

# **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, 2024 to December 31, 2024, 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.

Declarant: E.SUN Commercial Bank, Ltd.

Chairman: *Joseph Huang* (Signature/ Seal)

President: *Luke Lin* (Signature/ Seal)

Chief Auditor: *Lin Jau Ru* (Signature/ Seal)

Chief Compliance Officer: *Chia Heng Chen* (Signature/ Seal)

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

Date: March 7, 2025

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

### Items for Improvement of deficiencies Status

(As of December 31, 2024)

Item for Improvement	Improvement Measures	Target Date
The improvements of internal regulations regarding keeping customers' Custody of Seals.	The case has been properly handled, and we have strengthened education and training while adjusting the relevant management regulations.	Completed.
Due to the system update by JCB headquarters in Japan, our customers have repeatedly received SMS notifications and emails regarding the binding of their JCB credit cards to Apple Pay.	<ol style="list-style-type: none"><li>1. Add alert mechanism for abnormal card binding transactions has been established, and regularly review the appropriateness of the monitoring threshold values.</li><li>2. Add mechanism for reviewing and confirming information related to international payment card binding messages, such as Apple Pay, has been established, along with corresponding adjustments to the SMS notification content.</li></ol>	Completed.
Due to system malfunctions, there have been occurrences of duplicate deposits and withdrawals of fund products in the deposit system.	Add Cyclical Reservation Batch Verification Mechanism has been established, and all batch accounting transactions in the deposit and loan system will be incorporated into this control.	Completed.