

E.SUN FHC CSR REPORT 2015



玉山金控 E.SUN FHC



Pure as Jade, Sturdy as Mountain.



CSR REPORT 2015

玉山金控 E.SUN FHC



2015 Corporate Social Responsibility Report

E.SUN Financial Holding Co., Ltd. General Affairs Division

No. 115, Section 3, Minsheng East Road, Taipei City

☎ (02)2175-1335

☎ (02)8712-3513

✉ pr@esunbank.com.tw

E.SUN Financial Holding Co., Ltd. (E.SUN FHC) has long been committed to corporate social responsibility and appreciates your attention to the 5th CSR report published by E.SUN FHC. This report has been prepared in accordance with the latest GRI (Global Reporting Initiatives) G4 guidelines, ISAE 3000, and the Integrated Reporting Framework, and presents the Company's ongoing efforts and results in three different aspects (economic, environmental and social). The report is available in Chinese and English, and can be downloaded from the "CSR" section of the official website.

In 2015, E.SUN FHC was selected as constituent stock of "Dow Jones Sustainability Indices," under "DJSI-World" and "DJSI-Emerging Markets," making it the first and only financial institution in Taiwan to receive this honor. The Company also took the initiative to sign the Equator Principles and utilized its financial expertise to fulfill corporate social responsibilities. We believe that business management is all about creating values and making the world better. Through publication of this CSR report, we hope to communicate the ideas and practices that E.SUN has adopted towards achieving sustainability to our stakeholders. By sharing open and transparent information, we hope to learn and grow together, and bring positive influence to the society.

| Framework and Scope of Report |

The CSR report is prepared and published on a yearly basis; this year's report covers the performance of E.SUN FHC and its subsidiaries (namely E.SUN Bank, E.SUN Securities, E.SUN Venture Capital, and E.SUN Insurance Brokers) in the 2015 financial year (from January 1 to December 31, 2015) with respect to economic, social and environmental aspects. In order to present a more comprehensive picture of various projects and campaigns undertaken by the group, the report also discloses activities that occurred prior to January 1, 2015 and after December 31, 2015. All financial figures relating to operating activities and services of E.SUN FHC and its subsidiaries in Taiwan are denominated in NTD and have been audited by certified public accountants. Related statistics in this CSR report have been presented in a manner consistent with International Financial Reporting Standards, and cover the performance of some of E.SUN's overseas branches. Disclosures on social welfare and charity cover the two non-profit foundations (namely E.SUN Volunteer and Social Welfare Foundation and E.SUN Foundation) and subsidiaries; while disclosures concerning environmental protection (e.g. use of water, electricity, petrol etc) cover E.SUN's Taipei headquarter building and branches located throughout the country. All greenhouse gas inventory data as of 2015 has been certified by third parties. Any special meanings pertaining to the above quantitative indicators are explained in separate footnotes.

| Reporting Basis |

This report has been prepared in accordance with GRI G4 guidelines and the disclosure standards of its financial services sector, AA1000 - Accountability, ISAE 3000, and the Integrated Reporting Framework in reference to TWSE/TPEX Corporate Social Responsibility Best-Practice Principles, the ISO26000 table, and UN Global Compact to ensure the reliability of information disclosed.

| Quality of information |

Data category	Standard	Certifying institution
Financial data	Annual financial report	Deloitte
Environmental data	ISO 14064-1 Greenhouse Gas Inventory ISO 14064-1 Organizational Greenhouse Gas Inventory Scope 3 ISO 14046 Organizational Water Inventory	SGS Taiwan
Sustainability data	ISAE 3000	Deloitte
	AA1000	BSI Taiwan

Please inform us of any suggestion you may have with regards to the "Corporate Social Responsibility Report of E.SUN Financial Holding Company."



Historical CSR reports

<https://www.esunfhc.com/zh-tw/>

| Past CSR Reports |



2011

2012

2013

2014

4

Letter from the Chairman

6

E.SUN Chronicles

8

2015 Performance

13

Development Strategy

16

Analysis of material issues

22

1. Sustainable development

1.1

Brand vision

23

1.2

Corporate philosophy

25

1.3

CSR governance

26

1.4

Recognitions and honors

27

30

2. Investor relations

2.1

Dow Jones Sustainability Indices

31

2.2

Investor communication

32

2.3

Business Operating performance

33

2.4

Service network

36

2.5

Corporate Governance

37

2.6

Business Integrity

46

2.7

Risk management

51

2.8

Responsible credit policy

56

58

3. Customers Care

3.1

Digital financial innovation

59

3.2

Service quality management

64

3.3

Protection of customer rights and interests

66

3.4

Heartful service

69

74

4. Employee Welfare

4.1

Human resources structure

75

4.2

Employee relations

80

4.3

A happy workplace

84

4.4

Cultivation and development

87

4.5

Benefits and protections

92

98

5. Environmental Protection

5.1

Energy Management

99

5.2

Equator Principle

106

5.3

Taiwan Black Bear Conservation

108

5.4

Supply Chain Management

110

5.5

Environmental Education Promotion

113

120

6. Social Responsibility

6.1

Academic education

121

6.2

Public Interest Participation

129

6.3

Fitness promotion

132

6.4

Arts and Culture

134

138

Appendix 1: Comparative table of GRI (Global Reporting Initiative) G4 indicators

143

Appendix 2: Comparative table of GRI (Global Reporting Initiative) G4 indicators of financial service sector

144

Appendix 3: CSR best-practice principles for listed and OTC traded companies

145

Appendix 4: Comparative table of ISO 26000 terms

146

Appendix 5: Comparative table of terms in the UN Global Compact

147

Appendix 6: Assurance opinion



2015 Corporate Social Responsibility Report



Performance of the global economy was best characterized as stagnant and volatile in 2015. Much of this volatility was attributable to the USD interest rate, which was raised for the first time in nearly seven years in December. Meanwhile, structural reforms in China have also given rise to significant uncertainty towards the world's future economic development. In practical terms, the world was presented with falling demands from end users that caused dramatic drops in the prices of oil and raw materials, which had a severe economic impact on exporting countries. In response to climate changes, an agreement to reduce greenhouse gas emission was achieved during the Paris Climate Conference, which signified a new milestone towards a low-carbon economy. As challenging as changes are to business management, they also present opportunities for companies to transform and redefine themselves for the coming future.

In 2015, E.SUN once again delivered strong performance. In addition to achieving record-high financial figures, the Company also received "Best Bank Award in Taiwan" from The Asset and Asiamoney magazine, and became the first financial institution in Taiwan's banking history to be listed in "Dow Jones Sustainability World Index. E.SUN's commitment to long-term stability and sustainability has undoubtedly been well-recognized locally and abroad.

Given the rapidly changing environment we are in, businesses no longer deal with competition solely from within the industry. We shall commit to our core value 'Pure as Jade and Sturdy as Mountain' while embracing these challenges with stability and flexibility, furthermore, we will adapt and coordinate resources among business partners to develop the transient advantage to grow and provide better financial services, making E.SUN the favorite bank to all customers.

"Financial innovation, Overall performance enhancement, and Asia expansion" have been determined as E.SUN's medium/long-term strategy for the next decade, given the rise of new trends such as Asian economies, regional integration, and Fintech. Under these strategies, we shall incorporate financial innovation to create new values for customers, while at the same time expand our presence throughout Asia and boost overall performance, and establish our reputation as a pioneer and distinguished bank in Asia.

Business development strategies for 2016:

1. Financial innovation: In response to the government's FinTech deregulations and various policies introduced to multiply the popularity of electronic payments over the next 5 years, E.SUN has made plans to incorporate Fintech as one of its growth accelerators. Much of the Company's effort will be devoted to developing new payment services, and combining physical and virtual channels to provide customers with the most convenient and top-quality financial experience.
2. Overall performance enhancement: Build up VIP and SME customer base; recruit financial consultants and corporate banking experts to create a cross-border teams that delivers more comprehensive wealth management and corporate banking services to customers. In the meantime, the Company will enforce its risk management practices, discipline and procedures in response to the increasingly uncertain environment.
3. Asia expansion: The Company has been actively exploring new service locations throughout Asia and tailoring its current advantages to accommodate local features of the areas it operates in. As of April 2016, the Company had 22 overseas service locations in 7 countries, including China, Hong Kong, Singapore, USA, Australia, Vietnam, Cambodia, and Myanmar. The Company is currently preparing for the establishment of Yangon Branch in Myanmar, Tokyo Branch in Japan, and a representative office in Indonesia, while at the same time paying attention to opportunities in other Asian markets.

Fulfilling corporate social responsibility and making positive changes to the world have always been E.SUN's commitment to the local environment. With our value to "love, cherish, and appreciate" in mind, E.SUN encourages all employees to actively participate in volunteer work. By associating with our financial expertise, we have been able to consistently and systematically rally support from local residents and businesses toward our cause. Through these actions, E.SUN hopes to inspire positive energy within the society that expands its influence to the next level.

In 2015, E.SUN signed to become an official member of "Equator Principles," a status that reminds it to contribute wisdom, strategies and actions to the sustainability of our society and environment when developing financing solutions for customers. Under this new initiative, we shall continue to devote efforts into corporate social responsibilities from different angles including corporate governance, employees, customers, society and environment, while at the same time maintain sustainable business through creativity and resource coordination. CSR plans and results, categorized by aspects:

In terms of corporate governance, E.SUN has developed a corporate culture of integrity and professional management since the day it was founded. Throughout the years, the Company has refined its corporate governance policies and practices, improved information transparency, and catered for stakeholders'

interests by utilizing a multitude of communication channels. In 2007, the Company assembled a Corporate Governance and Nomination Committee and adopted the independent director system, both of which were visionary and advanced practices at that time. Experts and scholars were invited to the Company to serve as independent directors as well as members of the Audit Committee to support the capabilities of the board of directors. By the end of April 2016, the Company had the highest percentage of foreign shareholders (56.01%) among local financial holding companies, while President Joseph Huang was named by "The Asset" magazine as "2015 Best CEO in Banking & Finance in Asia."

With regard to the care for employees, E.SUN has long been devoted to the nurturing of talents, and allowing E.SUN employees to make their own future. This ultimately contributes toward a high-performing and highly satisfied workplace. In an attempt to train future leaders, E.SUN participated in National Taiwan University's Service for Executive Education Development (SEED) program. The LEAD program ran for 2.5 years and received full-time enrollment from 160 mid-level and senior-level managers, and part-time enrollment from 300 employees. In 2015, 3 sessions of the E.SUN LEAD program are completed. Learning is a never-ending journey while excellence is a challenge without a finish line. For this reason, E.SUN will continue to build a learning organization and persistently strive towards excellence.

With regard to customer care, E.SUN offers its commitment by providing customers with top-quality services, financial innovation, information security, and the best assurance of their assets and rights. In doing so, we have dedicated ourselves to delivering the most convenient and secured financial services. For convenience, E.SUN combines digital technologies with business partners of different industries to introduce payment solutions and digital banking services. For security, E.SUN adopts total quality management and places great emphasis on risk control as well as protection of personal data. By implementing ISO 27001-certified information security management practices and a response system for major market events, customers' assets are given the best protection possible.

With regards to environmental care, E.SUN has devoted long-term attention to issues such as energy conservation, carbon reduction, and habitat preservation. It actively engages business partners, encourages the public and contributes own resources to maintain the cycle of positivity. To promote energy conservation and carbon reduction, E.SUN has been working with Giant Bicycles and local government bodies since 2012 to introduce YouBike as a commuting solution. In addition to providing funding support, E.SUN also leveraged on the influences it had as the largest issuer of co-branded Easycard to rally customers' support. For habitat preservation, E.SUN issues Formosan Black Bear Affinity Card and donates a certain percentage of spending made on the card to institutions such as Taipei Zoo and Taiwan Black Bear Conservation Association in support of their animal preservation efforts.

With regards to social care, E.SUN has been committing resources into supporting education in remote areas as well as developing advance talents through programs such as industry-academia collaboration, tertiary education, and research projects. By providing long-term and systematic support, we hope to contribute to the development of the best talents in Taiwan. E.SUN's Golden Seed Project, in particular had successfully resulted in the completion of 100 E.SUN Libraries throughout remote areas in Taiwan by the end of 2015, thanks largely to the contribution of World MasterCard holders. The Company will be moving on to building its next 100 E.SUN Libraries. During the same year, E.SUN initiated industry-academia collaboration programs with 10 renowned institutions, and offered internship opportunities based on the distinctive advantages and resources of each institution to give students the practical experience they need to succeed in their future careers. In the future, we will strive to escalate our efforts into contribute more extensively towards education, sports, charity, arts and culture.

There is no short of challenges and opportunities in the years ahead of us, which we shall embrace with conviction and a focus on sustainability and long-term values. We will be incorporating corporate social responsibilities into our core services and aim to take our performance and social commitments to the next level, thereby winning the respect of the society and setting new milestones in Taiwan's banking history. I would like to extend my gratitude to all who have supported, encouraged, and placed their hope in us. In return, we shall continue to contribute to the better future of our customers and society.



Chairman, E.Sun FHC
Joseph Huang

Consolidating – E.SUN’s banking infrastructure

- 1992 • Establishment of E.SUN Bank.
- 1994 • Establishment of E.SUN Cultural and Educational Foundation.
- 2000 • First overseas branch opened in Los Angeles.
- Establishment of E.SUN Securities.
- 2001 • E. Sun Bank was awarded the “National Quality Award”.

Launching – A new era for E.SUN

- 2002 • Establishment of E.SUN FHC.
- Hong Kong branch opened.
- Establishment of E.SUN Venture Capital.
- Founder and Chairman Yung Ren Huang was awarded the “National Quality Award”.
- 2003 • Establishment of E.SUN Volunteer Foundation.
- Establishment of E.SUN Insurance Brokers.
- Establishment of E.SUN Investment Consulting.
- 2004 • Successful purchase and assumption of Kaohsiung Business Bank (KBB).
- Domestic service locations reached 116.
- 2006 • E.SUN achieved a milestone by receiving 6 awards at the “Taiwan Banking and Finance Best Practice Awards”.
- 2007 • Representative office in Ho Chi Minh City, Vietnam opened.
- 2008 • E.SUN Bank was again awarded the “National Quality Award”.
- 2011 • Successful purchase and assumption of Zhunan Credit Cooperative.
- Domestic service locations increased ten and totaled 132,
- E.SUN became top 3 among private banks.

Greeting – A wonderful future for E.SUN

- 2012 • Singapore branch opened.
- Dongguan branch opened, China.
- Successful purchase and assumption of Chiayi 4th Credit Cooperative.
- Domestic service locations increased by four to a total of 136.
- 2013 • Representative office in Yangon, Myanmar opened.
- Invested and held 70% equity share of United Cambodia Bank.
- 2014 • E.SUN Bank was awarded the “Golden Service Award” for four consecutive year, making it the 1st in the financial & banking industry.
- E.SUN FHC was chosen as constituent stock of the DJSI, and is the first and only financial industry firm in Taiwan to receive this honor.
- Founder and Chairman Yung Ren Huang was awarded the new “Special Contribution Award” of the Taiwan Banking and Finance Best Practice Awards.
- 2015 • Changan subbranch opened, Dongguan, China.
- Preparation of Shenzhen subsidiary and branch was permitted, China.
- Dong Nai branch opened, Vietnam.
- E.SUN FHC set the record as the only one financial institution in Taiwan to be chosen both in “DJSI-World” and “DJSI-Emerging Markets”.
- E.SUN FHC was awarded the “Excellence in Corporate Social Responsibility Award” for a 7th time, making it 1st in the financial industry.
- E.SUN FHC received the Platinum Award for Excellent Management in Corporate Governance in Asia for 6 consecutive years.
- President Joseph N.C. Huang was honored “Transaction Banker of the year in Asia Pacific” from The Asian Banker.



Dow Jones Sustainability Index - World

The only financial institution in Taiwan to receive this honor



Dow Jones Sustainability Index – Emerging Markets

The only financial institution in Taiwan to receive this honor consecutively



Excellence in Corporate Social Responsibility Award

1st place in the financial industry for the 7th time



Best Bank in Taiwan

Awarded "Best Bank in Taiwan Award" from Asiamoney
Awarded "Best Bank in Taiwan Award" from The Asset



Best corporate governance

Awarded the Platinum Award for Excellent Management
in Corporate Governance in Asia for 6 consecutive years



Information disclosure A⁺⁺

Awarded the highest information disclosure assessment rating of A⁺⁺
from Securities & Futures Commission



Best digital finance

Awarded "Cool Business Awards" from Gartner

Economic aspects



the 1st in the financial industry

Profit grows over 20% for 5 consecutive years

After-tax profit of NT\$12.81 billion in 2015 which is 21.7% growth compare to 2014.

59.7% from foreign investment

The percentage of foreign investment is the highest among financial holding companies at the end of 2015.
Excellent corporate governance and stable management win trust from investors.

Upgraded credit rating for 2 consecutive years

In 2015, E.SUN receive an upgrade from Taiwan Rating Company.
In 2014, E.SUN was the only financial institution in Taiwan to receive an upgrade from Moody's Rating.

Environmental aspects



the 1st in the financial industry

The signing of Equator Principle

Incorporate business to fulfill responsibilities for environment and society in cases of project financing and construction exploitation.

Certificate for Energy conservation savings and Carbon decrease

In 2015, E.SUN is awarded "the Best Energy Conservation Savings Company" and "the Best Carbon Decrease Practice Award" from Bureau of Energy, Ministry of Economic Affairs.

100% carbon inventory

E.SUN FHC's headquarters building and all 136 business locations have passed ISO14064-1:2006 greenhouse gas inventories.

Social aspects



the 1st in the financial industry

Completion of 100 E.SUN libraries

E.SUN issued Asia's first public interest World Card, implemented the Golden Seed Project, and created a M-shaped social bridge.

The first place in "Support for Creativity Industry Project"

Highly support for cultural and creativity industry.
Winning the first place again in Loan to Creativity Industry from Financial Supervisory Commission.

High Participation in volunteer activity

In 2015, each employee participated in volunteer activities for an average of more than 6 hours.

International certification



★ ISO14064-1

First bank to complete ISO14064-1:2006 greenhouse gas inventories of headquarters building and all 136 business locations and receive a verification statement.

★ ISO50001

First bank and securities firm to simultaneously pass ISO50001 energy management system certification.

★ ISO14001

First financial holding company to pass ISO 14001 environmental management system certification.

★ ISO14046

First financial institution to pass organizational water footprint inventories of headquarters building.

★ ISO14067

First financial institution to pass carbon footprint certification of ISO 14067.

★ ISO 20121

First bank to pass sustainable management system certification of ISO 20121.

Business environment

Performance of the global economy in 2015 was volatile and stagnant. In December, U.S. Fed raised interest rate by 0.25%, which signified the end of the 7-year, near-zero interest state. Meanwhile, China's economy came to an end of rapid growth. The fluctuation of stock market and RMB interest rate and currency exhibited great volatility as the nation underwent a structural reform. As stagnation becomes the new norm, the demand of end users falls and the price of oil and commodity collapses, heavily impacting exporting nations.

The arrival of Bank 3.0 and Fintech has stirred up interest among U.S. and Chinese digital service providers to venture into banking services such as payment, lending, and wealth management. In the meantime, the banking industry has also been actively recruiting Fintech talents to support their digital transformation. This combination of banking, technologies and digital services has created a new perspective of how banking services can be performed, thus provides customers with more diverse and convenient services.

The rise of Asian economies and ongoing regional integration have made TPP and RCEP two of the most prominent developments in the future. Under the support of the authority, Taiwanese banks are actively expanding their presence throughout Asia to take part in the growth of Asian economies. Although there are many challenges to the path of globalization, the banking industry seems to have the confidence and resolve to expand overseas.

In response to climate changes, an agreement to reduce greenhouse gas emission was achieved during the Paris Climate Conference, which signified a new milestone towards a low-carbon economy. As a consequence of new policies introduced by the Taiwanese authority, more and more TWSE/TPEX listed companies are being required to prepare CSR reports and incorporate social responsibilities into business activities in conformity with world trends. This, in turn, should improve overall business quality of an entire industry.

The rapidly changing environment presents a test and challenge to businesses' adaptability, E.SUN will embrace these challenges by exploring breakthrough and innovative opportunities with meaningful, systematic and organized actions listed below, and turn crises into opportunities where we can surpass our competitors and beat them to the finish line:

1. Develop the five key elements of Fintech, including domain know-how in banking, utilization of advanced technology, new customer experience, big data analysis, and social network management. Next, we shall develop our digital service brand through three progressive steps: Time to Market, Time to Volume, and Time to Value.
2. In order to develop innovative mindsets and a learning organization, the Company relies not only on internal training, but explores other opportunities to host or co-arrange campus challenges such as "Data Scientist Competition," "Google Ignite Project," and "E.SUN Hackathon" as means to attract talents.

Given the environment we are in, anticipation and exploitation of upcoming changes are the only means for us to develop competitive advantages and surpass our competitors.

Business results

E.SUN FHC delivered record-high earnings once again in 2015, concluding net income of NTD 12.816 billion, EPS of NTD 1.63, ROE of 11.23%, ROA of 0.78%, and capital adequacy ratio of 141.73%. The Company also managed to maintain asset quality at sound level, with an NPL ratio of 0.13% and NPL coverage ratio of 930%. In terms of credit rating, Moody's has given the financial holding company a long-term rating/short-term rating/prospect of Baa1/P-2/Stable, while the banking subsidiary received A3/P-2/Stable.

With regard to financial innovation, E.SUN became the first bank to be granted by the Financial Supervisory Commission (FSC) to invest in Fintech company. The addition of such a company brings innovation with respect to cash flow, distribution and marketing, thereby enabling E.SUN to provide more diverse and convenient financial services to Taiwanese companies and consumers. As a result, E.SUN became the first bank to give Chinese tourists the option to pay for their purchases using the Alipay app when visiting Taiwan, and the first bank to join VISA in the launch of HCE credit card service. During Gartner's first "Cool Business Awards," E.SUN stood out among many Asian financial institutions to claim three major awards including "Most Innovative Application of Digital Technology to Grow the Business" and "Regional Winner APAC." E.SUN was also the only Taiwanese bank to receive such an honor.

With regard to overall performance, the Company maintained its total assets at NTD 1.78 trillion, total deposits at NTD 1.46 trillion, NTD current deposits at NTD 670.5 billion, foreign currency deposits at NTD 356.8 billion, and total loans at NTD 1.04 trillion. Fee income totaled NTD 15.499 billion, representing a 19.6% growth. The Company achieved significant and balanced growth across all service categories. With respect to credit cards, E.SUN continued to be the largest issuer of World Card (the premium card) with a market share of 23.74%; meanwhile, total credit card spending increased by NTD 41.2 billion to NTD 252.4 billion, which exhibited the highest growth in the market. With respect to the SME segment, E.SUN Bank ranked the first among private banks in SME lending, and set record as it won the Excellent SME Credit Guarantee Partner Award for the 10th time. In terms of wealth management services, the Company has been able to maintain a stunning 35% annual growth in wealth management fee income for four consecutive years. With regard to foreign currency deposits, total balance increased by NTD 75.2 billion or 26.70%. As for consumer loans, total lending increased by 32% to NTD 87.2 billion.

E.SUN currently owns 22 service locations in seven countries including China, Hong Kong, Singapore, USA, Australia, Vietnam, Cambodia, and Myanmar. The Company had recently opened its Chinese subsidiary in January 2016 and its Sydney Branch in April 2016, and earned the support of Myanmar central bank in March 2016 to become the first Taiwanese bank to receive branch license in Myanmar.

With respect to business sustainability, E.SUN continues to devote long-term and systematic efforts into corporate social responsibilities from different angles including corporate governance, employees, customers, society and environment. In 2015, E.SUN was selected as constituent stock of "DJSI - World," which made it the first and only Taiwanese financial institution to be chosen for the index. Following the signing of "Equator Principles" in 2015, E.SUN became an official member of this organization, and will be working alongside 82 other financial institutions to promote economic development while ensuring sustainability of the local society and environment.

Capital category	Input of the six capital	Action plans for 2015	Output from the six capital	Value created for E.SUN	Value created for stakeholders
Financial	- Net income: NTD 10,528,552,000 - Earnings per share (EPS): NTD 1.56 - Return on equity (ROE): 11.11% - Return on assets (ROA): 0.72%	Financial innovation 1. Expanded R&D and investment in pioneering new payment, cross-border payment, and mobile payment solutions. (Results: first HCE credit card, first bank to enable Chinese tourists to purchase through Alipay app) 2. Resource integration for online banking (Results: e-Click Online Loan, e-Click Online Card Application, Mobile Financial Advisor app, and E.SUN Corporate Online Banking) 3. Completed investment into BankPro E-Service Technology Co., Ltd., the first bank to invest into a Fintech company.	- Net income: NTD 12,816,347,000 - Earnings per share (EPS): NTD 1.63 - Return on equity (ROE): 11.23% - Return on assets (ROA): 0.78%	Strategies such as financial innovation, total performance and Asia deployment help the Company's businesses to grow and contribute to additional financial capital.	The increase in financial capital enables shareholders and other stakeholders to share E.SUN's performance results.
Human Resource	- Employee count: 7,424 - Employee satisfaction: 97.6% - Average training hours per person: 48.1 hours		- Employee count: 7,914 - Employee satisfaction: 97.7% - Average training hours per person: 44 hours	Devote efforts to talent nurturing, so that E.SUN may have top-performing and satisfied employees to deliver better results.	Through the core concern of "family," the Company becomes the favorite one in minds of employees and other stakeholders.
Environment	- Electricity consumed at E.SUN Financial Building and business site nationwide: 19,940,079 kWh - Amount of green procurement in 2014: NTD 100,598,814 - Proportion of Investment in DJSI constituents : 40.5%	Overall performance To foster future leaders, E.SUN has introduced a LEAD Leadership Program that runs for 3 phases, each lasting 1.5 year. The goal of the program is to guide trainees towards applying leadership on themselves, the team, the business, and changes. Asian expansion Continually explore new service locations in Asia. (Results: Opening of Vietnam Branch, additional 3 branches under UCB, and opening of Changan sub-branch)	- Total power usage of E.SUN Financial Building and business units nationwide: 19,455,392 kWh - Amount of green procurements made in 2015: NTD 55,687,445 - Percentage of portfolio invested in DJSI composition or Goldman Sachs' sustainability list: 54%	Through energy conservation, green procurement and sustainable investments, we contribute our efforts to the preservation of natural capital.	While the Company takes step towards sustainability, it invites suppliers and other stakeholders to join its efforts.
Production	- Nationwide branch count: 136 - Nationwide ATM count: 581 - Countries with office presence: 6 - No. of overseas service locations in 2014: 14	Corporate social responsibilities 1. Signing of "Equator Principles" at the end of 2015, became one of the 83 financial institutions worldwide. 2. Supported SMEs and the cultural and creativity industry. (Results: Ranked the 1st again in FSC's 2015 Creative Lending Competition, and won SME Credit Guarantee Partner Awards for 10 straight years) 3. 15 new E.SUN Libraries were completed in 2015, a milestone of 100-library for its Golden Seed Project. The Concern for Schoolchildren Program assisted a total of 10,480 school children, surpassing the initial 10,000 target. Lastly, E.SUN Academic Awards was expanded to include Taiwan's top-4 universities (NTU, NCCU, NTU, and NCTU) to support their research efforts and increase Taiwan's competitiveness.	- Nationwide branch count: 136 - Nationwide ATM count: 622 - Countries with office presence: 6 - No. of overseas service locations in 2015: 19	By deploying throughout Asia, E.SUN is presented with greater customer exposure and worldwide visibility that may lead to more business opportunities.	While E.SUN expands overseas, it allows employees, shareholders and other stakeholders to share the Company's vision and growth, and at the same time provides customers with more comprehensive cross-border financial services.
Intelligence	- Financial innovation-related awards: 13 - R&D expenses by banking and securities subsidiaries: NTD 133,327,000		- Financial innovation-related awards: 18 - R&D expenses by banking and securities subsidiaries: NTD 190,842,000	Innovative thinking and new resources are the keys to develop E.SUN's stature as the pioneer in financial innovation.	As E.SUN devotes more intelligent capital to creating new products and services, customers are able to enjoy better user experience.
Social	- No. of customers participating in the Golden Seed Project: 84,664 - Cumulative No. of students benefited from the Golden Seed Project: 40,133 - Cumulative No. of students benefited from the Concern for School children Program: 26,414		- No. of customers participating in the Golden Seed Project: 108,940 - Cumulative No. of students benefited from the Golden Seed Project: 50,494 - Cumulative No. of students benefited from the Concern for Schoolchildren Program: 36,834	E.SUN has long devoted itself to fulfilling corporate social responsibilities in all aspects. It has incorporated CSR efforts into daily business activities, and integrated resources within and outside the organization to maximize positive influence.	Project by project, E.SUN hopes to take progressive steps and bring positive changes to customers, the community, suppliers and other stakeholders alike.

Given the uprise of new trends such as Fintech, regional integration and rise of Asia, E.SUN has identified "financial innovation, total performance, and Asia deployment" as its three medium/long-term strategies for the third decade. These strategies will also be implemented in line with the Company's long-term commitment to corporate social responsibilities. E.SUN creates values for customers through creativity, and has set its goal to become the leader in financial innovation. By taking three progressive steps: Time to Market, Time to Volume, and Time to Value, E.SUN endeavors to build distinctive digital service brand. In terms of total performance, the Company strives to take a big leap through organic growth, strategic alliance, and mergers and acquisitions.

Given the realities of the local and foreign financial environment, E.SUN considers it a priority to secure a strong foothold in the local market in order to succeed overseas. As a result, E.SUN has adopted the strategy to grow its businesses in Taiwan before deploying into Asia. E.SUN's Asia deployment plan focuses on features, differences and efficiency in an attempt to capture opportunities such as cross-strait services, cross-border customers, ASEAN market, rising Asian economies, and local growth. Through this blueprint, E.SUN expects to build up its image as Asia's distinguished bank.

With respect to corporate social responsibilities, E.SUN has adopted the "3Is"—innovation, integration, and influence—as part of its strategy towards becoming the preferred bank.

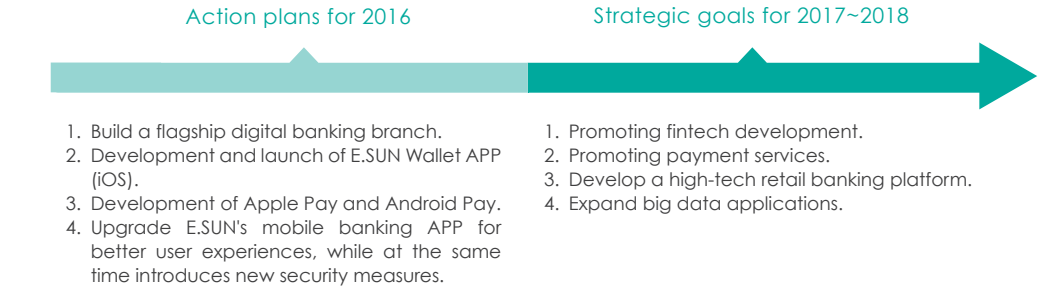
Development strategies

The Company has identified financial innovation, total performance, Asia deployment and corporate social responsibilities as part of its long-term strategies in the third decade. These long-term strategies will be progressively achieved through a combination of medium-term (2017 to 2018) and short-term (2016) strategies.

Pioneer in financial innovation

Long-term strategies:

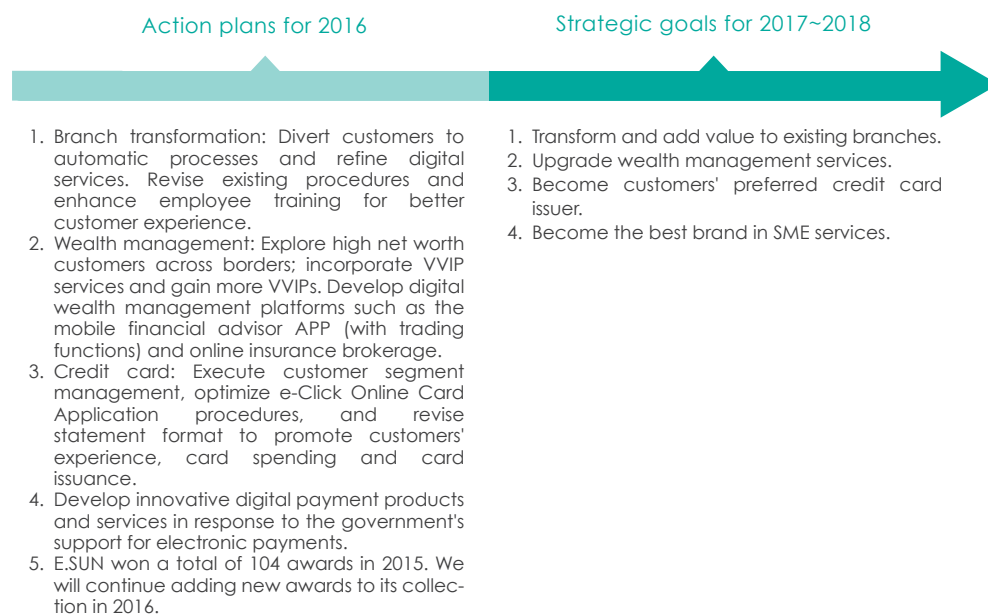
Build up E.SUN's innovative culture and introduce the right combination of innovative approaches that would promote its image as the most service-friendly, most innovative, and most technologically competitive company.



● Overall performance leap

Long-term strategies:

Aiming to deliver the best total performance and become the most respected business with annual KPI improvements ranking at 3rd to 5th place while recruiting and nurturing more exceptional talents.



● Expand into Asia

Long-term strategies:

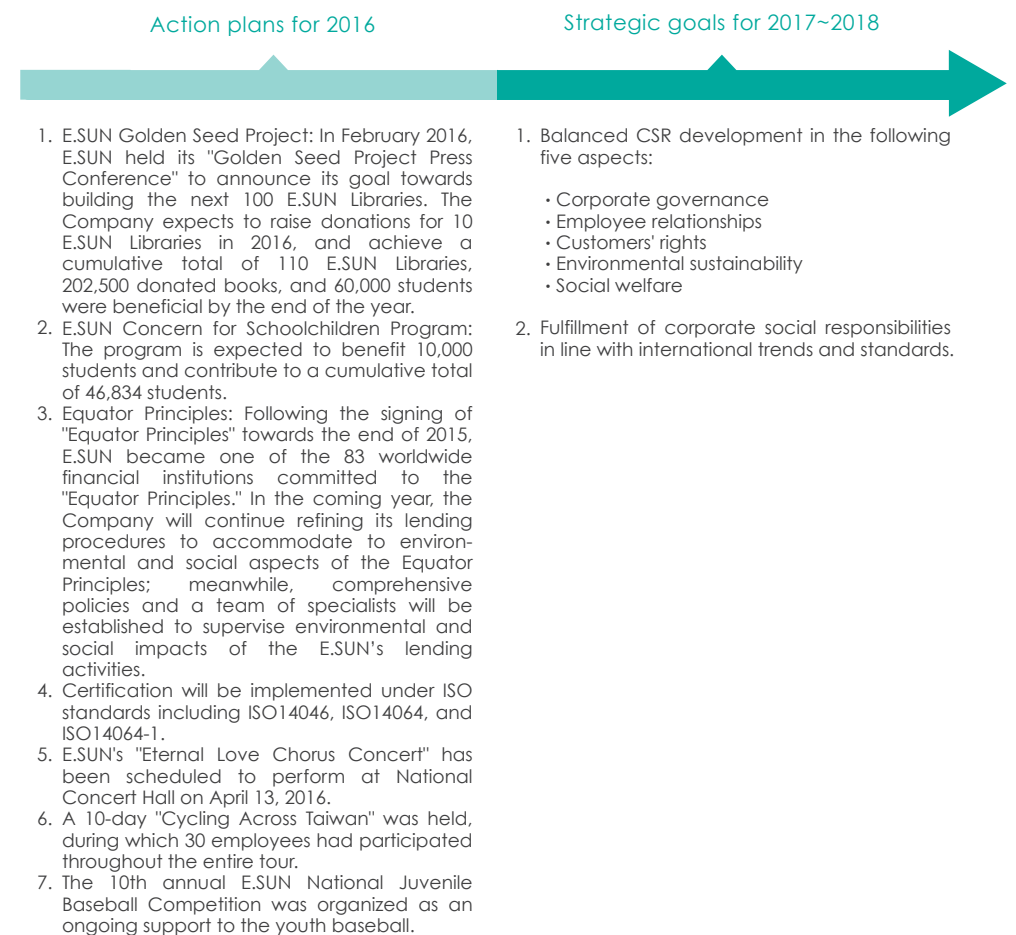
Expand overseas presence and the size of subsidiaries; develop the E.SUN's image as the leading financial brand in Asia from several aspects including corporate governance, business performance, customer service, risk management, and CSR.



● The most beautiful mountain, The most favorite bank

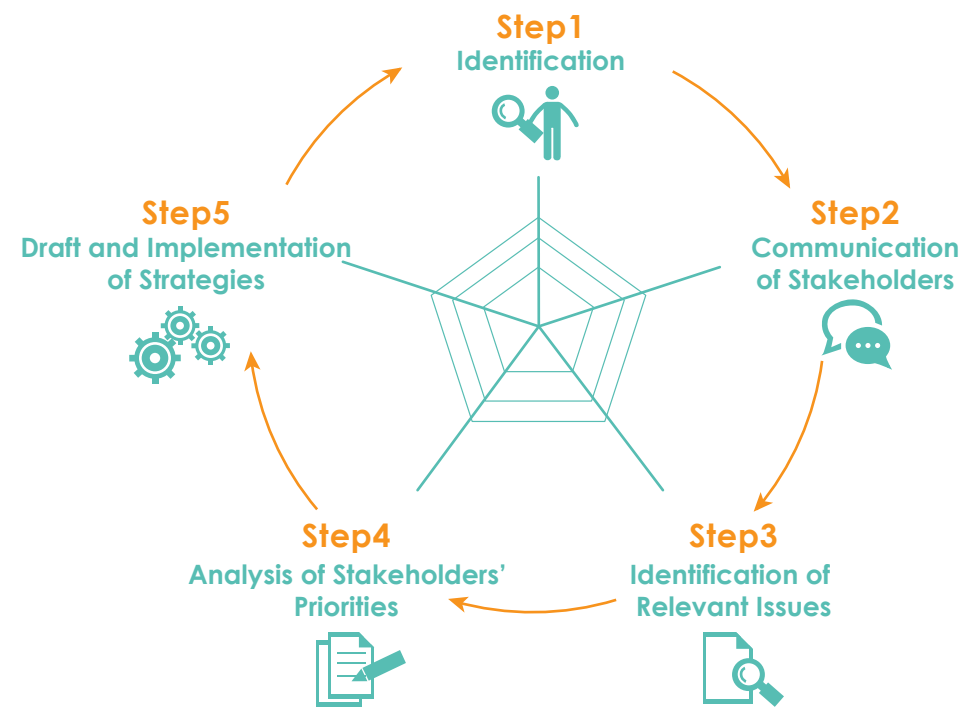
Long-term strategies:

Our ultimate goal of business management is to coexist with the society in harmony and contribute to a better future. For many years, E.SUN has committed itself to CSR through different aspects including corporate governance, employee relationships, customers' interests, social engagement, and environmental protection. We have placed great emphasis on communicating with stakeholders, and strives to become great from good in terms of being the favorite bank of our employees, customers, shareholders, and Taiwan.



We shall continue to devote ourselves to corporate social responsibilities by contributing our financial expertise, and adhere strictly to corporate governance principles while committing fully in environmental protection and social welfare. Through these efforts, we aim to create value for stakeholders and realize the common vision they have shared with E.SUN.

Aiming at analyzing material issues and drafting strategies, E.SUN has taken five-step measure to accomplish this task including identification and communication of stakeholders, identification of relevant issues, analysis of stakeholders' priorities, and draft and implementation of strategies.



1. Identification of stakeholders

The scope of business of E.SUN FHC and its subsidiaries including banking, securities, insurance brokerages and venture capital. By that, all the groups and individuals that have mutual influences between them and E.SUN FHC are thus defined as stakeholders. Main stakeholders are herein identified through questionnaires, interviews and experiences of experts to be employees, customers, stockholders, vendors and business partners, community residents, governmental agencies and the media.

2. Communicate with stakeholders

In order to better understand stakeholders' benefits, we have established a communication platform on the E.SUN FHC's official website, and invite them to share their comments and opinions. Furthermore, we also have well-established mechanisms for different types of stakeholders to ensure that all their comments and opinions from different channels are managed with efficiency and effectiveness. Stakeholders' interests, concerns and priorities are also uncovered among these feedbacks and interactions.

The following table shows relevant communication mechanisms and issues of concern to various stakeholders:

Stakeholder	Mechanisms and practices	Frequency	Priorities of issues concerned (from high to low)
Employees 	94% Employee feedbacks response rate 305 sessions for interchanges of internal training & education 62,137 employees Joined Training & education - E.SUN conducts employee surveys where employees express views and make suggestions freely. - Establishment of direct communication channel between mentors and mentees. - Establishing labour union for improving working conditions and communicating views between the employee and employer. - Establishment of an online HR platform for sharing opinions and providing real-time information concerning salaries, benefits, attendance, and education & training.	Annual On irregular basis On irregular basis Weekly	H L - Manpower training and employee relationships - Corporate governance and business integrity - Product innovation - Risk management - International universal human rights - Workplace health & safety
Customers 	Over 850 million person contacted customer service center 265 events of finance and investment 1,328 Questionnaire responses - Providing a wide range of communicating channels including: 24-hour customer service hotline, internet phone calls, online chat, website message board, and comment boxes for our local branches' customers. - Conducting market researches to collect various customer needs, recommendations, and measure degree of satisfaction. - Promoting two-way communication and financial consultancy by holding financial management and investment lectures, and issuing the Smile E.SUN bimonthly, Sunrise quarterly, and various e-bulletins.	On irregular basis On irregular basis Monthly	H L - Service quality and customer rights - Business integrity - Brand image - Risk management - Social welfare - Product innovation
Shareholders 	8 sessions of institutional investors' conferences 200 people joined investors' conferences A dedicated department in charge of two-way communications - Announcements of business performance, and disclosure of important information on the Market Observation Post System and company website. - Holding institutional investors' conferences. - Conducting shareholders' meetings. - Participating in foreign and domestic investment organization conferences, investor conferences, and investment forums. - Establishment of stock affairs, public relations, and institutional relations department to provide two-way communication channels between E.SUN and shareholders.	Monthly Quarterly Annual On irregular basis	H L - Corporate governance and business integrity - Operating performance and stockholders' equity - Brand image - Risk management - Environmentally sustainable management - Social welfare
Vendors 	Institutional vendors' conferences legal requirement compliance Echoing Human Rights and Environmental Sustainability Pledge - Holding institutional vendors' conferences and technical interchange meetings. - Inviting vendors to sign the Human Rights and Environmental Sustainability Pledge. - Monitoring the compliance with legal requirements of major vendors.	On irregular basis On irregular basis Annual	H L - Business Integrity - Supply Chain Management - Environmental sustainability
Community 	52 visits and lectures 2,300 people joined visits and lectures 13 sessions for interchanging with community associations - Participating in forums and workshops held by various NPO/NGO groups, academic groups, and local community associations. - Employing the E.SUN Volunteer & Social Welfare Foundation and E.SUN Foundation as contact windows for communicating with community groups. - Establishing communication channels via local branches between communities and E.SUN's headquarter.	On irregular basis On irregular basis On irregular basis	H L - Environmentally sustainable management - Social welfare - Participation of stakeholders - Environmental protection - Management of energy and water resources - Service quality and customer rights
Governmental agencies 	Inviting for interchanges and inspection Proactively joined oversight, audits and assessments Joining various panel discussions and seminars - Participation of policy seminars, panel discussions, and public hearings. - Cooperation with oversight, audits and assessments from governmental agencies. - Visiting and inviting governmental agencies to directly interchanging opinions.	On irregular basis On irregular basis On irregular basis	H L - Corporate governance and business integrity - Risk management - Environmental sustainability - Customer rights - Employee relationships - Participation of stakeholders
Media 	Dedicated spokes persons and public relationship department Planning of media activities concerning important issues Holding of press conferences and visits - Establishment of a public relations unit to perform relevant liaisons and service duties. - Establishment of a spokesperson, holding of press conferences, and provision of press releases. - Planning of press events concerning important issues.	On irregular basis Quarterly On irregular basis	H L - Environmentally sustainable management - Customer rights - Corporate governance - Participation of stakeholders - Employee relationships - Product innovation

3. Identification of relevant issues

Issues of concern are diverse among stakeholders both in numbers and in types. Thus, we have employed a wide range of ongoing mechanisms to interchange opinions with stakeholders, identify material issues, and accordingly draft major strategies and action plans. On the basis above, we've implemented systematic measures and long-term commitment to integrate internal and external resources, realize tangible approaches, and continuously monitor results and feedbacks concerning each issues.

We herein sum up with the following issues of concern regarding opinions from communication with stakeholders, internal discussion among various units' CSR representatives, as well as the experience of external experts:

No.	Issues of concern	No.	Issues of concern
1	Corporate governance	11	Management of carbon emissions
2	Business integrity	12	Waste management
3	Brand image	13	Supply chain management
4	Operating performance	14	Adaption strategies for climate changes
5	Risk management	15	Employee relationships
6	Service quality and customer rights	16	Manpower training
7	Product innovation	17	Workplace health & safety
8	Responsible lending and investment	18	International universal human rights
9	Ecological protection and environmental sustainability	19	Participation of stakeholders
10	Management of energy and water resources	20	Social welfare

4. Analysis of material issues

• Analysis of stakeholders' priorities

After employing the foregoing communication mechanisms to understand stakeholders' priorities about above-mentioned issues, we have arranged these issues with aspects of economic, social, and environmental as shown below:

	Economy 	Society 	Environment 
H	Corporate governance, Operating performance, Business integrity	Service quality and customer rights	Ecological protection and environmental sustainability
	Brand image, Risk and crisis management, Participation of stakeholders, Social welfare	Human resource training, Workplace health & safety, Employee relationships	Climate change
L	Supply chain management, Social welfare	International universal human rights	Management of carbon emissions, energy, water resources and waste

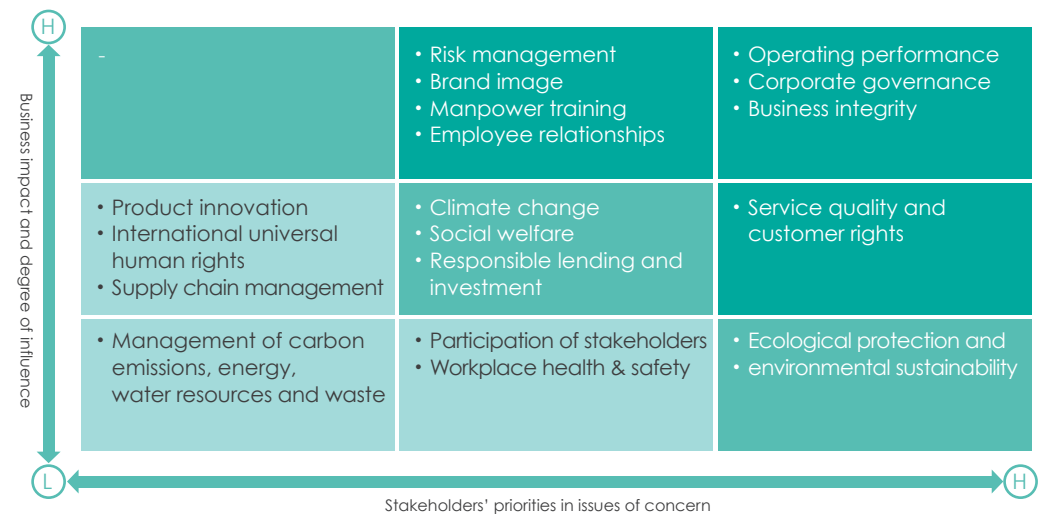
• Assessment of business impact

Analyzing issues by conducting 29 sessions of CSR workshops, participating in numerous external CSR-related forums, communicating with experts from various fields and taking characteristics of the financial industry into consideration, we are able to analyze the potential impact of various issues on E.SUN's operational activities as well as social and environmental sustainability. Issues summarized shown below in accordance with economic, social, and environmental aspects.

	Economy 	Society 	Environment 
H	Corporate governance, Operating performance, Business integrity, Brand image, Risk management	Manpower training, Employee relationships	-
	Product innovation, Responsible lending and investment, Supply chain management	Service quality and customer rights, International universal human rights, Social welfare	Climate change
L	Participation of stakeholders	Workplace health & safety	Ecological protection and environmental sustainability, Management of carbon emissions, energy, water resources and waste

● Arrangement in order of importance

In the following sections of this report, we will discuss our opinions in reply to the foregoing issues, and the specific methods we are using to address them. With regard to the identification of material issues, we have compiled a matrix diagram arranging the issues in accordance with the two foregoing dimensions of “stakeholders’ priorities in issues of concern” and “business impact and degree of influence.” Those issues that are on the high portion of at least one dimension are considered material issues, and include operating performance, corporate governance, business integrity, risk management, brand image, manpower training, service quality and customer rights, employee relationships, ecological protection and environmental sustainability. The matrix is shown below:



5. Draft and implementation of strategies

The strategies, GRI categories and report boundary concerning above-mentioned major issues are listed below and further details will be demonstrated in their corresponding chapters.

	Material issues	Summary	Management strategy (DMA section)	GRI category	GRI indicators	With in organization		Outside organization					
						E.SUN	Employee	Cust-omer	Share-holder	Gover-nment	Suppliers and Partners	Com-munity	Media
Governance	Corporate governance	• Board of directors and governance chart • Information disclosure	2.5 Corporate governance	• Governance	G4-34	●	●		●	●			●
				• Anti-corruption	SO3~SO5	●			●	●			●
				• Anti-trust	SO7	●	●	●			●		
				• Legal compliance	SO8, PR9	●	●		●	●			
	Business integrity	• Corporate business philosophy and culture • E.SUN's Service Agreement and code of conduct • Legal compliance	2.7 Business integrity	• Ethics & integrity	G4-56~58	●	●	●	●	●	●		
				• Anti-corruption	SO3~SO5	●			●	●			●
				• Anti-trust	SO7	●	●	●			●		
				• Legal compliance	SO8	●	●		●	●			
Economy	Operating performance	• Financial performance • Credit rating • Business development	2.3 Operating performance	• Economic performance	EC1~3	●	●		●				
	Service quality and customer rights	• Development of digital banking • Service quality management • Personal information protection • Customer assets management	3.3 Customer rights protect 3.4 Friendly service	• Product & service labeling	PR3、PR5	●		●			●		
				• Customer privacy	PR8	●		●					
	Risk management	• Risk management mechanism • Crisis management • Adaption strategies for climate changes	2.8 Risk management	• Economic performance	EC2	●	●		●				
				• Anti-corruption	SO3~SO5	●			●	●			●
				• Audits (financial industry only)		●	●			●			
	Brand image	• Brand vision & philosophy • Joys & honor	1.1 Brand vision 1.2 Business philosophy	• Market image • Marketing & communication	EC5~EC6 PR6~PR7	● ●	● ●	● ●	● ●		●		● ●
Society	Manpower training	• HR training & development • HR demographic	4.1 HR demographic 4.4 Training & development	• Training and education	LA9~LA11	●	●	●		●			
				• Employee diversity and equal opportunity	LA12	●	●						
	Employee relationships	• Benefits and protections • Happy environment	4.2 Employee relations	• Labor-employer relations	LA1 ~LA3	●	●			●			
				• Labor relations	LA4	●	●			●			
				• Non-discrimination	HR3	●	●			●			
				• Child labor	HR5	●	●			●			
				• Equal pay	LA13	●	●						
	Environment	Ecological protection and environmental sustainability	• Sustainability of financial service • Ecological protection	5.2 Formosan Bear conservation 5.4 Environmental education	• Products and services	EN 27	●	●	●				●
• Products lineup (financial industry only)					FS6~FS8	●		●					●

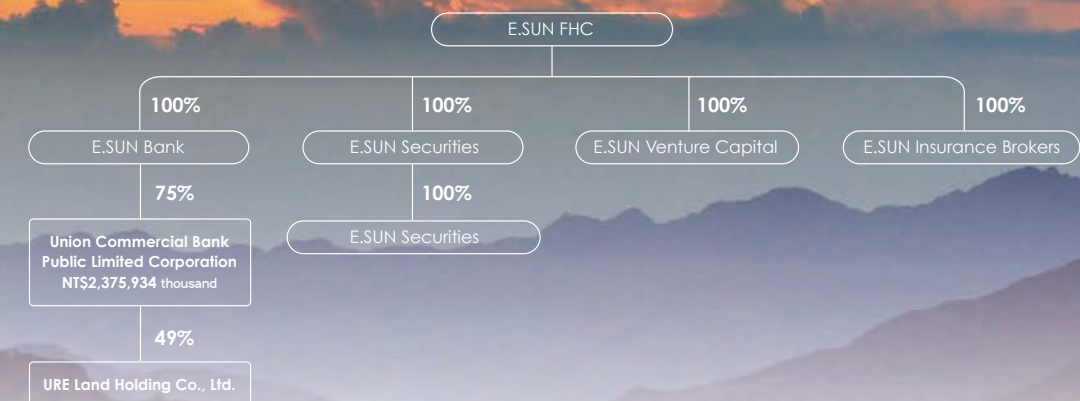
1. Sustainable development

An exemplar for the financial industry and a benchmark for the service industry

E.SUN employees strive to be first-class citizens of the world

E.SUN endeavors to become a first-rate global corporate citizen

Taiwan's E.SUN, the World's E.SUN



1.1 Brand vision

E.SUN FHC was established on January 28, 2002, and has headquarters located in Taipei, Taiwan. Subsidiaries include E.SUN Bank, E.SUN Securities, E.SUN Insurance Brokers and E.SUN Venture Capital. As of December 31, 2015, total assets reached to NT\$1.78 trillion. In 2015, E.SUN FHC's net profit after tax was NT\$12.816 billion. Besides the subsidiaries, in order to better fulfill social responsibilities and achieve sustainable development, the company has established the E.SUN Foundation and E.SUN Volunteer & Social Welfare Foundation, and will continue to contribute the strength of E.SUN and its people in line with the volunteer spirit of "Love and Care" and "One simple act of love can inspire others to love." We believe that the bigger your vision, the greater your strength. E.SUN has long relied on self-discipline, setting an example, and a consistently sincere and straightforward approach to business to establish a fresh new professional brand and image, and it is determined to create an enterprise that will last. Apart from carefully committing to our duties in corporate management, we also believe that only by faithfully engaging our corporate social responsibilities can E.SUN employees become first-class citizens of the world, and E.SUN will become a first-rate global corporate citizen.

Analysis of material issues

An exemplary individual possesses both good character and real talent, and demonstrates all-round achievement in ethical, intellectual, physical, social skills, and aesthetic education. E.SUN seeks to have the best self-discipline and greatest self demands in the financial industry, consistently upholds a steady and straight business style, and has established a fresh new professional brand and image. Over the course of twenty-four years, our professional management, optimal service, superlative quality, demanding corporate governance, excellent risk management, and constant attention to our corporate social responsibilities has helped us to boost standards in Taiwan's financial and service industries.



E.SUN employees strive to be first-class citizens of the world, and E.SUN endeavors to become a first-rate global corporate citizen

Apart from their refreshing professionalism in the workplace, E.SUN's employees are also full of warmth and concern. In the spirit of "a smile will inspire even more smiles" and "one simple act of love can inspire others to love," E.SUN employees strive to act as first-class citizens of the world. Because E.SUN believes that the meaning of its existence is to increase human welfare, beyond focusing on its corporate business, it is also actively concerned about social development, environmental protection, its responsibilities to society, and the promotion of art and culture. We feel that only by fulfilling our social responsibilities can we truly contribute to human welfare and act as a first-rate global corporate citizen.

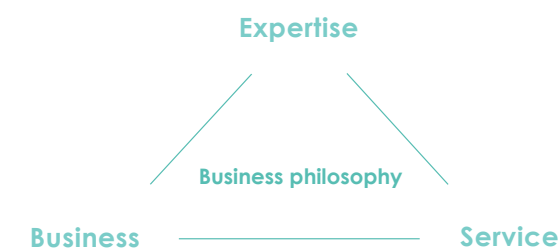
Taiwan's E.SUN, the World's E.SUN

Thanks to the unstinting efforts of E.SUN's management and all employees, E.SUN's brand, service, and team have won the trust and affirmation of customers and society. We will continue our dedicated efforts as we strive to transform E.SUN into one of Asia's distinctive banks. We look forward to seeing E.SUN thrive and shine on the international financial stage.



1.2 Corporate business philosophy

Named after the highest mountain in Taiwan, we are determined to be the best bank in Taiwan. We aspire to be the best-performing, and most respected financial institution in Taiwan. Since it was founded, E.SUN has made establishment of institutional systems, cultivation of talents, and development of information technology the three pillars of its quest for long-term sustainability, and upholds a business philosophy of "expertise, service, and business." Following continuous long-term effort, we are advancing toward our common vision.



Expertise

When Taiwan first permitted the establishment of new banks in 1992, E.SUN was the only approved bank without support from conglomerates or government. Instead, E.SUN has relied on a professional management team formed of outstanding managers and other superb individuals to establish a professional navigation system and create a true "banker's bank."

Service

E.SUN's service begins with a smile, and leaves customers with a feeling of warmth. We listen to our customers, strive to satisfy customers' needs, exceed our customers' expectations, and win an even greater mindshare of customers', with the goal of making E.SUN a leading financial industry brand in customers' mind.

Business

Toward our employees, we seek to cultivate professional manpower and provide a superior work environment. Toward our customers, we seek to provide optimal service and create the largest possible value. Toward our shareholders, we rely on sincerity and fresh expertise to create outstanding overall performance. Toward society, we hope to promote public welfare by boosting economic development.

1.3 CSR governance

E.SUN FHC established a corporate social responsibility committee (CSR Committee) in 2011. The chairman serves as the committee's convener, and there are five working groups to handle the issues of corporate governance, social welfare, environmental sustainability, customer rights, and care for employees. The working groups effectively integrate resources and boost efficiency; there were a total of 29 working group conferences in 2015. In addition, the company regularly reports CSR strategies and implementation results to the board. As a rule, the company employs systematic and well-planned methods to achieve the long-term fulfillment of its corporate social responsibilities.

E.SUN has long been devoting considerable resources to its corporate social responsibilities, and is committed to benefiting its home in Taiwan. Continuously drafted "E.SUN FHC Corporate Social Responsibility Best-Practice Principles", "Corporate Governance Best-Practice Principles" and "Ethical Corporate Management Rules, Operating Procedures, and Action Guide". In addition to incorporating CSR-related subject matter in new recruits training and various professional training programs, in daily life also encourage employee playing volunteer spirit. We can make the society better and maximize the social influence of the company's CSR measures.



- * CSR committee is responsible for organizing and reviewing annual plan, campaigns and activities.
- * Conduct regular meetings and report to the board of directors.

1.4 Recognitions and honors



Overall Performance

- E.SUN FHC was included in Dow Jones Sustainability World Index, the first ever financial institutions in Taiwan. (2015)
- E.SUN FHC was included in Dow Jones Sustainability Emerging Market Index in 2 consecutive years. (2014-2015)
- E.SUN Bank received the Best Domestic Bank Award in 2 consecutive years. (Asiamoney) (2014-2015)
- E.SUN Bank received the Best Domestic Bank Award in Taiwan. (Asiamoney) (2015)
- E.SUN FHC received the Platinum Award for Excellence Management in Corporate Governance in Asia in 6 consecutive years, the record in Taiwan Financial industry. (Asiamoney) (2010-2015)
- E.SUN Bank received the award of Best Cash Management Bank in Taiwan and the award of Best SME Bank in Taiwan. (The Asian Banker) (2015)

Financial Innovation

- Received 3 Gartner awards of Digital Champion in Asiapac, Most Promising Digital Business Transformation Initiative and Most Innovation Application of Digital Technology to Grow the Business, the only bank in Asia financial industry. (2015)
- E.SUN Bank Ranked 1st place in cultural and creative lending award from Financial Supervisory Commission, demonstrating our long term support in cultural and creative industry. (2015)
- Received The Asian Banker the award of Risk Data and Analytics Technology Implementation of the year. (2015)
- Received The Asset the award of Best in Treasury and working capital -SME in Taiwan in 3 consecutive years. (2013-2015)
- Received The Asset the award of Best Initiative in Innovation (e-Click Online Card Application). (2015)
- Received MOEA the Top 15 Brand of Best Service Technology Innovation Award. (2015)

Customer Service

- Received BusinessToday Wealth Management Evaluation 7 awards, the most awards of all banks. (2015)

- Best Product Award
- Best Service Award
- Best Confidence Award
- Best Public Welfare Award
- Best Wealth Management team Award
- Best Customer recommendation Award
- Best Digital Development Award



- E.SUN Bank Ranked No.1 in financial institutions for the Five-Star Service Awards 4 times. (Global View magazine) (2015)
- Received Global View magazine the five star award for 2015 Wealth Management award. (2015)
- E.SUN Bank was top-ranked among financial institutions in Golden Service Award in 4 consecutive years. (CommonWealth Magazine) (2011-2014)
- Received Timetric the award of Highly Commended: Best Customer Experience-Branch. (2015)
- Received MOEA SME Partner Award in 10 consecutive years. (2006-2015)

Sustainable development

- E.SUN FHC ranked No.1 in financial institutions in CSR award for 7 times. (Common-Wealth Magazine) (2008-2010, 2012-2015)
- Received Taiwan Institute for Sustainable Energy the Top 10 Most Sustainable Company Award. (2015)
- Received Taiwan Institute for Sustainable Energy Transparency and Integrity Awards for Taiwan Corporate Sustainability Awards, Social Inclusion Awards for Taiwan Corporate Sustainability Awards and the Gold medal in financial industry for Taiwan Top 50 Corporate Sustainability Report Awards. (2015)
- Received 8 awards by Wealth Magazine the Golden Quality Award in 2015 Financial Brand & CSR Survey. (2015)

- Best CSR of FHC (the Golden Quality Award)
- Best Domestic Bank (the Golden Quality Award)
- Best Wealth Management Bank (the Golden Quality Award)
- Best Product (the Golden Quality Award)
- Best Service (the Golden Quality Award)
- Best Online Banking (the Golden Quality Award)
- Best Mobile Banking (the Golden Quality Award)
- Best Online brokerage (the Golden Quality Award)

- E.SUN FHC ranked within top 5% of Corporate Governance Evaluation. (TWSE) (2015)
- Received the certificate for the use of product Carbon-Footprint label for E.SUN World credit card and E.SUN ETC Easy Credit Card, the first in Taiwan financial industry. (2015)





2015
Corporate
Social
Responsibility
Report

2. Investor relationship

2.1 Dow Jones Sustainability Indices (DJSI)

E.SUN was listed in both "DJSI World Index" and "DJSI Emerging Markets Index" in 2015. After making the record as the first Taiwanese financial institution to be listed in "DJSI Emerging Markets Index" in 2014, E.SUN once again became Taiwan's first and only financial institution to be listed in "DJSI World Index".

3,470 of the world's top companies were shortlisted for this DJSI review; but only 317 companies across 59 industries in 26 countries included the composition of "DJSI World Index." Only 27 banks in the world were chosen for the index, and only 2 of which were from Asia. The review gave E.SUN a balanced and above-average score in economic, social and environmental aspects, and rated favorably on financial stability, customer relationship management, brand management, risk management, key talent nurturing, social welfare, climate strategy, and environmental policy. It is a milestone to show that Taiwan's financial industry can compete with world's top institutions.

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

2.2 Investor communication

In line with its professional management philosophy, E.SUN has long striven to maintain investor relations, and values the views of its shareholders and investors. While constantly upholding its core values, E.SUN is also ceaselessly encouraging progress, and seeks to combine a disciplined culture with an entrepreneurship, enabling it to create greater value that can be shared with all shareholders.

Investor Conferences and IR webpages

With regard to external communication channels, E.SUN holds quarterly investor conferences and semi-annual media conferences to disclose the Company's operation, financial status, and development strategies furthermore, a bilingual IR webpages was set up providing comprehensive information for investors and analysts. To help overseas shareholders and investors to stay up to date, an online English-version investor conference is held in the evening of the day each Mandarin investor conference is held, enabling us to stay closely in touch with our global investors.



Establishment of a spokesperson system

E.SUN has established a comprehensive spokesperson, IR and PR system unifying external speaking duties and responsibilities. This system ensures that the Company can communicate effectively with shareholders and investors, and allows shareholders and investors to receive sufficient information and respond promptly.

Participation in domestic and overseas conferences and road shows

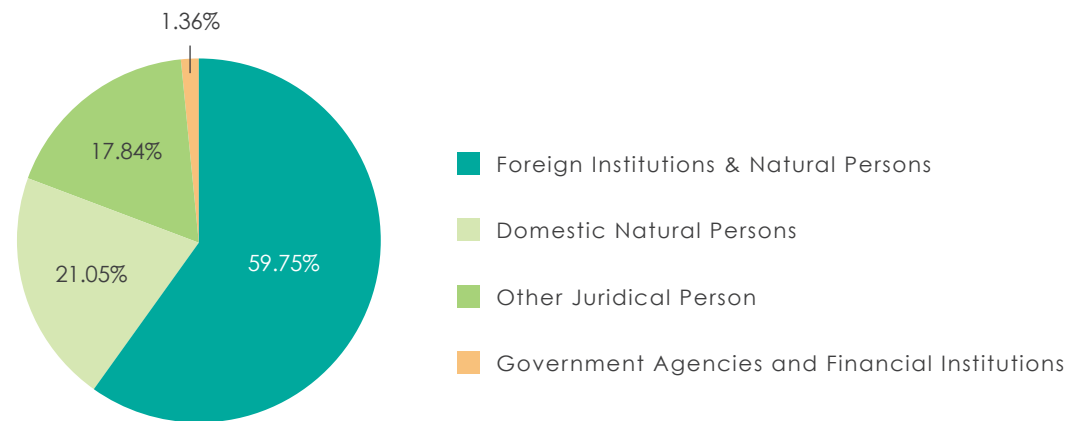
E.SUN has participated in six domestic and foreign forums and road shows hosted by securities dealers, including events held in major cities across Asia, U.S. and Europe. Took part in 200 conferences with analysts and investors, which enabled shareholders and investors to get a confidence-building better understanding of this company. E.SUN's outstanding overall performance has won investors' interest and trust. Nearly 60% of the Company's equity is held by QFII, the highest in Taiwan financial industry. Furthermore, E.SUN is privileged to be awarded as the "Best IR Team in Asia" by The Asset as well as "Best IR Company in Taiwan" by Corporate Governance Asia.

2.3 Business Operating Performance

In 2015, E.SUN FHC reached net profit after tax of NT\$12.8 billion, which represented growth of 21.7% compared with 2014. Earnings per share (EPS), return on equity (ROE), and return on assets (ROA) all showed a growing trend to NT\$1.63, 11.23%, and 0.78% respectively. Overall lending growth remained strong in 2015, with growth rate of 9.7%, higher than market's average rate of 2.25%. In terms of asset quality, E.SUN has long maintained asset quality benign, with NPL ratio only 0.13 %, coverage ratio of 930%.

2015	
Corporate Banking	- Aggressive in overseas expansion. E.SUN's Vietnam branch was opened in 2015. In addition, E.SUN we set up in January 2016, it is not only the pioneer of upgrading a branch into a subsidiary, but also the first foreign bank subsidiary in Guangdong free trade zone, which plays a vital roles in China and ASEAN expansion. - No.1 SME loan volume in Taiwanese private banks, and become the only Taiwanese bank to receive "SME Partner Award" from Ministry of Economic Affairs in 10 consecutive years. "Best SME Bank in Taiwan of 2015" from The Asian Banker.
Consumer Banking	- First Taiwanese bank launching online mortgage platform with online credit line and rate assessment service in mortgage loan. - Launching e-click online loan platform, a comprehensive online loan process from application to approval, providing customized credit line and rate assessment to each customer. - Long term support in micro finance as well as culture and creativity financing program, the total loan volume grew 130% in 2015. - The total start-up loan reached 228 million in 2015, which received the fifth time of "SME Partner Award of Youth Support" from Ministry of Economic Affairs and Credit Guarantee Fund.
Credit card and payment	- No.1 in net growth in accumulative card consumption. The number of active card grew 9.0% and the accumulative card consumption grew 19.5% year over year, both double than market average growth rate. - Promoting online credit card application service "e-click online card application" in line with Bank 3.0, to make the paperless application process more convenient and faster via digital service. In 2015, E.SUN bank received "Best Initiative in Innovation" from The Asset as well as passed "ISO 14067 Carbon Footprint Verification". - First bank issued HCE mobile phone credit card, leading which embedded Host Card Emulation cloud technique.
Wealth management	Wealth management fee income was 7.31 billion in 2015, reached a CAGR of 35% from 2012 to 2015, the highest growth rate in the market in four consecutive years.
Digital Banking	- Leading the market to collaborate with Alipay and thus launch cross-border online to offline service, allowing visitors from mainland China to use mobile wallet to purchase in over 3,500 merchants. - First Taiwanese bank to be granted with e-payment license. - First and only Taiwanese corporate to be honored by 3 awards from Gartner, including "Digital Champion in Asiapac", "Most Promising Digital Business Transformation Initiative" and "Most Innovation Application of Digital Technology to Grow the Business".

Shareholder structure



* 2015/12 °

Credit Rating

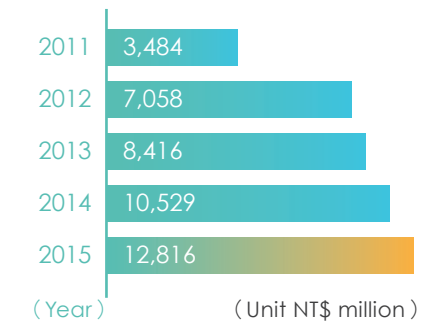
	International Rating Agency	Long-term	Short-term	Long-term	Short-term	Outlook
E.SUN FHC	Moody's	Baa1	P-2	-	-	Stable
	S&P	BBB-	A-3	-	-	Stable
	TRC	-	-	twA+	twA-1	Stable
Subsidiary E.SUN Bank	Moody's	A3	P-2	-	-	Stable
	S&P	BBB	A-2	-	-	Stable
	TRC	-	-	twAA-	twA-1+	Stable
Subsidiary E.SUN Securities	Fitch	-	-	AA-(twn)	F1+(twn)	Stable

Business Operation

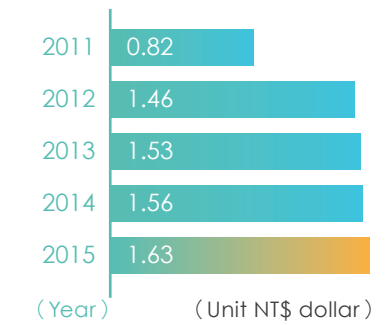
Item	2015	2014
Net Revenue	38,489,329	32,754,519
Net Provision	3,566,430	2,033,689
Operating Expense	20,137,768	17,949,763
Tax	1,906,172	2,165,739
Net Profit	12,816,347	10,528,552
Net Revenue per employee	4,508	4,266
Net Profit per employee	1,600	1,381

(Unit NT\$ thousand)

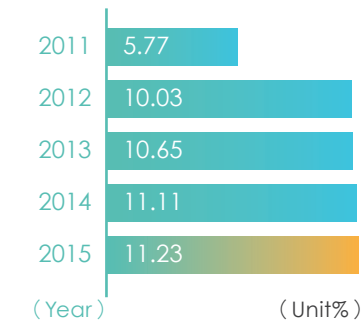
Profitability



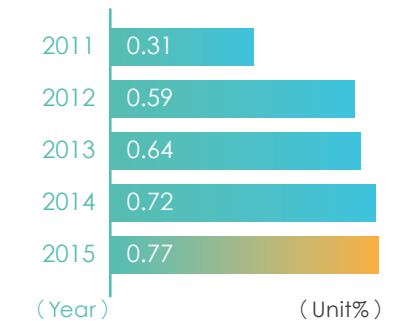
EPS



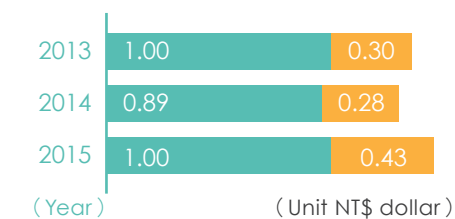
ROE



ROA



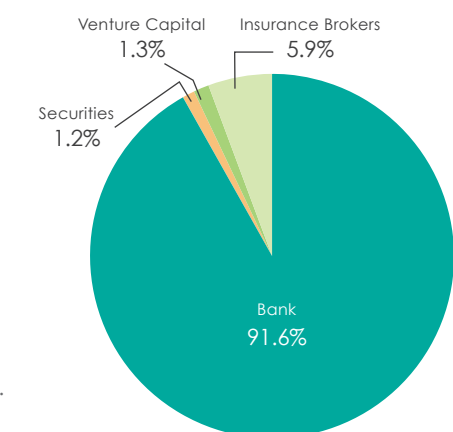
Dividend



■ Stock Dividends
■ Cash Dividend

* dividends after taking two decimal places.

Net revenue breakdown by subsidiaries



Social Participation

NameType	2015	2014
Academic education	64,161	77,592
Charitable concern	53,145	13,762
Sports development	11,500	19,776
Arts & culture	14,422	30,704
R&D	86,321	83,875
Total	229,549	225,709

(Unit NT\$ thousand)

2.4 Service network

As of April 2016, E.SUN FHC operated a service network that comprised of 136 branches under E.SUN Bank and 21 branches under E.SUN Securities in Taiwan. E.SUN continues to innovate and improve its services, combining advanced digital technologies with arts and culture to bring customers the distinctive branch experience. Branches such as Taipei (the flagship service outlet featuring digital banking and arts), Xinban (with a cultural and aesthetic theme), Xinyi (with classic decorations), and Taichung (the wealth management hub featuring a musical theme) have all been exquisitely designed to give customers the best combined experience of banking service, arts and culture.

With regards to digital channels, E.SUN prides itself for being the innovator that brings customers the best banking experience. By utilizing a variety of service networks including Internet banking, mobile banking, website, customer service center, automated service equipment and branches, the Company aims to deliver the most secured, convenient and custom-tailored financial services that help improve customers' lifestyles.

With regards to the overseas service network, E.SUN has set its goals to develop distinctive service features that distinguish itself from other Asian banks. Driven by a business strategy to focus on "expansion into Asia with roots in Taiwan.", the Company continues to expand operating sites outside Taiwan, and currently has 22 operating sites across 7 countries. In addition to the 5 existing overseas branches, namely Los Angeles, Hong Kong, Singapore, Dong Nai (Vietnam), and Sydney (Australia), the Company is also making preparations for the establishment of Yangon Branch in Myanmar and Tokyo Branch in Japan. Furthermore, E.SUN's Cambodian subsidiary - Union Commercial Bank PLC (UCB) currently operates 11 branches in Cambodia. The subsidiary will continue its branch establishment in the future, as it provides E.SUN with critical entry into the ASEAN market. In the Meantime, E.SUN will continue searching for entry opportunities into other Asian markets.

Establishment of E.SUN's Chinese subsidiary in January 2016 was the first time ever that a Taiwanese bank was granted the approval to upgrade a branch into a subsidiary. This transition made E.SUN the first Taiwanese bank in southern China and the first foreign bank in Guangdong Free Trade Zone. China subsidiary currently has 4 service locations (including head office, Shenzhen Branch, Dongguan Branch, and Changan Sub-branch), and will be coordinating with E.SUN's Hong Kong Branch and service locations in ASEAN to form an extensive Asian financial platform.

Taiwan



- 136 branches
- 13 corporate banking centers
- 16 consumer banking centers
- 16 wealth management centers
- 21 branches of E.SUN Securities

Overseas



- 4 service locations under the Chinese subsidiary
- 11 service locations under UCB (Cambodian subsidiary)
- Hong Kong Branch
- Los Angeles Branch (USA)
- Singapore Branch
- Sydney Branch (Australia)
- Dong Nai Branch (Vietnam)
- Yangon Representative Offices (Myanmar)
- Ho Chi Minh City Representative Offices (Vietnam)

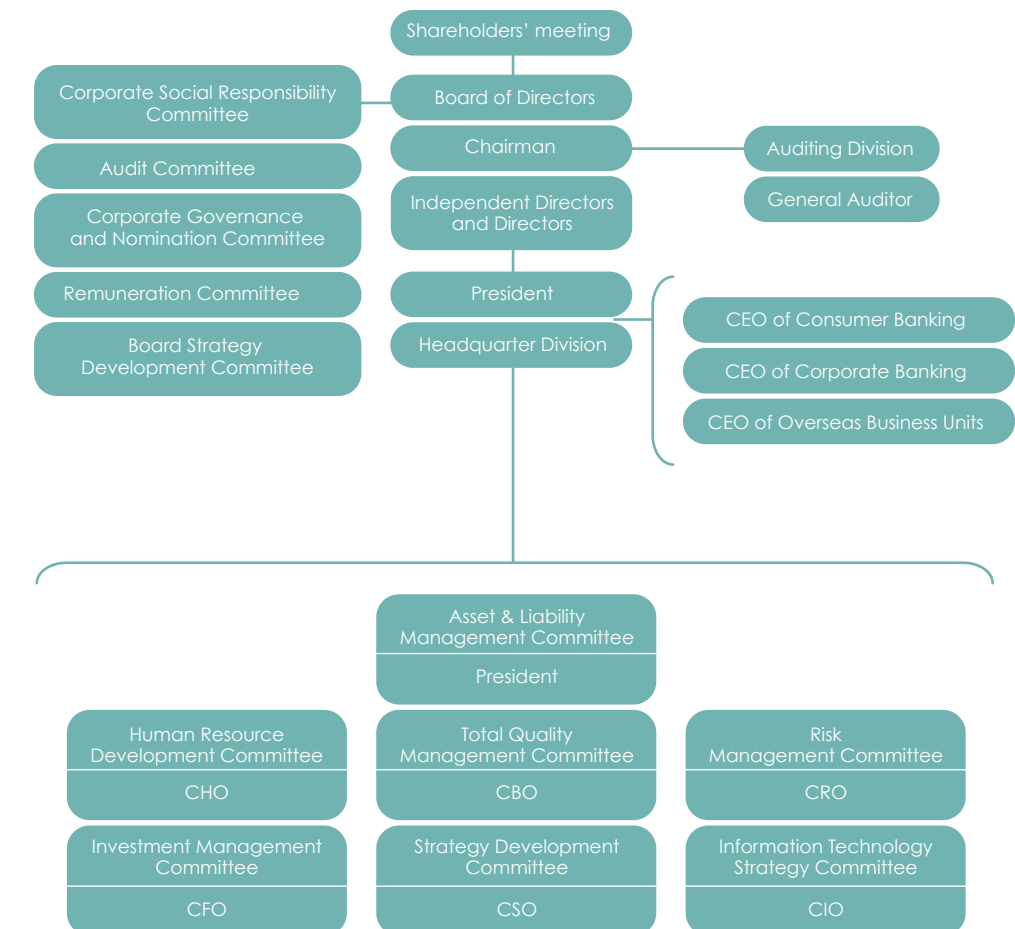
Virtual channels



- E.SUN e-Services (24H call center)
- E.SUN Personal Online Banking
- Mobile banking and add-on services
- E.SUN Corporate Online Banking
- WebATM
- ATM
- Foreign currency ATM

2.5 Corporate governance

Governance framework of E.SUN FHC



〈 Governance framework of E.SUN FHC 〉

Competent functional committees

The Board of Directors has multiple functional committees established to support and enhance its decisions, including: Audit Committee, Corporate Governance and Nomination Committee, Remuneration Committee, Board Strategy Development Committee, and Corporate Social Responsibility Committee. All functional committees comprise entirely or partially of independent directors to ensure that the committees function not only to support, but also to supervise and check the board's decisions for stakeholders' best interest.

Diverse board members

The board consists of scholars and professionals from banking and as well as other industries. They are assisted by 4 independent directors of different professional backgrounds. The board has 2 female directors, and all directors possess the decision making capacity, risk management skills, and managerial expertise that are relevant to the financial industry. The Audit Committee comprises entirely of independent directors, whereas other functional committees such as Corporate Governance and Nomination Committee, Remuneration Committee, Board Strategy Development Committee, and Corporate Social Responsibility Committee also consist mainly of independent directors. These independent directors add vision, objectivity and comprehensiveness to various decisions and suggestions made by committees, and ultimately contribute to the quality of strategies, plans and decisions made by the board.

E.SUN's board diversity policy has been outlined clearly in its "Director Election Rules," which recommends board members to be elected in conformity with the planned layout. Board members should be diversified in terms of the following:

Basic profile and value	Professional knowledge/skills
Gender, age, nationality or culture	Career background, professional skills or industry experience

Board performance evaluation system

E.SUN has "Board of Directors Performance Evaluation Policy" in place to assess performance of the board, the functional committees and individual directors from different perspectives. The evaluation procedure is as follows:

I. Evaluation of board performance

- Each year, the Company evaluates board performance of the previous year using the board performance scorecard.
- Board performance is evaluated by the Corporate Governance and Nomination Committee, and subsequently resolved by the Board of Directors.

II. Evaluation of functional committee performance

- Each year, the Company evaluates performance of various functional committees in the previous year using the committee performance scorecard.
- Performance is evaluated by the respective functional committees, and subsequently reported to the Board of Directors.

III. Evaluation of director performance

- At the beginning of each year, directors are required to evaluate their own performance (self-assessment) and the performance of other directors (overall assessment) in the previous year, using a designated scorecard.
- The board meeting organizer will consolidate directors' self-assessments and overall assessments to conclude the final performance score for each director. This result is subsequently presented for the Chairman's review.

Business integrity policy

The Company has a Corporate Governance and Nomination Committee in place to supervise the establishment and execution of business integrity policies and fraud prevention measures, and thereby maintain business integrity. The committee's work progress is reported to the Board of Directors on a regular basis.

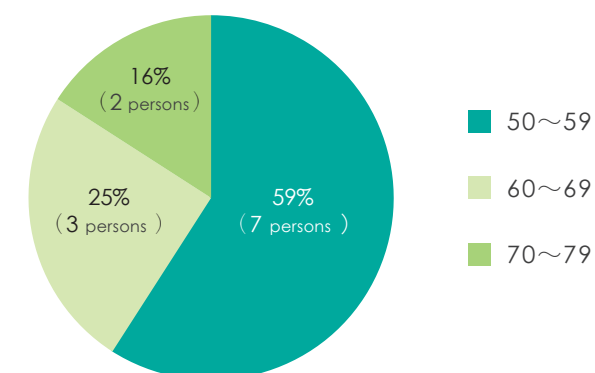
Corporate social responsibilities

A Corporate Social Responsibility Committee has been created under the Board of Directors along with a set of "Corporate Social Responsibility Code of Conduct" to guide the Company towards fulfilling social responsibilities and contributing to the improvement of the economy, environment and society, and thereby ensure sustainability.

Insurance of directors' liabilities

Rapid changes in the economy, competitive environment and regulations are making businesses more difficult to manage. In order to recruit capable talents and empower them to make tough decisions, the Company has insured against the liabilities of its management, directors, supervisors and key staff, which mitigates legal and financial risks and losses that the Company or the above parties may be prone to when performing duties.

• Directors' age group



● Director profiles

Position	Name	Date of Election	Education and experience	Position
Chairman	Representative of E.SUN Volunteer & Social welfare Foundation Yung-Jen Huang	2014.6.20	Bachelor of Department of Cooperative Economics at National Chung Hsing University The founder of E.SUN Bank	None
Director	Representative of E.SUN Volunteer & Social welfare Foundation Joseph N.C. Huang	2014.6.20	MBA of the City University of New York, special contribution award(TABF)	President and Chief Strategic Officer of E.SUN FHC President and director of E.SUN Bank
Director	Representative of E.SUN Foundation Gary K.L. Tseng	2014.6.20	Master of Public Administration at Harvard University Director of Banking Bureau, Financial Supervisory Commission	Chairman of E.SUN Bank
Director	Representative of Hsin Tung Yang Co., Ltd. Jackson Mai	2014.6.20	Chairman of Hsin Tung Yang Co., Ltd	Managing Director of E.SUN Bank
Independent Director	Chen-En Ko	2014.6.20	PhD of Department of Accounting at University of Minnesota Dean, College of Management, National Taiwan University	Independent Director of E.SUN Bank
Independent Director	Ji-Ren Lee	2014.6.20	PhD of Business Administration, University of Illinois, USA Professor of management at National Taiwan University	Independent Director of E.SUN Bank
Independent Director	Chen-Chen Chang Lin	2014.6.20	Master of Mathematics and Statistics of University of Michigan Chairman of Financial Information Service Co., Ltd.	Independent Director and Executive Director of E. Sun Bank
Independent Director	Hsin-I Lin	2014.6.20	Bachelor of Department of Mechanical Engineering, National Cheng-Kung University Vice Premier, Executive Yuan	Independent Director of E.SUN Bank
Director	Representative of Fu-Yuan Investment Co., Ltd. Rong- Chu Chen	2014.6.20	Chairman of Nien-Hsing(Victoria) international Co., Ltd.	Director of E.SUN Bank
Director	Representative of Shang Li Car Co., Ltd. Chien-Li Wu	2014.6.20	Chairman of Shang Li Car Co., Ltd.	Director of E.SUN Bank
Director	Representative of Shan Meng Investment Co.Ltd. Magi Chen	2014.6.20	MBA of the University of Tennessee	CFO of E.SUN FHC Director of E.SUN Bank
Director	Representative of Sunlit Transportation Co., Ltd. Ben Chen	2014.6.20	Bachelor of Department of Business Administration, Soochow University	CEO of Consumer banking division and Director of E.SUN Bank

● Remuneration of Directors and Independent Director

Compensation paid to directors from an invested company other than the Company's subsidiary										None			
Ratio of total compensation (A+B+C+D+E+F+G) to net income (%)	Companies in the consolidated financial statements									1.35%			
	The Company									1.00%			
Amount of restricted stock meant for employees acquired	Companies in the consolidated financial statements									0			
The Company										0			
Exercisable Employee Stock Options (H)	Companies in the consolidated financial statements									0			
The Company										0			
Profit Sharing- Employee Bonus (G)	Companies in the consolidated financial statements									Cash	2,161	Stock	0
The Company										Cash	5,500	Stock	0
Severance Pay (F)	Companies in the consolidated financial statements									0			
The Company										0			
Salary, Bonuses, and Allowances (E)	Companies in the consolidated financial statements									30,468			
The Company										15,177			
Ratio of total remuneration (A+B+C+D) to net income (%)	Companies in the consolidated financial statements									1.04%			
	The Company									0.84%			
	Allowances (D)	Companies in the consolidated financial statements									3,030		
	The Company										1,410		
	Bonus to Directors (C)	Companies in the consolidated financial statements									112,755		
The Company										97,000			
Severance Pay (B)	Companies in the consolidated financial statements									0			
The Company										0			
Base Compensation (A)	Companies in the consolidated financial statements									17,252			
The Company										8,644			
Name										(List below)			
Tithi													

(Unit NT\$ thousand)

● List of Directors : Chairman: Yung-Jen Huang(Representative for E.SUN volunteer & Social Welfare Foundation), Director: E.SUN volunteer & Social Welfare Foundation(Representative Joseph N.C. Huang), E.SUN Foundation(Representative Gary K.L. Tseng), Hsin Tung Yang Co.,Ltd.(Representative Jackson Mai), Allcan Investment Co., Ltd.(Representative Chiu-Hsiung Huang resigned the position on 2015.12.24), Chen-En Ko, Ji-Ren Lee, Chen-Chen Chang Lin、Hsin-I Lin, Fu-Yuan Investment Co.,Ltd. (Representative Ron-Chu Chen), Shang Li Car Co.,Ltd.(Representative Chien-Li Wu), Shan Meng Investment Co.,Ltd.(Representative Magi Chen), Sunlit Transportation Co.,Ltd.(Representative Ben Chen).

* Remuneration distributed to directors who are serving for year 2015.

● Remuneration bracket table

Range of remuneration paid to directors	Name of director			
	Sum of first 4 remunerations (A+B+C+D)		Sum of first 7 remunerations (A+B+C+D+E+F+G)	
	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Below NT\$ 2,000,000				
NT\$ 2,000,000 ~ NT\$ 5,000,000				
NT\$ 5,000,000 ~ NT\$ 10,000,000	E.SUN Volunteer & Social Welfare Foundation (representative: Joseph N.C. Huang), E.SUN Foundation (representative: Gary K.L. Tseng), Hsin Tung Yang Co., Ltd., Allcan Investment Co., Ltd., Chen-En Ko, Ji-Ren Lee, Chen-Chen Chang Lin, Hisn-I Lin, Fu-Yuan Investment Co., Ltd., Shang Li Car Co., Ltd., Shan Meng Investment Co., Ltd. (representative: Magi Chen), Sunlit Transportation Co., Ltd. (representative: Ben Chen)	E.SUN Volunteer & Social Welfare Foundation (representative: Joseph N.C. Huang), E.SUN Foundation (representative: Gary K.L. Tseng), Hsin Tung Yang Co., Ltd., Allcan Investment Co., Ltd., Chen-En Ko, Ji-Ren Lee, Chen-Chen Chang Lin, Hisn-I Lin, Fu-Yuan Investment Co., Ltd., Shang Li Car Co., Ltd., Shan Meng Investment Co., Ltd. (representative: Magi Chen), Sunlit Transportation Co., Ltd. (representative: Ben Chen)	E.SUN Foundation (representative: Gary K.L. Tseng), Hsin Tung Yang Co., Ltd., Allcan Investment Co., Ltd., Chen-En Ko, Ji-Ren Lee, Chen-Chen Chang Lin, Hisn-I Lin, Fu-Yuan Investment Co., Ltd., Shang Li Car Co., Ltd., Shan Meng Investment Co., Ltd. (representative: Magi Chen), Sunlit Transportation Co., Ltd. (representative: Ben Chen)	E.SUN Foundation (representative: Gary K.L. Tseng), Hsin Tung Yang Co., Ltd., Allcan Investment Co., Ltd., Chen-En Ko, Ji-Ren Lee, Chen-Chen Chang Lin, Hisn-I Lin, Fu-Yuan Investment Co., Ltd., Shang Li Car Co., Ltd.
NT\$ 10,000,000 ~ NT\$ 15,000,000				Sunlit Transportation Co., Ltd. (Representative Ben Chen)
NT\$ 15,000,000 ~ NT\$ 30,000,000	E.SUN Volunteer & Social Welfare Foundation (representative: Yung-Jen Huang)	E.SUN Volunteer & Social Welfare Foundation (representative: Yung-Jen Huang), E.SUN Bank Chairman Gary K.L. Tseng	E.SUN Volunteer & Social Welfare Foundation (representative: Yung-Jen Huang), E.SUN Volunteer & Social Welfare Foundation (representative: Joseph N.C. Huang)	E.SUN Volunteer & Social Welfare Foundation (representative: Yung-Jen Huang), E.SUN Bank Chairman Gary K.L. Tseng, E.SUN Volunteer & Social Welfare Foundation (representative: Joseph N.C. Huang), Shan Meng Investment Co., Ltd. (representative: Magi Chen)
NT\$ 30,000,000 ~ NT\$ 50,000,000				
NT\$ 50,000,000 ~ NT\$ 100,000,000				
NT\$ 100,000,000 and above				
Total	107,054	133,037	127,731	172,666

(Unit NT\$ thousand)

● Total remuneration to the Company's directors was determined based on percentages specified in Article 36 of the Articles of Incorporation; remuneration to the Chairman and individual directors was adjusted according to the percentages stated in Article 27-1 and based on their individual involvements and contributions to the Company's operations, in reference to peer level. These proposals are raised by the Remuneration Committee and ultimately approved by the Board of Directors.

Directors' independence and avoidance of conflicting interests

Four independent directors were elected during E.SUN FHC's annual general meeting dated June 20, 2014 to serve a term of 3 years; together, they account for more than 30% of board members. The Company's "Rules on Independent Directors' Duties" have outlined terms such as: "Any objections or qualified opinions expressed by independent directors must be detailed in board meeting minutes," "No member of the Company or the board shall in any way obstruct, reject, or prevent independent directors from performing duties," and "Independent directors may request the board to assign certain personnel or engage experts to assist in their duties where necessary." These rules provide independent directors with the authorities they need to fulfill their duties for the benefit of the board and the Company.

The "Stakeholder Transaction Policy" has been created as a means to regulate and ensure fairness and security of transactions conducted between the Company and subsidiaries with stakeholders. The policy requires all transactions to be conducted in confidentiality, fairness, and utmost full faith in the best interest of the Company. Furthermore, measures must be taken to prevent conflict of interest and exploitation of illicit gains.

According to E.SUN FHC's Board of Directors Conference Rules: if a director, or the corporate entity that the director represents, is considered a stakeholder to the discussed agenda, the director must state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if such stakes are in conflict against the Company's interests. In which case, the director may not exercise voting rights on behalf of other directors.

Avoidance of conflicting-interest agenda by directors

Director	Agenda	Reasons for avoiding conflict of interests	Participation in voting process
Joseph N.C. Huang Magi Chen Ben Chen	Amendment to Manager Remuneration Standards	The agenda concerned the director's own interests	Disassociated from discussion and voting
Joseph N.C. Huang Magi Chen Ben Chen	2015 employee bonus distribution plan for Top-level managers	The agenda concerned the director's own interests	Disassociated from discussion and voting
Joseph N.C. Huang Magi Chen Ben Chen	2015 year-end bonus distribution plan for Top-Level Managers	The agenda concerned the director's own interests	Joseph N.C. Huang had disassociated from further involvements after the proposed year-end bonus distributions were reported to senior managers graded SEVP and below. Magi Chen and Ben Chen had disassociated from discussion and voting.
Joseph N.C. Huang Magi Chen Ben Chen	Salary adjustments for top-level managers	The agenda concerned the director's own interests	Joseph N.C. Huang had disassociated from further involvements after the proposed salary adjustments were reported to senior managers graded SEVP and below. Magi Chen and Ben Chen had disassociated from discussion and voting.

Board functional committees

The attendance rates of the various functional committees in 2015 were as follows: Audit Committee: 100%, Corporate Governance and Nomination Committee: 100%, Remuneration Committee: 100%, Board Strategy Committee: 87.5%, Corporate Social Responsibility Committee: 100%.

〈Audit Committee〉

The Audit Committee is composed of all independent directors, and the Company has drafted Rules Governing the Scope of Powers of Independent Directors. The Audit Committee convened six meetings in 2015. Matters supervised by the Audit Committee:

- 1. The proper issuance of the Company's financial statements.
- 2. Selection (dismissal) of an auditing CPA and assessment of independence and performance.
- 3. Effective implementation of the Company's internal controls.
- 4. The Company's legal and regulatory compliance.
- 5. Control of the Company's existing or potential risk.

〈Corporate Governance and Nomination Committee〉

The Company has determined Organizational Rules of the Corporate Governance and Nomination Committee, and independent directors must serve as the convener and chairman of this committee. The Corporate Governance and Nomination Committee met three times in 2015. Main duties of the Corporate Governance and Nomination Committee:

- 1. Ensuring the soundness of the corporate governance organization and systems, and implementation of business integrity policy.
- 2. Location, review, and nomination of director, independent director, and supervisor candidates for the Company and its subsidiaries.
- 3. Establishment and development of the board organizational framework for the Company and its subsidiaries.
- 4. Nomination or review of general manager and deputy general manager candidates for the Company and its subsidiaries.

〈Remuneration Committee〉

The Company has determined Organizational Rules of the Remuneration Committee, and this committee must consist of all independent directors. The Remuneration Committee met twice in 2015. Main duties of the Remuneration Committee:

- 1. Determining and regularly reviewing the performance and salary compensation policies, systems, standards, and structures of the Company's directors and managers, upper managers at the level of deputy general manager and above at banking subsidiaries, and general managers of other subsidiaries. (the foregoing are referred to below as "subsidiary upper managers")
- 2. Regular assessment and determination of the salary compensation of this company's directors and managers, and subsidiary upper managers.

〈Board Strategy Committee〉

The Company has determined Organizational Rules of the Board Strategy Committee, and the board chairman must serve as the convener and chairman of this committee. The independent directors must participate in this committee. The Board Strategy Committee convened two meetings in 2015. Main duties of the Board Strategy Committee:

- 1. Convening meetings concerning strategic developmental goals, submitting reports to the board concerning such issues as overall objectives and short-/mid-/long-term developmental strategies.
- 2. Submission of reports to the board concerning other major strategic matters sufficient to influence the Company's future development.

〈Corporate Social Responsibility Committee〉

The Company has determined Organizational Rules of the Corporate Social Responsibility; the chairman of the board shall serve as the convener. The Corporate Social Responsibility Committee convened five meetings in 2015.

Main duties of the Corporate Social Responsibility Committee:

- 1. Determination of an annual corporate social responsibility plan and strategic directions.
- 2. Determination of corporate social responsibility projects and activity plans.
- 3. Tracking and review of the implementation and results of the annual corporate social responsibility plan, strategic directions, projects, and activity plans.
- 4. Compilation and finalization of a corporate social responsibilities report.
- 5. Determination of related matters in media evaluation of corporate social responsibility.

2.6 Ethical Corporate Management

Emphasis on ethics and gratitude

E.SUN's corporate culture guides the service attitude and behavior of all company employees. E.SUN's corporate culture reflects its 3+1 business philosophy and common vision: "realism, strength, responsibility," "teamwork, harmony, happiness," "leadership, excellence, honor," and "contentment, cherishing relationships, and gratitude." Starting with new employee training, this philosophy is internalized in the DNA of every E.SUN employee through a process of intuitive understanding, instruction by the management team, the personal examples of managers and mid-level officers, and learning through teamwork.

Draft on the E.SUN Service Agreement

The "E.SUN Service Agreement" lays out clear principles for employee behavior, including ethics and personal integrity, individual conduct and discipline, service behavior, intellectual property rights, and use of the Internet and e-mail. In general, this agreement charges employees with upholding laws and regulations while performing their duties, and emphasizes that colleagues may not violate the principal of integrity in the course of their work. During the course of new employee training, legal affairs personnel and the head of the human resources department explain the various terms of the E.SUN Service Agreement. Employees must take regular or occasional tests concerning legal compliance and E.SUN's Service Agreement.

Excerpts from the content of the "E.SUN Service Agreement":

- Employees may not take advantage of their duties to get loans from E.SUN Bank or its customers, or solicit contributions without authorization, and may not engage in transactions or arbitrage with, or borrowing from, E.SUN Bank in another person's name.
- Employees must strictly uphold the principle of avoidance of benefit, and may not take advantage of opportunities provided by their duties to benefit or convenience themselves, a spouse, relative within the third degree of kinship, or other person with whom they have major private interested relationships.
- Employees may not engage in any partiality, nor may they use bribes or other improper methods to secure business.



〈E.SUN's Service Agreement〉

Drafting an Ethical Corporate Management Rules, Operating Procedures, and Action Guide

In order to establish a corporate culture of integrity and promote sound development, this company has established rules prohibiting dishonest behavior and providing a reference framework for sound business operations.

This company's directors, managers, employees, entrustees, and persons possessing substantial control ability may not, when engaging in business actions, directly or indirectly provide, promise, require, or receive any illegitimate benefit, and may not engage in any dishonest behavior violating the law or principles of integrity, or acting against their entrusted duties, in order to seek to obtain or maintain their benefit.

Before engaging in business transactions, this company shall take the lawfulness of its agents, vendors, customers, and other business partners, and whether any dishonest actions were committed by them, before engaging in any business transactions, and this company should avoid engaging in transactions with any dishonest partners. In addition, the contracts signed with such partners shall state that they shall uphold business integrity principles, and this company may promptly terminate or dissolve such contracts if the other parties engage in any dishonest behavior.

In order to put business integrity management on a sound footing, the corporate governance and nomination committee shall serve as the dedicated unit responsible for drafting and overseeing implementation of the Company's business integrity policy and precautionary plans, and shall regularly report the implementation status of the following matters to the board:

(1) Education and awareness

With regard to training courses for new employees, it contains the legal knowledge for financial personnel, the service rules and code of conduct of E.SUN employees in order to increase their awareness and education. The committee shall also compile business integrity rules and major internal material information as well as case studies to enable employees to know the awareness concerning their duty.

(2) External announcement of business integrity policy

The Company shall disclose its business integrity policy on the Company website, and shall also publicize this policy in external activities such as institutional investor explanatory meetings, with the goal of ensuring that partners and other service-related organizations and personnel have a clear understanding of this company's business integrity beliefs and rules.

(3) Implementation of business integrity policy

The Company's business integrity rules explicitly state that the Company shall avoid transactions with dishonest parties. The Company shall also explicitly note terms concerning trustworthy conduct in business contracts, and incorporate business integrity in employees' performance evaluations and human resource policies, which shall also contain clear and effective rewards & punishments and appeal systems.

(4) Effectiveness of business integrity maintenance measures

The Company shall rely on business units' self-audits and self-review of legal compliance to achieve effective control and implementation, and independent audits by the audit unit shall ensure the functioning of business integrity mechanisms as a whole, joint management, and prevention of dishonest behavior.

Establishment of communication channels

The Company has established an e-mail address for contacting independent directors, and has announced it on the Company's website:

- Corporate governance area
<https://www.esunfhc.com/en/corporate-governance>
- Stakeholder area
<https://www.esunfhc.com/en/stakeholders>
(provides an effective channel of communication for employees, stockholders, and stakeholders)
- Audit committee (independent directors) contact method
AuditCommittee@email.esunbank.com.tw

Legal compliance

E.SUN has established an effective legal compliance system framework, and determined the "E.SUN FHC Legal Compliance Policy" and "E.SUN FHC Legal and Regulatory Compliance System Guidelines." With regard to the implementation of legal compliance matters, the organization's legal compliance manager reports to the board and audit committee on a half-year basis which ensures that the board and relevant upper managers have a grasp of the state of legal compliance implementation.

• Main duties

- E.SUN FHC has established a legal compliance management unit, which is responsible for planning, management, and implementation of the legal compliance system, and ensuring compliance with external laws and regulations in all matters. The following are the unit's main duties:
- Establishment of clear and appropriate legal and regulatory notification, consulting, coordination, and communication systems.
 - Supervision of the updating of operation and management rules at appropriate times in compliance with relevant laws and regulations, and thereby ensure that all operating activities are in compliance with laws and regulations.
 - Determination of legal compliance assessment content and procedures, and supervision of regular self-assessment of state of implementation by various units.
 - Planning of legal compliance training classes, and providing appropriate legal and regulatory training to personnel an all units.
 - Issuance of statements of compliance with laws and regulations when the Company applies for new products or services.

• Legal compliance self-assessment system

E.SUN conducts a legal compliance self-assessment once each half-year. This self-assessment is intended to determine whether all units comply with laws and regulations when engaging in business, and whether improvements have been completed. In order to ensure the effectiveness of the legal compliance system, in accordance with law, E.SUN FHC and its subsidiaries have also established a review system examining the state of implementation of legal compliance. In order to boost implementation of the legal compliance system, the legal compliance unit shall evaluate the state of legal compliance implementation at all units of affiliated companies.

• Clear reporting mechanisms

The Company has determined relevant legal compliance procedures. In the case of major violations of laws or regulations, the organization's legal compliance manager shall be notified. In the case of violations of business integrity rules, the executive of the legal compliance management unit shall be notified.

• On-site inspection of legal compliance

In order to increase awareness of the state of legal compliance, starting in 2013, management units have conducted 46 on-site inspection visits of legal compliance at implementing units. These inspection visits have effectively enhanced legal compliance awareness, communication, and consulting.

• Communication mechanisms and training

An appropriate legal and regulatory notification, consulting, coordination, and communications system has been established between units, and between the Company and its subsidiaries. When needed, the legal compliance management unit shall provide information on legal and regulatory updates and revisions to legal compliance personnel at relevant units, and shall regularly hold training sessions aimed at creating awareness of important laws and regulations. In addition, important legal compliance matters are communicated via the holding of legal compliance manager conferences, which serve to promote the sharing of experience. If an issue spans different subsidiaries, apart from providing their views, the legal compliance unit shall assist with communication and coordination at the subsidiaries, with the goal of ensuring the consistency of internal views throughout the Group.

• 2015 legal compliance awareness classes

Month	Training class
January	Protecting personal information
February	Awareness concerning the Financial Supervisory Commission's financial industry sanction cases in 2014
March	Introduction to intellectual property rights - Copyrights
April	Awareness concerning money laundering controls and efforts to cut off funding for terrorism in 2015
May	Awareness concerning cross-selling regulations
June	Legal compliance self-assessment
July	Awareness concerning labor laws and regulations and human resources; Awareness concerning management
August	2015 legal compliance lecture notes
September	Awareness concerning business integrity and handling of major internal information
October	Awareness concerning telephone marketing regulations
November	2H 2015 awareness concerning controls on money laundering
December	Legal compliance self-assessment

Promoting the development of the financial industry

To promote the development of the domestic financial industry, E.SUN FHC and its subsidiaries actively participate in the activities of organizations including the Bankers Association of the R.O.C., Taiwan Securities Association, Trust Association of R.O.C., Taiwan Academy of Banking and Finance, Taiwan Financial Services Roundtable, Chinese Excellent Management Association. E.SUN FHC President Joseph N.C. Huang is the director of the Taiwan Corporate Governance Association; E.SUN Bank Chairman Tseng Kuo-lieh is a director of the Bankers Association of the R.O.C. a member of the Financial Supervisory Commission's financial research and development fund management committee, and a member of the Taiwan Academy of Banking and Finance's board training and guidance committee; and Wang Jyh-Cheng, chief human resource officer at E.SUN Bank, is a supervisor of the Chinese Excellent Management Association. These individuals provide recommendations concerning practical operations at appropriate times, and are striving to do their part to improve the domestic financial environment as a whole.

2.7 Risk Management

The goal of risk management is to preserve the safety of assets, enhance customer service quality, and increase shareholder value. In the wake of the 2008 financial crisis, economic stimulus and structural reform measures undertaken by the world's leading economies have had a spillover effect, which has caused financial market fluctuations to intensify. In addition, in order to reform the financial oversight environment and strengthen financial stability, international financial oversight and customer rights protection requirements have been tightened, and the importance of network security and personal financial rights has continued to rise in the wake of the rapid emergence of digital finance and financial technology. In the face of the potential impact of global warming and climate change on corporate operations, how to identify risk and seize opportunity has become a new risk management issue. We at E.SUN have always made "no services or operations can be considered beyond risk" our watchword and we uphold the highest guiding principles of risk management: safety and liquidity first, profitability second, growth next, and always pay attention to the public interest.



E.SUN's risk management objectives:



Organization and policy

Risk management organization framework:

〈E.SUN FHC's board of directors〉

In E.SUN FHC's risk management mechanisms, the board of directors is the highest decision-making unit, and bears ultimate responsibility for overall risk management. The board approves all overall risk management policies and major decisions on the basis of the Company's operating strategies and business environment.

〈Risk Management Committee〉

In order to strengthen the board's risk management communication, coordination, reporting, and recommendations, E.SUN FHC has established an independent, impartial Risk Management Committee; the president serves as the chairman of this committee, while the chief risk officer serves as executive secretary. The committee is responsible for drafting and reviewing various risk management policies, refers to and abides by international risk management guidelines, promotes the establishment and implementation of risk management systems, and strives to strengthen its functions and powers in line with changes in the times.

The Risk Management Committee meets regularly on a quarterly basis, and also when needed. The committee reviews whether the risk mitigation strategies proposed by the committee or risk units to address individual risk items are appropriate in view of the Company's development strategies and changes in the internal and external business environment. The committee is responsible for appropriately managing credit risk, market risk, operating risk, and asset and liability risk, regularly reporting the state of risk management implementation to the board, and disclosing the state of risk management on annual financial statements.

〈Subsidiaries' risk management units〉

Risk management units at all levels bear responsibility for establishing risk tolerance and monitoring indicators that can be used to monitor risk in the unit. Risk management units also determine standard operating procedures, and submit risk reports reflecting business content. Apart from bearing responsibility to the Company's board, subsidiary risk management units must also bear responsibility to E.SUN FHC's Risk Management Committee.



〈Risk management categories〉

The risk management categories of this company and its subsidiaries encompass all major risks in the operating process, and include credit risk, market risk, liquidity risk, and operating risk. In addition, potential risks also include legal risk, strategy risk, reputation risk, geopolitical risk, and climate change (natural disasters) risk.

〈Risk management mechanisms〉

Risk management involves three lines of defense, where the first line consists of business management and operating units, which are responsible for identifying and managing risks connected with their products, activities, processes, and systems; the second line of defense consists of risk management units, which are chiefly responsible for planning the risk management system and supervising the implementation of risk management mechanisms; and the third line of defense consists of the auditing unit, which is chiefly responsible for independent audits and verification of the effectiveness of risk management mechanisms.

First line of defense	Business management /operating units	Implementing risk management
Second line of defense	Risk management unit	Planning and supervision
Third line of defense	Auditing unit	Audit and verification

Major risk management mechanisms

● Credit risk management

With regard to credit risk management goals and development strategies, we comply with the competent authority's legal and regulatory system, and have drafted "Credit Risk Management Guidelines" and internal credit policy and transaction counterparty credit risk control mechanisms as a basis for credit risk management during the course of business development. We continuously monitor and assess domestic and foreign economic and financial trends, and make appropriate revisions to our internal regulations at suitable times. Due to the quickening pace of global climate change in recent years, the Company has adjusted its centralized monitoring of businesses or transaction counterparties with high carbon emissions, which is included in internal regulations. Management is accomplished by determining credit risk limits and transaction counterparty limits, such as credit lines, industry type, country, and business group, all of which must comply with the competent authority's regulations.

● Market risk management

In order to effectively control the market risk caused by price fluctuations in equity, products, interest rates, and exchange rates, and the mutual linkage between these fluctuations, all financial product transactions must be conducted in accordance with the Company's "Market Risk Management Guidelines." Regular assessment of the transaction value of company's financial products is performed in accordance with regulations, and reports concerning market risk exposure and stress test results are made to the board and E.SUN FHC's Risk Management Committee in order to better control market risk.

● Operating risk management

This Company has determined "Operating Risk Management Guidelines" in order to provide consistent guiding principles for the effective identification, assessment, supervision, and control all operating risks that may be encountered, and has established comprehensive operating risk management mechanisms able to monitor changes in operating risk. The auditing unit regularly audits the implementation of operating risk management procedures, which ensures that operating risk management assessment and control procedures are implemented as effectively as possible.

● Asset and liability risk management

In order to avoid possible losses due to inability to liquidate assets or obtain financing so as to fulfill its responsibility to provide funds for the full period, E.SUN FHC and its subsidiaries have drafted "Liquidity Risk Management Guidelines" able to ensure control of asset and liability funds shortage adequacy, and have established liquidity early warning indicators for use when observing the state of financial market funds. If any early warning indicators are triggered, funds emergency response mechanisms will be activated, ensuring that this company or a subsidiary will have sufficient liquidity.

● Managing climate risk

Responding to the rise in risk caused by global climate change, E.SUN has been taking advantage of its expertise and influence in the financial industry as it continues to monitor the impacts caused by climate change, and observes whether climate change's influence on financial markets or economic development will increase the risk of the bank's financial product investments, credit services, and other business operations. Climate change risk events are regularly reported to the board, which facilitates control of risk and search for potential development opportunities.



● Deepening risk management culture

In order to continue to deepen our risk management culture, which is characterized by "no services or operations can be considered beyond risk," E.SUN has made the board the highest unit in charge of risk management, and has included risk management as performance assessment indicators for all units and managers, whose salary compensation should be tied to future risk to some extent, and must also be consistent with the Company's short-, mid-, and long-term operating performance.

E.SUN continues to provide directors and members of the management team annual workshops on corporate governance and risk management, and also arranges "risk, procedures, discipline" units in classes for new employees, middle managers, and supervisors. This has ensured that all employees are familiar with E.SUN FHC's risk management awareness, determination, and actions. In addition, E.SUN conducts unit self-audits and bank-wide legal compliance self-assessments and online learning sessions on a half-year basis. All new products and services must undergo legal compliance and risk management review before their introduction, and we make sure that all personnel can effectively implement risk management in the course of our business development.

Emergency incident management mechanisms

E.SUN FHC and its subsidiaries have drafted "Emergency Response and Crisis Management Operating Guidelines" and standard operating procedures in order to protect against and respond to emergencies events, strengthen response capabilities, and put crisis management on a sound footing. To prevent crises, we maintain a high level of vigilance at all times, and conduct regular training.

● Organization

When an emergency or abnormal event occurs, the president, chief brand officer, chief risk officer, general auditor, chief compliance officer, legal division, customer servicedivision, and the unit in which the abnormal event occurred will, when necessary, organize an emergency response and crisis management task force ("crisis management task force"); the general manager shall serve as the task force's convener, and shall assign an executive secretary to bear responsibility for operations. All units must establish an "emergency contact person," and the list of such persons shall be managed by E.SUN Bank's consumer banking division. The emergency contact persons shall play a liaison role in the event of emergencies, and shall bear responsibility to the convener.

● Operation procedure

We have established a crisis management task force and emergency contact personnel, drafted management or response measures addressing emergencies and abnormal events, meticulously plan and systematically implement effective response actions, and perform real-time notification so as to keep crises from worsening. We also perform continuous review and improvement, and take active steps to prevent the recurrence of crises.

● Disaster management

In the case of major disasters interfering with the normal implementation of services, including natural disasters constituting Acts of God and human-caused disasters such as war and disease outbreaks, all units must take protective measures and strengthen their response capabilities. All personnel, property, equipment, systems, and data that is vulnerable to destruction or security threats shall be handled in accordance with the "Security Maintenance Operating Standards."

All units perform quarterly on-site security maintenance exercises, which are under the general management of our subsidiary E.SUN Bank. These exercises are intended to address fire safety (fire alarms), theft, robbery, embezzlement, replenishment of cash, destruction of automated equipment, theft from customers, fraudulent acceptance of funds, suspicious persons, intimidation, vandalism, and bank runs. We also conduct cross-exercises paired with police awareness announcements. We conducted a total of 544 on-site drills throughout 2015.

2.8 Responsible lending and investment

A bank's assets and resources are mainly from the public's trust and support. Because of this, apart from attentiveness to our core business areas and maintenance of sufficient effectiveness, we must also fulfill our corporate social responsibilities. The financial industry's role in society is like the role of blood in the body: Our financing and various financial products not only play funding intermediary roles, we are also relying on the provision of new services involving innovative methods to satisfy the constantly-evolving financial needs of our customers.

SMEs play important role in Taiwan's economic development. E.SUN has long term support for the development of Taiwan's SMEs, and continues to progress in its cash management, cross-border trade, and electronic payment services in line with the goal of making the "E.SUN professional team, the best partner for corporates." Thanks to its assistance for corporate operation and development, E.SUN is the ideal financial partner for corporate in Taiwan. Especially Taiwan's cultural and creativity industry is still at an embryonic stage, they need funding services from the financial industry. Therefore, we aim to deeply support Taiwan's soft power development.

In order to make our living environment even better, and ensure that the next generation can continue to enjoy green mountains and clear waters, E.SUN hopes to rely on its expertise and influence in the financial industry to jointly protect our beautiful homeland. With regard to the subsidiary E.SUN Bank's credit policy, Section 3 clearly states that lending should support the green energy industry, including alternative energy, water resource, and pollution control enterprises. We consequently provide appropriate financing assistance to outstanding companies dedicated to lessening energy consumption, reducing pollution, or acquiring environmental protection facilities, such as through our "Solar Roof Financing Program" and "Green Energy and Industrial Equipment Export Loan Program."

E.SUN Bank incorporated the "Equator Principles" in its lending policy in 2014, and specifically states that it will support enterprises that emphasize their social responsibilities. E.SUN Bank further signed the "Equator Principles" in 2015, which made it one of 83 financial institutions worldwide that have signed this document. While tending to its core financial business, E.SUN will actively strive to exert a positive influence on the financial industry.

- The Equator Principles consist of a set of voluntary guidelines established by the world's major financial institutions on the basis of the policies and principles of international financial companies and banks in 2003. The Equator Principles seek to determine, assess, and manage the social and environmental risk of project financing.

* Tangible results of lending policy:

• SME loans:

We received the MOEA's and Credit Guarantee Fund's Credit Guarantee Partner Awards for ten consecutive years; the Financial Supervisory Commission's assessment as Grade A in the "Domestic Bank Enhanced SME Lending Program" for three consecutive years; The Asian Banker's "Taiwan's Best SME Bank; and The Asset's "Best in Treasury and Working Capital - SME in Taiwan" for 3 consecutive years.

• SME innovation development:

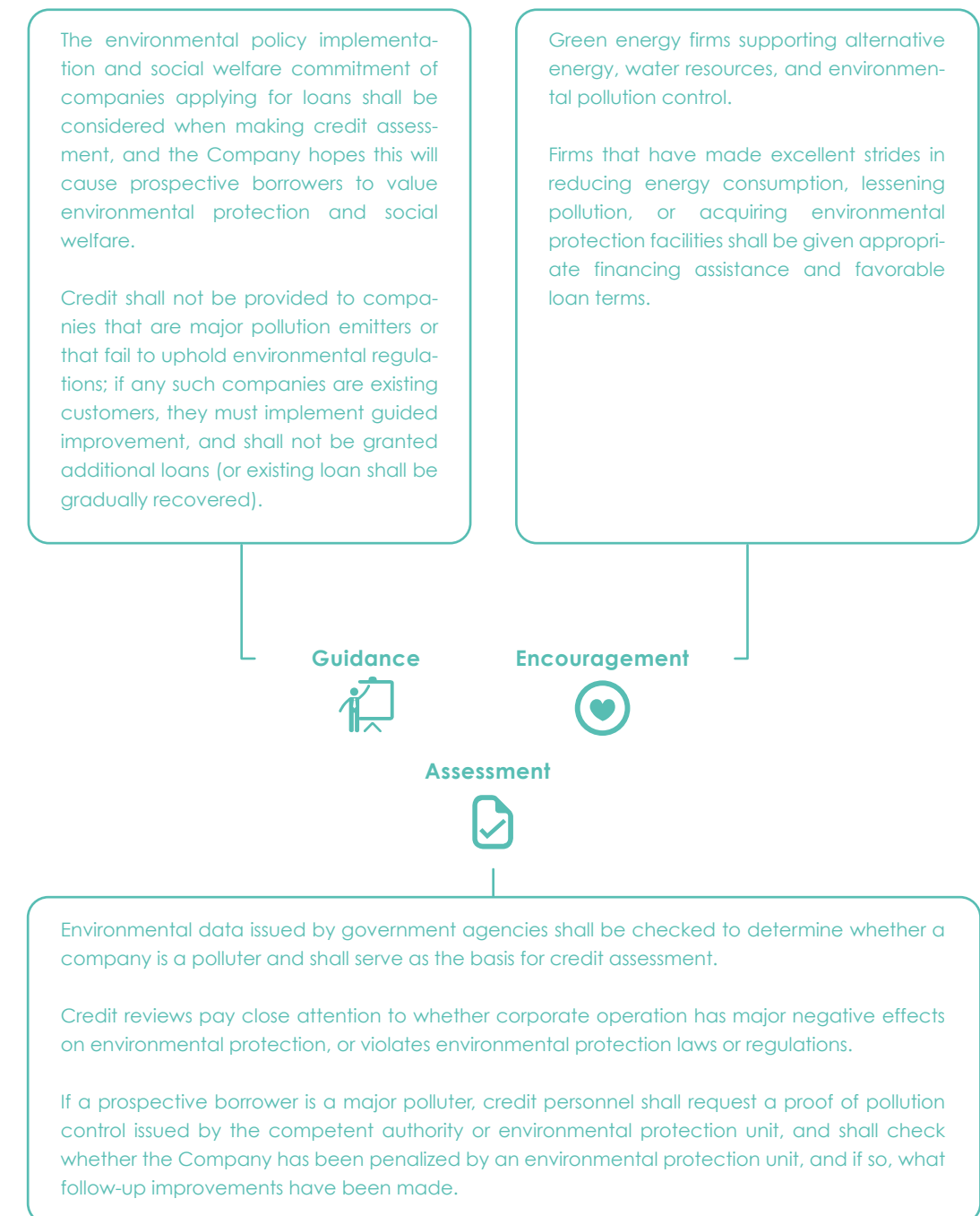
The "SME innovation development loans" provide financing assistance to SMEs with R&D and innovation capabilities. Total amount of loan was NT\$790 million in 2015, accounted for 18.7% of market, and gave E.SUN Bank a rank of second among all banks in Taiwan.

• Financing for the cultural and creativity industry:

E.SUN Bank received 1st place in the Financial Supervisory Commission's assessment of "financial support for creative industries" for two consecutive years, and was awarded the MOEA's and Credit Guarantee Fund's "Credit Guarantee Partner Award - Helping Young Entrepreneurs' Establish Startups Award."

• Green energy industry loans and investment:

E.SUN Bank has provided credit to a total of 230 firms in the green energy industry, and has also engaged in asset investment, preferentially in companies with sustainable development plans. Approximately 54% of these investment targets are on the Dow Jones Sustainability Index (DJSI) or GS Sustain Focus List.



• Remaining price of Cultural and creative industries Balance





3. Customer care



3.1 Digital innovations in financial services

Innovation is the cornerstone of E.SUN's comprehensive development strategy. In response to technological trends and users' requirements, we hoped to utilize digital financial services to further improve people's lives, making financial services in Taiwan more efficient. Thus E.SUN has been actively promoting digital services, innovative products, channel transformations, and focusing ourselves on cloud computing, mobile finance and big data analytics. We endeavor to improve our customers' experiences through modern technologies in the following aspects:

● **Bank 3.0 applications enable customers to access financial services more conveniently**

As the regulatory authority gradually allows financial services institutions to offer services intended to be available in Bank 3.0, E.SUN is actively developing our digital banking services. By re-examining and redesigning our business processes, we have made breakthroughs regarding the limitations imposed by brick-and-mortar branch offices. We can now offer financial services complete with big data analytics so that our customers can access our warm and personalized services effortlessly in the digital world.

● **O2O applications facilitate payments in community life**

With new payment services emerging on a continuous basis, we have utilized the concept of O2O to connect consumers' online and offline behaviors, to implement a convenient community that facilitates payment, and to develop innovative business models.

● **Actively investing in FinTech to raise the standards of the overall e-commerce and financial technology in Taiwan**

With the investment in BankPro E-Service Technology Co. Ltd., E.SUN became the first financial services organization in the country approved by the FSC to invest in the FinTech industry. Looking forward, E.SUN will be investing additional resources to strengthen new payment services and digital financial services platforms so as to provide high quality, convenient and secure integrated financial services solutions, to enhance partnerships with enterprises and other financial services corporations, as well as to increase the overall standards of the e-commerce and financial technology in Taiwan.

● **Focusing on financial innovation and enabling a digital lifestyle**

Cash transactions represent 75% of retail payments in Taiwan. Apart from the inconvenience from handling cash, there are also numerous regulatory and societal issues, such as counterfeit bills and money laundering. Therefore, the Financial Supervisory Commission has proposed an initiative to increase the proportion of electronic payments by twofold through encouraging the use of various payment cards and mobile phones, so that a cash-free society may become a reality.

E.SUN is committed to financial innovation. Through the use of big data technology, we anticipate our customers' needs and provide financial information that is useful to them. We have also made significant improvements in the areas of mobile payment applications, online paperless financial services, and inter-industry collaboration and innovation. Moreover, E.SUN has introduced the following innovative digital products over the past few years:



Digital lifestyle now a reality

e-Click Loan Application



To meet our customers' financing requirements and to provide them with secure and convenient financing options, E.SUN has created the e-Click Loan Application digital platform. With this online platform, customers no longer need to visit our branch offices and spend an enormous amount of time undergoing evaluation as well as communicating with our staff. With our specially designed credit limit and interest rate assessment questionnaire, it takes only three minutes for the potential borrower to complete the loan application and receive an instant feedback on the credit limit and terms. Subsequently, applicants only need to provide the supporting documents to finish the whole process. With this fast and convenient platform, a loan can be approved as fast as within 24 hours.

e-Click Online Card Application



In March 2015 E.SUN introduced the Online Card Application, a convenient online service that frees users from the limitations of time and space and allows account owners or credit card customers to apply for new credit cards, set up credit card installment payments and request other services. It is no longer necessary for the customers to go through the complicated procedure: visiting a branch office or specific location to pick up the application form, attaching the required documents, and submitting the completed application package by mail. With e-Click Online Card Application, there is no need for the bank to print out a large quantity of paper-based application forms or letters, and the customers no longer need to submit photocopies of their ID cards or financial support documents in paper form. We are truly on a path to paperless and green financial services. E.SUN's online application has been certified by the ISO 14067 Services Carbon Footprint International Standard, the first in the financial services industry, providing our customers with a new experience in digital banking services available 24 hours a day.

HCE mobile phone credit card



(currently only Android phones are supported)

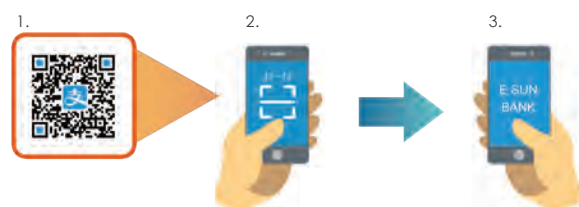


In December 2015 E.SUN launched the first HCE mobile phone credit card in the country, adopting the innovative host card emulation (HCE) technology which stores credit card information on cloud servers and complete transactions by providing virtual card numbers. Different from NFC-enabled smartphone credit card, the functions are not bound to a specific telecom carrier or limited by smartphone models, so customers do not need to visit a telecom retail outlet to exchange for a dedicated SIM card. E.SUN credit cardholders simply

use an Android mobile device with NFC to download the E.SUN Wallet app. Upon a successful authentication procedure, the app will bind the device to an existing E.SUN credit card, thus allowing the customer to make purchases at over 50,000 affiliated merchants around the country. In addition, HCE mobile phone credit cards complete transactions via virtual card numbers to avoid the risk of credit card numbers being leaked, further improving transaction security.



In collaboration with Ant Financial Services Group's Alipay payment platform, E.SUN launched the cross-border, O2O QR code payment services in November 2015 to enable visitors from Mainland China to pay for their purchases in Taiwan through the Alipay platform with their mobile handsets instead of cash. The payment procedure is entirely identical to what they are already accustomed to. All they need to do is to present the barcode of their Alipay wallet on the cell phone and scan it with the merchant's cash register or mobile app to make a quick payment. Customers can also simply scan the QR code provided by the retailer and enter the purchase amount in NT dollar, and the merchant will receive an instantaneous payment notification to complete the transaction.



1. Merchant applies to E.SUN to request service activation for brick-and-mortar store payment QR code.
2. Mainland Chinese consumer activates Alipay wallet to make payment.
3. E.SUN App receives payment notification and the transaction is completed.

As of December 31, 2015, the number of our affiliated vendors exceeded 5,000, covering famous Taiwanese brands and attractions, such as department stores, convenience stores, night markets and shopping district vendors, and specialty stores. It is expected that the new service will bring crowds of consumers to these merchants, which will be beneficial to the local consumer market and industries.



Paper-based monthly statements involve printing, use of paper, and mailing, all of which lead to CO2 emission. To contribute our part of efforts to the environmental protection, E.SUN Bank has implemented D.Bill, the all-new digital statement system. Based on technologies such as RWD and HTML5, it offers a highly interactive and optimized user experience for our customers on various devices and platforms. In

addition, D.Bill provides not only monthly statement information but also categorization of purchases, which keeps customers better informed of their own purchase patterns and the total amount spent in each category for the year. Combined with big data analytics, the system can also provide customized marketing event information and messages based on each customer's preference, offering a brand new experience.



E.SUN has been actively investing in big data analytics technology, which allows us to learn customers' needs through their clicks on the website as well as their online behaviors. In the past we were only able to offer personalized financial services to our VIP customers, however now we can treat each of our online customers the same way with this new digital technology. In addition, this technology has received the

"Award for Most Innovative Application of Digital Technology to Grow the Business" from world renowned IT research and advisory firm- Gartner, Inc.



In September 2015, E.SUN launched the brand new official website combined with built-in big data analytics capabilities and the three specially designed features: "Intuitive browsing", "Customized exclusive services" and "Digital finance section". The purpose is to enable customers to gain timely access to new information on a variety of devices. E.SUN is the first financial services provider in the country to put together a dedicated UX team. Beginning with the official portal, users can feel the clean, uncluttered and context-based graphics that guide them through all website functions, which are designed with e-commerce in mind. New menus and user interface elements facilitate search, and users can click on the items of their interest to locate the desired information quickly.

In the "Digital finance section", the "online teller" is available 24/7 throughout the year. Customers are not constrained by time or space and can apply for credit cards or personal loans, manage their money or make payments with this one-stop-shop service. The website subsequently won "Best user experience" and "Best enterprise and product website of the year" categories in the "One More Click" awards. Customers can enjoy a convenient life by processing digital financial information at their fingertips.



In January 2015 E.SUN became the first bank to introduce the Mobile Point of Sale (mPOS) platform for UnionPay cards, thus providing Mainland Chinese visitors a more innovative and convenient shopping experience. By connecting the mPOS credit card reader to a smart mobile device and installing a dedicated mobile app, merchants can now accept credit card payments at any location desired. The mPOS card reader offers the advantages of light size and the ease of transportation; it is especially suitable for businesses such as delivery service, taxi, specialty gift shops and shopping districts. In addition, the mPOS mobile card payment system is safeguarded by the SSL encryption mechanism so that the customers' personal information is well protected. To complete a purchase, cardholders simply provide their signatures on the mobile device, and they can choose to receive an electronic authorization form by either a text or e-mail, creating a highly secured transaction environment.

3.2 Service Quality Management

E.SUN believes there is always room for improvement in the quality of services we provide. To achieve customer satisfaction and to enhance customer value, E.SUN has established the Total Quality Management (TQM) Committee, which is chaired by the Chief Brand Officer. The committee met twice in 2015 and continues to improve customer relations management and customers' service experience.

Our "service quality performance review" initiative includes monthly audits of key assessment areas, as well as occasional video conferences reminding various departments of matters requiring attention. We have also established "regional customer service teams" and various units at our subsidiaries have assigned "customer service officers" tasked with advanced service quality. We hold weekly customer service training sessions and conduct interdepartmental service case discussions. In 2015 we also launched the QR Code system and postage-paid customer surveys to collect comments and suggestions from our customers in an effort to broadly improve service quality and provide superior services.

To prepare ourselves for Bank 3.0, E.SUN continues to improve our service quality via optimized systems and actively develops electronic platforms and digital services, including: Simplified voucher categories, application form printing service, and enhanced service efficiency. Moreover, we offer appointment scheduling service which allows our customers simply fill out their account and transaction information in advance at home with their own computers or mobile devices, and receive a special QR code. Upon arrival at the bank, the customer retrieves a queue ticket with this QR code and completes the transaction quickly and efficiently without filling any form. In addition, Wealth Management Division has implemented the WISE wealth management transaction/operational information system and the E.SUN NICE insurance system, which integrate internal operations with customer service functions and improve the business processes and service quality of our wealth management service, thus further enhancing our customers' experience and satisfaction.



〈 Corporate culture 〉

Customer satisfaction surveys

In order to improve customer satisfaction and to continue to create memorable experiences for our customers, E.SUN has established customer service task forces to conduct on-site surveys of branches, e-banking customer satisfaction surveys, e-banking service interview surveys, recruitment and loan procedure improvement interview surveys, and randomized surveys of financial consultant services and wealth management service. A number of channels are also available for customer complaints. At all of our 136 branch offices throughout the country, we have made customer suggestion boxes available, and our official website also has an online "visitor message board" feature. As indicated by these surveys, 94.13% of the customers are highly satisfied with our service quality. In 2016 we will also launch an initiative to actively care for our customers. We plan to design surveys based on product categories relevant to each customer, so that we can collect their suggestions and forward them to relevant departments in a timely manner for service improvement purposes.

Case Study: warm and memorable services

Optimized system process flow further enhancing customer experiences

Mr. Hsu, a gas station proprietor, pays frequent visits to the bank to deposit large sums from daily business operations. In each trip to the bank, it takes a long time for him to fill out the deposit slip, and if a mistake is made, he has to start from scratch.

In 2015, E.SUN introduced the next-generation New Branch System (NBS). All current transaction procedures and processes are fully integrated with form printing services, and the number of fund transfer slips has been streamlined from the original two to just one for each transaction. When the new system went live, service personnel also began to inform customers of these new and convenient services. Mr. Hsu points out that in the past he was under tremendous pressure whenever he needed to visit the bank. Now he praises E.SUN for the much simplified procedure and for the bank's environmentally friendly practices and personalized services.

In March 2016 we added the "Scheduled Services" feature, which allows customers to reserve bank services ahead of time at home with a personal computer or mobile phone. Upon arrival at the branch office, they will receive priority service and save a great deal of waiting time.



3.3 Protecting customers' rights

E.SUN is dedicated to protecting customers' personal information. In May 2015 we received the latest ISO/IEC 27001 international certification for the Information Security Management System (ISMS), which reflects our commitment to information security management: confidentiality, completeness and usability for implementing secure and reliable information services conforming to international standards. In conjunction with Taiwan's newly-implemented Personal Data Protection Act and the overall plans drafted by E.SUN FHC and subsidiaries, we have commissioned Deloitte & Touche to perform a full-scale inventory of our information operations, review all processes, and examine and strengthen the company's existing information system framework and hardware/software specifications, ensuring that they meet the highest standards and can maintain the security and confidentiality of customer information.

In the area of risk management, while effectively managing risks through legal compliance, risk control, and internal audits, we protect the rights and personal information of customers through the use of rigorous internal controls and highly user-friendly transaction platforms, which offer customers a secure, stable, and fast transaction environment. We comply with the regulatory authority's laws and regulations when implementing transactions and account operations, and also pre-transaction planning, during-transaction monitoring, and post-transaction audits in accordance with our thorough, rigorous operating procedures. We have also incorporated elements of legal compliance into our employee performance appraisal procedure, conducted regularly scheduled compliance training so as to improve the quality of our legal compliance operations.

In order to maintain market order, all E.SUN personnel responsible for transactions (including front, middle, and back office personnel and brokers) are responsible for maintaining strict confidentiality. Except when required by law or formally authorized, all transaction information is kept confidential, preserving customers' information security. To maintain the fairness of market transactions, no transaction related personnel may use internal information to perform unauthorized transactions for personal gain or to benefit a certain party. E.SUN has developed strict internal control principles, and detailed operating procedures cover all processes from front-office transactions to back-office settlement. Cross checking is , regular internal audits and special audits are performed to confirm accuracy of customer transactions.

E.SUN has developed a comprehensive management mechanism to respond to major incidents. When an emergency situation or incident arises in the market or if significant changes in a major economic indicator have occurred, the team of experts at the corporate headquarters will meet immediately to discuss market outlook and any measures that should be taken. In addition, customers that we judge to be affected most by the incident will be notified within 24 hours by text, telephone or other means.

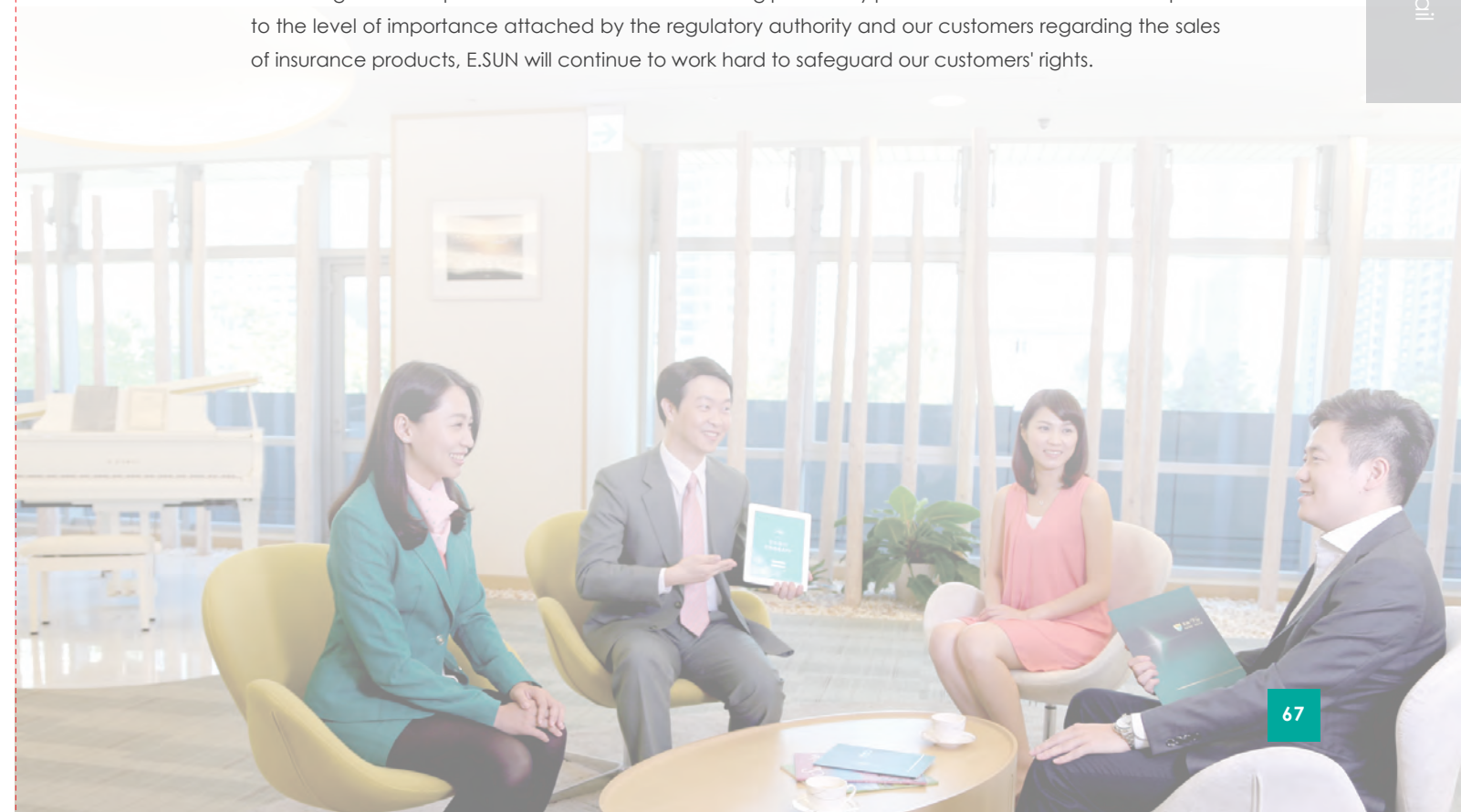
To ensure effective consumer protection, apart from presenting basic information about our product and service offerings, all service application forms on the E.SUN website also indicate the relevant fees and expenses and possible risk involved, and detailed product information is also provided. A spreadsheet function is available to assist customers who wish to perform asset allocation on their own. Information concerning all products is also fully disclosed in product manuals and prospectuses. The company's website, application forms, bills, DMs, EDMs, rights handbooks, contractual terms, advertisements, and publicity materials fully disclose relevant information concerning corporate banking, consumer banking, wealth management, and credit card products as well as sample expense calculations and activity content. This ensures that customers understand how products are used and the content of discount offers. With respect to the use and protection of consumers' personal information or particularly important provisions and clauses in application forms, the relevant words are clearly labeled in distinct colors or fonts to ensure that consumers fully understand their rights, possible risks and how the Bank makes use of their information. We also create customer value by conducting a variety of advertising and awareness activities targeting customers with different attributes.

To safeguard the rights of customers, the remuneration and reward structure of E.SUN's financial advisors, marketing and sales staff is not directly tied to the employees' sales performance. As a result, our sales staff can offer asset allocation recommendations or assessments of service applications from the perspectives of the customers in a personalized manner. Moreover, to help curb money laundering activities and financial fraud, whenever customers visit the bank to make withdrawals or fund transfers in local or foreign currency, our tellers will take the opportunity to communicate financial fraud awareness with them. Our staff members also periodically attend anti-fraud training sessions so that they can better prevent customers from frauds.

Rectifications of problematic business practices (as determined by the FSC) in 2015

Telemarketers of Subsidiary, E.SUN Insurance Brokers Co., Ltd., were found to have violated the Directions for Insurance Enterprises Engaging in Telemarketing Insurance Products. Furthermore, the subsidiary was found to be lacking robust internal audit practices. These two findings constituted violations against Article 49, Subparagraphs 5 and 27 of Regulations Governing Insurance Brokers and Articles 9 and 19 of Regulations Governing the Implementation of Internal Control and Audit System and Business Solicitation System of Insurance Agent Companies and Insurance Broker Companies, for which the subsidiary was fined NT\$1,200,000.

In 2015, the regulatory authority determined that a total of 84 cases in insurance sales by Taiwan's financial services industry were in violation of regulations. The total amount of penalty reached NT\$91.1 million. E.SUN was responsible for one of these 84 cases, which represents 1.19% of the total number of cases. In terms of monetary amount, the percentage was 1.32%. With respect to this particular violation, E.SUN has made relevant improvements to conform to the provisions of Articles 9 and 19 of Regulations Governing the Implementation of Internal Control and Audit System and Business Solicitation System of Insurance Agent Companies and Insurance Broker Companies. We have also enhanced the random sampling of our salespeople's telephone conversations with customers to ensure that our front-line marketing staff are up to standards in terms of handling potentially problematic sales tactics. To respond to the level of importance attached by the regulatory authority and our customers regarding the sales of insurance products, E.SUN will continue to work hard to safeguard our customers' rights.



Case Study: warm and memorable services

Major incident management mechanism
to safeguard customer assets

On May 28, 2015 China A share prices dropped by more than 6% in one day. E.SUN immediately activated the management mechanism for major incidents and notified Mr. Lin of the changes in the market via text messages. Our financial consultants also telephoned Mr. Lin to provide a detailed report on market conditions, explaining that "the Chinese market was facing the 5,000-point psychological threshold, and due to negative policy factors there was a high probability that the stock market would experience a mid-cycle correction." Although the returns were not as high as originally expected, Mr. Lin decided to redeem his investments ahead of schedule after discussing the options with our financial consultant. Our consultant was also keenly aware of Mr. Lin's concerns regarding the market's continuing development and suggested he to reallocate his investments to the more stable balanced funds. This decision helped Mr. Lin avoid the drop in Chinese shares in the following month.

Mr. Lin was quite impressed by our comprehensive major incident service procedure as well as financial consultant's personalized service and professionalism. He left a message on our website expressing his appreciation for our consultant's assistance. The fact that E.SUN has invested a great deal of resources in each financial consultant, the absence of a reward system based on sales performance, and the incorporation of customers' investment returns into consultants' performance assessments have all contributed to our ability to serve investment customers more objectively and with a full range of services. We strive to safeguard each customer's assets and value their trust, and we endeavor to become the most reliable wealth management bank.

3.4 Warm and memorable services

E.SUN's 24-hour seamless customer services

To provide customers with expanded services with the highest quality and to continue to cultivate customer relations, E.SUN has made available dual customer service centers in the country's northern and southern regions with the 24-hour hotline: (02) 2182-1313. For further service and consultation, customers can get in touch with our customer service representatives via our "smart text customer service", "Internet phone", "visitor message board", and "customer service via telephone." We endeavor to solve our customers' problems promptly, provide a variety of options with interactive financial services available anytime, anywhere.

玉山e客服

E.SUN e-Services

Multiple channels
x
Anytime, anywhere
x
Interactive consultation

Smart text customer service

Internet phone

Visitor message board

Customer service via telephone

Barrier-free online banking services

The E.SUN website conforms to the standards prescribed in Class A+ barrier-free public "interest rate and foreign exchange rate information network." We received the A+ certification from the National Communications Commission on May 6, 2016. Visually impaired users are able to access our website via screen reader software or a braille display. Information available to these users include: savings interest rates (NT dollar, foreign currencies) and spot exchange rates. The service is a great convenience to our visually impaired customers.

E.SUN Corporate Online Banking - Upgraded services

To provide our enterprise customers with an even more favorable user experience, E.SUN's Corporate Online Banking website has been upgraded with new software and hardware equipment. The new system enables enterprise customers to gain faster access to our online banking and transaction services. With the new web page design, customers are presented with a cleaner, more color-balanced and easier-to-use interface as well as a more visually appealing experience. Currently we also support tablet computers and high-resolution displays. Customers have full access to our banking services from the comfort of their own homes.

A lifestyle of convenience with E.SUN credit cards, a total solution provider



E.SUN is committed to providing customers with all the conveniences life has to offer. We have since added the following new features to our mobile banking platform: mobile card application and online submission of documents for applications not yet completed. We have also integrated our system with the ACH payment platform to offer a variety of service application options and micropayments via electronic tickets. Our customers save a great deal of time that would otherwise be spent at our branch offices. With E.SUN credit cards customers can experience all the great conveniences in life.

• E-Click Online Card Application

The E.SUN e-Click Online Card Application is a convenient online service application platform that frees users from the limitations of time and space. This offers a paperless, green environment for financial services. There are no paper application forms to fill out and paper documents to submit. The conveniences that it offers are available 24 hours a day.

• Customers are encouraged to use EasyCard, icash auto-reload features and to configure eTag connections

E.SUN partners with electronic ticket operators such as EasyCard and icash to offer a variety of services and events, enabling customers to take advantage of the convenience of micropayments and eTag auto-reload with these platforms.

• Payment agent

We provide payment services via our online platform and paper-based application forms for various utilities (water, electricity, natural gas, telephone, cable TV) and roadside parking fees. The simple application procedure enables customers to make payments effortlessly.

Our customized electronic statement offers useful features based on the customer's purchase pattern. Events and special offers that may be of interest to the customer are made available via this service.

• QR Code for making credit card payments

Customers can now simply scan the QR Code on the bank statement or key in the information online to make credit card payments easily.

Paperless transactions

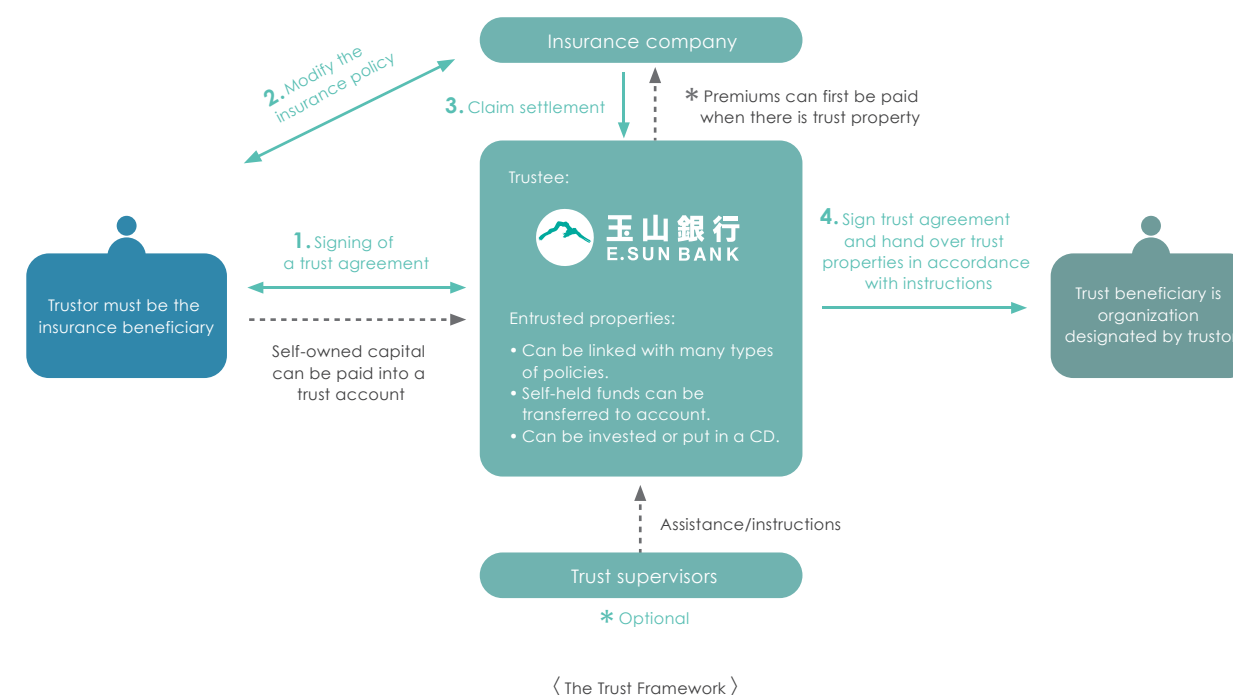
The E.SUN personal online banking website makes available first-time KYC and online signing/renewing of principal agreements for specific monetary trust contracts. The mobile banking app has also added the new "mutual fund subscription" feature, which incorporates the fund stop-loss/stop-gain notification service. Customers can now gain timely access to their investment portfolios and market information via a variety of channels with these paperless and environmentally friendly digital services.

Microinsurance to ensure basic financial protection to underprivileged citizens

To provide the economically underprivileged in the country with basic personal insurance coverage and to fill the gap of the government's social security programs or social assistance mechanism, as well as to fulfill our corporate social responsibility, E.SUN has partnered with insurance companies to offer microinsurance policies to this sector of our society to cover specific risks.

E.SUN insurance care trusts provide a LOHAS lifestyle

Taiwan has been suffering from low birth rates. The population structure has undergone a severe change. It is expected that in the foreseeable future one wage-earning citizen will have to carry a higher burden in supporting elderly retirees compared with previous generations. As a result, citizens of Taiwan are advised to plan for their retirements early while they are still in their productive years. To meet the retirement needs of our citizens, E.SUN has partnered with insurance companies to introduce an insurance care trust product that incorporates long-term nursing care. This product can be linked to long-term care insurance, annuities or endowment payments. It offers comprehensive protection and a worry-free retirement lifestyle. In addition, to enable customers to take advantage of trust protection at a lower cost, E.SUN's insurance care trust product has adopted a flexible trust management mechanism. Administrative fees are charged for the first time only when funds are deposited into the dedicated account, and when the account contains no assets, no fees will be charged. Customers may decide for themselves how much to put into the trust account based on their financial requirements so that they can enjoy a more flexible retirement arrangement.



“Digital loan service,” “digital mortgage” enables financial services that benefit the masses



E.SUN has actively involved in the development of financial services that benefit the masses, enabling the general public and individuals with limited assets to get in touch with the Bank. Based on the implications of our big data analytics, we have created a “digital loan service” and “digital mortgage” platform to provide “e-Click Loan Application” services and the online “home mortgage credit line and rate assessment” service to allow potential borrowers to gain access to this information without the need to visit our branch offices, thus saving them time and costs.

E.SUN will also be publishing our credit levy review standards and indicators on the official website. We are committed to making the Internet an open, shared, equal, collaborative medium for financial services. With our big data analytic capabilities, we aim to meet the financing needs of a large sector of the population. As of 2015, we completed the disbursement of funds for 15,000 cases of online loan applications. E.SUN will continue to develop a diverse digital financial services integration platform, enabling customers living in sparsely populated or remote areas to have access to a full range of convenient financial services.

Micro SMEs and young entrepreneur loans

E.SUN is actively developing our microenterprise and young entrepreneur loans business. Based on our customers' needs, we offer our services at low transaction costs in order to become the solid support that young entrepreneurs require to be successful in their endeavors. As of 2015 our young entrepreneur loan balance continued to grow, and we completed the disbursement of funds to a total of 824 proprietors, with an average approved amount of NT\$650,000. For the fifth time we were awarded the “Credit Guarantee Partner Award - Support for Young Entrepreneurs Award.” With respect to microenterprise, we focused on customers with NT\$30 million in annual turnover. We utilized a fast-changing consumer finance service model in conjunction with the credit guarantee mechanism to address the problem of the inability of microenterprises to provide collaterals for their loan. We also help our customers to enhance their low-term competitiveness and growth potential. Thus far we have completed the disbursement of funds for a total of 24,000 microenterprise loans, with an average approved amount of NT\$4.43 million.

E.SUN is committed to helping microenterprises and young entrepreneurs to not only succeed in their endeavors but also to embark on a journey to innovation. Our four principles include the enhancing financing, stabilizing foundation, establishing benchmarks and standards, and expanding business opportunities. We aim to provide professional services and stress efficiency and quality so that we can help Taiwanese enterprises to lay a solid foundation domestically as well as to continue to grow, flourish and be highly competitive.

Case Study:

Mr. Liu works at a national park as a conservation official. One day he received a phone call at work. One of his family members called to inform him of an emergency need for funds. Mr. Liu was therefore under pressure to apply for a personal loan as quickly as possible, and he wanted to know all the options available to him, including interest rate, terms and credit limit. However, due to the remoteness of his workplace, there were no nearby financial institutions available. He was extremely worried that his family might suffer with him being away and unable to render help in a timely manner.

Fortunately, Mr. Liu knew about E.SUN's e-Click Loan Application, although he was not yet a customer at the time. Concerned that his loan application with E.SUN might be rejected, he picked up the courage to contact the bank. E.SUN's teller was able to help Mr. Liu complete his loan application online and he quickly learned of the preliminary terms and conditions for the loan, which happened to meet his family's financing requirements. Having understood Mr. Liu's professional background and the nature of his work, our staff was also able to offer him discounts and other special offers. The loan was finally approved with mutual trust, and the customer was satisfied and appreciative of the assistance rendered.



4. Employee care

4.1 Human resources structure

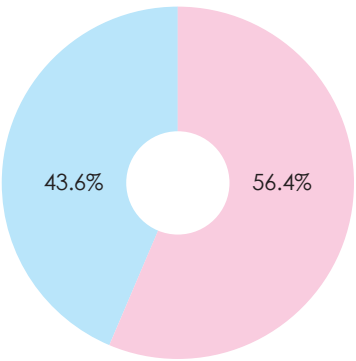
Cultivation of talents training is the foundation of any great and enduring enterprise, and is the source of E.SUN's core competitiveness. E.SUN relies on a comprehensive manpower development system to ensure that all employees have access to a full range of learning opportunities and career development paths. Furthermore, we want the Company to be "the second home of our employees," hoping to provide personnel with an outstanding working environment, and making those persons who hope to develop their careers at E.SUN paint their futures with their own hands.

Employees of E.SUN FHC and its subsidiaries:



● Employees of E.SUN FHC and its subsidiaries

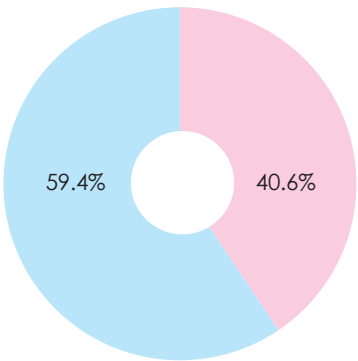
• Taiwan :



Male 3,357
Female 4,338

total : 7,695 people

• Overseas :



Male 130
Female 89

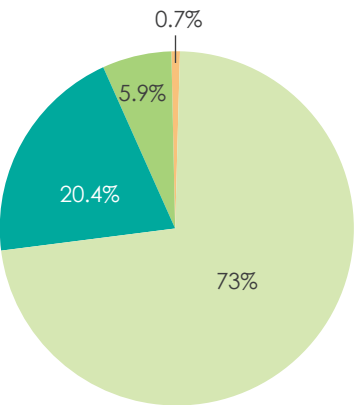
total : 219 people

total : 7,914 people

* Majority of E.SUN's business operation based in Taiwan in 2015 with local hiring ratio of 100%.

● Educational level

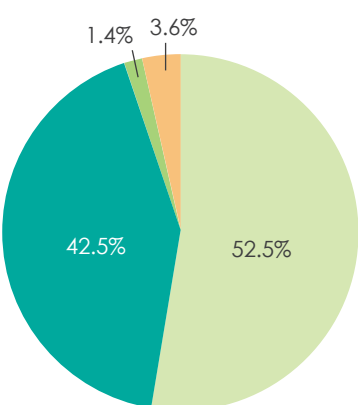
• Taiwan :



Master 1,569
Bachelor 5,621
College 452
High school and below 53

total : 7,695 people

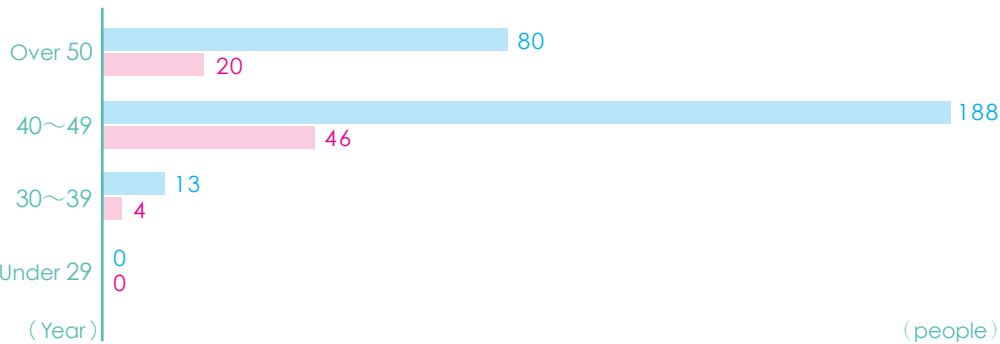
• Overseas :



Master 93
Bachelor 115
College 3
High school and below 8

total : 219 people

● Age/gender distribution of managerial level

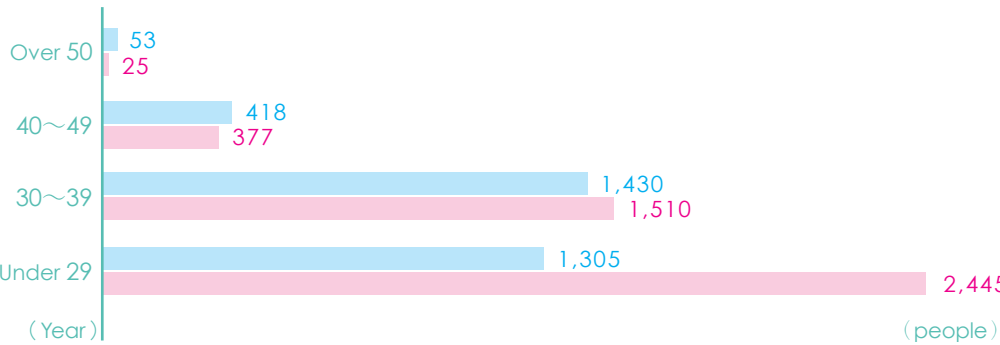


Male 281
Female 70

total : 351 people

* Persons in this chart consist of managers from business units and above, including 1 disabled individual.

● Age/gender distribution of non-managerial level



Male 3,206
Female 4,357

total : 7,563 people

* Persons in this chart include 29 disabled individuals.

● Age/gender distribution of new recruits

area	The proportion of new employees	Age				Gender		Total
		Under 29	30~39	40~49	Over 50	M	F	
Taiwan	19.9%	1,413	93	27	0	647	886	1,533
Overseas	22%	35	12	2	0	16	33	49
Total	20%	1,448	105	29	0	663	919	1,582

● Attrition rate

area	dimission rate	Age				Gender		Total
		Under 29	30~39	40~49	Over 50	M	F	
Taiwan	8.6%	480	169	34	14	264	433	697
Overseas	11%	19	6	2	1	13	15	28
Total	8.7%	499	175	36	15	277	448	725

* The total number of employees is based on the average total employees at E.SUN FHC throughout 2015.

● Parental leave

E.SUN offers parental leave in accordance with the Labor Standards Law. Any employee who has worked for at least a half-year at E.SUN may apply for unpaid parental leave for children under 3 years old due to spouse's employment. Each instance of parental leave shall last for no less than six months as a rule, and may continue until children are 3 years old. However, it shall not exceed two years. When two or more children need care, the length of leave without pay shall be combined, and may not exceed two years of care for the youngest child.

Item	Male	Female	Total
(1) Persons applying for parental leave in 2015	6	126	132
(2) Persons planning return from parental leave in 2015 (A)	5	110	115
(3) Persons actually returning from parental leave in 2015 (B)	1	85	86
(4) Return rate (B/A)	20%	77%	75%
(5) Persons returning from parental leave in 2014 (C)	3	65	68
(6) Persons returning from parental leave in 2014 who worked for a full year in 2015 (D)	3	50	53
(7) Retention rate (D/C)	100%	77%	78%

* 1. There are 801 employees who are qualified for parental leave.

2. The foregoing employees who do not return all voluntarily resign for family or personal reasons.

● Occupational injury leave

Sex	Persons taking occupational injury leave	Days of occupational injury leave	Occupational injury rate	Persons taking sickness leave	Days of sickness leave	Menstrual leave	Days of menstrual leave	Absence rate	Percentage of lost days
M	59	482	3.53	420	948	0	0	0.07	28.82
F	81	440	4.84	1,023	2,485	236	282	0.15	26.31
Total	140	922	8.37	1,443	3,433	236	282	0.22	55.13

* 1. Total working hours =16,723,968 (total persons * daily working hours * number of working days)

2. Total number of working days =2,090,496 (total persons * number of working days)

3. The absence rate is calculated based on the GRI standard of 100,000 hours.

4. The total number of occupational disease and fatal occupational injury both are zero.

5. Employees at overseas locations have never taken occupational injury leave.

● Status of regular performance management

The objective of E.SUN's performance management is to enhance colleagues' capabilities. It is connected with the goals of the team and the organization through teamwork and cooperation, for the purpose of boosting E.SUN's performance. The performance management cycle is divided into three major parts, namely performance plans at the beginning of the year, mid-term performance adjustment and review, and final year-end evaluations. Implementation of performance plan begins in February of each year. Performance of managers from business units, supervisor level and above are tracked by headquarter directly. Other employees' major performance goals and action plans are determined through two-way communication with their supervisors. Mid-term performance adjustment and review is performed during July and August, and adjustments can be made in response of changes in the internal and external environment. Year-end evaluations based on performance plan are conducted during December, and the results serve as a reference for subsequent compensation, promotion, and training decisions.

Area	Taiwan		Overseas	
Gender	Male	Female	Male	Female
Percentage	100%	100%	100%	100%



4.2 Employee relations

An equal working environment

In order to maintain employees' basic human rights, E.SUN has drafted a "Human Rights and Environmental Sustainability Pledge," to uphold with relevant labor laws and regulations, provide 100% protection of employees' lawful rights, allow no discrimination in employment on the basis of gender, ethnicity, age, marital or family status, maintain reasonable compensation and employment conditions, and ensure equal opportunity in training and promotion. We prohibit hiring of underage workers below the age of 16, and oppose all forms of forced labor and circumstances that violate basic worker rights.

Furthermore, the "E.SUN Service Agreement" clearly specifies guidelines for employee behavior, including ethics and personal integrity, individual conduct and discipline, service behavior, intellectual property rights, and use of the Internet and e-mail. These guidelines are explained to each employee when they first report for work, and we hold at least two tests for legal compliance and the E.SUN Service Agreement each year.

Any relocation of personnel due to the Company's development needs (because of the establishment or moving of business locations) or need for rotation as part of an employee's career development must comply with the "Five Principles for Relocation," which is based on relevant law. Employees who must be relocated will be given 1-2 weeks to hand over their duties to their successors and prepare for work in a new environment. Notification time must comply with the following requirements if the circumstances stated in articles 11, 13, and 16 of the Labor Standards Act occur:

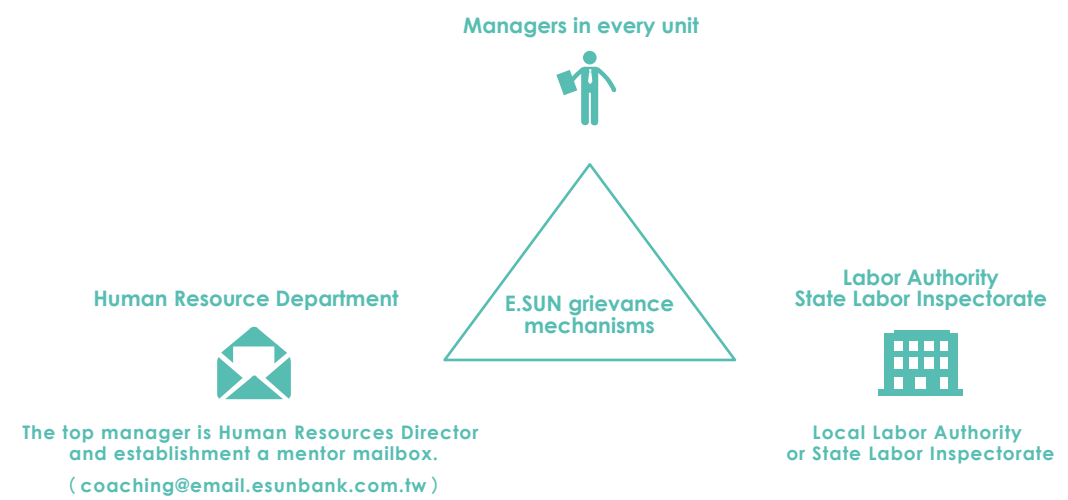
1. Persons who have worked continuously for at least 3 months, but less than 1 year, must receive at least 10 days of prior notice.
2. Persons who have worked continuously for at least 1 year, but less than 3 years, must receive at least 20 days of prior notice.
3. Persons who have worked continuously for at least 3 years must receive at least 30 days of prior notice.

E.SUN has taken active measures to maintain a healthy working environment for both genders, and has issued the "E.SUN FHC and Subsidiaries Sexual Harassment Prevention Complaint and Investigation Handling Regulations" in an effort to prevent the occurrence of sexual harassment incidents and protect the rights of victims. We also provide sound complaint channels for making sexual harassment complaints, and dedicated groups to bear responsibility for coordination and solving problems.

In addition, E.SUN also provides menstrual leave, family care leave, maternity leave, paternity leave, breastfeeding breaks, and parental leave without pay. In addition, we have established convenient, private, and safe breastfeeding rooms, and promote work-family balance.

Employee communication

In line with our long term beliefs, we have established a wide range of communication channels to carefully listen to our employees' suggestions. We believe that listening to our colleagues' voices is the essence of valuing and interacting with them. We have established multiple channels for responding problems, including oral, internet, email and reports. We rely on numerous methods to collect relevant feedback to cover employees' needs, which allows us to constantly improve shortcomings. The following methods are used to communicate with employees:



● Regular employee satisfaction surveys

We conduct annual employee satisfaction surveys in order to gauge the level of our employees' on-the-job satisfaction and gather feedback concerning E.SUN's development guidance. For instance, a survey for all employees conducted in 2015 had a questionnaire recovery rate of 94.1%. These surveys allow employees to express their opinions, and relevant suggestions may be used to guide the improvement of the Company's systems.

Economy	2011	2012	2013	2014	2015
Employee's satisfaction rate	98.0%	98.8%	98.3%	97.6%	97.7%
Questionnaire recovery rate	90.6%	95.5%	98.6%	92.9%	94.1%

● Organizational health surveys conducted by external consultants

We hire external consultants to conduct anonymous organizational surveys, which cover multiple aspects including working environment and corporate culture, leadership methods, and employee participation in business development as well as growth momentum. These surveys can reveal employees' views and needs with regard to the organization, and the consultants' analysis helps to understand comprehensive needs for improvement.

● Comment forms

Comment forms enable E.SUN to listen to employees' opinion concerning the Company's business directions, management teams and mentors' styles, and the future development of the Company or individuals. "Workplace proposals" allow employees to make improvement recommendations, and include "new recruits training program procedure improvement proposal" and "crisis management case study proposal" etc.

● eHR

In order to provide a convenient communication platform for employees, E.SUN established "eHR" in July 2015. With a succinct, convenient Web interface and browsing approach, employees can find the latest news, benefits, and employee rights on eHR platform. A bulletin lets employees' needs and opinions be responded quickly. A half-year after eHR was established, 64 messages had been left on the website, and 64 responses made, for a response rate of 100%.



Employee safety

To promote employee occupational safety and create a safe, healthy, and sound working environment, E.SUN has established a dedicated safety unit, arranged education and training, determined safety regulations, and conducted on-site exercises. According to the Bank's annual occupational injury statistical report, the total number of occupational disease, occupational disability and fatal occupational injury all are zero.

- Establishment of a dedicated unit to bear responsibility for all bank health and safety; drafting the "Employee Health and Safety Working Rules" in order to promote labor safety and health.
- Establishment of an employee health and safety committee and determination of committee rules in accordance with law. This committee chiefly consists of health- and safety-related technicians, engineers, business unit managers, healthcare personnel, and labor union representatives. The committee is composed of 7 members.
- The general manager shall assign the executive of the administrative affairs office or human resources office to serve as chairperson. Besides, shall also assigned one executive secretary to assist in handling relevant affairs. The union representatives shall be recommended by the union, and shall account for at least one third of participants. The heads of relevant divisions and departments shall use the conference to work in coordination between headquarters' and business units' views concerning health and safety issues.

The labor-management conference shall be held on a quarterly basis to discuss labor health and safety policies. Issues including female employee's health protections, in-service training for labor safety, and prevention of illegal harassment when employees are performing their duties were discussed in 2015, and the key points of the 2016 health and safety plan were proposed. These conferences have helped improve E.SUN's health and safety policy, and are creating a better and more comfortable working environment for employees.

E.SUN has established a labor-management conference and labor union, and holds regular labor-management conferences on a quarterly basis. Labor representatives must comprise at least one-third of conference participants, and are able to fully voice their colleagues' recommendations at the conferences, which are responsible for determining reasonable working hours, rest times, special holidays, and scheduled holidays. In 2015, no labor-management disputes led to the request of compensation for damages.

E.SUN provides regular training to departmental health and safety managers, first aid personnel, and fire prevention management personnel. In addition, general health and safety in-service training is provided to employees on a regular basis. Every new E.SUN employee receives three hours of health and safety training as part of their pre-service training. In 2015, 143 health and safety trainings were held, and a total of 8,342 person times of such training was finished.

E.SUN has formulated "Emergency Response and Crisis Handling Operating Guidelines" and standard operating procedures; besides, in order to prevent emergencies, E.SUN maintains a high level of safety vigilance at all times, conducts exercises and checks the effectiveness of safety measures regularly.

Each unit conducts quarterly on-site "safety and protection exercises" focusing on fire safety (fire alarms), control of explosive substances, control of burglary and robbery, control of fraud, banknote safety, vandalism of equipment, control of pick-pockets, control of fraudulent withdrawals, suspicious persons, intimidation, vandalism, control bank runs, etc.; cross-exercises may also be arranged in conjunction with police administration awareness campaigns.

Labor safety emergency response measures

E.SUN's emergency response management procedures clear-cut emergency response handling procedures, including "organization and duties of emergency response command center personnel", "accident response procedures", "emergency response notification procedures", and "on-site deployment and escape route maps". All operating units have established labor safety managers, first aid personnel, and fire prevention managers, who are responsible for maintaining health, safety, and other relevant matters in their respective units. At the same time, in order to promptly update health and safety knowledge, relevant certification personnel receive refresher training every two years to bring their health and safety knowledge up to date, and we have also established the "E.SUN Bank Labor Health and Safety Autonomous Inspection Plan," which calls for safety personnel in all units to perform daily health and safety inspection of the work environment, facilities, personnel, operating procedures, and working methods in order to realize health and safety management within each unit. In 2015, one full-time nurse was hired to serve as an employee health service nurse, and a physician engaged to perform workplace consulting and provide workplace health management services on a quarterly basis. In 2015, no employees suffered death, disability, or injury due to occupational accidents.

4.3 A happy workplace

Mentor system

Every new E.SUN employee is assigned a mentor, who provides financial knowledge to the employee, and imparts life lessons, like a brother or a sister. Understanding and caring, mentors help E.SUN employees grow in the workplace due to selfless sharing their knowledge and life experiences with the new recruits.

Diverse recreational activities



In order to foster bonding between employees, E.SUN strongly encourages beneficial leisure-time entertainment, including promoting club activities and holding cultural, recreational, sports, and travel events regularly. The Company has helped establish baseball, badminton, table tennis, dance, and bridge clubs, and assists club members to participate in competitions, at which they have displayed excellent performance. In addition, E.SUN holds mountain climbing activities and bicycle trips around Taiwan, which give employees opportunities to challenge their limits while supporting and encouraging each other and achieving the goal of happiness.

Establishment of an employee cafeteria

Apart from providing employees with a well-lit, spacious dining environment, the employee cafeteria has a menu planned by a certified nutritionist, and offers a wide range of healthy, sanitary meals. Options include buffet dishes, noodle dishes, daily specials, and fresh fruit. The three employee cafeterias served an average of 1,300 meals daily in 2015.

Leisure travel and year-end parties



The families are an important support for each E.SUN's employees. As a result, E.SUN values interaction with employees' families. Families are always invited to attend leisure travel activities, year-end banquets, family activities, Mountain clean-up activities, and balloon parade. We want family members to understand E.SUN's working environment and the Company's personnel. We provided subsidies for leisure travel and year-end parties in 2015, which were attended over 10,000 person-times.

Health talks

To boost employees' safety and well-being, and increase loyalty, E.SUN provides annual health check-ups to employees with the assistance of professional medical organizations. The Company also offers health classes on such topics as "the living environment and personal health," "long-term care insurance," and "sleep and modern people's health." These classes have heightened employees' health consciousness and promoted health management. A total of 4,249 employees attended the classes in 2015, and accumulated approximately 8,342 hours of in-class time.

Tenth anniversary commemorative coins

To increase loyalty, employees who have worked at E.SUN for ten years are publicly recognized by the management team at annual knowledge sharing conferences, where they are appreciated for their long-term efforts, professionalism, and sincere work attitude.

Overseas travel



It is said that, to attain wisdom, it is better to travel ten thousand miles than to read ten thousand books." We therefore arrange for outstanding managers and representative of mid-level officers to visit different countries and experience their cultures, and these trips are led by senior managers. The intercultural experience acquired from these trips inspires broader perspectives. A total of 323 persons (including employees and families) participate in these tourists in 2015, and visited Britain, France, Spain, New Zealand, Japan, Singapore, China, Hong Kong, etc.

Banquets of music and art

E.SUN provides long-term support to art and cultural activities, including music, the arts, movies, etc., while providing employees many opportunities to enjoy music and the arts with their families. Activities held during 2015 included the "Disney Frozen Exhibition," "Vienna Boys' Choir Concert," "Mother's Day Concert," and "Hybrid Original Tournament."



New Year's holiday accommodation

Every Chinese New Year Holiday, the Learning and Development center (L&D Center) located at Taipei provides lodging for personnel and their family that away from their working place. This benefit also lets family members understand E.SUN's work environment, and offers numerous facilities and services. E.SUN employees and their families have easily taken advantage of this lodging service since the time it was initiated, and a total of 898 employees and dependents registered to stay at the center during the most recent three years (2013-2015).

Wear Lucky Cat leisure shirts and volunteer Polo shirts on Fridays



E.SUN employees can wear leisure shirts bearing E.SUN's Lucky Cat logo every Friday. Apart from blessing customers "prosperity and good fortune," the shirt also conveys the enthusiastic and vigorous character of E.SUN. And in order to promote environmental education and expand social participation, we launched "volunteer Polo shirts," which can also be worn on Fridays. By wearing Lucky Cat leisure shirts or volunteer polo shirts, employees' convey the spirit of volunteerism and encourage customers to do likewise and make our homeland a better place.

Mother's and Father's Day cards and gifts



On the eve of Mother's Day and Father's Day each year, the chairman and E.SUN management team show their gratitude to all employees' parents. Apart from cards, they also send a Mother's Day present and monetary gift. This is yet another expression of E.SUN's corporate culture of contentment and gratitude.

Cards (person times)	Presents (person times)	Monetary gifts (NT\$)
7,213	7,538	37,920,000

〈 2015 Mother's Day gift statistics 〉

Cards (person times)	Monetary gifts (NT\$)
6,535	38,805,000

〈 2015 Father's Day gift statistics 〉

4.4 Cultivation and development

“Cultivating the most professional talents and providing customers the best possible service are E.SUN's top responsibilities.” All E.SUN employees can paint their futures with their own hands. E.SUN values the uniqueness and originality of each employee. The interaction of team members with different backgrounds provides an endless source of innovation, which helps E.SUN tap new markets and communicate with different groups of customers.

E.SUN considers employees to be its most important assets, and has consistently striven to train and cultivate its human resources. We provide a full range of training and learning opportunities to employees, and offer an excellent working environment. In 2015, E.SUN held a total of 305 internal training classes, as well as 938 professional organizational training workshops, which were attended 62,137 person times. On average, each employee participated in 7.85 training sessions.

Area \ Gender	Male	Female
Management training hours	16,247	3,172
Average training hours	57.8	44.7
Non-management training hours	158,261	170,742
Average training hours	49.4	39.2
Total training hours	348,422	
Average training hours per capita	50.0	39.3
Average training hours per capita	44.0	

* The forging statistics include employees in Taiwan and overseas.

Career development

E.SUN has established a comprehensive training system and career development roadmap in line with its organizational strategies. By three models of training, on-the-job learning, learning through training, and self-development, we ensure that employees grow together with E.SUN in a learning organization environment.



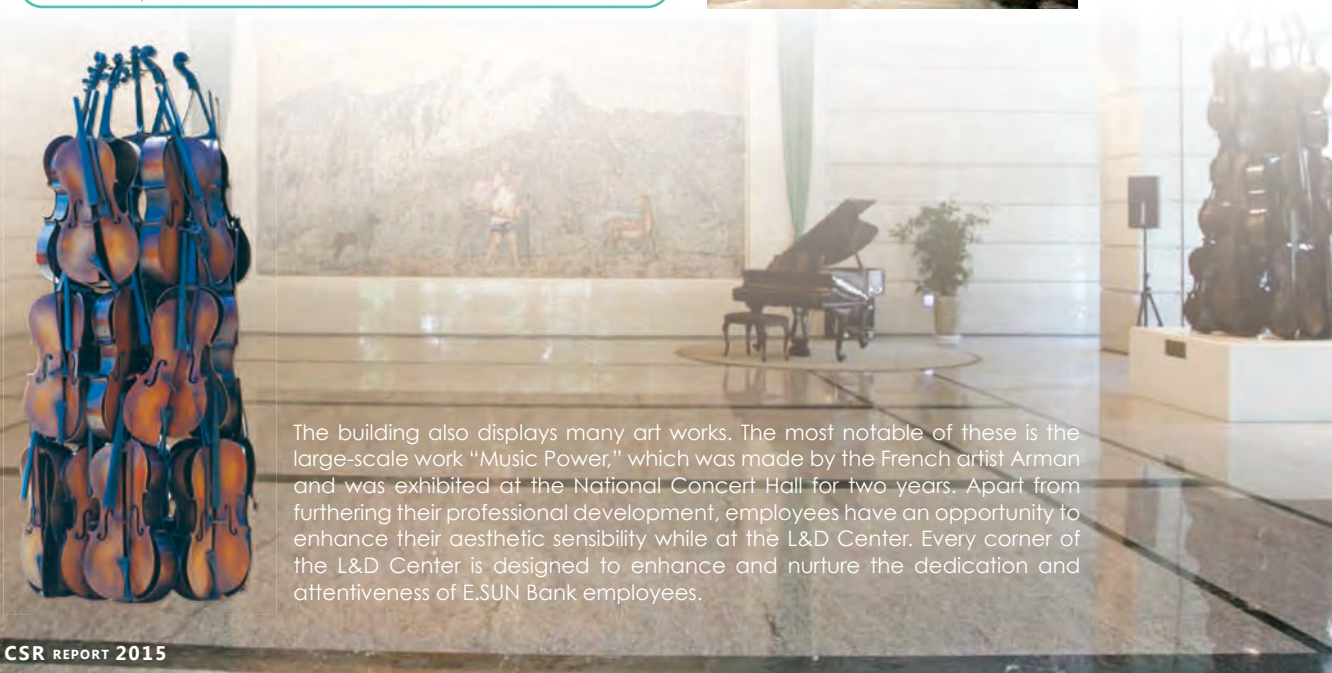
E.SUN training system includes three main categories of training for new recruits, management leadership training, and financial professional training. From new staffs to the management team, all personnel attend classes which contain the skills they need at each stage of their career. Apart from imparting professional expertise, E.SUN also strives to cultivate "π-shaped" talent by internal recruitment, rotation between different units, and training for second areas of expertise. We hope to create all-round talent through training, experiencing and tempering to ensure that our human resources supply chain is seamless and flexible.

Self-development is an important part in the career development process. E.SUN uses a 360-degree viewpoint feedback tool to help supervisors measure what capacities they need to enhance, and uses individual development plans (IDPs) in conjunction with a wide range of learning development resources to encourage supervisors to learn voluntarily. By these ways, E.SUN hope to achieve the ultimate goal of boosting supervisors' management skills against the challenges in the future.

E. Sun L&D Center

On the 10th anniversary of its establishment, E.SUN Bank decided establish the "E.SUN L&D Center" as a dedicated training site for E.SUN employees, and the new high-rise building was completed in 2004. E.SUN L&D Center is designed to accommodate both training classes and medium/large conferences. Main space includes the following seven categories.

Item	E.SUN L & D Center
Teaching space	A superbly-equipped international conference room, E.SUN LEAD program, general-purpose classrooms, and specialized classrooms.
Library	The E.SUN Library, which is designed to promote learning and interest in reading.
Computer classroom	Computer equipment and operating systems focusing on practical business needs.
Discussion rooms	13 group discussion rooms and 5 seminar rooms.
Lodging space	A comfortable, well-furnished lodging area can accommodate up to 300 persons at the same time.
Dining	Dining options include a Mediterranean-style restaurant accommodating more than 350 persons and a buffet-style cafeteria.
Leisure space	A general-purpose leisure plaza, aerobics classroom, fitness rooms, European-style garden, aerial garden, waterfall stress relief area, and courtyard garden/general leisure area.



The building also displays many art works. The most notable of these is the large-scale work "Music Power," which was made by the French artist Arman and was exhibited at the National Concert Hall for two years. Apart from furthering their professional development, employees have an opportunity to enhance their aesthetic sensibility while at the L&D Center. Every corner of the L&D Center is designed to enhance and nurture the dedication and attentiveness of E.SUN Bank employees.

E.SUN LEAD program

"Leadership and the transmission of values are the starting point of corporate sustainability; management and talent are the keys to lasting corporate success." The result of dedicated planning by E.SUN's management team, the E.SUN LEAD program leadership talent training program is intended to objectively, systematically and organized training for current and future successors.



玉山卓越學院 領導梯隊培育班
E.SUN LEAD Program

There were 3 classes be held from 2013 to 2015, each class lasted 1.5 years, and a total of 160 executives were participated, and there were 300 executives involved in the program. E.SUN LEAD programs focus on four major topics in terms of self-leadership, team leadership, business leadership, and revolution leadership. E.SUN engages prominent professors from National Taiwan University, outstanding entrepreneurs, world-class consultants, and benchmark overseas corporate to share their knowledge and use varied teaching models—including special lectures, case studies, topical discussions, practical exchanges, on-site visits, case projects, and e-learning in order to inspire new perspective among tomorrow's leaders, who will lead E.SUN not only the superior performance but the most respected corporate.

Cultivating talent with an international perspective

Overseas expansion is an important strategy for E.SUN's third decade. In this age of global competition/cooperation, E.SUN has responded to its overseas growth by continuously training management talent with an international outlook. Apart from those employees who are currently or in the near future assigned overseas, E.SUN is also focusing on managers, mid-level officers, and MAs. E.SUN provides a variety of training programs to cultivate colleagues become international professional financial specialists.



E.SUN's international financial manpower training classes provide training in such areas as the political/economic/cultural characteristics of foreign areas, business development, intercultural communication, and intercultural leadership. In terms of culture, we arrange for supervisors who have been previously assigned overseas to share their experience with other employees, aiming at allowing new overseas employee to quickly adapt to the local culture and way of life. In terms of business, we rotate personnel who will be assigned overseas through various business units in a modular learning framework. By gaining a preliminary understanding of cross-border business practices, these employees can get up to speed quicker after assuming their overseas posts. Furthermore, we also recruit outstanding local manpower overseas in order to strengthen our international financial human resources reserves.

With regard to continuing education overseas, employee selected by different business unit executives to participate in continuing education, fact-finding trips, and seminars. Employees were arranged to Oxford, the University of Pennsylvania, schools in Singapore, China Europe International Business School and Hong Kong, China and Seattle, aiming at enhancing their professional, management and leadership skills.

In addition, E.SUN held joint international master forums with Commonwealth Magazine in 2012, 2013, 2014, and 2015; the 2012 forum featured business strategy master Gary Hamel, the 2013 event featured innovation guru Clayton Christensen, the 2014 forum featured contemporary marketing expert Philip Kotler, and the 2015 forum featured fast economic guru Rita McGrath. Apart from holding these major forums, E.SUN also invited the foregoing masters to give talks at E.SUN, and engage in discussion with E.SUN's managers and mid-level officers.

Innovation competitions

E.SUN has held innovation competitions for three consecutive years (2013-2015). These events attracted employees and managers of all business units, and innovative proposals covers products, processes, marketing, customer management, and business model. The participants received training at innovation workshops, and underwent the competition stages of preliminary review, review, and final judgment. The judges and participating personnel have asked many insightful questions, and members of the management team have highly participated. The competitions not only increased the innovation at E.SUN, but also planted the seeds of creativity.

In 2015, there were 29 teams and a total of 211 members, which included 173 team members and 38 consultants, participated in competition. A total of 77 proposals have been made over the course of three years, and 15 of these are running now, especially 9 proposals have been successfully launched.

Year	Number			
	Teams	Members	Consultants	Total
2015	29	173	38	211
2014	25	200	25	225
2013	23	181	23	204



e-learning

E.SUN has established an "Anywhere/Anytime" training environment based on its "e-learning+" system. The convenient learning platform covers a wide range of classes such as financial knowledge, service etiquette, professional functions, and the arts & humanities. Apart from increasing their professional knowledge, these classes also allow colleagues to improve their knowledge of the liberal arts. In 2015, leadership and management classes were added to the e-learning platform, which helped supervisors to enhance the skills of management.



Knowledge sharing seminars

Our annual knowledge sharing seminars is an important activity for the management team and all E.SUN employees to reach a consensus concerning strategic goals and business directions for the coming year. These events guided executive managers, employees, and even new recruits to the consistent goals and outlook, and thus all staffs will clearly know the roles they will play in E.SUN's development strategic, and gain team spirit to against future challenges.

Assisting employees with continuing education and examinations

In order to encourage employees to enhance their professional financial skills and obtain professional licenses, to overcome future challenges, E.SUN has drafted a "Special Professional License Incentive Subsidy Program." This incentive program provides subsidies to E.SUN employees covering the cost of various professional examinations, including the bar, CPA, CFA, CFP, FRM, and PMP examinations. As of the end of 2015, a total of \$4,200,000 in subsidies had been provided.

Accumulating transient competitive advantages is the key to success in this fast-paced age. E.SUN's MA training relies on rotating among business units to ensure that MAs quickly accumulate knowledge in various areas, and gain a broad perspective of banking. With regard to strategy, MAs have many opportunities to participate in management meetings and major projects, giving them chances to absorb the thinking and decision-making skills from senior managers, and learn to timely express their insight precisely. The knowledge and sense of fulfillment gained from E.SUN's training process exceeds any MBA program! Our intern system allows MAs to experience work in different departments before selecting an appropriate business unit, and create financial blueprints for their own career.



Tsai Yao-yu
institutional finance business office /
MBA, University of Illinois

Create your bright career at E. SUN !

I am very happy to have the opportunity to participate in E.SUN's Tip training program in 2014. This program gave me an in-depth experience of E.SUN's culture of emphasizing on teamwork and innovative, and that was the main reason I decided to pursue my career at E.SUN. The Company has devoted extensive resources to the MA program, which enabled me to enjoy all round learning within a relatively short period of time. Beyond gradually accumulating professional expertise in different areas of business, this also enhanced my interdepartmental cooperation skills. And apart from the very productive MA training, there were many opportunities to participate in various activities. In particular, I was very honored to participate in the 100th E.SUN Golden Seed Project library inauguration ceremony, which made me appreciate E.SUN's dedication to Taiwan and its commitment to making Taiwan even better. I felt proud to be a part of E.SUN!



Cheng Wen-ling
institutional finance business office/
Graduate Institute of Business Administration,
National Taiwan University

(Words from the MAs)

4.5 Welfare and Security

Salary scheme

A comprehensive salary system is an important means of attracting, motivating, and retaining talent. E.SUN's salary framework is designed to maintain the principles of internal balance and external fairness.

With regard to internal balance, apart from basing fixed salary on grade, employees can also receive considerate subsidies reflecting their factors such as their actual duties and commodity prices in the area where they are located. Fixed salaries may be adjusted on an annual basis in accordance with performance and promotions; approximately 4-6% of employees received salary adjustments in 2015. In addition, variable pay may be adjusted depending on the Company's overall performance during the year. Furthermore, adjustments to variable pay also follow the rule of "make outstanding employees even more better". Apart from the Company's overall performance and team performance, variable pay may also be adjusted on the basis of individual performance, including tangible and intangible assessment, and male and female employees receive equal salaries. In addition, employees demonstrate outstanding performance will receive an incentive in the form of even more pay. Compensation is set on the basis of objective criteria such as employees' education/work experience, position, and work duties.

With regard to external fairness, we began incorporating data from market compensation surveys in our salary considerations starting in 2013, and we have worked with consultants to optimize the competitiveness of our salaries. In 2015, the average salary of all employees (fixed salary plus variable pay) complied with industry standards. In addition, there were 7,563 non-managerial employees in 2015, and the average welfare spending is 990,000 TWD, which represents an increase of 36,408 TWD than 2014. And the total welfare spending increased 10.6% than 2014.

Salary scheme

Building a happy second home



Employee welfare: Various subsidies and types of insurance
Preferential savings deposits for employees
Employee savings trust
Subsidized mortgage and consumer loans

Concern for the family



E.SUN's family concern and Outstanding Child Award
Family care leave and paternity leave better than required by law
Infant care measures and care for mothers in the workplace

Health promotion



Regular health check-ups and tracking, Health Seminars and Publications Advocacy
Work environment safeguard certification
Employee consulting and concern measures
Workplace health and exercise

Care for employee

Subsidies

E.SUN cares about its employees. In accordance with the "Employee Welfare Fund Act," we have established an employee welfare committee, and we provide various employee benefits in line with our belief in "work-family balance," including marriage, birth, hospitalization, education, health check-up, funeral, and disability benefits, other subsidies (for Mother's Day, Father's Day, and the Chinese New Year's holiday), employee travel, climbing Mt. Yushan, and club activities. During 2015, a total of 285 E.SUN employees got married and 322 babies were born to E.SUN employees; these milestones are messages of hope for society.

Item	Total amount of 2015
Marriage subsidies	2,501,000
Birth subsidies	966,000
Child education subsidies	3,722,000
Spouse or child medical subsidies	19,266,789
Employee family member leisure travel subsidies	3,701,730
Employee family member year-end party subsidies	13,685,686



Employees Insurance

In order to secure employees, we purchase various types of insurance for our employees. Apart from the labor insurance and national health insurance required by law, we also provide employees group insurance, comprehensive business insurance, and other necessary insurance. Employee group insurance includes regular life insurance, accident insurance, medical insurance, and business travel insurance. All insurance premiums are paid by the Company.

Preferential employee deposits and employee savings trust

We provide employee a preferential interest rate on deposits and the rate is decided by the board rate plus a certain increment. Furthermore, in order to encourage employees to prepare for a secure retirement, we have established an employee saving trust. Trust members can make monthly deposits based on their personal financial plans, and the Company trust makes contributions as a form of subsidy every six months, helping employees to fulfill their retirement plans the Company and ensuring a comfortable life in their retirement. All employees who have passed their probationary period may apply to join the trust. In 2015, the Company contributed a total of NT\$50,231,000 in subsidies to the trust.



● Subsidized mortgage and consumer loans

To help employees become homeowners and enjoy happy family lives, all employees, even those who are still in their probation periods, may apply for mortgage and unsecured consumer loans with preferential interest rates. And in order to take care of employees and their families, employees' parents who wish to build, purchase, or renovate homes may also receive employee family member loans.

Care about Family

● E.SUN's Family Concern and Outstanding Child Award

E.SUN FHC Founder and Chairman Yung Ren Huang contributed 3 million shares of E.SUN FHC's stock to establish the E.SUN Family Concern and Outstanding Child Award. This award provides short-term economic support to meet the needs of any E.SUN employees who suffer from sickness or injury, family tragedies, or natural disasters, and also offers grants to elementary, junior high school, high school, university, and graduate students who display exceptional scholastic performance or participate and win awards in major domestic or foreign competitions. All employees can submit applications for this award. In 2015, there are 84 cases of Outstanding Child Award and 14 cases of Family Concern.

● Childcare facilities and measures

E.SUN has engaged in authorized chain daycares to provide childcare service to employees at a discount, which complies with the requirements of the Gender Equality in Employment Act.

● Family care leave and paternity leave

We offer flexible family care mechanisms, and provide family care leave and paternity leave that are more generous than required by law. Both male and female employees can take up to seven days of family care leave each year, and this time does not count as regular leave of absence. Any employees who require this leave may submit an application. As for paternity leave, male employees may apply to take leave within 30 days before or after their spouses give birth, and this broader period of applicability ensures that male personnel will have sufficient time to spend with their family members.



Care for pregnant employee

● Care about working environment

We have invited a designer to produce custom-made clothing for pregnant women, which ensures that pregnant employee will have comfortable outfits at work. We have also produced the "E.SUN Smooth Pregnancy-New Mother's Caring Handbook," which contains health care information concerning all stages of pregnancy. This handbook explains the different stages of pregnancy and fetal growth, possible discomfort during pregnancy, key nutrients needed by pregnant women, and how to apply for labor insurance, health insurance, and group insurance after the child is born. The handbook expresses the hopes of E.SUN and pregnant women for the next generation.



● Nursing room

E.SUN has established many convenient and safe breastfeeding rooms. In 2014 and 2015, we passed the superior certification of nursing room by the Bureau of Health, Taipei City Government. The rooms are equipped with refrigerators, TVs, sofa, bottle sterilizer pots and detergent and so on. The average usage per month in 2015 is 297.



Health promotion

● Regular health check-ups and tracking

We have established a dedicated team for employee health management-related matters. We conduct employee health check-ups on an annual basis in conjunction with superior hospitals and clinics, and the check-up items and frequency are better than required by law. Following recommendations from physicians at National Taiwan University, we have added abdominal ultrasound and hepatitis B screening to our checkups, and we conduct cancer screening in accordance with the Ministry of Health and Welfare's four-cancer screening policy. This program make colleagues find out quickly about any potential health problems. In addition, the Department of Environmental and Occupational Medicine at National Taiwan University helps analyze employees' health check-up reports, selects employee health problems that most need improvement from the data in group abnormal reports, and establish activity plans and health education content. Furthermore, any abnormalities in employees' health check-up items are subjected to individual management, the employees are reminded to receive regular follow-ups, and we help with work e-assessment and new arrangements.

● Health seminars

We regularly arrange for doctors from National Taiwan University Hospital to give health seminars at the Company. These seminars have provide employees with new medical knowledge concerning such topics as stress relief, liver health, and prevention of high blood pressure, high blood lipid, and high blood sugar. We also arrange for professional nutritionists to share correct dietary concepts and help colleagues improve their dietary and living habits

● Employment security in workplace certification

In 2015, in order to provide and reliable place for mothers to nurse their babies and enhance the hardware and software of the nursing room security, we passed the superior certification of nursing room by the Bureau of Health, Taipei City Government. In addition, we have responded to cases of cardiac arrest among employees caused by arrhythmia by taking steps to reduce lifesaving time, which has reduced death rate before such individuals arrive at a hospital. E.SUN passed the Ministry of Health and Welfare's Healthy Workplace certification in 2015, reflecting its efforts to create a workplace in which employees can feel safe and secure.



● Employee health consulting and concern measures

Working with the Department of Environmental and Occupational Medicine at National Taiwan University, we have specialist physicians to provide monthly on-site health consulting concerning physiological and psychological issues. We have also increased awareness among employees that they can make reservations to consult with these doctors. We want our employees to take any physiological and psychological problems seriously, and take advantage of these consulting opportunities with a positive attitude. In 2015, the total fee of the health consulting is NT\$ 162,000.

● Issuing publications to publicize health and disease prevention knowledge

Our quarterly public Sunrise and bimonthly Smile E.Sun contain health columns, and we invite authoritative doctors affiliated with famous hospitals and clinics to share information concerning major diseases and preventive healthcare knowledge. We have further established a "notifiable communicable disease announcement and reporting system" to provide real-time information about communicable diseases, allowing employees to take preventive measures and perform notification.

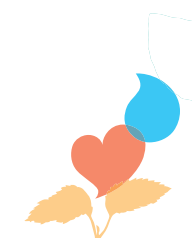


● Posting of calorie counts in employee cafeterias

E.Sun started providing staffs cafeteria from 2005. Professional nutritionists plan the menus in our three employee cafeterias, and we post calorie counts along with daily menus in order to help employees manage their nutrition and calorie intake. We hope to provide employees varied, healthy dining options, including buffet items, noodle dishes, daily specials, and fresh fruit. Starting in September 2010, we have implemented meatless Monday "vegetarian days" in order to promote health and respond to environmental energy conservation and carbon reduction needs. We provided approximately 1,300 meals daily at our three employee cafeterias in 2015.

● Participating in healthy workplace self-certification; establishing a healthy workplace

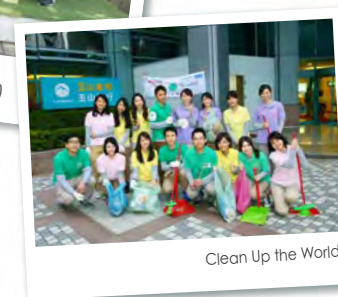
In order to promote the concept of exercise, We play music at a certain time to remind colleagues to stretch out and do morning calisthenics. Furthermore, we also provide various fitness facilities, including treadmills, exercise bikes, and weight training equipment at three fitness centers located at our headquarters building and the L&D Center. We hire external experts to provide instruction to our ping-pong club, badminton club, yoga club, aerobics and MV dance club from Monday to Friday, and regularly hold bank-wide sports competitions. We make sure that E.Sun employees have plenty of spaces for after-work exercise and recreation, and we want everyone at E.Sun to put their vitality into action in a healthy, happy working environment. We held three fitness classes (including 36 sessions) in 2014; and 900 employees participated. In 2015, the total amount of subsidy for clubs is NT\$206,917, for mountain climbing is NT\$554,550, for a bike trip around Taiwan is NT\$2,846,700. All staffs show their vitality by a wide range of activities.



2015 Corporate Social Responsibility Report



Animal Nanny Storytime
- Animals eating (black bear)



Clean Up the World



5. Environment care



Environmental/energy management policy

- Striving to promote energy conservation and carbon reduction, boost energy management effectiveness, and reduce environmental/energy impact.
- Implementing green purchasing, achieving effective supply chain management.
- Ensuring that corporate operation and all activities comply with laws and regulations, and making environmental sustainability the foremost consideration.

5.1 Energy and greenhouse gas management

E.SUN FHC believes that the purpose of a company's existence is to increase human welfare, beyond focusing on its corporate business; it is also actively involved in environmental protection, energy conservation & carbon reduction, and environmental education. We believe that only by fully discharging our social responsibilities can we attain sustainable management and a lasting enterprise.

Since we issued and began implementing the E.SUN Green Policy, we have dedicated ourselves to environmental protection, and our efforts have included implementation of an environmentally-friendly energy conservation policy, promotion of environmental education, establishment of an energy-conserving culture, and realization of energy conservation measures. The handling and disposal of all office equipment, computer equipment, paper, water, and power used in E.SUN's everyday operations, as well as sewage, waste, and general refuse, complies with laws and regulations. We have also drafted an environmental/energy management policy" taking "green finance, cherishing the Earth, and environmental sustainability" as its main theme, and have voluntarily adopted various international management systems in an effort to actively promote our environmental action plans.

In 2015, we passed 6 types of external environmental protection certification and participated in the Carbon Disclosure Project. We are using our corporate strength to call on employees, customers, business partners, and the public to collectively become first-class citizens of the world.



Taking the lead in the financial industry, we have formally incorporated "carbon neutrality" in our energy conservation and carbon reduction goals, and held the activity "E.SUN Cycling Across Taiwan: paying love forward" as a demonstration activity. We hope to achieve 100% carbon neutrality through setting targets for the lowest possible carbon emissions, conducting carbon footprint inventories, and purchasing carbon offsets, and thereby reach the goal of zero carbon emissions. The international certification organization SGS has performed impartial third party verification of our carbon reduction efforts, and granted us certificates for dual international standards, and we have become Taiwan's first bank to implement a "carbon neutral activity."



Targeting the use of our "e-Click Online Credit Card Application" service to apply for credit cards, we have adopted ISO 14067 service carbon footprint verification, and ISO 14067 verification analysis has indicated that the use of E.SUN "e-Click Online Credit Card Application" can sharply reduce carbon emissions by more than half compared with in-bank application, which shows that this service is effective at conserving energy.



ISO 20121 is an activity sustainable development and management system standard, and provides a standard framework applicable to all organizations for the planning and implementation of organizational activities. The most notable application of ISO 20121 was in the London Olympics. Setting a precedent for the financial industry, E.SUN has adopted this standard for its Cycling around Taiwan activity, and uses the PDCA (Plan, Do, Check, and Act) framework to analyze the effects of the potential social, economic, and environmental impacts of activity items. E.SUN plans to extend the scope of this standard to its overall supply chain, the community, and participating stakeholders, which will enable it to thoroughly discharge its corporate social responsibilities, reduce its environmental footprint and resource use, and cut costs.



We have conducted ISO 14064-1 greenhouse gas inventories at the E.SUN Financial Building and all branches in Taiwan for three consecutive years. Our inventory for 2015 indicated that total greenhouse gas emissions from gas, natural gas, gasoline/diesel, fire extinguishers, gas-insulated circuit breakers, and NF3, refrigerants, and electric power usage during operating activities was equivalent to 12,681.746 tons of carbon dioxide. Our greenhouse gas inventories are helping us monitor and control our carbon emissions, and have enabled us to draft a greenhouse gas reduction action plan that will let us do our part in reducing global warming and its environmental impact.



Since introduction of ISO 14001 environmental management system in 2013, we have drafted energy conservation targets, performed regular inventory, reviewed and shared ideas concerning reduction of greenhouse gas emissions, water conservation, and reduction of power and company vehicle fuel use as part of our campaign to realize our environmental protection and energy conservation policies.



We adopted the ISO 50001 energy management system in 2014, and employ energy reviews to analyze key factors affecting our energy use, have established energy baselines and energy management performance indicators, energy targets, energy management action plans, and energy management procedural documents, and seek to achieve continuing improvement of energy performance, reduce energy expenses, effectively reduce carbon emissions, and realize effective power conservation. ISO 50001 also provides a basis for the selection of energy conservation equipment. We are further responding to the Bureau of Energy's "Voluntary Energy Conservation Promotion Plan" by drafting an energy conservation plan of reducing energy consumption by 5% within three years; this plan was successfully completed in 2015, and its significant energy conservation led to our winning the MOEA's 2015 "Corporate Energy Efficiency Award."

International Carbon Disclosure Project

In response to increasingly severe climate change and global warming, E.SUN is taking concrete actions to manage its carbon dioxide emissions. Starting in 2013, we have actively participated in the "Carbon Disclosure Project" (CDP), which was founded by mainstream international investment institutions, and become a CDP signatory. The CDP calls for the public disclosure of greenhouse gas emissions and relevant carbon management information. In 2015, E.SUN FHC's CDP disclosure was assessed as 94C, and we will continue to strive for environmental sustainability.



E.SUN's Financial Building, Dengfeng Building, and all business sites are all located in cities, towns, and townships, and are not in any protected zones, habitats, or mountain slopes. All future bank buildings will be constructed in accordance with this principle, and we will continue to use green building materials and develop green buildings.

As a member of the financial service industry, our main source of greenhouse gas emissions is from us of electricity. In order to promote a low-carbon emission environment, we employ carbon fees, water fees, and electric power fees in an internal pricing system that provides performance indicators for all business departments. All units must submit "monthly energy conservation/carbon reduction reports," which include water fees, electric power fees, and telecommunications charges. These fees can be compared with the fees for the same period of the previous year. All units have adopted energy conservation/carbon reduction measures, and must explain the reason if their power consumption during any one month exceeds that of the previous month or the same period of the previous year by more than 15%. Furthermore, environmental sustainability activities and implementation results are included in the performance assessment of all personnel with relevant environmental management duties. We hope that every E.SUN employee will cherish the Earth, take environmental sustainability as his or her mission, and work together to make Taiwan even better.

Energy saving measures



Saving Lighting energy



- E.SUN adopts high-power lamps and power-saving lamp tubes and use energy-efficient T5 lamps instead of existing power-saving lamps to control power usage.
- Lighting of parking facilities, emergency, floor instruction, and exit instruction are provided by LED bulbs.
- Light in lobbies and offices must be turned off when staffs are not in the office.
- Lamps used for display, including painting illumination lights, except when external guests are present and it is wished to display the picture, shall be kept turned off. In non-office areas, except for lights needed for the sake of safety, other lights should be kept off during working hours, and all lights should be turned off after working hours.
- E.SUN carries out energy conservation management by turning off not only lights from lobbies for 1 hour at noon, but also computers that is not used.
- Turn off sign lamps for 2 hours to reduce illumination.
- Smart switch for lighting in elevators.

Saving aircon energy



- We have configured the air conditioner and to raise the temperature by 1 degree Celsius.
- We have adjusted aircon settings in accordance with our energy saving policy. To reduce power consumption, air-conditioners are set to provide ventilation only before 8 AM and after 6:30 PM.
- Use ceiling fans to increase air convection and cooling efficiency.
- The ambient temperature in office should be set between 26°C and 28°C.
- Blinds are installed on windows to prevent direct exposure from sunshine and reduce use of air conditioning.
- Temperature monitoring system are installed to improve efficiency.

Saving elevator energy



- In order to conserve energy and reduce carbon emissions, employees working below the third floor should be encouraged to use the stairs.
- The number of in-service elevators should be controlled depending on whether it is currently working hours.
- Company headquarters employs microcomputer-controlled power-saving intelligent elevators to achieve energy conservation and carbon reduction.

Water resource management



- Bathrooms in the E.SUN's headquarters are fully equipped with water-saving toilets which complied with the EPA's mark, and water-saving devices are used extensively on faucets to reduce water flow.
- Performed periodic inspection on water tower, tank, pipe, and junctions to examine leakage.
- Recycled rainwater for garden usage and watering flower.
- Tracked and managed data of water user in E.SUN Financial Building and branches. The results are published regularly to allow every business unit to understand and improve water efficiency.
- Water tanks are washed twice annually, and water quality tests are performed at the same time to check whether the pH value and chlorine content comply with national standards.
- All 31 floor-mounted and tabletop drinking water machines on various floors of E.SUN's headquarters are monitored monthly. In order to maintain water quality and safety, the certificated institution conduct regular monitor and sampling every three months and replace filters every six months
- E.SUN's water resource comes from the Taiwan Water Corporation, which does not use any groundwater or other sources. All buildings' water only used by employees and some customers, and there is no significant impact on water sources. All wastewater is discharged into rivers and the sea via sewer lines
- Published the water saving statements. The statement includes: 1. Water saving policy and green procurement, 2. Enforcement of environmentally responsible lending and support the water industry, and 3. to encourage more employees to contribute to sustainability.

Vehicle fuel savings



- In conjunction with energy conservation awareness, personnel are asked to use public transportation or carpool when taking business trips.
- Company vehicle use is controlled, and trips are pooled as much as possible in order to reduce vehicle use.
- Daily gasoline and diesel use is managed in order to boost the effectiveness of energy conservation efforts.

Energy saving measures

Item	Location	2015	2014	Change
Power	Bank-wide operating units	15,757,992 kWh total power use	16,317,279 kWh total power use	-3.4%
		8,320 Carbon emissions (equivalent tons of carbon dioxide)	8,501 Carbon emissions (equivalent tons of carbon dioxide)	-2.1%
	E.SUN Financial Building	3,697,400 kWh total power use	3,622,800 kWh total power use	2.1%
		1,952 Carbon emissions (equivalent tons of carbon dioxide)	1,887 Carbon emissions (equivalent tons of carbon dioxide)	3.4%
Water	Bank-wide operating units	66,807 Water usage in m3	81,001 Water usage in m3	-17.5%
	E.SUN Financial Building	21,536 Water consumption in m3	19,879 Water consumption in m3	8.3%

〈 Consumption of water in recent two years 〉

* bases on electricity emission parameter, 2015 by MOEA, Bureau of Energy, 0.528kg CO₂ ton/ kWh.

* bases on electricity emission parameter, 2014 by MOEA, Bureau of Energy, 0.521kg CO₂ ton/ kWh.

* headcount increase by 6% in 2015.

	95 unleaded gasoline		Diesel	
Year	Fuel consumption (liters)	CO2 emissions (kg)	Fuel consumption (liters)	CO2 emissions (kg)
2015	1,384.09	3.1436	295.54	0.7726
2014	2,133.41	4.8455	235.46	0.6155

〈 Headquarters building fuel consumption for the most recent two years and direct greenhouse gas emissions 〉

* emission calculation based on GHG calculator by EPA.

<http://ghgregistry.epa.gov.tw/ghghostnew/index1.asp>

Year	General waste	Recyclables		
		Paper	Plastic	Metal (iron/aluminum cans)
2015	118,400	2,500	168	30
2014	111,950	2,500	173.5	46

〈 Headquarters building waste recycling data for the most recent two years 〉

(kg)

Types		Vertical or horizontal marquees		ATM signs	
Season		Summer April - September	Winter October - March	Summer April - September	Winter October - March
Illumination times	General areas	Daily 19:00~22:00	Daily 18:00~22:00	Daily 19:00~05:00	Daily 18:00~06:00
	Special areas (industrial, offices, suburban, and residential)	Daily 19:00~20:00	Daily 18:00~20:00	Daily 19:00~05:00	Daily 18:00~06:00

〈 Vertical and horizontal marquees and ATM sign illumination times 〉

Energy conservation through e-services: Specific measures for reducing paper use and energy consumption

• Promotion of e-services

1. The use of digital and mobile operating procedures has encouraged customers to use telephone banking, WebATM, online banking, and electronic order placement, etc., and we are saving paper and postage through the use of e-mail billing and digital reconciliation statements.
2. The use of automatic deduction agreements for various bills has enabled customers to reduce their visits to bank branches, which has lessened their transportation costs and reduced their carbon footprint.
3. Approximately 37,000 people have signed up to receive electronic credit card bill, which has reduced paper consumption by approximately 17.76 million sheets and lessened greenhouse gas emissions by the equivalent of 319.68 tons of carbon dioxide.

* emission of paper consumption based on the formula announced by EPA.
http://ecolife.epa.gov.tw/Cooler/project/Learning_Platform/AdvocacyList.aspx

4. We invited customers to help conserve paper by not using print-out statements:

All ATM machines nationwide are promoting our environmental protection/energy conservation policy by inviting customers forgo using print-not statements. This has made our 622 ATMs nationwide an environmental protection promotion channel encouraging employees and customers to get in the habit of conserving energy.

5. Videoconferencing/telephone conferences:

The establishment of videoconferencing equipment has enabled the use of one-to-one, one-to-many, and many-to-many videoconferencing systems. This has boosted working and communication efficiency, reduced unnecessary transportation and time costs, and lessened greenhouse gas emissions due to in-person transportation. A total of 2,837 videoconferences were held in 2015. For example, in the case of banking affairs conferences, which were held using a videoconferencing mechanism, approximately 66,165 kilometers of vehicle travel would be necessary if the conferences had been held in person; reducing this amount of travel therefore saved the equivalent of 13.2 tons of carbon dioxide for the year. We also continue to promote telephone conferences, which can enable personnel in different countries to hold meetings that reduce considerable energy consumption and carbon emissions by replacing business trips.

* The equivalent carbon emissions of transportation is calculated by the formula announced by the EPA.

• e-Learning

We held 1,108 online courses in 2015, which were attended approximately 278,514 person times. These classes saved approximately 557,000 sheets of paper, and reduce emissions by the equivalent of 10 tons of carbon dioxide.

* emission of paper consumption based on the formula announced by EPA.
http://ecolife.epa.gov.tw/Cooler/project/Learning_Platform/AdvocacyList.aspx



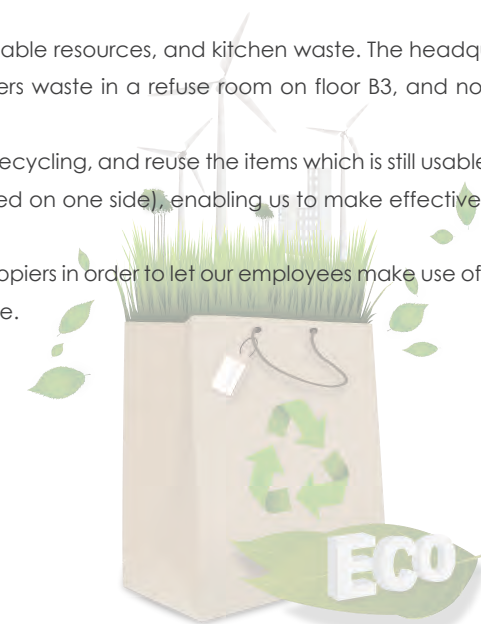
• Implementing a paperless service campaign

We are striving to use paperless documents, including electronic payslips and instructional materials, and encourage employees to use both sides of paper. We also make effective use of printer functions to print on both sides, or combine several pages on a paper, reducing our consumption of paper and printer ink. For example, our electronic document system was able to save the equivalent of 1.2 tons of carbon dioxide in 2015.

* emission of paper consumption based on the formula announced by EPA.
http://ecolife.epa.gov.tw/Cooler/project/Learning_Platform/AdvocacyList.aspx

Resource classification and recycling management measures

- Office trash is classified as ordinary trash, recyclable resources, and kitchen waste. The headquarters building's waste management company gathers waste in a refuse room on floor B3, and notifies a recycling company to perform removal.
- We have implemented trash classification and recycling, and reuse the items which is still usable (such as shopping bags and paper that has been used on one side), enabling us to make effective use of resources.
- We have set up paper recycling areas next to copiers in order to let our employees make use of paper that is still blank on one side, reducing paper use.



- We employ multiple-use envelopes within the company, which reduces waste by reusing envelopes that have already been mailed or used once.
- Establishment of battery recycling barrels: We are continuing to place battery recycling barrels in the lobbies of our business locations, and the batteries we collect are regularly removed and processed by EPA-approved recyclers. We also promote the use of environmentally-friendly rechargeable batteries.
- We classify and recycle waste office equipment, including information appliance, lamp tubes, and printer cartridges, etc.
- Ordinary trash is taken to a waste incinerator by an approved waste clearance and disposal company. Apart from performing trash classification, in order to minimize the production of trash, we encourage employees and customers to use environmentally-friendly cups, chopsticks, and bags.

5.2 The Equator Principles

E.SUN Commercial Bank's lending policies explicitly state that involvement in green energy, including alternative energy, water resource, and pollution control enterprises, and the fulfillment of corporate social responsibilities shall be considered in investment decisions. As of the end of 2015, loans had been made to 230 companies in green energy-related areas. Approximately 39% of E.SUN Commercial Bank's investment portfolio of corporate debt and financial debt involved companies on the Dow Jones Sustainability Index (DJSI) or GS Sustain Focus List.



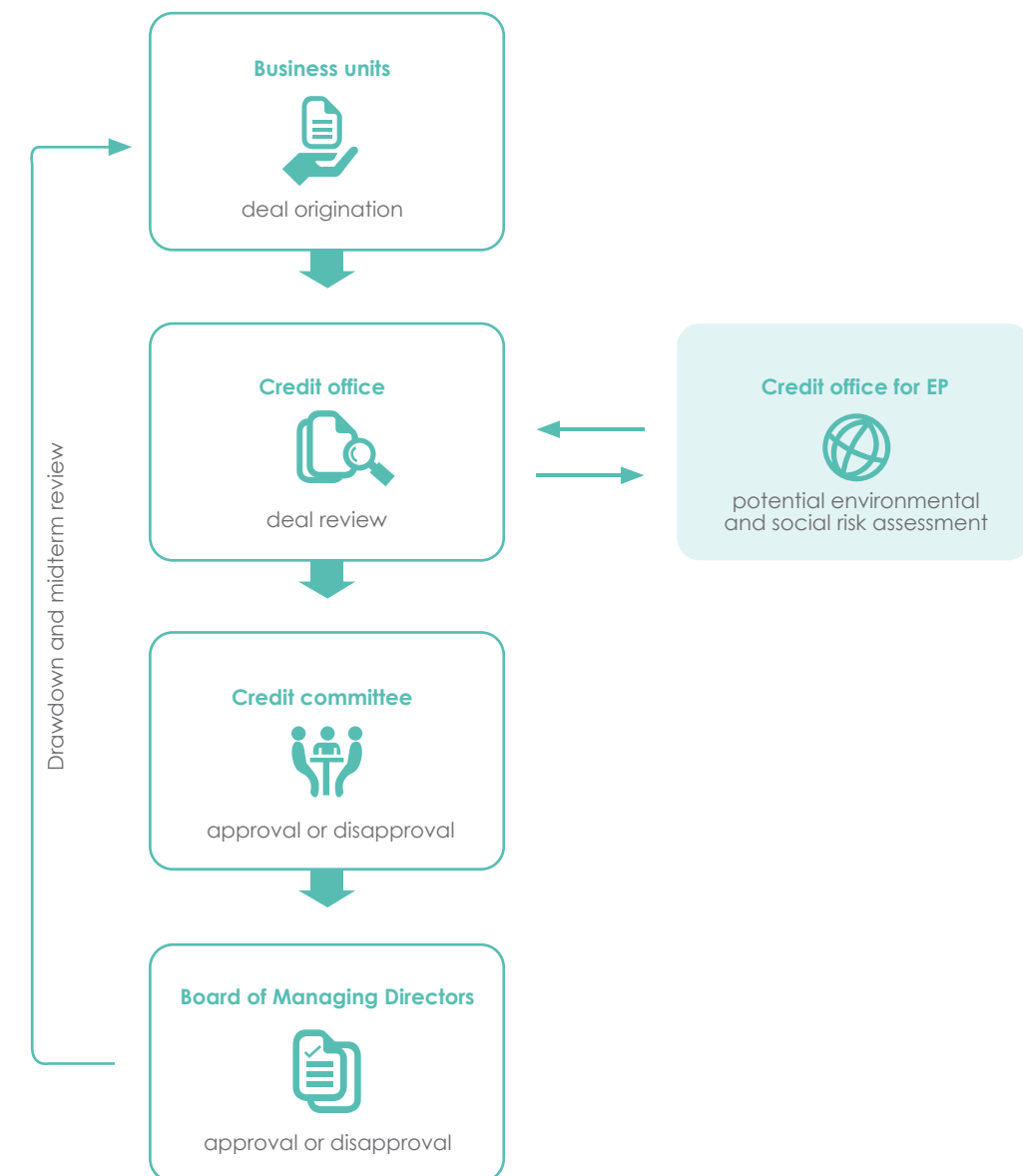
The 2015 Paris Climate Conference discussed global environmental changes, and reached a historic emissions reduction agreement. In compliance with international trends and to create a better living environment, we incorporated the "Equator Principles" in E.SUN Commercial Bank's lending policy in 2014. In 2015, E.SUN Bank formally signed the Equator Principles, which seek to ensure that the loan of funds will not entail major potential risk or negative impact at the social or environmental level. While promoting economic development, we hope that the financial industry will use its expertise and influence to induce borrowers to protect the environment and fulfill their social responsibilities.

The Equator Principles consist of a set of voluntary guidelines. Starting in 2003, these principles have been used by financial institutions to assess major financing cases and determine social and environmental risk. After obtaining feedback from numerous banks, the 3rd edition of the Equator Principles was issued in 2013. The Equator Principles serve as a global framework for the assessment of the social and environmental effects of financing cases, and are currently employed by 83 financial institutions worldwide.

Use of the Equator Principles is an important means of connecting E.SUN's professional banking expertise with its CSR fulfillment. As a result of the Equator Principles, E.SUN Commercial Bank is applying intensified due diligence in its assessment of financing cases that may have significant environmental or social impacts, uses a grading approach to manage project risk, and assists customers in drafting environmental impact monitoring and improvement projects.

E.SUN Commercial Bank currently implements painstaking loan review procedures that reflect the Equator Principles framework. It has adjusted its existing procedures, eased adoption break-in, and established a dedicated Equator Principles team to bear responsibility for review and control of the social and environmental risk of lending cases. This team is also responsible for internal communication within the Bank and externally. Apart from ensuring that all relevant personnel understand the Equator Principles framework and their utilization, this campaign has also helped customers to assess and manage the environmental and social risks of their financing in accordance with Equator Principles and other relevant guidelines.

Review Process of Environmental and Social Risk



Signing the Equator Principles has been both an honor and a responsibility. E.SUN Commercial Bank will pay even greater attention to the control environmental and social risk in the future, respond more fully to the public's concern for the credit assets in financing projects, and rely on its risk control expertise and influence on the allocation of resources, plus application of the Equator Principles, to pursue sustainable development in cooperation with customers.



5.3 Taiwan Formosan Bear conservation

The Formosan black bear is Taiwan's sole native bear species. The survival of the black bear not only implies the preservation of this species in Taiwan, but also implies protecting the integrity of Taiwan's forest ecosystems and overall biodiversity. For four years, E.SUN FHC has been working with Taiwan black bear conservation and restoration units, including the Taiwan Endemic Species Research Institute, COA, Yushan National Park Administration, Taipei Zoo, and the Taiwan Black Bear Conservation Association, in a government/industry/academic campaign to promote a series of black bear conservation activities. Responding to the need for conservation and protection of biodiversity in Taiwan, as well as to encourage people to cherish the Earth, we seek to use our corporate advantages to induce public concern for conservation issues, and take tangible actions to support black bear conservation. We want to get people to appreciate and understand this beautiful island, so that they will do their part to protect Taiwan's natural ecology.



Issuance of Taiwan's first public interest credit card combining conservation and environmental concepts—the "Black Bear Affinity Card"

E.SUN Commercial Bank cooperate with Taipei Zoo to issue Taiwan's CSR credit card, combining conservation and environmental concepts—the "Black Bear Affinity Card." Whenever a transaction is made using this card, 0.2% goes to an animal conservation fund. The first contribution from this fund was a NT\$3 million donation to Taipei Zoo, and was used for black bear conservation, habitat protection, restoration of Taiwan's native species, and environmental education program. We expect that the use of this card will boost the public's sense of responsibility for environmental protection, and enable cardholders to do their part for wildlife conservation when making credit card consumption.

Persons who use purchases made with the "Black Bear Affinity Card" to contribute to Taipei Zoo, Taiwan Black Bear Conservation Association, Animal Protection Association of the ROC, and Taiwan Environmental Information Association will also receive triple the usual amount of bonus points. For a long time, E.SUN with hearts full of "contentment, cherishing relationships, and gratitude," and is committed to fulfilling its corporate social responsibilities. E.SUN also hopes that it can plant the seeds of conservation by making an example of itself for society, and join forces with the public in making Taiwan better.



Animal Nanny Storytime-Animals eating (black bear)



The "Animal Nanny Storytime-Animals eating (black bear)" activity held in partnership with Taipei Zoo taught the public some facts concerning the Formosan black bear, and also shared some interesting stories about being an animal nanny. We hope that this activity enhanced the public's respect for black bear conservation and their concern for the land.



Touring "E.SUN Black Bear Conservation" talks



E.SUN FHC is cooperating with the Taiwan Black Bear Conservation Association to jointly hold "E.SUN Black Bear Conservation" talks throughout northern Taiwan. During the first stage of this project, 30 talks were held in Yilan County, New Taipei, and Taoyuan County, and the talks were even held at Nanao Elementary School, Hanxi Elementary School, and Tatong Elementary School, which are located in Atayal indigenous tribal villages in Yilan County. A total of 2,056 students and teachers attended the talks, which elicited very favorable responses. The talks employed interactive teaching methods, and covered basic information concerning the Formosan black bear, discussion of a documentary film, a black bear habitat conservation game, and Q&A time. The varied content of this environmental education activity induced enthusiastic discussion among the students and teachers. During the second stage of this project, the talks will gradually be extended to elementary schools in remote areas of central, southern, and eastern Taiwan. We look forward to this activity showing how E.SUN's corporate reach can successfully achieve grassroots environmental education.



"2015 Black Bear Run" charity marathon



The "2015 Black Bear Run" charity marathon conducted by E.SUN attracted 5,000 participants, and E.SUN volunteers who spontaneously participate in the road race team. We hope that this event induced even more people to take an interest in Formosan black bear conservation. Members of the public also had an opportunity to visit the wildlife rescue center at National Pingtung University of Science and Technology, and listen to information on the current state of black bear conservation work, which ensured that the public got a further understanding of the bear's ecology, conservation, and cultural value.



"Finding the Best Keeper" Taiwan black bear conservation awareness activity



E.SUN holds the "Finding the Best Keeper" Taiwan black bear conservation awareness activity at Taipei Zoo during the New Year's break, at VIP family summer camp, and at elementary school celebrations. Through lively Q&A games to enhance the importance of black bears conservation and imparts relevant knowledge, ensuring that black bear conservation concepts took root among Taiwan's younger generation. Close to 10,000 families attended the five sessions of this activity.

5.4 Supply Chain Management

E.SUN's supply chains include service supply chains, equipment supply chains, and project contractors; the service includes postal services, logistics, security, electronic equipment, telecommunications, furniture, civil engineering, and architectural design. E.SUN are devoted to assess both new and exist supply chains in terms of their competence, and has established a "Human Rights and Environmental Sustainability Pledge," including environmental/health/safety risks, employee management, basic human rights, and ethics guidelines. In 2015, new supply chains all signed the pledge, and make their effort to maintain environmental sustainability. In general, supply chain management consists of the four aspects of planning, implementation, auditing, and revision to improve management effectiveness:

Supply chain product and service quality management



E.SUN mainly operates in Taiwan and Taiwanese domestic vendors are preferred consideration for cooperation. Procurement is governed by "E.SUN's policy for administrative management" and qualified vendors are selected in accordance with standard of vendor management system.

Environmental requirements for Supplier Conduct Principles ~E.SUN FHC "Human Rights and Environmental Sustainability Pledge" Both parties should establish



- specific environmental protection and energy conservation policy and measures, and should strive to promote corporate cultures based on environmental sustainability, protect the Earth, cherish resources, and encourage environmental protection and energy conservation.
- Both parties' corporate management must take great care not to have any major negative impact on the environment or violate environmental protection laws and regulations; all operations should comply with environmental protection policies.

Green purchasing

E.SUN response to government agencies to promote the universal green living, upholds the principles of green consumption and procurement. Every year, the company purchases large quantities of environmentally-friendly products bearing the Green Mark, Energy Mark, Water Conservation Mark, and Green Building Material Mark since 2010. We also raised green building material use to 45% (compared with a standard of 30%), as of 2015 the total purchase amount of up to NT\$323.64 million, among the top private companies in Taiwan, apart, also from time to time in the "green energy Yushan Education Day" cognitive colleagues to strengthen the green mark and power, water, green building materials, to improve my colleagues on environmental procurement will mark the product. We hope to promote green production and procurement through increased recycling, repair, and regeneration.

In addition to upholding the principles of green consumption and eco-friendly procurement, E.SUN is responding to the government's promotion of green procurement by participating in the EPA's "Green Procurement Implementation Plan for Private Enterprises and Groups," which calls for the procurement of Green Mark products and type 2 and 3 eco-friendly products. As a result, we have been granted the honor of "Outstanding Green Procurement by a Private Enterprise or Group" by the Taipei City Bureau of Environmental Protection for seven consecutive years, and have won the EPA's "Outstanding Green Procurement Unit" for six consecutive years. With our green procurement efforts, we will promote the development of the domestic environmental industry and improve the overall state of environmental protection in Taiwan.

Our chief procurement measures have included



- We preferentially purchase and use building materials, equipment, and apparatus bearing the Green Mark or Green Building Materials Mark and complying with legal requirements.
- We preferentially purchase recovered, recyclable, low pollution, energy-saving products. We refuse to purchase products that are excessively packaged, dangerous to the environment, and cannot be readily decomposed, as well as machinery and equipment with high energy demands.
- In order to facilitate modification, renovation, and redecoration during continued use by our various units, procurement must comply with the principles of standardization and consistency.
- We purchase other products that can increase customer safety and convenience, and fulfill our corporate social responsibilities.
- We rely on the pairing of our procurement and business services to promote environmental protection and the green consumerism concept, and we encourage our business partners to comply with and honor green principles.

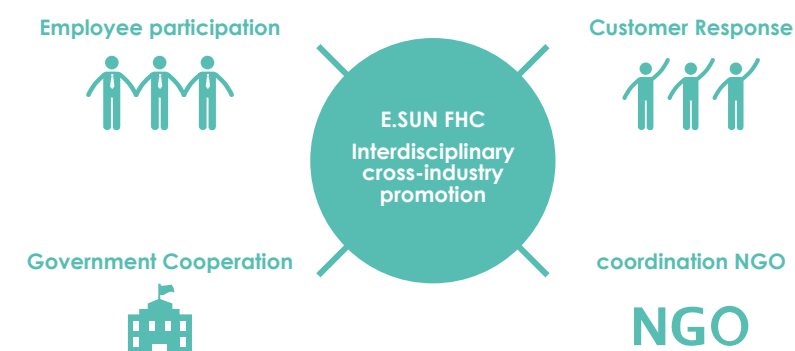
Green buildings

Responding to the Ministry of the Interior's Ecological City & Green Building Promotion Program, which takes energy-saving, resource-saving, low-pollution green buildings as its key mission, E.SUN has striven to realize its corporate goal of environmental sustainability, and has incorporated green buildings among its key programs. As a result, E.SUN seeks to ensure that any newly-built banks are green buildings.

In 2015, the new Taiping branch received the Green Building Mark, and it is expected that the new credit card building will apply for a Gold Green Building License when it is completed in 2016. We are striving to do our part for sustainability by creating buildings that are "ecological, energy-conserving, waste-reducing, and healthy."

5.5 Promotion of Environmental Education

In recent years, the issues of climate change and global warming have attracted growing global attention. In view of the potential impact of the greenhouse effect on the world's landscape and climate, E.SUN take proactive action in environmental education intended to foster love for the Earth and environmental consciousness. E.SUN is also participating in various domestic and foreign environmental protection activities, including Youbike, turning off the lights on the summer solstice, "Turn off the lights for the Mid- Autumn Festival," International Car Free Day and the Earth Hour international activity. In 2015, these activities reduced CO2 emissions by 116 tons (Note: based on the 2015 power emission coefficient of 0.528 kg CO2e), and showed how tangible actions can promote environmental sustainability.



E.SUN Environmental Awareness and Education Day on the 13th of each month

We have designated the 13th day of each month E.SUN Environmental Awareness and Education Day. On this day, E.SUN volunteers provide environmental-related information and knowledge to colleagues, and use the company's e-learning platform to regularly issue environmental protection and energy conservation teaching materials. Taking the "3Rs"—Reduce, Recycle, and Reuse—as a basis, we are devoted to cooperate the concepts of environmental protection, energy conservation, and carbon reduction with all employees' daily life.

Training Material for Environmental Day, 2015



- Implementing recycling and reuse—doing our utmost to protect the environment!
- The Chinese documentary film "Under the Dome" shows the severe air pollution that is common in China, but the problem of air pollution is a global issue.
- Purchasing products bearing the Wetlands Mark helps protect the Earth through green consumerism.
- The RCA incident tells us that we must not let harm befall this land of Taiwan.
- E.SUN has adopted carbon neutrality and the ISO 20121 activity sustainable management standards as it strives to conserve energy and reduce carbon emissions.
- The simplest way to cherish the Earth is to conserve energy and reduce carbon emissions.
- The sea belongs to you, me, and the world!
- Natural energy - renewable energy.
- Preventing dengue fever must start from some basic efforts.
- Let's work to create a toxin-free Nature.
- Fight warming! The world looks forward eagerly to the Paris climate agreement.

Every Monday is "E.SUN Vegetable Day"



Every Monday is "E.SUN Vegetable Day." On this day, an average of 1,300 people at headquarters and the Dengfeng building eat meatless vegetarian food. This reminds employees to care for their health by eating light food, and make their effort to ease global warming, cherish animals, and protect the Earth's environment. Apart from this, to promote balanced nutrition and healthy eating, our employee cafeteria preferentially purchase foodstuffs produced in Taiwan or nearby, and try to obtain suitable quantities of in-season foods. By reducing transport and refrigeration costs, minimizing kitchen waste, and lessening waste of resources during the transport process, we are reducing our carbon footprint.



Environmental sustainability accounts

Environmental sustainability is E.SUN long-term pledge and commitment. In order to protect the Earth, the E.SUN ETC Easy Card has established environmental sustainability accounts, which are a first for Taiwan's financial industry. Whenever cardholders make a purchase using their card, E.SUN will contribute 0.1% of the transaction value to an environmental sustainability account using the eTag stored value feature, and funds from the accounts are used for environmental protection, energy conservation, and preservation of Taiwan's natural ecology, making Taiwan even more beautiful. In addition, the E.SUN ETC Easy Card (titanium gold card) and E.SUN ETC Easy Card (signature card) were have been the EPA's Carbon Footprint Label certification. Furthermore, following verification by SGS, the E.SUN ETC Easy Card passed PAS 2050: 2011 carbon footprint and ISO14046 water footprint international standard certification, making this the first credit card in Taiwan to pass these two certifications. The card's Carbon Label logo reminds every cardholder of the importance of environmental protection and the reduction of carbon emissions.

Resource Circulation and Charity Sale activity

Managers and employees at E.SUN's headquarters and the Dengfeng campus took the initiative in holding the "Resource Circulation Charity Sale" activity. In order to practice E.SUN people attach importance to environmental protection, can effectively meet the purpose of sharing resources, while individuals can play a loving, will not side with items donated by charity, there is a need to make use of my colleagues to take over, and then to make the best environmental benefits of its use. items including leather goods, infant clothing, electronics and appliances, books, and audiovisual products. The income from the sale of these goods was used to support the "E.SUN Caring for Children" program, which provides subsidies of NT\$4,000 during each school year (NT\$2,000 for each semester) to elementary school students for use in the payment of school fees, book fees, and other expenses. This charitable program has expanded from schools in central and southern Taiwan to the entire country. The program aims to continuously expand the power of love.



13-Book Lovers: Magazine circulation day activity

In order to realize E.SUN's environmental protection spirit, the "13-Book Lovers: Magazine circulation day activity" has been held at the E.SUN Financial Building. In order to effectively achieve the goal of resource sharing, we collected the magazines that various departments had subscribed to (or had received as donations), along with employees' own books, magazines, CDs, and DVDs, they were made freely available to employees. We totally collected 3,622 items in 2015, and circulated 2,865 items, for a circulation rate of 79.09%.



Promoting E.SUN Youbike

E.SUN's Easy Card enjoys the highest market share in Taiwan. In order to conserve energy, reduce carbon emissions, and cherish the Earth, we are continuing to implement the "E.SUN Youbike Smile 123" bicycle rental discount program together with the Giant Corp. and the governments of Taipei, New Taipei, Taichung, and Changhua. This program calls on customers and the public to embrace a healthy, active lifestyle, save energy and reduce carbon dioxide emissions, and work together to build a better future by protecting the land.



E.SUN Cycling Across Taiwan: Paying Love Forward

E.SUN FHC and E.SUN Commercial Bank hold "E.SUN Bicycle Ride Across Taiwan: Paying Love Forward" activity, which took place March 17-26, 2015. A cycling team composed of 30 E.SUN volunteers from around the country embarked from company headquarters on a ride all the way around the island of Taiwan. The company donated NT\$10,000 to the "E.SUN Concern for Schoolchildren Program" for each kilometer the cyclists traveled. During the past two years, this activity has helped more than 10,000 schoolchildren from economically-disadvantaged households, or from families who have suffered tragedies, to learn and grow without worries. In the course of the Cycling Across Taiwan activity, in order to draw attention to the need to conserve energy and reduce carbon emissions, the E.SUN volunteers visited local farms throughout Taiwan and the E.SUN Maravi rice field, and conducted group purchases of organic, toxin-free agricultural products on behalf of the company. In order to get E.SUN employees involved and incorporate the concepts of environmental protection and sustainability in the design of the activity. The closing ceremony complied with the ISO 20121 event sustainable management system for Taiwan's financial industry first. The E.SUN water conservation manifesto, which encourages water conservation and drought resistance, was also announced at this time. We hope to jointly protect the environment together with the public, and reduce the impact of human activities on the environment.





Promoting butterfly conservation

E.SUN has co-organized the "Yangmingshan Butterfly Festival" in Yangmingshan National Park for three years in a row. This event promoted butterfly habitat conservation and environmental education, and relied on ecological experiences and a wide range of awareness methods to encourage the public to participate in a series of butterfly festival activities, which included guided butterfly-watching tours of Mt. Dadun and Caoshan, a butterfly ecology exhibition, talks about butterflies, and a concert. This event taught people about butterflies using a lively approach, and gave participants a solid understanding of butterfly ecology and butterfly knowledge. E.SUN also arranged for students and teachers from Qingtan Elementary School in Xiandian, which is a participant in the E.SUN Golden Seed Project, to visit Yangmingshan and take part in the butterfly festival activities. In addition, the school was given books about Taiwan's butterflies, so that when the children return to school, they could continue to absorb butterfly knowledge from these books, increasing their love of butterflies and nature.



Adopting trails in Yushan National Park trail

We have adopted and maintained trails in Yushan National Park trail for six consecutive years, and use this opportunity to promote conservation and environmental education. We encourage E.SUN employees to participate and together do their part to protect the environment.



Tree-planting and tree adoption project



E.SUN has assisted with Pingtung County Governments for the second year to promote a tree planting and tree adoption project. This project involves the planting and adoption of trees at eight elementary and middle schools in the county, the forest area at the county government's Xiangtan Forestry Nursery, and school environmental landscaping areas. It is expected that the project will result in the planting of more than 6,000 tree seedlings, which will reduce carbon in the atmosphere by more than 72,000 kg, and thus help ease the problem of global warming.

* Carbon emission is based on the calculator by EPA.
<http://greenevent.epa.gov.tw/act/calculate3>

Becoming a member of the Taiwan Beautification Association

This association was established for the purpose of maintaining a clean environment and public toilets, while helping volunteers train their inner strength. E.SUN FHC is the 65th branch. For five years, managers have led nearly 45 E.SUN environmental volunteers in participating in clean-up activities. We hope that our employees' physical involvement in cleaning up the community will arouse the public's concern and love for the environment.

Clean Up the World

Responding to the 7-11 Good Neighbor Foundation's Clean Up the World activity, 4,000 volunteers from 205 units in E.SUN's financial business unit and at branches embarked on a cleaning campaign at 146 locations nationwide, and gathered a total of 660 bags of trash. We hope that these volunteers' hard work, in conjunction with our corporate influence, will inspire local clean-up activities, and make the public aware of the need to clean up our communities and create a better living environment.



"Beautiful Taiwan, Smiling E.SUN" environmental clean-up activity

In order to create an even better living environment, and fulfill their corporate social responsibilities, apart from conducting environmental education, and promoting energy conservation and reductions in carbon emissions, E.SUN employees have responded enthusiastically to environmental cleanup campaigns. A total of 4,013 employees from 207 units in E.SUN's financial business unit and at branches participated in the "Beautiful Taiwan, Smiling E.SUN" environmental clean-up activity, which was led by E.SUN personnel and focused on the streets near branches, and nearby communities and public areas. This activity aroused people's concern for environmental protection, gave the living environment around E.SUN offices a whole new look, and gave participants healthy exercise and a new outlook.





Lights off for the summer solstice

E.SUN participates in the Society of Wilderness' "Lights off for the Summer Solstice" activity by turning off sign lighting at all branches from eight o'clock to nine o'clock on the evening of the summer solstice—the longest day of the year, and inviting employees to join in. While relying on tangible actions to reduce energy consumption, this activity also encourages everyone to turn off their 3C products, go outside, personally appreciate the environment, learn how to adapt to a new lifestyle, and reflect on how everyone has the power to change the world.

Turn off the lights for the Mid-Autumn Festival: Appreciating the Brightness of the Moon



We must all work to protect this beautiful land, and must do our part to reduce global warming. E.SUN responded to Gold FM's "Turn off the lights for the Mid-Autumn Festival" activity by turning off the lights of all vertical and horizontal signs at all branches from eight o'clock to nine o'clock on the evening of the Mid-Autumn Festival. All employees were encouraged to also turn off their household lights for the same one-hour period in this very simple and healthy activity showing our love for the Earth.

Earth Hour

The Earth Hour activity was initiated by the World Wildlife Fund in Sydney, Australia. At eight o'clock in the evening on the last Saturday in March, many landmark buildings and corporate towers switched off their lights to save power, and employees, customers, and nearby residents were encouraged to follow suit. Group action will be needed as we face the threat of global climate change. But as long as we adjust our living habits, and take easy steps in our everyday lives, we can reduce our energy consumption and contribute to environmental protection. For the fifth consecutive year, E.SUN took part in this activity by turning off power to horizontal and vertical signs at all branches one hour early. This year's activity placed special emphasis on water resources and the need to reduce food waste, and we also used it as another way to encourage public participation in environmental protection.



International Car Free Day

International Car Free Day was initiated in France, and Taiwan soon followed suit. With strong support from private groups and government encouragement, Car Free Day provides an opportunity to promote energy conservation and use of eco-friendly, sustainable transportation. On 2015 International Car Free Day, E.SUN used its website, internal publicity, and Youbike marketing activities to encourage employees to come to work using a low-carbon means of transportation, such as mass transit, cycling, walking, or carpooling, and let employees participate in the various Car Free Day activities held in different areas to advocate eco-friendly lifestyles.



2015

Corporate
Social
Responsibility
Report

2015 International Car Free Day
玉山 YouBike





6. Social care

- E.SUN Golden Seed Project
- Industry-Academic Collaboration
- E.SUN Academic Award
- E.SUN Scholarships for Outstanding Managerial Talents
- International Master Forum

Academic Education



Public Interest Participation



Corporate Volunteers
Create an Inclusive Society

Arts and Culture



Fitness Promotion



- For Mother—Concerts for Moms
- Vienna Boys' Choir Concert
- Cello Seeking For A Bride
- Disney Frozen Exhibition
- Local Tourism Promotion

- E.SUN care about Schoolchildren Program
- Caring for Orphanage Children
- E.SUN Maravi
- Blood Donation Campaign
- Financial Literacy Carnival
- Bear House Fund-Raising Project — I Want to Have

- E.SUN Cup National High School Baseball Championship
- E.SUN High School Baseball Camp on Sports Injury Prevention and Rehabilitation
- E.SUN High school Baseball Pitcher & Catcher Training Camp
- Caring for Baseball Teams in Remote Areas

6.1 Academic Education Series

【 E.SUN Golden Seed Project 】



Project background

Our care for children in remote areas has always been a long-term commitment of the E.SUN Volunteer Foundation. It is our collective wish to provide these children with an environment where they may learn and grow in joy and happiness. E.SUN Volunteer Foundation has previously mobilized E.SUN employees for the organization of lunch donations in 2005 and 2006 to over 3,000 children living in remote areas in Yunlin, Chiayi, Tainan, Kaohsiung, and Pingtung, thereby providing care to children in need. Since 2007, we have been attempting to understand and contemplate which areas require our further assistance. E.SUN Volunteers continue to advance toward elementary schools in rural areas to gain insight into the needs of schools, teachers, and children. Through these visits, they have identified four major phenomena: The M-shaped society trend has led to a shortage of educational resources in remote areas, where a high percentage of students come from economically disadvantaged families, the stable supply of teachers is lacking, and the role of schools as community centers is weakening.

Upon identifying the problems encountered by rural elementary schools, E.SUN decided to initiate E.SUN Golden Seed Project and improve the reading environments of children from elementary schools in remote areas or those with limited resources by building heartwarming, comfortable E.SUN Libraries. The underlying implication of E.SUN Golden Seed Project suggests that every child is a seed with a future of unlimited possibilities. Simply by nurturing the seed with fertilized soil, clean water, and sufficient sunshine, all seeds are capable of sprouting into majestic trees that can, one day, converge and form a bushy, thriving forest, thereby contributing to the beauty of Taiwan.

Active participation among E.SUN employees and customers

In order to maximize the benefits of E.SUN Golden Seed Project and ensure its sustainable management, E.SUN has issued the first charity premium card in Asia—E.SUN World Card—that combines financial and charitable services and applies innovative approaches to linking the two ends of an M-shaped society. For every purchase made with the card, E.SUN's VIP customers are able to simultaneously provide assistance to children living in remote regions.

With the completion of E.SUN libraries one after another, E.SUN Golden Seed Project has also attracted recognition from increasing numbers of VIP customers. As a result, more funds are being invested in this program, facilitating the maintenance, replenishment, and repair of these libraries. With the concerted efforts of World Card customers, E.SUN, and E.SUN volunteers, 100 libraries have been constructed from 2007 to 2015 in 19 counties and cities across Taiwan, bringing change to over 50,000 children.

In February 2016, E.SUN published a memoir titled E.SUN Libraries: Cherishing the Hope of the Future, documenting the happenings and heartwarming stories of the library project since its inception. The memoir was delivered to each and every one of our World Card customers and E.SUN employees, sharing the happiness emanating from the outcomes of their contribution.

Achieving the milestone of building 100 E.SUN Libraries in rural areas

Over the course of 8 years, 100 E.SUN Libraries have been built. This is, however, not the end of the story, but a brand new beginning. When our team of E.SUN Volunteers visited rural schools across Taiwan, we saw many children in all corners of Taiwan longing for good reading environments. Therefore, E.SUN will continue offering education in rural areas, helping more children open another window to the world. In a thanksgiving press conference held in February 2016 on behalf of E.SUN library, we expressed our gratitude toward our VIP customers and also announced our determination to build another 100 E.SUN libraries.

Reading can change a child's life. We hope that the 100 E.SUN libraries continue to raise public awareness on the shortage of educational resources in remote areas and attract social investments, thereby shortening the reading gap in rural townships in Taiwan.

Year	Added schools	Accumulated schools	Accumulated number of beneficiary schoolchildren
2015	15	100	50,494
2014	15	85	40,133



In 2015, Jin-tian Tsai, a freshman at National Taitung University Affiliated Physical Education Senior High School, received the highest honor of a Presidential Education Award. On receiving the award, she said, "When I was Grade 6 in Taiping Elementary School, the school's old library was refurbished into an E.SUN Library. I was ecstatic about it. I went there every single day, and it was also then that I found my dream in life!"

Education, igniting a flame~



Echoes of Reading

I am E.SUN Library,
Quietly I wait in the serenity of Wanli Elementary School,
I love seeing young readers come and go,
As they peruse the wealth of books in my collection.

I am E.SUN Library,
I extend my warm, loving hands,
To welcome visiting children,
I love showing them the sea of books,
And watching them read in happiness.

I am E.SUN Library,
I love lending children books,
And showing them funny pictures,
I'm even happier showing children marvelous storybooks,
The number of visitors simply gives me joy.

I am E.SUN Library,
I open my doors and let in the sunshine,
Welcoming everyone to read my books,
I have a tiny wish,
That each child would fall in love with reading,
Especially through my books,
And grow into a person filled with wisdom and intelligence.

"The Wonders of E.SUN Library," a poem written by thankful children to express their appreciation of E.SUN Library.
(Second graders from Wanli Elementary School using first person narrative to personify themselves as E.SUN Library)

The “Industry-Academic Cooperative Project” with Top 10 Universities

In 2015, E.SUN initiated Industry-academic Cooperative Project in an effort to nurture financial professionals and to strengthen key capabilities in job environment for students. It is a platform that enables interaction between industry and academy by joint efforts with top 10 universities, including NTU, NCCU, NTHU, NCTU, NTPU, NTUST, NCU, CCU, NCKU, and NSYSU. E.SUN's Industry-academic Cooperative Project has broadened the scope of cooperation and shaped an alliance between industry and the academies. In addition, it also features internship program, as well as other initiatives that can facilitate the students with preparation for their career, such as corporate visits, financial workshops, and topic researches. It allows more students to understand career path in the financial industry and bridges the gap between theory and practicality.

For the internship program, the TIP internship program with NTU is highly commended by faculty and students. It is a program that can narrow distance between industry and academy through its comprehensive training module. With the successful experience with NTU, E.SUN has extended the internship program and allowed more students to participate in practical operations of financial industry. The outperforming interns can be given opportunity for job interview or even admission to an official position at E.SUN. In addition, in response to the trend of Fintech, E.SUN has collaborated with NTU Information and Technology School to commence a course titled “Financial Innovation and Application”. The course is lectured by senior management and mentored by middle officers of E.SUN. It contains a wide array of aspects, including financial knowledge, case study, and project practice.

In 2016, E.SUN will start a master degree program of financial innovation with NSYSU. This is the first time that E.SUN and NSYSU work together, and the cooperation also contribute to balance the unequal distribution of educational resource between northern and southern Taiwan. We hope to discover more excellent financial talents through the degree program. E.SUN will continue to develop more cooperative programs with different schools based on characteristics and resources that they possess. Talents are the most valuable asset of a corporate. E.SUN wishes to improve environment for industry and schools to cooperate and to spread more seeds of knowledge in the financial industry. In the future, the seeds of knowledge will sprout, grow and flourish, bringing more intellectual capital and professionals for financial industry.

E.SUN Academic Award - integrating Taiwan research with the international community

NTU College of Management hosted a ceremony on June 17 in honor of E.SUN FHC's efforts in offering the E.SUN Academic Award and improving the E.SUN Hall. A certificate of appreciation was awarded by President of NTU, Yang Pan-Chyr, and Dean of NTU College of Management, Ruey-Shan Andy Guo. At the ceremony, the 2015 E.SUN Academic Award was awarded. NTU President Yang Pan-Chyr emphasized that Taiwan is in need of more enterprises like E.SUN FHC, enterprises that are

passionate for Taiwan's wellbeing, harbor a strong sense of purpose toward national society, practice social responsibilities, and provide multidimensional assistance to academic institutions.

Since its establishment five years ago, E.SUN Academic Award has been awarded to 10 leading teachers in their respective fields of research to the value of over 6.5 million. E.SUN FHC continues to help the NTU College of Management in building Asia's first standard Harvard case method classroom—E.SUN Hall—which was further upgraded in 2015 to a “Digital Learning Benchmark Classroom” fully equipped with smart recording systems. To date, the utilization rate of this facility has exceeded 5,000, enabling students to learn management and leadership skills through the interactive, role simulations of case analyses and group discussions.

Name	Publication	Journal
Yu-Ren Zeng	Generalized Almost Stochastic Dominance	Operations Research
Chan-Juan Lin	Capital market consequences of audit partner quality	The Accounting Review

* Recipients of the 2015 E.SUN Academic Award.

To encourage research projects of excellence and boost Taiwan's competitiveness, in 2015, we announced our intention to extend the scope of the E.SUN Academic Award through collaborations with prestigious universities in Taiwan, including NTU College of Management, NCCU College of Commerce, NTHU College of Technology Management, and NCTU College of Management. A 5-year scholarship to the value of NT\$40 million is offered to encourage teachers to publish their research outcomes in international journals, elevate Taiwan's management research standards, and become better aligned with international standards.

The E.SUN Academic Award is awarded to professors in the college of management who published papers in the Top 3 international journals within their respective fields of research. This approach not only expands the scope of cooperation but also promotes excellent domestic research and encourages outstanding teachers to step onto the global academic stage.

E.SUN Scholarships for Outstanding Managerial Talents

Human resources are the foundation on which the nation and industry develop. In the age of global competition, the E.SUN Volunteer Foundation has sought to train more outstanding managerial talents for Taiwan. Established in 2005, the E.SUN Scholarships for Outstanding Managerial Talents are intended to provide scholarships to outstanding master's students who are economically disadvantaged or face family problems over the course of their study, and ensure that talented individuals can devote themselves to their studies without economic pressure, and can become outstanding management personnel.

During every August and September, E.SUN begins to accept applications from outstanding first year master's students in designated departments (no in-service students) of eight universities, namely National Taiwan University, National Chengchi University, National Tsinghua University, National Chiao Tung University, National Chung Hsing University, National Chung Cheng University, National Cheng Kung University and National Sun Yat-sen University. After a rigorous review process, those who are deemed qualified may receive a NT\$100,000 scholarship every academic year that they continue to meet the award conditions until they earn their master's degree.



To date, the E.SUN Scholarship for Outstanding Managerial Talents has provided a total of NT\$23.5 million in scholarships to outstanding students. We hope that, with the aid of this scholarship, the recipients will be able to devote themselves to their studies, hone their skills in areas of knowledge, and eventually make significant contributions to society.

Many touching stories are told at the annual awards ceremony. For instance, moved by E.SUN's kind assistance, one recipient concurrently provided free tutoring to five high school students from poor families, which realized the ideal of transmitting caring to even more people in need of help. Another student asked how to join E.SUN's volunteers, and expressed a wish to pay back society in various ways.

Year	Number of recipients	Total amount
2015	17 persons	NT\$3.4 million
2014	17 persons	NT\$3.4 million

International Masters Forum - Rita Gunther McGrath

For four consecutive years, E.SUN FHC has hosted the International Masters Forum. Since 2012, we have successively invited strategist Gary Hamel, master of innovation Clayton M. Christensen, marketing expert Philip Kotler to visit Taiwan. In 2015, we invited globally recognized expert on strategy and innovation, Rita Gunther McGrath, to give a talk on "Cross-Border Strategy: Creating Transient Competitive Advantage." In her presentation, Rita shared her viewpoints on how to grasp the key to competitive advantage in a constantly growing environment, make flexible adjustment, and identify new strategies in the era of a fast economy.



TIP Internship Program

To help students successfully connect to the workplace, discover their strengths and interests through corporate internships, and learn how to enrich themselves and boost their competitiveness before they embark on their careers, E.SUN began participating in National Taiwan University's TIP summer internship program in 2011. We hope that these summer internships, which involve rapid rotations through different business units and participation in practical operations, will provide students with a wealth of opportunities for learning and understanding banking practice.

Similar to the MA program, E.SUN has established an internship program with all-inclusive training modules. The internship is divided into two stages. The first stage consists of a series of rotating internships in different departments, including the personal finance, corporate finance, wealth management, finance, and credit card departments, which gives students a more comprehensive understanding of banking operations. The second stage consists of a focused internship in a single department, students are able to gain an in-depth understanding of actual banking operations via long term participation in the department's operations and a case report.

The internship process gives students ample opportunity to learn about the industry and our company. Guidance and interchange with E.SUN's mentors helps establish a correct work ethic and attitude. In order to increase their competitiveness after graduation, we believe that students should build up a good career foundation while they are still in school. Since implementation of the TIP summer internship program began, numerous outstanding students have entered the E.SUN MA program, and are well on their way to becoming all-round financial professionals.

Google Ignite Project

E.SUN collaborated with Google in investing in the Google Ignite project, to provide a comprehensive and extensive digital marketing practical course that closely matches the needs of the business community. New graduates who did not major in digital marketing or did not receive relevant professional training are thus able to acquire digital marketing capabilities. In addition, enterprises are given the opportunity to perceive the tangible, effective competitive power resulting from Internet advantage possessed by the younger generations. Ultimately, the project aims at assisting Taiwanese young adults and enterprises in applying the power of the Internet for the creation of new business models.



SAS Data Mining Project Competition

Waves of big data continue to engulf the world. Big data applications have also become the key to success for enterprises around the globe. E.SUN Bank has been working with SAS four years in a row in hosting the Information Scientist Series Competition. In 2015, 24 universities and colleges in northern, central, and southern Taiwan participated. 600 students formed into 150 teams to join the fun and challenges. The highlights of this competition are the themes of big data analysis and digital marketing. Through analysis of online news and blog entries, participants gained insight into the potential behaviors of consumer groups and the association between market orientations and potential business opportunities. It is thus that opportunities may be captured at the first instance to quickly respond to market demands. Through participation in this program, students are able to learn in terms of both theory and practice. Thanks to this competition, more connections were established between academia and industry. Students are thus enabled to experience big data applications in person and to furthermore use their creativity and professional capabilities to become the future star of big data analysis and digital marketing planning.

Global Young Leaders for Asian Markets

Talented employees are crucial assets for enterprises and the key to a nation's competitive power. E.SUN FHC participated in the Global Young Leaders for Asian Markets project hosted by the Global Brand Management Association. Together with 10 major universities in Taiwan, NCCU, NTHU, NCTU, NCKU, NTNU, National Taipei University, National Taipei University of Technology, National Chi Nan University, Fu Jen Catholic University, and Feng Chia University, as well as four major accounting firms and multiple prestigious cooperative enterprises, E.SUN FHC built a pool of overseas talent supply chains to help Taiwanese enterprises extend their presence in Asia.



NTU Hope Seedling Program

E.SUN and five other enterprises including Deloitte Taiwan and SAS collaborated with NTU College of Management Career Development Office for the launch of the Integrated Hope Seedling Program in an effort to shorten industry-academia gaps. In 2015, 20 NTU master students attended the half-day course program every month at E.SUN. Those showing outstanding performances will be given the chance to intern at E.SUN during summer vacation.

6.2 Social Participation Series

E.SUN Care for Schoolchildren Program

To provide assistance to schoolchildren who are economically disadvantaged or facing unexpected family problems, E.SUN continued to launch the Program. We hope this project will enable children to focus on their studies and provide timely educational assistance to families. This project provides each elementary school student NT\$2,000 for each semester, which can be used to pay for tuition, books, and other expenses. Also, by holding the "E.SUN Bicycle Ride Around Taiwan: Sending Love Everywhere" activity, E.SUN donated a total of NT\$10 million to help the underprivileged children grow up with joy and sense of stability.

Year	Donations	Donated amount
2015	10,480	NT\$20,960,000
2014	10,264	NT\$20,528,000

〈 Results of the E.SUN Concern for Schoolchildren Program during the most recent two years 〉

Caring for Children in Need — Caring for Orphanage Children

Thanks to E.SUN volunteers' enthusiastic involvement, the Caring for Children in Need program continues to be held in every corner of Taiwan. This program launched in 2004, and has last for 12 years. E.SUN volunteers devoted themselves to accompany orphanage children in activities in Taipei, Taoyuan, Taichung, Yunlin-Chiayi, and Kaohsiung, including professional baseball games, concerts, three-on three basketball games, and the E.SUN Night of Disney, and provide tutoring as well. Each year E.SUN volunteers hold at least one or two sessions in order to provide the children warm and joyful memories.

Year	Sessions	Participants
2015	13	340 persons
2014	15	369 persons

〈 Overview of Caring for Children in Need for the most recent two years 〉

E.SUN Maravi

The E.SUN Maravi project promotes organic farming methods and transformation of local industries, and encourages farmers to engage in organic crop rotation schemes combining food production with biodiversity. All crops are purchased by E.SUN, which provides them to its employees and major customers. This project aims to sustain Taiwan's indigenous ecology and protect nature.

The name "Maravi" refers to an organic farming district in the Nanan area. Nanan Village is located near the east entrance to Yushan National Park, and was the first area irrigated from the Lakulaku River. Irrigated with the pollution-free water of the Lakulaku River, Maravi means "coming together" in the Bunun indigenous language. The E.SUN Maravi project seeks to attract public attention to ecological conservation and work together to protect the beautiful island.

"One Simple Act of Love Can Inspire Others to Love" Blood Donation Event

To alleviate shortage of blood and help those in need, E.SUN Bank and E.SUN Volunteer Foundation have initiated blood drives for 16 consecutive years, specifically during winter and summer vacations when seasonal blood shortages occur. In addition to encouraging employees and their spouses to participate, E.SUN also invited customers and the public to participate in the event through the Internet, posters, pamphlets, and SMS.

Year	February	August	total
2015	2,303 bags	2,049 bags	4,352 bags
2014	2,225 bags	2,411 bags	4,636 bags

〈 Blood donation results during the most recent two years 〉



Finance Knowledge Carnival

E.SUN frequently partakes in the Finance Knowledge Carnival hosted by the Financial Supervisory Commission and assisted in promoting the On-Campus and In-Community Finance Education Promotion Activity. As at the end of 2015, over 300 sessions have been held to which lecturers were invited to inform the public of correct financial knowledge.

Handmade Cookies Fund-Raising Project

Established by a team of students from the Creativity and Entrepreneurship Program and Keelung City Parents' Association for Persons with Intellectual Disability, the Handmade Cookie Bakery has raised NT\$1 million to build a living center and new kitchens for children with intellectual disabilities. E.SUN has invested resources to help the Handmade Cookie Bakery establish online sales channels and a diversified order payment system. In addition to inviting E.SUN employees, we also invited E.SUN customers through eDMs.

6.3 Fitness Promotion Series

E.SUN has provided long-term sponsorship to athletics, the arts, and cultural activities. Baseball is Taiwan's national sport, and the teamwork and fighting spirit of Taiwan's national teams unites the hearts of all citizens. E.SUN has consequently provided a serious support for youth baseball in Taiwan. E.SUN sponsored events include the E.SUN Cup National High School Baseball Championship, E.SUN High School Baseball Camp on Sports Injury Prevention and Rehabilitation, E.SUN Youth Baseball Training Camp, and Caring for Baseball Teams in Remote Areas.

E.SUN Cup National High School Baseball Championship

High school is a critical moment in the development of baseball player, and we have always paid our attention to the cultivation of high school baseball player. E.SUN works with the Chinese Taipei Baseball Association to promote the E.SUN Cup National High School Baseball Championship and select national teams to compete in world/Asian high school baseball championships organized by the IBAF and BAF. The E.SUN Cup National High School Baseball Championship is the pinnacle of youth baseball in Taiwan, and become a milestone where athletes can present their hard work and talent. Since the E.SUN Cup was first held, numerous participating players have gone on to professional baseball careers in US, Japan, and Taiwan.

E.SUN Youth Baseball Training Camp

In order for high school baseball players to advance to adult and professional baseball, apart from continuous training in basic skills, correct concepts and pitching and catching skills should also be taught to players. Centered on the E.SUN High school Baseball Pitcher & Catcher Training Camp, E. Sun Bank organizes a series of activities, including high school Baseball Pitcher & Catcher Camp, high school Baseball Batter Camp, high school Baseball Coach Camp and high school Baseball Pitcher Camp. Through observation and evaluation conducted by camp instructors, an outstanding player database has been established, and is used for long-term follow-up and provision of needed assistance. In 2015, E.SUN works with the Chinese Taipei Baseball Association again to invite the coaches, appointed by MLB, to visit Taiwan for the 18-day training camp. The course includes "pitcher training", "infielder and outfielder training", "tactics training", "simulation game", "videotape analysis and guidance" and "catcher training". We hope that through the full range of course, young players can learn more advanced and more efficient training methods, and we can continue to enhance the competitiveness of Taiwan youth baseball.

E.SUN high school baseball camp on sports injury prevention and rehabilitation

The fervor of a baseball game inevitably affects every player. Players always try to play their hardest especially represented their school. In the athletic development process, continuous, intense training and competition will enable the athletes to improve their skills; however, they may also cause sports injuries. In light of this situation, since 2007, E.SUN has worked with the Chinese Taipei Baseball Association and other sports injury prevention groups to hold the E.SUN High School Baseball Camp on Sports Injury Prevention and Rehabilitation, which provides young baseball players better sports injury examination, and ensures that athletes with sports injuries received the most appropriate treatment. By correct sports injury prevention, this program helps athletes to strengthen their muscles and take appropriate action in the wake of injuries, in order to prevent the worsening of sports injuries. We hope to that young athletes can improve their skills while enjoy healthier and longer athletic careers.

Caring for baseball teams in remote areas

Youth baseball training in remote areas has run into problems due to shortages of funding, and many promising players have been lost. In order to take care of youth baseball teams in remote areas, and to ensure that teams can practice without worrying about shortages of bats, balls, and other equipment, E.SUN has collaborated with the Chinese Taipei Baseball Association to hold "Caring for Baseball Teams in Remote Areas." This project assists to youth baseball teams in remote areas by providing brand new baseball bats, gloves, protective gear, and practice balls, which makes teams to conduct training easily.

Year	Recipient school
2015	Huade Vocational High School of Technology, Dader Industrial and Commercial Vocational High School
2014	Yuli High School, Luxing High School
2013	Tainan Marine Fishery Vocational School, Yingge Vocational High School
2012	Chiayi High School, National Taitung College
2011	Pingtung Meihe High School, Yunlin Mailiao High School, Taichung Xinshe High School, Hsinchu Chengde High School
2010	Chiayi Dongshi High School, Changhua Arts High School, Hsinchu Yingde High School
2009	Taitung Cheng-Kung Commercial & Aquaculture Vocational High School, Meihe High School, Dongshi High School
2008	Taichung Agricultural High School, Yilan Zhongdao High School
2007	Hualien Experimental Physical Education High School, Chiayi Dongshi High School

6.4 Arts and Humanities Series

For Mother~Mother's Day Music Concerts

May is a month in which we thank our mothers for their dedications. E.SUN embraces an organizational culture that encourages employees to love in time, and always embrace the corporate culture: "contentment, cherishing relationships, and gratitude." In 2015, E.SUN hosted two music concerts for mothers the day before Mother's Day, one in Taoyuan and the other in New Taipei City. The concerts were performed by the E.SUN Choir Group, ProArte, Zhuang Jing Elementary School, and Chi-Jen Primary School. Employees' mothers and customers were invited to listen to our expression of gratitude for the love and dedication mothers have devoted to their families.

E.SUN Choir Group is composed of E.SUN members who have great passion for music, culture, and art. The group is the one and only music group formed by members of the finance industry in Taiwan and also the only choir group to have performed, four times in total, in the National Performing Arts Center. As the song "Wishing You Happiness" begins during the concert, each member of the E.SUN Choir Group sang out their love for mothers in the most sincere, appreciative manner. At the same time, bunches of single carnations were handed out to all present mothers to wish them a happy Mother's day. The performance touched the hearts of many mothers in attendance.



Vienna Boys' Choir

Sponsored by E.SUN Bank, the Vienna Boys' Choir with over 500 years of history was able to perform for the fifth time in Taiwan. Through their numerous Taiwan performances, the choir group has gained popularity among Taiwanese citizens and has become highly anticipated by their local fans. In 2015, led by the overseas Chinese conductor and member of the Haydn Group, Chih-Bing Tseng, the choir group performed 6 concerts in Taiwan and provided their fans with musical feasts of moving melodies. This time, we especially cooperated with the Chiayi and Tainan City Social Affairs Bureaus, and invited disadvantaged groups to attend the concert. Through these performances and the beautiful voices of these angelic singers, we hope to instill beauty and warmth into society.



Yilan International Children's Folklore and Folkgame Festival

For six years in a row, E.SUN has cooperated with Yilan municipal government in hosting the Yilan International Children's Folklore and Folkgame Festival. With "flying" as its central theme, the festival offers a wide variety of activities to the public, including water activities and DIY courses. TV anime Heaven Kid, the first Taiwanese film that received the Houston Film Critics Society Award was also aired at the festival, which contributed greatly towards boosting the tourism industry and local culture of Yilan.



Cello Seeking For A Bride

E.SUN Bank collaborated with renowned Taiwanese cello player, Cheng-Chieh Chang, in hosting the E.SUN Music Concert: Single Cello Seeks Mate. With children as the target audience, the concert was both creative and clever, using cello along with various other musical instruments to vividly provide a performance of classical music. Four sessions of music performances were held in Taichung, Tainan, and Taipei and attended by parents and their children. These performances promoted parent-child interactions and inspired children to let their imaginations run wild. To extend our love and care for the society, children who have a passion for music but are lacking in musical resources were also invited to attend the performance.

Disney Frozen Exhibition

In 2015, we sponsored the Disney Frozen Exhibition held at the Chiang Kai-shek Memorial Hall and provided charity tickets to Taipei City Social Affairs Bureau to invite 1,000 disadvantaged children to attend this rare event. By using an entertainment-based educational approach, children were introduced into the iconic scenes of Frozen, a film released by Walt Disney Pictures. The event delivered warmth and happiness amidst the cold winter, allowing children to experience the fun and courage of the Frozen world.



National Theater and National Concert Hall Art of Zero Distance - Dream Come True Project

In conjunction with the National Theater and National Concert Hall Art of Zero Distance - Dream Come True Project, E.SUN invited 282 teachers and students from junior high schools in remote areas of Taoyuan, including the Da Gang Junior High School, Hsing-Fu Junior High School, Cao Ta Junior High School, and Zhuwei Junior High School, to attend the Film Music in Concert event, a concert performed by musicians with physical and mental disabilities at the National Performing Arts Center. This event not only inspired people's passion for life, but also opened the spiritual window through music melodies close the gap between performers and audience, thereby providing heartwarming care and spreading the power of love.

Dream Mall Giant Balloon Parade

For 6 consecutive years, E.SUN has participated in hot air balloon events to promote the local tourism of Taiwan. This year, E.SUN sponsored the event at Dream Mall in Kaohsiung; 120 E.SUN employees with Japanese lucky cat hot air balloons were available to interact with the participating guests and celebrate the coming of a brand new year.



2015

Corporate
Social
Responsibility
Report



Appendix 1: Comparative table of GRI (Global Reporting Initiative) G4 indicators

* All the indicators disclosed in the Report have been verified by third party British Standard Institution and Deloitte & Touche. Please see appendix 6 for the assurance. For disclosure of special standard, there is no omission of standard that have been disclosed.

G4 Content Index		Reference	Note
Strategy and Analysis			
G4-1	Provide a statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	A Message from the Chairman	
G4-2	Provide a description of key impacts, risks, and opportunities.	2.7 Risk Management	
Organizational Profile			
G4-3	Report the name of the organization.	1.1 Brand Vision	
G4-4	Report the primary brands, products, and services.	1.1 Brand Vision	
G4-5	Report the location of the organization's headquarters.	1.1 Brand Vision	
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	1.1 Brand Vision	
G4-7	Report the nature of ownership and legal form.	2.3 Business Performance	
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	2.4 Service Network	
G4-9	Report the scale of the organization, including: 1.Total number of employees. 2.Total number of operations. 3.Net sales (for private sector organizations) or net revenues (for public sector organizations). 4.Total capitalization broken down in terms of debt and equity (for private sector organizations). 5.Quantity of products or services provided.	1.1 Brand Vision 2.3 Business Performance	
G4-10	Report the total number of employees by employment contract and gender. 1.Report the total number of permanent employees by employment type and gender. 2.Report the total workforce by employees and supervised workers and by gender. 3.Report the total workforce by region and gender. 4.Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. 5.Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	4.1 Human Resources Structure	
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	4.2 Employee Relations	
G4-12	Describe the organization's supply chain.	5.3 Vendor Management	
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: 1. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions. 2.Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations). 3.Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination		No significant chane in organization in 2015
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	2.8 Responsible Lending and Investment	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	5. Environmental Protection	
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: 1. Holds a position on the governance body 2. Participates in projects or committees 3. Provides substantive funding beyond routine membership dues 4. Views membership as strategic	2.6 Business Integrity	
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents.	About this Report	

G4 Content Index		Reference	Note
Identified Material Aspects and Boundaries			
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	Analysis of Material Issue	
G4-19	List all the material Aspects identified in the process for defining report content.	Analysis of Material Issue	
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	Analysis of Material Issue	
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	Analysis of Material Issue	
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.		No revision
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.		None
Stakeholder Engagement			
G4-24	Provide a list of stakeholder groups engaged by the organization.	Analysis of Material Issue	
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	Analysis of Material Issue	
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Analysis of Material Issue	
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	Analysis of Material Issue	
Stakeholder Engagement			
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	About this Report	
G4-29	Date of most recent previous report (if any).	About this Report	
G4-30	Reporting cycle (such as annual, biennial).	About this Report	
G4-31	Provide the contact point for questions regarding the report or its contents.	About this Report	
G4-32	Report the 'in accordance' option the organization has chosen.	About this Report	
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report. 1. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. 2. Report the relationship between the organization and the assurance providers. 3. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	Appendix 6 Assurance	
Governance			
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	2.5 Corporate Governance	
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	2.5 Corporate Governance	
G4-38	Report the composition of the highest governance body and its committees.	2.5 Corporate Governance	
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	2.5 Corporate Governance	
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.	2.5 Corporate Governance	
G4-51	Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration.	2.5 Corporate Governance	

G4 Content Index		Reference	Note
Business Ethics and Integrity			
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	2.7 Risk Management	
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	2.6 Business Integrity	
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	2.6 Business Integrity	

Aspect	GRI category		Reference	Note
Economic performance	G4-EC1	Direct economic value generated and distributed.	2.3 Business Performance	
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	2.8 Responsible Lending and Investment	
	G4-EC3	Coverage of the organization's defined benefit plan obligations.	4.5 Benefits and Protections	
Market image	G4-EC5	Ratios of standard entry level wage by gender, compared to local minimum wage at significant locations of operation.	4.5 Benefits and Protections	
	G4-EC6	Proportion of senior management hired from the local community at significant locations of operation.	4.1 Human Resources Structure	
Indirect economic impact	G4-EC7	Development and impact of infrastructure investments and services supported.	5.3 Vendor Management	
	G4-EC8	Significant indirect economic impacts, including the extent of impacts.	6. Social Responsibility	
Energy	G4-EN3	Energy consumption within the organization.	5. Environmental Protection	
	G4-EN6	Reduction of energy consumption.	5. Environmental Protection	
Emission	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).	5. Environmental Protection	
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).	5. Environmental Protection	
	G4-EN19	Reduction of greenhouse gas (GHG) emissions.	5. Environmental Protection	
Waste and sewage	G4-EN23	Total weight of waste by type and disposal method.	5. Environmental Protection	
Product and Service	G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	5. Environmental Protection	
Compliance with laws	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		None
Overall condition	G4-EN31	Total environmental protection expenditures and investments by type	5. Environmental Protection	
Environmental assessment by Supplier	G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	5. Environmental Protection	
	G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	5. Environmental Protection	
Labor-management relationship	G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	4.1 Human Resources Structure	
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	4.5 Benefits and Protections	
	G4-LA3	Return to work and retention rates after parental leave, by gender.	4.1 Human Resources Structure	

Aspect	GRI category		Reference	Note
Management-worker relationship	G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	4.2 Employee Relations	
Health and safety at work	G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	4.2 Employee Relations	
	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	4.1 Human Resources Structure	
	G4-LA8	Health and safety topics covered in formal agreements with trade unions.	4.2 Employee Relations	
Manpower Training	G4-LA9	Average hours of training per year per employee by gender, and by employee categor.	4.4 Cultivation and Development	
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	4.4 Cultivation and Development 4.5 Benefits and Protections	
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	4.1 Human Resources Structure	
Employee diversity and equal opportunity	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	4.1 Human Resources Structure	
Equal salary of women and men	G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	4.5 Benefits and Protections	
Practice assessment of supplier employee	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.	5.4 Vendor Management	
	G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	5.4 Vendor Management	
Labor practice field of formal grievance mechanisms	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.		None
Non-discrimination	G4-HR3	Total number of incidents of discrimination and corrective actions taken.		None
Child labor	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	4.2 Employee Relations 5.4 Vendor Management	
Forced or compulsory labor	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	4.2 Employee Relations 5.4 Vendor Management	
Practice of security	G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.		Every security guard will take humanity-related training courses four times a year and four hours per course.
Indigenous people's right	G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.		None
Assessment	G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	4.2 Employee Relations	All business operations comply with regulations
Supplier rights assessment	G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	5.4 Vendor Management	
	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	5. Environmental Protection	

Aspect	GRI category		Reference	Note
Formal grievance mechanisms of Human rights	G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.		None
Local community	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.		CSR 100% involved
Anti-corruption	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.		As for E.SUN Bank, 2 divisions have completed evaluation on corruption risks, which accounts for 15% of total corporate.
	G4-SO4	Communication and training on anti-corruption policies and procedures.	2.6 Business Integrity	
	G4-SO5	Confirmed incidents of corruption and actions taken.		None
Compliance with laws	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		None
	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.		None
Customer health and safety	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.		None
Product and service information	G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant products and service categories subject to such information requirements.	3.3 Protection of Customer Rights and Interests	
	G4-PR5	Results of surveys measuring customer satisfaction.	3.2 Service Quality Management	
Marketing communications	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	3.3 Protection of Customer Rights and Interests	
Customer privacy	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		None
Compliance with laws	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.		None

Appendix 2: Comparative table of GRI (Global Reporting Initiative) G4 indicators of financial service sector

Aspect	GRI category			Reference
Material product portfolio	DMA	FS1	Policies with specific environmental and social components applied to business lines.	1. Sustainable Development
		FS2	Procedures for assessing and screening environmental and social risks in business lines.	2.8 Responsible Lending and Investment
		FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	2.6 Business Integrity
		FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	5. Environmental Protection 6. Social Responsibility
		FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities.	5. Environmental Protection 6. Social Responsibility
	Category	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector.	2.3 Business Performance 2.4 Service Network
		FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	6. Social Responsibility
		FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	2.6 Business Integrity
Audit	DMA	FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	2.8 Responsible Lending and Investment
Active participation	Category	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues .	2.3 Business Performance
		FS11	percentage of assets subject to positive and negative environmental or social screening.	5.1 Energy Management
		FS12	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	None
G4 special disclosure of social – product and service labeling, local community				
G4- Society-Local community	Category	FS13	Access points in low-populated or economically disadvantaged areas by type.	3.4 Warm Service
		FS14	Initiatives to improve access to financial services for disadvantaged people.	3.4 Warm Service
G4- Product responsibility-Product and service information	DMA	FS15	Policies for the fair design and sale of financial products and services.	3.3 Protection of Customer Rights and Interests
		FS16	Initiatives to enhance financial literacy by type of beneficiary.	6. Social Responsibility

Appendix 3: CSR best-practice principles for listed and OTC traded companies

Content			Reference
Chapter 1	General Guideline	Discloses the goal, entity applied to, and principals of best practices.	1. Sustainable Development
Chapter 2	Corporate Governance	Regulate and promote corporate governance.	2.5 Corporate Governance
Chapter 3	Environmental Protection	Regulate practices for sustainability.	5. Environmental Protection
Chapter 4	Social Responsibilities	Regulate practices for social welfare.	6. Social Responsibility
Chapter 5	Disclosure	Regulate and enhance disclosure of CSR.	About this Report
Chapter 6	Appendix	Regulate and improve the existing CSR system.	1. Sustainable Development

Appendix 4: Comparative table of ISO 26000 terms

Category	Content	Reference
Organizational Governance	Decision-making process and structures	1. Sustainable Development
Human rights	Due diligence	2. Investor Relationship
	Human rights risk situations	4. Employee Welfare
	Avoidance of complicity	2. Investor Relationship
	Resolving grievances	4. Employee Welfare
	Discrimination and vulnerable groups	4. Employee Welfare
	Civil and political rights	4. Employee Welfare
	Economic, social and cultural rights	6. Social Responsibility
	Fundamental principles and rights at work	4. Employee Welfare
Labor Practices	Employment and employment relationships	4. Employee Welfare
	Conditions of work and social protection	4. Employee Welfare
	Social dialogue	4. Employee Welfare
	Health and safety at work	4. Employee Welfare
	Human development and training in the workplace	4. Employee Welfare
Environment	Prevention of pollution	5. Environmental Protection
	Sustainable resource use	5. Environmental Protection
	Climate change mitigation and adaptation	5. Environmental Protection
	Protection of the environment, biodiversity and restoration of natural habitats	5. Environmental Protection
Fair Operating Practices	Anti-corruption	2. Investor Relationship
	Responsible political involvement	2. Investor Relationship
	Fair competition	2. Investor Relationship
	Promoting social responsibility in the value chain	1. Sustainable Development
	Respect for property rights	2. Investor Relationship
Consumer Issues	Fair marketing, factual and unbiased information and fair contractual practices	3. Customers Care
	Protecting consumers' Health and safety	3. Customers Care
	Consumer service, support, and complaint and dispute resolution	3. Customers Care
	Consumer data protection and privacy	3. Customers Care
	Access to essential services	3. Customers Care
	Educational and awareness	3. Customers Care
Community Involvement and Development	Community involvement	6. Social Responsibility
	Education and culture	6. Social Responsibility
	Employment creation and skills development	6. Social Responsibility
	Technology development and access	6. Social Responsibility
	Wealth and income creation	6. Social Responsibility
	Health	2. Investor Relationship
	Social investment	2. Investor Relationship

Appendix 5: Comparative table of terms in the UN Global Compact

Category	Content	Reference
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights.	4. Employee Welfare
	Businesses should make sure that they are not complicit in human rights abuses.	4. Employee Welfare
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	4. Employee Welfare
	Businesses should uphold the elimination of all forms of forced and compulsory labour.	4. Employee Welfare
	Businesses should uphold the effective abolition of child labour.	4. Employee Welfare
	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	4. Employee Welfare
Environment	Businesses should support a precautionary approach to environmental challenges.	5. Environmental Protection
	Businesses should undertake initiatives to promote greater environmental responsibility.	5. Environmental Protection
	Businesses should encourage the development and diffusion of environmentally friendly technologies.	2.8 Responsible Lending and Investment
Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	2.6 Business Integrity

Appendix 6: Assurance opinion

INDEPENDENT ASSURANCE OPINION STATEMENT

2015 E.Sun Financial Holding Company LTD. Corporate Social Responsibility Report

The British Standards Institution is independent to E.Sun Financial Holding Company Ltd. (hereafter referred to as E.Sun FHC in this statement) and has no financial interest in the operation of E.Sun FHC other than for the assessment and assurance of this report.

This independent assurance opinion statement has been prepared for E.Sun FHC only for the purposes of assuring its statements relating to its corporate social responsibility (CSR), more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by E.Sun FHC. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to E.Sun FHC only.

Scope

The scope of engagement agreed upon with E.Sun FHC includes the followings:

- 1.The assurance covers the whole report focused on systems and activities during the 2015 calendar year on the E.SUN FHC headquarter and subsidiary companies, including E.Sun Bank, E.Sun Securities, E.Sun Venture Capital Company and E.Sun Insurance Brokers Company. Furthermore, social information is derived from E.Sun Foundation and E.Sun Volunteer Foundation as well as 4 subsidiary companies. The environmental information for water and energy usages are derived from Taipei city E.Sun financial building and other banking offices.
 - 2.The evaluation of the nature and extent of the E.Sun FHC's adherence to all three AA1000 AccountAbility Principles in this report as conducted in accordance with type 1 of AA1000AS (2008) assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.
- This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the 2015 E.Sun FHC Corporate Social Responsibility Report provides a fair view of the E.Sun FHC CSR programmes and performances during 2015. The CSR report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the FFHC and the sample taken. We believe that the 2015 economic, social and environmental performance indicators are fairly represented. The CSR performance indicators disclosed in the report demonstrate E.Sun FHC's efforts recognized by its stakeholders.

Our work was carried out by a team of CSR report assurors in accordance with the AA1000 Assurance Standard (2008). We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that E.Sun FHC's description of their approach to AA1000 Assurance Standard and their self-declaration in accordance with the core option of GRI G4 guidelines were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top management review of issues raised by external parties that could be relevant to E.Sun FHC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers and staffs on E.Sun FHC's approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 12 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, materiality and responsiveness as described in the AA1000 AccountAbility Principles Standard (2008).

Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness and the GRI sustainability reporting guidelines is set out below:

Inclusivity

This report has reflected a fact that E.SUN FHC is continuously seeking the engagement of its stakeholders. The participation of stakeholders has been continuously in developing and achieving an accountable and strategic response to sustainability. The reporting systems are being developed to deliver the required information. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the E.Sun FHC's inclusivity issues.

Materiality

E.Sun FHC has published sustainability information that enables its stakeholders to make informed judgments about the company's management and performance. In our professional opinion the report covers the E.Sun FHC's material issues, however, the future report should be further enhanced by the following areas:

- Considering stakeholders' concerns and the latest development regarding environmental and social aspects in financial sector to enable the framework for future reporting in sustainability.

Responsiveness

E.Sun FHC has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for E.Sun FHC is developed and provides the opportunity to further enhance E.Sun FHC's responsiveness to stakeholder concerns. Issues that stakeholder concern about have been responded timely. In our professional opinion the report covers the E.Sun FHC's responsiveness issues, however, the future report should be further enhanced by the following areas:

- Encouraging to work towards a type 2 of AA1000AS (2008) engagement with a view to providing the reliability of sustainability performance information that stakeholder concerns.

GRI-reporting

E.Sun FHC provided us with their self declaration of 'in accordance' with the Guidelines: the Core option (at least one Indicator related to each identified material Aspect). Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index are reported, partially reported or omitted. In our professional opinion the self declaration covers the E.Sun FHC's social responsibility and sustainability issues, however, the future report will be improved by the following areas:

- Continuously focus on the implementation of CSR procedures and programs as to correspond the updated relative guidelines.

Assurance level

The moderate level assurance provided is in accordance with AA1000 Assurance Standard (2008) in our review, as defined by the scope and methodology described in this statement.

Responsibility

This CSR report is the responsibility of the E.Sun FHC's CEO as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead Auditors and Carbon Footprint Verifiers experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including AA1000 AS, ISO14001, OHSAS18001, ISO14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:



Peter Pu
Managing Director BSI Taiwan
06 May, 2016



AA1000
Licensed Assurance Provider
000-4

Taiwan Headquarters: 5th Floor, No. 39, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

BSI Taiwan is a subsidiary of British Standards Institution.



勤業眾信聯合會計師事務所
10596 台北市民生東路三段156號12樓

Deloitte & Touche
12th Floor, Hung Tai Financial Plaza
156 Min Sheng East Road, Sec. 3
Taipei 10596, Taiwan, R.O.C.

Tel : +886 (2) 2545-9988
Fax: +886 (2) 4051-6888
www.deloitte.com.tw

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

The Board of Directors and Shareholders

E.SUN Financial Holding Co., Ltd.

We have performed a limited assurance engagement on the selected subject matter information (see Appendix A) in the Corporate Social Responsibility Report ("the Report") of E.SUN Financial Holding Co., Ltd. ("the Company") for the year ended December 31, 2015.

Responsibilities of Management for the Report

Management is responsible for the preparation of the Report in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies and the G4 Sustainability Reporting Guidelines published and Sector Guidance by the Global Reporting Initiatives (GRI) and other applicable rules according to its sector features, and for such internal control as management determines is necessary to enable the preparation of the Report that are free from material misstatement.

Auditor's Responsibilities for the Limited Assurance Engagement performed on the Report

We conducted our work on the selected subject matter information (see Appendix A) in the Report in accordance with the International Standard on Assurance Engagements (ISAE) 3000 to issue a limited assurance report on the preparation, in all material respects, of the Report. The nature, timing and extent of procedures performed in a limited assurance engagement are different and more limited than a reasonable assurance engagement and, therefore, a less assurance level is obtained than a reasonable assurance.

We applied professional judgment in the planning and conduct of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Obtaining and reading the Report.
- Inquiries of responsible management level and non-management level personnel to understand the policies and procedures for the preparation of the Report.
- Inquiries of personnel responsible for the preparation of the Report to understand the process, controls, and information systems in the preparation of the selected subject matter information.
- Analyzing and examining, on a test basis, the documents and records supporting the selected subject matter information.

Independence and Quality Controls

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which contains integrity, objectivity, professional competence and due care, confidentiality and professional behavior as the fundamental principles. In addition, the firm applies Statement of Auditing Standard No. 46 "Quality Control for Public Accounting Firms" in the Republic of China and, accordingly, maintains a comprehensive system of quality controls, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that cause us to believe that the selected subject matter information in the Report are, in all material aspects, not prepared in accordance with the above mentioned reporting criteria.



Deloitte & Touche
Taiwan, Republic of China
June 14th, 2016

Member of Deloitte Touche Tohmatsu Limited

Appendix A

Summary of Selected Subject Matter Information

#	GRI G4 Index	Descriptions of Indicators	Corresponding Section	Applicable Criteria
1	GRI G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Appendix	Total number and monetary value of penalty of environmental laws and regulations
2	GRI G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Benefits and Protections	Benefits provided to full-time employees by significant locations of operation
3	GRI G4-LA3	Return to work and retention rates after parental leave, by gender	Human Resources Structure	Return to work and retention rates after parental leave, by gender
4	GRI G4-LA9	Average hours of training per year per employee by gender, and by employee category	Cultivation and Development	Average hours of training per year per employee by gender, and by employee category
5	GRI G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Human Resources Structure	Percentage of employees receiving regular performance reviews, by gender, age group, and employee category
6	GRI G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Human Resources Structure	Composition of governance bodies by gender, age group and educational background. Breakdown of employees per employee category, by gender, age group and employee category
7	GRI G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Appendix	Total number and monetary value of penalty of anti-competitive behavior, anti-trust, and monopoly practices
8	GRI G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Appendix	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations
9	GRI G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Protection of Customer Rights and Interests	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship
10	GRI G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Appendix	Total number and monetary value of penalty related to products and services

Notice to Readers

For the convenience of readers, the independent auditor's limited assurance report and the accompanying summary of selected subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditor's limited assurance report and summary of selected subject matter information shall prevail.