

AML Certification

■ Organization

- ✓ This certification applies to KB's head office, domestic branches, overseas branches and overseas subsidiaries.

→ Please [click here](#) for the list of KB's head office and its overseas entities.

■ Physical presence

- ✓ **Institution Name:** Kookmin Bank
- ✓ **Registration/License No:** 110111-2365321
- ✓ **Address:** 9-1, 2-GA NAMDAEMUN-RO, JUNG-GU, SEOUL 100-703, KOREA
- ✓ **Website Address:** www.kbstar.com

■ Ownership Structure

- ✓ KB is wholly-owned by KB Financial Group whose shares are listed on both the Korea Exchange(KB FGI/105560) and the New York Stock Exchange(KB).
- ✓ List of the executive and non-executive directors of Board of Directors

→ Please [click here](#) for the list of Board of Directors.

■ AML Policies and Procedures

- ✓ **Policy (Regulation)**

KB established its anti-money laundering regulation in November 2001, and

enhanced its policies to adjust to the Korea's anti-money laundering law which was revised on December 2007. The regulation applies to all of KB's operations.

✓ **Verification of Customer Identity**

Real Name Financial Transactions and Guarantee of Secrecy Act (1997) requires all implementation of financial transactions to be based on real legal names and financial institutions to identify their customers' identities when conducting transactions.

To act in accordance with the law, KB verifies customer identity prior to the establishment of any financial friendship.

✓ **Use of Correspondent Accounts**

Our policy stipulates that we do not use any Correspondent Account to provide banking services directly or indirectly to any foreign financial institution that does not maintain a physical presence in any country or that is not a regulated affiliate of a financial institution with physical presence.

■ **STR (Suspicious Transaction Report)**

✓ **Report**

In order to fulfill the anti-money laundering laws and internal regulations, KB reports suspicious transactions to the Korea Financial Intelligence Unit(KoFIU) if there are reasonable grounds for suspicion. KB's internal reporting procedures require employees to report any suspicious transaction to Chief Compliance Officer for review when the transaction is seemed to have illegal purpose or inconvincible pattern. If the Chief Compliance Officer assumes the reported transaction is suspicious, the transaction then is reported to the KoFIU.

✓ **Monitoring**

KB runs an automated monitoring system, which enables KB to effectively detect suspicious financial activities and prevent its involvement in money laundering or terrorist financing activities. This computerized money laundering/terrorist financing detection system helps our employees to capture suspicious transaction whose patterns are far off from those of other normal transactions; various analytical tools such as rule and scoring model are utilized for thorough transaction analysis, and assuredly sort out suspicious transactions. Furthermore, post-monitoring is programmed to be executed periodically so that we can re-censor all the existing transactions and ensure the reliability of our anti-money laundering activities.

■ **CTR(Currency Transaction Reporting System)**

In accordance with the revised Financial Transaction Reports Act, KB implemented its Currency Transaction Reporting System(CTR) on January 18, 2006 and reports currency transactions, which involves more than or equal to the amount KRW 30 million to the Korea Financial Intelligence Unit(KoFIU).

By reporting all transactions involving large amount of money to the KoFIU, KB believes that we can prevent the flow of illegal funds and effectively regulate the anomalous financial transactions. Alike reporting suspicious transactions, the bank's Chief Compliance Officer is responsible for reporting these transactions involving large amount of money to the KoFIU.

■ **CDD(Customer Due Diligence)**

From January 18, 2006, KB established and has carried out Customer Due Diligence(CDD), the customer identification strategy, to comply with Korea's Financial Transaction Report Act. KB enhanced its preexisting Customer Due

Diligence(CDD) based on the anti-money laundering law(revised on December 2007), and this will be put in force from December 22, 2008.

For the strengthened Customer Due Diligence, KB collects and verifies customer identification information when the customer are attempting to open a new account or to make a temporary transaction with the amount more than or equal to USD 10,000 or KRW 20 million. For those customers who are considered as high-risk personnel, KB executes Enhanced Due Diligence(EDD) and verifies additional information such as beneficial owner's identification and their purpose of transactions, to further ensure the legality of their transactions and prevent its involvement in money laundering.

The Chief Compliance Officer makes sure KB's CDD procedures and policies are effectively keeping its services from being used as a mean for such ill-purposed money laundering activities.

■ Employee Training Program

KB provides specialized AML training to compliance officers at least twice a year to help increase their awareness and understandings on AML. All training courses of KB are designed to include at least one hour of educational instructions on the bank's AML program and policy. Also, AML training program include instructions on current update on AML laws and regulations as well as recent trends in money laundering, so that the employees can be aware of the new currents and information up to date. According to the scheduled training, such information and updates are frequently distributed to employees in order to keep them up with AML issues in a timely manner.

■ Money Laundering Reporting Officer and Internal Controls

To increase the efficiency of the bank's AML activities and to meet the terms of the AML laws and regulations of Korea, KB established its internal policies and assigned a Chief Compliance Officer as a reporting charge. Our Chief Compliance Officer is responsible for reporting money laundering activities to the Korea Financial Intelligence Unit(KoFIU).

For the better supervision of our AML policies, our internal AML auditors are regularly prosecuting internal audit. The internal audit is scheduled once a year for AML department as well as for the branches, and focuses on the appropriateness and effectiveness of the bank's AML policies, procedures and monitoring system.

I, **Sahmho Lee**, certify that the statements made in this Certification are complete and correct, and that I am authorized to execute this certification on behalf of KB.

Sahmho Lee



Chief Compliance Officer of KB

Updated on May 11, 2009

KB's Head Office and its Overseas Entities

■ Head Office

Country	Office	ADDRESS	Telephone/Fax	BANKING AUTHORITY	Ownership
Republic of Korea	Myeongdong	9-1, 2-GA NAMDAEMUN-RO, JUNG-GU, SEOUL 100-703, KOREA	Tel) 82-2-2073-7114	- Financial Supervisory Service	100% owned by KB Financial Group

■ Overseas Branches

Country	Branch	ADDRESS	Telephone/Fax	BANKING AUTHORITY	Ownership
USA	New York	565 Fifth Avenue, 46 Street, 24th Floor, New York, N.Y. 10017, U.S.A.	Tel) 1-212-697-6100 Fax) 1-212-697-1456	- Federal Reserve Bank - New York State Banking Department	100% owned by Kookmin Bank
Japan	Tokyo	Yurakucho Denki Bldg.-N, 14F, 1-7-1 Yurakucho, Chiyoda-ku, Tokyo 100-0006, Japan	Tel) 81-3-3201-3411 Fax) 81-3-3201-3410	- Financial Service Agency - Ministry of Finance	100% owned by Kookmin Bank
New Zealand	Auckland	Level 19, 135 Albert Street, PO BOX 7506, Wellesley, Auckland, New Zealand	Tel) 64-9-366-1000 Fax) 64-9-366-6608	- Reserve Bank of New Zealand	100% owned by Kookmin Bank
China	Guangzhou	Room 4602/3, Office Building, CITIC Plaza, 233 Tianhe N. Road, Guangzhou, China	Tel) 86-20-3877-0566 Fax) 86-20-3877-0569	- China Banking Regulatory Commission	100% owned by Kookmin Bank
China	Harbin	Room 1605~1612, Development zone Mansion, No.368 Changjiang Road Nangang Dist, Harbin 150090 P.R. China	Tel) 86-451-8722-2801 Fax) 86-451-8722-2806	- China Banking Regulatory Commission	100% owned by Kookmin Bank

■ Overseas Subsidiaries

Country	Subsidiary	ADDRESS	Telephone/Fax	BANKING AUTHORITY	Ownership
China	Hong Kong Ltd.	19/F Gloucester Tower, 11 Pedder Street, Central, Hong Kong, China	Tel) 852-2530-3633 Fax) 852-2869-6650	- Hong Kong Monetary Authority	100% owned by Kookmin Bank
UK	International Ltd.(London)	6th Floor Princes Court, 7 Princes Street, London EC2R 8AQ, U.K.	Tel) 44-20-7710-8300 Fax) 44-20-7726-2808	- Financial Supervisory Authority	100% owned by Kookmin Bank
Kazakhstan	Bank CenterCredit	98 Panfilov St., Almaty 05000, Republic of Kazakhstan	Tel) 7-701-221-7815	- The Financial Supervisory Agency of Kazakhstan(AFN)	30.5% owned by Kookmin Bank(2008.12.4)
Cambodia	Cambodia PLC.	No. 55, Street 214, Sangkat Boeung Raing , Khan Daun Penh, Phnom Penh, Cambodia	Tel) 855-23-999-300 Fax) 855-23-999-310	- National Bank of Cambodia	51% owned by Kookmin Bank(2009.5.11)

■ Overseas Representative Offices

Country	Office	ADDRESS	Telephone/Fax	BANKING AUTHORITY	Ownership
Kazakhstan	Almaty	19 Al-Farabi ave., Almaty Business Center Nurly Tau 2Б, Office No. 901 Almaty, Republic of Kazakhstan	Tel) 7-727-311-0346 Fax) 7-727-311-0351	- The Financial Supervisory Agency of Kazakhstan(AFN)	100% owned by Kookmin Bank
Vietnam	Hochiminh	1709A, 17th Floor, Saigon Trade Center, 37 Ton Duc Thang Street, Ben Nghe Ward, Hochiminh City, Vietnam	Tel) 84-8-3910-7058 Fax) 84-8-3910-7059	- State Bank of Vietnam	100% owned by Kookmin Bank
Ukraine	Kyiv	20, Velyka Zhytomyrska St. Office 47, Kyiv, Ukraine	Tel) 38-044-201-4755 Fax) 38-044-201-4764	- National Bank of Ukraine	100% owned by Kookmin Bank