four professional financial media.



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Fulfill principles of fair treatment of customers

The customers of our four business groups are different. Duties of each unit also vary. However, we always strive to implement principles of fair treatment of customers in financial service industry. The “Fair Treatment of Customers Promotion Division” under the President is responsible for drawing up relevant policies, holding education training and appraisal, and discovering issues that might be neglected by all departments. It draws up concrete solutions accordingly and proposes review at the senior management meeting. The Chief Compliance Officer reports the appraisal result to the Board of Directors regularly, forms a good culture of fair treatment of customers top down, makes sure that fair treatment of customers is the code of conduct for all employees. This reduces the cost of violation, beneficial to sustainable operation.

Major achievement of fair treatment of customers in 2022

1. The evaluation result of principles of fair treatment of customers in the banking industry released by the FSC shows that we are in the top 25%.
2. We organized the education training for principles of fair treatment of customers. The number of training hours for all employees is 4,811 hours, 2.32 hours per person on average. An exam on fair treatment of customers is held in July to raise awareness of employees on fair treatment of customers and help employees learn more about fair treatment of customers.

Courses on fair treatment of customers in 2022			
Theme	Subject	Number of hours	Number of participants
Sharing on principles of fair treatment of customers in financial service industry	Directors	20 minutes	11
Introduction of financial consumer protection law in the principles of fair treatment of customers	All employees	91 minutes	2,727
Case study of principles of fair treatment of customers	All employees	37 minutes	2,741
Consumer conversation simulation in principles of fair treatment of customers	All employees	65 minutes	2,755



3. The “Mystery Shopper Project” was entrusted to an external agency in May to examine fair treatment of customers at our bank and propose advice from the perspective of a fair third party. This project was completed in September.
4. We rolled out various products and services, signed our application for new business, and submitted it to competent authorities. We stipulated the “Precautions for signing.” In 2022, when the Legal & Compliance Group inspected the project for signing, it noticed that an inspected unit has not improved conducts that failed to comply with the Securities Investment Trust and Consulting Association of the R.O.C. Guidelines for Advertisements and Business Activities Performed by Members and Their Sales Agents according to the opinion letter issued by the Legal & Compliance Group. Therefore, a low risk problem was listed. The inspected unit improved the conducts later on, then we terminated the contract with the unit we collaborated with. The web service for this signing project has been removed from our website.


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5. For appraisal of ten principles of fair treatment of customers and actions promoted by the Board of Directors, the Legal & Compliance Group is in charge of self-evaluation. The result of self-evaluation is 89.64 points and the full score is 90 points.

Item no.	Appraisal indicator	First line of defense	Second line of defense	Third line of defense	Average score	Average score*60%
		Self-evaluation of business unit	Self-evaluation of compliance or risk management unit	Self-evaluation of internal audit unit		
1	Principle of fairness and good faith when preparing contracts	9.56	10	10	9.85	5.91
2	Principle of due care and fiduciary duty	9.34	10	10	9.78	5.87
3	Principle of truthfulness in advertising and solicitation	9.88	10	10	9.96	5.98
4	Principle of product or service suitability	9.74	10	10	9.91	5.95
5	Principle of notification and disclosure	9.94	10	10	9.98	5.99
6	Principle of balance between remuneration and performance	10	10	10	10	6
7	Principle of complaints protection	9.97	10	10	9.99	5.99
8	Principle of professionalism of sales personnel	10	10	10	10	6
9	Principle of friendly service	9.83	10	10	9.94	5.96
10	Principle of implement ethical corporate management	9.95	10	10	9.98	5.99
Subtotal						59.64 ①
11	How much the Board of Directors pays attention to and the action it takes	30 ②				
Our self-evaluation score ① + ②		89.64 (full score: 90)				

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6. Friendly financial service

Dimension	Instruction
Senior care measures	<ul style="list-style-type: none"> ♥ Active care by the branch teller <ul style="list-style-type: none"> ■ Ask the senior customer when he withdraws a certain amount of cash over the counter. ■ The teller observes the customers and helps seniors immediately. ♥ Money management for senior customers: <ul style="list-style-type: none"> ■ Strengthen product suitability and make sure that customers understand risks. ■ Develop pension trust instruments for the public and help seniors protect their assets. 
Disadvantaged-friendly measures	<ul style="list-style-type: none"> ♥ Our official website is honored the Grade A Mark of Accessible Website Regulations by NCC. ♥ At the end of 2022, 126 ATMs out of 153 ATMs in Taiwan (82%) are suitable for people with physical disabilities (wheelchair users) and nine of them (6%) offer voice functions to people with visual impairment. ♥ Offer ATM fee waiver programs to people with physical and/or mental disabilities. ♥ An accessible counter and restroom are available in the branch. There's a call button at the entrance and exit to guide people with physical and/or mental disabilities and seniors. ♥ In 2022, we started to collaborate with Taiwanese Association of Sign Language Translation Interpreters, offering real-time video remote interpreting or reservation of onsite sign language interpreting service. ♥ In 2022, we held friendly financial service training for helping customers with physical and/or mental disabilities, including real-time sign language interpretation. 921 tellers joined the training.
Preventing customers from being defrauded	<p>We work with the government to fight crime and prevent unlawful conducts such as scam, money-laundering and tax evasion, to strive for a safer society:</p> <ul style="list-style-type: none"> 🔒 We improve training of frontline tellers. Our tellers pay attention to the customer, keep alert, report problems immediately, and work with police. We are obligated to keep an eye on financial crime and fulfill social responsibility as a financial worker. 🔒 Add scam reminder on the online bank and mobile transfer page. 🔒 Add reminder to the passbook to prevent dummy account and prevent people with physical and/or mental disabilities from scam. 🔒 In 2022, branch tellers stopped scam 29 times and stopped over-the-counter transfer scam of NT\$8.5 million.

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7. Financial Knowledge Advocacy and Promotion

Item	Implementation												
Kids Wealth Management Camp	<ul style="list-style-type: none">❖ Four sessions of Kids Wealth Management Camp was held in summer vacation, 104 participants in total.❖ Parents and kids explore financial insurance knowledge together. Insurance experts explain large and small risks in life in a straightforward way, and further explain topics on children's education and risk planning, such as insurance policy review.												
Establish the Senior Learning Academy 4.0	<ul style="list-style-type: none">❖ The 5th Establish the Senior Learning Academy 4.0 was held in September. It lasts 12 weeks and 35 people participated in it.❖ “Learn NFT” and “Senior Nursery Trust” are added to the course.												
Celebrity Lectures	<ul style="list-style-type: none">❖ We worked with Asia Eastern University of Science and Technology and Yuan Ze University on the University for Seniors in November, and arranged promotion of senior nursery trust at the University for Seniors.❖ Three sessions were held, 2.5 hours each, 125 participants in total. <ul style="list-style-type: none">❖ “Start Nursery Trust, Ensure Happy Future,” a physical seminar on nursery trust, was held in December. Su Chia Hung, a family lawyer, was invited to share knowledge on wealth inheritance and trust.❖ 45 people participated in the seminar.												
FEIB's YouTube Channel “Little Yuan Wins”	<ul style="list-style-type: none">❖ We created a YouTube Channel “Little Yuan Wins” to promote knowledge on financial and money management. The investment market team shares professional market analysis. It is a free channel on YouTube. We added core factors, environment and society, to video content in 2022 to help people learn more about sustainable value.❖ In 2022, we expect to make three episodes on money management regarding inclusive financing, 23 episodes on professional market analysis, 26 videos on financial knowledge in total. We aim to convey the concept of money management and the latest market investment information. Our channel has 590,591 views. Topics of inclusive financing videos are shown below: <table><tr><th>Launch</th><th>Theme</th><th>Number of views</th></tr><tr><td>January</td><td>Learn about FX margin trading</td><td>10,186</td></tr><tr><td>March</td><td>New aspect of investment for happy retirement</td><td>248,595</td></tr><tr><td>September</td><td>Start Nursery Trust, Ensure Happy Future</td><td>18,022</td></tr></table>	Launch	Theme	Number of views	January	Learn about FX margin trading	10,186	March	New aspect of investment for happy retirement	248,595	September	Start Nursery Trust, Ensure Happy Future	18,022
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Far Eastern International Bank Happy+LINE account	We offer various financial information. 126,788 people added us.												

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Handling of financial consumption dispute

We offer a 24-hour integrated customer service center. Customers can receive an integrated one-stop service through any channel. During the COVID-19 pandemic, remote backup and WFH programs are established to integrate system and ensure information security, in order to maintain a non-stop customer service. Furthermore, we drew up regulations for customer complaint management, "System for handling of financial consumption dispute and handling process," "Precautions for financial consumption case management" and "Procedure for handling of financial consumption dispute." We hope that customer opinion or complaint can be handled as soon as possible. Responses have been organized integrally and systematically. Statistical analysis is executed and reported to the President and management level every month. It is reported to the Risk Management Committee regularly and included in self-evaluation of operational risk. In order to help the top governance agency keep track of consumer protection at our bank, we explain each major customer complaint and follow-up handling.

Major achievement of customer complaint handling in 2022

Our customer satisfaction is 99.8%.

If a customer reports his problem and need through any channel, he can receive full response from the customer service center. The indicator of customer service level shows that 80% of the calls are answered in 30 seconds. After a customer has been served, the computer system draws a customer randomly and guides the customer to grade satisfaction via the voice system. This grading system draws 10,307 customers, and satisfaction is 99.8%. 25,653 customers have been drawn for the AI customer satisfaction, and satisfaction is 88.8%.

Immediate handling and proper handling

Two indicators of customer complaint handling performance have been added. Sensitive and general cases are handled in three and ten workdays, respectively. The day that the customer complaint has been handled is the day that we called the customer back and reached consensus with the customer or the day that we notified the customer about how the customer complaint is handled. If we cannot reach the customer by phone, the day we reply to the customer by mail is the day that we finished handling the customer complaint. Statistics show that there are 371 customer complaints for all of our businesses in a year, less than the previous year, which is 524 customer complaints. These customer complaints include the ones handled by our customer service center, and competent authorities such as Banking Bureau and Financial Ombudsman Institution. Sensitive cases are handled in a day on average and general cases are handled in two to three days on average. 83% of the cases are handled in three days. 87% of the customer complaints handled properly have not been submitted through any channel in 30 days after being handled.

Analysis of cause of customer complaint and enhancement

The "Consumption Dispute Management Division" was founded in February. A meeting is held every month to review and continue to optimize customer complaint handling, and propose corrective or prevention measures to prevent similar problems from occurring in the future.

Customer service enhancements in 2022	
Item	Instruction
Modify SOP	Amended the "System for handling of financial consumption dispute including SOP" and clarify relevant duties and functions.
Implement the international standard	Introduced the ISO 10002 Customer Complaint Quality Management and passed the BSI certification.
Optimize AI customer service	User experience is enhanced by correcting the employee's behavior immediately to make sure that the score of service precision is 95% and above.
Customer complaint is associated with performance appraisal	The customer complaint an employee attributed to is explicitly specified in the annual performance evaluation form of the employee as the reference for evaluating the employee's performance in the customer dimension.

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ESG Financial Instrument and Service

The Bank is able to collect fund from the society and manage and utilize it. To lead the critical power of the entire society that implements sustainable development, we incorporate ESG into core business, deploy ESG product line, promote sustainable finance and ensure sustainability for environment and society.




Personal finance			
Item	Instruction/Method	Customer	ESG benefits in 2022
ESG fund and purchase discount	<ul style="list-style-type: none"> The launched ESG fund must meet Article 8 or 9 in Sustainable Finance Disclosure Regulation (SFDR) or the level of four to five Earths in Morningstar Rating. From September to December 2022, customers can get 60% off for handling fee of ESG fund purchase via a digital channel. 	Wealth management customer	<ul style="list-style-type: none"> There were 1,925 ESG funds at the end of 2022. The total amount of subscription of ESG fund during the discount period is NT\$452 thousand. Our goal in 2023 is that the number of ESG funds must be at least 5% of the total number of funds among the selected funds each quarter.
Home loan for green building	The loan was rolled out in April 2022, up to 30 years of loan period. Besides a low interest rate, the start-up cost is only NT\$888, which was originally NT\$5,000.	The borrower offering a building with Green Building Mark as a collateral	Major media such as China Times and Liberty Times reported this discount for more people to learn about the green building loan discount.
Eden Social Welfare Foundation Love Card	We issued the Eden Social Welfare Foundation Love Card in 1997. 0.3% of the credit card amount is donated to Eden Social Welfare Foundation.	General public	<ul style="list-style-type: none"> In 2022, we donated NT\$1,367,754 to Eden Social Welfare Foundation, NT\$52,307,531 in total. 1,231 credit cards were issued in 2022.
Sustainable donation platform of Eden Social Welfare Foundation	<ol style="list-style-type: none"> Hope Passbook: Conversion of account interest to donation to Eden Social Welfare Foundation automatically Conversion of credit card dividend to Eden Social Welfare Foundation The event for motivating credit card holders to donate to Eden Social Welfare Foundation Donation from the holder of Eden Social Welfare Foundation Honor Card 	General public	In 2022, we donated NT\$942,412, NT\$35,921,927 in total.
Happy Home+ Card	<ul style="list-style-type: none"> This credit card aims to provide a better life for family. It offers benefits to take care of mental and physical needs of young parents, and endeavors to support them for parenting. In 2022, it extends services to pet owners and offers discounts on pet supplies. 	Family with underage children Grandparents	Birth population continues to drop. The credit card aims to focus on sub-replacement fertility and animal care. 70 thousand credit cards were issued in the first year, 2021. More than 150 thousand credit cards were issued in 2022.

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Personal finance			
Item	Instruction/Method	Customer	ESG benefits in 2022
Microinsurance	We work with the insurance company to offer this traditional one-year term life insurance, injury insurance and full reimbursement medical insurance.	Economically disadvantaged group	<ul style="list-style-type: none"> This is the basic guarantee for economically disadvantaged groups to cope with life and injury risk. We donated NT\$100 thousand to Hualien County Government in 2022. China Life Insurance matched the donation to 508 people to pay the insurance premium for them. This donation has been included into the annual donation plan since 2020.
Small amount aging insurance	We worked with an insurance company to roll out whole life insurance as a main contract. The whole life insurance is for death insurance or total disability insurance. The maximum amount covered is NT\$700 thousand. The addendum of one-year personal injury insurance with amount covered up to NT\$100 thousand can be attached to the main contract. The insurance policy is basic guarantee and the insurance premium is lower than the life insurance policies in the same category.	Economically disadvantaged middle-aged person and senior	To respond to the aging trend and sub-replacement fertility, offering basic insurance to as many seniors as possible is our way to implement inclusive financing. In 2017, we acted as the sales agent of the insurance in 2017. People can take out the insurance at all branches in Taiwan.
Senior Nursery Trust	<p>This is a financial trust service for care and nursery of seniors. We offer a standardized contract for seniors to understand it easily. We reduce the contract-signing fee and management fee to achieve inclusive financing.</p> 	Seniors and their family caregiver	<ul style="list-style-type: none"> Solve the retirement financial management risk and reduce the social risk derived from aging society. In 2022, we granted 867 loans, NT\$458.62 million. By 2022, there are 30 beneficiaries of nursery trust per 10 thousand account holders. The balance of trust estate of principal from nursery trust is 1.6% of the balance of trust estate of principal from overall trust business. We are honored the Nursery Trust Award B Group 1st Place of "Trust Industry Promotion Trust 2.0 Plan" by the FSC. We are honored the National Brand Yushan Award by Republic of China National Enterprise Competitiveness Development Association.
Happy Retirement Money Management Plan for Everyone	This is an investment target we developed that has low fluctuation and high fluctuation. It is suitable for pension and has no handling fee.	<ol style="list-style-type: none"> Low earner Worker who is about to retire 	<ul style="list-style-type: none"> We initiated the low earner pension increase plan to mitigate personal financial risk derived from aging problem and sub-replacement fertility. 612 customers participated in the plan at the end of 2022. We compose the "Pension Calculator" of Economic Daily News for a long time.
Trust for care of people with physical and/or mental disabilities and time deposit benefit	<ul style="list-style-type: none"> Financial trust service planned for focusing on care and nursery of people with physical and/or mental disabilities Use disability identification to receive additional interest rate benefits. 	People with physical and mental disabilities and their family caregiver	Help people deal with the risk of taking care of people with physical and/or mental disabilities, and reduce social problems incurred from taking care of them. In 2022, we granted eight loans, NT\$6.68 million.

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Personal finance			
Item	Instruction/Method	Customer	ESG benefits in 2022
Bilingual demonstrative branch	<ul style="list-style-type: none"> The bilingual slogan is installed in the branch. A real-time translation system in multiple languages is available. Staff offering financial services can speak English. In 2022, a bilingual version of all of the common application form for foreign customers is available. Discipline of bank teller in English is implemented. 	<ol style="list-style-type: none"> Foreigner New immigrant 	<ul style="list-style-type: none"> We advocate the bilingual nation policy and strive for the vision of internationalization of local financial service. We expect to open six bilingual demonstrative branches, including Taipei Chengzhong Branch, Linkou Branch, Taipei Chengde Branch, and Taichung Gongyi Branch. Huang Tien Mu, Chairman, Financial Supervisory Commission, and Kung Ming Hsin, Chairman, National Development Council, inspected Taipei Chengde Branch and praised the bilingual service of the branch. A translation machine in multiple languages is available at all branches. 
Dementia-friendly branch	Dementia population increases day by day because Taiwan has become an aging society. The Department of Health, New Taipei City Government, held the event "build dementia-friendly stores" with Far Eastern Memorial Hospital. Our branches in New Taipei City echo this project of human rights protection and senior care. Mega City Branch, Banqiao Nanya Branch, Banqiao Wenhua Branch, Banqiao Zhongheng Branch, Sanchong Branch and Luzhou Branch joined the event.	Senior with dementia	<ul style="list-style-type: none"> Dementia-friendly workshop: Six branches in New Taipei City took part in the workshop. Fifteen employees became seeded students of the workshop on behalf of our bank. Dementia education materials are distributed to all branches to promote a dementia-friendly environment together. Online certification of dementia friendly and guardian angel: 60 employees from four branches in total joined the program, Mega City Branch, Banqiao Nanya Branch, Banqiao Wenhua Branch and Banqiao Zhongheng Branch. All of them passed the online certification of "dementia friendly and guardian angel." The four branches were honored the dementia friendly mark.
COVID-19 relief program	We offer deferred payment or postponement solutions to customers, applicable to home loan, car loan, consumer loan and credit card payment. Customers may apply for three to six months of deferred credit card payment, and three to six months of deferred principal and interest repayment for other personal loans with penalty and delay interest waiver during deferment.	The credit card customer and other personal loan customer under the impact of pandemic	<ul style="list-style-type: none"> We allowed deferred credit card payment for 1,549 cardholders and the deferred amount is NT\$129.7 million. We allowed deferred payment of personal loan for 824 borrowers, and the approved amount is NT\$2,356.6 million.
Humanity-themed calendar for holiday gift	The calendar stays on the side of customers throughout the year. We bless our customers, and communicate with them on life aesthetics. The calendar of 2023 is the "Performance Hall in Taiwan."	Existing customer	The calendar of 2023 aims to invite customers to watch performances, advocate and support performing arts, and bring the culture of truth, kindness and beauty. About 20 thousand calendars were published.

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Digital finance																				
Item	Instruction/Method	Customer	ESG benefits in 2022																	
Bankee	This is the first community bank in Taiwan based on sharing economy. Customers connect themselves to the community circle. It is like they open a branch by phone and they can receive benefits in return in the long run.	<div>① Young generation</div> <div>② Startup</div>	<div><div>● We use a creative feedback mechanism to support the young generation with limited income to operate their own micro-branch, in order to earn passive income. We had more than 170 thousand accounts at the end of 2022.</div><div>● Our open platform has been collaborating with seven fintech startups to assist in their development.</div><div>● We offer paperless, contactless banking services for carbon reduction.</div></div>																	
Automation service platform	Promote paperless service and continue to optimize various financial digital service platforms, e.g. personal online bank, corporate online bank, mobile bank and ATM.	<div>① Existing customer</div> <div>② The customer group that would be inconvenient to make transactions at a branch</div>	<div><div>● We avoid human contact via automated service and transaction during the COVID-19 pandemic to help maintain social distancing.</div><div>● We offer contactless services. Customers do not need to visit the branch; hence, carbon footprint and paper use are reduced.</div></div> <table><tr><th>Service item</th><th>Reduce the number of pieces of paper</th><th>Carbon emissions equivalent</th></tr><tr><td>Promote large-amount foreign exchange on app/application for pre-designated account online. The off-counter rat is 94.7%.</td><td>9,833 thousand</td><td>83.4 tons</td></tr><tr><td>Develop digital application services such as STP process automation service. The digital customer acquisition is 47.7%.</td><td>876 thousand</td><td>7.4 tons</td></tr><tr><td>Combine the e-bills of the entire bank. Increase our penetration rate.</td><td>25,464 thousand</td><td>215.9 tons</td></tr><tr><td>Total</td><td>36.17 million</td><td>306.7 tons</td></tr></table>			Service item	Reduce the number of pieces of paper	Carbon emissions equivalent	Promote large-amount foreign exchange on app/application for pre-designated account online. The off-counter rat is 94.7%.	9,833 thousand	83.4 tons	Develop digital application services such as STP process automation service. The digital customer acquisition is 47.7%.	876 thousand	7.4 tons	Combine the e-bills of the entire bank. Increase our penetration rate.	25,464 thousand	215.9 tons	Total	36.17 million	306.7 tons
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Corporate finance			
Item	Instruction/Method	Customer	ESG benefits in 2022
Corporate pandemic relief loan program	We help corporations impacted by COVID-19 pandemic obtain relief and revitalization fund or allow them to postpone repayment of existing loan.	Corporation or education business	<ul style="list-style-type: none"> We assist corporations in overcoming the COVID-19 impact. This helps stabilizing social economy and employment rate. We accepted 28 loans and approved 23 loans with the amount of NT\$572.6 million.

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Corporate finance																								
Item	Instruction/Method	Customer	ESG benefits in 2022																					
Green expenditure loan and the loan linked to sustainability performance	We invest resources into green industry development with the power of our financial business, and drive energy transition. We carefully select corporate borrowers, grant loans to eco-friendly corporations, formulate internal regulations, and include ESG performance appraisal of these corporations into our internal regulations.	Energy-saving products such as solar power products, green power products and electric cars, green building, and sewage or waste treatment industry	In 2022, the balance of relevant loan was NT\$18.6 billion, 8.7% of the total balance of corporate finance loan, surpassing the goal of 8.5%.																					
Financing facilitating development of small company and community	We help smart companies and facilitate loans for startup development.	Small company and startup	<ul style="list-style-type: none">● We are honored the “2021 SME Lending Grade A Bank” by the FSC.● At the end of 2022, we granted loans to 1,139 small and startup SMEs with a balance of NT\$50,356 million. We collected debts from two borrowers with a balance of NT\$26 million.																					
			<table><tr><th colspan="2">Corporation</th><th>Number of borrowers/balance at the end of 2021</th><th>Number of borrowers/balance at the end of 2022</th></tr><tr><td>A</td><td>No more than 20 employees</td><td>953 accounts NT\$33,540 million NTD</td><td>1,086 accounts NT\$47,371 million NTD</td></tr><tr><td>B</td><td>Capital is no more than NT\$5 million</td><td>618 accounts NT\$2,789 million NTD</td><td>701 accounts NT\$4,897 million NTD</td></tr><tr><td>C</td><td>Annual revenue is NT\$10 million and below</td><td>647 accounts NT\$8,986 million NTD</td><td>734 accounts NT\$17,020 million NTD</td></tr><tr><td>D</td><td>Founded for five years and below</td><td>264 accounts NT\$3,121 million NTD</td><td>277 accounts NT\$6,700 million NTD</td></tr></table>		Corporation		Number of borrowers/balance at the end of 2021	Number of borrowers/balance at the end of 2022	A	No more than 20 employees	953 accounts NT\$33,540 million NTD	1,086 accounts NT\$47,371 million NTD	B	Capital is no more than NT\$5 million	618 accounts NT\$2,789 million NTD	701 accounts NT\$4,897 million NTD	C	Annual revenue is NT\$10 million and below	647 accounts NT\$8,986 million NTD	734 accounts NT\$17,020 million NTD	D	Founded for five years and below	264 accounts NT\$3,121 million NTD	277 accounts NT\$6,700 million NTD
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<ul style="list-style-type: none">● In 2022, we have granted loans to 388 small and startup SMEs, the net increase of balance is NT\$16,471 million and the balance grows by 48.6%.																								
<table><tr><th>Indicator item</th><th>2021</th><th>2022</th></tr><tr><td>Net increase of the number of corporations</td><td>370 accounts</td><td>388 accounts</td></tr><tr><td>Net increase of balance</td><td>NT\$5,888 million NTD</td><td>NT\$16,471 million NTD</td></tr><tr><td>Balance growth</td><td>21%</td><td>48.6%</td></tr></table>		Indicator item	2021	2022	Net increase of the number of corporations	370 accounts	388 accounts	Net increase of balance	NT\$5,888 million NTD	NT\$16,471 million NTD	Balance growth	21%	48.6%											
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Digital Finance Innovation

“Digital re-evolution” is our key to financial service creativity. We develop fintech based on technology trend, ban lift on finance and business needs, realize practical digital innovation, and offer a stable, safe, fast digital financial service to customers. Furthermore, the Digital Development Committee tracks the digital transition indicator, explores all kinds of digital topics from the perspective of long-term operation of the company, helps the management leadership team understand the latest market technique and trend, refers to the latest market technique and trend for operation strategy of sustainable development.

Bankee, a creative business model

We founded a digital brand Bankee and developed new financial instruments based on financial open platform, extremely different from general business models of corporation. We develop a B2B2C alliance through the digital platform transformed by the bank, and use digital fintech to collaborate with Third-Party Service Providers (TSP) on a new business model. Through Open API, we connect convenient financial services of all online platforms to build a diverse financial ecosystem. We aim to create a multi-win situation for banks, tech startups and customers, offer accessible financial service for remote areas and disadvantaged groups, fulfill the idea of inclusive financing, and realize the social value of co-creation, sharing and co-prosperity.



<p>Innovation 1</p> <p>Co-creation, sharing and co-prosperity</p>	<p>We changed the traditional one-way relationship between the bank and customer. A new business model based on co-creation, sharing and co-prosperity and sharing economy has been built. Bankee and customers work as a team in a two-way relationship. The customer is an employee who works hard with us. We have more than 23,000 online branches in 2022.</p>
<p>Innovation 2</p> <p>New momentum of digital customer acquisition</p>	<p>We rolled out the 24-hour online one-stop two-way securities and settlement account opening with Oriental Securities Corporation, bringing the second curve of customer acquisition besides conventional customer acquisition.</p> 

6 Inclusive Financing



Innovation

<p>Innovation 3</p> <p>Fintech patent application</p>	<p>We study and analyze the pain point of financial service for the Millennials, and re-design digital products and services to offer a more convenient lifestyle and a better experience to digital natives. Our core concept is to be the first one developing these products and services and obtain 23 patents. It will be hard to surpass or copy us.</p>
<p>Innovation 4</p> <p>Create Bankee ecosystem</p>	<p>We are the first one creating four diverse financial ecosystems, social financial ecosystem, Far Eastern Group ecosystem, human resource financial ecosystem and P2P ecosystem, creating four-win synergy for customers, SMEs, startup partners and banks.</p>
<p>Innovation 5</p> <p>Implement the service Open Banking</p>	<ul style="list-style-type: none"> ● We echo the open bank policy and work with Far EasTone Telecommunications to connect customer data based on the Open Banking Guidelines of Financial Information Service Co., Ltd. A one-stop service has been created and BaaS (Bank as a Service) has been achieved. We are the first bank honored the second stage business qualification of "Open Bank" by the FSC. We extend our financial service non-financial industry, offer more financial information channels, and strive for "smart financial industry." ● We comply with the government policy, hence we plan to share data with partners of Far Eastern Group, such as Far EasTone, FETC, Oriental Securities and Far Eastern International Securities Company Limited, to offer a more comprehensive service to customers.




Glory in 2022

<p>The Global Economics, a British media The Global Economics Award</p>	<p>Bankee works with people via B2C2C and works with start-up tech companies via B2B2C. It actively expands diverse financial ecosystems in all domains. Its sharing economy system, a new business model, breaks the boundary between virtual and reality, hence it is honored the Global Economics Award.</p>
<p>Commercial Times Digital Innovation Gold Award</p>	<p>Bankee builds a decentralized sharing economy business model based on web 3.0. Our three innovation outcomes have been recognized; hence we are honored the Digital Innovation Golden Quality Award.</p>

6 Inclusive Financing

Optimize automated transaction platform

We master core technology, strengthen innovative fintech application, integrate channel, service and product, and help the bank evolve into a complex of "AI service + lifestyle." In addition to promoting digital service, we optimize existing automated transaction platform, offer the best fintech experience to customers, and build a diverse digital financial service, covering digital deposit in New Taiwan Dollars and foreign currency, cross-border remittance, and securities investment. For financial needs of individuals, micro companies and SMEs, we introduce innovative digital products, one-stop digital application process, create the most convenient, secured inclusive financing, build a diverse partnership, and facilitate a prospect of sustainability. In 2022, our off-counter rate is 94.7% and digital customer acquisition is 47.7%.

Digital transaction platform	Innovative functions in 2022	Instruction
 Application	Consumer loan application for strategic alliance installments	The existing mail application and shop scanning service are inconvenient. They are replaced by the new service. MyData, online data authorization, has been implemented to obtain customer financial statement quickly. This saves labor and changes the business promotion model.
	Designated account transfer of the account holder	Customers may designate account transfer from our bank or other banks online via online application and authentication by phone.
	Apply for designated account transfer	Offer online application for designated account transfer, and upgrade services via natural person certificate (convenience store verification) and video conference verification.
	Convenience store verification upgrade to digital deposit account	To develop branch channels and extend digital service, we launched identity verification service at 7-Eleven. The first service is "convenient upgrade for digital deposit customer" and later on online application for various accreditations will be available. Customers can apply for these accreditations online and at convenience store without visiting the branch.
	eACH real-time agency collection and payment and eDDA authorization business	Customers apply for automatic withholding of water and electricity bill and credit card payment, and authorize withholding from their own bank account. Back then, they must fill out application form and hand over original specimen seal in person. It takes seven to ten days to forward the form and seal to the account-holding bank. With this service, the application can be completed by phone or computer easily.
Mobile bank app	Increase of limit of non-designated account transfer	The mobile bank app has become the biggest account transfer, foreign exchange service of the entire bank and continues to grow. If the non-designated account transfer limit is low, 2FA (MID + biometrics) can be used to increase the limit to cope with account transfer.
	The purchased or sold foreign currency trade of individual account with NT\$500 thousand and above	During foreign exchange trade of mobile bank app, foreign exchange trade equivalent to NT\$500 thousand is allowed (New Taiwan dollar to foreign currency/foreign currency to New Taiwan dollar). However, the foreign exchange trade must be less than the foreign exchange settlement with large amount from Central Bank (equivalent to US\$490 thousand). Customers can complete large amount foreign exchange online without visiting the branch.