



## THE EQUATOR PRINCIPLES AT E.SUN



玉山金控 E.SUN FHC

## Adopting international standards and the Equator Principles

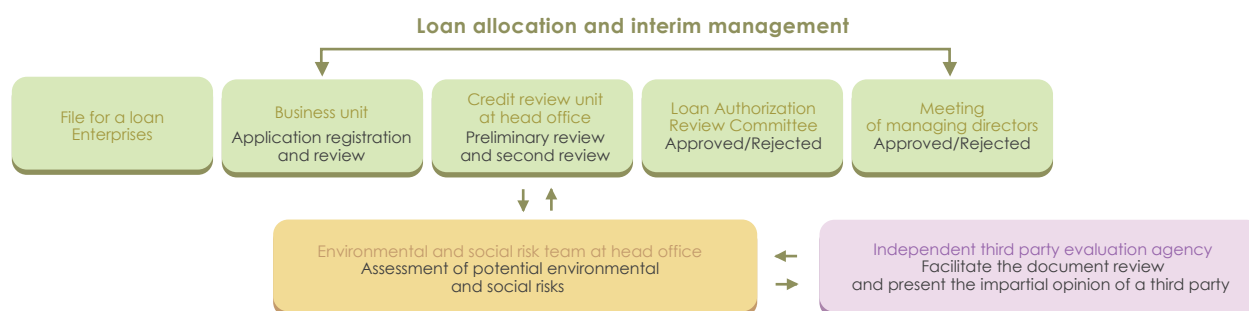
Following the inclusion of the Equator Principles in the E.SUN Bank Credit Policy in 2014, E.SUN has made specific provisions to support enterprises that pay attention to corporate social responsibility. E.SUN Bank adopted the Equator Principles in December 2015 to ensure loans would not be used to cause material potential risks or adverse impact on the environment or the society. In 2016, E.SUN established an Environmental and Social Risk Task Force and formulated the Equator Principles Project Finance Guidelines. A credit check review and post-loan management system was developed based on the Equator Principles.

E.SUN enforces due diligence rigorously. Regarding industries with a greater impact on the environment or the society, such as those in mining, infrastructures, oil and gas extraction, and energy, E.SUN will handle the loan applications by classifying the risks and help clients implement plans to monitor and improve the environmental impact. E.SUN responds with care to stakeholder attention to credit assets in financing projects. In addition to applying the Equator Principles, E.SUN exercises its strength in risk management and influence in resource allocation and works with clients to pursue sustainability.






### EQUATOR PRINCIPLES

The Equator Principles are a set of noncompulsory principles that are adopted on a voluntary basis. They were created in 2003 to provide a tool to be used by financial institutions to assess processes and systems in large financing projects and manage social and environmental risks. While the campaign for its adoption has been going on for more than a decade, the Equator Principles have evolved into an universal social and environmental assessment framework for financing projects. A total of 92 financial institutions around the world have adopted the principles at the end of 2017.



## ► Results of 2017 :

3 EP compliant financing deals were approved according to credit policy and risk appetite of E.SUN. Risk category of the deals were A and B.

Project :			
Risk category:	A	B	B
Sector:	energy	energy	energy
Nation:	Vietnam	Australia	Australia
Audited by independent third party*	yes	yes	yes

〈 Number of EP compliant loans: 3〉

Note:  
according to EP, A type represents greater impact to the environment, B type represents limited impact to the environment.

## PROJECT FINANCE TRANSACTIONS

Total number that reached financial close in the reporting period

3

Sector	Category A	Category B	Category C
Mining			
Infrastructure			
Oil & Gas			
Power	1	2	
Others			
Sub Total	1	2	0

Region	Category A	Category B	Category C
Americas			
Europe, Middle East & Africa			
Asia Pacific	1	2	
Sub Total	1	2	0

Country Designation	Category A	Category B	Category C
Designated Country		2	
Non-Designated Country	1		
Sub Total	1	2	0

Independent Review	Category A	Category B	Category C
Yes	1	2	
No			
Sub Total	1	2	0

Total Number of Category A Projects	1
Total Number of Category B Projects	2
Total Number of Category C Projects	0