

# E.SUN Commercial Bank, Ltd.

## Internal Control System Statement

To: Financial Supervisory Commission

On the behalf of E.SUN commercial Bank, Ltd., we hereby declare that in the period from January 1, 2022 to December 31, 2022, 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 Audit Committee. The Bank actually abide by Articles 38 No. E, 38-1 of "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" and the "Information Security Self-Regulatory Rules" stipulated by The Bank Association of the Republic of China. 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". With respect to concurrent operation of insurance 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 Implementation of Internal Control and Audit System and Business Solicitation System of Insurance Agent Companies and Insurance Broker Companies". The Bank found that, except for the items enumerated in the attached table, the internal control, legal compliance systems and information security of all units were effectively implemented during the year.

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 February 20, 2023.

Declarant: E.SUN Commercial Bank, Ltd.

Chairman: *Joseph Huang* (Signature/ Seal)

President: *Jenow* (Signature/ Seal)

Chief Auditor: *Lin Yao-An* (Signature/ Seal)

Chief Compliance Officer: *Ou Yang Fong* (Signature/ Seal)

Chief Information Security Officer: *Lin Hui-Tsung* (Signature/ Seal)

Date: February 20, 2023

## E.SUN Commercial Bank, Ltd. Internal Control System

### Items for Improvement of deficiencies Status

(As of December 31, 2022)

Item for Improvement	Improvement Measures	Target Date
The foreign exchange business system (FBS) in the inward remittance notification operation due to system abnormality caused the content of the notification to be incorrectly inserted.	Had corrected the system function and launched it after the test.	Completed.
Re-query the Joint Credit Information for credit cases before appropriation of loans, and there are cases where the review has not been implemented.	<ol style="list-style-type: none"><li>1. Re-organized the credit operation, added the role of reviewer, and will add the system control process.</li><li>2. Processed the education and training, and post the findings for case study use.</li></ol>	The improvement measures will be completed, while the system will be completed by the end of June.