

E.SUN Commercial Bank Co., Ltd. Internal Control System Statement

To: Financial Supervisory Commission

On the behalf of E.SUN commercial Bank Co., Ltd., we hereby declare that in the period from January 1, 2019 to December 31, 2019, the Bank duly complied with “Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries” in establishing an internal control system, implementing risk management processes. In the meantime, an impartial and independent unit was designated to conduct audits and report regularly to the Board of Directors and supervisors. With respect to concurrent operation of securities agent business, the Bank assessed the effectiveness of the design and execution of its internal control system based on the evaluation criteria set forth in the “Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets” issued by the Securities and Futures Bureau of the Financial Supervisory Commission. Based on meticulous evaluation, the Bank found that, except for the items enumerated in the attached table, the internal control and legal compliance systems of all units were effectively implemented during the year.

With respect to concurrent operation of insurance agent business, firstly, the Bank assessed the effectiveness of the design and execution of its internal control system based on the evaluation criteria set forth in the “Regulations Governing the Implementation of Internal Control and Audit System and Business Solicitation System of Insurance Agent Companies and Insurance Broker Companies”. According to this Regulations, the internal control system judgment items shall contain at least the following components: 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communications, 5. Monitoring activities. Secondly, the Bank has adopted the judgment items listed above to check the effectiveness of the design and execution of its internal control system. Thirdly, based on the results of the internal control inspections, the Bank believes that the design and execution of the internal control system (including knowing the soundness of operations, the reliability of reports, and the compliance with relevant laws and regulations) during the period is effective. Therefore, it can reasonably ensure the above objectives to be achievable.

This statement will be included as the primary content of the Bank’s annual report and any prospectuses, and made available to the public. Any information in this statement found to be falsified, concealed, or otherwise illegal shall be subject to the legal liabilities prescribed by Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

We also hereby declare that this statement has been approved by the board of directors of the Bank on March 12, 2020.

Declarant

Chairman:



(Signature/ Seal)

President:



(Signature/ Seal)

Chief Auditor:



(Signature/ Seal)

Chief Compliance Officer:



(Signature/ Seal)

Date: March 12, 2020