

OFFERING CIRCULAR



(incorporated with limited liability under the laws of the Republic of Korea)

U.S.\$7,000,000,000

Global Medium Term Note Programme

This Offering Circular replaces and supersedes the offering circular dated 11th May, 2018 describing the Programme (as defined below). Any Notes (as defined below) issued under this Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes issued prior to the date of this Offering Circular.

Under this U.S.\$7,000,000,000 Global Medium Term Note Programme (the **"Programme"**), Woori Bank (the **"Issuer"** or the **"Bank"**) may from time to time issue notes (the **"Notes,"** which expression shall include Senior Notes and Subordinated Notes (as defined herein)) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

The Notes may be issued in bearer or registered form (respectively **"Bearer Notes"** and **"Registered Notes"**). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$7,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

In relation to any Tranche (as defined under **"Terms and Conditions of the Notes"**) of Notes, the Issuer may act through its principal office in Korea or through any of its branches including its London Branch, in each case as indicated in the applicable Pricing Supplement (as defined below).

The Notes may be issued on a continuing basis to one or more of the Dealers specified under **"Summary of the Programme"** and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **"Dealer"** and together, the **"Dealers"**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the **"relevant Dealer"** shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to purchase such Notes.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the **"Singapore Stock Exchange"**) in connection with the Programme and application will be made for the listing and quotation of Notes that may be issued pursuant to the Programme and which are agreed, at or prior to the time of issue thereof, to be so listed on the Singapore Stock Exchange. Such permission will be granted when such Notes have been admitted for listing and quotation on the Singapore Stock Exchange. The Singapore Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of any Notes on, the Singapore Stock Exchange are not to be taken as an indication of the merits of the Issuer, the Programme or the Notes. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein that are applicable to each Tranche (as defined under **"Terms and Conditions of the Notes"**) of Notes will be set out in a pricing supplement (the **"Pricing Supplement"**) which, with respect to Notes to be listed on the Singapore Stock Exchange, will be submitted to the Singapore Stock Exchange before the date of listing of the Notes of such Tranche.

The Programme provides that the Notes may be listed or admitted to trading on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes.

See **"Risk Factors"** for a discussion of certain factors to be considered in connection with an investment in the Notes.

The Notes have not been registered under the Securities Act of 1933, as amended (the **"Securities Act"**), or any state securities laws and, unless so registered, may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes will be offered and sold (a) in the United States, only to **"qualified institutional buyers"** (as defined in Rule 144A under the Securities Act) or to **"accredited investors"** (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that are institutions and (b) in **"offshore transactions"** to persons other than **"U.S. persons"** (each as defined in Regulation S under the Securities Act). See **"Subscription and Sale and Transfer and Selling Restrictions."**

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes intended to be listed on the Singapore Stock Exchange) a supplementary Offering Circular, if appropriate, will be submitted to the Singapore Stock Exchange and made available which will describe the effect of the agreement reached in relation to such Notes.

Arranger

Citigroup

Dealers

BNP PARIBAS
Citigroup
Crédit Agricole CIB
HSBC
Morgan Stanley
Nomura
Standard Chartered Bank

BofA Merrill Lynch
Commerzbank
Credit Suisse
J.P. Morgan
MUFG
Société Générale Corporate & Investment Banking
UBS

The date of this Offering Circular is 3rd May, 2019.

The Issuer, having made all reasonable enquiries, confirms that this Offering Circular contains or incorporates all information which is material in the context of the issuance and offering of the Notes, that the information contained or incorporated in this Offering Circular is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held and that there are no other facts the omission of which would make this Offering Circular or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

This Offering Circular is to be read in conjunction with all documents that are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference” below). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer in connection with the Programme or for any statement made or purported to be made by the Dealers or on their behalf in connection with the Issuer or Programme. The Dealers accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, inter alia, the most recently published documents incorporated by reference into this Offering Circular when deciding whether or not to purchase any Notes.

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue based on prevailing market conditions.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its territories or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and the regulations promulgated thereunder.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of the Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers that would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of the Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States of America, the European Economic Area (the “EEA”), the United Kingdom, France, the Netherlands, Australia, Japan, the People’s Republic of China (the “PRC,” which, for purposes of this Offering Circular, excludes the Hong Kong Special Administrative Region of the PRC (“Hong Kong”), the Macao Special Administrative Region of the PRC and Taiwan), Hong Kong, Singapore and Korea. See “Subscription and Sale and Transfer and Selling Restrictions.”

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the “SEC”) or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.

The final terms (or Pricing Supplement, as the case may be) in respect of any Series (as defined under “Terms and Conditions of the Notes”) of Notes may include information entitled “MiFID II Product Governance,” which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate, and if such information is included, any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “MiFID II”) will be responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining the appropriate distribution channels.

For the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), each of the Arranger and Dealers will be deemed not to be a manufacturer unless determined otherwise, the determination of which will be made in relation to each issue of Notes with respect to the Arranger and each Dealer.

If the final terms (or Pricing Supplement, as the case may be) in respect of any Series of Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors,” the Notes of any such Series are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes: (a) the expression “retail investor” means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below); and (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA will be prepared and therefore, offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This Offering Circular has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the EEA (each, a “Member State”) will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Member State of Notes which are the subject of an offering contemplated in this Offering Circular as completed by final terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such offer. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

For the purposes of the foregoing, the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Member State.

This Offering Circular is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The Notes will only be available to, and any invitation, offer or agreement to subscribe for, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Offering Circular or any of its contents.

No prospectus (including any amendment, supplement or replacement thereto) or any other offering material relating to the Notes has been prepared in connection with the offering of the Notes that has been approved by the *Autorité des marchés financiers* or by the competent authority of another State that is a contracting party to the Agreement on the European Economic Area and notified to the *Autorité des marchés financiers*; no Notes have been offered or sold nor will be offered or sold, directly or indirectly, to the public in France; the prospectus or any other offering material relating to the Notes has not been distributed or caused to be distributed and will not be distributed or caused to be distributed to the public in France; such offers, sales and distributions have been and shall only be made in France to persons licensed to provide investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), qualified investors (*investisseurs qualifiés*) and/or a restricted circle of investors (*cercle restreint d'investisseurs*), in each case acting for their own account, all as defined in and in accordance with Articles L. 411-2, D. 411-1 and D. 411-4 of the French Monetary and Financial Code (*Code monétaire et financier*) and applicable regulations thereunder. The direct or indirect distribution to the public in France of any so acquired Notes may be made only as provided by Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Monetary and Financial Code and applicable regulations thereunder.

Notification under Section 309B(1)(c) of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) – Unless otherwise stated in the Pricing Supplement in respect of any Series of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

None of the Dealers or the Issuer makes any representation to any investor regarding the legality of its investment in the Notes under any applicable laws. Any investor should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

U.S. INFORMATION

This Offering Circular is being submitted on a confidential basis in the United States to a limited number of QIBs or Institutional Accredited Investors (each as defined under “Form of the Notes”) for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Registered Notes may be offered or sold within the United States only to QIBs or to Institutional Accredited Investors, in either case in transactions exempt from registration under the Securities Act. Each U.S. purchaser of the Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act (“Rule 144A”).

Purchasers of the Definitive IAI Registered Notes will be required to execute and deliver an IAI Investment Letter (each as defined under “Terms and Conditions of the Notes”). Each purchaser or holder of the Definitive IAI Registered Notes, the Notes represented by a Rule 144A Global Note (as defined below) or any Notes issued in registered form in exchange or substitution therefor (together “Legended Notes”) will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in “Subscription and Sale and Transfer and Selling Restrictions.” Unless otherwise stated, terms used in this paragraph have the meanings given to them in “Form of the Notes.”

KOREAN SELLING RESTRICTIONS

A registration statement for the offering and sale of the Notes has not been filed with the Financial Services Commission of Korea (the “FSC”). Accordingly, the Notes may not be offered or sold, directly or indirectly, in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Law of Korea and the regulations thereunder) except as otherwise permitted by applicable Korean law and regulations (including the sale of the Notes to professional investors (as defined under the Financial Investment Services and Capital Markets Act of Korea and its enforcement decree) in the primary market if (a) the amount of the Notes acquired by professional investors in the primary market is limited to 20 per cent. or less of the aggregate issue amount of the Notes and (b) the Notes have been (i) listed in one of the major markets designated by the Financial Supervisory Service or (ii) registered with or reported to a financial supervisory authority located in one of such major markets or (iii) offered through such procedures as may be considered a public offering). In addition, to the extent required by the applicable laws and regulations of Korea, until the expiration of one year after the issuance of any Notes, such Notes may not be transferred to any resident of Korea except as otherwise permitted by applicable Korean law and regulations (including the sale of the Notes to professional investors in the secondary market if the Notes have been (a) listed in one of the major markets designated by the Financial Supervisory Service or (b) registered with or reported to a financial supervisory authority located in one of such major markets or (c) offered through such procedures as may be considered a public offering).

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are “restricted securities” within the meaning of the Securities Act, the Issuer has undertaken in a deed poll dated 25th August, 2006 (the “Deed Poll”) to furnish, upon the request of a holder of such Notes or any beneficial interest therein, free of charge at the specified offices of the Paying Agents, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a corporation organised under the laws of the Republic of Korea (“Korea”). All of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the Issuer and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside Korea upon the Issuer or such persons, or to enforce judgments against them obtained in courts outside Korea predicated upon civil liabilities of the Issuer or such directors and officers under laws other than Korean law, including any judgment predicated upon United States federal securities laws. The Issuer has been advised by Kim & Chang, its counsel, that there is doubt as to the enforceability in Korea in original actions or in actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

FORWARD-LOOKING INFORMATION

The U.S. Securities and Exchange Commission encourages companies to disclose forward-looking information so that investors can better understand a company’s future prospects and make informed investment decisions. This Offering Circular contains forward-looking statements.

Words such as “aim,” “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “estimate,” “expect,” “future,” “goal,” “intend,” “may,” “objective,” “plan,” “positioned,” “predict,” “project,” “risk,” “seek to,” “shall,” “should,” “will,” “will likely result,” “will pursue,” and words and terms of similar substance used in connection with any discussion of future operating or financial performance identify forward-looking statements. All forward-looking statements are management’s present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. In addition to the risks related to the Bank’s business discussed under “Risk Factors,” other factors could cause actual results to differ materially from those described in the forward-looking statements. These factors include, but are not limited to:

- the Bank’s ability to implement successfully its strategy;
- the Bank’s growth and expansion;
- future levels of non-performing loans;
- the adequacy of provisions for credit and investment losses;
- technological changes;
- interest rates;
- availability of funding and liquidity;
- the Bank’s exposure to market risks; and
- adverse market and regulatory conditions.

By their nature, certain disclosures relating to these and other risks are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on the Bank’s income or results of operations could materially differ from those that have been estimated.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this Offering Circular could include, but are not limited to:

- general economic and political conditions in Korea or other countries which have an impact on the Bank’s business activities or investments;
- the monetary and interest rate policies of Korea;
- inflation or deflation;
- foreign exchange rates;
- prices and yields of equity and debt securities;
- the performance of the financial markets in Korea and globally;

- changes in domestic and foreign laws, regulations and taxes;
- changes in competition and the pricing environment in Korea; and
- regional or general changes in asset valuations.

For further discussion of the factors that could cause actual results to differ, see “Risk Factors.” The Bank cautions you not to place undue reliance on forward-looking statements, which speak only as of the date of this Offering Circular. Except as required by law, the Bank is not under any obligation, and expressly disclaims any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

All subsequent forward-looking statements attributable to the Bank or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The consolidated financial statements of Woori Financial Group Inc. (which was established in January 2019 as the parent company of the Issuer) included in the 2018 Annual Report on Form 20-F (as defined herein) incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (the “IASB”). As the establishment of Woori Financial Group Inc. occurred after 31st December, 2018, such consolidated financial statements are for the Issuer and its subsidiaries (with certain modifications as described in “Explanatory Note”), and unless expressly stated otherwise therein, all historical financial data included in the 2018 Annual Report on Form 20-F incorporated by reference herein are for the Issuer and its subsidiaries, on a consolidated basis (with such modifications). See “Explanatory Note.”

All references in this Offering Circular to “Korea” refer to the Republic of Korea, those to “Government” refer to the government of Korea, those to “Woori Financial Group” refer to Woori Financial Group Inc., those to “U.S. dollars,” “U.S.\$” and “\$” refer to the currency of the United States of America, those to “Won” and “₩” refer to the currency of Korea, those to “S\$” refer to the currency of Singapore, those to “Sterling” and “£” refer to the currency of the United Kingdom, those to “€” and “euro” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended, and those to “Renminbi,” “RMB” and “CNY” refer to the lawful currency of the PRC.

Any discrepancies in any table between totals and the sums of the amounts listed are due to rounding.

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In connection with the issue and distribution of any Tranche of Notes, the Dealer(s) (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may, subject to all applicable laws and regulations, over-allot the Notes or effect transactions with a view to supporting the market price of the Notes of a Series of which such Tranche forms a part at a level higher than that which might otherwise prevail for a limited period after the issue date. However, there may be no obligation on the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) to undertake any stabilising action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

EXPLANATORY NOTE

On 11th January, 2019, Woori Financial Group, the Issuer's parent company, was established pursuant to a "comprehensive stock transfer" under Korean law, whereby holders of the common stock of the Issuer and certain of its subsidiaries transferred all of their shares to Woori Financial Group, a new financial holding company, and in return received shares of common stock of Woori Financial Group.

As a result of the stock transfer, the Issuer became a wholly-owned subsidiary of Woori Financial Group and transferred the ownership of five of its former wholly-owned subsidiaries, Woori FIS Co., Ltd., Woori Finance Research Institute Co., Ltd., Woori Credit Information Co., Ltd., Woori Fund Services Co., Ltd. and Woori Private Equity Asset Management Co., Ltd. (the "Transferred Subsidiaries"), to Woori Financial Group. See "Item 4.A. History and Development of the Company – Establishment of Woori Financial Group" of the 2018 Annual Report on Form 20-F incorporated by reference herein.

As the establishment of Woori Financial Group pursuant to the stock transfer occurred after 31st December, 2018, the consolidated financial statements of Woori Financial Group included in the 2018 Annual Report on Form 20-F incorporated by reference herein are for the Issuer and its subsidiaries, except that the Transferred Subsidiaries were consolidated on a line-by-line basis instead of being presented as assets and liabilities held for distribution. Unless expressly stated otherwise therein, all historical financial data included in the 2018 Annual Report on Form 20-F incorporated by reference herein are for the Issuer and its subsidiaries, on a consolidated basis, with the foregoing modification.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular incorporates by reference the Annual Report on Form 20-F for the year ended 31st December, 2018, filed with the SEC by Woori Financial Group on 30th April, 2019 (the “2018 Annual Report on Form 20-F”), which includes the audited consolidated financial statements of Woori Financial Group as of 31st December, 2017 and 2018 and for the years ended 31st December 2016, 2017 and 2018 (which are for the Issuer and its subsidiaries) and the notes thereto, and disclosure regarding risk factors, the Issuer’s business, financial condition and results of operations, as well as other matters. The 2018 Annual Report on Form 20-F is publicly available over the Internet at the SEC’s website at <http://www.sec.gov>. Prospective purchasers of Notes should carefully review the entire Offering Circular, including the 2018 Annual Report on Form 20-F incorporated by reference herein, before making an investment decision.

In addition, the following documents published or issued from time to time after the date hereof shall be deemed to be incorporated in, and to form part of, this Offering Circular:

- (a) the most recently published audited non-consolidated and consolidated annual financial statements and, if published later, the most recently published interim separate (i.e., non-consolidated) and consolidated financial statements (if any) of the Issuer from time to time (see “General Information” for a description of the financial statements currently published by the Issuer); and
- (b) all supplements or amendments to this Offering Circular circulated by the Issuer from time to time.

However, any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Issuer at its office set out at the end of this Offering Circular. In addition, such documents will be available from the principal office of Deutsche Bank AG, London Branch (the “Principal Paying Agent”) for any Notes listed on the Singapore Stock Exchange.

The Issuer will, in connection with the listing of the Notes on the Singapore Stock Exchange, so long as the rules of the Singapore Stock Exchange so require, in the event of any material change which is not reflected in this Offering Circular, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of the Notes to be listed on the Singapore Stock Exchange.

If the terms of the Programme are modified or amended in a manner that would make this Offering Circular, as so modified or amended, inaccurate or misleading, a new offering circular will be prepared.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under “Form of the Notes” below.

This Offering Circular and any supplement will only be valid for the offering of Notes in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed U.S.\$7,000,000,000 or its equivalent in other currencies. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation;
- (b) the U.S. dollar equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the U.S. dollar equivalent of Zero Coupon Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” below shall have the same meanings in this summary.

This summary must be read as an introduction to this Offering Circular, and any decision to invest in the Notes should be based on a consideration of this Offering Circular as a whole, including the documents incorporated by reference herein. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area, no civil liability will attach to the responsible persons in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Offering Circular. Where a claim relating to the information contained in this Offering Circular is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Offering Circular before the legal proceedings are initiated.

Issuer	Woori Bank, acting through its principal office in Korea or through any of its branches including its London Branch, in each case as indicated in the applicable Pricing Supplement.
Description	Global Medium Term Note Programme.
Arranger	Citigroup Global Markets Inc.
Dealers	BNP Paribas, Citigroup Global Markets Inc., Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, The Hongkong and Shanghai Banking Corporation Limited, J.P. Morgan Securities plc, Merrill Lynch International, LLC Seoul Branch, Morgan Stanley & Co. International plc, MUFG Securities EMEA plc, Nomura International plc, Société Générale, Standard Chartered Bank, UBS AG Hong Kong Branch and any other Dealers appointed in accordance with the Programme Agreement (as defined herein).
Certain Restrictions	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “Subscription and Sale and Transfer and Selling Restrictions”) including the following restrictions applicable at the date of this Offering Circular.

Notes with a maturity of less than one year:

Notes having a maturity of less than one year from the date of issue will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent. See “Subscription and Sale and Transfer and Selling Restrictions.”

Principal Paying Agent	Deutsche Bank AG, London Branch
Registrar.	Deutsche Bank Trust Company Americas
CMU Lodging Agent.	Deutsche Bank AG, Hong Kong Branch
Euro Registrar.	Deutsche Bank Luxembourg S.A.
Programme Size	Up to U.S.\$7,000,000,000 (or its equivalent in other currencies calculated as described under “General Description of the Programme”) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies	Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer and the relevant Dealer.
Redenomination	The applicable Pricing Supplement may provide that certain Notes may be redenominated in euros. The relevant provisions applicable to any such redenomination are contained in Condition 5.
Maturities.	Such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency, <i>provided that</i> , Subordinated Notes shall have a minimum maturity of five years.
Issue Price	Notes may be issued on a fully paid or a partly paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Form of Notes	The Notes will be issued in registered form or in bearer form as described in “Form of the Notes.” Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i> .
Fixed Rate Notes	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes.	<p>Floating Rate Notes will bear interest at a rate determined:</p> <p>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of Notes of the relevant Series); or</p> <p>(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or</p> <p>(iii) on such other basis as may be agreed between the Issuer and the relevant Dealer, all as indicated in the applicable Pricing Supplement.</p> <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p>
Index Linked Notes.	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the Issuer and the relevant Dealer may agree.
Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes.	Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed upon prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed upon between the Issuer and the relevant Dealer.

Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer may agree upon.
Zero Coupon Notes	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment.
Redemption	The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons (in the case of Subordinated Notes, only with the prior approval of the Financial Supervisory Service of Korea (the “FSS”) or of such other relevant regulatory authority in Korea, if necessary) or, in the case of Senior Notes, following an Event of Default or, in the case of Subordinated Notes, following a Bankruptcy Event or the liquidation of the Issuer) or that such Notes will be redeemable at the option of the Issuer (only with, in the case of Subordinated Notes, the prior approval of the FSS or of such other relevant regulatory in Korea, if necessary) and/or (except in the case of Subordinated Notes) the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer. The applicable Pricing Supplement may provide that the Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Pricing Supplement.
Denomination of Notes	The Notes will be issued in such denominations as may be agreed upon between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. Unless otherwise stated in the applicable Pricing Supplement, the minimum denomination of each Definitive IAI Registered Note will be U.S.\$250,000 or its approximate equivalent in other Specified Currencies.
Taxation	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction, subject as provided in Condition 10. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 10, be required to pay additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such deduction shall equal the amounts which would otherwise have been receivable in respect of the Notes in the absence of such deduction.

Negative Pledge	The terms of the Senior Notes will contain a negative pledge provision as further described in Condition 4.
Cross Default	The terms of the Senior Notes will contain a cross default provision as further described in Condition 12.
Status of the Senior Notes	The Senior Notes and any related Receipts and Coupons will constitute direct, unconditional, unsubordinated and, subject to the provisions of Condition 4, unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves (save for certain obligations preferred by law) and equally with all other unsecured and unsubordinated obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.
Status of the Subordinated Notes	The Subordinated Notes and any related Receipts and Coupons will constitute direct, unsecured and subordinated obligations of the Issuer. The rights of holders of Subordinated Notes will be subordinated in right of payment in the manner provided in Condition 3(c).
Write-off of the Subordinated Notes upon a Trigger Event	The Subordinated Notes will be subject to Write-off upon the occurrence of a Trigger Event, as provided in Condition 9. See “Risk Factors – Risks relating to the Notes – The Notes that are Subordinated Notes may be fully written off upon the occurrence of a trigger event, in which case holders of the Notes will lose all of their investment.”
Listing	Approval in-principle has been received from the Singapore Stock Exchange in connection with the Programme and application will be made for the listing and quotation of Notes that may be issued pursuant to the Programme and which are agreed, at or prior to the time of issue thereof, to be so listed on the Singapore Stock Exchange. Such permission will be granted when such Notes have been admitted for listing and quotation on the Singapore Stock Exchange. For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, such Notes, if traded on the Singapore Stock Exchange, will be traded in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies). The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each Series. Unlisted Notes may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed or admitted to trading and, if so, on which stock exchange(s).

Governing Law	The Notes will be governed by, and construed in accordance with, English law, except for Conditions 3(b) and 3(c), which will be governed by, and construed in accordance with, Korean law.
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Notes in the United States of America, the European Economic Area (the “EEA”), the United Kingdom, France, the Netherlands, Australia, Japan, the PRC, Hong Kong, Singapore and Korea and such other jurisdictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “Subscription and Sale and Transfer and Selling Restrictions.”
United States	
Selling Restrictions	Regulation S, Category 2, Rule 144A and Section 4(2), TEFRA C or D, as specified in the Pricing Supplement.

RISK FACTORS

Prospective purchasers of the Notes should carefully review the risks described below and in “Item 3.D. Risk Factors” in the 2018 Annual Report on Form 20-F incorporated by reference herein, which could have a material adverse effect on the price of the Notes.

Risks relating to the Bank

Please see “Item 3.D. Risk Factors – Risks relating to our corporate credit portfolio,” “– Risks relating to our consumer credit portfolio,” “– Risks relating to competition,” “– Other risks relating to our business” and “– Risks relating to government regulation and policy” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

Risks relating to Korea

Please see “Item 3.D. Risk Factors – Risks relating to Korea” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

Risks relating to the Notes

The Notes are unsecured obligations, the repayment of which may be jeopardised in certain circumstances.

Because the Notes are unsecured obligations, their repayment may be compromised if:

- the Bank enters into bankruptcy, liquidation, reorganisation or other winding-up procedures;
- there is a default in payment under the Bank’s future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Bank’s indebtedness.

If any of these events occurs, the Bank’s assets may not be sufficient to pay amounts due on any of the Notes.

The Notes are subject to transfer restrictions.

The Notes will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except to qualified institutional buyers in reliance on the exemption provided by Rule 144A, to certain persons in offshore transactions in reliance on Regulation S, or pursuant to another exemption from, or in another transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws. In addition, interests in Bearer Notes are offered under the restrictions of TEFRA C or D, as specified in the applicable Pricing Supplement, and accordingly, investors will be required to provide non-U.S. beneficial ownership certifications in certain circumstances. Furthermore, a registration statement for the offering and sale of the Notes has not been filed with the FSC, and under currently applicable laws and regulations of Korea, until the expiration of one year after the issuance of any Notes, such Notes may not be transferred to any resident of Korea except as otherwise permitted by applicable Korean law and regulations. For a further discussion of the transfer restrictions applicable to the Notes, see “Subscription and Sale and Transfer and Selling Restrictions – Transfer Restrictions” and “Form of the Notes – Bearer Notes.”

The Notes may have limited liquidity.

No assurance can be given as to the liquidity of, or the development and continuation of an active trading market for, the Notes. If an active trading market for the Notes does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the price at which the Notes are issued depending on many factors, including:

- prevailing interest rates;
- the Bank's results of operations and financial condition;
- political and economic developments in and affecting Korea;
- the market conditions for similar securities; and
- the financial condition and stability of the Korean financial sector.

The Notes may be redeemed by the Bank in certain circumstances.

The Notes may be redeemable at the option of the Bank, in whole but not in part, on any of the optional redemption dates specified in the applicable Pricing Supplement at their outstanding principal amount together (if applicable) with interest accrued to (but excluding) the date of redemption. Furthermore, the Notes may be redeemable at the option of the Bank, in whole but not in part, at their outstanding principal amount together (if applicable) with interest accrued to (but excluding) the date of redemption, upon the occurrence of certain changes in applicable tax laws and regulations which (i) require the Bank to pay additional amounts on payments of principal and interest in respect of the Notes due to withholding or deduction required by law or (ii) in the case of Notes that are Tier I Subordinated Notes, cause the Bank to no longer be entitled to claim a deduction in respect of interest paid on the Tier I Subordinated Notes for purposes of Korean corporation tax. In addition, the Notes that are Tier I Subordinated Notes may be redeemed by the Bank, in whole but not in part, at their outstanding principal amount together (if applicable) with interest accrued to (but excluding) the date of redemption, upon the occurrence of a regulatory event that would cause the Tier I Subordinated Notes to no longer qualify as additional Tier I capital of the Bank. Such redemptions at the option of the Bank are subject to necessary prior approval by the FSS or such other relevant regulatory authorities in Korea. See "Terms and Conditions of the Notes – Redemption and Purchase."

Accordingly, holders of the Notes should not rely on being able to hold the Notes until their maturity date. The date on which the Bank elects to redeem the Notes may not align with the preference of holders of the Notes, and such election by the Bank may be disadvantageous to holders of the Notes in light of market conditions or the individual circumstances of such holders. In addition, if the Notes are redeemed prior to their maturity date, there is no guarantee that the holders of the Notes will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as the investment in the Notes.

Holders of Notes will have no creditor objection rights in connection with any future merger, spin-off or other similar transaction of the Bank.

Under the Korean Commercial Code, a Korean company that has resolved to merge with another entity or engage in a spin-off or other similar transaction is required to provide notice of the impending transaction to its creditors and, if any creditor raises an objection to the relevant transaction during the applicable creditor objection period, either repay the relevant debt owed to such creditor or provide adequate collateral to secure such debt. However, pursuant to Condition 3(d) of the Terms and Conditions of the Notes, holders of Notes will be deemed to have waived, and agreed not to exercise, any such creditor objection rights that may arise in connection with such a transaction of the Bank. Accordingly, holders of Notes will have no creditor objection rights in connection with any such future transaction of the Bank.

The Notes that are Subordinated Notes are subordinated and have only limited rights of acceleration.

The relevant Pricing Supplement may specify that the Notes will be Subordinated Notes (as defined in Condition 3(c) of the Terms and Conditions of the Notes), which will be subordinated obligations of the Bank. Payments on the Subordinated Notes will be subordinate in right of payment upon the occurrence of a Subordination Event (as defined in Condition 3(c) of the Terms and Conditions of the Notes) to the prior payment in full of all deposits and other liabilities of the Bank, except those liabilities which rank equally with or junior to the Subordinated Notes. As a consequence of these subordination provisions, if any of such events should occur, the holders of the Subordinated Notes may recover proportionately less than the holders of the Bank's deposit liabilities or the holders of its other unsubordinated liabilities.

Only those events described herein regarding the Bank's bankruptcy or liquidation will permit a holder of a Subordinated Note to accelerate payment of such Subordinated Notes. In such event, the only action the holder may take in Korea against the Bank is to make a claim in the Bank's liquidation or other applicable proceeding. Furthermore, if the Bank's indebtedness were to be accelerated, its assets may be insufficient to repay in full borrowings under its debt instruments, including the Subordinated Notes.

In addition, subject to complying with applicable regulatory requirements in respect of the Bank's leverage and capital ratios, there is no restriction on the amount or type of other securities or indebtedness that the Bank may issue or incur, as the case may be, that rank senior to, or *pari passu* with, the Subordinated Notes. The issue of any such other securities or the incurrence of any such other indebtedness may reduce the amount, if any, recoverable by holders of the Subordinated Notes on a liquidation or winding-up of the Bank and may increase the likelihood of a non-payment or reduction of interest on the Subordinated Notes. The issue of any such other securities or the incurrence of any such other indebtedness might also have an adverse impact on the market price of the Subordinated Notes and the ability of holders to sell the Subordinated Notes.

The Notes that are Subordinated Notes may be fully written off upon the occurrence of a trigger event, in which case holders of the Subordinated Notes will lose all of their investment.

The Subordinated Notes will be subject to loss absorption provisions pursuant to which the Bank will irrevocably effect a full write-off of the outstanding principal amount and accrued but unpaid interest on the Subordinated Notes (without the need for the consent of the holders) upon the occurrence of a trigger event tied to the performance and viability of the Bank. A trigger event would occur upon the designation of the Bank as an "insolvent financial institution" pursuant to the Act on Structural Improvement of the Financial Industry.

Under Article 2 of the Act on Structural Improvement of the Financial Industry, an “insolvent financial institution” is defined as a financial institution that is:

- determined by the FSC or the Deposit Insurance Committee (the “DIC”) established within the Korea Deposit Insurance Corporation (the “KDIC”), based on an actual survey of such financial institution’s business operations, as (i) having liabilities that exceed its assets (each as valued and calculated in accordance with standards established by the FSC), or (ii) facing apparent difficulty in its normal operations because its liabilities exceed its assets (each as valued and calculated in accordance with standards established by the FSC) as a result of the occurrence of a major financial scandal or the accrual of non-performing loans;
- subject to a suspension of payments of claims (including deposits) or repayments of money borrowed from other financial institutions; or
- determined by the FSC or the DIC to be unable to make payments of claims (including deposits) or repayments of money borrowed, without external support or additional borrowings (other than borrowings accruing from ordinary course financial transactions).

In the event that the Subordinated Notes are written off, such written-off amount will be irrevocably lost and will not be restored under any circumstances, including where the trigger event ceases to continue, and holders of the Subordinated Notes will cease to have any claims for any principal amount and accrued but unpaid interest on the Subordinated Notes. See “Terms and Conditions of the Notes – Loss Absorption upon a Trigger Event in Respect of Subordinated Notes.”

Potential investors should consider the risk that, due to the existence of such loss absorption features, a holder of Subordinated Notes may lose all of its investment in such Subordinated Notes in the event that a trigger event occurs.

The applicable Korean laws and regulations relating to the trigger event and loss absorption features of capital instruments like the Subordinated Notes are relatively new and have yet to be tested. There is considerable uncertainty as to the circumstances under which the relevant Korean regulatory authorities will decide to effect a trigger event with respect to a particular financial institution. The occurrence of a trigger event with respect to the Bank is therefore inherently unpredictable and is subject to factors that are outside the control of the Bank, which will make it difficult for investors to anticipate when, if at all, a write-off of the Subordinated Notes will take place. Accordingly, the trading behaviour with respect to the Subordinated Notes may not follow trading behaviour associated with other types of securities of the Bank or other issuers. Any indication that the Bank is trending towards a possible trigger event could have a material adverse effect on the market price of the Subordinated Notes. A potential investor should not invest in the Subordinated Notes unless it has knowledge and expertise to evaluate how the Subordinated Notes will perform under changing market conditions and the resulting effect on the likelihood of a write-off and on the market value of the Subordinated Notes.

Under Article 38 of the Depositor Protection Act, the KDIC (upon a resolution by the DIC) may provide financial assistance to an insured financial company (such as the Bank) or a financial holding company that becomes an “insolvent or similar financial company” (including an “insolvency-threatened financial company”), where the improvement of the financial structure of such company is deemed necessary for the protection of depositors and the preservation of order in credit transactions. An “insolvency-threatened financial company” is defined under Article 2 of the Depositor Protection Act as a financial company determined by the DIC as having a high possibility of becoming an insolvent financial company due to its weak financial standing. The financial assistance to be provided can take the form of a loan or deposit of funds, a purchase of assets, a guarantee or assumption of obligations and an equity injection or contribution.

The Government has in the past also taken measures to support the capital position of Korean banks in times of stress to the Korean financial system and economy. For example, in response to the global financial crisis commencing in 2008, the Government established a ₩20 trillion bank recapitalisation fund in 2009, based on a ₩10 trillion contribution from the Bank of Korea, a ₩2 trillion contribution from the Korea Development Bank and ₩8 trillion of contributions from institutional and retail investors. The bank recapitalisation fund provided capital support to the Korean banking sector by purchasing an aggregate of approximately ₩4 trillion of hybrid capital securities and subordinated notes issued by eight Korean financial institutions. Woori Finance Holdings Co., Ltd. and its subsidiaries issued ₩1.7 trillion of hybrid capital securities and subordinated notes to the bank recapitalisation fund, including ₩1.0 trillion of hybrid capital securities issued by the Bank.

In light of the size and scale of the Bank and its relative importance to the Korean banking system, it is possible that, prior to the occurrence of a trigger event that leads to a write-off of the Subordinated Notes, the Bank will be classified as an insolvency-threatened financial company and receive some form of financial assistance from the KDIC, or that the Government will decide to provide other forms of financial assistance or capital support to the Bank. However, since the provision of any such financial assistance or capital support would be at the discretion of the KDIC or the Government, as applicable, there is no guarantee that the Bank will receive any financial assistance or capital support prior to the occurrence of a trigger event or that any such financial assistance or capital support received by the Bank will be sufficient to prevent the occurrence of a trigger event leading to a write-off of the Subordinated Notes.

The Notes that are Tier I Subordinated Notes have no fixed maturity date and holders of the Tier I Subordinated Notes have no right to call for redemption of the Tier I Subordinated Notes.

The Tier I Subordinated Notes are undated perpetual securities and accordingly have no fixed final maturity date. Subject to the subordination provisions of Condition 3(c) of the Terms and Conditions of the Notes, the principal amount of the Tier I Subordinated Notes will become due and payable by the Bank on the date on which voluntary or involuntary winding-up proceedings are instituted in respect of the Bank in accordance with, as the case may be, (i) a resolution passed at a shareholders' meeting of the Bank, (ii) any provision of the Bank's articles of incorporation or (iii) any applicable law or any decision of any judicial or administrative authority. In addition, the holders of Tier I Subordinated Notes have no right to call for the redemption of the Tier I Subordinated Notes. Although the Bank may redeem the Tier I Subordinated Notes at its option on any of the optional redemption dates specified in the applicable Pricing Supplement or at any time for certain tax or regulatory reasons, there are limitations on redemption of the Tier I Subordinated Notes, including a requirement to obtain the necessary prior approval of the FSS or such other relevant regulatory authorities in Korea. See "Terms and Conditions of the Notes – Redemption and Purchase." Accordingly, there is no guarantee as to whether or when the Tier I Subordinated Notes will be redeemed.

Interest payments on the Notes that are Tier I Subordinated Notes are discretionary and are not cumulative.

The rate of interest applicable to the Tier I Subordinated Notes may be subject to reset periodically, based on the prevailing base rate plus the spread as specified in the applicable Pricing Supplement. Furthermore, interest on Tier I Subordinated Notes may not be paid in full, or at all. The Bank may elect, in its sole discretion, to not pay any interest, or to pay only partial interest, on Tier I Subordinated Notes on any interest payment date for any reason. In addition, Tier I Subordinated Notes will not bear any interest, and any interest payable on Tier I Subordinated Notes on any interest payment date will not be paid, during an interest cancellation period, which will be triggered upon the issuance of a management improvement recommendation, a management improvement requirement or a management improvement order, or the imposition of emergency measures, by the FSC against the Bank.

Article 36 of the Regulation on Supervision of Banking Business provides that the FSC shall issue a management improvement order to a bank where:

- the bank constitutes an “insolvent financial institution” under the Act on Structural Improvement of the Financial Industry;
- its combined Tier I and Tier II capital adequacy ratio is no greater than 2.0 per cent. or its Tier I capital adequacy ratio is no greater than 1.5 per cent. or its Tier I common equity capital ratio is no greater than 1.2 per cent.; or
- the bank has difficulty continuing its normal operations, even though it has previously become subject to a management improvement requirement under Article 35(1), and has been urged (but has failed) to implement a management improvement plan under Article 39(6), of the Regulation on Supervision of Banking Business.

Prior to issuing a management improvement order to a bank, the FSC would be expected to (i) issue a management improvement recommendation to such bank (for example, if its combined Tier I and Tier II capital adequacy ratio is no greater than 8.0 per cent. or its Tier I capital adequacy ratio is no greater than 6.0 per cent. or its Tier I common equity capital ratio is no greater than 4.5 per cent.) under Article 34 of the Regulation on Supervision of Banking Business and (ii) subject such bank to a management improvement requirement (for example, if its combined Tier I and Tier II capital adequacy ratio is no greater than 6.0 per cent. or its Tier I capital adequacy ratio is no greater than 4.5 per cent. or its Tier I common equity capital ratio is no greater than 3.5 per cent.) under Article 35 of the Regulation on Supervision of Banking Business.

Article 38(1) of the Regulation on Supervision of Banking Business provides that the FSC or its chairman shall impose emergency measures on a bank where:

- a drastic deterioration in the liquidity of the bank causes it to experience, among others, shortages of reserves and assets for repayment of deposits or an inability to repay its external debts;
- it becomes impracticable or impossible for the bank to conduct normal business operations due to the occurrence of events such as, among others, a strike, work stoppage, labour dispute or a run on its deposits; or
- there is a manifest risk of bankruptcy or insolvency of the bank or the bank is unable to repay its deposits.

Such emergency measures may include (i) restrictions on acceptance of deposits and provision of loans by the bank; (ii) a suspension on repayment of all or any part of the bank’s deposits; (iii) a prohibition on repayment of debts by the bank; and (iv) mandatory dispositions of the bank’s assets under Article 38(2) of the Regulation on Supervision of Banking Business.

Furthermore, interest on any Series of Tier I Subordinated Notes will be paid only out of such amounts legally available to the Bank from time to time under applicable Korean law for payment of dividends on equity of the Bank (or, if higher, such amounts for payment of interest on such Tier I Subordinated Notes). Under the Korean Commercial Code, the Bank may pay an annual dividend only out of the excess of its net assets, on a non-consolidated basis, over the sum of (i) its stated capital (i.e., paid-in capital), (ii) the total amount of its capital surplus reserve and legal reserve accumulated up to the end of the relevant dividend period, (iii) the earned surplus reserve to be set aside for the annual dividend and (iv) any increase in net assets caused by the valuation of assets and liabilities performed in accordance with Korean

accounting principles, against which no unrealised loss is set off. Depending on the ability of the Bank to meet certain capital ratios, such amounts legally available to the Bank under the Korean Commercial Code are subject to further restrictions pursuant to Article 26 of the Regulation on Supervision of Banking Business, which sets forth upper limits on the amounts a bank may use from its legally available amounts under the Korean Commercial Code to pay discretionary dividends, including discretionary interest payments on capital securities such as the Tier I Subordinated Notes. Specifically, the Bank would be able to use only a certain percentage (ranging from 0 per cent. to 60 per cent., depending on the degree of the shortfall in the applicable capital adequacy ratios) of its annual consolidated net income (attributable to the controlling shareholder) as stated in its latest audited financial report after deducting the regulatory reserve for credit loss (attributable to the controlling shareholder) if its Tier I common equity capital ratio, Tier I capital adequacy ratio or combined Tier I and Tier II capital adequacy ratio were to fall below 8 per cent., 9.5 per cent. or 11.5 per cent., respectively. The foregoing thresholds have been calculated based on (i) an additional capital conservation buffer of 2.5 per cent., (ii) a potential counter-cyclical capital buffer set at 0 per cent. (which may be subject to change within the range of 0 to 2.5 per cent. based on the FSC's determination on a quarterly basis) and (iii) an additional capital requirement of 1.0 per cent. for being designated as one of six domestic systemically important banks for 2019. See "Item 3.D. Risk Factors – We may be required to raise additional capital if our capital adequacy ratio deteriorates or the applicable capital requirements change in the future, but we may not be able to do so on favorable terms or at all" and "Item 4.B. Business Overview – Supervision and Regulation – Principal Regulations Applicable to Banks – Capital Adequacy" in the 2018 Annual Report on Form 20-F incorporated by reference herein.

To the extent the aggregate amount of interest and other distributions payable on any Series of Tier I Subordinated Notes and other Tier I obligations exceed such amounts legally available to the Bank, the aggregate amount of interest payable on such Tier I Subordinated Notes would be reduced by an amount equal to the pro rata portion of such excess. Moreover, because the Bank is entitled to not pay interest on any interest payment date in its sole discretion, it may choose to do so even if amounts are legally available for payment of dividends or interest. See "Terms and Conditions of the Notes – Interest – Special Provisions Relating to Interest on Tier I Subordinated Notes."

Interest payments on the Tier I Subordinated Notes are not cumulative. Accordingly, if interest is not paid or is reduced on any interest payment date as a result of any of the foregoing, such unpaid interest will be irrevocably lost, and holders of Tier I Subordinated Notes will not be entitled to receive such unpaid interest on any subsequent interest payment date or any other date, whether or not funds are, or subsequently become, available. Any non-payment of interest by the Bank will not constitute an event of default under the Tier I Subordinated Notes. Due to these interest cancellation features, the trading behaviour with respect to the Tier I Subordinated Notes may not follow trading behaviour associated with other types of securities of the Bank or other issuers. A potential investor should not invest in Tier I Subordinated Notes unless it has knowledge and expertise to evaluate how the Tier I Subordinated Notes will perform under changing market conditions and the resulting effect on the likelihood of an interest cancellation and on the market value of the Tier I Subordinated Notes.

Non-payment of interest may adversely affect the trading price of the Notes that are Tier I Subordinated Notes.

If interest is not paid on the Tier I Subordinated Notes on any interest payment date, the Tier I Subordinated Notes may trade at a price which is lower than the issue price or the prevailing market price prior to such interest payment date. The sale of the Tier I Subordinated Notes during any period of non-payment of interest thereon may result in the holder receiving lower returns on the investment than a holder who continues to hold the Tier I Subordinated Notes until the interest payments resume (if at all). In addition, because of the interest cancellation provisions applicable to the Tier I Subordinated Notes, the market price of the Tier I Subordinated Notes may be more volatile than that of other securities that are not subject to such provisions.

Investors should consider the U.S. federal income tax treatment of an investment in the Subordinated Notes.

No statutory, judicial or administrative authority directly addresses the U.S. federal income tax characterisation of the Subordinated Notes or instruments with a similar write-off feature. As a result, significant aspects of the U.S. federal income tax consequences of an investment in such Notes are uncertain. The Bank believes, however, that notwithstanding their legal form as debt, the Tier I Subordinated Notes will be, and the Tier II Subordinated Notes should be, treated as equity for U.S. federal income tax purposes, and the Bank intends, absent a change in law, to so treat the Subordinated Notes. If the IRS were to treat the Subordinated Notes as debt for U.S. federal income tax purposes, this characterisation would be potentially adverse to United States holders. See “Taxation – United States Taxation – Subordinated Notes.” Prospective investors are urged to consult their tax advisers concerning the U.S. federal income tax consequences of an investment in the Subordinated Notes.

Any future discontinuation of LIBOR and the application of a successor or alternative benchmark reference rate may adversely affect the value of and return on the Notes that are Floating Rate Notes.

In the case of the Notes that are Floating Rate Notes, the London Interbank Offered Rate (“LIBOR”) may be the benchmark reference rate used to calculate the rate of interest applicable to such Notes (“LIBOR-based Floating Rate Notes”) for each interest period. LIBOR for different periods and currencies is determined and announced on a daily basis by the ICE Benchmark Administration, the administrator of LIBOR, based on rate submissions provided by groups of panel banks for the relevant currencies. In July 2017, the U.K. Financial Conduct Authority, which has regulatory authority with respect to LIBOR, announced that it does not intend to continue to encourage, or use its power to compel, panel banks to provide rate submissions for the determination of LIBOR beyond the end of 2021. It is possible that panel banks will continue to provide rate submissions, and that the ICE Benchmark Administration will continue to determine and announce LIBOR, on the current basis after 2021, if they are willing and able to do so. However, there is no guarantee that LIBOR will be determined and announced after 2021 on the current basis, or at all.

Upon the occurrence of a Benchmark Transition Event (as defined in Condition 6(h) of the Terms and Conditions of the Notes) with respect to LIBOR, including a public statement or publication of information by or on behalf of the U.K. Financial Conduct Authority or the ICE Benchmark Administration announcing that the latter has ceased or will cease to provide LIBOR permanently or indefinitely, the Benchmark Replacement (as defined in Condition 6(h) of the Terms and Conditions of the Notes) as determined by the Bank or its designee will replace LIBOR for all purposes relating to outstanding LIBOR-based Floating Rate Notes. Among other alternatives, the Secured Overnight Financing Rate (“SOFR”), which has been identified by the Alternative Reference Rates Committee convened by the Board of Governors of the U.S. Federal Reserve System and the Federal Reserve Bank of New York as the preferred alternative benchmark reference rate for LIBOR, together with any necessary spread adjustment, may be determined as the Benchmark Replacement to be used to calculate the rate of interest applicable to outstanding LIBOR-based Floating Rate Notes. Any such Benchmark Replacement determined by the Bank or its designee will, in the absence of manifest error, be conclusive and binding on the applicable Noteholders. See “Terms and Conditions of the Notes – Interest – Effect of Benchmark Transition Event.” Accordingly, if a Benchmark Transition Event occurs with respect to LIBOR prior to the maturity of any LIBOR-based Floating Rate Notes, the method of calculation and rate of interest payable on such Notes will change. There is no guarantee that any Benchmark Replacement will be similar to, or behave in the same manner as, LIBOR, or that the rate of interest calculated based on any such Benchmark Replacement will not be lower than the rate of interest that would have applied to any LIBOR-based Floating Rate Notes for any interest period if LIBOR had continued to be used as the benchmark reference rate.

Uncertainty regarding the continued availability of LIBOR, as well as the rate of interest that would be applicable to LIBOR-based Floating Rate Notes if LIBOR is discontinued or ceases to be published, may negatively affect the trading market for and trading price of such Notes. Currently, it is not possible to predict future developments with respect to LIBOR or their timing or impact. Any such developments, including as a result of international, national or other initiatives for reform or the adoption of successor or alternative benchmark reference rates in the international debt capital markets, could have a material adverse effect on the value of and return on LIBOR-based Floating Rate Notes and also could have adverse U.S. federal income tax consequences for holders of such Notes.

Risks relating to Notes denominated in Renminbi

Renminbi is not freely convertible and this may adversely affect the liquidity of the Notes and the Bank's ability to source Renminbi outside the PRC to service the Notes.

The Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of its control over routine foreign exchange transactions under current accounts. The People's Bank of China (the "PBOC") has established a Renminbi clearing and settlement system for participating banks in Hong Kong pursuant to a settlement agreement (the "Settlement Agreement") relating to the clearing of Renminbi business between the PBOC and Bank of China (Hong Kong) Limited. However, the current size of Renminbi and Renminbi-denominated financial assets outside the PRC is limited, and their growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange, which may adversely affect the liquidity of the Notes. There is no assurance that new PRC laws and regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future in a way that will have the effect of restricting the availability of Renminbi offshore. To the extent the Bank is required to source Renminbi in the offshore market to service the Notes, there is no assurance that the Bank will be able to source such Renminbi on satisfactory terms, or at all.

Payments in respect of the Notes will only be made in accordance with prevailing rules and regulations in the manner specified in the Notes.

Except in limited circumstances, all payments of Renminbi under the Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations for such payments and in accordance with the terms and conditions of the Notes. The Bank cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

If "RMB Currency Event" is specified in the applicable Pricing Supplement and it becomes impossible to convert Renminbi from/to another freely convertible currency, or transfer Renminbi between accounts in Hong Kong, or the general Renminbi exchange market in Hong Kong becomes illiquid, or any Renminbi clearing and settlement system for participating banks in Hong Kong is disrupted or suspended, the Bank may make any payment of Renminbi under the Notes in another currency selected by the Bank using an exchange rate determined by the Alternate Settlement Rate Determination Agent or an exchange rate specified in the applicable Pricing Supplement.

The Renminbi is subject to exchange rate risk.

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. The Bank will make all Renminbi payments under the Notes in Renminbi unless otherwise specified. As a result, the value of such payments in Renminbi (in U.S. dollars or other applicable foreign currency terms) may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of a Noteholder's investment in U.S. dollar or other applicable foreign currency terms will decline.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes will be issued outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (“Regulation S”) and Registered Notes will be issued both outside the United States in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A or Regulation D under the Securities Act.

Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will be initially issued in the form of either a temporary bearer global note (a “Temporary Bearer Global Note”) or a permanent bearer global note (a “Permanent Bearer Global Note” and together with a Temporary Bearer Global Note, a “Bearer Global Note”) as indicated in the applicable Pricing Supplement, which, in either case, will be delivered on or prior to the original issue date of the Tranche to either (i) a common depositary (the “Common Depositary”) for Euroclear Bank SA/NV, as operator of the Euroclear System (“Euroclear”) and/or Clearstream Banking S.A. (“Clearstream”) or (ii) a sub-custodian for the Hong Kong Monetary Authority (the “HKMA”) as operator of the Central Moneymarkets Unit Service (the “CMU Service”). Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream and/or the CMU Service, and Euroclear and/or Clearstream and/or the CMU Lodging Agent (as defined under “Terms and Conditions of the Notes”), as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent (“non-U.S. beneficial ownership certification”).

On and after the date (the “Exchange Date”) which is 40 days after the Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Pricing Supplement and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Pricing Supplement), in each case against non-U.S. beneficial ownership certification as described above unless such certification has already been given. The CMU Service may require that any such exchange for a Permanent Bearer Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU Service (the “CMU Rules”)) or any other relevant notification supplied to the CMU Lodging Agent by the CMU Service) have provided certification of beneficial ownership as described above. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream against presentation or surrender (as the case may be) of the Permanent Bearer Global Note without any further requirement for certification beyond the initial non-U.S. beneficial ownership certification as described above. In respect of a Bearer Global Note held through the CMU Service, any payments of principal, interest (if any) or any other amounts will be made to the person(s) for whose account(s) interests in the relevant Bearer Global Note are credited (as set out

in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging Agent by the CMU Service) and save in the case of a final payment, no presentation of the relevant Bearer Global Note will be required for such purpose.

The applicable Pricing Supplement will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached upon either (i) not less than 60 days' written notice from (in the case of Notes held by a Common Depositary for Euroclear and/or Clearstream) Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein and/or (in the case of Notes held through the CMU Service) the relevant accountholders therein to the CMU Lodging Agent as described therein, or (ii) only upon the occurrence of an Exchange Event. For these purposes, an "Exchange Event" means that (i) an Event of Default (as defined in Condition 12) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream have been or, in the case of Notes held through the CMU Service, the CMU Service has been, closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have or has announced an intention permanently to cease business or have or has in fact done so and no alternative clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form (provided that, in certain circumstances where the Notes are held through Euroclear and/or Clearstream and/or the CMU Service, such adverse tax consequences are the result of a change in, or amendment to, the laws and regulations (taxation or otherwise) of a Tax Jurisdiction). For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, in the event that a Permanent Bearer Global Note is exchanged for definitive Bearer Notes, the Issuer will appoint and maintain a paying agent in Singapore (the "Singapore Paying Agent") (unless the Issuer obtains an exemption from the Singapore Stock Exchange), where such definitive Bearer Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Permanent Bearer Global Note is exchanged for definitive Bearer Notes, an announcement of such exchange shall be made by the Issuer or on the Issuer's behalf through the Singapore Stock Exchange and such announcement will include all material information with respect to the delivery of the definitive Bearer Notes, including details of the Singapore Paying Agent. In the event of the occurrence of an Exchange Event, (x) in the case of Notes held by a Common Depositary for Euroclear and/or Clearstream, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note), and (y) in the case of Notes held through the CMU Service, the relevant accountholders therein, may give notice to the Principal Paying Agent or, as the case may be, the CMU Lodging Agent, requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent or the CMU Lodging Agent, as the case may be, requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent or the CMU Lodging Agent, as the case may be.

The following legend will appear on all Bearer Notes that have an original maturity of more than 365 days and on all receipts and interest coupons relating to such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes.

Notes that are represented by a Bearer Global Note will only be transferable, and payment in respect of them will only be made, in accordance with the rules and procedures for the time being of Euroclear, Clearstream, or the CMU Service, as the case may be.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a “Regulation S Global Note”). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear or Clearstream and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions (i) to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act (“QIBs”) or (ii) to “accredited investors” (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that are institutions (“Institutional Accredited Investors”) who agree to purchase the Notes for their own account and not with a view to the distribution thereof. The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form (a “Rule 144A Global Note” and, together with a Regulation S Global Note, the “Registered Global Notes”).

The Registered Global Notes will be deposited with (i) a custodian for, and registered in the name of a nominee of, DTC for the accounts of its participants, including Euroclear and Clearstream, (ii) a Common Depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, or (iii) a sub-custodian for the HKMA as operator of the CMU Service, as specified in the applicable Pricing Supplement. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Registered Notes of each Tranche sold to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof (“Definitive IAI Registered Notes”). Unless otherwise set forth in the applicable Pricing Supplement, Definitive IAI Registered Notes will be issued only in minimum denominations of U.S.\$250,000 and integral multiples of U.S.\$1,000 in excess thereof (or the approximate equivalents in the applicable Specified Currency). Definitive IAI Registered Notes will be subject to the restrictions on transfer set forth therein and will bear the restrictive legend described under “Subscription and Sale and Transfer and Selling Restrictions.” Institutional Accredited Investors that hold Definitive IAI Registered Notes may elect to hold such Notes through DTC, but transferees acquiring the Notes in transactions exempt from Securities Act registration pursuant to Regulation S or Rule 144 under the Securities Act (if available) may do so upon satisfaction of the requirements applicable to such transfer as described under “Subscription and Sale and Transfer and Selling Restrictions.” The Rule 144A Global Note and the Definitive IAI Registered Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7(d)) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, an “Exchange Event” means that (a) an Event of Default has occurred and is continuing, (b) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act, (c) in the case of Notes registered in the name of a nominee for a Common Depositary for Euroclear and Clearstream, the Issuer has been notified that both Euroclear and Clearstream have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available, (d) in the case of Notes held through the CMU Service, the Issuer has been notified that the CMU Service has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and, in any such case, no successor clearing system is available or (e) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form (provided that, in certain circumstances where the Notes are held through DTC and/or Euroclear and/or Clearstream and/or the CMU Service, such adverse tax consequences are the result of a change in, or amendment to, the laws and regulations (taxation or otherwise) of a Tax Jurisdiction).

For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, in the event that a Permanent Registered Global Note is exchanged for definitive Registered Notes, the Issuer will appoint and maintain the Singapore Paying Agent (unless the Issuer obtains an exemption from the Singapore Stock Exchange), where such definitive Registered Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Permanent Registered Global Note is exchanged for definitive Registered Notes, an announcement of such exchange shall be made by the Issuer or on the Issuer’s behalf through the Singapore Stock Exchange and such announcement will include all material information with respect to the delivery of the definitive Registered Notes, including details of the Singapore Paying Agent. In the event of the occurrence of an Exchange Event, (1) in the case of Notes registered in the name of a nominee for DTC, DTC, (2) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Registered Global Note) and (3) in the case of Notes held through the CMU Service, the relevant accountholders therein, may give notice to the Registrar or the CMU Lodging Agent, as the case may be, requesting exchange and, in the event of the occurrence of an Exchange Event as described in (e) above, the Issuer may also give notice to the Registrar or the CMU Lodging Agent, as the case may be, requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar or the CMU Lodging Agent, as the case may be.

Transfer of Interests

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note or in the form of a Definitive IAI Registered Note and Definitive IAI Registered Notes may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such Notes in the form of an interest in a Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear, Clearstream and the CMU Service, in each case to the extent applicable. Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see “Subscription and Sale and Transfer and Selling Restrictions.”

General

Pursuant to the Agency Agreement (as defined under “Terms and Conditions of the Notes”), the Principal Paying Agent or, as the case may be, the CMU Lodging Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CMU instrument number, a CUSIP and CINS number which are different from the common code, ISIN, CMU instrument number, CUSIP and CINS assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S) applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear, Clearstream and/or the CMU Service, each person (other than Euroclear, Clearstream or the CMU Service) who is for the time being shown in the records of Euroclear, Clearstream or the CMU Service as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU Service as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly. Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU Service, any payment that is made in respect of such Note shall be made at the direction of the bearer or the registered holder to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU Service in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging Agent by the CMU Service in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the Issuer in respect of that payment under such Note.

So long as DTC or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Any reference herein to Euroclear, Clearstream, DTC and/or the CMU Service shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

The Notes may be accelerated by the holder thereof in certain circumstances described in Condition 12. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then, holders of interests in such Global Note credited to their accounts with Euroclear, Clearstream and/or DTC and/or the CMU Service, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream, DTC and/or the CMU Service on and subject to the terms of a deed of covenant dated 11th May, 2015 (the “Deed of Covenant”), executed by the Issuer. In addition, holders of interests in such Global Note credited to their accounts with DTC may require DTC to deliver Definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC’s standard operating procedures.

Form of Pricing Supplement

Set out below is the form of Pricing Supplement that will be completed for each Tranche of Notes issued under the Programme.

[Date]

Woori Bank

(acting through its **[principal office in Korea/[●] Branch]**)

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the Global Medium Term Note Programme U.S.\$7,000,000,000**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 3rd May, 2019 **[and the supplemental Offering Circular dated [●]]**. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular **[as so supplemented]**.

[The following alternative language applies if the first tranche of an issue that is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular dated *[original date]*. *This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.*

[MIFID II PRODUCT GOVERNANCE – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the securities has led to the conclusion that: (i) the target market for the securities is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the securities (a “distributor”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the securities (by either adopting or refining the manufacturer’s target market assessment) and determining the appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes: (a) the expression “retail investor” means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC, as amended; and (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore, offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[Notification under Section 309B(1)(c) of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) – the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA) that the Notes are [prescribed capital markets products [OR] capital markets products other than prescribed capital markets products] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and [Excluded Investment Products [OR] Specified Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA, AND, ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY KOREAN RESIDENT EXCEPT AS OTHERWISE PERMITTED BY APPLICABLE KOREAN LAWS AND REGULATIONS (INCLUDING THE SALE OF THE NOTES TO PROFESSIONAL INVESTORS IN THE PRIMARY MARKET IF (A) THE AMOUNT ACQUIRED BY PROFESSIONAL INVESTORS IN THE PRIMARY MARKET IS LIMITED TO 20 PER CENT. OR LESS OF THE AGGREGATE ISSUE AMOUNT AND (B) THE NOTES HAVE BEEN (I) LISTED IN ONE OF THE MAJOR MARKETS DESIGNATED BY THE FINANCIAL SUPERVISORY SERVICE OR (II) REGISTERED WITH OR REPORTED TO A FINANCIAL SUPERVISORY AUTHORITY LOCATED IN ONE OF SUCH MAJOR MARKETS OR (III) OFFERED THROUGH SUCH PROCEDURES AS MAY BE CONSIDERED A PUBLIC OFFERING). IN ADDITION, TO THE EXTENT REQUIRED BY THE APPLICABLE LAWS AND REGULATIONS OF KOREA, UNTIL THE EXPIRATION OF ONE YEAR AFTER THE ISSUANCE OF ANY NOTES, SUCH NOTES MAY NOT BE TRANSFERRED TO ANY RESIDENT OF KOREA EXCEPT AS OTHERWISE PERMITTED BY APPLICABLE KOREAN LAW AND REGULATIONS (INCLUDING THE SALE OF THE NOTES TO THE PROFESSIONAL INVESTORS IN THE SECONDARY MARKET IF THE NOTES HAVE BEEN (A) LISTED IN ONE OF THE MAJOR MARKETS DESIGNATED BY THE FINANCIAL SUPERVISORY SERVICE OR (B) REGISTERED WITH OR REPORTED TO A FINANCIAL SUPERVISORY AUTHORITY LOCATED IN ONE OF SUCH MAJOR MARKETS OR (C) OFFERED THROUGH SUCH PROCEDURES AS MAY BE CONSIDERED A PUBLIC OFFERING). AS USED HEREIN, THE TERM “KOREAN RESIDENT” HAS THE MEANING GIVEN TO IT BY THE FOREIGN EXCHANGE TRANSACTION LAW OF KOREA AND THE REGULATIONS THEREUNDER AND THE TERM “PROFESSIONAL INVESTORS” HAS THE MEANING GIVEN TO IT BY THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA AND ITS ENFORCEMENT DECREE.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplements]

- | | |
|-----------------------|--|
| 1. Issuer: | Woori Bank (acting through its [principal office in Korea/[●] Branch]) |
| 2. (i) Series Number: | [●] |
| (ii) Tranche Number: | [●]
<i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |

3. Specified Currency or Currencies: [●]*
4. Aggregate Nominal Amount:
- (i) [Series: [●]]
- (ii) [Tranche: [●]]
5. (i) [Issue Price of Tranche: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [Issue Date] (in the case of fungible issues only, if applicable)]]
- (ii) [Net proceeds: (required only for listed issues) [●]]
6. Specified Denominations: (in the case of Registered Notes, this means the minimum integral amount in which transfers can be made) [●]
- (N.B. Pursuant to Directive 2010/73/EU to the Prospectus Directive (Directive 2003/71/EC), Notes to be admitted to trading on a regulated market within the European Economic Area must have a minimum denomination of euro 100,000 (or equivalent) in order to benefit from Transparency Directive exemptions in respect of wholesale securities and the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the euro 100,000 minimum denomination is not required.)*
- (N.B. Where Bearer Notes with multiple denominations above U.S.\$200,000 or equivalent are being used the following sample wording should be followed:*
- “U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof up to and including U.S.\$399,000. No Notes in definitive form will be issued with a denomination above U.S.\$399,000.”)*
7. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [●]

* In respect of Notes denominated in Renminbi, purchasers of the Notes should note that Renminbi is not freely convertible at present. All payments in respect of such Notes shall be made solely by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong in accordance with applicable laws and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or by transfer to a bank account in the PRC).

8. Maturity Date: **[Fixed rate – specify date]**
- Floating rate – Interest Payment Date falling in **[specify months and year] [(NB: Subordinated Notes shall have a minimum maturity of five years.)]**
9. Interest Basis: **[[●] per cent. Fixed Rate]**
[[LIBOR/EURIBOR] +/-[●] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Dual Currency Interest] [specify other] (further particulars specified below)
10. Redemption/Payment Basis: **[Redemption at par] [Index Linked Redemption] [Dual Currency Redemption] [Partly Paid] [Instalment] [specify other]**
11. Change of Interest Basis or Redemption/Payment Basis: **[Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]**
12. Put/Call Options: **[Investor Put] [Issuer Call] [(further particulars specified below)]**
- [(NB: Investor Put not possible for Subordinated Notes; Issuer Call for Subordinated Notes will be subject to satisfaction of regulatory conditions.)]**
13. (i) Status of the Notes: **[Senior/Tier I Subordinated/Tier II Subordinated]**
- (ii) Date Board approval for issuance of Notes obtained: **[●] (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)**
14. Listing: **[Singapore Exchange Securities Trading Limited/specify other/None]**
15. Method of distribution: **[Syndicated/Non-syndicated]**
16. Use of proceeds: **[●] (To be specified if different from the use of proceeds specified in the Offering Circular)**

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. Fixed Rate Note Provisions: **[Applicable/Not Applicable]**
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: **[●]** per cent. per annum **[payable annually/semi-annually/quarterly]** in arrears] *(If payable other than annually, consider amending Condition 6)*
- (ii) Interest Payment Date(s): **[[●] in each year up to and including the Maturity Date]/[specify other] [N.B.: This will need to be amended in the case of long or instalment coupons]**
- (iii) Fixed Coupon Amount(s): **[●] per [●] in nominal amount**
- (iv) Broken Amount(s): **[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount]**
- (v) Day Count Fraction: **[30/360 or Actual/Actual (ICMA) or Actual/365 (Fixed)* or [specify other]]**
- (vi) Determination Date(s): **[●] in each year**

**[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon
NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration. NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA)]**
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: **[None/Give details]**
18. Floating Rate Note Provisions: **[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)**
- (i) Specified Period(s)/Specified Interest Payment Dates: **[●]**
- (ii) Business Day Convention: **[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]**
- (iii) Additional Business Centre(s): **[●]**

* Applicable to Hong Kong dollar denominated Fixed Rate Notes and Renminbi denominated Fixed Rate Notes.

- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: **[Screen Rate Determination/ISDA Determination/specify other]**
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): **[●]**
- (vi) Screen Rate Determination:
- Reference Rate: **[●]** *(Either LIBOR, EURIBOR or other, although additional information is required if other – including fallback provisions in the Agency Agreement)*
 - Interest Determination Date(s): **[●]** *(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET 2 system is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
 - Relevant Screen Page: **[●]** *(In the case of EURIBOR, if not Telerate Page 248 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (vii) ISDA Determination:
- Floating Rate Option: **[●]**
 - Designated Maturity: **[●]**
 - Reset Date: **[●]**
- (viii) Margin(s): **[+/-][●]** per cent. per annum
- (ix) Minimum Rate of Interest: **[●]** per cent. per annum
- (x) Maximum Rate of Interest: **[●]** per cent. per annum
- (xi) Day Count Fraction: **[Actual/365 Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360 Other]**
(See Condition 6 for alternatives)
- (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: **[●]**

19. Zero Coupon Note Provisions: **[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)**
- (i) Accrual Yield: **[●] per cent. per annum**
 - (ii) Reference Price: **[●]**
 - (iii) Any other formula/basis of determining amount payable: **[●] (Consider applicable day count fraction if euro denominated)**
 - (iv) Day Count Fraction in relation to Early Redemption Amount and Late Payment on Zero Coupon Notes: **[Condition 8(e)(iii) and Condition 8(j) apply/specify other] (Consider applicable day count fraction if not U.S. dollar denominated)**
20. Index Linked Interest Note Provisions: **[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)**
- (i) Index/Formula: **[give or annex details]**
 - (ii) Calculation Agent responsible for calculating the interest due: **[●]**
 - (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: **[●]**
 - (iv) Specified Period(s)/Specified Interest Payment Dates: **[●]**
 - (v) Business Day Convention: **[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other]**
 - (vi) Additional Business Centre(s): **[●]**
 - (vii) Minimum Rate of Interest: **[●] per cent. per annum**
 - (viii) Maximum Rate of Interest: **[●] per cent. per annum**
 - (ix) Day Count Fraction: **[●]**
21. Dual Currency Note Provisions: **[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)**
- (i) Rate of Exchange/method of calculating Rate of Exchange: **[give details]**

- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest payable: [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]

PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: **[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)**
- (i) Optional Redemption Date(s): **[●] (N.B. Subordinated Notes may not be redeemed within five years of their issuance date)**
 - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s): **[●] per Note of [●] Specified Denomination**
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: **[●]**
 - (b) Higher Redemption Amount: **[●]**
 - (iv) Notice period (if other than as set out in the Conditions): **[●] (N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)**
23. Investor Put: **[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)**
- (i) Optional Redemption Date(s): **[●]**
 - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s): **[●] per Note of [●] Specified Denomination**

(iii) Notice period (if other than as set out in the Conditions):

[●] *(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)*

24. Final Redemption Amount of each Note:

[●] per Note of [●] Specified Denomination/specify other/see Appendix

25. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8(e)):

[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes:

[Bearer Notes:

[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

[Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Bearer Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect:

“US\$200,000 and integral multiples of US\$1,000 in excess thereof up to and including US\$399,000.”

Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)

[Registered Notes:

Regulation S Global Note (U.S.\$[●] nominal amount) [registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]]/[held through the CMU Service]/Rule 144A Global Note (U.S.\$[●] nominal amount) [registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]]/[held through the CMU Service]/Definitive IAI Registered Notes (specify nominal amounts)]

27. Additional Financial Centre(s) or other special provisions relating to Payment Dates: *[Not Applicable/give details] (Note that this item relates to the place of payment and not Interest Period end dates to which items 17(iii) and 19(vi) relate)*
28. Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature): *[Yes/No. If yes, give details]*
29. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: *[Not Applicable/give details. NB: new forms of Global Note(s) may be required for Partly Paid issues.]*
30. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: *[Not Applicable/give details]*
31. Redenomination applicable: *Redenomination [not] applicable. [(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))] [(if Redenomination is applicable, specify the terms of the redenomination in an Annex to the Pricing Supplement)]*
32. RMB Currency Event: *[Not Applicable/give details] (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Alternate Settlement Rate (if different from that set out in Condition 7(i)): *[Not Applicable/give details]*
- (ii) Party responsible for calculating the Alternate Settlement Rate: *[Give name (the “Alternate Settlement Rate Determination Agent”)]*
- (iii) Relevant Currency (if different from that set out in Condition 7(i)): *[Not Applicable/give details]*
33. Other terms or special conditions: *[Not Applicable/give details]*

DISTRIBUTION

34. (i) If syndicated, names of Managers: [Not Applicable/give names]
- (ii) Stabilisation Manager (if any): [Not Applicable/give name]
35. If non-syndicated, name of relevant Dealer: [●]
36. United States selling restrictions: [Rule 144A/Regulation S Category 2]
[TEFRA D/TEFRA C/TEFRA not applicable]
37. Prohibition of sales to EEA retail investors: [Applicable/Not Applicable]
38. Additional selling restrictions: [Not Applicable/give details]

OPERATIONAL INFORMATION

39. Any clearing system(s) other than Euroclear and Clearstream and the relevant identification number(s): [Not Applicable/CMU Service/give name(s) and number(s)]
40. Delivery: Delivery [against/free of] payment
41. In the case of Registered Notes, specify the location of the office of the Registrar if other than New York: [Not Applicable/give location]
42. Additional Paying Agent(s) (if any): [●]
- LEI: 549300VUVMRL6RE7R376
- ISIN: [●]
- Common Code: [●]
- (insert here any other relevant codes such as CMU Instrument Number, CUSIP and CINS codes)*

[LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.\$7,000,000,000 Global Medium Term Note Programme of Woori Bank. The Singapore Exchange Securities Trading Limited (the “Singapore Stock Exchange”) assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Pricing Supplement. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the Singapore Stock Exchange are not to be taken as an indication of the merits of the Issuer, the Programme or the Notes.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement, which, when read together with the Offering Circular [**and the supplemental Offering Circular**] referred to above, contains all information that is material in the context of the issue of the Notes.

Signed on behalf of the Issuer:

By: _____
Duly authorised

If the applicable Pricing Supplement specifies any modification to the Terms and Conditions of the Notes as described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1, 5, 6, 7, 8 (except Condition 8(b)), 13, 14, 15, 16 (insofar as such Notes are not listed or admitted to trading on any stock exchange) or 18, they will not necessitate the preparation of a supplement to this Offering Circular. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Offering Circular will be prepared, if appropriate.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of the Notes” for a description of the content of Pricing Supplements which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by Woori Bank (the “Issuer”) pursuant to the Agency Agreement (as defined below). The applicable Pricing Supplement (as defined below) will indicate whether the Issuer is acting through its principal office in the Republic of Korea (“Korea”) or any of its branches.

References herein to the “Notes” shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a “Global Note”), units of the lowest Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form (“Bearer Notes”) issued in exchange for a Global Note in bearer form; and
- (d) any definitive Notes in registered form (“Registered Notes”) (whether or not issued in exchange for a Global Note in registered form).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of the amended and restated agency agreement dated 25th August, 2006 as supplemented by the supplemental agency agreement dated 14th May, 2013, the second supplemental agency agreement dated 9th April, 2014, the third supplemental agency agreement dated 11th May, 2015, the fourth supplemental agency agreement dated 13th May, 2016, the fifth supplemental agency agreement dated 28th April, 2017, the sixth supplemental agency agreement dated 3rd May, 2019 and as further amended and/or supplemented from time to time (the “Agency Agreement”) and made between the Issuer, Deutsche Bank AG, London Branch as principal paying agent (the “Principal Paying Agent,” which expression shall include any successor agent), Deutsche Bank AG, Hong Kong Branch as CMU lodging agent (the “CMU Lodging Agent,” which expression shall include any successor CMU lodging agent) and the other paying agents named therein (together with the Principal Paying Agent and the Euro Registrar, the “Paying Agents,” which expression shall include any additional or successor paying agents), Deutsche Bank Trust Company Americas as registrar (the “Registrar,” which expression shall include any successor registrar), exchange agent (the “Exchange Agent,” which expression shall include any additional or successor exchange agent) and transfer agent and the other transfer agents named therein (together with the Registrar, the “Transfer Agents” which expression shall include any additional or successor transfer agents), and Deutsche Bank Luxembourg S.A. as registrar and paying agent (the “Euro Registrar”). For the purposes of these Terms and Conditions, all references to the Principal Paying Agent shall, with respect to a Series of Notes to be held in the CMU Service (as defined below), be deemed to be a reference to the CMU Lodging Agent and all such references shall be construed accordingly.

Interest bearing definitive Bearer Notes (unless otherwise indicated in the applicable Pricing Supplement) have interest coupons (“Coupons”) and, if indicated in the applicable Pricing Supplement, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments have receipts (“Receipts”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Pricing Supplement for this Note (or the relevant provisions thereof) is attached to or endorsed on this Note and supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the “applicable Pricing Supplement” are to the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to “Noteholders” or “holders” in relation to any Notes shall mean (in the Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to “Receiptholders” shall mean the holders of the Receipts and any reference herein to “Couponholders” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “Tranche” means Notes which are identical in all respects (including as to listing), and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

As used herein, the following expressions shall have the following meanings:

“CMU” means the Central Moneymarkets Unit;

“CMU Instrument Position Report” shall have the meaning specified in the CMU Rules;

“CMU Member” means a member of the CMU;

“CMU Operator” means the Hong Kong Monetary Authority, as operator of the CMU Service;

“CMU Reference Manual” means the reference manual relating to the operation of the CMU Service issued by the Hong Kong Monetary Authority to CMU Members, as amended from time to time;

“CMU Rules” means all requirements of the CMU Service for the time being applicable to a CMU Member and includes, as amended from time to time, (a) all the obligations for the time being applicable to a CMU Member under or by virtue of its membership agreement with the CMU Service and the CMU Reference Manual, (b) all the operating procedures as set out in the CMU Reference Manual for the time being in force in so far as such procedures are applicable to a CMU Member and (c) any directions for the time being in force and applicable to a CMU Member given by the CMU Operator through any operational circulars or pursuant to any provision of its membership agreement with the CMU Operator or the CMU Reference Manual;

“CMU Service” means the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority; and

“RMB” means the lawful currency of the People’s Republic of China.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of a deed of covenant dated 11th May, 2015 (the “Deed of Covenant”) and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream (as defined below).

Copies of the Agency Agreement, a deed poll dated 25th August, 2006 (the “Deed Poll”) and made by the Issuer, the applicable Pricing Supplement and the Deed of Covenant are available during normal business hours at the specified office of each of the Principal Paying Agent, the Registrar and the other Paying Agents and Transfer Agents (such agents and the Registrar being together referred to as the “Agents”). Copies of the applicable Pricing Supplement are obtainable during normal business hours at the specified office of each of the Agents save that, if this Note is an unlisted Note of any Series, the applicable Pricing Supplement will only be available for inspection by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to the Issuer or the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed Poll, the Deed of Covenant and the applicable Pricing Supplement which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending on the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and the Paying Agents will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV, as operator of the Euroclear System (“Euroclear”) and/or Clearstream Banking, S.A. (“Clearstream”) and/or a sub-custodian for the CMU Service, each person (other than Euroclear or Clearstream or the CMU Service) who is for the time being shown in the records of Euroclear, Clearstream or the CMU Service as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU Service as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note and the registered holder of any Registered Note shall be treated by the Issuer and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU Service, any payment that is made in respect of such Note shall be made at the direction of the bearer or the registered holder to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU Service in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging Agent by the CMU Service in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) (“CMU Accountholders”) and such payments shall discharge the obligation of the Issuer in respect of that payment under such Note.

For so long as the Depository Trust Company (“DTC”) or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes that are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear, Clearstream and/or the CMU Service, as the case may be. References to DTC, Euroclear, Clearstream and/or the CMU Service shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

2. TRANSFERS OF REGISTERED NOTES

(a) Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear, Clearstream or the CMU Service, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear,

Clearstream or the CMU Service, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Registered Global Note registered in the name of a nominee or sub-custodian for DTC, Euroclear, Clearstream or the CMU Service, as the case may be, shall be limited to transfers of such Registered Global Note, in whole but not in part, to another nominee or sub-custodian of DTC, Euroclear, Clearstream or the CMU Service, as the case may be, or to a successor of DTC, Euroclear, Clearstream or the CMU Service, as the case may be, or such successor's nominee or sub-custodian.

(b) Transfers of Registered Notes in definitive form

Subject as provided in paragraphs (e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 10 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 8, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other Governmental charge that may be imposed in relation to the registration.

(e) Transfers of interests in Regulation S Global Notes

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in Schedule 8 to the Agency Agreement, amended as appropriate (a “Transfer Certificate”), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made:
 - (A) to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
 - (B) to a person who is an Institutional Accredited Investor, subject to delivery of the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an Institutional Accredited Investor, a duly executed investment letter from the relevant transferee substantially in the form set out in the Agency Agreement (an “IAI Investment Letter”); or
- (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

In the case of (A) above, such transferee may take delivery through a Legended Note in global or definitive form and, in the case of (B) above, such transferee may take delivery only through a Legended Note in definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Regulation S Global Notes registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

(f) Transfers of interests in Legended Notes

Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that in the case of a Regulation S Global Note registered in the name of a nominee for DTC, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream; or

- (ii) to a transferee who takes delivery of such interest through a Legended Note:
 - (A) where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
 - (B) where the transferee is an Institutional Accredited Investor, subject to delivery to the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an Institutional Accredited Investor, together with a duly executed IAI Investment Letter from the relevant transferee; or
- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Notes transferred by Institutional Accredited Investors to QIBs pursuant to Rule 144A or outside the United States pursuant to Regulation S will be eligible to be held by such QIBs or non-U.S. investors through DTC, Euroclear, Clearstream or the CMU Service, as appropriate, and the Registrar will arrange for any Notes which are the subject of such a transfer to be represented by the appropriate Registered Global Note, where applicable.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

(g) Exchanges and transfers of Registered Notes generally

Holders of Registered Notes in definitive form, other than Institutional Accredited Investors, may exchange such Notes for interests in a Registered Global Note of the same type at any time.

(h) Definitions

In this Condition, the following expressions shall have the following meanings:

“Distribution Compliance Period” means the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue);

“Institutional Accredited Investor” means “accredited investors” (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act that are institutions;

“Legended Note” means Registered Notes in definitive form that are issued to Institutional Accredited Investors and Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A;

“QIB” means a “qualified institutional buyer” within the meaning of Rule 144A;

“Regulation S” means Regulation S under the Securities Act;

“Regulation S Global Note” means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

“Rule 144A” means Rule 144A under the Securities Act;

“Rule 144A Global Note” means a Registered Global Note representing Notes sold in the United States or to QIBs; and

“Securities Act” means the United States Securities Act of 1933, as amended.

3. STATUS OF THE NOTES

(a) Status of the Senior Notes

The Notes that are not Subordinated Notes (the “Senior Notes”) and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank pari passu among themselves and will rank pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such as may be preferred by mandatory provisions of applicable law.

(b) Status of the Subordinated Notes

(i) Tier II Subordinated Notes

This Condition 3(b)(i) applies only to Notes specified in the applicable Pricing Supplement as “Tier II Subordinated Notes.”

The Notes whose status is specified in the applicable Pricing Supplement as Tier II Subordinated (the “Tier II Subordinated Notes”) and any relative Receipts and Coupons constitute direct, unsecured and subordinated (as described in Condition 3(c)) obligations of the Issuer which (subject to the provisions of Condition 9) will at all times rank (x) junior to the Senior Indebtedness of the Issuer (as defined in Condition 3(c)), (y) pari passu with and rateably without any preference among themselves and all other subordinated obligations of the Issuer which do not rank or are not expressed by their terms to rank junior to the Tier II Subordinated Notes (collectively, the “Tier II Obligations”) and (z) senior to, and in priority to claims of holders of, the Tier I Obligations (as defined in Condition 3(b)(ii)) and all classes of equity of the Issuer.

(ii) Tier I Subordinated Notes

This Condition 3(b)(ii) applies only to Notes specified in the applicable Pricing Supplement as “Tier I Subordinated Notes.”

The Notes whose status is specified in the applicable Pricing Supplement as Tier I Subordinated (the “Tier I Subordinated Notes”) and any relative Receipts and Coupons constitute direct, unsecured and subordinated (as described in Condition 3(c)) obligations of the Issuer which (subject to the provisions of Conditions 6(f) and 9) will at all times rank (x) junior to the Senior Indebtedness of the Issuer (as defined in Condition 3(c)), (y) pari passu with and rateably without any preference among themselves and all other subordinated obligations of the Issuer which either constitute additional Tier I capital of the Issuer under applicable Korean laws and regulations or otherwise rank or are expressed by their terms to rank pari passu with the Tier I Subordinated Notes (collectively, the “Tier I Obligations”) and (z) senior to, and in priority to claims of holders of, all classes of equity of the Issuer (other than equity that constitutes Tier II capital of the Issuer under applicable Korean laws and regulations). In addition, in the case of a Bankruptcy Event (as defined in Condition 3(c)), the Tier I Subordinated Notes shall be deemed not to constitute liabilities for purposes of determining whether the Issuer’s liabilities exceed its assets.

(c) Subordination

This Condition 3(c) applies only to Tier I Subordinated Notes and Tier II Subordinated Notes (together, the “Subordinated Notes”).

- (i) If, on or prior to the Maturity Date or at any time while any amount is due and outstanding under any Subordinated Notes, a Bankruptcy Event (as defined below) occurs and so long as it continues, any amounts which become due then or thereafter under the Subordinated Notes (including overdue amounts) shall not be payable unless and until the total amount of any and all Senior Indebtedness of the Issuer which is listed on the distribution list (as amended, if such be the case) for final distribution submitted to the court in the bankruptcy proceedings is paid in full or provided to be paid in full in such bankruptcy proceedings.
- (ii) If, on or prior to the Maturity Date or at any time while any amount is due and outstanding under any Subordinated Notes, a Rehabilitation Event (as defined below) occurs and so long as it continues, any amounts which become due then or thereafter under the Subordinated Notes (including overdue amounts) shall not be payable unless and until the total amount of any and all Senior Indebtedness of the Issuer which is listed on the rehabilitation plan of the Issuer at the time when the court’s approval of such plan becomes final and conclusive is paid in full or provided to be paid in full in the rehabilitation proceedings to the extent of the original amount thereof (without regard to any adjustment of such amount in the approved rehabilitation plan).
- (iii) If, on or prior to the Maturity Date or at any time while any amount is due and outstanding under any Subordinated Notes, a Foreign Event (as defined below) occurs and so long as it continues, any amounts which become due then or thereafter under the Subordinated Notes (including overdue amounts) shall only become payable upon conditions equivalent to those enumerated in the above two paragraphs having been fulfilled,

provided that notwithstanding any provision herein to the contrary if the imposition of any such conditions is not allowed under such proceedings, any amounts which become due under the Subordinated Notes shall become payable in accordance with the terms herein provided and not subject to such conditions.

- (iv) A holder of a Subordinated Note by its acceptance thereof or its interest therein, shall be deemed to agree that (i) if any payment in respect of such Note is made to such holder after the occurrence of a Subordination Event and the amount of such payment shall exceed the amount, if any, that should have been paid to such holder upon the proper application of these subordination provisions, the payment of such excess amount shall be deemed null and void and such holder (without the Registrar or any Paying Agent having any obligation or liability with respect thereto, save to the extent that the Registrar or such Paying Agent shall return to the Issuer any such excess amount which remains held by it at the time of the notice next referred to) shall be obliged to return the amount of the excess payment within ten days of receiving notice from the Issuer of the excess payment and (ii) upon the occurrence of a Subordination Event and so long as such Subordination Event continues, such holder shall not exercise any right to set off any liabilities of the Issuer under such Note which become so payable on or after the date on which the Subordination Event occurs against any liabilities of such holder owed to the Issuer unless, until and only in such amount as the liabilities of the Issuer under such Note become payable pursuant to the proper application of these subordination provisions.

In these Conditions:

a “Bankruptcy Event” shall mean a court of competent jurisdiction in Korea having adjudicated the Issuer to be bankrupt pursuant to the provisions of the Act on Debtor Rehabilitation and Bankruptcy of Korea or any successor legislation thereto;

a “Foreign Event” shall mean in any jurisdiction other than Korea, the Issuer having become subject to bankruptcy, rehabilitation or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Korea;

“Korea” shall mean the Republic of Korea;

a “Rehabilitation Event” shall mean a court of competent jurisdiction in Korea having adjudicated the Issuer to be subject to the rehabilitation proceedings pursuant to the provisions of the Act on Debtor Rehabilitation and Bankruptcy of Korea or any successor legislation thereto;

“Senior Indebtedness of the Issuer” shall mean (i) in the case of Tier II Subordinated Notes, all deposits and other liabilities of the Issuer (other than the Tier II Obligations and the Tier I Obligations) and (ii) in the case of the Tier I Subordinated Notes, all deposits and other liabilities of the Issuer (other than the Tier I Obligations) and all equity that constitutes Tier II capital of the Issuer under applicable Korean laws and regulations; and

a “Subordination Event” shall mean any Bankruptcy Event, Rehabilitation Event or Foreign Event.

(d) Waiver of Creditors' Rights

A holder of a Note by its acceptance thereof or its interest therein shall be deemed to have waived, and agreed not to exercise, any right as a creditor to require the Issuer to redeem such Note or provide collateral with respect thereto that may arise pursuant to the Korean Commercial Code in connection with a merger, spin-off, stock swap, stock transfer or other similar transaction of the Issuer.

4. NEGATIVE PLEDGE

So long as any of the Senior Notes remains outstanding (as defined in the Agency Agreement), the Issuer will not create or permit to be outstanding any mortgage, charge, pledge or other security interest upon the whole or part of its property, assets or revenues, present or future, to secure for the benefit of the holders of any International Investment Securities (as defined below) (i) payment of any sum due in respect of any such securities or (ii) any payment under any guarantee of any such securities or (iii) any payment under any indemnity or other like obligation relating to any such securities, without in any such case at the same time according to the Senior Notes and the Receipts and Coupons applicable thereto, either the same security as is granted to or is outstanding in respect of such International Investment Securities, guarantee, indemnity or other like obligation or such other security as shall be approved by an Extraordinary Resolution passed at a meeting of the holders of Senior Notes.

As used in this Condition, "International Investment Securities" means notes, debentures, bonds or investment securities of the Issuer which (a) either are by their terms payable, or confer a right to receive payment, in any currency other than Won or are denominated in Won and more than 50 per cent. of the aggregate principal amount thereof is initially distributed outside Korea by or with the authorisation of the Issuer and (b) are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market outside Korea; provided that Covered Bonds (as defined below) in the aggregate outstanding principal amount not exceeding an amount equal to 10 per cent. of the total consolidated assets as shown on the most recent consolidated accounts of the Issuer shall not constitute International Investment Securities.

In this Condition, "Covered Bonds" means debt securities (including any notes, bonds, debentures, certificates of deposit or investment securities) backed by cash flows generated from an underlying investment pool consisting of mortgage loans, public sector assets, cash, cash equivalents and/or other financial assets.

5. REDENOMINATION

(a) Redenomination

Where redenomination is specified in the applicable Pricing Supplement as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Principal Paying Agent, Euroclear and Clearstream and at least 30 days' prior notice to the Noteholders in accordance with Condition 16, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (i) the Notes and the Receipts shall be deemed to be redenominated in euro in the denomination of €0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Principal Paying Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;
- (iii) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of €1,000, €10,000, €100,000 and (but only to the extent of any remaining amounts less than €1,000 or such smaller denominations as the Principal Paying Agent may approve) €0.01 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the “Exchange Notice”) that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (v) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

- (vii) if the Notes are Floating Rate Notes, the applicable Pricing Supplement will specify any relevant changes to the provisions relating to interest; and
- (viii) such other changes shall be made to this Condition as the Issuer may decide, after consultation with the Principal Paying Agent, and as may be specified in the notice, to conform it to conventions then applicable to instruments denominated in euro.

(b) Definitions

In the Conditions, the following expressions have the following meanings:

“Established Rate” means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

“€” and “euro” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

“Redenomination Date” means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

“Treaty” means the Treaty establishing the European Community, as amended.

6. INTEREST

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrears on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

Except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in the Conditions, “Fixed Interest Period” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period ending other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 6(a):

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Pricing Supplement:
 - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or
 - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (i) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (ii) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (ii) if “30/360” is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and
- (iii) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the Fixed Interest Period divided by 365.

In the Conditions:

“Determination Period” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such Determination Date); and

“sub-unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) Interest on Floating Rate Notes and Index Linked Interest Notes

(i) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrears on either:

- (A) the Specified Interest Payment Date(s) (each an “Interest Payment Date”) in each year specified in the applicable Pricing Supplement; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 6(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, “Business Day” means a day that is both:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Pricing Supplement; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro and RMB, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne or Wellington, respectively); (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (the “TARGET System”) is open; or (3) in relation to any sum payable in RMB, a day (other than a Saturday, Sunday or public holiday) on which (i) commercial banks and foreign exchange markets are open for business in Hong Kong and (ii) commercial banks in Hong Kong are open for business and settlement of RMB payments.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the “ISDA Definitions”) and under which:

- (i) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (ii) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (iii) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“LIBOR”) or on the Euro-zone inter-bank offered rate (“EURIBOR”), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), “Floating Rate,” “Calculation Agent,” “Floating Rate Option,” “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (i) the offered quotation; or
- (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (i) above, no such offered quotation appears or, in the case of (ii) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph; provided, however, that Condition 6(h) shall apply if a Benchmark Transition Event (as defined in such Condition) has occurred.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(iii) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) Determination of Rate of Interest and calculation of Interest Amounts

The Principal Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Paying Agent will calculate the amount of interest (the “Interest Amount”) payable on the Floating Rate Notes or Index Linked Interest Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 6(b):

- (A) if “Actual/365” or “Actual/Actual” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (B) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (C) if “Actual/365 (Sterling)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of or Interest Payment Date following in a leap year, 366;
- (D) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (E) if “30/360,” “360/360” or “Bond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and

- (F) if “30E/360” or “Eurobond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

(v) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notices to Noteholders will be published in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 16. For the purposes of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business (including dealing in foreign exchange and foreign currency deposits) in London or, if the Specified Currency is RMB, in Hong Kong.

(vi) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(b), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Principal Paying Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) Interest on Dual Currency Notes

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Pricing Supplement.

(d) Interest on Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

(e) Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16.

(f) Special Provisions Relating to Interest on Tier I Subordinated Notes

Notwithstanding any provisions to the contrary in these Terms and Conditions, the following will apply with respect to interest on the Tier I Subordinated Notes:

- (i) Interest on any Series of Tier I Subordinated Notes will be paid only out of the amount legally available under applicable Korean law for payment of dividends on equity of the Issuer or, if higher, the amount legally available under applicable Korean law for payment of interest on such Tier I Subordinated Notes (the “Dividend Reserve”). To the extent that the sum of (x) the amount of interest payable on any Series of Tier I Subordinated Notes on any Interest Payment Date (or, if applicable, during a fiscal year) and (y) the aggregate amount of interest and other distributions payable by the Issuer on the other Tier I Obligations during the fiscal quarter in which such Interest Payment Date falls (or, if applicable, during such fiscal year) exceeds the Dividend Reserve as of the relevant date (or, if applicable, for such fiscal year) pursuant to, and as calculated in accordance with, the requirements of applicable Korean law, the amount of interest payable on such Tier I Subordinated Notes on such Interest Payment Date (or, if applicable, during such fiscal year) will be reduced by an amount equal to the pro rata portion (calculated based on the relative aggregate amounts of interest and other distributions payable on each Tier I Obligation during such fiscal quarter or, if applicable, such fiscal year) of such excess.
- (ii) The Issuer may, in its sole discretion, elect not to pay, in whole or in part, any interest payable on any Series of Tier I Subordinated Notes on any Interest Payment Date; provided, however, that if the Issuer makes such an election, it will (unless it has set aside and deposited into an escrow account the full amount of interest that would become payable on such Tier I Subordinated Notes on the next succeeding Interest Payment Date) also make a similar election, in whole or in part on a pro rata basis, as applicable (to the fullest extent permitted by their respective terms and conditions), with respect to interest and other distributions that become payable on the other Tier I Obligations during the applicable Dividend Suspension Period (as defined below).
- (iii) The Tier I Subordinated Notes will not bear any interest during an Interest Cancellation Period (as defined below), and any interest payable on the Tier I Subordinated Notes on any Interest Payment Date falling within an Interest Cancellation Period will not be paid.

- (iv) Interest on the Tier I Subordinated Notes is non-cumulative. All amounts of such interest not paid in whole or in part pursuant to the preceding paragraphs will be deemed irrevocably cancelled, without the need for the consent of the holders of the Tier I Subordinated Notes, and will not be restored in any circumstances. For the avoidance of doubt, (A) any non-payment of interest, in whole or in part, by the Issuer pursuant to the preceding paragraphs will not constitute an Event of Default under the Notes, (B) holders of the Tier I Subordinated Notes will not have any claim or entitlement to any amount of such unpaid interest, and (C) any and all amounts of such unpaid interest may be applied by the Issuer for any purpose, including without limitation for the satisfaction of its other obligations that are due and payable.
- (v) In the event that (x) any interest payable on any Series of Tier I Subordinated Notes on any Interest Payment Date will not be paid in whole or in part pursuant to the preceding paragraphs or (y) an Interest Cancellation Period has commenced or terminated, the Issuer will, no later than ten Business Days prior to the relevant Interest Payment Date or five Business Days after the commencement or termination of an Interest Cancellation Period, as applicable, provide notice of such non-payment or commencement/termination to the Paying Agents and to the holders of such Tier I Subordinated Notes in accordance with Condition 16, stating the reason for such non-payment (and specifying the amount of interest payable that will not be paid) or commencement/termination; provided, however, that the failure of the Issuer to provide such notice shall not affect the effectiveness of the cancellation of the applicable interest amounts.
- (vi) In the event that any interest payable on any Series of Tier I Subordinated Notes on any Interest Payment Date is not (or, if applicable, will not be) paid in whole or in part pursuant to the preceding paragraphs, the Issuer will not:
 - (A) declare or pay any dividends or other distributions in cash with respect to any of its common shares; and
 - (B) purchase, acquire or redeem any of its common shares or permit any of its Subsidiaries to do so;

in each case during the applicable Dividend Suspension Period.

As used herein:

“Dividend Suspension Period” means: the period from and including the applicable Interest Payment Date (or, if applicable, the first day of the relevant fiscal year) to but excluding the earlier of (x) the next succeeding Interest Payment Date on which the interest payable on the applicable Series of Tier I Subordinated Notes on such date is paid in full (or, if applicable, the last day of the relevant fiscal year) and (y) the date of redemption in full or Write-Off (as defined in Condition 9) of the applicable Series of Tier I Subordinated Notes.

“Interest Cancellation Period” means any of the following: (x) the period during which either a “management improvement recommendation,” a “management improvement requirement” or a “management improvement order” has been issued by the Financial Services Commission of Korea (the “FSC”) against the Issuer pursuant to Article 34, 35 or 36, respectively, of the Regulation on Supervision of Banking Business and is pending; or (y) the period during which “emergency measures” have been imposed by the FSC or its chairman against the Issuer pursuant to Article 38 of the Regulation on Supervision of Banking Business and are pending.

(g) Interest Rate Reset

If Interest Rate Reset is specified in the applicable Pricing Supplement, the Rate of Interest applicable to the Notes will be reset to the Reset Interest Rate (as defined below) effective as of each Interest Reset Date (as specified in the applicable Pricing Supplement), such that the Notes will bear interest at the Reset Interest Rate during each period from (and including) an Interest Reset Date to (but excluding) the next succeeding Interest Reset Date or, if earlier, the date of redemption (each a “Reset Interest Period”).

The Principal Paying Agent will, on the Calculation Date (as defined below) for each Reset Interest Period, calculate the Reset Interest Rate for such Reset Interest Period and cause such Reset Interest Rate and the relevant Interest Reset Date to be notified to the Issuer and any stock exchange on which the Notes are for the time being listed, and the Issuer will cause notice to the Noteholders of such Reset Interest Rate and Interest Reset Date to be published in accordance with Condition 16 as soon as possible after such Calculation Date but in no event later than the fourth New York Business Day (as defined below) thereafter.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(g) by the Principal Paying Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent in connection with the exercise or non exercise by it of its powers, duties and discretions pursuant to such provisions.

As used herein, unless otherwise specified in the applicable Pricing Supplement:

“Base Rate” means the U.S. Treasury Rate or such other rate as specified in the applicable Pricing Supplement.

“Calculation Date” means, in relation to a Reset Interest Period, the fifth New York Business Day (as defined below) preceding the Interest Reset Date on which such Reset Interest Period commences.

“Comparable Treasury Issue” means the U.S. Treasury security having a maturity comparable to the Reset Interest Period and selected by the Issuer as one that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity comparable to the Reset Interest Period.

“Comparable Treasury Price” means, with respect to a Calculation Date, the average of the three Reference Treasury Dealer Quotations (as defined below) for such Calculation Date.

“New York Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business (including dealing in foreign exchange and foreign currency deposits) in New York City.

“Reference Treasury Dealer Quotations” means, with respect to a Calculation Date, the average, as determined by the Principal Paying Agent, of the bid and asked prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Issuer at 5:00 p.m. New York time on such Calculation Date by each of the three nationally recognised investment banking firms selected by the Issuer that are primary U.S. government securities dealers.

“Reset Interest Rate” means, in relation to a Reset Interest Period, a fixed percentage rate per annum equal to the sum of (x) the Base Rate for such Reset Interest Period and (y) the Spread (as specified in the applicable Pricing Supplement).

“U.S. Treasury Rate” means, in relation to a Reset Interest Period, the percentage rate per annum equal to the yield, appearing in the most recently published statistical release designated “H.15(519)” or any successor publication that is published weekly by the Board of Governors of the U.S. Federal Reserve System (available on the website thereof at <http://www.federalreserve.gov/releases/h15/current/default.htm>, or any successor site), within the column that presents the average yields for the week ending immediately prior to the Calculation Date for such Reset Interest Period, under the caption “U.S. government securities – Treasury constant maturities – Nominal,” for U.S. Treasury securities having a maturity comparable to the Reset Interest Period. If such release does not appear on such website, “U.S. Treasury Rate” means the percentage rate per annum equal to the semi-annual or quarterly (as applicable) equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Calculation Date.

(h) Effect of Benchmark Transition Event

(i) Benchmark Replacement

If the Issuer or its designee determines that a Benchmark Transition Event (as defined herein) and its related Benchmark Replacement Date (as defined herein) have occurred prior to the Reference Time (as defined herein) in respect of any determination of the Benchmark (as defined herein) on any date, the Benchmark Replacement (as defined herein) will replace the then-current Benchmark for all purposes relating to the applicable Notes in respect of such determination on such date and all determinations on all subsequent dates.

(ii) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes (as defined herein) from time to time.

At the request of the Issuer, but subject to receipt by the Agents of a certificate signed by two duly authorised officers of the Issuer pursuant to Condition 6(h)(iv) and at least five London banking days’ prior thereof, the Agents shall (at the expense of the Issuer), without any requirement for the consent or approval of Noteholders, be obliged to concur

with the Issuer in effecting any Benchmark Replacement Conforming Changes (including, inter alia, by amending or supplementing the Agency Agreement), provided that the Agents shall not be obliged so to concur if, in the opinion of any of the Agents, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agents in these Conditions or the Agency Agreement (including, for the avoidance of doubt, any supplemental agency agreement) in any way.

In connection with any Benchmark Replacement Conforming Changes in accordance with this Condition 6(h)(ii), the Issuer shall comply with the rules of any stock exchange on which the applicable Notes are for the time being listed or admitted to trading.

(iii) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 6(h), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or its designee's sole discretion, and, notwithstanding anything to the contrary in the these Conditions or the Agency Agreement, shall become effective with respect to the applicable Notes without consent from any other party.

(iv) Notices, etc.

Any Benchmark Replacement (including any Benchmark Replacement Adjustment) and the specific terms of any Benchmark Replacement Conforming Changes determined under this Condition 6(h) will be notified promptly by the Issuer to the Principal Paying Agent and, in accordance with Condition 16, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Replacement Conforming Changes, if any.

No later than notifying the Principal Paying Agent of the same, the Issuer shall deliver to the Agents a certificate signed by two duly authorised officers of the Issuer:

- (A) confirming (1) that a Benchmark Transition Event has occurred and (2) the Benchmark Replacement (including any Benchmark Replacement Adjustment) and the specific terms of any Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 6(h); and
- (B) certifying that the Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of the Benchmark Replacement.

The Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof.

(v) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 6(h)(i), (ii), (iii) and (iv), the Benchmark and the fallback provisions provided for in the Agency Agreement will continue to apply unless and until the Principal Paying Agent has been notified of the Benchmark Replacement (including any Benchmark Replacement Adjustment) and the specific terms of any Benchmark Replacement Conforming Changes, in accordance with Condition 6(h)(iv).

(vi) Certain Defined Terms

As used in this Condition 6(h):

“Benchmark” means, initially, LIBOR (if LIBOR is specified as the Reference Rate in the applicable Pricing Supplement); provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement.

“Benchmark Replacement” means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then “Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the sum of: (1) Term SOFR and (2) the Benchmark Replacement Adjustment;
- (B) the sum of: (1) Compounded SOFR and (b) the Benchmark Replacement Adjustment;
- (C) the sum of: (1) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (2) the Benchmark Replacement Adjustment;
- (D) the sum of: (1) the ISDA Fallback Rate and (2) the Benchmark Replacement Adjustment;
- (E) the sum of: (1) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (2) the Benchmark Replacement Adjustment.

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period and other administrative matters) with respect to these Conditions, the Agency Agreement or otherwise that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (A) in the case of clause (A) or (B) of the definition of “Benchmark Transition Event,” the later of (1) the date of the public statement or publication of information referenced therein and (2) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (B) in the case of clause (C) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

“Compounded SOFR” means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period) being established by the Issuer or its designee in accordance with:

- (A) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that:
- (B) if, and to the extent that, the issuer or its designee determines that Compounded SOFR cannot be determined in accordance with clause (A) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate notes at such time.

Notwithstanding the foregoing, Compounded SOFR will include a describe lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period.

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

“Interpolated Benchmark” with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (A) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (B) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

“Reference Time” with respect to any determination of the Benchmark means (A) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination, and (B) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes.

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website.

“Term SOFR” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(vii) Other

Notwithstanding any other provision of this Condition 6(h), the Principal Paying Agent is not obliged to concur with the Issuer or its designee in respect of any changes or amendments as contemplated under this Condition 6(h) which, in the sole opinion of the Principal Paying Agent, would have the effect of (i) exposing the Principal Paying Agent to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Principal Paying Agent in the Agency Agreement and/or these Conditions.

Notwithstanding any other provision of this Condition 6(h), if in the opinion of the Principal Paying Agent there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 6(h), the Principal Paying Agent shall promptly notify the Issuer thereof and the Issuer or its designee shall direct the Principal Paying Agent in writing as to which alternative course of action to adopt. If the Principal Paying Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Principal Paying Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

7. PAYMENTS

(a) Method of payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro and RMB will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne or Wellington, respectively);
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in RMB will be made by (a) transfer to the registered RMB account of the Noteholder maintained by or on behalf of it with a bank in Hong Kong and (b) if a Registered Note representing the Notes is lodged with the CMU Service, transfer to the registered RMB account maintained with a bank in Hong Kong by or on behalf of the persons(s) for whose account(s) interests in the relevant Registered Note are credited as being held with the CMU Service in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging Agent by the CMU Service in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service, which notification shall be conclusive evidence of the records of the CMU Service (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10, and (ii) any deduction or withholding required pursuant to FATCA (as defined in Condition 10).

(b) Presentation of definitive Bearer Notes, Receipts and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 10) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Interest Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "Long Maturity Note" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon, provided that such Note shall cease to be a Long Maturity Note on the Fixed Interest Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

Notwithstanding the foregoing, in the case of definitive Bearer Notes held in the CMU Service, payment will be made at the direction of the bearer to the CMU Accountholders and such payment made in accordance therewith shall discharge the obligations of the Issuer in respect of that payment.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding or Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

(c) Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note (A) in the case of a Bearer Global Note lodged with the CMU Service, at the direction of the bearer to the CMU Accountholders or (B) in the case of a Bearer Global Note not lodged with the CMU Service, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made.

(d) Payments in respect of Registered Notes

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the “Register”) (i) if the Registered Note is in global form, at the close of the business day (being for this purpose, in respect of Notes clearing through Euroclear and Clearstream, a day on which Euroclear and Clearstream are open for business, in respect of Notes clearing through the CMU Service, a day on which the CMU Service is open for business and in respect of Notes clearing through DTC, a day on which DTC is open for business) before the relevant due date and (ii) if the Registered Note is in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below) and mailed by uninsured mail as soon as reasonably practicable after the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Registrar at the close of business on the Record Date (as defined below). For these purposes, “Designated Account” means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and

“Designated Bank” means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, New Zealand dollars or RMB, shall be Sydney, Auckland or Hong Kong, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) if the Registered Note is in global form, at the close of the business day (being for this purpose, in respect of Notes clearing through Euroclear and Clearstream, a day on which Euroclear and Clearstream are open for business, in respect of Notes clearing through the CMU Service, a day on which the CMU Service is open for business and in respect of Notes clearing through DTC, a day on which DTC is open for business) before the relevant due date, and (ii) if the Registered Note is in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day), in each case before the relevant due date (the “Record Date”) at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(e) General provisions applicable to payments

The holder of a Global Note (if the Global Note is not lodged with the CMU Service) or the CMU Accountholder at the direction of the holder of a Global Note (if the Global Note is lodged with the CMU Service) shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of DTC, Euroclear, Clearstream or the CMU Service as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to DTC, Euroclear, Clearstream or the CMU Service, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer (it being understood that under current U.S. federal income tax law, such payment would only be permitted, if at all, where exchange controls or other similar restrictions have been imposed that prevent the full payment or receipt of interest in U.S. dollars through Paying Agents outside the United States).

(f) Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "Payment Day" means any day that (subject to Condition 10) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) the relevant place of presentation; and
 - (B) any Additional Financial Centre specified in the applicable Pricing Supplement;

- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars, New Zealand dollars or RMB shall be Melbourne, Wellington or Hong Kong, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open; and
- (iii) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

(g) Interpretation of principal and interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 10;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 8(e)); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10.

(h) Payment in RMB

All payments in RMB will be made solely by credit to an RMB account maintained by the payee at a bank in Hong Kong in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of RMB in Hong Kong).

(i) RMB Currency Event

If “RMB Currency Event” is specified in the applicable Pricing Supplement and an RMB Currency Event, as determined by the Issuer acting in good faith, exists on a date for payment of any amount in respect of any Note, Receipt or Coupon, the Issuer’s obligation to make a payment in RMB under the terms of the Notes may be replaced by an obligation to pay such amount in the Relevant Currency (converted at the Alternate Settlement Rate as of a time selected by the Alternate Settlement Rate Determination Agent as specified in the applicable Pricing Supplement).

Upon the occurrence of an RMB Currency Event, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 16 stating the occurrence of the RMB Currency Event, giving details thereof and the action proposed to be taken in relation thereto.

For the purposes of this Condition 7(i) and unless stated otherwise in the applicable Pricing Supplement:

“Alternate Settlement Rate” means the spot rate, determined by the Alternate Settlement Rate Determination Agent, between RMB and the Relevant Currency, taking into consideration all available information which the Alternate Settlement Rate Determination Agent deems relevant (including, but not limited to, the pricing information obtained from the RMB non-deliverable market outside the PRC and/or the RMB exchange market within the PRC);

“Governmental Authority” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

“PRC” means the People’s Republic of China;

“Relevant Currency” means United States dollars or such other currency as may be specified in the applicable Pricing Supplement;

“RMB Currency Event” means any one of RMB Illiquidity, RMB Non-Transferability and RMB Inconvertibility;

“RMB Illiquidity” means the general RMB exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient RMB in order to satisfy its obligation to pay interest or principal (in whole or in part) in respect of the Notes, as determined by the Issuer acting in good faith and in a commercially reasonable manner following consultation with two independent foreign exchange dealers of international repute active in the RMB exchange market in Hong Kong;

“RMB Inconvertibility” means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the general RMB exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Issuer, due to an event beyond the control of the Issuer, to comply with such law, rule or regulation); and

“RMB Non-Transferability” means the occurrence of any event that makes it impossible for the Issuer to deliver RMB between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or from an account outside Hong Kong to an account inside Hong Kong (including where the RMB clearing and settlement system for participating banks in Hong Kong is disrupted or suspended), other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Issuer due to an event beyond the control of the Issuer, to comply with such law, rule or regulation).

8. REDEMPTION AND PURCHASE

(a) Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note and Dual Currency Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date.

Notwithstanding any provisions to the contrary in these Terms and Conditions, the following will apply with respect to the redemption of the Tier I Subordinated Notes:

- (i) The Tier I Subordinated Notes are undated perpetual securities and shall have no fixed Maturity Date. Subject to Condition 3(c), the principal amount of the Tier I Subordinated Notes will become due and payable by the Issuer on the date on which voluntary or involuntary winding up proceedings are instituted in respect of the Issuer in accordance with, as the case may be, (i) a resolution passed at a shareholders’ meeting of the Issuer, (ii) any provision of the Issuer’s articles of incorporation or (iii) any applicable law or any decision of any judicial or administrative authority.
- (ii) The Tier I Subordinated Notes may not be redeemed at any time without the prior approval of the Financial Supervisory Service of Korea (the “FSS”) or such other relevant regulatory authorities in Korea, to the extent such approval is necessary.

(b) Redemption for tax reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note nor a Dual Currency Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days’ notice to the Principal Paying Agent (and the CMU Lodging Agent if applicable) and, in accordance with Condition 16, the Noteholders (which notice shall be irrevocable), if:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 10 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 10) or any political subdivision of, or any authority in, or of, a Tax Jurisdiction having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that (1) in the case of Subordinated Notes, the prior approval of the Financial Supervisory Service of Korea (the “FSS”) or such other relevant regulatory authorities in Korea shall have been obtained, if necessary and (2) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Principal Paying Agent (1) a certificate signed by two duly authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 8(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Pricing Supplement, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 16; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Principal Paying Agent (and the CMU Lodging Agent if applicable) and in the case of a redemption of Registered Notes, the Registrar (which notices shall be irrevocable and shall specify the date fixed for redemption),

redeem all or some of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date; provided, however, that in the case of Subordinated Notes, (1) such redemption may not occur within five years of the Issue Date and (2) such redemption shall be subject to the prior approval of the FSS pursuant to regulations of the FSC in effect at the applicable time relating to, inter alia, capital adequacy ratios, replacement capital and interest rates. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and more than the Higher Redemption Amount, in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes to be redeemed (“Redeemed Notes”) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear, Clearstream, DTC and/or the CMU Service, as the case may be, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “Selection Date”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 16 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears

to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 16 at least five days prior to the Selection Date.

(d) Redemption of the Senior Notes only at the option of the Noteholders (Investor Put)

If Investor Put is specified in the applicable Pricing Supplement with respect to any Series of Senior Notes only, upon the holder of any Senior Note giving to the Issuer in accordance with Condition 16 not less than 15 nor more than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Pricing Supplement, in whole (but not in part), such Senior Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes that are Senior Notes may be redeemed under this Condition 8(d) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of this Note the holder of this Senior Note must deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be the Registrar (a "Put Notice") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes that are Senior Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b). If this Senior Note is in definitive form, the Put Notice must be accompanied by this Senior Note or evidence satisfactory to the Paying Agent concerned that this Senior Note will, following delivery of the Put Notice, be held to its order or under its control.

Any Put Notice given by a holder of any Senior Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Senior Note forthwith due and payable pursuant to Condition 12.

(e) Early Redemption Amounts

For the purpose of paragraph (b) above and Condition 12, each Note will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

- (ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at its nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the “Amortised Face Amount”) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

“RP” means the Reference Price;

“AY” means the Accrual Yield expressed as a decimal; and

“y” is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360; or

- (iv) on such other calculation basis as may be specified in the applicable Pricing Supplement.

(f) Instalments

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

(g) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

(h) Purchases

The Issuer or any Subsidiary of the Issuer may at any time purchase Senior Notes (provided that in the case of definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation. The Issuer or any Subsidiary of the Issuer may not purchase Subordinated Notes.

(i) Cancellation

All Notes that are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (g) above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent (and the CMU Lodging Agent if applicable) and cannot be reissued or resold.

(j) Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 12 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent, the CMU Lodging Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16.

(k) Redemption of Tier I Subordinated Notes for tax non-deductibility or regulatory reasons

Any Series of Tier I Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent (and the CMU Lodging Agent if applicable) and, in accordance with Condition 16, the Noteholders (which notice shall be irrevocable), if either a Tax Non-deductibility Event or a Regulatory Event (each as defined below) has occurred and is continuing; provided that (1) the prior approval of the FSS or such other relevant regulatory authorities in Korea shall have been obtained, if necessary and (2) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which (x) the Issuer would cease to be able to claim the relevant tax deduction pursuant to such Tax Non-deductibility Event or (y) such Series of Tier I Subordinated Notes would cease to qualify (in whole or in part) as additional Tier I capital pursuant to such Regulatory Event, as applicable.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Principal Paying Agent (1) a certificate signed by two duly authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that such Tax Non-deductibility Event or Regulatory Event, as applicable, has occurred and is continuing.

Notes redeemed pursuant to this Condition will be redeemed at their Final Redemption Amount, together (subject to Condition 6(f)) with interest accrued to (but excluding) the date of redemption.

As used herein:

“Regulatory Event” means, with respect to any Series of Tier I Subordinated Notes, such Notes (after having qualified as such at the time of their issuance) will no longer qualify (in whole or in part) as additional Tier I capital of the Issuer under applicable Korean laws and regulations, as a result of a change in or amendment to, or a change in the application or official interpretation of, such laws or regulations; provided, however, that such change or amendment was not pending or foreseeable at the time of issuance of such Notes.

“Tax Non-deductibility Event” means, with respect to any Series of Tier I Subordinated Notes, the Issuer (after having been entitled to claim such a deduction at the time of issuance of such Notes) will no longer be entitled to claim a deduction in respect of interest paid on such Notes for purposes of Korean corporation tax under applicable Korean laws and regulations, as a result of a change in or amendment to, or a change in the application or official interpretation of, such laws or regulations; provided, however, that such tax non-deductibility cannot be avoided by the Issuer taking reasonable measures available to it.

9. LOSS ABSORPTION UPON A TRIGGER EVENT IN RESPECT OF SUBORDINATED NOTES

(a) Write-off on a Trigger Event

Effective as of the third Korean Business Day from the occurrence of a Trigger Event, each Subordinated Note, including the then outstanding principal amount thereof and any accrued but unpaid interest thereon, shall be irrevocably cancelled in whole, without the need for the consent of the holders of the Subordinated Notes (such cancellation being referred to herein as a “Write-off,” and “Written-off” shall be construed accordingly). Once the principal amount of, and any accrued but unpaid interest under, the Subordinated Notes has been Written-off, such amounts will not be restored in any circumstances, including where the relevant Trigger Event ceases to continue.

The Issuer shall provide a Trigger Event Notice to the holders of the Subordinated Notes, but such Write-off shall be effective irrespective of whether the Issuer has provided such Trigger Event Notice.

For the avoidance of doubt, any Write-off pursuant to this Condition 9(a) will not constitute an Event of Default under the Notes.

(b) Definitions

In these Conditions and unless stated otherwise in the applicable Pricing Supplement:

“Korean Business Day” means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in Seoul, Korea;

“Trigger Event” means the designation of the Issuer as an “insolvent financial institution” pursuant to the Act on the Structural Improvement of the Financial Industry; and

“Trigger Event Notice” means the notice specifying that a Trigger Event has occurred, which shall be issued by the Issuer not more than two Korean Business Days after the occurrence of a Trigger Event to the holders of the Subordinated Notes and the Issuing and Paying Agents in accordance with Condition 16 and which shall state in reasonable detail the nature of the relevant Trigger Event. Notwithstanding any provisions of Condition 16 to the contrary, any such notice shall be effective as of the date of its issuance by the Issuer.

10. TAXATION

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) to or on behalf of a holder of such Note, Receipt or Coupon who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note, Receipt or Coupon;
- (b) which is presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 7(f));
- (c) to or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union;
- (d) if such additional amounts relate to any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with any applicable certification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with the Tax Jurisdiction of the holder or beneficial owner of a Note if, without regard to any tax treaty, such compliance is required by statute or regulation of the Tax Jurisdiction as a precondition to relief or exemption from such tax, assessment or other governmental charge; or
- (e) if such additional amounts relate to any tax, assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note, Receipt or Coupon or through which payment on the Note, Receipt or Coupon is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (including any successor or amended version of these provisions, any regulations or agreements thereunder, or official interpretations thereof), or an intergovernmental agreement

between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement) (collectively, “FATCA”).

The obligation of the Issuer to pay additional amounts in respect of taxes, duties, assessments and governmental charges shall not apply to (a) any estate, inheritance, gift, sales, transfer, personal property or any similar tax, assessment or other governmental charge, (b) any tax, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal of or interest on the Notes, or (c) a payment on a Note to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional amount had such beneficiary, settlor, member or beneficial owner been the holder of such Note.

As used herein:

- (i) “Tax Jurisdiction” means (i) Korea or any political subdivision or any authority thereof or therein having power to tax or (ii) if the Issuer is acting through a particular branch (as specified in the applicable Pricing Supplement), the country where such branch is located or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) the “Relevant Date” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 16.

11. PRESCRIPTION

The Notes (whether in bearer form or registered form), Receipts and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 10) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7(b) or any Talon that would be void pursuant to Condition 7(b).

12. EVENTS OF DEFAULT

(a) Applicable to Senior Notes only

If any of the following events (each an “Event of Default”) occurs and is continuing:

- (i) a default is made for more than seven days in the payment of any principal due in respect of any of the Senior Notes when and as the same ought to be paid in accordance with these Conditions; or
- (ii) a default is made for more than 14 days in the payment of any amount other than principal in respect of any of the Senior Notes when and as the same ought to be paid in accordance with these Conditions; or

- (iii) a default is made by the Issuer in the performance or observance of any obligation (other than a payment obligation) under the Senior Notes and (except where such default is not capable of remedy, when no such notice shall be required) such default shall continue for 30 days after written notice requiring such default to be remedied shall have been given to the Issuer by any holder of a Senior Note; or
- (iv) any other notes, debentures, bonds or other Indebtedness (as defined below) having an aggregate principal amount of at least U.S.\$10,000,000 (or its equivalent in any other currency) or more of the Issuer or any Principal Subsidiary (as defined below) shall become prematurely repayable following a default in respect of the terms thereof or steps are taken to enforce any security therefor, or the Issuer or any Principal Subsidiary defaults in the repayment of any such Indebtedness at the maturity thereof (or at the expiration of any applicable grace period therefor, if any) or any guarantee of or indemnity in respect of any Indebtedness of others given by the Issuer or any Principal Subsidiary shall not be honoured when due and called upon in accordance with its terms; or
- (v) a resolution is passed or an order of a court of competent jurisdiction is made that the Issuer be wound up or dissolved otherwise than for the purposes of or pursuant to and followed by (a) a consolidation, amalgamation, merger or reconstruction the terms of which shall have previously been approved in writing by an Extraordinary Resolution of a meeting of the holders of the Senior Notes or (b) a Qualifying Affiliate Merger (as defined below); or
- (vi) a resolution is passed or an order of a court of competent jurisdiction is made for the winding up or dissolution of any Principal Subsidiary except (a) for the purposes of or pursuant to and followed by a consolidation or amalgamation with or merger into the Issuer or any other Subsidiary, (b) for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reconstruction (other than as described in (a) above) the terms of which shall have previously been approved in writing by an Extraordinary Resolution of a meeting of the holders of the Senior Notes or (c) by way of a voluntary winding-up or dissolution where there are surplus assets in such Principal Subsidiary and such surplus assets attributable to the Issuer and/or any other Subsidiary are distributed on a pro-rata basis to the Issuer and/or any such other Subsidiary; or
- (vii) an encumbrancer takes possession or a receiver is appointed of the whole or a material part of the assets or undertaking of the Issuer or any Principal Subsidiary; or
- (viii) a distress, execution or other legal process is levied or enforced upon or sued out against a part of the property of the Issuer or any Principal Subsidiary which is material in its effect upon the operations of the Issuer or such Principal Subsidiary (as the case may be) and is not discharged within 45 days thereof; or
- (ix) the Issuer or any Principal Subsidiary (a) stops payment (within the meaning of Korean or any other applicable bankruptcy law) or (b) (otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or voluntary solvent winding up or dissolution as is referred to in (v) or (vi) above) ceases or through an official action of the Board of Directors of the Issuer or such Principal Subsidiary (as the case may be) threatens to cease to carry on business or (c) is unable to pay its debts as and when they fall due; or

- (x) proceedings shall have been initiated against the Issuer or any Principal Subsidiary under any applicable bankruptcy, reorganisation or insolvency law and such proceedings shall not have been discharged or stayed within a period of 60 days; or
- (xi) the Issuer or any Principal Subsidiary shall initiate or consent to proceedings relating to itself under any applicable bankruptcy, reorganisation or insolvency law or make an assignment for the benefit of, or enter into any composition with, its creditors,

then any holder of any Senior Notes may, by written notice to the Issuer at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, declare such Senior Notes held by that holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 8(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

The Issuer shall fully indemnify each holder of Senior Notes from and against any reasonable costs, expenses, liabilities and losses which such holder of Senior Notes may suffer or incur as a direct result of the occurrence of any Event of Default (including, but without limitation, any expenses incurred in connection with legal proceedings to enforce repayment of such Senior Note).

In these Conditions:

“Indebtedness” means all obligations created, incurred or assumed by the Issuer for the payment or repayment of moneys relating to or in connection with (a) any indebtedness of the Issuer in respect of moneys borrowed by it, (b) any indebtedness of the Issuer under acceptance or documentary credit facilities; (c) any indebtedness of the Issuer under bills, bonds, debentures, notes or similar instruments on which the Issuer is liable; (d) any obligations of the Issuer under leases which in accordance with accounting principles generally accepted in Korea are required to be capitalised for financial reporting purposes; (e) any indebtedness of the Issuer (whether actual or contingent) for moneys owing under any instrument entered into by the Issuer in respect of the acquisition cost of assets payment of which is deferred for a period in excess of six months after acquisition thereof; and (f) indebtedness of the Issuer (actual or contingent) under guarantees, security, indemnities or other commitment designed to assure any creditors in respect of the payment of any indebtedness of any other person;

“Principal Subsidiary” means at any time a Subsidiary:

- (A) whose operating income (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose gross assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent in each case (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, are equal to) not less than 10 per cent. of the consolidated operating income of the Issuer, or, as the case may be, consolidated gross assets, of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries, provided that, in the case of a Subsidiary acquired after the end of the financial period to

which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, the reference to the then latest audited consolidated accounts of the Issuer and its Subsidiaries for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by the Issuer;

- (B) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary, provided that the transferor Subsidiary shall upon such transfer forthwith cease to be a Principal Subsidiary and the transferee Subsidiary shall cease to be a Principal Subsidiary pursuant to this subparagraph (b) on the date on which the consolidated accounts of the Issuer and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Principal Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition; or
- (C) to which is transferred an undertaking or assets which, taken together with the undertaking or assets of the transferee Subsidiary, generated (or, in the case of the transferee Subsidiary being acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, generate operating income equal to) not less than 10 per cent. of the consolidated operating income of the Issuer, or represent (or, in the case aforesaid, are equal to) not less than 10 per cent. of the consolidated gross assets of the Issuer and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (a) above, provided that the transferor Subsidiary (if a Principal Subsidiary) shall upon such transfer forthwith cease to be a Principal Subsidiary unless immediately following such transfer its undertaking and assets generate (or, in the case aforesaid, generate operating income equal to) not less than 10 per cent. of the consolidated operating income of the Issuer, or its assets represent (or, in the case aforesaid, are equal to) not less than 10 per cent., of the consolidated gross assets of the Issuer and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (a) above, and the transferee Subsidiary shall cease to be a Principal Subsidiary pursuant to this subparagraph (c) on the date on which the consolidated accounts of the Issuer and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited but so that such transferor Subsidiary or such transferee Subsidiary may be a Principal Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition.

For the purposes of this definition:

- (i) if there shall not at any time be any relevant audited consolidated accounts of the Issuer and its Subsidiaries, references thereto herein shall be deemed to be references to a consolidation (which need not be audited) by the Issuer of the relevant audited accounts of the Issuer and its Subsidiaries;
- (ii) if, in the case of a Subsidiary which itself has Subsidiaries, no consolidated accounts are prepared and audited, its consolidated operating income and consolidated gross assets shall be determined on the basis of *pro forma* consolidated accounts (which need not be audited) of the relevant Subsidiary and its Subsidiaries prepared for this purpose by the Issuer;
- (iii) if (i) any Subsidiary shall not in respect of any relevant financial period for whatever reason produce audited accounts or (ii) any Subsidiary shall not have produced at the relevant time for the calculations required pursuant to this definition audited accounts for the same period as the period to which the latest audited accounts of the Issuer and its Subsidiaries relate, then there shall be substituted for the purposes of this definition the management accounts of such Subsidiary for such period; and
- (iv) where any Subsidiary is not wholly owned by the Issuer there shall be excluded from all calculations all amounts attributable to minority interests.

A report by two directors of the Issuer that in their opinion a Subsidiary is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary shall, in the absence of manifest or proven error, be conclusive and binding on all parties; and

“Qualifying Affiliate Merger” means any merger or consolidation of the Issuer with or into an Affiliate (as defined below) of the Issuer pursuant to which the Issuer is not the continuing corporation, provided that each of the following conditions shall have been satisfied in connection with such transaction: (i) the Issuer shall have notified the Noteholders of such transaction no less than 60 days prior to its consummation, in the manner set forth under Condition 16, (ii) the person resulting from such merger or consolidation shall be an entity organised and existing under the laws of Korea and shall have expressly assumed in writing (to the extent such assumption is not effected automatically by operation of applicable law) the due and punctual payment of the principal, premium (if any), interest (including additional amounts) and any other amounts payable on all the Notes and the performance or observance of every covenant of the Notes and the Agency Agreement on the part of the Issuer to be performed or observed, and (iii) after giving effect to such transaction and treating any Indebtedness for which the person resulting from such merger or consolidation shall become liable as a result of such transaction as having been incurred by the Issuer at the time of the transaction, no Event of Default or other default under the Notes or the Agency Agreement would have occurred and be continuing; and “Affiliate” of any specified person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For the purposes of the foregoing definition, “control” when used with respect to any specified person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Subsidiary” means any corporation or other business entity of which the Issuer owns or controls (either directly or through another or other Subsidiaries) 50 per cent. or more of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such corporation or other business entity (whether or not capital stock or other ownership interest in any other class or classes shall or might have voting power upon the occurrence of any contingency).

(b) Applicable to Subordinated Notes only

- (i) If any Bankruptcy Event or the liquidation of the Issuer shall occur and be continuing (and provided that a Trigger Event has not occurred), then, in any such event, the holder of any Subordinated Note may by written notice to the Issuer declare such Note to be forthwith due and payable upon receipt of such notice by the Issuer whereupon such Note shall become due and repayable at its principal amount plus accrued interest (if any).
- (ii) Except as expressly provided in this Condition 12(b), no holder of any Subordinated Note shall have any right to accelerate any payment of principal or interest in respect of the Subordinated Notes.
- (iii) The only action the holder of a Subordinated Note may take in Korea against the Issuer on acceleration of the Subordinated Notes is to prove claims in the liquidation or other applicable proceedings in respect of the Issuer in Korea.

13. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes, Coupons or Talons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. PAYING AGENTS

The names of the initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent;
- (b) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or any other relevant authority;
- (c) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City; and

- (d) so long as the Notes are listed on the Singapore Exchange Securities Trading Limited (the “Singapore Stock Exchange”) and the rules of the Singapore Stock Exchange so require, if the Notes are issued in definitive form, there will at all times be a Paying Agent in Singapore unless the Issuer obtains an exemption from the Singapore Stock Exchange.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 7(e). Any variation, termination, appointment or change with respect to any Paying Agent shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days’ prior notice thereof shall have been given to the Noteholders in accordance with Condition 16.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

15. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 11.

16. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London and Asia (which is expected to be the *Financial Times* in London and the *Asian Wall Street Journal*) or, if the Bearer Notes are held through the CMU Service, in a leading English language daily newspaper of general circulation in Hong Kong (which is expected to be the *South China Morning Post*). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to listing. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of (i) Euroclear, Clearstream and/or DTC, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear, Clearstream, and/or DTC for communication by them to the holders of the Notes and (ii) the CMU Service, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU Service on the second business day preceding the date of despatch of such notice as holding interests in the relevant Global Note and, in addition, in the case of both (i) and (ii) above, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, DTC and/or the persons shown in the relevant CMU Instrument Position Report, as the case may be.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear, Clearstream and/or DTC and/or, in the case of Notes lodged with the CMU Service, by delivery by such holder of such notice to the CMU Lodging Agent in Hong Kong, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear, Clearstream, DTC and/or the CMU Service, as the case may be, may approve for this purpose.

17. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

(a) General

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Agency Agreement. Any such modification may only be made after:

- (i) the passage of an Extraordinary Resolution, which is defined in the Agency Agreement to mean a resolution passed by a majority consisting of not less than 75 per cent. of the votes cast at a meeting of the Noteholders, duly convened and held; or
- (ii) if required by the applicable Pricing Supplement, the fulfilment of the procedures set in Condition 17(c) below.

Such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding.

(b) Meetings requiring an Extraordinary Resolution

The quorum at any meeting for passing an Extraordinary Resolution is one or more Eligible Persons (as defined in the Agency Agreement) present and holding or representing in the aggregate not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more Eligible Persons present and being or representing Noteholders whatever the nominal amount of the Notes so held or represented,

except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons), the quorum shall be one or more Eligible Persons present and holding or representing in the aggregate not less than 75 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more Eligible Persons present and holding or representing in the aggregate not less than a clear majority in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of Noteholders shall be binding on all Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

(c) Meeting requiring unanimous consent

If this Condition 17(c) is specified in the applicable Pricing Supplement as being applicable to the Notes then, notwithstanding anything herein to the contrary, no action at any meeting of Noteholders may be taken, and no modification, amendment, or supplement to the Notes, the Receipts, the Coupons, these Terms and Conditions or relevant provisions of the Agency Agreement may be made or effected for the purposes of any of the following:

- (i) modification of the Maturity Date (if any) of the Notes or reduction or cancellation of the nominal amount payable at maturity (including premium or redemption amounts, if any, and, in the case of Zero Coupon Notes, the Amortised Face Amount or other amount payable in respect thereof);
- (ii) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the Notes or variation of the method of calculating the rate of interest in respect of the Notes;
- (iii) reducing the principal amount (including premium or redemption amounts, if any, and, in the case of Zero Coupon Notes, the Amortised Face Amount or other amount payable in respect thereof) in respect of any Note, the portion of such principal amount which is payable upon acceleration of the maturity of such Note, the interest rate thereon or the premium payable upon redemption thereof;
- (iv) changing the obligation of the Issuer to pay additional amounts on any Note pursuant to Condition 10;
- (v) modification of the currency in which payments under the Notes are to be made (including premium or redemption amounts, if any, and, in the case of Zero Coupon Notes, the Amortised Face Amount or other amount payable in respect thereof);
- (vi) impairing the right to institute suit for the enforcement of any such payment on or with respect to any Note;
- (vii) amending the procedures provided for or the circumstances under which the Notes may be redeemed;

- (viii) reducing the proportion of the principal amount of Notes the consent of the Noteholders of which is necessary to modify or amend this Agreement or the Conditions or to make, take or give consent, waiver or other action provided hereby or thereby to be made, taken or given; or
- (ix) reducing the percentage of aggregate principal amount to Notes outstanding required for the adoption of a resolution or the quorum required at any meeting of Noteholders at which a resolution is adopted,

in each case unless such action or modification, amendment or supplement is approved by the affirmative vote of the holder of each Note then outstanding.

(d) Modifications

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Notes, the Receipts, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 16 as soon as practicable thereafter.

18. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes, provided that, in the case of Senior Notes that are Registered Notes, such further issuance constitutes a “qualified reopening” of the original Series for U.S. federal income tax purposes, is treated as part of the same “issue” of debt instruments as the original Series for U.S. federal income tax purposes, or has less than a *de minimis* amount of original issue discount for U.S. federal income tax purposes.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. GOVERNING LAW AND SUBMISSION TO JURISDICTION

(a) Governing law

The Agency Agreement, the Deed Poll, the Deed of Covenant, the Notes, the Receipts and the Coupons, as well as any non-contractual obligations arising out of or in connection therewith, are governed by, and shall be construed in accordance with, English law except that, in the case of Subordinated Notes, Conditions 3(b) and 3(c) are governed by, and shall be construed in accordance with, Korean law.

(b) Submission to jurisdiction

The Issuer agrees, for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes, the Receipts and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection therewith) and that accordingly any suit, action or proceedings (together referred to as “Proceedings”) arising out of or in connection with the Notes, the Receipts and the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection therewith) may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such courts and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

(c) Appointment of Process Agent

The Issuer appoints Woori Bank, London Branch, at its registered office at 9th Floor, 71 Fenchurch Street, London EC3M 4HD, England as its agent for service of process, and undertakes that, in the event of Woori Bank, London Branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(d) Waiver of immunity

The Issuer hereby irrevocably and unconditionally waives with respect to Notes, the Receipts and the Coupons any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any proceedings.

(e) Other documents

The Issuer has in the Agency Agreement, the Deed Poll and the Deed of Covenant submitted to the jurisdiction of the English courts and has appointed an agent for service of process in terms substantially similar to those set out above.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes.

EXCHANGE RATES

The table below sets forth, for the periods and dates indicated, information concerning the base rate published by Seoul Money Brokerage Services, Ltd. for U.S. dollars against the Won (the “Market Average Exchange Rate”). The Market Average Exchange Rate on 2nd May, 2019 was ₩1,163.8 = U.S.\$1.00. The Bank does not intend to imply that the Won or U.S. dollar amounts referred to herein could have been or could be converted into U.S. dollars or Won, as the case may be, at any particular rate, or at all.

For the year ended 31st December,							
	2013	2014	2015	2016	2017	2018	2019 ⁽¹⁾
At end of							
period ⁽²⁾	₩ 1,055.3	₩ 1,099.2	₩ 1,172.0	₩ 1,208.5	₩ 1,071.4	₩ 1,118.1	₩ 1,163.8
Average ⁽³⁾	1,095.0	1,053.2	1,131.5	1,160.5	1,130.8	1,100.3	1,129.8
High	1,159.1	1,118.3	1,203.1	1,240.9	1,208.5	1,142.5	1,163.8
Low	1,051.5	1,008.9	1,068.1	1,093.2	1,071.4	1,057.6	1,111.6

Source: Seoul Money Brokerage Services, Ltd.

Notes:

- (1) Through 2nd May, 2019.
- (2) The Market Average Exchange Rate at the end of the period.
- (3) The average of the Market Average Exchange Rates over the relevant period.

CAPITALISATION OF THE BANK

The following table sets out the Bank's consolidated capitalisation (defined as the sum of its borrowings and debentures and its equity) as of 31st December, 2018. This information has been extracted from the Bank's consolidated financial statements as of and for the year ended 31st December, 2018, which are included in the 2018 Annual Report on Form 20-F incorporated by reference herein.

	<u>As of 31st December, 2018⁽¹⁾</u>
	<u>(in billions of Won)</u>
Indebtedness (including current portion):	
Borrowings	₩ 16,203
Debentures	28,736
	<hr/>
Total Indebtedness	₩ 44,939
Equity:	
Capital stock, par value ₩5,000	
Authorised share capital (5,000 million shares)	
Issued common stock (676,000,000 shares)	₩ 3,381
Hybrid equity securities	3,162
Capital surplus	286
Other equity	(2,214)
Retained earnings	17,125
Non-controlling equity	213
	<hr/>
Total equity	₩ 21,953
Total capitalisation	₩ 66,892

Note:

(1) There has been no material change in the capitalisation of the Bank since 31st December, 2018.

SELECTED FINANCIAL DATA AND STATISTICAL INFORMATION

Please see “Item 3.A. Selected Financial Data” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Please see “Item 5. Operating and Financial Review and Prospects” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

HISTORY AND DEVELOPMENT OF THE BANK

Please see “Item 4.A. History and Development of the Company” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

BUSINESS

Please see “Item 4.B. Business Overview,” “Item 4.D. Property, Plants and Equipment,” “Item 6.D. Employees” and “Item 8.A. Consolidated Statements and Other Financial Information – Legal Proceedings” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

ASSETS AND LIABILITIES

Please see “Item 4.B. Business Overview – Assets and Liabilities” in the 2018 Annual Report on Form 20-F, incorporated by reference herein.

RISK MANAGEMENT

Please see “Item 11. Quantitative and Qualitative Disclosures About Market Risk” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

MANAGEMENT

The Bank's board of directors has the ultimate responsibility for managing the Bank's affairs. The board currently comprises two standing directors, one non-standing director and five outside directors. Standing directors are directors who are either the Bank's full-time executive officers or the Bank's standing Audit Committee members, while non-standing directors and outside directors are directors who are not full-time executive officers. Outside directors represent a cross-section of respected and experienced members of the academic, financial, corporate and other fields in Korea and elsewhere, and must also satisfy certain requirements under Korean law and the Bank's articles of incorporation to evidence their independence from the Bank.

The Bank's articles of incorporation provide that the board can have no less than five directors. Standing directors must comprise less than 50% of the total number of directors, and there must be at least three outside directors. Each director may be elected for a term of office not exceeding three years and may be re-elected, provided that each outside director may be elected for a term of office not exceeding three years and may be re-elected on an annual basis but may not serve in such office for more than six consecutive years. In addition, with respect to all directors, such term of office is extended until the close of the annual general meeting of shareholders convened in respect of the last fiscal year of the director's term of office. These terms are subject to the Korean Commercial Code, the Bank Act and related regulations.

The Bank's board of directors meets regularly on a quarterly basis to discuss and resolve various corporate matters. The board may also convene for additional extraordinary meetings at the request of the president or chairman of the board. A director (other than the president or chairman of the board) may request the president or chairman of the board to convene an extraordinary meeting. In the event that the president or chairman of the board rejects such request without justifiable reason, another director may convene the extraordinary meeting.

The names and positions of the Bank's directors are set forth below. The business address of all of the directors is the Bank's registered office at 51, Sogong-ro, Jung-gu, Seoul, Korea.

Standing Directors

The Bank's standing directors are as follows:

Name	Year of Birth	Position	Director Since	Term Ends
Tae-Seung Sohn	1959	President and Chief Executive Officer	22nd December, 2017	21st December, 2020
Jung-Sik Oh	1956	Director and Standing Audit Committee Member	24th March, 2017	2020 ⁽¹⁾

(1) The date on which the term will end will be the date of the general shareholders' meeting in the relevant year.

None of these directors is involved in any significant business activities outside the Bank and Woori Financial Group.

Tae-Seung Sohn is the Bank's president and chief executive officer. He was appointed as president and chief executive officer in December 2017. He concurrently serves as Woori Financial Group's president and chief executive officer, to which position he was appointed upon its establishment in January 2019. Previously, he served as head of the global business unit. Prior to that, he was a managing director of the financial market business division. Mr. Sohn holds a Bachelor of Laws from Sungkyunkwan University, a Master of Laws from Seoul National University and a Master of Business Administration from the Helsinki School of Economics.

Jung-Sik Oh is a standing director. He was appointed as a standing director and Audit Committee member in March 2017. Prior to joining the Bank, he was the representative director of KB Capital. He holds a Bachelor of Arts in International Economics from Seoul National University.

Non-Standing Director

The Bank's non-standing director is as follows:

Name	Year of Birth	Position	Director Since	Term Ends
Jae-Kyung Lee	1965	Non-Standing Director	28th December, 2018	2021 ⁽¹⁾

(1) The date on which the term will end will be the date of the general shareholders' meeting in the relevant year.

Jae-Kyung Lee was elected as a non-standing director in December 2018. He currently serves as a deputy general manager at the KDIC. He holds a Bachelor of Arts in Business Administration from Dankook University.

Outside Directors

The Bank's outside directors are selected based on their experience and knowledge in diverse areas, which include law, finance, economics, management and accounting. The Bank currently has five outside directors. All were nominated by the Committee for Recommending Executive Officer Candidates and approved by the Bank's shareholders.

The Bank's outside directors are as follows:

Name	Year of Birth	Position	Director Since	Term Ends
Sang-Yong Park	1951	Outside Director	30th December, 2016	30th December, 2019
Sung-Tae Ro	1946	Outside Director	30th December, 2016	30th December, 2019
Chan-Hyoung Chung	1956	Outside Director	28th December, 2018	2021 ⁽¹⁾
Soo-Man Park	1957	Outside Director	28th December, 2018	2021 ⁽¹⁾
Joon-Ho Kim	1960	Outside Director	28th December, 2018	2021 ⁽¹⁾

(1) The date on which the term will end will be the date of the general shareholders' meeting in the relevant year.

Sang-Yong Park was elected as an outside director in December 2016 and concurrently serves as an outside director of Woori Financial Group. He currently serves as an honorary professor at the School of Business at Yonsei University. He holds a Bachelor of Arts in Business Administration from Yonsei University and a Master of Business Administration and a Ph.D. in Business Administration from New York University.

Sung-Tae Ro was elected as an outside director in December 2016 and concurrently serves as an outside director of Woori Financial Group. He currently serves as chairman of Samsung Dream Scholarship Foundation. He holds a Bachelor of Arts in Economics from Seoul National University and a Master of Arts and a Ph.D. in Economics from Harvard University.

Chan-Hyoung Chung was elected as an outside director in December 2018 and concurrently serves as an outside director of Woori Financial Group. He currently serves as an advisor at POSCO Capital. He holds a Bachelor of Arts in Business Administration and a Master of Business Administration from Korea University.

Soo-Man Park was elected as an outside director in December 2018. He currently serves as an attorney at Park Soo-Man Law Firm. He holds an LL.B. from Seoul National University School of Law.

Joon-Ho Kim was elected as an outside director in December 2018. He currently serves as a professor at the Industry-Academic Cooperation Foundation at Chung-Ang University. He holds a Bachelor of Arts in Urban Administration from Dongguk University, a Master of Public Administration from Dongguk University and a Ph.D. in Public Administration from KwangWoon University.

If any director wishes to enter into a transaction with the Bank in his or her personal capacity, he or she must obtain the prior approval of the Bank's board of directors. The director having an interest in the transaction may not vote at the meeting during which the board approves the transaction.

Executive Officers

In addition to the standing directors who are also the Bank's executive officers, the Bank currently has the following 23 executive officers.

Name	Year of Birth	Position
Chai-Pong Cheong	1960	Executive Vice President
Jeong-Ki Kim.	1962	Executive Vice President
Tae-Joong Ha	1960	Executive Vice President
Jong-In Lee	1960	Executive Vice President
Won-Duk Lee.	1962	Executive Vice President
Dong-Yeon Lee	1961	Executive Vice President
Hong-Sik Choi	1960	Deputy Executive Vice President
Su-Hyeong Cho	1961	Deputy Executive Vice President
Hwa-Jae Park	1961	Deputy Executive Vice President
Myung-Hyuk Shin	1961	Deputy Executive Vice President
Jong-Suk Jeong	1962	Deputy Executive Vice President
Jong-Deuk Kim	1963	Deputy Executive Vice President
Young-Ho Seo	1961	Managing Director
Han-Young Song	1962	Managing Director
Jeong-Rok Kim	1962	Managing Director
Jong-Rae Won	1962	Managing Director
Joong-Ho Lee.	1963	Managing Director

Name	Year of Birth	Position
Young-Bae Ko	1963	Managing Director
Jeong-Hyun Ko	1964	Managing Director
Seong-Jong Kim	1964	Managing Director
Ho-Jeong Kim	1964	Managing Director
Byung-Kyu Cho	1965	Managing Director
Won-Cheol Hwang	1968	Managing Director

Chai-Pong Cheong serves as an executive vice president in charge of the business unit and head of the retail banking business group. Previously, he served as an executive vice president in charge of the investment banking business group. Prior to serving as executive vice president, he was a managing director and head of the wealth management group. He holds a Ph.D. in Business Administration from Dongguk University.

Jeong-Ki Kim serves as an executive vice president in charge of the business support unit and head of the human resources group. Previously, he served as an executive vice president in charge of the corporate banking business group. Prior to serving as executive vice president, he was a managing director and head of the external relations division. He holds a Bachelor of Arts in Agricultural Economics from Chungbuk National University.

Tae-Joong Ha serves as an executive vice president in charge of the corporate banking business group. Prior to serving as executive vice president, he was a managing director and head of the corporate restructuring division. He holds a Bachelor of Arts in Accounting from Kyungpook National University.

Jong-In Lee serves as an executive vice president and head of the risk management group. Previously, he served as a managing director and head of the risk management group. Prior to serving as managing director of the risk management group, he was a managing director and head of the financial market business group. He holds a Master of Arts in Financial Management from Korea University Business School.

Won-Duk Lee serves as an executive vice president and head of the management and finance planning group. Previously, he served as a managing director of the management and finance planning group. Prior to serving as managing director of the management and finance planning group, he was a managing director and head of the future strategy division. He holds a Master of Arts in Economics from Seoul National University.

Dong-Yeon Lee serves as an executive vice president and head of the IT group. Previously, he served as head of the retail banking business group. He holds a Master of Arts in Political Administration Leadership from the Graduate School of Public Administration of Yonsei University.

Hong-Sik Choi serves as a deputy executive vice president and head of the institutional banking business group. Prior to serving as a deputy executive vice president, he was a managing director of the IT group. He holds a Bachelor of Arts in Business Administration from Korea National Open University.

Su-Hyeong Cho serves as a deputy executive vice president and head of the consumer and brand group. Prior to serving as deputy executive vice president, he was a managing director of the consumer brand group. He holds a Bachelor of Arts in Sociology from Sungkyunkwan University.

Hwa-Jae Park serves as a deputy executive vice president and head of the credit support group. Prior to serving as deputy executive vice president, he was a managing director and head of the operation and support group. He holds a Bachelor of Arts in Business Administration from Korea Soongsil Cyber University and a Master of Arts in Business Administration from Dongguk University.

Myung-Hyuk Shin serves as a deputy executive vice president and head of the small and medium corporate banking business group. Prior to serving as executive vice president, he was a managing director and head of the pension and trust business group. He holds a Bachelor of Arts in Chinese from Hankuk University of Foreign Studies.

Jong-Suk Jeong serves as a deputy executive vice president and head of the wealth management group. Prior to serving as deputy executive vice president, she was a managing director of the wealth management group. She holds a Bachelor of Arts in Business Administration from Korea National Open University and a Master of Arts in Public Administration from Yonsei Graduate School of Public Administration.

Jong-Deuk Kim serves as a deputy executive vice president and head of the financial market business group. Previously, he served as a managing director of the financial market business group. He holds a Bachelor of Arts in Regional Development Studies from Dankook University.

Young-Ho Seo serves as a managing director and head of the global business group. Prior to serving as managing director, he was head of the Gyeonggi-Gyeongju sales center. He holds a Bachelor of Arts in Economics from Dankook University.

Han-Young Song serves as a managing director and head of the international trade business group. Prior to serving as managing director, she was head of the Jongno corporate banking center. She holds a Bachelor of Arts in English Literature from Keimyung University.

Jeong-Rok Kim serves as a managing director and head of the investment banking business group. Prior to serving as managing director, he was head of the Songpa sales center. He holds a Bachelor of Arts in Public Administration from Sungkyunkwan University.

Jong-Rae Won serves as a managing director and head of the business support group. Prior to serving as managing director, he was head of the Guro-Geumcheon sales center. He holds a Bachelor of Science in Accounting from Kookmin University and a Master of Arts in International Finance from Hanyang University.

Joong-Ho Lee serves as a managing director and head of the corporate restructuring division. Prior to serving as managing director, he was head of the Gwanak-Dongjak sales center. He holds a Bachelor of Arts in Business Administration from Yeungnam University.

Young-Bae Ko serves as a managing director and head of the pension and trust business group. Prior to serving as managing director, he was head of the Gangdong-Gangwon sales center. He holds a Bachelor of Arts in Business Administration from Myongji University.

Jeong-Hyun Ko serves as a managing director and head of the information security group. Prior to serving as managing director, he was head of the Gangseo-Yangcheon sales center. He holds a Bachelor of Arts in International Commerce from Kookmin University, a Master of Arts in Real Estate Studies from Konkuk University and a Ph.D. in Information Security and Privacy from Yonsei University.

Seong-Jong Kim serves as a managing director and head of the IT group. Prior to serving as managing director, he was the division head of the IT group. He holds a Bachelor of Arts in Business Administration from Kyonggi University.

Ho-Jeong Kim serves as a managing director and head of the real estate finance business group. Prior to serving as managing director, he was head of the future corporate banking headquarters II. He holds a Bachelor of Arts in Real Estate Studies from Hanyang Cyber University and a Master of Arts in Financial Economics from Yonsei University.

Byung-Kyu Cho serves as the compliance officer. Previously, he was head of the Gangbuk sales center. He holds a Bachelor of Arts in Economics from Kyung Hee University.

Won-Chul Hwang serves as a managing director and head of the digital business group. Prior to serving as managing director, he was the division head of the digital business group. He holds a Bachelor of Science in Mathematics from Hanyang University and a Master of Science in Mathematics from Hanyang University.

None of the executive officers is involved in any significant business activities outside the Bank and Woori Financial Group.

Compensation

The aggregate remuneration and benefits-in-kind the Bank paid in 2018 to its directors and executive officers, including the compliance officer and managing directors, was ₩7,980 million, which includes ₩302 million in provisions for allowances for severance and retirement benefits for such directors and officers. The Bank does not have service contracts with any of these directors or officers that provide for benefits if employment with the Bank is terminated. The Bank did not record any stock compensation costs in 2016, 2017 or 2018.

Committees of the Board of Directors

The Bank currently has five committees that serve under the board:

- the Board of Directors Management Committee;
- the Board Risk Management Committee;
- the Audit Committee;
- the Compensation Committee; and
- the Committee for Recommending Executive Officer Candidates.

The board appoints each member of these committees except for members of the Audit Committee, who are elected by the Bank's shareholders at the annual general meeting.

Board of Directors Management Committee

This committee consists of one standing director, one non-standing director and all five outside directors: Tae-Seung Sohn, Sang-Yong Park, Sung-Tae Ro, Chan-Hyoung Chung, Soo-Man Park, Joon-Ho Kim and Jae-Kyung Lee. The chairman is Sang-Yong Park. This committee, which functions as a steering committee, provides administrative support for the operations of the Bank's board of directors. It is responsible for the following:

- setting rules and procedures for operations of the Bank's board and its various committees;
- addressing corporate governance issues; and
- reviewing all reports to be submitted to the board and other matters that are deemed necessary by the board or various sub-committees of the board.

This committee holds regular meetings every quarter.

Board Risk Management Committee

This committee consists of one non-standing director and three outside directors: Sung-Tae Ro, Sang-Yong Park, Soo-Man Park and Jae-Kyung Lee. The chairman is Sung-Tae Ro. It oversees and makes determinations on all significant issues relating to the Bank's risk management system. It implements policies regarding, monitors and has ultimate responsibility for managing credit, market and liquidity risk and asset and liability management. The major roles of the Board Risk Management Committee include:

- determining and amending risk management policies, guidelines and limits in conformity with the strategy established by the board of directors;
- determining the appropriate level of risks that the Bank should be willing to undertake, including in connection with key business activities such as acquisitions, investments or entering into new business areas, prior to a decision by the board of directors on such matters;
- allocating risk capital and approving the Bank's business groups' risk limit requests;
- reviewing the Bank's risk profile, including the level of risks the Bank is exposed to and the status of the Bank's risk management operations; and
- monitoring the Bank's compliance with its risk policies.

See "Risk Management." The Board Risk Management Committee regularly receives reports from the Executive Risk Management Committee, which is the body that coordinates the execution of the committee's risk-related policies and decisions, as well as the Risk Management Department. This committee holds regular meetings every quarter.

Audit Committee

This committee consists of two outside directors and one standing director: Chan-Hyoung Chung, Joon-Ho Kim and Jung-Sik Oh. The chairman is Chan-Hyoung Chung. It reviews all audit and compliance-related matters and makes recommendations to the Bank's board of directors. The Audit Committee, whose members must meet certain qualifications as experts under the committee charter, is also responsible for the following:

- formulating, executing, evaluating and managing internal audit plans (including financial and operational audits);
- approving the appointment and dismissal of the head of the audit team;
- approving the appointment of external auditors and evaluating the activities carried out by external auditors;
- formulating appropriate measures to correct problems identified from internal audits;
- overseeing the Bank's reporting systems in light of relevant disclosure rules and requirements to ensure compliance with applicable regulations; and
- examining internal procedures or making decisions on material matters that are related to audits as determined by the regulatory authorities, the Bank's board or other committees.

This committee also makes recommendations on regulatory issues to the Financial Supervisory Service, if and when deemed necessary. In addition, in connection with general meetings of shareholders, the committee examines the agenda for, and financial statements and other reports to be submitted by the board of directors to, each general meeting of shareholders. The internal and external auditors report directly to the Audit Committee chairman. The Bank's external auditor is invited to attend meetings of this committee when needed or when matters pertaining to the audit are discussed.

The committee holds regular meetings every quarter or as necessary.

Compensation Committee

This committee consists of one non-standing director and all five of the Bank's outside directors: Joon-Ho Kim, Sung-Tae Ro, Sang-Yong Park, Chan-Hyoung Chung, Soo-Man Park and Jae-Kyung Lee. The chairman is Joon-Ho Kim. It is responsible for all matters relating to the following:

- evaluating management's performance in developing the Bank's business;
- setting goals and targets with respect to executive performance; and
- fixing executive compensation, including incentives and bonuses.

This committee holds regular meetings every quarter.

Committee for Recommending Executive Officer Candidates

This committee consists of one standing director and all five of the Bank's outside directors: Tae-Seung Sohn, Soo-Man Park, Sung-Tae Ro, Sang-Yong Park, Chan-Hyoung Chung and Joon-Ho Kim. The chairman is Soo-Man Park. This committee holds meetings when an Audit Committee member, an outside director or the Bank's president and chief executive officer needs to be appointed.

Share Ownership

Common Stock

As of 31st December, 2018, the persons who are currently the Bank's directors or executive officers, in the aggregate, held 306,004 shares of the Bank's common stock. None of these persons individually held more than 1% of the Bank's outstanding common stock as of such date. The following table presents information regarding the Bank's directors and executive officers who beneficially owned the Bank's shares as of 31st December, 2018. All such shares were exchanged for shares of common stock of Woori Financial Group on a one-to-one basis upon its establishment in January 2019 pursuant to a "comprehensive stock transfer" under Korean law. See "Explanatory Note."

Name of Executive Officer or Director	Number of Shares of Common Stock
Tae-Seung Sohn	38,127
Jung-Sik Oh	5,000
Sang-Yong Park	1,000
Sung-Tae Ro	5,000
Chan-Hyoung Chung	10,532
Chai-Pong Cheong	12,730
Jeong-Ki Kim	26,625
Won-Duk Lee	2,000
Hong-Sik Choi	9,756
Su-Hyeong Cho	13,104
Hwa-Jae Park	17,770
Myung-Hyuk Shin	9,204
Jong-Suk Jeong	14,157
Jong-Deuk Kim	10,026
Dong-Su Choi	10,738
Kyong-Hoon Park	12,973
Young-Ho Seo	9,482
Han-Young Song	8,744
Jeong-Rok Kim	13,607
Jong-Rae Won	12,234
Joong-Ho Lee	16,193
Young-Bae Ko	14,020
Jeong-Hyun Ko	10,130
Ho-Jeong Kim	11,197
Byung-Kyu Cho	11,655
Total	306,004

Stock Options

The Bank does not have any stock options outstanding as of the date of this Offering Circular.

TRANSACTIONS WITH RELATED PARTIES

As of 31st December, 2018, the Bank had loans outstanding to its directors and executive officers in the aggregate amount of ₩2,816 million.

None of the Bank's directors or executive officers has or had any interest in any transactions effected by the Bank that are or were unusual in their nature or conditions or significant to the Bank's business which were effected during the current or immediately preceding year or were effected during an earlier year and remain in any respect outstanding or unperformed.

For information regarding the Bank's transactions with certain of its affiliates, see Note 44 of the notes to the consolidated financial statements included in the 2018 Annual Report on Form 20-F incorporated by reference herein.

SUPERVISION AND REGULATION

Please see “Item 4.B. Business Overview – Supervision and Regulation – Principal Regulations Applicable to Banks” in the 2018 Annual Report on Form 20-F incorporated by reference herein.

TAXATION

United States Taxation

The following is a summary of certain United States federal income tax considerations that may be relevant to a holder or a beneficial owner of a Registered Note that is a citizen or resident of the United States or a domestic corporation or that otherwise is subject to United States federal income taxation on a net income basis in respect of such Note (a “United States holder”), as well as certain considerations (described below under “– Reporting Provisions – Information Reporting and Backup Withholding” and “– Reporting Provisions – Foreign Account Tax Compliance Act”) relevant to a holder of a Registered Note that is not a United States holder. This summary is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change. This summary deals only with holders that will hold Registered Notes as capital assets, and does not address tax considerations applicable to investors that may be subject to special tax rules, such as banks, tax-exempt entities, insurance companies, regulated investment companies, dealers in securities or currencies, traders in securities electing to mark to market, entities taxed as partnerships or partners therein, persons subject to the alternative minimum tax, persons that will hold such Notes as a position in a “straddle” or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction, United States expatriates, non-resident alien individuals present in the United States for more than 182 days in a taxable year or persons that have a “functional currency” other than the U.S. dollar. Any special United States federal income tax considerations relevant to a particular issue of Registered Notes, including any Index Linked Notes, Dual Currency Notes or Partly Paid Notes, will be provided in the applicable Pricing Supplement.

This summary assumes that the Issuer will issue the Registered Notes through its principal office in Korea. If the Issuer issues Registered Notes through a non-U.S. branch outside Korea, certain additional United States federal income tax considerations relevant to the particular issue of Registered Notes may be addressed in the applicable Pricing Supplement. If the Issuer issues Registered Notes through a U.S. branch, the tax considerations relevant to United States holders and non-United States holders will be addressed in the applicable Pricing Supplement. The Issuer will not issue Bearer Notes through a U.S. branch.

This summary does not discuss tax considerations relevant to the ownership and disposal of Bearer Notes. In addition, this summary does not address the tax consequences of a redenomination. If the Issuer effects a redenomination, investors should consult their own advisors regarding the tax consequences to them, including the possibility that an investor will recognise foreign currency gain or loss as a result of the redenomination.

Further, this summary addresses only U.S. federal income tax consequences, and does not address consequences arising under state, local, or foreign tax laws or the Medicare tax on net investment income. Investors should consult their own tax advisors in determining the tax consequences to them of holding Registered Notes under such tax laws, as well as the application to their particular situation of the United States federal income tax considerations discussed below.

Senior Notes

This section addresses Senior Notes that are properly characterised as indebtedness for U.S. federal income tax purposes. Particular tax consequences relating to Senior Notes having a term to maturity of more than 30 years will be discussed in the applicable Pricing Supplement.

United States holders that use an accrual method of accounting for tax purposes (“accrual method holders”) are generally required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements (the “book/tax conformity rule”). The application of the book/tax conformity rule thus may require the accrual of income earlier than would be the case under the general tax rules described below. It is not clear to what types of income the book/tax conformity rule applies, or, in some cases, how the rule is to be applied if it is applicable. Accrual method holders should consult with their tax advisors regarding the potential applicability of the book/tax conformity rule to their particular situation.

Payments of Interest and Additional Amounts. The gross amount of payments of “qualified stated interest” (as defined below under “Original Issue Discount”) and additional amounts, if any (*i.e.*, without reduction for withholding taxes imposed by any Tax Jurisdiction, determined utilising the appropriate withholding tax rate for that Tax Jurisdiction applicable to the United States holder), but excluding any pre-issuance accrued interest, on a Registered Note will be taxable to a United States holder as ordinary interest income at the time that such payments are accrued or are received (in accordance with the United States holder’s method of tax accounting). If payments of this kind are made with respect to a Registered Note that is denominated in a single currency other than the U.S. dollar (a “Foreign Currency Note”), the amount of interest income realised by a United States holder that uses the cash method of tax accounting will be the U.S. dollar value of the Specified Currency payment based on the exchange rate in effect on the date of receipt regardless of whether the payment in fact is converted into U.S. dollars. A United States holder that uses the accrual method of accounting for tax purposes will accrue interest income on the Note in the relevant foreign currency and translate the amount accrued into U.S. dollars based on the average exchange rate in effect during the interest accrual period (or portion thereof within the United States holder’s taxable year), or, at the accrual basis United States holder’s election, at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if this date is within five business days of the last day of the accrual period. A United States holder that makes this election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the Internal Revenue Service (the “IRS”). A United States holder that uses the accrual method of accounting for tax purposes will recognise foreign currency gain or loss, as the case may be, on the receipt of an interest payment made with respect to a Foreign Currency Note if the exchange rate in effect on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. Amounts attributable to pre-issuance accrued interest will generally not be includable in income, except to the extent of foreign currency gain or loss attributable to any changes in exchange rates during the period between the date the United States holder acquired the Note and the first Interest Payment Date. This foreign currency gain or loss will be treated as ordinary income or loss but generally will not be treated as an adjustment to interest income received on the Note.

Purchase, Sale and Retirement of Registered Notes. A United States holder’s tax basis in a Registered Note generally will equal the cost of such Note to such holder, increased by any amounts includible in income by the holder as original issue discount and market discount and reduced by any amortised premium (each as described below) and any payments other than payments of qualified stated interest made on such Note. In the case of a Foreign Currency Note, the cost of such Note to a United States holder will be the U.S. dollar value of the foreign currency purchase price on the date of purchase. In the case of a Foreign

Currency Note that is traded on an established securities market, a cash basis United States holder (and, if it so elects, an accrual basis United States holder) will determine the U.S. dollar value of the cost of such Note by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. The amount of any subsequent adjustments to a United States holder's tax basis in a Registered Note in respect of original issue discount, market discount and premium denominated in a Specified Currency will be determined in the manner described under "Original Issue Discount" and "Premium and Market Discount" below. The conversion of U.S. dollars to a Specified Currency and the immediate use of the Specified Currency to purchase a Foreign Currency Note generally will not result in taxable gain or loss for a United States holder.

Upon the sale, exchange or retirement of a Registered Note, a United States holder generally will recognise gain or loss equal to the difference between the amount realised on the sale, exchange or retirement (less any accrued qualified stated interest, which will be taxable as such) and the United States holder's tax basis in such Note. If a United States holder receives a currency other than the U.S. dollar in respect of the sale, exchange or retirement of a Registered Note, the amount realised will be the U.S. dollar value of the specified currency received calculated at the exchange rate in effect on the date the instrument is disposed of or retired. In the case of a Foreign Currency Note that is traded on an established securities market, a cash basis United States holder, and if it so elects, an accrual basis United States holder will determine the U.S. dollar value of the amount realised by translating such amount at the spot rate on the settlement date of the sale. The election available to accrual basis United States holders in respect of the purchase and sale of Foreign Currency Notes traded on an established securities market, discussed above, must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS.

Except as discussed below with respect to market discount, Short-Term Notes (as defined below) and foreign currency gain or loss, gain or loss recognised by a United States holder generally will be long-term capital gain or loss if the United States holder has held such Note for more than one year at the time of disposition. Long-term capital gains recognised by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deduction of capital losses is subject to limitations.

Gain or loss recognised by a United States holder on the sale, exchange or retirement of a Foreign Currency Note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the holder held such Note. This foreign currency gain or loss will not be treated as an adjustment to interest income received on the Notes.

Original Issue Discount. If the Issuer issues Registered Notes at a discount from their stated redemption price at maturity (as defined below), and the discount is equal to or more than the product of one-fourth of one per cent. (0.25 per cent.) of the stated redemption price at maturity of the Notes multiplied by the number of full years to their maturity (the "*de minimis* threshold"), the Notes will be "Original Issue Discount Notes." The difference between the issue price and the stated redemption price at maturity of the Notes will be the "original issue discount" ("OID"). The "issue price" of the Notes will be the first price at which a substantial amount of the Notes are sold to the public (*i.e.*, excluding sales of the Notes to underwriters, placement agents, wholesalers, or similar persons). The "stated redemption price at maturity" will include all payments under the Notes other than payments of qualified stated interest. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments issued by the Issuer) at least annually during the entire term of the Notes at a single fixed interest rate or, subject to certain conditions, based on one or more interest indices.

United States holders of Original Issue Discount Notes generally will be subject to the special tax accounting rules for obligations issued with OID provided by the Internal Revenue Code of 1986, as amended, and certain regulations promulgated thereunder (the “OID Regulations”). United States holders of such Notes should be aware that, as described in greater detail below, they generally must include OID in ordinary gross income for United States federal income tax purposes as it accrues, in advance of the receipt of cash attributable to that income.

In general, each United States holder of an Original Issue Discount Note, regardless of whether the holder uses the cash or the accrual method of tax accounting, will be required to include in ordinary gross income the sum of the “daily portions” of OID on such Note for all days during the taxable year that the United States holder owns such Note. The daily portions of OID on an Original Issue Discount Note are determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. Accrual periods may be any length and may vary in length over the term of an Original Issue Discount Note, *provided that* no accrual period is longer than one year and each scheduled payment of principal or interest occurs on either the final day or the first day of an accrual period. In the case of an initial holder, the amount of OID on an Original Issue Discount Note allocable to each accrual period is determined by (a) multiplying the “adjusted issue price” (as defined below) of the Original Issue Discount Note at the beginning of the accrual period by the yield to maturity of such Original Issue Discount Note (appropriately adjusted to reflect the length of the accrual period) and (b) subtracting from that product the amount (if any) of qualified stated interest allocable to that accrual period. The yield to maturity of such Note is the discount rate that causes the present value of all payments on such Note as of its original issue date to equal the issue price of such Note. The “adjusted issue price” of an Original Issue Discount Note at the beginning of any accrual period will generally be the sum of its issue price (generally including accrued interest, if any) and the amount of OID allocable to all prior accrual periods, reduced by the amount of all payments other than payments of qualified stated interest (if any) made with respect to such Note in all prior accrual periods. As a result of this “constant yield” method of including OID in income, the amounts includible in income by a United States holder in respect of an Original Issue Discount Note denominated in U.S. dollars generally are lesser in the early years and greater in the later years than the amounts that would be includible on a straight-line basis.

The application of the book/tax conformity rule to OID and *de minimis* OID is uncertain in some respects. The book/tax conformity rule applies to OID in some cases, and therefore may require accrual method holders to include OID on original issue discount debt securities in a more accelerated manner than described above if they do so for financial accounting purposes. It is uncertain what adjustments, if any, should be made in later accrual periods when taxable income exceeds income reflected on the United States holder’s financial statements to reflect the accelerated accrual of income in earlier periods. In addition, it is possible, although less likely, that accrual method holders may be required to include *de minimis* OID in gross income as *de minimis* OID accrues for financial accounting purposes.

A United States holder generally may make an irrevocable election to include in its income its entire return on a Registered Note (*i.e.*, the excess of all remaining payments to be received on the Note, including payments of qualified stated interest, over the amount paid by such United States holder for the Note) under the constant-yield method described above. For Registered Notes purchased at a premium or bearing market discount in the hands of the United States holder, the United States holder making this election will also be deemed to have made the election (discussed below in “– Premium and Market Discount”) to amortise premium or to accrue market discount in income currently on a constant-yield basis.

In the case of an Original Issue Discount Note that is also a Foreign Currency Note, a United States holder should determine the U.S. dollar amount includible in income as OID for each accrual period by (a) calculating the amount of OID allocable to each accrual period in the Specified Currency using the constant-yield method described above, and (b) translating the amount of the Specified Currency so derived at the average exchange rate in effect during that accrual period (or portion thereof within a United States holder's taxable year) or, at the United States holder's election (as described above under "– Payments of Interest"), at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period. Because exchange rates may fluctuate, a United States holder of an Original Issue Discount Note that is also a Foreign Currency Note may recognise a different amount of OID income in each accrual period than would the holder of an otherwise similar Original Issue Discount Note denominated in U.S. dollars. All payments on an Original Issue Discount Note (other than payments of qualified stated interest) will generally be viewed first as payments of previously accrued OID (to the extent thereof), with payments attributed first to the earliest-accrued OID, and then as payments of principal. Upon the receipt of an amount attributable to OID (whether in connection with a payment of an amount that is not qualified stated interest or the sale or retirement of the Original Issue Discount Note), a United States holder will recognise ordinary income or loss measured by the difference between the amount received (translated into U.S. dollars at the exchange rate in effect on the date of receipt or on the date of disposition of the Original Issue Discount Note, as the case may be) and the amount accrued (using the exchange rate applicable to such previous accrual).

A subsequent United States holder of an Original Issue Discount Note that purchases the Note at a cost less than its remaining redemption amount (as defined below), or an initial United States holder that purchases an Original Issue Discount Note at a price other than the Note's issue price, also generally will be required to include in gross income the daily portions of OID, calculated as described above. However, if the United States holder acquires the Original Issue Discount Note at a price greater than its adjusted issue price, the holder is required to reduce its periodic inclusions of OID income to reflect the premium paid over the adjusted issue price. The "remaining redemption amount" for a Note is the total of all future payments to be made on the Note other than payments of qualified stated interest.

Floating Rate Notes generally will be treated as "variable rate debt instruments" under the OID Regulations. Accordingly, the stated interest on a Floating Rate Note generally will be treated as "qualified stated interest" and such Note will not have OID solely as a result of the fact that it provides for interest at a variable rate. If a Floating Rate Note qualifying as a "variable rate debt instrument" is an Original Issue Discount Note, for purposes of determining the amount of OID allocable to each accrual period under the rules above, the Note's "yield to maturity" and "qualified stated interest" will generally be determined as though the Note bore interest in all periods at a fixed rate generally equal to the rate that would be applicable to the interest payments on the Note on its date of issue or, in the case of certain Floating Rate Notes, the rate that reflects the yield that is reasonably expected for such Note. Additional rules may apply if interest on a Floating Rate Note is based on more than one interest index. If a Floating Rate Note does not qualify as a "variable rate debt instrument," the Note will be subject to special rules (the "Contingent Payment Regulations") that govern the tax treatment of debt obligations that provide for contingent payments ("Contingent Debt Obligations"). A detailed description of the tax considerations relevant to United States holders of any such Notes will be provided in the applicable Pricing Supplement.

Certain of the Registered Notes may be subject to special redemption, repayment or interest rate reset features, as indicated in the applicable Pricing Supplement. Registered Notes containing such features, in particular Original Issue Discount Notes, may be subject to special rules that differ from the general rules discussed above. Purchasers of Registered Notes with such features should carefully examine the applicable Pricing Supplement and should consult their own tax advisors with respect to the Notes since the tax consequences with respect to such features, and especially with respect to OID, will depend, in part, on the particular terms of the Notes.

If a Note provides for an Accrual Period that is longer than one year (for example, as a result of a long initial period on a Note on which interest is generally paid on an annual basis), then stated interest on the Note will not qualify as “qualified stated interest” under the OID Regulations. As a result, the Note would be an Original Issue Discount Note. In that event, among other things, cash-method United States holders will be required to accrue stated interest on the Note under the OID Regulations, and all United States holders will be required to accrue OID that would otherwise fall under the *de minimis* threshold.

Premium and Market Discount. A United States holder of a Registered Note that purchases the Note at a cost greater than the Note’s remaining redemption amount (as defined in the fourth preceding paragraph) will be considered to have purchased the Note at a premium, and may elect to amortise this premium (as an offset to interest income), using a constant-yield method, over the remaining term of the Note. This election, once made, generally applies to all bonds held or subsequently acquired by the United States holder on or after the first taxable year to which the election applies and may not be revoked without the consent of the IRS. A United States holder that elects to amortise such premium must reduce its tax basis in the Note by the amount of the premium amortised during its holding period. Original Issue Discount Notes purchased at a premium will not be subject to the OID rules described above. In the case of premium in respect of a Foreign Currency Note, a United States holder should calculate the amortisation of the premium in the specified currency. Amortisation deductions attributable to a period reduce interest payments in respect of that period and therefore are translated into U.S. dollars at the exchange rate used by the United States holder for such interest payments. Exchange gain or loss will be realised with respect to amortised bond premium on a Note based on the difference between the exchange rate on the date or dates the premium is recovered through interest payments on the Note and the exchange rate on the date on which the United States holder acquired the Note. With respect to a United States holder that does not elect to amortise bond premium, the amount of bond premium will be included in the United States holder’s tax basis when the Note matures or is disposed of by the United States holder. Therefore, a United States holder that does not elect to amortise such premium and that holds the Note to maturity generally will be required to treat the premium as capital loss when the Note matures.

If a United States holder of a Registered Note purchases the Note, other than a Short-Term Note (as defined below), at a price that is lower than its remaining redemption amount, or in the case of an Original Issue Discount Note, its adjusted issue price, by at least 0.25 per cent. of its remaining redemption amount multiplied by the number of remaining whole years to maturity, the Note will be considered to have “market discount” in the hands of the United States holder. In such case, gain realised by the United States holder on the disposition of the Note generally will be treated as ordinary income to the extent of the market discount that accrued on the Note while held by the United States holder. In addition, the United States holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the Note. In general terms, market discount on a Registered Note will be treated as accruing ratably over the term of the Note, or, at the election of the holder, under a constant yield method. Market discount on a Foreign Currency Note will be accrued by a United States holder in the specified currency. The amount includible in income by a United States holder in respect of such accrued market discount will be the U.S. dollar value of the amount accrued, generally calculated at the exchange rate in effect on the date that the Note is disposed of by the United States holder.

A United States holder may elect to include market discount in income on a current basis as it accrues (on either a ratable or constant-yield basis), in lieu of treating a portion of any gain realised on a sale of a Registered Note as ordinary income. If a United States holder elects to include market discount on a current basis, the interest deduction deferral rule described above will not apply. Any accrued market discount on a Foreign Currency Note that is currently includible in income will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the United States holder's taxable year). Any such election, if made, applies to all market discount bonds acquired by the taxpayer on or after the first day of the first taxable year to which the election applies and is revocable only with the consent of the IRS.

Short-Term Notes. The rules set forth above will also generally apply to Registered Notes having maturities of not more than one year ("Short-Term Notes"), but with certain modifications.

First, the OID Regulations treat none of the interest on a Short-Term Note as qualified stated interest. Thus, all Short-Term Notes will be Original Issue Discount Notes. OID will be treated as accruing on a Short-Term Note ratably or, at the election of a United States holder, under a constant yield method.

Second, a United States holder of a Short-Term Note that uses the cash method of tax accounting and is not a bank, securities dealer, regulated investment company or common trust fund, and does not identify the Short-Term Note as part of a hedging transaction, will generally not be required to include OID in income on a current basis. Such a United States holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry such Note until the Maturity of such Note or its earlier disposition in a taxable transaction. In addition, such a United States holder will be required to treat any gain realised on a sale, exchange or retirement of such Note as ordinary income to the extent such gain does not exceed the OID accrued with respect to such Note during the period the United States holder held such Note. Notwithstanding the foregoing, a cash-basis United States holder of a Short-Term Note may elect to accrue OID into income on a current basis or to accrue the "acquisition discount" on the Note under the rules described below. If the United States holder elects to accrue OID or acquisition discount, the limitation on the deductibility of interest described above will not apply.

A United States holder using the accrual method of tax accounting and certain cash-basis United States holders (including banks, securities dealers, regulated investment companies and common trust funds) generally will be required to include original issue discount on a Short-Term Note in income on a current basis. Alternatively, a United States holder of a Short-Term Note can elect to accrue the "acquisition discount," if any, with respect to such Note on a current basis. If such an election is made, the OID rules will not apply to the Note. Acquisition discount is the excess of the Short-Term Note's stated redemption price at maturity (*i.e.*, all amounts payable on the Short-Term Note) over the purchase price. Acquisition discount will be treated as accruing ratably or, at the election of the United States holder, under a constant-yield method based on daily compounding.

Finally, the market discount rules will not apply to a Short-Term Note.

Index Linked Notes and Other Notes Providing for Contingent Payments. The Contingent Payment Regulations, which govern the tax treatment of Contingent Debt Obligations, generally require accrual of interest income on a constant-yield basis in respect of such obligations at a yield determined at the time of their issuance, and may require adjustments to such accruals when any contingent payments are made. A detailed description of the tax considerations relevant to United States holders of any Contingent Debt Obligations will be provided in the applicable Pricing Supplement.

Subordinated Notes

Characterisation of the Subordinated Notes. No statutory, judicial or administrative authority directly addresses the characterisation of the Tier I or Tier II Subordinated Notes. As a result, significant aspects of the U.S. federal income tax consequences of an investment in the Subordinated Notes are uncertain. The Issuer believes, however, that notwithstanding their legal form as debt, the Tier I Subordinated Notes will be, and the Tier II Subordinated Notes should be, characterised as equity for U.S. federal income tax purposes (and not as debt), and the Issuer intends, absent a change in law, to so treat the Subordinated Notes. In general, under the U.S. Internal Revenue Code, the characterisation of an instrument for U.S. federal income tax purposes as debt or equity of a corporation by its issuer as of the time of issuance is binding on a holder unless the holder discloses on its tax return that it is taking an inconsistent position. The issuer's characterisation, however, is not binding on the IRS.

Payments of Interest. Subject to the discussion below under “– PFIC Rules,” payments of stated interest on the Subordinated Notes (including any tax withheld and additional amounts paid in respect thereof) will be treated as distributions on stock of the Issuer and as dividends to the extent paid out of the current or accumulated earnings and profits of the Issuer, as determined under U.S. federal income tax principles. Because the Issuer does not expect to be able to determine its earnings and profits under U.S. federal income tax principles, it is expected that distributions paid to United States holders generally will be reported as dividends. Payments received by a United States holder that are treated as dividends generally will not be eligible for the dividends received deduction. Accrual-method holders generally will take such dividends into account when paid.

Subject to certain exceptions for short-term and hedged positions and the discussion below under “– PFIC Rules,” the U.S. dollar amount of dividends received by an individual generally will be subject to taxation at reduced rates if the dividends are “qualified dividends.” Dividends on the Subordinated Notes should be the type of dividend that is eligible to be a qualified dividend, although there is some uncertainty as to the application of the qualified dividend rules to instruments that are treated as equity for U.S. federal income tax purposes but have the legal form of debt. If these rules apply to the Subordinated Notes, it is possible that short-term capital loss realised by a United States holder on the Notes will be converted into long-term capital loss to the extent of any qualified dividend payments that exceed 5% of its basis in the Notes. United States holders should consult their own tax advisors regarding the availability of this reduced dividend tax rate for interest payments on the Subordinated Notes.

Sale, Exchange, Redemption or Write-off of the Subordinated Notes. Subject to the discussion below under “– PFIC Rules,” a United States holder will recognise capital gain or loss upon the sale, exchange, redemption or write-off of the Subordinated Notes in an amount equal to the difference between the amount realised on such disposition (or zero in the case of a write-off) and the United States holder's adjusted tax basis in the Subordinated Notes. A United States holder's tax basis in a Subordinated Note generally will be the price it paid for the Note. Any capital gain or loss will be long term if the Subordinated Notes have been held for more than one year. The deductibility of capital losses is subject to limitations.

PFIC Rules. Special U.S. federal income tax rules apply to United States holders owning shares of a “passive foreign investment company,” or “PFIC.” If the Issuer is treated as a PFIC for any year, United States holders may be subject to adverse tax consequences upon a sale, exchange, or other disposition of the Subordinated Notes, or upon the receipt of certain “excess distributions” in respect of the Subordinated Notes. Dividends paid by a PFIC are not qualified dividends eligible to be taxed at preferential rates. Based on the Issuer's audited consolidated financial statements, the Issuer believes that it was not treated as a PFIC for U.S. federal income tax purposes with respect to its 2018 taxable year. In addition, based on the Issuer's current expectations regarding the value and nature of its assets and the sources and nature of its income, the Issuer does not anticipate becoming a PFIC for the 2019 taxable year.

Possible Alternative Treatment of the Subordinated Notes. As discussed above, significant aspects of the U.S. federal income tax consequences of an investment in the Tier II Subordinated Notes are uncertain. The IRS could assert that the Tier II Subordinated Notes should be characterised as debt for U.S. federal income tax purposes. If the Tier II Subordinated Notes were so treated, interest on the Tier II Subordinated Notes would be ordinary income. Moreover, in that event, the Tier II Subordinated Notes may be treated as a Contingent Debt Obligation, with the consequences, among others, that (i) a United States holder would be required to accrue interest on the Tier II Subordinated Notes even if it otherwise uses the cash method of accounting for U.S. federal income tax purposes, (ii) the amount of interest that must be accrued in any period may differ from the amount of stated interest accruing in that period, and (iii) gain from the sale, exchange or redemption of the Tier II Subordinated Notes would be ordinary income. Prospective investors should consult their tax advisors as to the tax consequences to them if the Tier II Subordinated Notes were characterised as debt for U.S. federal income tax purposes.

Reporting Provisions

Information Reporting and Backup Withholding. The Paying Agent will be required to file information returns with the IRS with respect to payments made to, and the proceeds of dispositions of Notes effected by, certain United States holders of Registered Notes. In addition, certain United States holders may be subject to backup withholding tax in respect of such payments if they do not provide their taxpayer identification numbers to the Paying Agent. Persons holding Registered Notes who are not United States holders may be required to comply with applicable certification procedures to establish that they are not United States holders in order to avoid the application of such information reporting requirements and backup withholding. Any amounts withheld under the backup withholding rules will be allowed as a credit against a holder's United States federal income tax liability, if any, or as a refund, provided the required information is timely furnished to the IRS.

Specified Foreign Financial Assets. Certain United States holders that own "specified foreign financial assets" with an aggregate value in excess of US\$50,000 are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which would include the Notes) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. United States holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules to their investment in the Notes, including the application of the rules to their particular circumstances.

Foreign Currency Notes and Reportable Transactions. A United States holder that participates in a "reportable transaction" will be required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. A United States holder may be required to treat a foreign currency exchange loss relating to a Foreign Currency Note as a reportable transaction if the loss exceeds \$50,000 in a single taxable year if the United States holder is an individual or trust, or higher amounts for other United States holders. In the event the acquisition, ownership or disposition of a Foreign Currency Note constitutes participation in a "reportable transaction" for purposes of these rules, a United States holder will be required to disclose its investment to the IRS, currently on Form 8886. Prospective purchasers should consult their tax advisors regarding the application of these rules to the acquisition, ownership or disposition of Foreign Currency Notes.

Foreign Account Tax Compliance Act. Pursuant to FATCA, holders and beneficial owners of the Notes may be required to provide to a financial institution in the chain of payments on the Notes information and tax documentation regarding their identities, and in the case of a holder that is an entity, the identities of their direct and indirect owners, and this information may be reported to relevant tax authorities, including the IRS. Moreover, the Issuer, the Paying Agents, and other financial institutions through which payments are made, may become required to withhold U.S. tax at a 30% rate on “foreign passthru payments” (a term not yet defined) paid to an investor who does not provide information sufficient for the institution to determine whether the investor is a U.S. person or should otherwise be treated as holding a “United States account” of the institution, or to an investor that is, or holds the Notes directly or indirectly through, a non-U.S. financial institution that is not in compliance with FATCA.

Under a grandfathering rule, this withholding tax (i) will not apply to a series of Senior Notes (or Tier II Subordinated Notes, in the event they are treated as debt for U.S. federal income tax purposes) unless the relevant series of Notes is issued or materially modified after the date that is six months after the date on which final U.S. Treasury Regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register and (ii) in any event, will only apply to payments made more than two years after the issuance of such guidance. If U.S. withholding tax were to be deducted or withheld from payments on any series of Notes as a result of a failure by an investor (or by an institution through which an investor holds the Notes) to comply with FATCA, neither the Issuer nor any Paying Agent nor any other person would, pursuant to the terms of the Notes, be required to pay additional amounts as a result of the deduction or withholding of such tax. These requirements may be modified by the adoption or implementation of an intergovernmental agreement between the United States and another country, including the intergovernmental agreement concerning FATCA signed by the Republic of Korea and the United States. Prospective investors should consult their own tax advisers about how FATCA may apply to their investment in the Notes.

Korean Taxation

The information provided below does not purport to be a complete summary of Korean tax law and practice currently applicable. Prospective investors who are in any doubt as to their tax position should consult with their own professional advisors.

The taxation of non-resident individuals and non-Korean corporations (“Non-Residents”) depends on whether they have a “permanent establishment” (as defined under Korean law and applicable tax treaty) in Korea to which the relevant Korean source income is attributable or with which such income is effectively connected. Non-Residents without a permanent establishment in Korea are taxed in the manner described below. Non-Residents with permanent establishments in Korea are taxed in accordance with different rules.

Tax on Interest

Interest on the Notes paid to Non-Residents (excluding payments to their permanent establishment in Korea), being foreign currency denominated bonds, is exempt from income tax and corporation tax (whether payable by withholding or otherwise) pursuant to the Tax Exemption and Limitation Law (the “TELL”), so long as the Notes are “foreign currency denominated bonds” under the TELL and the issuance of the Notes is deemed to be an overseas issuance under the TELL. The term “foreign currency denominated bonds” in this context is not defined under the TELL. In this regard, the Korean tax authority issued a ruling on 1st September, 1990 to the effect that “a notes issuance facility, commercial paper issued in U.S. dollars or euros or a banker’s acceptance” are not treated as “foreign currency denominated bonds.”

If the tax exemption under the TELL referred to above were to cease to be in effect, the rate of income tax or corporation tax applicable to interest on the Notes, for a Non-Resident without a permanent establishment in Korea, would be 14 per cent. of income. In addition, a tax surcharge called a local income tax would be imposed at the rate of 10 per cent. of the income tax or corporation tax (raising the total tax rate to 15.4 per cent.). The tax is withheld by the payer or the Bank. These tax rates may be reduced by an applicable tax treaty, convention or agreement between Korea and the country of the recipient of the income. The relevant tax treaties are discussed below under “– Tax Treaties.”

Tax on Capital Gains

Korean tax laws currently exclude from Korean taxation gains made by a Non-Resident without a permanent establishment in Korea from the sale of the Notes to Non-Residents (other than to their permanent establishments in Korea). In addition, capital gains earned by Non-Residents with or without permanent establishments in Korea from the transfer taking place outside Korea of the Notes are currently exempt from taxation by virtue of the TELL, *provided that* the issuance of the Notes is deemed to be an overseas issuance under the TELL.

If the exclusion or exemption from Korean taxation referred to above were to cease to be in effect, in the absence of an applicable tax treaty reducing or eliminating tax on capital gains, the applicable rate of tax would be the lower of 11 per cent. of the gross realisation proceeds and (subject to the production of satisfactory evidence of the acquisition cost and certain direct transaction costs of the relevant Note) 22 per cent. of the realised gain (i.e., the excess of the gross realisation proceeds over the acquisition cost and certain direct transaction costs) made. If such evidence shows that no gain (or a loss) was made on the sale, no Korean tax is payable. There is no provision under relevant Korean law for offsetting gains and losses or otherwise aggregating transactions for the purpose of computing the net gain attributable to sales of the Notes issued by Korean companies. The purchaser or any other designated withholding agent of the Notes is obliged under Korean law to withhold the applicable amount of Korean tax and make payment thereof to the relevant Korean tax authority. Unless the seller can claim the benefit of an exemption from tax under an applicable tax treaty or on the failure of the seller to produce satisfactory evidence of his acquisition cost and certain direct transaction costs in relation to the instruments being sold, the purchaser or such withholding agent must withhold an amount equal to 11 per cent. of the gross realisation proceeds. Any amounts withheld by the purchaser or such withholding agent must be paid to the competent Korean tax office. The purchaser or withholding agent must pay any withholding tax no later than the tenth day of the month following the month in which the payment for the purchase of the relevant instruments occurred. Failure to transmit the withheld tax to the Korean tax authorities in time subjects the purchaser or such withholding agent to penalties under Korean tax laws. The Korean tax authorities may attempt to collect such tax from a Non-Resident who is liable for payment of any Korean tax on gains, as a purchaser or withholding agent who is obliged to withhold such tax, through proceedings against payments due to the Non-Resident from its Korean investments and the assets or revenues of any of the Non-Resident’s branch or representative offices in Korea.

Inheritance Tax and Gift Tax

Korean inheritance tax is imposed upon (a) all assets (wherever located) of the deceased if at the time of his death he was domiciled in Korea or had resided in Korea continuously for at least one year immediately prior to his death and (b) all property located in Korea which passes on death (irrespective of the domicile of the deceased). Gift tax is imposed in similar circumstances to the above. The taxes are imposed if the value of the relevant property is above a certain limit and the rate varies from a rate of 10 per cent. to 50 per cent. according to the value of the relevant property and the identity of the persons involved. At present, Korea has not entered into any tax treaties regarding its inheritance or gift taxes.

Under Korean inheritance and gift tax laws, bonds issued by Korean corporations are deemed located in Korea irrespective of where they are physically located or by whom they are owned. And, consequently, the Korean inheritance and gift taxes will be imposed on transfers of the Notes by inheritance and gift. Prospective purchasers should consult their personal tax advisors regarding the consequences of the imposition of Korea inheritance and gift tax.

Stamp Duty and Securities Transaction Tax

No stamp, issue or registration duties will be payable in Korea by the Holders in connection with the issue of the Notes except for a nominal amount of stamp duty on certain documents executed in Korea which will be paid by the Bank. No securities transaction tax will be imposed upon the transfer of the Notes.

Tax Treaties

At the date of this offering circular, Korea has tax treaties with, inter alia, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Norway, Singapore, Sweden, Switzerland, the United Kingdom and the United States under which the rate of withholding tax on interest is reduced, generally to between 10 and 15 per cent. (including local income tax), and the tax on capital gains is often eliminated.

Each Holder should inquire whether he is entitled to the benefit of a tax treaty with respect to any transaction involving the Notes. It is the responsibility of the party claiming the benefits of a tax treaty in respect of interest payments to file with the payer or the Bank a certificate as to his residence. In the absence of sufficient proof, the payer or the Bank must withhold taxes in accordance with the above discussion.

In order to claim the benefit of a tax rate reduction or tax exemption available under the applicable tax treaties, a non-resident holder should submit to the payer of such Korean source income an application (for a reduced withholding tax rate, the “application for entitlement to reduced tax rate,” and for an exemption from withholding tax, the “application for exemption” under a tax treaty along with a certificate of the non-resident holder’s tax residence issued by a competent authority of the non-resident holder’s residence country) as the beneficial owner of such Korean source income (“BO Application”). Such application should be submitted to the withholding agent prior to the payment date of the relevant income. Subject to certain exceptions, where the relevant income is paid to an overseas investment vehicle (which is not the beneficial owner of such income) (“OIV”), a beneficial owner claiming the benefit of an applicable tax treaty with respect to such income must submit its BO Application to such OIV, which must submit an OIV report and a schedule of beneficial owners to the withholding agent prior to the payment date of such income. In the case of a tax exemption application, the withholding agent is required to submit such application (together with the applicable OIV report in the case of income paid to an OIV) to the relevant district tax office by the ninth day of the month following the date of the payment of such income.

Withholding and Gross Up

As mentioned above, interest on the Notes is exempt from any withholding or deduction on account of income tax or corporation tax pursuant to TELL. However, in the event that the payer or the Bank is required by law to make any withholding or deduction for or on account of any Korean taxes (as more fully described in “Terms and Conditions of the Notes – Taxation”) the Bank has agreed to pay (subject to the customary exceptions as set out in “Terms and Conditions of the Notes – Taxation”) such additional amounts as may be necessary in order that the net amounts received by the Holder of any Note after such withholding or deduction shall equal the respective amounts which would have been received by such Holder in the absence of such withholding or deduction.

The Proposed Financial Transaction Tax

The European Commission has published a proposal (the “Commission’s Proposal”) for a Directive for a common financial transaction tax (“FTT”) in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain (the “Participating Member States”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced in its current form, impose a tax at generally not less than 0.1 per cent., determined by reference to the amount of consideration paid on certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt. The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The Commission’s Proposal remains subject to negotiation between the Participating Member States (excluding Estonia) and the scope of such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain of the Participating Member States may decide to withdraw (in addition to Estonia which already withdrew).

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

INDEPENDENT ACCOUNTANTS

The Bank's consolidated financial statements as of 31st December, 2017 and 2018 and for the years ended 31st December, 2016, 2017 and 2018 included in the 2018 Annual Report on Form 20-F incorporated by reference herein have been audited by Deloitte Anjin LLC, independent auditors, as stated in their report appearing therein, which report expresses an unqualified opinion.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in an amended and restated programme agreement dated 25th August, 2006 as supplemented by supplements to the amended and restated programme agreement dated as of 1st November, 2007, 5th November, 2008, 28th October, 2009, 10th November, 2010, 14th May, 2013, 9th April, 2014, 13th May, 2016 and 28th April, 2017 (as amended and/or supplemented from time to time, the “Programme Agreement”), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes.” In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

In order to facilitate the offering of any Tranche of the Notes, certain persons participating in the offering of the Tranche may to the extent permitted by applicable laws and regulations engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Notes for a limited period after the issue date. Specifically such persons may overalloc or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilise or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time and must be brought to an end after a limited period.

Certain Relationships

The Dealers and certain of their affiliates may have performed certain investment banking and advisory services for the Issuer and its affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer and its affiliates in the ordinary course of their business. The Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution.

The Dealers or their respective affiliates may purchase Notes for their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to Notes and/or other securities of the Issuer or its subsidiaries or associates, at the same time as the offer and sale of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of Notes).

Transfer Restrictions

To the extent required by the applicable laws and regulations of Korea, until the expiration of one year after the issuance of any Notes, such Notes may not be transferred to any “Korean resident” (as defined under the Foreign Exchange Transaction Law of Korea and the regulations thereunder) except as otherwise permitted by applicable Korean laws and regulations, and the Notes will bear a legend to the following effect:

“THE NOTES HAVE NOT BEEN REGISTERED UNDER THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA, AND, ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY KOREAN RESIDENT EXCEPT AS OTHERWISE PERMITTED BY APPLICABLE KOREAN LAW AND REGULATIONS (INCLUDING THE SALE OF THE NOTES TO PROFESSIONAL INVESTORS IN THE PRIMARY MARKET IF (A) THE AMOUNT OF THE NOTES ACQUIRED BY PROFESSIONAL INVESTORS IN THE PRIMARY MARKET IS LIMITED TO 20 PER CENT. OR LESS OF THE AGGREGATE ISSUE AMOUNT OF THE NOTES AND (B) THE NOTES HAVE BEEN (I) LISTED IN ONE OF THE MAJOR MARKETS DESIGNATED BY THE FINANCIAL SUPERVISORY SERVICE OR (II) REGISTERED WITH OR REPORTED TO A FINANCIAL SUPERVISORY AUTHORITY LOCATED IN ONE OF SUCH MAJOR MARKETS OR (III) OFFERED THROUGH SUCH PROCEDURES AS MAY BE CONSIDERED A PUBLIC OFFERING). IN ADDITION, UNTIL THE EXPIRATION OF ONE YEAR AFTER THE ISSUANCE OF ANY NOTES, SUCH NOTES MAY NOT BE TRANSFERRED TO ANY RESIDENT OF KOREA EXCEPT AS OTHERWISE PERMITTED BY APPLICABLE KOREAN LAW AND REGULATIONS (INCLUDING THE SALE OF THE NOTES TO THE PROFESSIONAL INVESTORS IN THE SECONDARY MARKET IF THE NOTES HAVE BEEN (A) LISTED IN ONE OF THE MAJOR MARKETS DESIGNATED BY THE FINANCIAL SUPERVISORY SERVICE OR (B) REGISTERED WITH OR REPORTED TO A FINANCIAL SUPERVISORY AUTHORITY LOCATED IN ONE OF SUCH MAJOR MARKETS OR (C) OFFERED THROUGH SUCH PROCEDURES AS MAY BE CONSIDERED A PUBLIC OFFERING). AS USED HEREIN, THE TERM “KOREAN RESIDENT” HAS THE MEANING GIVEN TO IT BY THE FOREIGN EXCHANGE TRANSACTION LAW OF KOREA AND THE REGULATIONS THEREUNDER AND THE TERM “PROFESSIONAL INVESTORS” HAS THE MEANING GIVEN TO IT BY THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA AND ITS ENFORCEMENT DECREE.”

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or *vice versa*, will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (ii) it is an Institutional Accredited Investor which has delivered an IAI Investment Letter or (iii) it is outside the United States and is not a U.S. person;

- (b) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (c) that, unless it holds an interest in a Regulation S Global Note and either is a person located outside the United States or is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (i) to the Issuer or any affiliate thereof, (ii) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (iv) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. state securities laws;
- (d) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (c) above, if then applicable;
- (e) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes, that Notes offered to Institutional Accredited Investors will be in the form of Definitive IAI Registered Notes and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;
- (f) that the Notes, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer:

”THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT (I) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS OR (II) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN “INSTITUTIONAL ACCREDITED INVESTOR”); (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (I) TO THE ISSUER OR ANY AFFILIATE THEREOF, (II) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (III) OUTSIDE THE UNITED STATES IN

COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (IV) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (V) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).”;

- (g) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the closing date with respect to the original issuance of the Notes), it will do so only (i)(A) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (B) to a QIB in compliance with Rule 144A and (ii) in accordance with all applicable U.S. state securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.”; and

- (h) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Institutional Accredited Investors who purchase Registered Notes in definitive form offered and sold in the United States in reliance upon the exemption from registration provided by Regulation D of the Securities Act are required to execute and deliver to the Registrar an IAI Investment Letter. Upon execution and delivery of an IAI Investment Letter by an Institutional Accredited Investor, Notes will be issued in definitive registered form, see “Form of the Notes.”

The IAI Investment Letter will state, among other things, the following:

- (a) that the Institutional Accredited Investor has received a copy of the Offering Circular and such other information as it deems necessary in order to make its investment decision;
- (b) that the Institutional Accredited Investor understands that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in the Offering Circular and the Notes (including those set out above) and that it agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with, such restrictions and conditions and the Securities Act;
- (c) that, in the normal course of its business, the Institutional Accredited Investor invests in or purchases securities similar to the Notes;
- (d) that the Institutional Accredited Investor is an Institutional Accredited Investor within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Notes, and it and any accounts for which it is acting are each able to bear the economic risk of its or any such accounts’ investment for an indefinite period of time;
- (e) that the Institutional Accredited Investor is acquiring the Notes purchased by it for its own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which it exercises sole investment discretion and not with a view to any distribution of the Notes, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control; and
- (f) that, in the event that the Institutional Accredited Investor purchases Notes, it will acquire Notes having a minimum purchase price of at least U.S.\$250,000 (or the approximate equivalent in another Specified Currency).

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount or, in the case of sales to Institutional Accredited Investors, U.S.\$250,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) or, in the case of sales to Institutional Accredited Investors, U.S.\$250,000 (or its foreign currency equivalent) principal amount of Registered Notes.

Selling Restrictions

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S (“Regulation S Notes”), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer, sell or deliver such Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Regulation S Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Dealers may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes that may be purchased by a QIB pursuant to Rule 144A is U.S.\$100,000 (or the approximate equivalent thereof in any other currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Notes and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

European Economic Area

The final terms (or Pricing Supplement, as the case may be) in respect of any Series of Notes may include information entitled “MiFID II Product Governance,” which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate, and if such information is included, any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II will be responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining the appropriate distribution channels.

For the purpose of the MiFID Product Governance Rules, each of the Arranger and Dealers will be deemed not to be a manufacturer unless determined otherwise, the determination of which will be made in relation to each issue of Notes with respect to the Arranger and each Dealer.

Unless the final terms (or Pricing Supplement, as the case may be) in respect of any Series of Notes specifies “Prohibition of sales to EEA retail investors” as “Not Applicable,” each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the EEA. For the purposes of this provision: (a) the expression “retail investor” means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below); and (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Member State”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular, as completed by the final terms in relation thereto, to the public in that Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Member State (a “Non-exempt Offer”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

- (c) subject to any other restriction and obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer, at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in the Member State.

The European Economic Area selling restriction described above is in addition to any other applicable selling restriction set out below.

United Kingdom

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer; and
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

France

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) no prospectus (including any amendment, supplement or replacement thereto) or any other offering material relating to the Notes has been prepared in connection with the offering of the Notes that has been approved by the *Autorité des marchés financiers* or by the competent authority of another State that is a contracting party to the Agreement on the European Economic Area and notified to the *Autorité des marchés financiers*;
- (b) no Notes have been offered or sold nor will be offered or sold, directly or indirectly, to the public in France; and
- (c) the prospectus or any other offering material relating to the Notes have not been distributed or caused to be distributed and will not be distributed or caused to be distributed to the public in France; such offers, sales and distributions have been and shall only be made in France to persons licensed to provide investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), qualified investors (*investisseurs qualifiés*) and/or a restricted circle of investors (*cercle restreint d'investisseurs*), in each case acting for their own account, all as defined in and in accordance with Articles L. 411-2, D. 411-1 and D. 411-4 of the French Monetary and Financial Code (*Code monétaire et financier*) and applicable regulations thereunder.

The direct or indirect distribution to the public in France of any so acquired Notes may be made only as provided by Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Monetary and Financial Code and applicable regulations thereunder.

The Kingdom of the Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in relation to Notes that have a maturity of less than 12 months, they will either (i) have a minimum denomination of €50,000, or (ii) be offered solely to professional market parties (*professionele marktpartijen*) within the meaning of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*) and the rules promulgated thereunder.

Zero Coupon Notes in bearer form on which interest does not become due and payable during their term but only at maturity and other Notes in bearer form that qualify as savings certificates (*spaarbewijzen*) within the meaning of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) may be transferred or accepted only through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. and with due observance of the Dutch Savings Certificates Act and its implementing regulations, provided that no such mediation is required in respect of (i) the initial issue of such Notes to the first holders thereof, (ii) any transfer and delivery by natural persons who do not act in the conduct of a profession or trade, and (iii) the issue and trading of such Notes, if such Notes are physically issued outside the Netherlands and not distributed in the Netherlands in the course of primary trading or immediately thereafter. In addition (i) certain identification requirements in relation to the issue and transfer of, and payment on, such Notes have to be complied with, (ii) any reference in publications concerning such Notes to the words “to bearer” is prohibited, (iii) so long as such Notes are not listed at Euronext Amsterdam N.V., each transaction involving a transfer of such Notes must be recorded in a transaction note, containing, at least, the name and address of the counterparty to the transaction, the nature of the transaction, and a description of the amount, registration number(s), and type of the Notes concerned, and (iv) the requirement described under (iii) must be printed on such Notes.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia) in relation to the Notes has been lodged with the Australian Securities and Investments Commission (“ASIC”). Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it:

- (a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive offering memorandum, advertisement or other offering material relating to the Notes in Australia.

Unless (1) the aggregate consideration payable by each offeree or invitee is at least AUD500,000 (or its equivalent in other currencies, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporation Act, (2) such action complies with all applicable laws, regulations and directives, and (3) does not require any document to be lodged with ASIC.

Japan

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (the “FIEA”). Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”), by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance of Hong Kong and any rules made under that Ordinance.

PRC

Each Dealer has represented and agreed that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macao Special Administrative Regions or Taiwan), except as permitted by the securities laws of the PRC.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell the Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) pursuant to Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Korea

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that Notes have not been and will not be offered, delivered or sold directly or indirectly in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Law of Korea and the regulations thereunder) or to others for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea, except as otherwise permitted under the applicable laws of and regulations of Korea (including the sale of the Notes to professional investors (as such term is defined under the Financial Investment Services and Capital Market Act of Korea and its enforcement decree) in the primary market if (a) the amount of the Notes acquired by professional investors in the primary market is limited to 20 per cent. or less of the aggregate issue amount of the Notes and (b) the Notes have been (i) listed in one of the major markets designated by the Financial Supervisory Service or (ii) registered with or reported to a financial supervisory authority located in one of such major markets or (iii) offered through such procedures as may be considered a public offering). In addition, to the extent required by the applicable laws and regulations of Korea, until the expiration of one year after the issuance of any Notes, such Notes may not be transferred to any resident of Korea, except as otherwise permitted under the applicable laws of and regulations of Korea (including the sale of the Notes to professional investors in the secondary market if the Notes have been (a) listed in one of the major markets designated by the Financial Supervisory Service or (b) registered with or reported to a financial supervisory authority located in one of such major markets or (c) offered through such procedures as may be considered a public offering).

Each Dealer has undertaken, and each further Dealer appointed under the Programme will be required to undertake, to ensure that any securities dealer to which it sells Notes confirms that it is purchasing such Notes as principal and agrees with such Dealer that it will comply with the restrictions described above.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Pricing Supplement.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Dealer or any affiliate of any Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear, Clearstream or the CMU Service (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a “banking organisation” within the meaning of the New York Banking Law, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants (“Participants”) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “Rules”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“DTC Notes”) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“Owners”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each DTC Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to

be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "Subscription and Sale and Transfer and Selling Restrictions."

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other. Euroclear and Clearstream customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

CMU Service

The CMU Service is a central depository service provided by the Central Moneymarkets Unit of the Hong Kong Monetary Authority (the “HKMA”) for the safe custody and electronic trading between the members of this service (the “CMU Members”) of capital markets instruments (the “CMU Instruments”) which are specified in the CMU Service Reference Manual as capable of being held within the CMU Service. CMU Instruments may be denominated in Hong Kong dollars or other currencies.

The CMU Service is only available for CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU Service is open to all members of the Hong Kong Capital Markets Association and “authorised institutions” under the Banking Ordinance (Cap. 155 of the Laws of Hong Kong).

Compared to clearing services provided by Euroclear and Clearstream, the standard custody and clearing service provided by the CMU Service is limited. In particular (and unlike the European clearing systems), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The lodging CMU Member will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream in any CMU Notes will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU Service.

Book-entry Ownership of and Payments in respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who

have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositaries of Euroclear and Clearstream. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar or the Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC are the responsibility of the Issuer.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear, Clearstream and/or the CMU Service will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "Subscription and Sale and Transfer and Selling Restrictions," cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian ("Custodian") with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Euroclear and the CMU Service have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Euroclear and the CMU Service. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Euroclear or the CMU Service or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

GENERAL INFORMATION

Authorisation and Regulatory Issues

The establishment of the Programme and the issue of Notes hereunder has been duly authorised by a resolution of the Board of Directors of the Issuer dated 21st May, 1999.

The Issuer is required to file a report of the establishment of the Programme with the Minister of Economy and Finance in Korea under the Foreign Exchange Transactions Act. This report was filed on 16th June, 1999. A report will also be required for each tranche of Notes issued in an amount exceeding U.S.\$50 million and having a maturity exceeding one year. Moreover, an additional report will be required in the event that the Notes of any tranche are redenominated.

No other Government approval is necessary for the subscription and issue of any Notes in Korea or for their sale and purchase in the secondary market outside Korea.

Listing of Notes on the Singapore Stock Exchange

Approval in-principle has been received from the Singapore Stock Exchange in connection with the Programme and application will be made for the listing and quotation of Notes that may be issued pursuant to the Programme and which are agreed, at or prior to the time of issue thereof, to be so listed on the Singapore Stock Exchange. Such permission will be granted when such Notes have been admitted for listing and quotation on the Singapore Stock Exchange. For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, such Notes, if traded on the Singapore Stock Exchange, will be traded in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies).

Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available free of charge from the registered office of the Issuer and from the principal office of the Principal Paying Agent for the time being in London.

- (i) the constitutional documents (with an English translation thereof) of the Issuer;
- (ii) the consolidated audited financial statements of the Issuer and its consolidated subsidiaries, prepared in accordance with IFRS as issued by the IASB, in respect of the years ended 31st December, 2016, 2017 and 2018 (in English);
- (iii) the most recently published audited annual consolidated financial statements of the Issuer and the most recently published unaudited interim financial statements (if any) of the Issuer (the Issuer currently prepares unaudited non-consolidated and consolidated interim accounts in accordance with International Financial Reporting Standards as adopted by Korea on quarterly and semi-annual bases);
- (iv) the Programme Agreement, the Agency Agreement, the Deed Poll, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons;

- (v) a copy of this Offering Circular;
- (vi) a copy of the 2018 Annual Report on Form 20-F; and
- (vii) any future offering circulars, prospectuses, information memoranda and supplements including Pricing Supplements (save that a Pricing Supplement relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream. The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Pricing Supplement.

Significant or Material Change

Save as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Issuer and its subsidiaries since 31st December, 2018, and there has been no material adverse change in the financial position or prospects of the Issuer since 31st December, 2018.

Litigation

Except as disclosed elsewhere in this Offering Circular, the Issuer is not involved in any legal, arbitration, administrative or other proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the 12 months preceding the date of this document a significant effect on the financial position of the Issuer.

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