

# E.SUN Bank Sustainable Deposits Guidelines

2022.07.14 Implemented with the approval of the President

## I. Purpose and Basis

These guidelines are enacted to combine and channel the demand for deposits, loans, and investment into sustainable deposits and work with customers to achieve ESG goals in accordance with the E.SUN FHC Sustainable Development Best Practice Principles and the E.SUN Financial Holding Co., Ltd. Sustainable Finance Policy for the purpose of sharing the commitment to sustainability with E.SUN Bank deposit account holders.

## II. Applicability

These guidelines apply to legal or natural persons who open TWD or foreign currency deposit accounts at the Bank and intend to join the Bank in supporting sustainable development through their deposits.

## III. Terms and Conditions

TWD or foreign currency time deposits at the Bank:

### (I) Terms of interest rate

Time deposits of TWD and foreign currency funds are handled according to the Board rates of the bank. If the time deposits funds are withdrawn before maturity, they shall be excluded from the project quota and handled according to the current time deposits early terminations interest calculation method.

### (II) Maximum amounts

A maximum deposit and a total limit are to be set as appropriate according to the sustainable loan and investing policy.

## IV. Utilization of funds

### (I) Exchange rates

1. TWD deposits are not subject to market price volatility.
2. Foreign currency deposits to be converted to TWD funds will be converted at the closing rate on the day while the offer lasts.

### (II) The Bank will use funds held in sustainable deposits in green or ESG sustainable loan and investing projects.

#### 1. Loan:

- (1) The Corporate Banking Group follows the E.SUN Bank Management Guidelines for Corporate Banking's Handling of Green Loan and the Operational Instructions for Corporate Banking's Handling of Green Loan.

- (2) The Retail Banking Group follows the Five P's of loan to conduct ESG loan, which are consistent with UN SDGs and the following benefits:

- i. promotion of the population's health and medical care;
  - ii. enhanced right to housing for the population;
  - iii. creation of jobs and economic growth;
  - iv. balance of urban and rural development; and
  - v. environmental friendliness and sustainability.
2. Investment: The Treasury Division follows the E.SUN Bank Guidelines for Sustainable Securities Investing to handle business.
3. For the purpose of maintaining liquidity, idle funds will be invested in short term money market instruments, including but not limited to treasury bills, short term deposit certificates issued by the Central Bank of Republic of China, and interbank loans, for the term of sustainable deposit or term of fund utilization. These idle funds shall not be used for loan or any other purpose.

V. Management mechanism

- (I) Sustainable deposits shall be used for the purposes specified. The fund utilization department shall track and make sure funds are used in green or ESG sustainable loan and investment projects and deliver regular summaries of project results to the fund management department and keep the records.
- (II) When a sustainable deposit application has been accepted, the fund management department shall provide the Sustainable Deposit Notice to describe the details of participation in the offer.

VI. Matters not specified in these guidelines shall be governed by the competent authority's regulations and E.SUN Bank's rules.

VII. These guidelines shall be implemented with the approval of the President.