

Bank SinoPac

Statement on Internal Control for AML/CFT

On behalf of Bank SinoPac, we hereby declare that from January 1, 2021 to December 31, 2021, the Bank has duly complied with relevant regulations governing anti-money laundering and countering the financing of terrorism in establishing an internal control system, implementing risk management, being audited by an independent and objective internal unit , and submitting the audit report periodically to the Company's Board of Directors and Audit Committee. Following prudent evaluation, it has been found that except for items listed in the Appendix, each unit of the Bank effectively implemented internal controls for anti-money laundering and countering the financing of terrorism during the year.

Statement by

Chairman: Chia Hsien, Chen

President: Ming Fu, Chuang

Chief Auditor: Jih Tien, Chen

Chief AML/CFT Compliance Officer: Shan Shan, Tsai

Date : March 11, 2022

Findings and Improvement Plans for AML/CFT Internal Control System

(As of December 31, 2021)

Findings	Improvement Plans	Target Date
<p>1. One branch was found missing to file CTRs as requested due to manual processing mistake.</p>	<p>(1) CTRs filing of the said transactions completed during the inspection time.</p> <p>(2) The branch conducted training to reiterate regulations and internal procedures.</p> <p>(3) Stop providing cash collecting service which leads to the mistake.</p>	<p>Completed 10/27/2021</p>
<p>2. Incomplete EDD and BOs identification in some cases in Direct Sales Dept. and Cash Business Dept.</p>	<p>(1) Remedy against the said cases were completed and training was conducted to the department's staff on 2/11/2022.</p> <p>(2) The key point of implementation and importance of BO identification and customer due diligence have been propagated and disseminated in December 2021 and on 1/11/2022.</p> <p>(3) Customer due diligence and BO identification have been major items on AML compliance check list, will further increase their weighting to assessment result from 2022.</p>	<p>Completed</p>