

# Far EastTone Telecommunications Stakeholder Engagement Principles

Approved by the President

## Background

FET takes "AA1000SES Stakeholder Engagement Standard" as a reference to make its own stakeholder engagement standard. Through the process of defining, engaging and identifying major issues with the stakeholders, FET can interact more closely with the society, understand the stakeholder's need, safeguard the stakeholder's rights and respond to the issues of stakeholder's concerns more instantly and accurately. Furthermore, the stakeholder's feedback can contribute to the business strategy, visions and the operative goals. As the result, the business performance and the transparency / integrity of information disclosure can be improved.

## Engagement Principles

### Article 1 Purpose

FET has stipulated these principles according to Chapter 4 "Respect Stakeholder Equity" of the Company's governance principles, in order to standardize the stakeholder engagement and material topic identification processes.

### Article 2 Applicable Scope

The applicable scope of these principles include the subsidiaries of the Company and other group corporations and organizations such as institutions and legal persons with substantial control.

### Article 3 Definition of Stakeholder

The stakeholders referred to in these principles include, but are not limited to, investors, employees, consumers, suppliers, media, communities, government agencies, and non-governmental organizations.

### Article 4 Implementation Strategy

When the Company implements these principles, it shall first identify the level of importance of the stakeholder, then decide the level of engagement with the stakeholder, and finally decide the interaction plan for the stakeholder.

### Article 5 Identification of Stakeholder

The identification of stakeholders is mainly carried out by the department designated by the Sustainable Development Committee of the Company. The steps are as follows:

- (1) The working team references a list of peers in the industry and lists internal and external groups or individuals affected by the Company's operations. This list shall act as the stakeholder identification list.
- (2) The opinions and ratings of employees in each department are collected through stakeholder meetings and stakeholder questionnaires, in order to identify the key stakeholders related to the Company's operations.

The assessment standards of the questionnaire are based on the five aspects of "AA1000SES Stakeholder Engagement Principle":

1. Responsibilities: Refers to the responsibilities the company currently has or may have in the future towards such stakeholders.
2. Impact: Refers to stakeholders who can impact the Company or who have

decision-making abilities.

3. Level of dependence: Refers to stakeholders who are directly or indirectly dependent on the Company's activities and operations.
4. Level of concern: Refers to stakeholders related to financial, economic, social, and environmental issues that require the immediate attention of the Company.
5. Diverse perspectives: Refers to stakeholders with different perspectives and thus can provide new insights and help identify new opportunities.

(3) After the senior managers of the Company approved and confirmed the results, 9 stakeholder groups were identified according to their importance, namely employees, consumers/general customers, corporate customers, competent authorities, suppliers/contractors/developers, shareholders/investors, industry peers, media, social welfare groups/NGOs.

#### Article 6 Response to Stakeholder

In order to grasp the key points of management for internal and external stakeholders, the Company shall survey the internal communication channels and ensure the different complaints and expectations of stakeholders are properly reflected in daily operations.

Furthermore, the Company has established stakeholder questionnaires and dedicated communication channels on the official website to obtain more comments and feedback. The Company will understand the issues of concern to various stakeholders and respond to and communicate the issues through diverse communication channels. Each year, the stakeholder communication results are reported to the Sustainable Development Committee, and shall be publicly disclosed in the Sustainability Report.

#### Article 7 Stakeholder Engagement Method

The Company shall implement the corresponding engagement method according to the level of engagement of different stakeholders:

(1) The Company has formulated key communication strategies and response plans according to the characteristics and issues of concern of the different types of stakeholders:

Stakeholders	Key communication strategy and response
Employees	Improve employee cohesion and identity, cultivate an innovative corporate culture, and implement two-way communication
Customers	Transparent communications to listen to the needs of every customer, and provide caring services to create intimacy with customers
Competent authorities	Actively respond to policy trends and participate in the policy-making process
Suppliers/Contractors/Developers	Maintain stable partnerships with suppliers/contractors and conduct supply chain impact management. Co-develop new products and services with developers
Shareholders/Investors	Transparent disclosure of FET development strategies and major operational changes to maintain investor confidence
Media	Actively express the Company's position on major events or issues. Implement transparent communications while establishing a positive corporate image
Social welfare groups/NGOs	Maintain partnerships and implement social welfare programs together, in order to create FET's social value

(2) The Company shall implement engagement methods on different levels according to the level of engagement of different stakeholders, in order to ensure effective and meaningful communication:

Notification: The Company shall inform the stakeholders of the latest developments and provide fair, objective, and consistent information to stakeholders through press releases, reports, and the website, in order to help stakeholders understand related problems, options, opportunities, and solutions.

Consultation: The Company shall collect stakeholder feedback and comments through public comments, focus groups, questionnaires and the Internet.

Cooperation: The Company shall work directly with stakeholders to ensure that the stakeholder opinions are reflected in decision making through the formation of committees, forums, and voting. The Company shall continue to understand stakeholder concerns and needs.

(3) The Company has established diverse and smooth communication channels based on the above principles. The regular and irregular diverse communication channels, including regular physical/online meetings, communication with dedicated units, telephone, email, questionnaires, public reports, official websites, sponsorships, and cooperation plans, shall be used to communicate with various stakeholders every year. The feedback information and issues of concern are collected so that the Company can appropriately respond to the issues of concern to stakeholders.

#### Article 8 Communication of Results

The results of the stakeholder engagement shall be reported to the stakeholders in the following ways:

- (1) Records of engagement with stakeholders in any form and the collected opinions shall be retained, the stakeholder opinions shall be provided to relevant units for reference, and they shall propose responses.
- (2) The response is reported to the stakeholder and their views of the results shall be collected.
- (3) Regularly follow up on resolutions and inform the stakeholders of the progress through meetings or emails.

#### Article 9 Risks of Stakeholder Engagement

- (1) Stakeholders have different interpretations of the purpose of the engagement and have different expectations for the results of the engagement process.
- (2) Stakeholders feel that they are excluded from the procedures, for example, they are unable to attend engagement events due to geographical factors.
- (3) Stakeholders are not given sufficient time to contribute their insights or raise concerns, such as due to a shorter schedule.

#### Article 10 Management of Stakeholder Engagement Risks

In order to avoid risks caused by stakeholder engagement, the following matters should be considered:

- (1) Clearly explain each stakeholder engagement event and remind participants of the event's purpose during the process and the scope of the expected results, in order to ensure consistent consensus among the stakeholders.
- (2) Exclusionary effects shall be eliminated as much as possible for every stakeholder engagement event. If conditions permit, at least two or more communication channels shall be provided.

- (3) Once potential stakeholder risks are found, the source of the problem shall be immediately clarified and communication shall be maintained with stakeholders to discuss solutions, until the problem is resolved.
- (4) Regularly review the stakeholder engagement process and design improvement plans accordingly.

Article 11 Assist Stakeholders in Capability Building

In order to ensure that stakeholders can fully support company operations, the capabilities of stakeholders should be continuously improved:

- (1) Regularly provide new industry information and developments.
- (2) Provide experience sharing and exchange channels, such as interactive websites.
- (3) Regularly organize education and training or online courses.
- (4) Organize forums or seminars, and invite unit supervisors or industry professionals to share their experiences

Article 12 Experience Sharing

The experiences of each unit related to contact and interactions with stakeholders shall be systematically established and shared. This will allow the internal units of the company to exchange and learn from the experiences, thereby growing together and creating better stakeholder communication.

- (1) Establish a dedicated, interactive website on the Company's intranet.
- (2) Standardize the reporting process.
- (3) Develop training courses for capability building and stakeholder engagement methods.
- (4) Regularly hold meetings to allow units to communicate with each other and share cases of stakeholder engagement.

Article 13 Performance Index

In order to continuously improve the interactions and relationships with stakeholders, performance indices shall be formulated for each stage and shall be reviewed accordingly. If they are not fulfilled, specific improvement plans shall be proposed.

Article 14 Division of Responsibilities

Related departments of the Company regularly conduct stakeholder engagement, and the results are reported to the supervising executive vice president for approval. The results are included in the annual work management and evaluations.