5.3 Talent Development and Retention

5.3.1 Talent Development

Employee Development Programs

Fubon Financial Holdings plans training programs based on the skills needed at each level of the organization. To ensure that the instruction is effective, each training course has minimum learning-hour requirements, and the Kirkpatrick [Note 1] framework is used to review the indicators and evaluation methods of each program and quantify training performance, making it possible to measure learning outcomes and the benefits of investing in human capital.

Note 1: The Kirkpatrick Model is a training evaluation model proposed by Donald L Kirkpatrick in 1959. It is currently the most widely used training evaluation model in the business world.

Note 2: Because of differences in the training requirements and system of Fubon Bank (Hong Kong), it is not included in the statistical scope of this section.

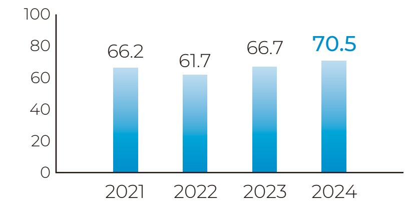
2024 Training Results

Average satisfaction with classes 4.8 (out of 5)

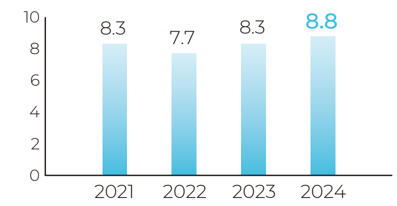
No. of training classes held: 3,573 classes

Total training hours: 2,703,752 hours

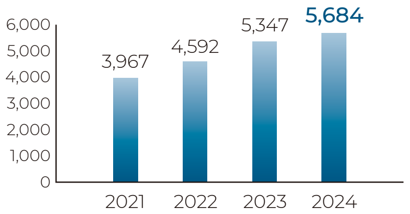
Average training hours per person (hours)



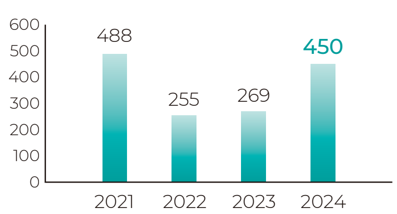
Average training days per person (days)



Average training costs per person (NT$)



Human Capital Return on Investment[Note] (%)



Note: ROI = (Annual total revenue – (operating costs – personnel costs)) ÷ (personnel costs).

Description		2024	
		Average Hours	Share (%)
Gender	Male	71.7	50.7
	Female	69.8	49.3
Type of Training	Job expertise	36.3	51.5
	Organizational management	4.9	7.0
	Compliance	27.1	38.4
	Digital information	1.8	2.5
	Other	0.4	0.6
Age	Under 30	97.4	43.4
	30~50	65.2	29.1
	Over 50	61.8	27.5
Position	Top managers	29.8	18.2
	Junior managers	58.9	36.1
	Regular staff	74.5	45.7

Fubon Employee Development and Training Scorecard

Level	Description		Performance Indicators (KPI)
L5	ROI	Human capital return on investment	Full-year net income
L4	Result	Learners' actual contributions to the organization's operations, such as reducing operating costs, increasing capacity	Turnover rate; employee engagement and "intention to stay" in employee surveys; retention rate of top talent; practical application of concepts learned in training; number of digital services
L3	Behavior	Changes in learners' on-the-job behavior	Improvement in management skills and recognition received; training provided by internal instructors
L2	Learning	Learners' skills, knowledge and attitude	Training completion rate; rate at which training course tests passed; action plans; reports on learning results
L1	Reaction	Learners' satisfaction with the learning process	Level of satisfaction

2024 Key Employee Development Programs

Leadership Development Program for Managers

People Trained	Managers at all levels; a total of 8,513 people received training (or 100% of all management positions and 22.2% of total workforce).
Operating Benefits	The financial holding company and its subsidiaries plan leadership training programs for their managers based on organizational strategies and directions and the skills needed at each management level. The programs help managers maintain a positive attitude and the ability to think about issues from many angles and also improve their decision-making and risk management skills, which supports operational growth and the achievement of goals.
Training Description	• Organizational management-related. • **Training program for new junior managers**: A three-year program of required courses has been devised to help employees who have been promoted to junior management positions get quickly familiarized with their management responsibilities and develop their management skills. • **National Taiwan University Leadership Program**: Every year since 2017, Fubon and NTU have co-organized an "NTU-Fubon Advanced Management Practices Workshop" tailored to middle managers. The workshop uses case studies to get managers from different subsidiaries to exchange ideas and broaden their thinking and perspectives. To date, around 270 middle managers have been trained in the program at a cost of NT$16.26 million. • **Management trainee program**: Supervisors recommend the best candidates, who then go through a rigorous evaluation process to ensure they have management qualifications in preparation for the next stage of their management careers. There have been more than 1,007 people who have completed the management trainee program to date.

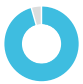
Quantitative Indicators

2024 net income was NT$150.82 billion, tops among financial holding companies.

New junior managers

self-assess their management abilities before and after taking part in training courses.

Their scores after the training were higher than before the training.



95.7%
Top talent retention

60.9%
Of employees identified as talented and having potential have been promoted to managerial positions

Application of concepts learned:

As of the end of 2024, there had been 53 projects applied to work-related tasks, including:

- **Fubon Financial Holdings**: Tech Scorecard - Tracks the relationship between the adoption of emerging AI and internal productivity
- **Fubon Life:** Projects include "Life Insurance Applications of Generative AI" and "Using Insurance and Financial Technology - Creating a Financial Services and Insurance Ecosystem"
- **Taipei Fubon Bank:** Projects include "Customer-oriented Smart Banking with AI - Strengthening Branch Financial Advisors' Support for Wealth Management Customers," "Mortgage Holder Prosperity - Digital Customer Guidance on New Products," and "Capitalizing on Digitization Trends - Creating a Personal Loan Process Tailored to the Customer Journey"
- **Fubon Insurance:** Raise customers' risk awareness and get them to update their thinking through game-type mechanisms
- **Fubon Securities:** Use existing writings on current affairs to gain insights into market trends

Digital Talent Development Program

People Trained	For managers and related salespeople: 29,420 people received training, or 76.7% of the workforce.
Operating Benefits	The program has strengthened the support among managers and other employees for digital transformation, and provided the skills and knowledge necessary for them to handle digital products and push for the development of innovative digital services and apps, provide more efficient service, improve customer satisfaction, and support business and revenue growth.
Training Description	All types of digital information classes, covering such topics as big data, artificial intelligence, and fintech.
Quantitative Indicators	Made financial services more efficient; customer satisfaction reached 94%. Achieved more than 100% of ESG targets under the "digitization" strategy. • **Fubon Life:** Applications for e-notifications –achieved 112% of target. • **Taipei Fubon Bank:** Active customers on digital platform – achieved 255% of target. • **Fubon Insurance:** Application rate for e-policies and electronic compulsory auto liability insurance certificates – achieved 111% of target. • **Fubon Securities:** Share of active accounts held by natural persons using domestic securities e-trading accounts – achieved 102% of target. See the section titled Innovative Fintech Services in 4. Digitalization: Providing the Best Financial Services.

ESG Training Program

People Trained	For all employees: 37,261 people (97.1% of the total workforce) took part in the program.
Operating Benefits	A series of ESG classes aligned with the Company's sustainability strategy have been promoted. They have raised awareness of ESG concepts among employees and helped build ESG-related support and specialized knowledge among them, which has helped forge a consensus on ESG in the workforce and fostered teamwork to achieve sustainability goals. That, in turn, has smoothed the way for the development of ESG initiatives, such as helping value chains with sustainable transformations, providing customers innovative products and outstanding financial services, fostering a happy, healthy, and friendly workplace, and serving as a positive force in promoting public welfare.
Training Description	• **For all employees:** Used a Taiwan Academy of Banking and Finance series of e-courses on "Knowing ESG and Sustainable Finance" and digital courses on DEI to help employees understand unconscious bias, learn about the importance of mutual respect, and forge and enhance the sense of feeling safe in the workplace to build team chemistry. • **For new managers:** As part of the continued training of new managers, had them take part in the "Fubon Financial Holdings ESG Visioning Project," and provided digital courses on inclusive leadership, helping managers lead their teams in achieving goals together. • **For sustainability-related personnel:** In response to the growing sustainability trend, Fubon Financial Holdings created the "Fubon ESG Club" to more effectively promote its sustainability-related initiatives. The club plans classes on such topics as net-zero emissions, biodiversity, and social influence, and invites outside experts to share the latest knowledge in the field. It also harnesses group resources by bringing together people with Fubon Financial Holdings and its subsidiaries and affiliates involved in the ESG field to share their experiences and results in promoting ESG. • To encourage employees to strengthen their ESG expertise, Fubon in 2024 began including basic and advanced sustainable finance specialist certifications and carbon net-zero emission planning manager and greenhouse gas professional certifications in its professional certificate incentive and subsidy program.
Quantitative Indicators	Green finance investment and loans totaled NT$2.50 trillion. Premiums from climate and sustainability-related insurance products totaled about NT$7.81 billion Continued to receive ESG honors at home and abroad, including being selected to the Dow Jones Sustainability Indices World Index Workforce spent 138,939 hours on ESG training  Employee engagement survey found that 82% of employees recognized Fubon's efforts on ESG

Other Key Training Programs and Results

Key Training Programs	Description	2024 Results
Management Associate (MA) Program	• Since 2005, Fubon Financial Holdings has used the annual MA program to identify outstanding talent. Candidates in the program must overcome many hurdles to be offered a management associate position and then undergo two years of training that encompasses project involvement, overseas internships, and a mentoring mechanism. • Recruited MA candidates in 29 fields in 2024, making it the broadest MA recruiting campaign with the most openings of any financial holding company in Taiwan.	The program has been run for 20 years. As of the end of 2024, 510 management associates had been hired since the program began, with an overall retention rate of 51.8%.
MIT International Talent Cultivation Program	Every year, Fubon Financial Holdings selects outstanding employees to take part in a comprehensive one-year advanced management program at MIT's Sloan School of Management, hoping to bring more of an international perspective to the Company's management vision. During their year abroad, participants continue to be paid their salaries, their tuition is fully covered, and they receive subsidies for round-trip flight tickets (family members included) and living expenses.	13 people have been sent to MIT since the program began.
Internal Instructor Certification Program	This program effectively lowers outside training costs, and its impact on learning is extended through digital courses, helping forge a good learning environment.	Nearly 1,140 instructors had been certified as of the end of 2024, and they designed 290 digital courses during the year.
Internship Program	Fubon Financial Holdings provides interns (on fixed-term contracts) career exploration and learning opportunities through industry-academia partnerships. These help interns gradually become familiar with the industry and the organization while also cultivating the skills and knowledge they will need in the workplace in the future. At the end of the program, the best interns get priority consideration for full-time employment opportunities.	33.6% of interns became full-time employees; that percentage has risen steadily in the past three years, helping stabilize Fubon's manpower needs and making its recruiting efforts more efficient.

A Diverse, Self-learning Environment

Fubon Financial Holdings has established "Regulations on Rotating and Transferring Personnel," "Regulations on Subsidies for Advanced Studies and Foreign Language Learning," and "Employee Certification Management and Incentive Guidelines" to create a system that provides employees opportunities for professional growth. In 2024, 86.7% of job vacancies posted were filled internally, and 2,310 people received subsidies and incentives to obtain language certification and professional licenses, with Fubon investing NT$24.47 million in the program.

Fubon Financial Holdings has also promoted mobile digital learning through the Fubon Academy App, which offers instruction on specialized financial topics, languages, management skills, compliance, and other areas of knowledge. In 2024, the platform was used more than 820,000 times, mainly because subsidiaries Taipei Fubon Bank, Fubon Life, Fubon Securities, and Fubon Insurance provided workforce training through the app on age-friendly practices, financial-friendly education, financial consumers' right and interests, and ESG. The online learning system is rich in resources, offering more than 880 digital courses. The platform is continuously optimized and new resources are added every year depending on employee needs, ultimately creating a diverse learning environment that empowers people to learn on their own without time or location constraints.

Vacancies Filled Internally

Year	2023		2024	
	No. of People	Vacancies Filled Internally (%)	No. of People	Vacancies Filled Internally (%)
Male	879	35.8	1,122	37.6
Female	1,576	64.2	1,865	62.4
Under 30	289	11.8	370	12.4
30~50	1,704	69.4	2,144	71.8
Over 50	462	18.8	473	15.8

Item	2021		2022		2023		2024	
	No. of People	Vacancies Filled Internally (%)	No. of People	Vacancies Filled Internally (%)	No. of People	Vacancies Filled Internally (%)	No. of People	Vacancies Filled Internally (%)
Vacancies Filled Internally	2,060	82.4	2,604	87.5	2,455	90.8	2,987	86.7

Note: 1. Vacancies filled internally = (People hired through internal recruitment + no. of promotions in a year) ÷ (No. of vacancies opened internally + no. of promotions in a year).
2. Fubon Life's outside sales agents and people at Taipei Fubon Bank's overseas branches and Fubon Bank (Hong Kong) are not included in this table.

5.3.2 Talent Retention

Wages and Competitiveness

Fubon Financial Holdings' employee compensation is divided into fixed and variable (including performance bonuses) compensation. According to Fubon's "Work Rules," the Company reviews and adjusts employee salaries on an annual basis after considering the Consumer Price Index, the Company's profitability, and industry and market pay levels to maintain a competitive compensation structure capable of attracting and retaining talent. Annual bonuses are also determined based on the Company's overall operating results and each individual's performance evaluation. In 2024, Fubon Financial Holdings' average fixed salary per employee was 360% higher than Taiwan's basic living expense per person announced by the Ministry of Finance, while its starting base salary was about 52% higher than Taiwan's minimum wage, helping Fubon maintain its position as a constituent of the Taiwan High Compensation 100 Index selected by the Taiwan Stock Exchange (TWSE).

Compensation for Full-time Employees in Non-supervisory Positions

	2021	2022	2023	2024	Annual increase (%)
Number of Employees	14,344	14,422	16,938	16,873	-0.38
Average Compensation (NT$1,000)	1,494	1,363	1,442	1,624	12.62
Median Compensation (NT$1,000)	1,173	1,099	1,164	1,293	11.08

Note: Reporting based on the Taiwan Stock Exchange's "Data on Salaries of Full-time Employees in Non-managerial Positions"; scope of coverage includes Fubon Financial Holdings, Fubon Life, Taipei Fubon Bank, Fubon Insurance and Fubon Securities.

Female: Male Compensation Ratio

Employee Level		2022	2023	2024
Executive Level	Base salary only	100 : 100	95 : 100	90 : 100
	Base salary + other cash incentives	94 : 100	90 : 100	83 : 100
Management Level (not including vice-presidents or above)	Base salary only	100 : 100	99 : 100	98 : 100
	Base salary + other cash incentives	104 : 100	102 : 100	102 : 100
Non-management Level	Base salary only	92 : 100	92 : 100	93 : 100
	Base salary + other cash incentives	94 : 100	94 : 100	97 : 100

Note: 1. The compensation ratios may be slightly skewed by such factors as the number of people in each category, their positions, and individual performance.
2. Because of the special nature of the jobs of Fubon Life's outside sales agent and because fixed-term contract workers are mostly hired for the short-term depending on the annual needs of the business, neither category of worker was included in the figures above. Also, Fubon Financial Holdings' operating locations are concentrated in Taiwan and more than 95% of its employees are Taiwanese nationals; the figures above do not include overseas workers employed at Taipei Fubon Bank's overseas branches and Fubon Bank (Hong Kong).

Employee Evaluations

Fubon Financial Holdings has a "Performance Evaluation Policy" that requires all employees to undergo annual performance evaluations. The evaluation process begins with employees and their supervisors forging a consensus on the year's performance goals based on the Company's development strategy and expectations. Internal control, risk, and sustainability indicators are also considered. Mid-year interviews are then conducted that focus on progress made in achieving the goals that have been set, and the process culminates in year-end performance evaluations. Each employee's final performance rating, based on how their performance ranked within their unit, figures into their year-end bonus (depending on the Company's profitability that year) and informs salary adjustments, promotions, and professional development opportunities. It is a system that provides incentives to employees to do well and helps retain talent.

Fubon Financial Holdings has devised several types of evaluations to incentivize and develop talent as summarized below:

Types of Evaluations	Frequency	Targeted Individuals	System Description
Management by objectives	Annually	All employees of Fubon Financial Holdings and its subsidiaries	Fubon Financial Holdings has a "Performance Evaluation Policy" that requires managers at the two levels above an employee to evaluate annually that employee's target achievement rate. The results of these performance evaluations figure into employees' year-end bonus (depending on the Company's profitability that year). Employees whose performance evaluations are poor (ranking in the bottom 5%) must engage in a performance improvement plan within three months.
Multidimensional performance appraisal	Monthly/ Quarterly	Salespeople	A multidimensional performance evaluation system has been established that evaluates each individual through the eyes of supervisors, colleagues, and customers based on criteria that includes whether goals have been met, quality of service, training participation, overall quality of work, and self-discipline. The results of the evaluation affect performance-based bonuses.
Team-based performance appraisal	Annually	Departments of Fubon Financial Holdings and Fubon Securities	To ensure the quality of service provided by the Fubon Financial Holdings team, each subsidiary evaluates related financial holding company departments and those departments evaluate each other on an annual basis. The evaluations cover professionalism, timeliness, service attitude and overall service. The results are incorporated into annual checks of how well employees achieved their goals, and are taken into account in their compensation. At the same time, each unit makes internal improvement plans based on the results to continue to promote cooperation between departments.
Agile conversations	Weekly/Unscheduled	Employees	Managers and employees discuss and review progress in achieving business objectives through dialogue and ongoing feedback at regular or unscheduled meetings, through which employees are given appropriate guidance and assistance.

Multifaceted Talent Retention Plan

Fubon Talent Retention Incentive System

Incentive	Eligibility	Program	No. of People Affected (Share)	Annual Amount
Stock Ownership Trust	Employees who have been with the company for three months can put money into the stock ownership plan.	Employees who participate in the stock ownership trust can invest a certain amount in Fubon stock depending on their position and get matching contributions from the Company. The higher an employee's position, the more they can receive in matching contributions. Starting in 2025, the number of matching contribution tiers and the monthly matching contribution per tier will be increased, with self-contributions and matching contributions ranging between NT$2,000 and NT$8,000, depending on an employee's position. This policy is designed to encourage talent to work toward achieving operating goals so that the Company's stock price will continue to rise and to strengthen employee engagement. • Amount invested by employees: Participants invest a fixed amount in the trust every month to buy shares, with the amount dependent on their position. • Matching contribution: The Company matches each employee's investment as an incentive. Employees who are with Fubon for at least two years can collect 75% of the contributions while those with at least four years of service can collect 100% of the contributions.	Total of 22,750 employees participated in the program, or 88.3% of those eligible	Allotted more than NT$480 million in matching contributions in 2024
Deferred Bonus Policy	People defined as key personnel who are very important to the organization's operations and development.	To ensure that the bonuses of key personnel are tied to shareholders' long-term interests, the policy clearly stipulates to whom deferred bonuses apply, the share of the bonus that can be deferred, the maximum number of years of deferral, deferral methods, and mechanisms to recover unvested bonuses. A total of 30% or more of key personnel's variable bonuses are deferred through "phantom stocks," with the number of "phantom stock" units based on the closing price of the Company's common stock. The settlement of the bonus can be deferred for up to three years.	-	-
Awards for Long-tenured Employees	Employees who have been with Fubon for 10 years or multiples of 10 years.	Fubon rewards employees who stay with the company for a long time based on its "Rules on Incentives for Long-tenured Employees"; they can receive up to seven days of leave depending on the number of years served and a reward of up to NT$100,000.	2,241 people received awards in 2024, about 5.9% of the total workforce	Distributed over NT$44.12 million in awards

Note: Figures on the stock ownership trust and awards for long-tenured employees in the above table do not include personnel employed overseas at Taipei Fubon Bank's overseas branches or Fubon Bank (Hong Kong).

Also, Fubon Financial Holdings may, based on its "Employee Retirement Policy" and "Guidelines for Hiring Retired Managers as Consultants," extend the retirement age for individuals depending on the needs of its business and the employee's wishes to facilitate the handing down of institutional knowledge and generational cooperation.

Employee Engagement Survey and Employee Turnover Rate

Employee engagement and turnover rate are two important indicators of corporate development and workplace diversity, and Fubon conducts an employee engagement survey once every two years to better identify important internal issues and gauge employee engagement (including whether they are engaged, enabled, and energized). The survey covers broad topics such as work experience, organization functioning and strategic priorities across 20 issues that include purpose, job satisfaction, happiness, and stress, and also includes an open-ended question to gather more tangible and varied feedback to inform future improvements.

Aspects of Engagement & Question

Engaged/Purpose	Enabled/Job Satisfaction	Energized/Happiness and Stress
• I believe strongly in the goals and objectives of this organization. • I would recommend this company as a good place to work. • I work beyond what is required to help this organization succeed.	• The people I work with cooperate to get the job done. • There are no substantial obstacles at work to doing my job well. • I have the equipment/tools/resources I need to do my job effectively.	• My job provides me with a sense of personal accomplishment. • I am able to sustain the level of energy I need throughout the work day. • The people I work with are willing to help each other, even if it means doing something outside their usual activities.

In 2024, there were more than 16,500 people who participated in the survey, resulting in a record participation rate of 94%. The survey found that 68% of employees remained engaged and identified with the company. To continue to improve employees' company identification, each Fubon company has proposed follow-up action plans based on the survey's results.

Employee Engagement Survey

Year			2015~2017	2018~2019	2020~2021	2022~2023	2023~2024
Participation Rate (%)			75	70	82	88	94
Engagement Score	Overall		77	75	75	70	68
	Gender	Male	79 (+2*)	77 (+2*)	78 (+3*)	74 (+4*)	70 (+2*)
		Female	75 (-2*)	74 (-1*)	73 (-2*)	68 (-2*)	67 (-1*)
	Age	24 and under	75 (-2*)	76 (+1)	72 (-3)	64 (-6*)	62 (-6*)
		25~29	72 (-5*)	71 (-4*)	72 (-3*)	64 (-6*)	62 (-6*)
		30~39	73 (-4*)	71 (-4*)	71 (-4*)	64 (-6*)	64 (-4*)
		40~49	79 (+2*)	76 (+1)	75 (0)	71 (+1)	67 (-1)
		50~59	84 (+7*)	82 (+7*)	82 (+7*)	78 (+8*)	74 (+6*)
		60 and above	91 (+14*)	90 (+15*)	87 (+12*)	83 (+13*)	82 (+14*)
	Position	Junior managers	81 (+4*)	81 (+6*)	81 (+6*)	82 (+12*)	77 (+9*)
		Top managers	87 (+10*)	86 (+11*)	89 (+14*)	89 (+19*)	86 (+18*)
		Non-managers	76 (-1*)	74 (-1*)	74 (-1*)	68 (-2*)	66 (-2*)

Note: 1. The table above shows the results of Fubon Financial Holdings' employee engagement surveys broken down by employee gender, age and position compared with the overall engagement score. Statistically significant findings are marked with an asterisk (*).
2. The survey used a 5-point scale (agree, somewhat agree, no opinion, somewhat disagree, disagree). The engagement score of 68 showed that of all respondents, 68% chose one of the first two multiple choice answers (agree, somewhat agree) and that it was a generally positive review.
3. The employee engagement survey was targeted at Fubon Financial Holdings and its subsidiaries. It did not include fixed-term contract workers, Fubon Life outside sales agents, personnel employed overseas, Fubon Sports & Entertainment, and Fubon Stadium Co.

Turnover Rate Distribution

Categories		2021		2022		2023		2024	
		No. of Leavers	Turnover Rate (%)	No. of Leavers	Turnover Rate (%)	No. of Leavers	Turnover Rate (%)	No. of Leavers	Turnover Rate (%)
Overall Turnover		1,465	9.5	1,846	11.7	2,357	12.5	3,037	14.8
Voluntary Turnover		1,209	7.8	1,625	10.3	2,109	11.2	2,525	12.3
Gender	Male	638	4.1	828	5.3	1,052	5.6	1,210	5.9
	Female	827	5.3	1,018	6.4	1,305	6.9	1,827	8.9
Age	Under 30	446	2.9	613	3.9	709	3.8	745	3.6
	30~50	757	4.9	1,013	6.4	1,217	6.4	1,633	8.0
	Over 50	262	1.7	220	1.4	431	2.3	659	3.2
Position	Top managers	15	0.1	19	0.1	22	0.1	22	0.1
	Junior managers	95	0.6	86	0.5	87	0.5	172	0.8
	Non-managers	1,355	8.8	1,741	11.1	2,248	11.9	2,843	13.9

Note: Because of the special nature of the jobs of Fubon Life's outside sales agent and because fixed-term contract workers are mostly hired for the short-term depending on the annual needs of the business, neither category of worker was included in the figures above; in 2024, the denominator for the turnover rate was 20,539 people.

5.4 Friendly Care and Health-Facilitating Activities

5.4.1 Friendly Care

Fubon Financial Holdings has increased its employee food allowance two years in a row (since 2023) because of rising inflation. It has also continued to give employees bonuses for Taiwan's three main festivals; special subsidies (such as for getting married, having a child or when a death occurs in the family; recreation and leisure activities; the education of an employee's children; birthday celebrations, or social welfare events); labor, health and group insurance; pensions; occupational hazard compensation and benefits for the families of employees who die; and other preferential treatment. In overseas locations, separate benefit systems are created based on local conditions.

Comprehensive Employee Care

Fubon Financial Holdings is dedicated to promoting employee health and well-being by providing comprehensive care. Employees are given resources and support at various phases of their lives – from when they are single to when they get married, have children, raise children and care for their older relatives.