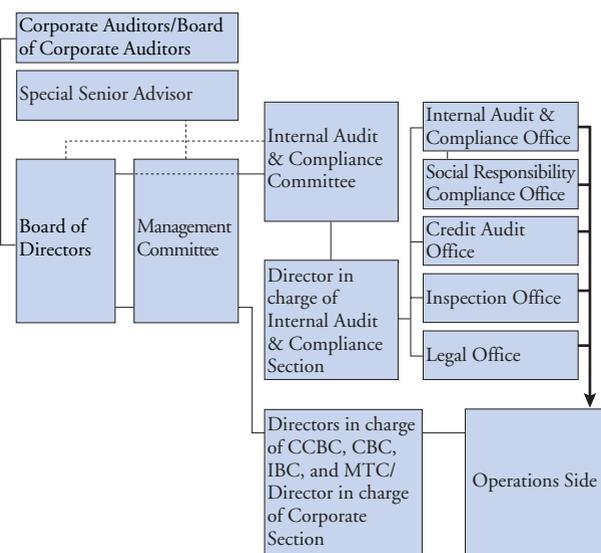


Internal Audit & Compliance Section

DKB's Compliance System



The role of the Internal Audit & Compliance Section is to evaluate and verify whether DKB's operations are being carried out efficiently and properly in accordance with applicable laws. This section prepares reports based on its evaluations and submits them to the Management Committee, the Board of Directors, and the Board of Corporate Auditors. When necessary, the section may issue directives, warnings, and advisories concerning the maintenance and promotion of compliance.

The focal point of the activities of this section is the Internal Audit & Compliance Committee, which is chaired by the Director in Charge of the Internal Audit & Compliance Section and comprises members of the Board of Directors as well as independent specialists in law and accounting. Acting on the directives of the Director in Charge of the Internal Audit & Compliance Section, this section has comprehensive authority to conduct internal audits and checks on compliance. This section also has access to the services of an independent compliance advisor who can be called upon to assist in such matters.

To further strengthen the base of trust DKB has built over the years and to conduct its operations with clarity and transparency, the section carries out its activities according to the following basic principles:

Clarifying authority and responsibility

To ensure accountability for decisions that are made at all levels of the organization, the section conducts audits of systems and actual operations on a continuing basis to confirm the clarity of lines of authority and responsibility.

Ensuring the soundness of DKB's assets

The section audits the status of asset management and the implementation of measures to prevent the emergence of non-performing loans and, by serving as a check and balance function for operations, works to ensure the soundness of DKB's assets.

Expanding and strengthening internal audits

In addition to audits of operating procedure compliance, the section has introduced methods for auditing operations to determine whether internal management systems are functioning appropriately and efficiently. Also, by conducting audits to determine whether mutual checks and balances are operating properly, the section works to expand and strengthen internal auditing.

Terminating relationships with antisocial elements

The section has strengthened supervisory systems to assure that all parts of the organization have cut and completely eliminated any ties with antisocial elements. The section may give directions, warnings, and guidance regarding such matters.

Increasing compliance with applicable laws and regulations

The section takes every opportunity to ensure that management and staff observe rules and regulations and conducts audits regarding the appropriateness of various regulations so as to promote an enhanced awareness of all rules and regulations.