

Maintaining Internal Controls Governance

Internal controls personnel and units maintained and discretionary internal controls set up for front office operations.

- In accordance with KPMG-set guidelines, all internal controls, units in charge, and management standards were reassessed (2018).
- Based on the Article 24 of the Financial Company Governance Act, internal controls improvement measures set up.
 - ※ Compliance, sound business management, shareholder and other stakeholder protection, etc.

Work kind	Key function	Unit in charge	Review results	Remedy direction
Compliance	Ensuring compliance of relevant financial laws	Compliance	Adequate	Assign or integrate missing or dispersed internal controls units to Compliance, Consumer Protection, Info Systems
	Monitoring trades & products from compliance point		Remedy needed	
	Maintaining internal controls standards		Remedy needed	
	Running Internal Controls Committee		Remedy needed	
Sound management	Managing all processes	Risk Management	Remedy needed	Examine and manage internal control issues by assigning experienced personnel <ul style="list-style-type: none">• Field inspection team• Internal controls managers
	Managing work standards (manuals, etc.)	N/A	Remedy needed	
	Checking internal controls on new work/units	N/A	Remedy needed	
	Checking HQ/branch operations	Compliance/Audit	Remedy needed	
	Preempting financial accidents & potential mishaps	Risk Management	Remedy needed	
	Checking functional/managerial internal IT controls	Information Systems	Remedy needed	
	Supervising system boundary management	N/A	Remedy needed	
Stakeholder protection	Preparing for disaster/crisis-related work stoppage	Risk Management	Adequate	Strengthen discretionary compliance and internal control responsibilities
	Devising contingency plans for financial accidents	N/A	Remedy needed	
	Monitoring customer opinions and complaints	Consumer Protection	Remedy needed	

Examining discretionary internal controls

- Audit Department shall evaluate the appropriateness of internal controls and report findings to the BoD at least once a year (the Article 21 of the Audit Committee regulation)

