



## ***U.S. 165(d) Reduced Resolution Plan Public Section***

***December 2016***

### **PUBLIC INFORMATION OF WOORI BANK**

*This document contains forward-looking statements. Statements that are not historical facts, including statements about Woori Bank's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. The forward-looking information contained in this document is presented for the purpose of interpreting the information contained herein and may not be appropriate for other purposes. Forward-looking statements speak only as of the date they are made, and Woori Bank undertakes no obligation to update publicly any of them in light of new information or future events.*

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## (a) Public Section

### 1. Introduction

#### 1.1 U.S. Reduced Resolution Plan

Woori Bank (“WRB”) was established in 1899 and is headquartered in Seoul, Republic of Korea (“Korea”). WRB is engaged in the commercial banking business under Korea Banking law, trust business under Korea Financial Investment Services and Capital Market Act, and foreign exchange business with approval from the Bank of Korea (“BOK”) and the Ministry of Finance and Economy (“MOFE”).

WRB was a wholly owned subsidiary of Woori Finance Holdings Co., Ltd. (“WFH”), a foreign-based financial holding company established in 2001, until WFH was merged with and into WRB on November 1, 2014. As a result of the merger, WFH lost its eligibility for a covered company and instead, WRB became responsible for submission of U.S. Resolution Plan as a new covered company since 2014. Accordingly, for purposes of 2016 U.S. Reduced Resolution Plan (“Resolution Plan”), which is required for filing prior to December 31, 2016, WRB prepares and submits Resolution Plan on behalf of its U.S. operations including Woori Bank New York Agency (“WBNYA”), Woori Bank Los Angeles Branch (“WBLAB”) and Woori America Bank (“WAB”).

This Resolution Plan is being filed by WRB pursuant to Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) and implementing regulation issued by the Board of Governors of the Federal Reserve System (“FRB”) [12 C.F.R. Part 243] and the Federal Deposit Insurance Corporation (“FDIC”) [12 C.F.R. Part 381] (together, the “Regulation”).

Section 165(d) of the Dodd-Frank Act and the Regulation require a foreign bank or company that is, or is treated as, a bank holding company under section 8(a) of the International Banking Act of 1978 (“IBA”) [12 U.S.C. §§3101 et seq.] and that has \$50 billion or more in total consolidated assets to submit annually a plan for the rapid and orderly resolution of a Covered Company’s operations in the United States (“U.S.”) in the event of material financial distress or failure.

WRB is a foreign bank under Section 8(a) of the IBA, as it maintains U.S. operations through its agency, branch and subsidiary. As of December 31, 2015, WRB’s total consolidated assets exceeded \$50 billion. Accordingly, WRB is defined as a foreign-based Covered Company subject to the U.S. Resolution Plan under Section 165(d) of Dodd-Frank Act and the Regulation.

Under the Regulation, a foreign-based Covered Company that (i) has less than \$100 billion in total U.S. non-bank assets and (ii) has 85 percent or more of its U.S. total consolidated assets comprised of the company’s U.S. insured depository institution and U.S. insured or uninsured branches and agencies is eligible, upon notice to and non-objection from FRB and FDIC, to submit a tailored, or simplified Resolution Plan. As of December 31, 2015, WRB meets the criteria outlined above to be eligible to submit a Tailored Resolution Plan.

On March 29 2016, WRB submitted an intent to submit a Tailored Resolution Plan and its eligibility to FRB and FDIC. FRB and FDIC notified WRB, that following their review of the WRB's 2015 Tailored Resolution Plan, the Agencies have jointly determined, as authorized under section Section.4 (k) of

the Resolution Plan Rule, to reduce the informational content WRB will be required to provide in its resolution plan submissions due by December 31 of 2016.

This Public Section of the Resolution Plan provides an executive summary of WRB’s overall resolution strategy for its U.S. operations.

## 1.2 Overview of Woori Bank

The official address for WRB’s head office is 51, Sogong-ro, Jung-gu, Seoul, Korea. WRB operates a network of 905 domestic branches, as well as 14 overseas branches and 8 subsidiaries in 15 countries around the world.<sup>1</sup>

WRB provides financial products and services to its corporate and retail customers, which are mainly comprised of large corporations, small and medium-sized enterprises (“SMEs”), and individuals. WRB also operates subsidiaries of domestic and overseas operations. Please refer to Exhibit 1.2 1 for the full list of WRB’s subsidiaries.

Exhibit 1.2-1: WRB operations by Legal Entity

Location	Name of Subsidiaries	% of Ownership	No. of Company
Domestic	Woori Card	100%	8 companies
	Woori Investment Bank	58.15%	
	Woori FIS	100%	
	Woori Finance Research Institute	100%	
	Woori Credit Information	100%	
	Woori Fund Service	100%	
	Woori PE	100%	
	Korea BTL Infrastructure Fund	99.87%	
Overseas	Woori America Bank	100%	8 companies
	Woori Bank (China) Ltd	100%	
	PT Bank Woori Saudara Indonesia 1906 Tbk	74.02%	
	Woori Global Market Asia Limited	100%	
	Zao Woori Bank	100%	
	Woori Brazil Bank	100%	
	Woori Finance Cambodia Plc	100%	
	Woori Finance Myanmar	100%	

(Source: WRB’s 2016 3Q Quarterly Report)

Woori Card (“WC”) is a credit card company with asset size, revenue and net income of \$5.6 billion, \$1.2 billion and \$99.9 million, respectively, as of December 31, 2015.

Woori Investment Bank (“WIB”) provides corporate customers with various financial services and retail customers with asset management. WIB’s financial products include CMA, Issuance of Bill, Repurchase Agreements, Commercial Paper, Corporate Bond and Beneficiary Certificate. As of December 31, 2015, WIB’s asset size, revenue and net income were \$1.0 billion, \$110.7 million and \$8.9 million, respectively.

Woori FIS (“WFIS”) is an IT shared service center which integrates and manages the IT systems of WRB and its subsidiaries. It provides various IT services which include developing, operating and

<sup>1</sup> Source: WRB’s 2016 3Q Quarterly Report

managing IT business and other relevant systems. As of December 31, 2015, WFIS's asset size, revenue and net income were \$138.4 million, \$222.9 million and \$1.2 million, respectively.

Woori Finance Research Institute ("WFRI") functions as a think tank of WRB by providing consulting services regarding strategies for WRB's subsidiaries and by supporting the decision making process of top management. As of December 31, 2015, WFRI's asset size, revenue and net income were \$3.1 million, \$3.5 million and \$0.1 million, respectively.

Woori Credit Information ("WCI"), a member of American Collection Agency ("ACA"), was established as the first Korean company specialized in debt collection. As of December 31, 2015, WCI's asset size, revenue and net income were \$29.0 million, \$26.7 million and \$1.5 million, respectively.

Woori Fund Service ("WFS") provides fund accounting service including computation of reference prices for collective investment vehicles and other administration services for REITs. As of December 31, 2015, WFS's asset size, revenue and net income were \$8.4 million, \$5.3 million and \$0.3 million, respectively.

Woori PE ("WPE") is one of the leading private equity fund operators in Korea. WPE specializes in investments such as corporate restructuring and M&A. As of December 31, 2015, WPE's asset size, revenue and net income were \$76.4 million, \$3.1 million and \$1.0 million, respectively.

Korea BTL Infrastructure Fund ("KBTLIF") was established on May, 2006 in accordance with the Act on Business of Operating Indirect Investment and Assets and Act on Private Investment in Infrastructure. KBTLIF is engaged in the business of corporate investments and intends to conduct private investments in infrastructure projects in accordance with the Act on Private Investment in Infrastructure. As of December 31, 2015, KBTLIF's asset size, revenue and net income were \$632.4 million, \$29.1 million, and \$25.9 million, respectively.

In addition to domestic subsidiaries, WRB also includes eight global subsidiaries within its consolidation scope. Such global subsidiaries include the following entities.

Woori America Bank ("WAB") operates 18 branches and a loan office in the United States, providing various banking services including remittances and trade finance through existing banking networks of WRB. As of December 31, 2015, WAB's asset size, revenue and net income were \$1.5 billion, \$58.1 million and \$11.0 million, respectively.

Woori Bank China, Ltd. ("WBC") was established in November, 2007 as the first Korean bank in China, and is currently operating 19 branches. As of December 31, 2015, WBC's asset size, revenue and net income were \$3.4 billion, \$349.4 million and \$0.9 million, respectively.

PT Bank Woori Saudara Indonesia 1906 Tbk ("Bank WSI") was launched as a merged bank after a completion of merger between Indonesia Woori Bank and Saudara Bank in 2014. As of December 31, 2015, Bank WSI's asset size, revenue and net income were \$1.5 billion, \$321.3 million and \$20.5 million, respectively.

Woori Global Market Asia Limited (“WGMA”), established in 2006, is engaged in investment banking business in Hong Kong. As of December 31, 2015, WGMA’s asset size, revenue and net income were \$209.7 million, \$5.9 million and \$1.5 million, respectively.

Zao Woori Bank (“ZWB”) is engaged in loans and deposits service, as well as foreign exchange service such as money exchange, trade finance, remittance, etc. As of December 31, 2015, ZWB’s asset size, revenue and net income were \$223.2 million, \$14.8 million and \$6.2 million, respectively.

Woori Brazil Bank (“WBB”) started its business in 2012 by initially targeting Korean-Brazilian businesses and expatriates residing in Brazil, and has gradually expanded its products and services for local businesses. As of December 31, 2015, WBB’s asset size, revenue and net income were \$90.9 million, \$17.0 million and \$2.0 million, respectively.

Woori Finance Cambodia Plc (“WFC”) was established after WRB’s acquisition of Malis Finance Ltd. during 2014 and is engaged in micro finance business in Cambodia. As of December 31, 2015, WFC’s asset size, revenue and net income were \$19.5 million, \$2.3 million and \$0.5 million, respectively.

Woori Finance Myanmar (“WFM”) was incorporated as WRB’s local subsidiary after receiving approval from Myanmar authorities to set up a microfinance company in September, 2015. As of December 31, 2015, WFM’s asset size, revenue and net income were \$1.9 million, \$7.7 thousand and -\$0.1 million, respectively.

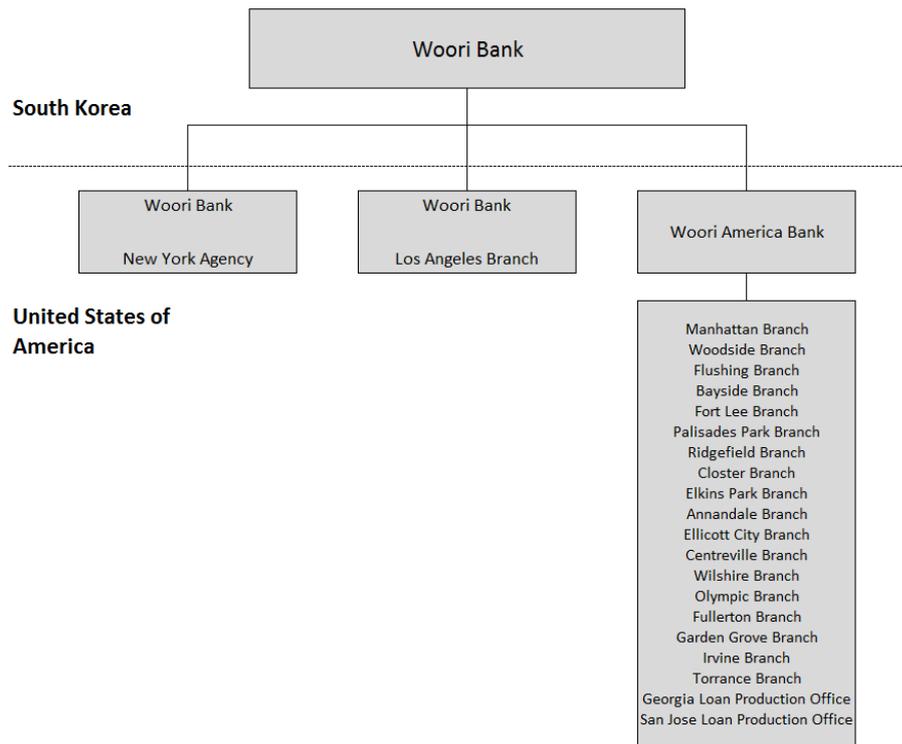
### ***U.S. Operations***

WRB is headquartered in Seoul, Korea and maintains an agency, Woori Bank New York Agency located in New York, New York, a branch, Woori Bank Los Angeles Branch, located in Los Angeles, California and a retail subsidiary, Woori America Bank, located in New York, New York, with branches across the U.S.

The principal activities of the U.S. operations of WRB are providing trade financing, letters of credit, local currency funding and corporate loans for Korean companies operating in the U.S. market as well as individual customers. U.S. operations of WRB are conducted primarily through the below three entities:

- Woori Bank New York Agency (“WBNYA”)
- Woori Bank Los Angeles Branch (“WBLAB”)
- Woori America Bank (“WAB”)

Exhibit 1.2-2: WRB U.S. Operations by Legal Entity



(Source: WRB Management as of December, 2016)

WBNYA, an agency of WRB, operates under a license granted by the New York State Department of Financial Services (“NYSDFS”). WBLAB, a branch of WRB, operates under the license granted by the California Department of Business Oversight (“DBO”). Both WBNYA and WBLAB are engaged in corporate banking business such as buying, selling, paying and collecting of bills, issuing letters of credit and granting loans primarily to subsidiaries of Korea-based companies that operate in the U.S. market.

WAB, a wholly owned subsidiary of WRB, was chartered under the laws of the State of New York and operates under the license granted by NYSDFS. WAB specializes in Korean community-oriented retail banking business for both SMEs and individual customers by primarily providing loans and remittance services. As of reporting date, WAB conducts its business through 18 branches located in New York (4), New Jersey (4), California (6), Virginia (2), Pennsylvania (1) and Maryland (1), and two newly established loan production offices in Georgia and San Jose.

## 2. Material Entities

Under the Regulation, a “Material Entity” is a subsidiary or foreign office of the Covered Company that is significant to the activities of a “Core Business Line” or a “Critical Operation”. Core Business Lines are those business lines, including associated operations, services, functions and support that, in the Covered Company’s view, upon failure would result in a material loss of revenue, profit or franchise value of the Covered Company. Critical Operations are those operations, including associated services, functions and support, the failure or discontinuance of which would pose a threat to the financial stability of the U.S.

WRB has determined that it has no Core Business Lines based on analysis performed on a quantitative as well as a qualitative basis. On the quantitative basis, the percentage contribution of each business line in the U.S. to the total consolidated financials was insignificant. On a qualitative basis, failure of WRB's U.S. operations would not have a material effect on the overall franchise value of WRB.

WRB has also determined that it has no Critical Operations. The relatively limited scope, nature, and volume of WRB's U.S. operations indicate that their failure or discontinuance would not pose a threat to the stability of the U.S. financial system.

As none of the businesses that WRB conducts in the U.S. have been determined as a Core Business Line or a Critical Operation, WRB has identified no Material Entity for purposes of this Resolution Plan.

### 3. Core Business Lines

As noted above, for purposes of this Resolution Plan, WRB has identified no Core Business Lines. None of the business lines, conducted within the U.S. operations of WRB, are significant enough that its failure would result in a material loss of revenue, profit or franchise value of WRB. In terms of quantitative aspects, WRB has compared the percentage contribution of each U.S. business line to its total consolidated financials on the basis of revenue, net income and total assets for the period January 1, 2015 through December 31, 2015. In addition, a qualitative analysis was used to determine whether the business lines operating in the U.S. would have a material effect on the overall franchise value of WRB.

On a quantitative basis, the percentage contribution of each business in the U.S., on the basis of total assets, revenue and net income was less than 5%, which did not meet the threshold for quantitative significance

On a qualitative basis, WRB's U.S. operations are not significant to the overall franchise value of WRB. As a result, WRB has determined that none of the business lines should be considered a Core Business Line that are conducted in whole or material part in the U.S. and the failure of which would result in a material loss of revenue, profit or franchise value to WRB.

### 4. Financial Information<sup>2</sup>

The following exhibit is a summary of WRB's consolidated balance sheet and income statement as of December 31, 2015, prepared under K-IFRS<sup>3</sup>. Please refer to WRB's K-IFRS Audited Financial Statements as of December 31, 2015 for further details. The exchange rate used to prepare this financial information is based on the noon buying rate of the FRB, New York of Korean Won in effect as of December 31, 2015, which was ₩1,069.3 = U.S. \$1.00

#### 4.1 Financial Statements

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<sup>2</sup> Source: FY 2015 K-IFRS Audited Consolidated Financial Statements of WRB

<sup>3</sup> K-IFRS stands for Korean International Financial Reporting Standards.

**Exhibit 4.1-1: WRB and Subsidiaries Consolidated Balance Sheet**

(in US\$ thousands)

	<b>Dec-31-2015</b>
<b>Assets</b>	
Cash and cash equivalents	5,682,079
Financial assets at fair value through profit or loss	4,389,513
Available-for-sale financial assets	14,684,505
Held-to-maturity financial assets	11,649,397
Loans and receivables	209,391,997
Investments in jointly controlled entities and associates	550,638
Investments properties	300,604
Premises and equipment	2,113,406
Intangible assets and goodwill	359,023
Assets held for sale	15,312
Current tax assets	5,800
Deferred tax assets	180,105
Derivative assets	156,613
Other assets	122,540
<b>Total assets</b>	<b>249,601,532</b>
<b>Liabilities</b>	
Financial liabilities at fair value through profit or loss	2,959,515
Deposits due to customers	178,860,708
Borrowings	17,133,257
Debentures	18,728,178
Provisions	441,804
Retirement benefit obligation	85,257
Current tax liabilities	93,169
Deferred tax liabilities	16,573
Other financial liabilities	14,508,001
Other liabilities	260,989
<b>Total liabilities</b>	<b>233,087,451</b>
<b>Equity</b>	
Owners' equity:	16,410,221
Capital stock	2,891,809
Hybrid securities	2,851,280
Capital surplus	251,654
Other equity	-1,323,273

Retained earnings	11,738,751
Non-controlling interest	103,860
<b>Total equity</b>	<b>16,514,081</b>
<b>Total liabilities and equity</b>	<b>249,601,532</b>

(Source: FY 2015 K-IFRS Audited Consolidated Financial Statements of WRB)

**Exhibit 4.1-2: WRB and Subsidiaries Consolidated Income Statement**

(in US\$ thousands)	
<b>Dec-31-2015</b>	
Interest income	7,438,840
Interest expense	-3,366,403
<b>Net interest income</b>	<b>4,072,437</b>
Fees and commissions income	1,502,899
Fees and commissions expense	-667,531
<b>Net fees and commissions income</b>	<b>835,368</b>
Dividends	88,021
Net gain on financial instruments at fair value through profit or loss	205,543
Net loss on available-for-sale financial assets	-2,806
Impairment losses due to credit loss	-826,688
General and administrative expenses	-2,694,250
Net other operating expenses	-521,732
<b>Operating income</b>	<b>1,155,893</b>
Share of losses of jointly controlled entities and associates	-59,971
Other net non-operating income	145,800
<b>Non-operating income</b>	<b>85,829</b>
<b>Net income before income tax expense</b>	<b>1,241,722</b>
Income tax expense	-322,033
Net Income from continuing operations	919,689
Net Income (loss) from discontinued operations	-
<b>Net income</b>	<b>919,689</b>
Remeasurement of the net defined benefit liability	-66,935
Gain on available-for-sale financial assets	61,829
Share of other comprehensive income on investments in associates	2,818
Gain on overseas business translation	28,938
Gain (loss) on valuation of cash flow hedge	-
Other comprehensive income, net of tax	26,650
<b>Total comprehensive income</b>	<b>946,339</b>
<b>Net income attributable to:</b>	

Net income attributable to owners	905,804
Net income attributable to non-controlling interests	13,885
<b>Total comprehensive income attributable to:</b>	
Comprehensive income attributable to owners	936,347
Comprehensive income attributable to non-controlling interests	9,992
<b>Basic earnings per share</b>	<b>1.11</b>
<b>Diluted earnings per share</b>	<b>1.11</b>

(Source: FY 2015 K-IFRS Audited Consolidated Financial Statements of WRB)

## 4.2 Capital Adequacy

WRB complies with the standard of capital adequacy provided by financial regulatory authorities. The capital adequacy ratio is based on Basel III of Basel Committee on Banking Supervision and Basel III was applied from the end of December, 2013. The capital adequacy ratio is calculated by dividing own capital by asset (weighted with a risk premium – risk weighted assets) based on the consolidated financial statements of WRB. WRB is required to maintain a minimum Common Equity Tier 1 ratio of at least 4.5%, a minimum Tier 1 ratio of 6.0% and a minimum Total Regulatory Capital of 8.0% as of December 31, 2015.<sup>4</sup>

As of December 31, 2015, WRB's consolidated capital ratios, as computed under the Basel III guidelines, were maintained at a high level, with a Tier 1 Capital Ratio of 10.43%<sup>5</sup> and a Total Capital Adequacy Ratio of 13.66%<sup>6</sup>.

WBNYA and WBLAB are not subject to the capital adequacy requirement as they are agency and branch of WRB. WAB has maintained Tier 1 Capital Ratio (risk-weighted) of 14.81% and Total Capital Ratio of 16.06%, as of December 31, 2015.<sup>7</sup>

## 4.3 Major Source of Funds

WRB obtains funding from various sources, both domestic and foreign. WRB's principal source of funding is customer deposits, which totaled to \$178.9 billion as of December 31, 2015.<sup>8</sup>

WRB also acquires funding through the following sources:<sup>9</sup>

- Short-term borrowings, including bills sold, call money,
- Long-term debts, including issuance of debentures,
- Borrowings in local currency from the Bank of Korea and government-affiliated entities,
- Borrowings in foreign currencies from The Export-Import Bank of Korea and foreign financial institutions, and

<sup>4</sup> Source : FY 2015 K-IFRS Audited Consolidated Financial Statements of WRB

<sup>5</sup> Source : FY 2015 K-IFRS Audited Consolidated Financial Statements of WRB

<sup>6</sup> Source : FY 2015 K-IFRS Audited Consolidated Financial Statements of WRB

<sup>7</sup> Source : FY 2015 USGAAP Audited Consolidated Financial Statement of WAB

<sup>8</sup> Source : FY 2015 USGAAP Audited Consolidated Financial Statement of WRB

<sup>9</sup> Source : FY 2015 USGAAP Audited Consolidated Financial Statement of WRB

- Issuance of hybrid equity securities.

WBNYA and WBLAB primarily obtain funding from local and international financial institutions but inter-office funding from the WRB is also other major source of funds. WAB is self-funded through its retail customers' deposits and borrowings.

#### 4.4 Liquidity Risk Management

Liquidity risk management is to prevent potential cash shortage as a result of mismatching the use of funds (assets) and source of funds (liabilities) or unexpected cash outflows. Of the financial liabilities on the consolidated statements of financial position, financial liabilities in relation to liquidity risk become the objects of liquidity risk management. Derivatives are excluded from those financial liabilities as they reflect expected cash flows for a pre-determined period.

Assets and Liabilities are grouped by account under Asset Liability Management ("ALM") in accordance with the characteristics of the account. WRB manages liquidity risk by identifying the maturity gap and such gap ratio through various cash flows analyses (i.e. based on remaining maturity and contract period, etc.), while maintaining the gap ratio at or below the target limit.

Each of WRB's subsidiaries' Risk Management Committees establishes liquidity policies and monitors liquidity on an on-going basis. The subsidiaries make constant adjustments to take into account the variables affecting their liquidity levels. The subsidiaries' Risk Management Committees review the uses and sources of funds on a daily basis, taking into consideration the various goals of their respective business units.

In managing liquidity risk, each of WRB's subsidiaries determines gap limits, implements those limits and monitors maturity gaps using its asset and liability management system. WRB also has in place group-wide gap limits for liquidity management purposes.

## 5. Derivatives and Hedging Activities

WRB offers derivatives products and engages in derivatives trading, mostly for corporate customers, including:

- Interest rate swaps, options and futures, relating principally to Korean Won interest rate risks,
- Index futures and options, relating to stock market fluctuations,
- Cross currency swaps, relating to foreign exchange risks, largely for Korean Won against U.S. Dollar,
- Foreign exchange forwards, swaps, options and futures, relating to foreign exchange risks,
- Commodity derivatives and
- Credit derivatives.

At the inception of a hedge relationship, WRB documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an

ongoing basis, WRB documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

WRB’s derivatives operations focus on addressing the needs of the corporate customers to hedge their risk exposure and on hedging its risk exposure resulting from such customers’ contracts. WRB also engages in derivatives trading activities to hedge the interest rate and foreign currency risk exposure that arises from its own assets and liabilities positions.

WRB’s U.S. operations do not engage in trading and derivatives transactions for market-making and arbitraging purposes. As part of asset and liabilities management WBNYA have previously entered into swap contracts to reduce its exposure to unfavorable changes in market prices. However, as of December 31, 2015, there were no outstanding interest rate swaps or currency swaps for WBNYA. As of December 31, 2015, there were no outstanding interest rate swaps or currency swaps for WBLAB. WAB’s core business is predominately retail banking and as such, does not perform any trading and derivatives activities. Therefore, as of December 31, 2015, it does not practice booking of trading and derivatives activities.

## 6. Memberships in Payment, Clearing and Settlement Systems

WRB’s U.S. operations hold memberships in financial market utilities (“FMUs”) for payment, clearing, and settlement services, in order to conduct essential financial transactions.

The following Exhibit 6-1 includes the list of FMUs in which WRB’s U.S. operations hold memberships:

Exhibit 6-1: Financial Market Utilities for Payment, Clearing and Settlements by U.S. Legal Entity

Entity Holding Membership	System	Description
WBNYA	Federal Reserve Funds Transfer System - Fedwire Securities Service / Fedwire Funds Service	U.S. Dollar Payment System / U.S. Clearing Securities Settlement / FI Depository
	Society for Worldwide Interbank Financial Telecommunications - SWIFT Alliance	Interbank Financial Telecommunication
WBLAB	Federal Reserve Funds Transfer System - Fedwire Securities Service / Fedwire Funds Service	U.S. Dollar Payment System / U.S. Clearing Securities Settlement / FI Depository
	Wells Fargo Funds Transfer System - Wells Fargo CEO Securities Service / Wells Fargo CEO Service	U.S. Dollar Payment System / U.S. Clearing Securities Settlement / FI Depository
	Society for Worldwide Interbank Financial Telecommunications - SWIFT Alliance	Interbank Financial Telecommunication
WAB	ACCEL The Exchange Network - FISERV	ATM Network
	Electronics Payments Network	USD Payment System. Part of ACH. NACHA and ACH are memberships.
	Federal Reserve Check Clearing System	Nationwide Check Clearing House
	Federal Reserve Funds Transfer System - Fedwire Securities Service / Fedwire Funds Service	U.S. Dollar Payment System / U.S. Clearing Securities Settlement / FI Depository
	NYCE Corporation	ATM Network
	Society for Worldwide Interbank Financial	Interbank Financial Telecommunication

Entity Holding Membership	System	Description
	Telecommunications - SWIFT Alliance	
	VISA Check Card	USD Payment System Part of visa check clearing

(Source: WBNYA, WBLAB and WAB as of November 2016)

## 7. Description of Foreign Operations

WRB operates a network of 905 domestic branches, as well as 14 overseas branches and 8 local subsidiaries in 15 countries around the world.<sup>10</sup> The principal activities of the overseas agencies, branches and subsidiaries of WRB are providing trade financing, letters of credit, local currency funding, and corporate loans to Korean-based companies as well as individual customers, and providing foreign exchange services in conjunction with WRB.

The summary of financials as of December 31, 2015 is as follows:

Exhibit 7-1: U.S. and Non U.S. Financial Information (in US\$ millions)

Geographic Area	Total Assets	Revenue	Net Income
U.S.	\$5,308	\$114	\$32
Non U.S. (Including Korea)	\$244,294	\$17,065	\$888

(Source: FY 2015 Audit Reports of WBNYA, WBLAB and WAB under U.S.GAAP and WRB under K-IFRS)

## 8. Supervisory & Regulatory Authorities

WRB, including its subsidiaries and overseas operations, is subject to supervision and regulation under the applicable laws and regulations of the countries in which it operates.

WRB is supervised by the Financial Supervisory Service (“FSS”) and regulated by the Financial Services Commission (“FSC”) of Korea. Following FSC’s instructions and directives, FSS supervises and examines domestic banks and their subsidiaries. In particular, FSS sets requirements relating to domestic banks’ liquidity and capital adequacy ratios and establishes reporting requirements within the authority delegated under FSC regulations.

WRB’s operations in the U.S. are subject to various regulatory regimes. WBNYA is licensed by the state banking authority of the State of New York, and is therefore subject to regulation and examination by NYSDFS and FRB. WBLAB operates in the State of California under the license granted by DBO, and it is subject to regulatory examination by DBO and FRB. WAB is regulated by NYSDFS, as its chartering authority, and also is regulated by FDIC as its primary federal banking regulator and as the insurer of its deposits.

## 9. Principal Officers of Woori Bank

The Board of Directors (“BOD”) support and monitor WRB’s strategic decision-making and overall business affairs on a regular basis. WRB’s BOD is currently comprised one standing director, one

<sup>10</sup> FY 2016 3Q Quarterly Report of WRB

standing auditor, six outside directors and one non-standing director, each of whom were appointed to increase the relevant expertise and independence of the Board.<sup>11</sup>

**Exhibit 9-1: WRB Board of Directors**

Name	Title	Function
Kwang Goo Lee	President & Chief Executive Officer	Standing Director
Soo Kyung Chung	Standing Audit Committee Member	Standing Auditor
Il Hwa Hong	Member	Outside Director
He Suk Chun	Member	Outside Director
Han Gi Jung	Member	Outside Director
Ho Geun Lee	Member	Outside Director
Sung Soo Koh	Member	Outside Director
Sung Yong Kim	Member	Outside Director
Kwang Woo Choi	Member	Non-Standing Auditor

*(Source: WRB Management as of December, 2016)*

In addition to the standing director who is also WRB’s Chief Executive Officer, WRB currently has the following eleven executive officers.

**Exhibit 9-2: WRB Executive Officers**

Name	Title	Function
Dong Gun Lee	Head of Business Group & Executive Vice President	Responsible for Business Support Group
Ki Myoung Nam	Head of Business Group & Executive Vice President	Responsible for Domestic Business Group and Consumer Banking Business Unit
Tae Seung Sohn	Head of Business Group & Executive Vice President	Responsible for Global Business Group and Global Business unit
Won Jai Jeong	Executive Vice President	Responsible for Corporate Banking Business Unit
Woo Seok Chae	Executive Vice President	Responsible for Small & Medium Corporate Banking Business Unit
Jae Won Kim	Executive Vice President	Responsible for Institutional Banking Business Unit
Hong Hee Kim	Executive Vice President	Responsible for Real Estate Finance Business Unit
Hong Koo Kim	Executive Vice President	Responsible for Investment Banking Business Unit
Jae Hyun Cho	Executive Vice President	Responsible for Smart Banking Unit
Jung Hoon Choi	Executive Vice President	Responsible for Risk Management Unit
Dong Bin Lee	Executive Vice President	Responsible for Credit Support Unit

*(Source: WRB Management as of December, 2016)*

## 10. Resolution Planning Corporate Governance Structure and Processes

<sup>11</sup> FY 2016 3Q Quarterly Report of WRB

WRB has integrated the resolution planning into its corporate governance structure and process to ensure that the Resolution Plan receives appropriate oversight from the U.S. Business Approvers consisting of designated Senior Management officials, the Office of the U.S. Resolution Planning (“OUSRP”), the Global Business Support Department (“GBSD”) and BOD. In the resolution planning process, OUSRP prepares the Resolution Plan with oversight from GBSD. Then, GBSD reviews the Resolution Plan and submits it to BOD, as well as a delegee acting under the express authority of the BOD, for final approval.

In order to provide timely, credible and complete responses to supervisory resolution planning initiatives, WRB has established a governance framework both the WRB level and at the U.S. operations level to ensure that all aspects of the Resolution Plan receive appropriate attentions from all related parties. The primary objective of the framework is to establish a comprehensive governance and management process to oversee the preparation and maintenance of the Resolution Plan required to be filed by WRB pursuant to the Regulation.

OUSR was established as a working group within the U.S. with responsibilities including providing day-to-day project management and functions for development, maintenance, implementation and updating the Resolution Plan as part of “business as usual” processes.

GBSD is an existing department responsible for oversight of U.S. resolution planning process and the Resolution Plan submitted to WRB’s BOD (or its delegee) for final approval. GBSD provides review of the Resolution Plan and advises OUSR on all issues relating to the Plan.

The Resolution Plan is evaluated and approved by BOD (or the delegee) in accordance with the requirements of the Regulation.

## **11. Management Information Systems**

WRB utilizes management information systems (“MIS”) and applications to ensure timely access to accurate and comprehensive data, including those for regulatory reporting, risk management, financial management and operating. These systems include applications to conduct business activities across all financial products and to generate accounting, financial, operations, regulatory and risk management reports. Systems and applications are essential for effective operations and are managed through a business continuity approach. Some of the systems and applications are directly purchased from third-party vendors while others have been developed internally and are supplemented with third-party vendors.

The U.S. operations utilized multiple systems, management information reports and policies to aid in the preparation of the Resolution Plan. In general, information of a descriptive or qualitative nature was solicited through meetings with each department head or representative. The quantitative data was mainly derived from key internal and external reports.

## **12. High-Level Resolution Strategy Summary**

As required by the Regulation, WRB has assumed that the resolution strategy for its U.S. operations in the event of a material financial distress or failure of WRB would be to pursue an orderly

liquidation of WRB's U.S. assets within its U.S. agency, branch and subsidiary. WRB's key assumptions for the purpose of this Resolution Plan are as follows:

- An idiosyncratic event causes the failure of one or more major branches and subsidiaries of WRB, leading to material financial distress and the ultimate failure of WRB;
- There is no extraordinary government support available to WRB in the U.S. or in Korea that would affect the U.S. operations of WRB.

WBNYA operates under a license granted by the NYSDFS and is also subject to examination by and reporting to FRB. In resolution, WBNYA would be subject to a resolution process overseen by the Superintendent of NYSDFS, subject to Article 13 of the New York Banking Law.

WBLAB operates under a license granted by DBO and is also subject to examination by and reporting to FRB. In resolution, WBLAB would be resolved by the Commissioner of DBO under the California Financial Code.

WAB is an insured depository institution, and therefore, would be resolved under the Federal Deposit Insurance Act ("FDIA") administered by FDIC. As the receiver under FDIA, FDIC would assume all the rights and powers of WAB's Board of Directors, management and shareholders to operate the business, dispose of operations and assets, and resolve liabilities.