

Notice on the Enhancement of Know Your Customer Procedure

This notice is intended to explain the obligations that banks must fulfill and the customer precautions related to verifying whether a corporate customer is directly or indirectly owned or controlled by a 'persons subject to restrictions on financial transactions' during KYC process, in accordance with the Enforcement Decree of the Act on the Prohibition against the Financing of Terrorism and Proliferation of Weapons of Mass Destruction (hereinafter referred to as the "Anti-Terror Financing Act"). It aims to assist customers in understanding these requirements.

Overview of the Regulatory Framework

As of January 22, 2026, pursuant to the enforcement of the amended Anti-Terrorism Financing Act, financial institutions are required to strengthen their obligations to identify the direct and indirect owners and controllers of corporate customers.

In order to comply with the recommendations of the Financial Action Task Force (FATF) regarding the prohibit financing related to terrorism and proliferation of weapons of mass destruction, the Financial Service Commission has amended the Anti-Terrorism Financing Act to restrict financial transactions and properly rights disposition of persons related to terrorism as well as legal entities that are directly or indirectly owned or effectively controlled by such persons. Accordingly, financial institutions are obligated to verify such ownership and control relationships.

Verification for Corporate Customers

In connection with the establishment of a new business relationship or the continuation of an existing relationship with a corporate customer, the Bank may verify whether the relevant corporation is directly or indirectly owned or controlled by a terrorist-related person, in accordance with the following procedures.

[Procedures for Verifying Direct and Indirect Ownership and Control]

- ◆ **Verification of Direct and Indirect Owners** – The Bank may request the submission of relevant documents to confirm the corporate ownership structure (e.g., shareholder list., etc.)
- ◆ **Verification of Direct and Indirect Controllers of a Corporation** – To confirm persons who have effective influence over major management decisions such as voting rights exercise, appointment

of executives, and fund management, the Bank may request submission of relevant documents (e.g. Articles of incorporation, other related documents)

✓ **Details**

	Definition	Required Documents
Direct / Indirect Owners of a Corporation	An Individual or legal entity that directly or indirectly contributes or owns the total contributed assets or the total issued shares of a corporation	Shareholder list, etc.
Direct / Indirect Controllers of a Corporation	<p>An Individual or legal entity who exercise effective influence over major management matters regardless of shareholding percentage.</p> <p><u>Criteria for determining direct or indirect controllers.</u></p> <p>(A direct or indirect controller is deemed to exist if any of the following criteria are met.)</p> <p>① A person who, individually or pursuant to an agreement or contact with other shareholders, is able to exercise a majority of the voting rights of the corporation.</p> <p>② A person who, individually or pursuant to an agreement or contract with other shareholders has appointed a majority of the corporation's representative director, executive officers, managing members, or equivalent officers.</p> <p>③ A person who, pursuant to a contract with the corporation or its articles of incorporation, exercises de facto influence over the composition of executives or the management of funds or assets.</p> <p>④ Any other person who is deemed to exercise de facto influence over the corporation's major management matters in a manner equivalent to the foregoing.</p>	Articles of Incorporation, etc.

Important Notice to Customers

The Bank performs customer due diligence and verification obligations in accordance with mandatory

requirements under applicable laws and regulations*.

*Relevant laws and regulations include:

- The Act on Reporting and Using Specified Financial Transaction Information and its Enforcement Decree
- The Regulations on Anti-Money Laundering and Counter-Terrorist Financing
- The Enforcement Decree of the Act on the Prohibition of the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction for Purposes of Intimidation of the Public (the "Anti-Terrorism Financing Act")

Accordingly, the Bank may request the submission of information and documents necessary to verify customer identity and ownership/control structures as described above. In addition, the Bank may request further information regarding the purpose and nature of financial transactions, and the source of funds. If customer refuses to provide the requested information, the Bank may refuse to establish a new business relationship or may suspend or discontinue an existing business relationship.

-End-