BNK Financial Group

SUSTAINABLE FINANCE TOGETHER

BNK Financial Group Sustainability Report 2025

TOUCH Your Heart, BNK

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INTRODUCTION

Panoramic View of Busan

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BNK, Charting a Sustainable Future through Finance Connecting Regions

Dear valued stakeholders,
I sincerely appreciate your unwavering interest and support on our journey toward growth and progress.

The reshaping of industrial structures, coupled with the rapidly evolving financial landscape, has propelled finance beyond its traditional role as a mere intermediary of capital. Today, finance charts pathways to sustainable growth by connecting regions, industries, customers, and societies. With a firm belief that financial services serve as a core driver in shaping a better future for communities, BNK Financial Group is trailblazing a new path.

Amid the uncertain business climate last year, we laid the foundation for stable growth through qualitative improvements in assets alongside advanced risk management. This progress strengthened profitability and soundness in a balanced manner, solidifying the basis for sustainable growth.

What we pursue is more than financial assistance; what we envision is the establishment of a virtuous cycle where investments in regional growth potential spark development, fueling both regional prosperity and financial advancement.

To this end, we have scaled up investments in future oriented industries across regions through productive finance. With a particular focus on key industries in the Southeast region, including shipbuilding, marine, logistics, and infrastructure, we have expanded financial assistance for innovative companies while broadening the scope of green finance to drive eco-friendly businesses and the low-carbon transition.

Productive finance goes beyond its role of funding companies. It empowers regional industries to innovate and sharpen competitiveness. The growth of industries culminates in job creation and local economic prosperity, which, in turn, leads to further investments and financial assistance, the virtuous cycle of productive finance.

This cycle is the sustainable foundation we aim to build for local economies.

In parallel, we unlock the broader value of finance through inclusive finance in pursuit of co prosperity with local communities. Under this approach, we have expanded the breadth of tangible financial assistance for local SMEs, small business owners, and financially vulnerable groups so that they can secure opportunities for growth within the institutional financial system.

Inclusive finance also enables a virtuous cycle. More regions and people benefit from finance, and the growth and expansion of their economic activities revitalizes local communities. This, in turn, consolidates the foundation for finance to grow, culminating in greater assistance. BNK Financial Group envisions finance where nobody is excluded, forging a sustainable ecosystem in which local communities and finance grow together.

In addition, multifaceted efforts are underway to accelerate financial innovation driven by AI and digital technologies. At the same time, we have persistently advanced financial consumer protection and strengthened our internal control framework, thereby bolstering trust based governance. Innovation and trust are integral parts of sustainable finance.

In the coming years, BNK Financial Group will remain committed to investing in regional growth potential, supporting local residents, and advancing the virtuous cycle where achievements culminate in regional development and renewed financial growth.

We promise to chart a course toward a sustainable future in which regions and finance co prosper.

Thank you very much.

CEO and Chairman,
BNK Financial Group
Dae-in Bin
빈 대 인

BNK Financial Group at a Glance

Business Overview

Company Profile

Company Name
BNK Financial Group

CEO
Dae-in Bin

Headquarters
30 Munhyeongeumyung-ro, Nam-gu, Busan, Korea

Date of Establishment
March 15, 2011

Headcount 6,840
Based on consolidated group data as of year-end 2025

Credit Rating
Korea Investors Service
Korea Ratings Corporation
NICE Investors Service
AAA

Financial Highlights

(As of the end of 2025)

Solid Profit Generation

Total Assets (Consolidated)	KRW 161 trillion
Operating Revenue (Sales)	KRW 10.1512 trillion
Adjusted Operating Income	KRW 3.3699 trillion
Operating Income	KRW 902.7 billion
Net Income (Net Income Attributable to Owners of Parent)	KRW 815 billion

Consistent Value Growth (Value Up)

CET1	12.34%
ROE	7.64%
ROA	0.54%
Total Shareholder Return	40.4%
Dividend Per Share	KRW 735

BNK Financial Group Subsidiaries

BNK Financial Group

(As of December 31, 2025)

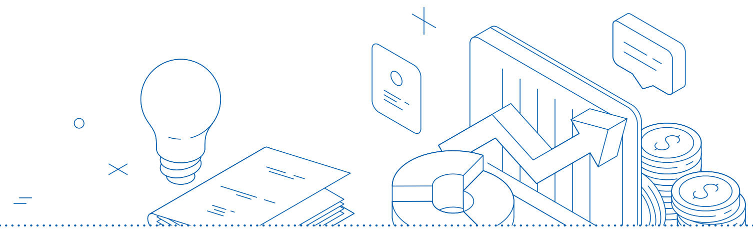
	Established	Headcount
BNK Busan Bank	Oct. 10, 1967	3,002
BNK Kyongnam Bank	May 22, 1970	2,238
BNK Capital	Jul. 15, 2010	467[1]
BNK Securities	Jun. 2, 1997	405
BNK Savings Bank	Dec. 13, 2011	138
BNK Asset Management	Jul. 15, 2008	74
BNK Venture Capital	Mar. 24, 2009	20
BNK Credit Information	Jun. 17, 2003	65
BNK System	May, 20, 2011	302

1) Headcount at BNK Capital reflects only domestic business sites.

BNK Financial Group at a Glance

Business Overview

Launched in 2011 as Korea's first financial holding company established by a regional bank, BNK Financial Group has established itself as a leading regional financial group with a broad network of nine subsidiaries, 381 domestic branches, and 66 overseas hubs across eight countries. Staying true to our mission, 'Ease the Finance, Enrich the Future,' we have placed facilitating productive finance across regions, achieving finance for co-prosperity and reaching Net-Zero at the heart of our operations. On this basis, we have accomplished shared growth with our clients and local communities. These commitments led us to achieve a record high net income of KRW 815 billion, alongside a CET1 ratio of 12.34%, and earn AAA ratings from three domestic credit rating agencies, a clear demonstration of our financial soundness. With the aim of reaching ROA of 1%, ROE of at least 12%, and net income of KRW 2.2 trillion, efforts are in full swing to make strides toward becoming a 'Top Tier Glocal Finance Group Reaching beyond Borders.'



BNK Financial Group's Subsidiaries Overview

Holding Company
BNK Financial Group

- Set goals for subsidiaries and approve their business plans
- Assess business performance, determine compensation and governance, and address management affairs, including conducting inspections of operations and financial status
- Support subsidiaries with capital contributions and financing

Banking
BNK Busan Bank, BNK Kyongnam Bank

- Handle core banking operations such as deposit and loan services while also taking responsibility for foreign exchange transactions, guarantees, and the issuance and investment of securities
- Undertake ancillary operations governed by the Banking Act, including treasury receipts, safe custody, and trust and card services

Specialized Credit Finance Business
BNK Capital

- Offer installment financing, facility leasing, general lending, and new technology financing
- Specialize in lease financing, auto finance, installment financing, corporate finance, etc.

Financial Investment Service
BNK Securities, BNK Asset Management

- Provide borrowers with financing solutions and offer investment opportunities to investors
- Allocate capital efficiently, engaging in investment trading, investment brokerage, collective investment, and trust business in accordance with the 「Financial Investment Services and Capital Markets Act」

Savings Bank Business
BNK Savings Bank

- Deliver microfinance on both short- and long-term bases, utilizing funds acquired through deposits, and undertake domestic exchange and Korea Financial Telecommunications & Clearings Institute operations

Startup Investment Business
BNK Venture Capital

- Offer capital to SMEs or entrepreneurs registered as startup investment companies with the Ministry of SMEs and Startups
- Manage the funds of the SME Start-up Investment Association and provide consulting and information services pertaining to startups

Credit Investigation and Debt Collection
BNK Credit Information

- On behalf of clients, perform credit assessments, demand repayment of debts, collect debts, and track debtor locations

System Supply and Development
BNK System

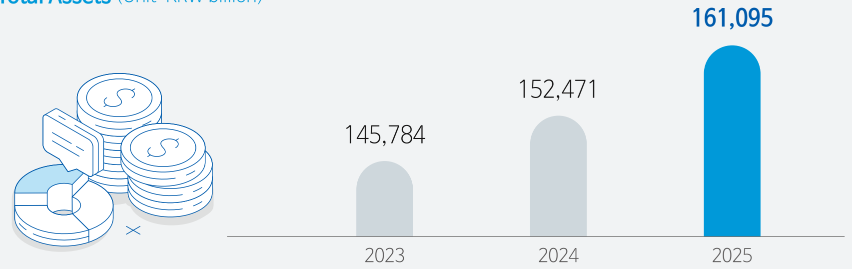
- Deliver a full suite of financial IT services from system consulting and establishment to ongoing operation based on an analysis of clients' needs, enabling adaptation to the evolving financial environment

BNK Financial Group at a Glance

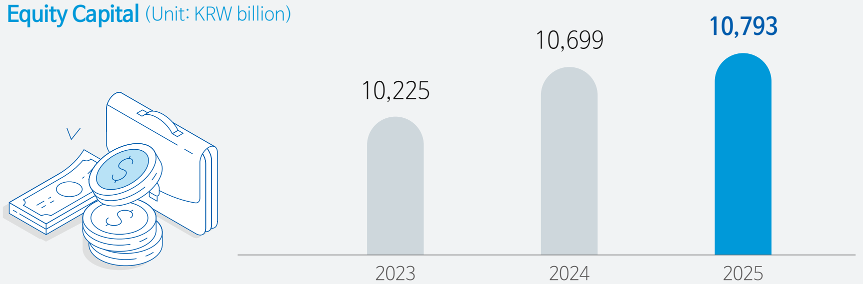
Business Highlights

Financial Highlights (Consolidated, Unit: KRW billion / Capital Ratio: %)

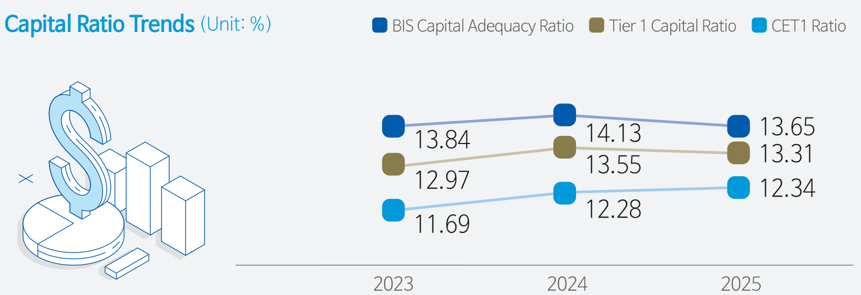
Total Assets (Unit: KRW billion)



Equity Capital (Unit: KRW billion)



Capital Ratio Trends (Unit: %)



2025 Business Highlights

Group Net Profit

Driven by expanded non-interest income and reduced provision expenses

Up KRW **86.5** billion (11.9% ↑ YoY)

Dividend Per Share (DPS)

KRW **735** declared in 2025

Increase of KRW 85 (13.1% ↑ YoY)

Risk-Weighted Asset (RWA)

Attributed to reinforced efficient asset rebalancing

Increase managed at **1.58**% YoY

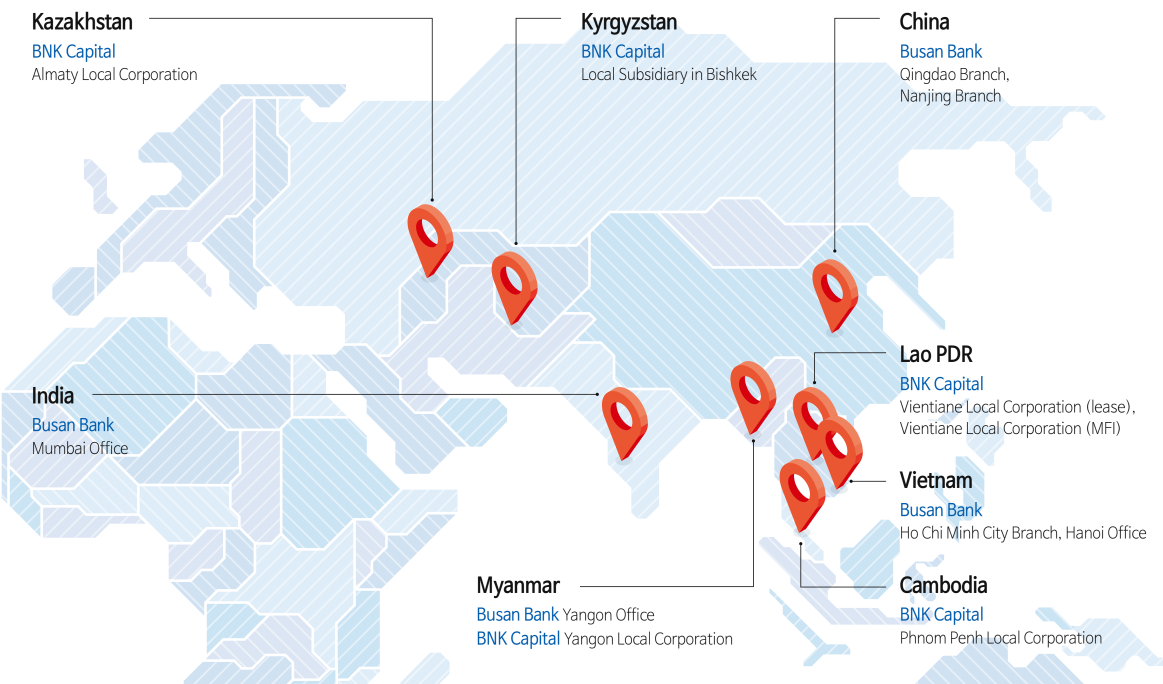
Credit Cost Ratio (CCR)

Improved asset soundness Evidenced by **0.64**%, up 13bp YoY

BNK Financial Group at a Glance

Global Network

As of December 31, 2025, BNK Financial Group has established a broad network spanning 381 domestic branches and 66 overseas hubs, which has put us on a path towards becoming a global financial group. In 2019, with the aim of identifying promising regional startups, serving as a venture capital provider, and securing new growth engines for the Group, we incorporated BNK Venture Capital, bringing the total number of subsidiaries to nine. As we have broadened our business scope across the full financial spectrum, including banking, specialized credit finance, financial investment services, savings banking, startup investment, credit investigation and debt collection, and system supply and development, we have positioned ourselves as both a best-in-class regional financial group in Korea and a comprehensive financial group. In the coming years, we will sharpen our competitiveness in the banking sector while expanding profitability and enhancing profit-generation capabilities in the non-banking sector, thereby strengthening our fundamentals in a consistent and sustainable manner.



(Unit: Locations)

Branches and Offices	Domestic (Busan, Ulsan, Gyeongnam)	Domestic (Other Regions)	Overseas
447	338	43	66

(Unit: Locations)

Category	Company	Branches and Offices (Domestic) Busan, Ulsan, Gyeongnam / Other Regions	Branches and Offices (Overseas)	Total
Holding Company	BNK Financial Group	1/-	-	1
Subsidiary	Busan Bank	184/12	6	202
	Kyongnam Bank	140/12	-	152
	BNK Capital	3/9	-	12
	BNK Securities	3/1	-	4
	BNK Savings Bank	2/3	-	5
	BNK Asset Management	-/1	-	1
	BNK Venture Capital	2/1	-	3
	BNK Credit Information	2/4	-	6
	BNK System	1/-	-	1
Sub-subsidiary	BNKC(Cambodia) Microfinance Institution Plc.	-/-	17	17
	BNK Capital Myanmar Co., Ltd	-/-	35	35
	BNK Capital Lao Leasing Co., Ltd	-/-	4	4
	BNK CAPITAL LAO NDTMFI Co., Ltd	-/-	1	1
	JSC BNK Commercial Bank	-/-	2	2
	MCC BNK Finance LLC	-/-	1	1
Total		338/43	66	447

BNK Financial Group Management Strategy

Management Vision and Direction

Guided by our mission, 'Ease the Finance, Enrich the Future,' we have set forth our mid- to long-term management plan, 'VISION 2030,' charting a course toward becoming a top-tier glocal financial group. In 2026, under the management direction of 'unlocking new finance for future growth,' we are firing on all cylinders to achieve unparalleled competitiveness and sustainable growth. Our efforts are concentrated on five strategic priorities, which include transitioning all operations into productive finance, strengthening our role as regional finance to foster locally specialized businesses, accelerating AI-powered digital finance to realize One Digital BNK, establishing an internal control system that places consumer protection at its core, and securing engines for future growth to maximize value for shareholders.

Mission: Ease the Finance, Enrich the Future

Vision: *Finance that Inspires the World*

Strategic Slogan: TOUCH Your Heart, BNK

Strategic Approach

Talented	Original	Ubiquitous	Customer-oriented	Harmonious
Lay the foundation for future growth by strengthening fundamentals	Develop business models tailored to BNK	Broaden the scope of business models to identify new growth engines	Deliver optimal solutions through customer-oriented marketing	Refine operating models to drive sustainable growth

15 Strategic Tasks

Talented	Original	Ubiquitous	Customer-oriented	Harmonious
• Secure funding for growth to achieve capital expansion • Sharpen competitiveness in digital finance • Reinforce capital market capabilities	• Step up businesses that promote shared growth with local communities • Forge BNK's unique ecosystem • Upgrade channel capabilities	• Proceed with new businesses including insurance • Advance metropolitan business models • Run global business with efficiency	• Diversify target markets and deliver solutions tailored to customer needs • Embed customer-oriented structures and systems across the organization • Maximize BNK brand value	• Reinforce the role of the holding company as a control tower • Ameliorate inefficiencies stemming from the two-bank system • Refine HR systems and transform corporate culture

2026 Management Direction: Unlocking New Finance for Future Growth

5 Strategic Tasks

- Transition all operations into productive finance
- Strengthen our role as regional finance to foster locally specialized businesses
- Accelerate AI-powered digital finance to realize One Digital BNK
- Establish an internal control system that places consumer protection at its core
- Secure engines for future growth to maximize shareholders' value

2025 BNK Financial Group ESG Milestones

ESG Highlights

Feb. 2025

An MOU signed for marine finance cooperation with the global financial institution ING

- With the aim of identifying marine industry projects in Busan, Ulsan, and Gyeongnam across the areas of offshore wind, renewable energy, and ship finance, a comprehensive business agreement was signed with the global financial institution ING

May 2025 BNK Kyongnam Bank

2-year blue carbon pilot project expanded for the restoration of Suaeda japonica habitats in Bongam Tidal Flat, Changwon

- A 2-year blue carbon restoration pilot project was carried out in Bongam Tidal Flat, where 1,200 seedlings of Suaeda japonica, known for its excellent carbon absorption, were planted. In 2026, the project was scaled up by 800 seedlings compared to the previous year.

Jun. 2025

Published the Sustainability Report 2024

- In full compliance with global standards, including EU CSRD and KSSB, we released our 13th sustainability report

Jul. - Sep. 2025

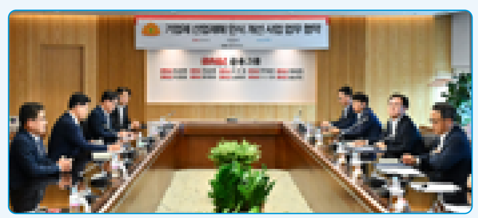
7th B-Startup Challenge hosted at the largest scale

- With 312 startups participating, a record high (up 77% YoY), five startups were finally selected, and KRW 300 million worth of equity investment was conducted
- Reached KRW 26 billion in cumulative investments for award-winning companies as part of follow-up funding

Aug. 2025

Became the first financial institution to carry out an occupational accident prevention project for local corporations

- Signed a business agreement with NICE Information Service and ·Korea Rating and Data to raise awareness of the seriousness of industrial accidents for corporations, marking the first private - public cooperation platform in the financial sector
- Conducted data-based assessments of risk factors for SMEs in Busan, Ulsan, and Gyeongnam, supported them with safety and health evaluations and consulting, and provided financial support for accident prevention



Nov. 2025

Maintained top ESG ratings from KCGS for four consecutive years

- Achieved an 'A' rating in the overall ESG evaluation by KCGS for four consecutive years, retaining A+ grades in social and environmental sectors, a testament to our dedication to co-prosperity and climate action

Nov. 2025

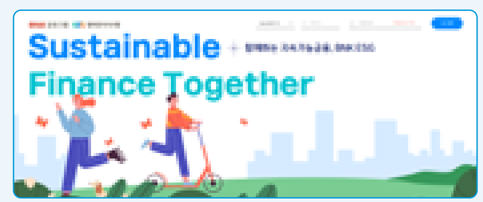
An approx. KRW 2 trillion investment plan formulated for the Dadaepo offshore wind farm project

- Selected the Dadaepo offshore wind power project as a flagship task at the first Group Productive Finance Council, with the review of a subsequent investment plan of approximately KRW 2 trillion

Feb. 2026

ESG Data Disclosure System launched for global compliance

- Developed a comprehensive ESG data framework across the Group to comply with international standards, such as GRI, SASB, IFRS (S1 / S2), consolidating evidence-based data and enabling proactive responses to disclosure mandates



Apr. 2026

Launched 'BNK Value-Up Strategy Committee'

- With the aim of innovating management and governance to enhance corporate value, the BNK Value-Up Strategy Committee was launched
- Advanced board operations, ensured transparency in business decision-making, and refined the compliance system as core tasks
- Enhanced profitability and capital efficiency, elevated shareholder value, expanded productive finance, and reviewed how to provide greater support for industrial finance

TOUCH Your Heart BNK

BNK Financial Group Sustainability Report 2025

BNK Financial Group

ESG Performance DASHBOARD

2025 ESG HIGHLIGHTS

ENVIRONMENT

Net-Zero / Green Management

Scope 1+2 emissions

Achieved 93.3% of the 2025 target

Financed Emissions

Achieved 93.1% of the 2025 target

Sustainable Finance

Sustainable corporate and personal loans

KRW 15.3788 trillion

SOCIAL

Inclusive Finance (dedicated deposits, loans, and card services for low-income customers)

KRW 6.5182 trillion

Finance for Shared Growth (dedicated deposits and loans for SMEs, small business owners, and local residents)

KRW 2.4714 trillion

Digital Finance

Group-wide AI governance established along with responsible AI policies formulated

Mobile Customer Share

Up 15.3% YoY in mobile subscribers

Up 5.6% YoY in mobile MAU (Monthly Active Users)

GOVERNANCE

Shareholder Return

Total Shareholder Return

Up 7.4%p YoY

Board Diversity

Female Director Representation within the Board

25%

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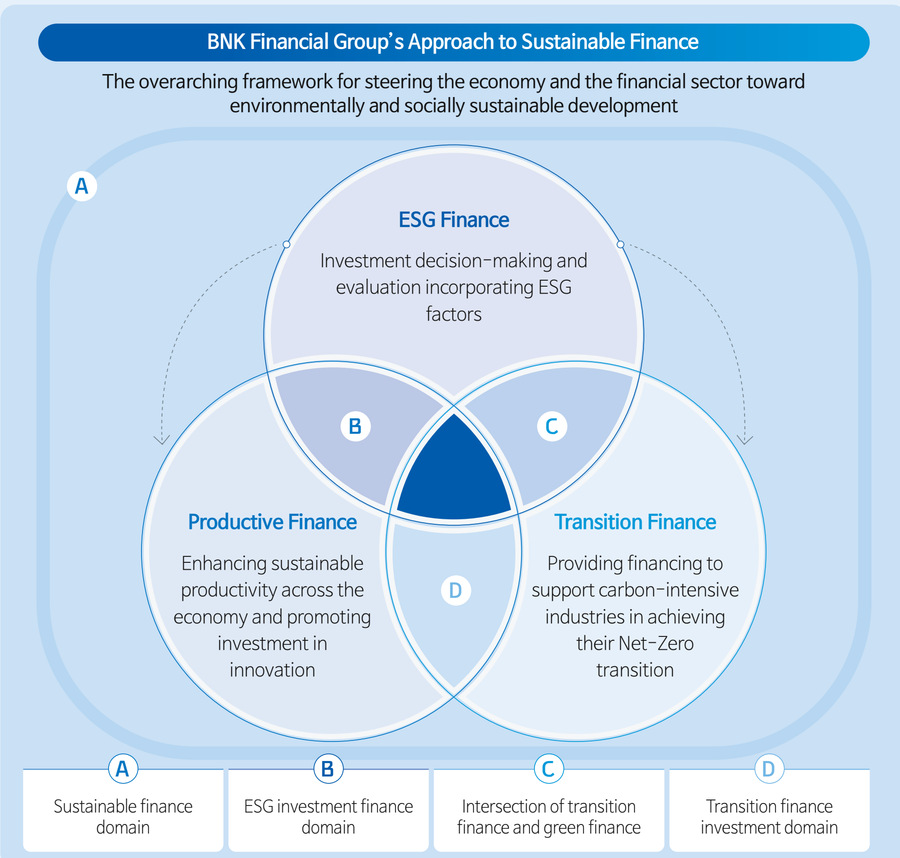
Proprietary Integrated Sustainable Finance Model

As a regional financial group, BNK Financial Group pursues a sustainable finance strategy designed to create lasting value for local communities by advancing regional economic growth, expanding financial inclusion, and reinforcing the social role of finance. At the heart of this strategy is the Group's proprietary regional shared growth finance model, which integrates productive finance and transition finance beyond the traditional ESG finance.

BNK Financial Group's Integrated Sustainable Finance Model



BNK Financial Group's Approach to Sustainable Finance

Category	ESG Finance	Transition Finance	Productive Finance
Definition	Financial activities that incorporate environmental (E), social (S), and governance (G) factors into financing, asset management, and investment decisions to support sustainable growth and create social value Examples include green bonds, ESG funds, and sustainability-linked loans	Financial activities that provide financing to support carbon-intensive industries in their transition toward environmentally friendly and low-carbon operations Examples include transition bonds, sustainability-linked loans (SLLs), and transition funds	Financial activities and investments that expand productive capacity, foster sustainable economic growth, and make a significant contribution to the real economy
Characteristics	• Restructure financial activities through an ESG lens to strengthen long-term risk management and sustainability	• Focus on the dynamic process of becoming sustainable, rather than defining what is already sustainable	• Drive the expansion of productive capacity through investments in manufacturing facilities, equipment, R&D, technology, and infrastructure • May require long-term investment commitments
Primary Focus	• RE100 and renewable energy initiatives (e.g., green bonds, social bonds, sustainability-linked bonds (SLBs), renewable energy, green infrastructure, electric vehicles, and hydrogen projects)	• Carbon-intensive industries (e.g., steel, cement, and petrochemicals) through transition bonds, transition loans, transition funds, and technology and infrastructure investments	• Industries with the potential to expand productive capacity in the real economy (e.g., long-term investment funds, industrial and infrastructure project funds, and private equity investments)

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Embarking on a Journey to Lead the Marine Finance Ecosystem

Busan, the Marine Capital, BNK Sets Financial Anchor

The relocation of the Ministry of Oceans and Fisheries to Busan has reshaped the marine industry landscape, where related policies and financial infrastructure had long been concentrated in the capital region. BNK recognizes this pivotal moment as a critical opportunity to leap forward as a specialized marine financial group beyond regional finance. As a financial institution that has grown alongside local communities, we will become a first mover, pioneering a region-driven marine finance ecosystem at this crucial juncture of policy transition.

BNK Signs MOU with Ministry of Oceans and Fisheries

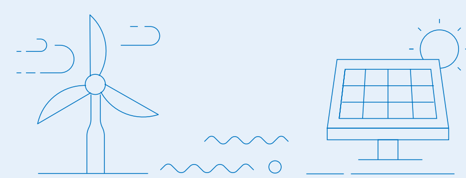
In November 2025, BNK Financial Group signed an MOU with the Ministry of Oceans and Fisheries.

Pursuant to the agreement, we will collaborate across eight domains, including cultivating the marine capital, supporting upstream and downstream businesses in preparation for the era of the Northern Sea Route, transitioning to climate-resilient fisheries, and assisting with the relocation of marine-related institutions to Busan. In September 2025, prior to the conclusion of the agreement, Busan Bank was selected as the designated operator for loans to employees of the Ministry of Oceans and Fisheries, providing loan-related consulting services at the Government Complex Sejong. This service continues despite the Ministry's relocation to Busan

Expanding Finance from Shipbuilding to Offshore Wind

Our journey began by filling the funding gap in conventional marine businesses such as shipbuilding and vessels. Today, we are pushing back the frontiers of financial support into the future-proof renewable energy sector, including offshore wind.

In July 2025, Busan Bank exclusively issued approximately USD 164 million (about KRW 227.3 billion) in refund guarantees to the mid-sized shipbuilder HJ Heavy Industries, becoming the first private bank in Korea to do so. At a time when policy finance institutions were unable to lend sufficient support, Busan Bank stepped in to enable HJ Heavy Industries to conclude and fulfill its shipbuilding contracts, offering practical backing for new orders as a regional financial group. For small- and medium-sized shipbuilders, we plan to inject a total of KRW 150 billion in liquidity over the next five years through the launch of the 'BNK SME Shipping Agreement Guarantee Loan,' which lowers barriers to ship finance with guarantees provided by the Korea Ocean Business Corporation.
With our particular focus on the marine industry, we have designated the Dadaepo Offshore Wind Farm Project as our flagship initiative in regional productive finance, supported by an investment plan. In March 2026, we signed a business agreement for the 'BNK RE:BOUND Project' with Doosan Enerbility, promoting green energy initiatives across Busan, Ulsan, and Gyeongnam.



SOCIAL

Breathing Life into Productive Finance

Finance, Unlocking Tomorrow for Busan, Ulsan, and Gyeongnam

Productive finance is not just about lending. It is about building a virtuous cycle that empowers businesses and creates jobs. Busan, Ulsan, and Gyeongnam boast strong industrial bases in marine, logistics, manufacturing, and energy, yet also face structural challenges such as demographic decline and sluggish small business performance. In this region, where potential and challenges coexist, BNK Financial Group is shaping a productive finance model that underpins growth engines across the area, going beyond the simple provision of funds.

Action-Oriented Productive Finance Framework

In October 2025, BNK Financial Group launched the 'Productive Finance Council,' comprising the Group's senior management. Serving as the Group wide control tower, the Council outlined a mid to long term plan to invest approximately KRW 55 trillion over the next five years in regional fields, including KRW 50 trillion allocated to productive finance and KRW 5 trillion to inclusive finance for vulnerable groups. In 2026, plans were formulated for a total investment of KRW 10.5 trillion in the Busan Ulsan Gyeongnam region, including KRW 8.6 trillion in productive finance and KRW 960 billion in inclusive finance. To align strategies with implementation, we established the 'Sustainable Finance Division' and the 'Productive Finance Support Division' in 2026. These two organizations are responsible for identifying agenda items related to the growth of Busan, Ulsan, and Gyeongnam, supporting subsidiaries with their related tasks in a structured manner, and strengthening links with government policies to strike a balance between public interest and profitability. In doing so, BNK Financial Group contributes to building a sustainable finance model.

BNK Financial Group Productive Finance Council

Selection and Focus, Key Driver of Productive Finance

In the sphere of productive finance, we have concentrated funds into core businesses across Busan, Ulsan, and Gyeongnam, such as marine and shipbuilding, defense and energy, and data centers. Busan and Gyeongnam Banks have scaled up their corporate finance while BNK Securities, BNK Asset Management, and BNK Venture Capital underpin the growth of startups and innovative companies through IPOs and the creation of innovation funds.

Phase 1 – Target Industry
Marine & Shipbuilding | Defense & Energy | Data Centers

Phase 2 – Evaluation Criteria
Introduce metrics for investment productivity
Focus on enterprises driving regional growth

Phase 3 – Execution by Subsidiary

A. Banking Sector – Corporate Finance Expansion
- Busan Bank, Kyongnam Bank
  - Offer low-interest loans
  - Deliver tailored advisory services

B. Non-Banking Sector – Innovative Fund Management
- BNK Venture Capital
  - Create innovation funds
  - Provide early equity financing
- BNK Asset Management
  - Operate strategic funds
  - Provide large-scale funding
- BNK Securities
  - Lead IPO underwriting
  - Raise funds in the capital market

Revitalize Local Economies and Lay the Foundation for Innovative Growth

SOCIAL

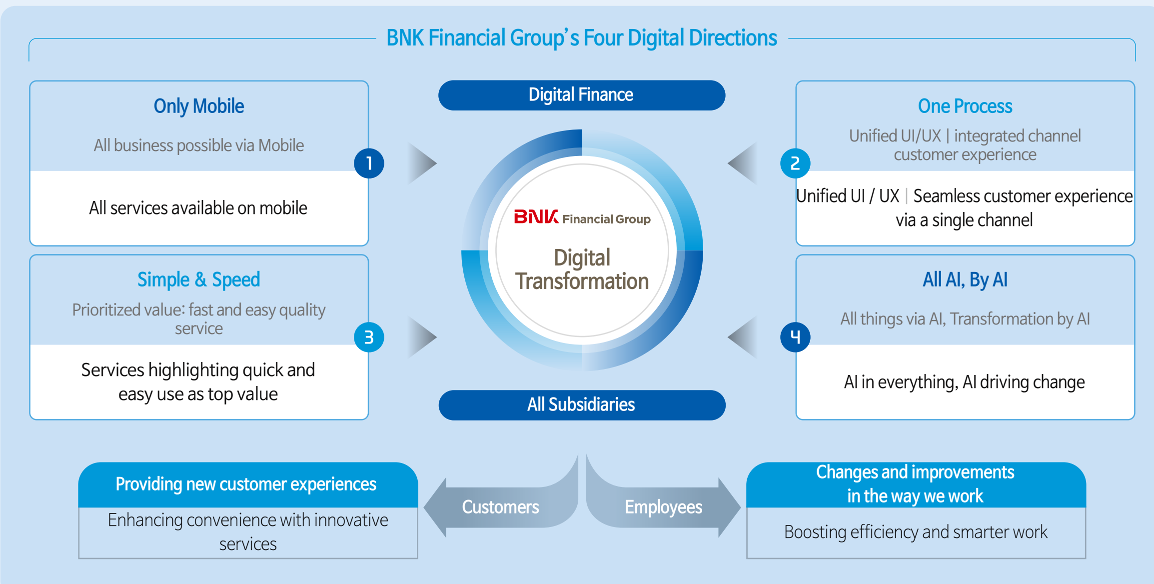
Future-Ready Innovation with Digital and IT

Why Digital Transformation Matters Today

AI and digital technologies have been rapidly reshaping the financial landscape. This has posed a challenge for us to secure new growth engines while at the same time upholding our identity as a regional financial group. Against this backdrop we have established a response system that enables us to proactively react to the evolving financial paradigm with strong execution.

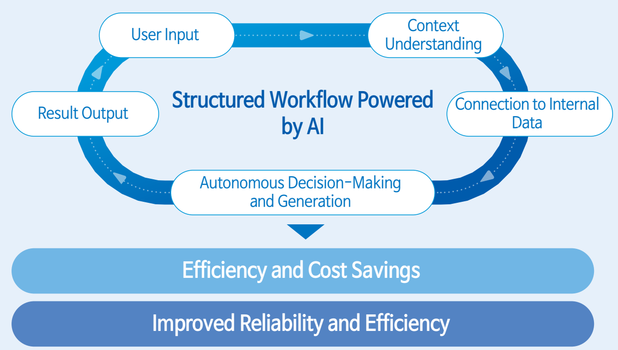
Digital and IT Innovation Embedded in Strategy

We aim to provide AI-powered convenient finance for clients. To realize this vision, we have established four digital directions. These are ① Only Mobile, ② One Process, ③ Simple and Speed, and ④ All AI, By AI. Guided by these principles, we align our operations in a unified manner to achieve digital transformation. This commitment has enabled us to accomplish digital financial innovation and deliver new financial value to our clients and local communities.



AI-Driven Transformation in the Way We Work

We are witnessing AI evolving into a core driver of efficiency and accuracy across all areas of work, moving beyond simple automation in the global financial sector. Viewing this phenomenon as a path for transformation, we have embedded AI capabilities into our operations in a phased manner, beginning with areas of lower risk but clear impact. Through this proven approach, AI has been incorporated into our organization and will be expanded into key touchpoints with our customers. This journey will ultimately culminate in digital transformation across the entire group.



ENVIRONMENT

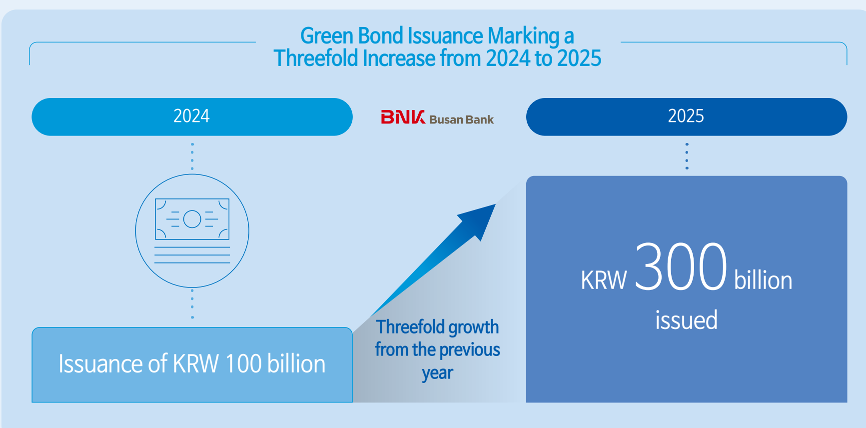
Building a Virtuous Cycle of Green Finance

Green Finance, the Enabler of a Virtuous Cycle

We are witnessing a growing need for finance to play a greater role in combating climate change and advancing sustainability. In response, BNK Financial Group has established a virtuous cycle where the issuance of green bonds leads to green investments, and these investments in turn generate financial performance. We are not complacent about financing. The green finance we pursue begins with careful consideration of where investments are directed and focuses on the tangible changes they can bring.

From KRW 100 Billion to KRW 300 Billion, Green Finance in a Virtuous Cycle

Making climate action and green finance expansion one of our priorities, Busan Bank has accelerated ESG finance through the issuance of green bonds. As part of these efforts, KRW 100 billion worth of green bonds were issued in 2024, positioning us among the top five local banks. This was followed by two additional issuances of KRW 150 billion each in October and November, totaling KRW 300 billion and recording threefold growth from the previous year. The funds raised not only secured necessary financing but were actually deployed into eco-friendly projects aligned with the requirements of the K-Taxonomy. This is a clear manifestation of our commitment to creating a virtuous cycle that underpins low-carbon economies in local communities.



Recognized with the Minister of Climate, Energy and Environment Award

Kyongnam Bank succeeded in issuing KRW 60 billion in Korea's ESG green bonds in June 2025, contributing to the expansion of green finance. The funds raised were allocated to greenhouse gas (GHG) reduction projects, with KRW 30 billion invested in the establishment of a liquefied hydrogen plant in Changwon and another KRW 30 billion in the construction of a green-certified residential complex in Incheon. In this way, the bonds were effectively utilized in green projects and the development of low-carbon infrastructure.

These remarkable achievements earned us the Minister of Climate, Energy and Environment Award at the 2025 Green Finance Excellence Awards. On top of that, we received tangible financial benefits in the form of interest subsidy support stemming from the issuance of Korean green bonds.

GOVERNANCE

Elevating Shareholder Value

Our Growth Saga Written Together with Shareholders

We regard shareholders as our partners and are committed to building a structure where profits are effectively returned to them and their voices are integrated into overall operations. These efforts are evidenced by the increase in the total shareholder return ratio, the adoption of quarterly dividends, and the appointment of an independent director recommended by shareholders. Together, these actions represent both financial returns and governance refinement, reinforcing our position as a reliable company that grows alongside shareholders over the mid- to long term, rather than focusing solely on short-term gains.

Ramping Up Shareholder Return Policy

We have set forth 'securing engines for future growth to maximize shareholder value' as one of our key strategies and achieved a remarkable increase of 7.4 percentage points in the total shareholder return ratio compared to the previous year. The Group's goal is to reach at least 50% by 2027. To this end, we have taken various measures, including the adoption of quarterly dividends and reinforcement of our shareholder return policy.

Furthermore, we have bolstered our identity as a 'dividend growth stock', where dividend expansion goes hand in hand with profit growth. Over the mid- to long term, we aim to expand the total scale of dividends by more than 10% each year. In addition, our multifaceted efforts to enhance shareholder value will persist, including share buybacks and cancellations as well as an increased proportion of cash dividends.

Appointment of Independent Directors Recommended by Shareholders

BNK Financial Group requires that directors be appointed at the general meeting of shareholders from among candidates recommended by the Nomination Committee, while also reflecting shareholder recommendations. This ensures that all directors meet statutory requirements and act in the best interests of the company. In practice, four out of seven independent directors were recommended by shareholders, underscoring our commitment to strengthening shareholder engagement. We have also drawn up a plan to operate the Nomination Committee for Chairman candidates, primarily composed of independent directors. In addition, we have complemented our decision-making structure, which was previously driven by existing management, by refining our governance framework to better reflect shareholder opinions.

TOUCH Your Heart, BNK

BNK Financial Group Sustainability Report 2025

BNK Financial Group

ESG MANAGEMENT SYSTEM

Geumjeongsan Mountain, Busan – Designated as Korea's first urban national park in March 2026

ESG Management Strategy

Mid- to Long-term ESG Strategy

Anchored by its Vision 2030, BNK Financial Group established its '2024-2026 mid- to long-term ESG strategy' in 2024 and has since advanced its ESG management initiatives in full swing across the Group. The strategy is structured around three strategic directions: advancing environmentally-responsible green finance, fostering finance for shared growth together with local communities, and establishing ethical finance towards sustainability. Under these pillars, all Group subsidiaries are collectively carrying forward ESG initiatives across 12 key focus areas in a closely aligned manner.

Group ESG Performance Management Framework: BNK ESG Action Plan

BNK Financial Group operates the ESG Action Plan performance management framework under the leadership of the Group management strategy division, translating the Group's 2024-2026 mid- to long-term ESG strategy established in April 2024 into measurable execution. Built around the Group's three strategic directions and 12 key focus areas, the framework systematically manages both holding company-wide initiatives and subsidiary-level action plans. Key focus areas including GHG reduction target setting and performance tracking, development of a green financial product taxonomy, financed emissions monitoring, financial consumer protection, and ESG risk management are reviewed on a semiannual basis, with progress regularly reported to management, Board of Directors, and the ESG Committee.

We advanced our performance management framework by assigning clear R&R to responsible departments for individual indicators and establishing an ESG disclosure system. Going forward, we will further expand the platform to include biodiversity management and ESG financial product oversight, thereby reinforcing the practical execution of ESG management.

2024-2026 Mid- to Long-term ESG Strategy

Group Mission: Ease the Finance, Enrich the Future

Group Vision: *Finance that Inspires the World*

Strategic Slogan: TOUCH Your Heart, BNK

Strategic Direction:

Environment	Social	Governance
Advancing environmentally responsible green finance	**Fostering finance for shared growth together with local communities**	**Establishing ethical finance towards sustainability**
• Progress towards Net-Zero goals • Establish a green financial product management system • Advance green management • Join global environmental initiatives	• Establish an ESG ecosystem in the southeastern region • Foster finance for co-prosperity and inclusion • Enhance financial consumer protection • Foster regional social value creation	• Advance the ESG risk management system • Build an ESG-driven corporate culture • Establish a culture of ethics and compliance • Establish an autonomous financial security framework

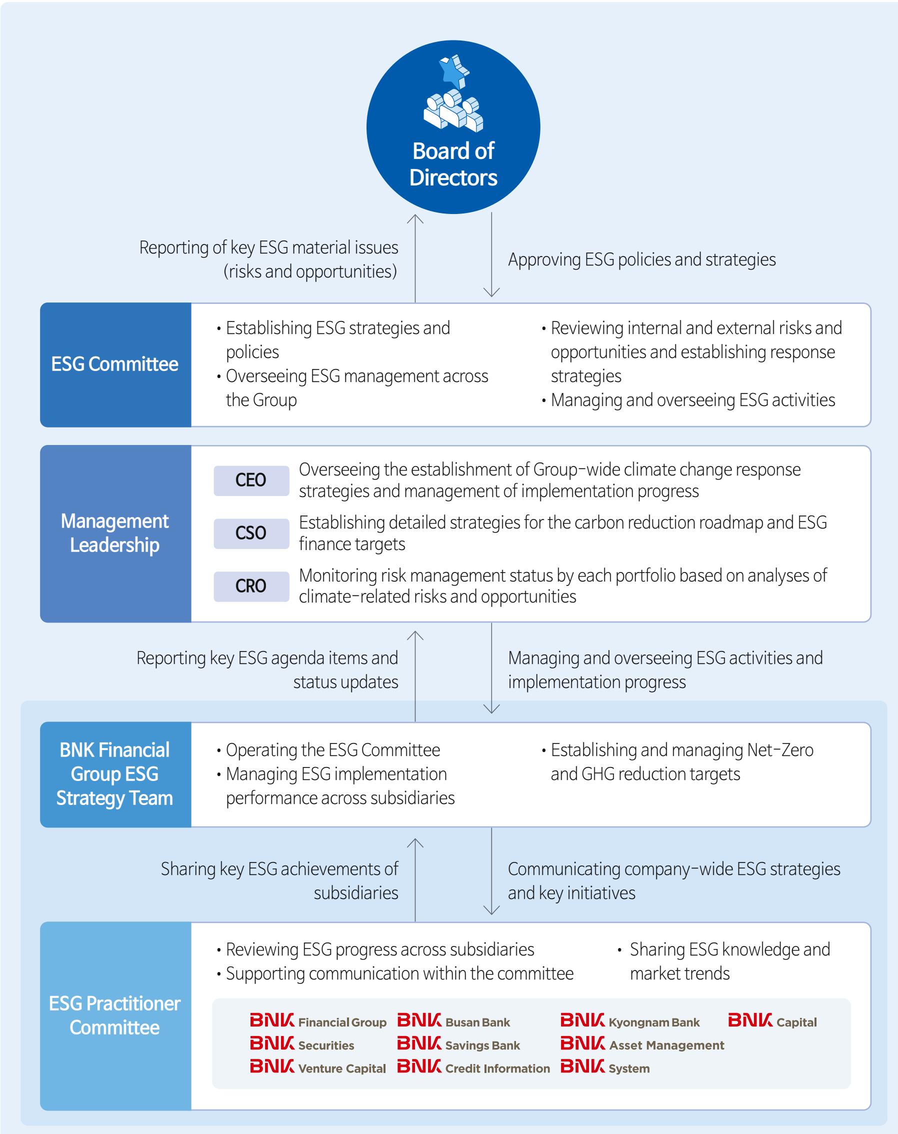
ESG Action Plan: Involvement of relevant departments from all subsidiaries

Mid- to Long-term ESG Roadmap

2024	2025 ~ 2026	2027~
Lay the foundation for sustainable finance	**Internalize sustainable finance**	**Create sustainable finance synergies**
Establish a company-wide sustainability management framework	Drive short-term implementation initiatives	Drive long-term implementation initiatives

ESG Management Framework

ESG Management Framework



ESG Committee

BNK Financial Group formed the ESG Committee under the Board of Directors in March 2021 to further institutionalize ESG management at the Group level and has since continued to advance its ESG direction-setting and management framework. As of the end of December 2025, the ESG Committee consisted of four independent directors and convened a total of five meetings during the year. Major agenda items included the appointment of the Chair, publication of the sustainability report, and reporting of key Group ESG issues. Through these activities, the ESG Committee oversees both the development and execution of the Group's ESG strategy. Beyond this, material ESG matters, including both risks and opportunities, are routinely reported to the Board through the ESG Committee. In addition, the ESG Committee regularly reviews and receives updates on the key achievements of the Group's ESG Action Plan, which serves as the foundation for implementing its mid- to long-term ESG strategy. Key reports cover the Group's environmental management performance, including progress toward carbon neutrality, climate change risk management, environmental management initiatives, and biodiversity conservation efforts. Identified risks are continuously managed through a systematic monitoring framework.

The Board also conducts an annual assessment of the ESG Committee's operations. The evaluation covers five areas, including committee composition, operations and agenda items, execution of authority and responsibilities, communication with management, and contribution to corporate development. Both quantitative and qualitative assessments are conducted, with anonymous evaluation procedures adopted to ensure fairness. In January 2025, we assessed the ESG Committee's operations for 2024. Based on a comprehensive review of committee evaluations, employee assessments, and attendance rates, the Committee received the highest 'S' rating, demonstrating the strength and effectiveness of the Group's ESG governance framework.

ESG Practitioner Committee

BNK Financial Group operates the ESG Practitioner Committee, which consists of ESG representatives from each subsidiary. The Committee reviews the status of ESG management initiatives across the Group, including BNK Financial Group and its subsidiaries, while supporting reporting to the ESG Committee and responses to key ESG issues. In addition, the Committee facilitates more proactive ESG risk management and opportunity identification through discussions on key issues and active information sharing. ESG implementation progress is continuously monitored through quarterly in-person and virtual meetings, providing a foundation for expanding ESG awareness across the Group and identifying areas for improvement. In 2025, the Committee convened four times on a quarterly basis, further deepening collaboration among ESG departments and relevant functions across subsidiaries.

ESG Management Framework

Key Resolution and Reporting Agenda Items at the ESG Committee

Meeting	Resolution / Reporting	Details
1st meeting (Mar. 26, 2025)	Resolution	1. Appointment of the Chair
2nd meeting (Apr. 25, 2025)	Reporting	1. Reporting of materiality assessment results for the sustainability report 2. Reporting of key achievements under the Group's mid-to long-term ESG strategy action plans 3. Reporting of 2025 Group ESG issues
3rd meeting (Jul. 28, 2025)	Reporting	1. Reporting of the publication of the 2024 sustainability report 2. Reporting of key Group ESG issues A. Progress report on the 'Group integrated ESG consulting' initiative B. Implementation update on the 'Group-wide Net-Zero strategy' C. Other major ESG activities: Strengthening ESG finance performance management across BNK Financial Group and regularly operating the ESG Practitioner Committee (held in March and June 2025)
4th meeting (Oct. 27, 2025)	Reporting	1. Reporting of key achievements under the Group's mid-to long-term ESG strategy action plans 2. Reporting of 2025 Group ESG issues
5th meeting (Dec. 19, 2025)	Reporting	1. Reporting of Group ESG assessment results
1st meeting (Mar. 26, 2026)	Resolution	1. Appointment of the Chair
2nd meeting (Apr. 30, 2026)	Resolution	1. Materiality assessment results for the sustainability report[1]
	Reporting	1. Reporting of key achievements under the Group's mid-to long-term ESG strategy action plans

1) Resolutions of the ESG Committee are reported to the Board as reporting items.

Executive Responsibility for ESG Management

At BNK Financial Group, ESG and sustainability management are guided through a C-level governance framework designed to support accountable decision-making and systematic execution. In particular, the Group's Chief Strategy Officer (CSO) has been designated as the executive responsible for overseeing ESG and sustainability-related matters across the organization and leads the development, target-setting, and implementation management of Group-wide ESG strategies. The CSO also takes an integrated approach to managing key sustainability initiatives, including climate action, carbon reduction roadmaps, and the scaling of ESG finance, while guiding the overall ESG direction of the Group. In this role, the CSO reports key ESG matters in coordination with management and the Board, working closely with relevant departments across the Group to reinforce execution capabilities of ESG strategies. The CEO oversees the integration of these ESG strategies into overall Group management, while the CRO manages climate and ESG risks from a risk management perspective.

Integration of Climate-related Metrics into Performance Evaluations

We incorporate ESG-related targets into Group-wide management innovation initiatives and key departmental business plans as part of our performance evaluation framework, while also linking these outcomes to financial compensation. For instance, Busan Bank and Kyongnam Bank apply ESG indicators such as energy consumption targets, reductions in paper and printer toner usage, and GHG emissions reduction rates into department-level KPI evaluations. Core ESG performance indicators are also utilized in reviewing ESG-related decision-making and implementation progress by senior management, supporting the effective execution of ESG management across the Group.

Reflection of ESG Management Initiatives in Performance Evaluations

We reflect not only business growth-oriented financial performance but also ESG management practices and sustainability considerations in the CEO's management innovation initiatives and performance evaluation framework. While pursuing value creation-driven growth and stronger market competitiveness, we are simultaneously broadening sustainable finance initiatives and advancing internal control and risk management practices. Beyond financial performance, the fulfillment of social responsibilities, including financial consumer protection and shared growth with local communities, also serves as a key evaluation factor to elevate long-term corporate value grounded in ESG principles.

ESG PERFORMANCE

Gwangan Bridge, Busan

Environment

Green Finance

Governance

Governance for Climate Action

We operate a governance framework for climate action structured across the holding company and subsidiary levels.

Group-Level Governance

BNK Financial Group's climate action governance framework at the Group level consists of the Board of Directors, management, and dedicated departments. The Board oversees the implementation of Group-wide ESG strategies, including climate-related initiatives, while management leadership is responsible for formulating climate action strategies and monitoring implementation progress. Dedicated departments within the holding company work closely with corresponding departments across subsidiaries to support the effective execution of the Group's climate action strategy.

Under the Board, the ESG Committee and the Risk Management Committee have been established to deliberate and approve climate risk response strategies and related initiatives. The ESG Committee discusses ESG matters, including climate action efforts, and approves related strategies and policies. The Risk Management Committee puts in place the Group's ESG risk management framework and reviews the status of responses to emerging ESG risks, including climate-related risks. In addition, based on climate scenario analysis, the Committee assesses both financial and non-financial impacts while monitoring the potential effects on the Group's capital adequacy ratio, further advancing its proactive response framework. The Audit Committee oversees and supervises climate risk-related activities of the Board and management and reviews internal control systems for climate change response as part of the Group's ESG management framework.

We established the ESG Strategy Team and the Risk Management Department as dedicated units at the holding company level to drive the Group's climate action strategies. The resulting progress and outcomes are reported to the CEO, CSO, and CRO for ongoing monitoring and oversight. The ESG Strategy Team leads the development and implementation performance of climate action strategies, while the Risk Management Department manages and monitors financed emissions data and asset class-specific information to support climate response planning and related risk assessments.

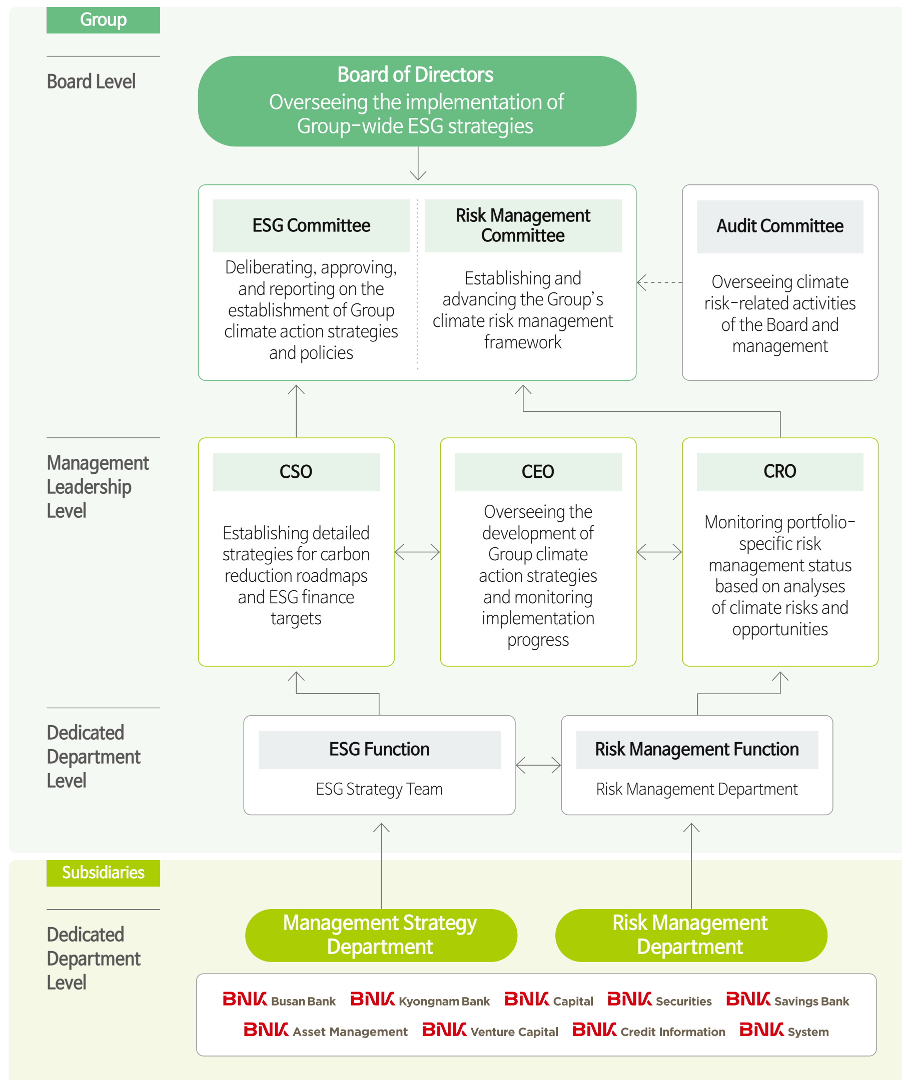
Subsidiary-Level Governance

BNK Financial Group has nine major subsidiaries under its holding company, including Busan Bank and Kyongnam Bank. Each subsidiary maintains a dedicated organization for climate action and carries out tailored activities designed to effectively advance climate response strategies aligned with its unique business characteristics.

Dedicated departments at each subsidiary consist of management strategy departments and risk management departments. The management strategy departments establish and execute climate action strategies for their respective subsidiaries, while the risk management departments manage financed emissions as well as exposure limits for high-carbon industries and other carbon-intensive sectors. The strategies and implementation outcomes of subsidiary-level management strategy and risk management departments are consolidated into the ESG Strategy Team and Risk Management Department at the holding company for Group-wide management.

We also operate the ESG Practitioner Committee to facilitate discussions on key ESG issues across subsidiaries and promote information sharing aimed at managing ESG risks and identifying new opportunities. The Committee is composed of ESG representatives from each subsidiary and supports the review of ESG management progress as well as the response and reporting processes related to major ESG issues. Regular quarterly meetings further reinforce collaboration among relevant departments across the Group.

BNK Financial Group Climate Action Governance Framework



Governance

Committee Reporting and Operations

The ESG Committee and the Risk Management Committee receive reports on climate-related risks and opportunities from relevant departments, deliberate on agenda items, and report resolutions to the Board. The ESG Committee is primarily informed through the ESG Strategy Team under the Strategic Planning Department, while the Risk Management Committee is supported by the Risk Management Department. Their decision-making is guided by advance reporting procedures and sufficient supporting materials provided by the responsible departments.

The ESG Committee convenes at least semiannually. In 2025, the Committee held five meetings and deliberated on nine agenda items, including key outcomes of the Group's mid- to long-term ESG strategy plan and key ESG issues. The Risk Management Committee operates on a quarterly or more frequent basis. In 2025, the Committee held six meetings and reviewed 30 agenda items related to environmental risk management monitoring, financed emissions, and the status of high-carbon industries. Both committees maintained full attendance throughout all meetings.

Separately, the Board of Directors conducts annual reviews of committee operations. In 2025, both the ESG Committee and the Risk Management Committee earned the highest 'S' rating, reflecting recognition for the effective operation of the Group's climate action governance framework.

Incorporating Climate Risks and Opportunities into Decision-Making

The Board of Directors of the Group, with the ESG Committee at its core, conducts the final deliberation and approval of ESG strategies, including climate action initiatives, while advancing decision-making that reflects material ESG issues. Key climate-related risks and opportunities are reviewed on a regular basis, and the results of stakeholder materiality assessments are incorporated into the ESG strategy development process to enhance the effectiveness of the Group's ESG strategy.

Climate Target Setting and Monitoring

The Group sets climate targets based on guidance from external advisory institutions in line with the SBTi framework, and the ESG Committee is responsible for approving the targets and monitoring their implementation. We continuously monitor and manage progress toward our key climate targets and plan to further expand the linkage between performance evaluations and compensation.

Roles and Responsibilities of Management Leadership

The Group has put in place a management framework centered on key executives and dedicated departments to oversee climate change response strategies and climate risk management. The CEO is responsible for overseeing the implementation of the Group's climate change response strategy, while relevant departments and key executives carry out climate strategy implementation and climate risk management activities.

The Group CSO establishes and reviews climate response strategies, including the carbon reduction roadmap, the expansion of ESG finance, and eco-friendly business initiatives. The Group CRO identifies and assesses climate-related risks and opportunities and manages portfolio risks accordingly. In particular, under the Accountability Chart, the CRO is responsible for establishing and operating the Group's risk management policies, managing climate-related risks, and overseeing the estimation and management of risk measurement factors. The Audit Committee continuously monitors and evaluates management's performance of its responsibilities and the effectiveness of internal control operations.

Management Leadership-level Control Processes

The management is responsible for ensuring that the Group's activities remain aligned with international climate commitments, including the Paris Agreement. In order to support this responsibility, management receives regular updates from the ESG function on carbon reduction targets and implementation plans, as well as reports from the risk management function on climate-related risk exposure across portfolios. These reporting channels enable management to assess the potential business impacts of climate change, evaluate the adequacy of response measures, and incorporate relevant considerations into decision-making processes.

Aiming to facilitate the systematic oversight of climate-related risks, the Group operates dedicated risk governance bodies at both the Board and management levels. These bodies deliberate on practical risk control measures, including the establishment of credit exposure limits and the enactment and amendment of risk management guidelines, with key outcomes reported to the Board for final review and decision-making. The Group Risk Management Council, which includes the CROs of the holding company and its subsidiaries, serves as a platform for coordinating climate risk oversight across the Group. Through this structure, the Group promotes a consistent approach to identifying, assessing, and addressing climate-related risks from an enterprise-wide perspective.

Special Report-TCFD

Governance

Engagement in Climate Action

BNK Financial Group has established a governance framework to ensure that its climate-related public policy participation and external engagement activities across the Group remain aligned with the goals of the Paris Agreement. The Group supports the transition to a low-carbon economy and the achievement of Net-Zero. As a core principle, we support public policies that advance climate action priorities, including the expansion of renewable energy, improvements in energy efficiency, and the accelerated mitigation of GHG emissions.

We also actively engage in public policy initiatives and consultative activities aimed at fostering climate resilience and a sustainable policy environment. The Strategic Planning Department, serving as the Group's ESG-dedicated function, participates in the Citizen Action and Cooperation Subcommittee of the Busan 2050 Carbon Neutrality and Green Growth Committee (currently the Climate Crisis Response Committee) contributing to the establishment and implementation of regional carbon neutrality policies. Drawing on our expertise as a financial institution, we also contribute to practical and effective policy discussions.

At the global level, we have demonstrated our commitment to climate action by joining major climate initiatives such as the Carbon Disclosure Project (CDP), Partnership for Carbon Accounting Financials (PCAF), and the Science Based Targets initiative (SBTi). In May 2024, we officially obtained SBTi validation for our GHG emissions reduction targets aimed at achieving Net-Zero by 2050. Building on these efforts, we continue to refine and further reinforce our climate strategy in accordance with international standards.

In addition, Busan Bank and Kyongnam Bank, as members of the Korea Federation of Banks, participate in industry-wide climate initiatives through activities such as ESG Expert Committee participation, discussions on financed emissions accounting manuals, consultations on green loan management guidelines, and transition finance conferences. Through these concerted efforts, both banks contribute to the banking sector's broader transition toward Net-Zero.

We have established an internal management framework governing external engagement and climate-related policy response activities. Relevant activities are managed by designated departments, while major matters are escalated to management leadership under a governance structure with clearly defined roles and responsibilities. Through this framework, we seek to ensure that public policy participation and external engagement activities remain consistent with the Group's climate strategy.

We also conduct regular reviews to assess whether public policy participation and association activities are in line with the Group's climate response strategy and adjust the direction of related activities when necessary. In particular, regarding memberships and activities involving industry associations and external organizations, we review each organization's climate policy positions and related activities while regularly assessing consistency with the Group's climate targets. This review and monitoring framework is applied across the Group and all regions of operation based on consistent criteria.

Where the policy positions or activities of an association or external organization conflict with the Group's climate direction, we operate procedures aimed at ensuring alignment, such as expressing dissenting views or requesting position adjustments through engagement with the relevant organization. Where improvements are not made, we review response measures including adjusting the scope of participation or withdrawing from membership following internal reporting.

Transparency with stakeholders is further enhanced through the disclosure of key information on climate policy engagement and association activities, made available via the sustainability report and other disclosures. We leverage these processes to ensure climate policy response activities remain consistently aligned with the goals of the Paris Agreement across all regions in which we operate.

Strategy

Analysis of Climate-Related Risks and Opportunities

Analysis Framework

We systematically identify climate-related risks and opportunities through scenario analysis and financed emissions measurement across our asset portfolio. Identified factors are assessed for materiality based on strategy, policies, regulatory developments, Board agenda items, and benchmarking activities, enabling us to assess likelihood and impact and prioritize response measures.

Based on these assessments, we formulate climate-related strategies and corresponding implementation plans. At the same time, we continue to step up our risk management framework and internal capabilities to build resilience against both transition and physical climate risks.

Analysis Period and Scope

We classify our climate response horizon into short-term (by 2030), mid-term (by 2040), and long-term (by 2050) periods to support a systematic approach to climate-related risks and opportunities. These time horizons have been established based on our Net-Zero targets. We assess financial impacts and develop response strategies by taking into account the expected timing and duration of each climate-related risk and opportunity factor.

Based on these time horizons, we have established a phased roadmap for achieving Net-Zero. In the short term, monitoring frameworks will be developed, including systems for measuring corporate carbon emissions. In the mid-term, more comprehensive emissions reduction initiatives will be implemented to accelerate progress toward carbon neutrality. Over the long term, we will expand climate-related investments and develop sustainable business models to support ongoing carbon neutrality efforts while contributing to the growth of a regional carbon-neutral ecosystem.

Risk and Opportunity Identification

- Formulation of an assessment pool in line with the TCFD recommendations
- Development of a categorized list of transition risks, physical risks, and opportunities

Priority Assessment

Priority assessments conducted to determine materiality and potential timing of occurrence

Priority assessment factors

- Board agenda items
- Legal obligations and regulations
- Natural disaster damage costs
- Benchmarking
- ESG strategies
- Group policies

Implementation Planning

- Prioritization of climate-related risks and opportunities
- Establishment of risk response and opportunity implementation strategies

Short-term ~2030	Mid-term ~2040	Long-term ~2050
Laying the Foundation for Net-Zero	**Accelerating Net-Zero**	**Achieving Net-Zero and Creating Value**
• Targeting a 42% reduction in internal GHG emissions by 2030 compared to 2022 levels • Establishing a GHG monitoring framework through the environmental management system and the financed emissions management system • Encouraging portfolio decarbonization by offering financial incentives to companies pursuing carbon mitigation • Providing ESG capability-building advisory services and financial support, primarily across the Busan-Ulsan-Gyeongnam region • Positioning the short-term phase as a preparatory stage for building the foundation for Net-Zero	• Targeting a 55.2% reduction in financed emissions compared to 2022 levels • Preparing to apply SBTi-based decarbonization pathways to align asset class-specific temperature targets with the 1.5°C pathway • Planning to reduce exposure to high-carbon industries while expanding environmentally responsible sectors • Advancing institutional improvements to incorporate climate risks into credit assessment and risk management frameworks • Using the mid-term phase to establish the execution foundation for a decarbonized business structure	• Setting Net-Zero targets for Scope 1, 2, and 3 emissions by 2050 (Scope 1 and 2 by 2045, Scope 3 by 2050) • Planning to expand investments in ESG-leading companies while developing monetization strategies for sustainable finance products • Preparing to enhance systems for automated financed emissions management and alignment with global disclosure standards • Developing strategies to lead the ESG ecosystem in the southeastern region and foster regional carbon neutrality industries • Positioning the long-term phase as a stage of systematically integrating ESG with long-term profitability

Strategy

Identification of Climate-Related Risks and Opportunities

Climate-Related Risks

We identify climate-related risks by categorizing them into transition risks and physical risks. Transition risks are managed through a framework consisting of 15 factors across policy and legal, technology, market, and reputation categories, while physical risks are managed through six factors classified as either chronic or acute. For each risk factor, we assess the materiality of potential financial impacts and estimate the expected period of risk exposure. These assessments are made through a comprehensive review of Board discussions, industry trends, regulatory developments, the severity of natural disaster occurrences, and alignment with our GHG reduction strategies and internal policies. Identified risk factors and their associated potential impacts are incorporated into our strategic and financial planning processes, and we establish detailed action plans alongside management and mitigation measures for each factor to address them effectively.

Climate-Related Risk Factors

Materiality Score: ● 80-100 points ◕ 60-80 points ◑ 40-60 points ◔ 20-40 points ○ 0-20 points

Category		Risks	Materiality	Short term (by 2030)	Medium term (by 2040)	Long term (by 2050)	Potentially Affected Asset Type
Transition Risk	Policy / Legal	Rising carbon credit prices	●	●	●	-	Physical assets / Financial assets
		Higher policy-driven costs, including carbon taxes	●	-	-	-	Financial assets
		Strengthened emissions reporting requirements	◕	●	●	-	Physical assets / Financial assets
		Requirements and obligations related to existing products and services	◑	●	●	●	Financial assets
		Exposure to litigation	◔	-	-	●	Financial assets
	Technology	Substitution with lower-emission products and services	◕	●	●	-	Financial assets
		Higher investment expenditures for developing eco-friendly and low carbon technologies	◕	●	●	-	Financial assets
		Failure of new technology investments	○	-	-	●	Financial assets
	Market	Changes in customer behavior	◔	●	●	-	Financial assets
		Rising raw material costs	○	-	-	●	Financial assets
		Rising energy costs	◔	●	●	-	Physical assets / Financial assets
		Uncertainty in market signals	◑	●	●	●	Financial assets
	Reputation	Growing stakeholder concerns or negative feedback	●	●	●	-	Financial assets
		Investor divestment	◑	-	-	●	Financial assets
		Changes in consumer preferences	○	●	●	-	Financial assets
Physical Risk	Chronic	Rising average temperatures	◔	-	-	●	Physical assets / Financial assets
		Sea level rise	◔	-	-	●	Physical assets / Financial assets
	Acute	Earthquakes	○	-	-	●	Physical assets / Financial assets
		Typhoons (strong wind), flooding, and heavy rainfall (inundation)	●	●	●	●	Physical assets / Financial assets
		Cold waves and heavy snowfall	◔	-	-	●	Physical assets / Financial assets
		Wildfires and landslides	○	●	●	●	Physical assets / Financial assets

Strategy

Identification of Climate-Related Risks and Opportunities

Climate-Related Opportunities

We identify and manage climate-related opportunities through a framework consisting of 21 factors across resource efficiency, energy source, products and services, market, and resilience categories. For each opportunity factor, we assess the materiality of potential financial impacts and determine the expected timing of opportunity realization. These assessments are made through a comprehensive review of Board discussions, industry trends, regulatory developments, and alignment with our greenhouse gas reduction strategies and internal policies. We integrate identified opportunity factors and their associated potential impacts into our strategic and financial planning processes. We also establish implementation strategies and detailed action plans for each factor to effectively leverage these opportunities.

Climate-Related Opportunity Factors

Materiality Score: ● 80-100 points ◕ 60-80 points ◑ 40-60 points ◔ 20-40 points ○ 0-20 points

Category	Opportunities	Materiality	Short term (by 2030)	Medium term (by 2040)	Long term (by 2050)	Potentially Affected Asset Type
Resource efficiency	Efficient energy use	◕	●	-	-	Physical assets
	Expansion of environmentally friendly building facilities	◔	●	●	-	Physical assets
	Expansion of eco-friendly transportation options	◑	●	-	-	Physical assets / Financial assets
	Use of recycling	◕	●	●	-	Physical assets / Financial assets
	Reduction in water consumption	◔	●	-	-	Physical assets
	Use of efficient production and distribution processes	◕	-	●	●	Financial assets
Energy source	Transition to distributed energy generation	○	-	●	●	Physical assets / Financial assets
	Utilization of policy incentives and support programs	◔	●	-	-	Physical assets
	Use of low carbon energy sources	●	●	●	-	Physical assets
	Adoption of new energy related technologies	◑	-	●	●	Physical assets / Financial assets
	Participation in carbon markets	◔	●	●	-	Financial assets
Products and services	Expanded development of low carbon products and services	●	●	●	-	Financial assets
	Climate adaptation and insurance solutions	○	-	●	●	Financial assets
	Changes in consumer preferences	○	-	●	●	Financial assets
	Ability to diversify business activities	◕	-	●	●	Financial assets
	Development of new products and services through R&D and innovation	◑	-	-	●	Financial assets
Market	Entry into new climate related markets	◕	-	●	●	Financial assets
	Utilization of public sector incentives	○	●	-	-	Financial assets
	Access to new assets and locations requiring insurance coverage	○	-	●	●	Financial assets
Resilience	Enhancement of portfolio resilience by supporting ESG initiatives of investee companies	●	●	●	●	Financial assets
	Engagement in renewable energy programs and adoption of energy efficiency measures	◔	●	●	-	Physical assets

Strategy

Changes in Business Model

BNK Financial Group has developed a financial asset-centric strategy to address climate change and lead the transition to a low carbon economy. This strategy is carried out through three key approaches: Positive Screening, Negative Screening, and Engagement. Through Positive Screening, we expand investments and financial product development in climate friendly industries and technologies, including EV charging infrastructure, distributed energy, and carbon markets, while strengthening transition finance and ESG based credit assessment systems. Under Negative Screening, we manage exposure to high carbon industries and set reduction targets to control climate-related risks. Through Engagement, we support the low carbon transition of regional industries and strengthen climate resilience by expanding support for energy efficiency improvements, environmentally friendly facility investments, disaster recovery finance, and sustainable finance initiatives.

Mitigation and Adaptation Efforts

We formulate future response strategies based on the potential impacts and time horizons identified through analyses of climate-related risks and opportunity factors.

Direct Mitigation and Adaptation Measures

Strategic Direction	Detailed Action Items	Key Achievements	Future Plans
Greening	Establish a carbon emissions management system for business sites	• Established an ESG disclosure system across all group subsidiaries, building an environmental management framework as a foundation for ESG management • Improved data collection and management efficiency through automated aggregation of key data based on RPA and ERP systems	• Expand the system into an integrated management platform covering ESG indicators across all areas through continuous enhancement • Renew ISO 14001 and ISO 50001 certifications through ongoing post certification audits
	Expand the transition to eco-friendly vehicles	• Continued the transition of business vehicles to environmentally friendly vehicles • Achieved environmentally friendly vehicle conversion results, including 272 out of 381 vehicles at Busan Bank and 13 out of 19 vehicles at BNK Savings Bank as of the end of 2025	• Continue prioritizing environmentally friendly vehicles for future replacements and new vehicle acquisitions
	Utilize renewable energy	• Minimized carbon emissions by applying renewable energy technologies and installing high efficiency equipment in newly constructed facilities, including Mium IT Center • Participated in 'GoGreen Plus' program to support broader adoption of sustainable aviation fuel	• Review and promote the installation of solar power generation facilities across subsidiary sites
	Strengthen low carbon lifestyle practices	• Promoted energy efficiency across all subsidiaries through initiatives such as vehicle use restrictions based on designated days, encouragement of public transportation use, compliance with recommended indoor temperature guidelines, and minimizing electricity consumption	• Identify and expand employee participation-based campaigns aimed at reducing carbon emissions

Indirect Mitigation and Adaptation Measures

Response Strategy	Detailed Action Items	Key Achievements	Future Plans
Positive Screening	Establish a green financial product management system	• Defined an ESG finance taxonomy aligned with the Korean Green Bond Guidelines to review ESG alignment and manage the contribution of each product	• Broaden classification criteria and scope of application while improving management accuracy through continuous monitoring of revisions to the Korean Green Taxonomy
	Expand investments in ESG leading companies and green finance	• Received the Minister of Climate, Energy and Environment Award in recognition of contributions to expanding green finance	• Drive further growth in sustainable finance through the continued development of sustainable finance products
Negative Screening	Reinforce climate-related risk management	• Established Environmental and Social Risk Management Policy Framework to proactively manage potential risks arising from the activities of each subsidiary	• Reinforce climate-related risk management by expanding the application of climate-related performance evaluation criteria across subsidiaries and relevant departments
	Reduce investments in high carbon industries	• Introduced a financed emissions monitoring system by asset type and established financing limits for high carbon industries	• Advance transition finance to actively support the transition of high carbon industries
Engagement	Manage ESG risks of client companies	• Provided differentiated benefits based on corporate sustainability performance assessments, with a focus on companies demonstrating outstanding performance	• Continuously improve management practices by advancing monitoring systems and strengthening regular review mechanisms
	Broaden financial support for regional companies	• Established a full cost support framework for carbon reduction technology companies through collaboration with Busan Metropolitan City and Korea Technology Finance Corporation, providing KRW 20 billion in financial support to a total of 42 companies	• Accelerate the energy transition through financial support focused on renewable energy and low carbon infrastructure across Busan, Ulsan, and Gyeongnam • Foster a low carbon economic ecosystem by supporting regional companies in investing in eco-friendly facilities and establishing sustainable production systems
	Support ESG capacity building for companies in the southeastern region	• Conducted the ESG Talent Development Training for SMEs in the Southeastern Region to strengthen regional companies' capabilities in responding to global policy developments	• Build an ESG ecosystem in the southeastern region through the Busan-Ulsan-Gyeongnam Growth Strategy Committee established in January 2026

Strategy

Scenario Analysis

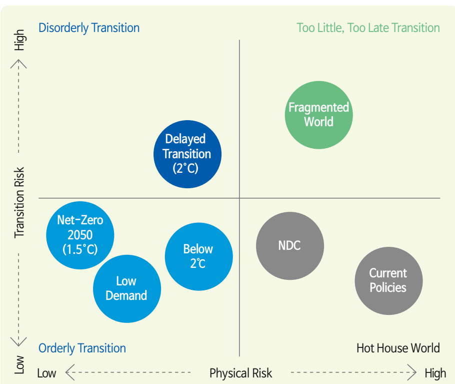
Transition Risk Scenario Analysis

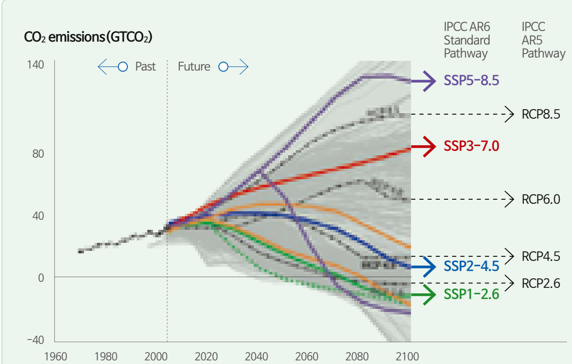
We conduct transition risk scenario analysis to identify and proactively prepare for risks that may arise during the transition toward a low carbon economy. For this analysis, counterparties of Busan Bank and Kyongnam Bank, the subsidiaries of the Group, are included within the scope of assessment. Through transition risk scenario analysis, we assess projected changes in BIS and CET1 under different greenhouse gas emissions pathways and carbon pricing scenarios and use the results as indicators for evaluating climate resilience. Based on the analysis outcomes, we assess the adequacy of capital management and establish future management strategies and action plans considering the identified level of risk.

Physical Risk Scenario Analysis

We also utilize physical risk scenario analysis to evaluate the potential impacts of climate-related physical factors on assets within our portfolio and formulate appropriate response strategies. Through physical risk scenario analysis, we assess projected changes in BIS and CET1 under natural disaster scenarios and use the results as indicators for evaluating climate resilience. Based on the analysis outcomes, we assess the potential decline in the value of real estate collateral within our portfolio and establish plans to mitigate the impacts of climate change.

Scenarios and Results Based on Transition and Physical Risk Analysis

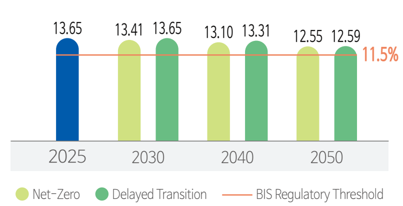




RCP Scenario[1]	RCP2.6	Assumes immediate reductions in greenhouse gas emissions from human activities to limit the rise in global temperature to below 2.0°C
	RCP4.5	Assumes GHG mitigation policies are effectively implemented, allowing emissions to peak around 2050 and gradually decline thereafter
	RCP6.0	Assumes delayed implementation of mitigation policies and technologies, resulting in continued growth in greenhouse gas emissions until 2100 before transitioning to a declining trend
	RCP8.5	Assumes the current greenhouse gas emission trend continues without mitigation efforts, resulting in severe climate impacts such as rising temperatures and sea level rise
SSP Scenario[2]	SSP1-2.6	Assumes that advances in renewable energy technologies minimize fossil fuel use and enable environmentally sustainable economic growth
	SSP5-8.5	Assumes rapid growth driven by fossil fuel dependence, with expanded urban development and surging emissions leading to greater exposure to extreme climate change

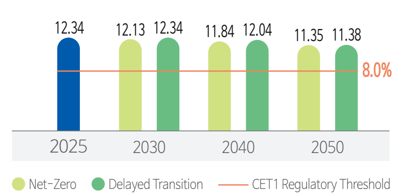
Transition Risk Scenario BIS Ratio Analysis

(Unit: %)



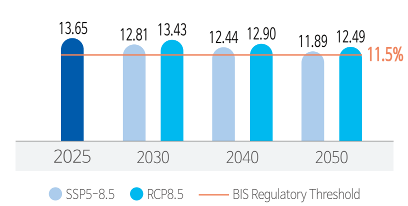
Transition Risk Scenario CET1 Ratio Analysis

(Unit: %)



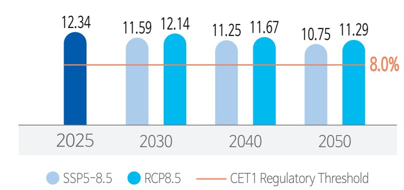
Physical Risk Scenario BIS Ratio Analysis

(Unit: %)



Physical Risk Scenario CET1 Ratio Analysis

(Unit: %)



1) RCP (Representative Concentration Pathway): A scenario first introduced in the IPCC Fifth Assessment Report that projects the degree of climate change based on radiative forcing levels by 2100 using greenhouse gas concentration pathways.
2) SSP (Shared Socioeconomic Pathways): A scenario introduced in the IPCC Sixth Assessment Report that integrates future climate mitigation and adaptation efforts by considering socioeconomic changes alongside radiative forcing levels by 2100 based on the existing RCP framework.

Strategy

Climate Target Achievement Roadmap

We have set a goal of achieving Net-Zero by 2050. In order to support this objective, we have established a mid- to long-term roadmap aligned with our broader strategic direction. The roadmap consists of 11 detailed implementation initiatives structured around four strategic pillars: Greening, Positive Screening, Negative Screening, and Engagement.

The Net-Zero target will be pursued through three sequential phases. By 2030, we aim to establish the foundation for Net-Zero by focusing on the development of low-carbon finance operating models. By 2040, we plan to accelerate carbon neutrality through the full-scale operation of low-carbon finance. Through the continued implementation of detailed initiatives, we aim to first achieve Net-Zero for Scope 1 and 2 emissions by 2045, followed by the achievement of Net-Zero across all scopes, including Scope 3 emissions, by 2050.

Mid- to Long-term Net Zero Roadmap

Short-term Phase 1 (~2030)	Mid-term Phase 2 (~2040)	Long-term Phase 3 (~2050)
Laying the Foundation for Net-Zero	**Accelerating Net-Zero**	**Achieving Net-Zero and Creating Value**
• Development of low-carbon finance operating models	• Operation of low-carbon finance in full swing	• Achievement of Net-Zero for internal and financed emissions • Monetization of low-carbon products

Net-Zero Strategy for Internal Emissions	Net-Zero Strategy for Financed Emissions		
Greening	**Positive Screening**	**Negative Screening**	**Engagement**
Strengthening activities aimed at achieving the Group's internal carbon emissions reduction targets	Investing in industries, companies, and projects demonstrating strong ESG-related performance	Excluding investments that increase carbon emissions and industries and companies that do not meet ESG standards	Encouraging companies to adjust and reduce GHG emissions through corporate engagement and networking
① Establish a carbon emissions management system for business sites ② Expand the transition to eco-friendly vehicles ③ Utilize renewable energy ④ Strengthen low-carbon lifestyle practices	① Establish a green financial product management system ② Increase investments in ESG-leading companies and green finance	① Strengthen climate-related risk management ② Reduce investments in high-carbon industries	① Manage ESG risks of client companies ② Broaden financial support for regional companies ③ Support ESG capacity building advisory services for companies in the southeastern region

Risk Management

Climate-Related Risk Management Process

Recognizing climate change as a material financial risk, we continue to reinforce our risk management framework to enhance the resilience, profitability, and soundness of our investment portfolio. With an aim to support a proactive response, we operate a climate-related risk management process structured around four stages: risk identification, assessment, monitoring and reporting, and response and mitigation. This process is systematically overseen through the Risk Management Committee. Alongside these efforts, we have formalized climate risk response standards through the establishment of internal regulations, including risk management regulations and risk management guidelines, while continuously seeking measures to strengthen the overall management framework.

We identify and assess climate-related risks through a financed emissions calculation and monitoring system established based on the GHG accounting standards of the Partnership for Carbon Accounting Financials (PCAF). The system utilizes key input variables, including financial data such as exposures and corporate financial information, as well as physical attribute data such as gross floor area of real estate assets, to construct multidimensional risk profiles through the integration of diverse datasets. Based on this framework, financed emissions and carbon intensity are derived by asset class and industry sector, enabling granular monitoring of changes and trends over time. In particular, the system enables the identification of carbon-intensive sectors with concentrated emissions exposure. Where concentration risks are identified, we establish mitigation plans in advance to proactively manage potential risks.

Building on this system infrastructure, we continuously assess the tangible impacts of climate-related risks by monitoring carbon emissions management across high-carbon industries. This process is conducted across both the pre-investment review stage and the post-investment monitoring stage. During the investment review stage, carbon emissions associated with the relevant asset are quantitatively assessed, while the financial impacts of carbon reduction targets and transition pathways are analyzed and incorporated into investment decision-making. Once incorporated into the portfolio, total financed emissions associated with the asset are continuously monitored, while progress toward emissions reduction targets is periodically reviewed and managed.

We also conduct climate scenario analysis to assess long-term financial impacts under various climate pathways. Through scenario analysis, we estimate projected fluctuations in BIS and CET1 ratios, which serve as key capital adequacy indicators used to assess the Group's capital resilience under stressed climate conditions. These indicators also serve as foundational reference data for evaluating climate resilience and establishing capital planning strategies.

Climate-related risks are comprehensively managed alongside other major risk categories, including credit risk and market risk, within an integrated risk management framework. We plan to review the broader integration of climate-related risks into the framework in line with changes in internal and external conditions.

Integration with the Group-wide Risk Management Framework

We have put in place a Group-wide risk management framework to proactively respond to heightened volatility in financial markets and achieve sustainable growth. Climate-related risk is defined as 'the risk that physical damage caused by climate change or deterioration in business conditions arising from the transition to a low-carbon economy may be transmitted to the financial sector' and has been designated as one of the Group's major risk categories. These climate-related risks are integrated into the enterprise risk management process alongside other major risk categories and are managed strategically through proactive response measures.

Climate-related risk is formally defined as one of the Group's major risks underrisk management regulations. As part of this framework, detailed guidelines covering the scope, principles, and processes of climate-related risk management are set forth in the risk management guidelines. This helps ensure alignment with the Group-wide risk management framework and promotes consistency in risk management practices.

In addition to major risk categories, we separately identify and manage potential risk factors that could materially affect overall business operations as 'Emerging Risks.' 'Strengthening the climate change response framework' has been designated as one of these Emerging Risks and is integrated into the enterprise risk management process to identify business impacts and establish risk mitigation measures. Through these efforts, we seek to minimize uncertainties that may arise across financial services due to the climate crisis while strengthening financial resilience.

Risk Identification	• Identify risks that may arise from climate change • Recognize financial risks transmitted through transition channels
Risk Assessment	• Measure financed emissions on a regular basis • Analyze exposure, financed emissions, emissions intensity, and related trends by industry sector
Monitoring & Reporting	• Select and monitor high-carbon industries • Report to risk-related committees and management leadership • Support climate-related decision-making
Response & Mitigation	• Reflect climate-related risks in internal regulations • Set the selection and management process for industries requiring enhanced monitoring • Establish exposure limit management strategies

Metrics and Targets

Scope 1 & 2 GHG Emissions

In 2025, total internal GHG emissions (Scope 1 and Scope 2) amounted to 28,234 tCO_2 eq, representing a 0.6% decrease compared to the previous year. Specifically, Scope 1 emissions totaled 3,386 tCO_2 eq and Scope 2 emissions totaled 24,848 tCO_2 eq, accounting for 12.0% and 88.0% of total emissions, respectively. Based on combined Scope 1 and Scope 2 emissions, the Group achieved 93.3% of its 2025 target and reached 44.9% of its 2030 interim target. Going forward, we will continue its emissions mitigation efforts to achieve its targets.

Scope 1 and 2 Emissions by Subsidiary[1]

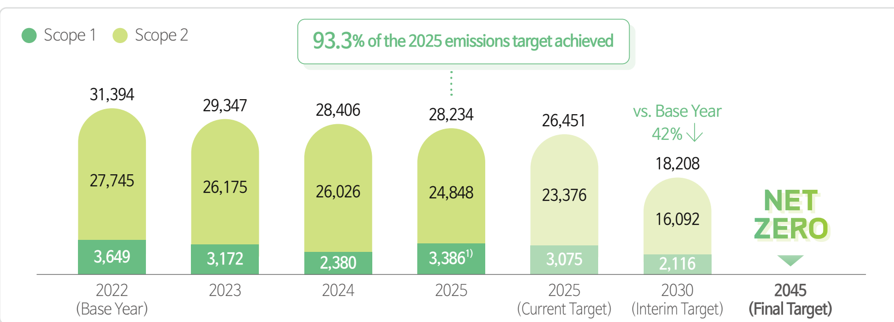
(Unit: tCO_2eq)

Company Name	Scope 1	Scope 2	Total Emissions
BNK Financial Group	139	354	493
BNK Busan Bank	1,402	16,950	18,351
BNK Kyongnam Bank	1,441	5,179	6,620
BNK Capital	90	255	345
BNK Securities	134	409	543
BNK Savings Bank	45	237	282
BNK Asset Management	61	30	91
BNK Credit Information	15	101	116
BNK System	36	1,315	1,352
BNK Venture Capital	24	18	41
Total	3,386	24,848	28,234

1) GHG emissions are rounded to the nearest whole number. As a result, the sum of individual figures may not exactly match the total due to rounding.

Scope 1 and 2 Emissions Targets and Current Status

(Unit: tCO_2eq)



1) Increase in Scope 1 emissions due to enhanced mobile combustion emissions accounting in 2025

Financed Emissions Accounting

We joined the Partnership for Carbon Accounting Financials (PCAF) in 2022 and have since established a financed emissions accounting framework aligned with global standards to measure and manage our financed emissions performance. Since 2023, we have operated a dedicated financed emissions management system, enabling the monitoring of emissions across seven asset classes. Financed emissions are primarily calculated using publicly disclosed corporate emissions data. Where such data is unavailable, average emissions factors provided by PCAF are applied, with Scope 1, Scope 2, and Scope 3 emissions all taken into account.

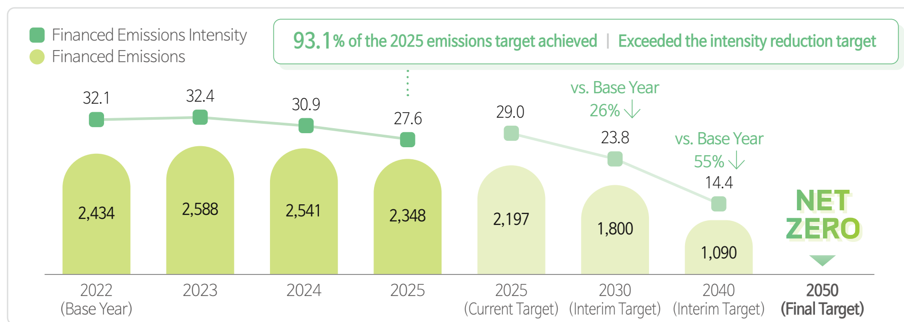
For assets subject to financed emissions measurement, cases where basic information such as financial data or industry classification codes is unavailable are classified as non-calculable and monitored separately. Additionally, annual financed emissions performance is calculated excluding government bonds, taking into consideration alignment with the SBTi guidelines that serve as the basis for the Group's emissions reduction target setting. Accordingly, assets covered by financed emissions calculations represented 47.5% of total assets under management during the reporting period. Our plan is to gradually expand data coverage and increase the proportion of assets included in financed emissions calculations.

In 2025, financed emissions totaled 23.48 million tCO_2 eq, while financed emissions intensity amounted to 27.6 tCO_2 eq per KRW 100 million. The construction sector accounted for the largest share of financed emissions at 12.0%. By asset class, corporate loans represented 95.6% of total financed emissions, accounting for the overwhelming majority of emissions.

We apply the methodology of the Science Based Targets initiative (SBTi) to financed emissions and have set a reduction pathway aligned with a 1.5°C scenario. Using 2022 financed emissions as the baseline, the Group aims to reduce financed emissions by 26% by 2030 and 55.2% by 2040, ultimately achieving Net-Zero by 2050.

Financed Emissions Targets and Performance[1]

(Unit: 10 thousand tCO_2eq, tCO_2eq/KRW 100 million)



1) Financed emissions are calculated excluding government bonds.

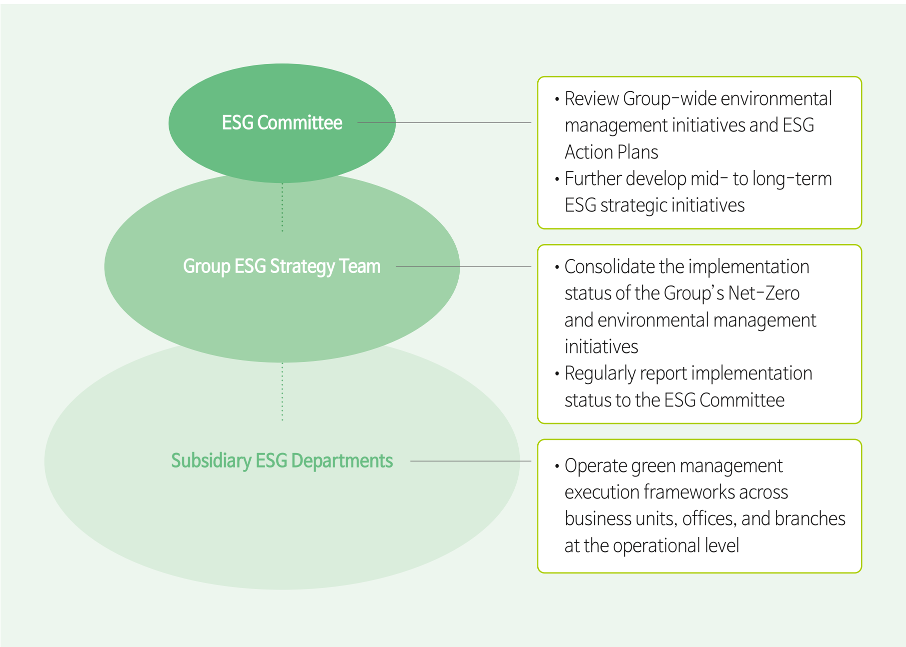
Green Management

Governance

Green Management Governance Framework

Guided by the ESG Committee under the Board of Directors, BNK Financial Group continuously advances its green management strategy through regular discussions on environmental management issues. The ESG Committee receives and reviews Group-wide environmental management initiatives and ESG Action Plans compiled by each subsidiary and continuously implements strategic initiatives reflecting those discussions. In particular, the Group has established 'advancing environmentally responsible green finance' as a key direction under its mid- to long-term ESG strategy and has further specified strategic initiatives, including progress toward Net-Zero goals, establishment of a green financial product management system, and advancement of green management practices. The Group ESG Strategy Team regularly reports to the ESG Committee on the implementation status of the Group's Net-Zero and environmental management initiatives. Supporting these efforts, ESG departments within each subsidiary manage implementation frameworks designed to embed green practices across business units, offices, and branches.

Green Management Governance Structure



Green Management Policies and Framework

We have established environmental management policies to reduce our environmental footprint and create positive environmental value throughout our entire business spectrum. In line with these policies, we manage GHG emissions generated throughout our operations and implement initiatives aimed at reducing emissions. Under our resource circulation policy, we promote the efficient use of resources, including consumables and customer-distributed materials, to lower energy use and limit waste generation. Furthermore, under our biodiversity policy, we carry out social contribution activities as part of our biodiversity conservation efforts and regularly review our approach to nature and biodiversity management. We also implement a structured green management system throughout the Group. In recognition of these efforts, Busan Bank obtained ISO 14001 certification for its Environmental Management System in 2019 and ISO 50001 certification for its Energy Management System in 2022. Since obtaining the certifications, Busan Bank has maintained and renewed them annually through surveillance audits while continuously advancing its green management framework.

Environmental Management Policy

BNK Busan Bank

ISO 14001 Environmental Management System Certification

ISO 50001 Energy Management System Certification

Governance

In Focus

Building and Advancing ESG Disclosure System

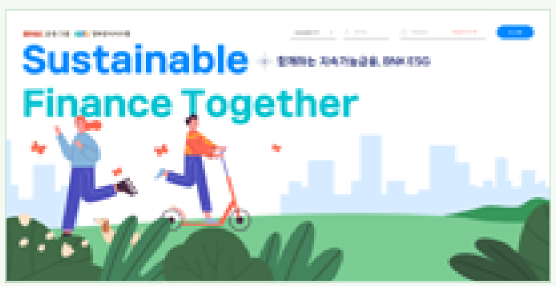
BNK Financial Group established its ESG Data Platform in 2023, enabling us to collect and manage not only Scope 1 and 2 emissions but also Scope 3 emissions, including purchased goods and business travel. For the accurate calculation of financed emissions (Scope 3, Category 15), we built a dedicated system applying the PCAF methodology, managing data asset-by-asset and continuously updating external emission factors to raise accuracy and reliability.

Establishing an ESG Data Disclosure System

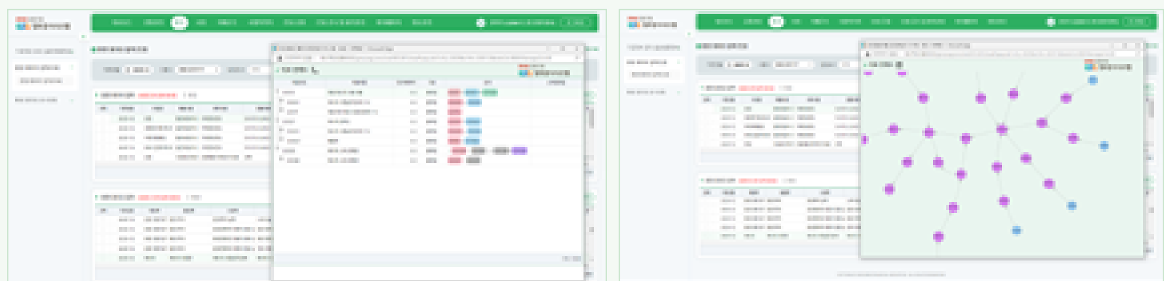
In February 2026, BNK Financial Group established its ESG Data Disclosure System as part of our effort to expand data management coverage from environmental metrics to include social and governance areas. This system consolidates scattered ESG data across subsidiaries and departments into a single platform for integrated management. It relies on documented evidence for data input and verification, thereby elevating the consistency and reliability of disclosures. The system also minimizes risks of errors and repetitive corrections while ensuring consistency in responses to external ESG evaluations.

Driving Automation and Efficiency in Data Management

Especially on the environmental front, BNK Financial Group leverages an RPA system to automatically collect key data, including electricity consumption, while integration with the ERP systems of our subsidiaries enhances efficiency in data collection and management. This framework enables us to quantitatively measure the Group's green business performance and strengthens monitoring of progress against our net-zero roadmap. In the years to come, we plan to manage not only GHG emissions but also data and progress against targets across the social and governance sectors in an integrated manner. With a reinforced, data-driven decision-making system, we are elevating our foundation for sustainable finance in a persistent way.



Main Interface of BNK ESG Data Disclosure System



BNK ESG Disclosure Platform - Data Input Dashboard

Strategies and Initiatives

Embedding ESG Awareness in Training

At BNK Financial Group, the Talent Development Institute drives ESG education, providing employees with training on how to put green practices into action and raise their ESG awareness. In 2025, ESG training was incorporated into courses for promotees and onboarding programs for newcomers, as well as group training for all employees. Furthermore, employees have access to eco-friendly educational programs such as ‘Financial ESG Guide’ and ‘Financial ESG Investment and Valuation,’ operated by the Korean Banking Institute (KBI), at any time.

In addition, to help employees better understand ESG and strengthen their practical competencies, we provide ESG cyber content via our integrated learning platform, BNK e-campus, and through KBI-TUBE, an external platform.

ESG Education Programs Provided

Category	Education Recipients	No. of Trainees	Content
Online	All employees	5,625	2025 Group ESG Cyber Education - Carbon Pricing and Emissions Trading - Biodiversity and ESG (economic value of nature), and Water Stewardship - CSR, CSV, and Social Economy - Human Rights, Labor, and the Serious Accident Punishment Act - Best Practice ESG Standard
Offline	Promotion candidates in 2025 H1	246	Leadership Course for Promotion Candidates in the First Half of 2025 - Understanding ESG Management
	New bankers in 2025	80	Group Training for 2025 New Bankers on ESG Management - Understanding ESG Management
	Busan Bank employees	22	Recent Financial Institutions’ Risk Management and ESG Issues, ESG and the Evolution of Financial Companies, ESG Guide, and ESG Class: Essential for the 2050 Energy Powerhouse
	Bank personnel responsible for ESG management	3	2025 Education Program to Nurture Green Finance Experts (Korea Environmental Industry & Technology Institute) Busan Bank and Kyongnam Bank

Instilling Green Culture throughout the Organization

In response to government policies addressing the resource security crisis and mitigating carbon emissions, BNK Financial Group has conducted energy-saving campaigns across all subsidiaries. These include implementing the five-day vehicle rotation system and encouraging public transportation, adhering to appropriate indoor temperatures, and minimizing electricity consumption, all of which have improved energy efficiency. By facilitating the use of video conferencing, we have reduced the frequency of business travel to curtail indirect energy use. Together, these efforts, embraced by all employees, have come to instill an energy-saving culture throughout our organization.

BNK Financial Group Green Campaign

Subsidiary	Campaign
BNK Busan Bank	• Innovate the way of working in an eco-friendly manner through digital transformation (Bancassurance digital counter service) • Cut down on paper consumption (Minimize reports and printouts, promote paperless account openings) • Switch off branch signage and Headquarters lights overnight, and promote public transportation use campaigns
BNK Kyongnam Bank	• BNK Earth Hour Campaign • Together Green Training Center, We Go Paperless
BNK Capital	• Energy-saving campaigns - Implement five-day vehicle rotation system, and encourage the use of public transportation - Optimize electricity use at offices and facilities (observing the recommended indoor temperatures, turning off lights, etc.)
BNK Securities	• Weekly ESG campaigns - Encourage employees to use their own tumblers, power down office equipment when not in use, and minimize unnecessary printing, etc.
BNK Savings Bank	• Reduce single-use items - Encourage employees to use tumblers instead of paper cups, utilize umbrella water removers, and prioritize recycled or eco-friendly products over conventional ones • Build a paperless work environment • Utilize eco-friendly business vehicles
BNK Asset Management	• Energy-saving campaigns - Implement five-day vehicle rotation system, and promote public transportation use - Incorporate energy-saving habits into daily routines (follow efficiency standards such as indoor temperature control and switching off lights)
BNK Venture Capital	• Adhere to appropriate indoor temperatures (Summer: 26°C, Winter: 20°C) • Switch off lights in empty conference rooms as part of efforts to reduce unnecessary electricity use
BNK Credit Information	• Day of using individual tumblers (every Wednesday)
BNK System	• Save, Share, Exchange and Reuse campaign • Put into practice paperless operations through the Paper-Zero campaign • Carry out an Eco-Challenge with family members • Utilize eco-friendly recycled copy paper and transition to green business fleets • BNK System’s Green Day’ at the IT Center (first Friday of each month)

Strategies and Initiatives

Transition to Low- and Zero-Emission Fleets

As part of its effort to reduce carbon emissions, BNK Financial Group has been transitioning into green business fleets.

We aim to achieve 100% transition to eco-friendly vehicles, thereby accelerating GHG emissions reduction and ramping up our green management. Busan Bank converted 3 out of 381 vehicles into electric vehicles (EVs) and 269 into hybrid vehicles. BNK Securities replaced 7 out of 39 vehicles with hybrids, and plans to convert expiring and newly purchased vehicles into eco-friendly ones.

BNK Savings Bank has replaced 13 of 19 cars with low-emission vehicles as of December, and will convert 2 more into hybrids in 2026. Meanwhile, BNK System converted its 3 business vehicles into environmentally friendly models in 2025, while replacing internal combustion vehicles with green alternatives as their long term rentals reached maturity.

Eco-Friendly Vehicle Share in 2025

Subsidiary	Eco-friendly Vehicles		No. of Business Vehicles (C)	Ratio of Eco-Friendly Vehicles (D=(A+B)/C)
	No. of Zero-Emission Vehicles[1] (A)	No. of Low-Emission Vehicles[2] (B)		
BNK Financial Group	1	5	22	29%
BNK Busan Bank	3	269	381	71%
BNK Kyongnam Bank	6	1	222	3%
BNK Capital	1	19	51	39%
BNK Securities	-	7	39	18%
BNK Savings Bank	-	13	19	68%
BNK Asset Management	-	-	-	-
BNK Venture Capital	-	4	7	57%
BNK Credit Information	-	-	3	-
BNK System		11	15	73%

1) EVs, 2) Hybrid Vehicles

Buildings Equipped with Energy-Efficient Features

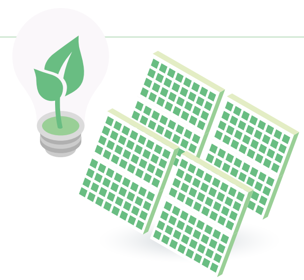
When it comes to construction, BNK Financial Group ensures the use of green-certified building materials, high-efficiency equipment, and electrical systems. The Mium IT Center is the best example of this, equipped with LED lighting and powered by renewable energy sources, including geothermal heat pumps and fuel cells. It also features inverter equipment that achieves real reductions in power consumption, hybrid lighting systems, and other high-efficiency energy facilities.

Solar Power Output

Electricity Generation by Subsidiaries

Mium IT Center
141,933 kWh

BNK Busan Bank (9 Branches)
287,271 kWh



Driving Sustainability with 'GoGreen Plus' Service

BNK Financial Group joined DHL's GoGreen Plus program, committing to the wider use of sustainable aviation fuel (SAF). This program is a green logistics service capable of mitigating GHG emissions by up to 80% on a lifecycle basis compared to conventional jet fuel. The program operates by having clients share a portion of the costs to support the adoption of SAF.

In 2024, Busan Bank and Kyongnam Bank became the first domestic banks to join this service, demonstrating their consistent commitment to reducing carbon emissions in transportation.

GHG Reduction Achieved through GoGreen Plus Program

BNK Busan Bank 3.20 tCO_2eq

BNK Kyongnam Bank 0.68 tCO_2eq

Strategies and Initiatives

Our Actions for Biodiversity Conservation

On 'BNK Corporate Social Responsibility (CSR) Day,' BNK Financial Group carried out environmental cleanup and ecosystem preservation activities together with its employees.

BNK Busan Bank

Preserving Ecosystems, Cultivating Green Spaces

Aiming to preserve local environments and create sustainable value, Busan Bank has carried out a variety of initiatives. The establishment of the 'Busan Bank Corporate Garden,' a 621㎡ space created around the Nakdong River Samnak Ecological Park, testifies to its commitment. The garden hosts 2,740 native plants, including nationally protected species such as Aster koraiensis and Aster yomena, along with Pusan spike speedwell, Korean chrysanthemum, and Anemone hupehensis. It offers citizens a place to rest while supporting local ecosystem conservation.
In addition, BNK Financial Group has regularly conducted environmental cleanup activities across diverse regions, including ongoing plogging campaigns.

BNK Kyongnam Bank

Laying the Groundwork for Wetland Biodiversity and Carbon Absorption

With the objective of preserving biodiversity and contributing to the achievement of Net-Zero, Kyongnam Bank is undertaking a project to restore Suaeda japonica habitats in the Bongam Tidal Flat, designated as Wetland Protection Area No. 10.
Beginning with a one-year pilot project in 2025, the initiative has been scaled up in phases according to a mid- to long-term plan. The goal is to restore a healthy ecosystem and enhance carbon absorption by reintroducing Suaeda japonica, which had disappeared due to environmental pollution.
Suaeda japonica is a representative blue carbon halophyte, alongside eelgrass and reeds among coastal plants, playing a critical role in strengthening the tidal flat's capacity to store and absorb carbon. Kyongnam Bank has planted 1,200 Suaeda japonica in an area of 185.8㎡ around the artificial island of the Bongam Tidal Flat, following approval from the Ministry of Oceans and Fisheries. The project is now at the stage of verifying the possibility of natural growth and spread.

Restoring Fire-Affected Regions for Nature and Community

Kyongnam Bank has provided various forms of support for the restoration of areas damaged by the wildfire in Sancheong and Hadong in March 2025. The affected area spanned approximately 3,397 hectares, equivalent to about 4,800 football fields. To help recover the environment, the bank created 'BNK Garden for Hope' along Jirisan-daero in Sicheon-myeon, Sancheong-gun, one of the most severely damaged regions. The garden also serves as a resting space for local residents.
Covering 380.1㎡, the Hope Garden is designed to restore both ecological functions and scenic value. It includes plantings of various herbaceous species such as Korean lawn grass and festuca glauca, as well as trees, shrubs, and flowering plants. This project goes beyond environmental restoration, symbolizing 'regeneration and recovery' in the wildfire-affected area while contributing to the healing of the local community.

Strategies and Initiatives

Initiatives to Cut Resource Consumption

BNK Financial Group has cut down on paper usage through digital transformation across its operations while also promoting resource circulation through diverse initiatives. These include issuing cards made from environmentally friendly materials, running upcycling campaigns, and signing agreements with local governments. All these combined efforts have delivered tangible results such as waste reduction, heightened environmental awareness among employees, and contributions to the realization of a circular economy in partnership with local communities.

Resource Circulation Policy

Carbon Reduction through Digital Transformation

BNK Financial Group is reducing carbon emissions and conserving resources by digitizing paper-based financial documents. Kyongnam Bank has gradually replaced paper-based terms and conditions and transaction statements with electronic versions. Customers can choose to receive terms and conditions in paper, via SMS, or by email. Following prior notification, mailed statements were converted to Smart Statements for all customers except those in vulnerable groups.

Resource Consumption Reduction

BNK Busan Bank

Category	Key Initiatives	Achievements
Reduce Paper Use	Facilitated the use of electronic approval systems and digital reporting, and minimized printing	• Used 11,619 boxes of paper → Approximately 18% decline compared to the previous year (14,188 boxes) (1 box = 2,500 sheets)
Phase Out Paper Passbooks	Offered preferential interest rates to clients who open paperless accounts, and provided gifts to those who opened non-face-to-face accounts Monitored branches with high usage of paper passbooks and asked them to take corrective action	• Issued 974,128 paper passbooks → Approximately 28% decline compared to the previous year (1,359,000)
Transition to Digital Card Statements	Promoted the transition from paper statements to smart statements	• Completed 72,222 transitions

Upcycling for Resource Circulation

BNK Financial Group BNK Busan Bank BNK Kyongnam Bank

Category	Key Initiatives
Formulation of Resource Circulation Policy and Expansion of Green Product Procurement	• Established the policy for resource circulation in 2024 • Enlarged the procurement of environmentally friendly goods (supplies and customer items), refrained from single-use products, and reduced waste generation
Issuance of Eco-Friendly Cards	• Expanded the issuance of cards made from recycled plastic (R-PVC) and PVC-free synthetic resin (BIG) (Target cards: DingDing Credit Card, Dongbaekjeon, Today's e Card, and Green Card) • Operated the 'Green Card,' granting eco-money point benefits linked to energy use reductions
Operation of In-House Resource Circulation Platform	• Operated the 'Carrot Center' board to facilitate resource circulation and maximize the use of idle supplies within the bank • Promoted the sharing of unused office supplies at branches to reduce new purchases and boost recycling
Partnerships with Local Communities for Resource Circulation	• Signed the agreement 'Together with Public Agencies, Emptying, Sharing, and Filling' • Concluded a business agreement with Gyeongsangnam-do on resource circulation, employees collected waste electronics (monitors, massage chairs, vacuum cleaners, etc.) and donated them to the e-Circulation Governance initiative while sponsoring the production of disposable container collection boxes for public facilities such as the Gimhae Self-Sufficiency Center

Metrics and Targets

Green Management Performance Metrics

Category		Unit	Performance
GHG Emissions (Scope 1 and 2)		tCO_2eq	28,234
Energy Consumption		TJ	574
Water Consumption		Ton	175,567
Waste Generation[1]		Ton	182
Material Consumption	Copier Paper	Ton	351
	Credit Cards[1]	ea	988,847
	Passbooks[1]	ea	645,600

1) Combined value of Busan Bank and Kyongnam Bank

Green Management Targets

BNK Financial Group

Three-Year Results vs. Targets in Energy Consumption

(Unit: TJ)

Category	2025	2026	2027
Reduction Targets	551	516	482
Performance (Usage)	574	-	-

Strategies and Initiatives

Global Environmental Initiatives

We are committed to living up to global standards in ESG management, having joined seven international initiatives. These commitments have elevated our role as a regional financial institution and expanded our contribution to tackling climate change, ultimately helping to unleash sustainable finance.

Our Commitment to Global Initiatives

July 2020

UNGC (UN Global Compact)

UNGC-based management

By joining the UNGC, we have embedded its ten principles, spanning human rights, labour, environment, and anti-corruption, into all our operations, and disclosed our progress through the publication of sustainability reports.

May 2021

TCFD (Task Force on Climate-Related Financial Disclosures)

Reinforcement of capabilities to disclose TCFD climate data

In 2024, we enhanced the reliability and transparency of climate related disclosures by publishing our first climate report aligned with TCFD recommendations.

March 2022

CDP (Carbon Disclosure Project)

Response to CDP

Since signing the CDP Investor Initiative in 2021, we have managed climate-related risks and refined our disclosure framework, culminating in our attainment of a Leadership A- rating in 2026.

March 2022

UNEP FI (United Nations Environment Programme Finance Initiative)

UNEP FI-based activities

As a signatory to UNEP FI, we have incorporated ESG guidelines into our operations, including the Principles for Responsible Banking, strategies for sustainable finance, advancements in risk management, climate action, expansion of sustainable investments, and strengthened ESG risk management.

March 2022

SBTi (Science Based Targets initiative)

SBTi-based GHG reduction targets established

In 2024, we set SBTi-approved reduction targets aligned with the Paris Agreement. Specifically, we established a 42% reduction target for Scope 1 and 2 emissions by 2030, a 35% mitigation target for Scope 3 emissions, and committed to achieving net-zero between 2045 and 2050.

March 2022

PCAF (Partnership for Carbon Accounting Financials)

PCAF-Based Financed Emissions Calculation

We collect emissions data by asset class following the PCAF methodology, and we regularly update external emission factors to ensure accuracy in our calculations.

March 2022

UN PRB (Principles for Responsible Banking)

UN PRB-based activities

Since joining the UN PRB, continuous improvement has been vigorously advanced through impact analyses, self assessments, target setting for priority areas, systematic implementation, and the annual release of implementation reports.

2020 2021 2022

Strategies and Initiatives

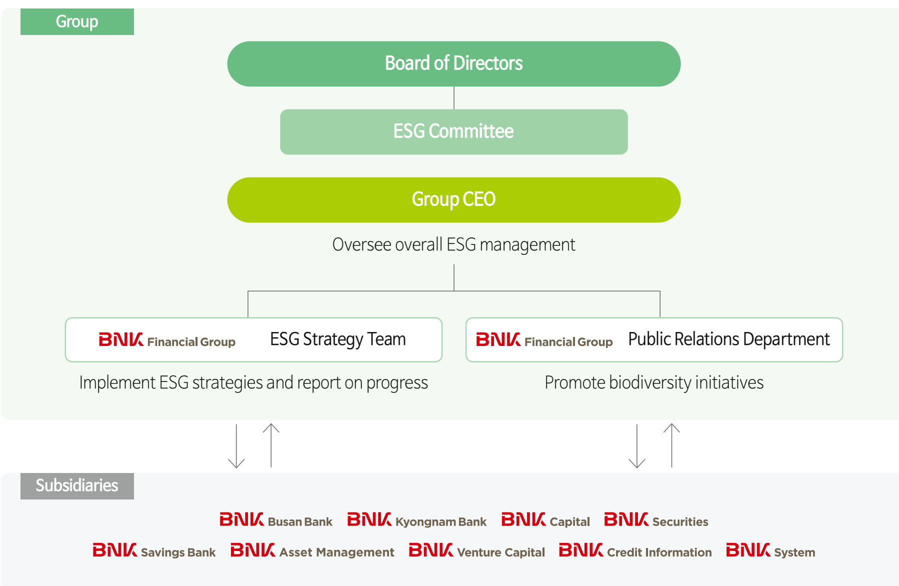
Assessing Impacts on Natural Capital (TNFD)

Governance and Policy for Biodiversity

BNK Financial Group has incorporated key environmental issues, including biodiversity, into its governance framework for integrated environmental management. On biodiversity issues, the ESG Strategy Team, a dedicated ESG unit, collaborates with the Public Relations Department to address relevant tasks in close cooperation with the involved subsidiaries.

Starting in 2024, we established and executed our biodiversity policy, which defines the fundamental principles of sustainable financial activities and governs their implementation. Across the full spectrum of our business management, we adhere to rules that preserve nature and ecosystems, safeguard biodiversity, and avoid operating in areas designated as critical habitats. In addition, we actively participate in discussions within the global biodiversity framework while managing related risks that may arise in the course of corporate lending and investments in a structured manner.

Biodiversity Policy



Comprehensive Assessment of Nature Dependencies, Impacts, Risks, and Opportunities

BNK Financial Group efficiently manages nature-related risks and opportunities across our operations and client portfolio, promoting stable and sustainable growth for the Group. We also provide stakeholders with key data, including strategies, risks, and opportunities related to biodiversity, in a transparent manner.

In alignment with this approach, we selected Busan Bank's green business investment cases with potential financial implications to assess our dependencies and impacts on natural capital, and to identify risks and opportunities stemming from them. This assessment leveraged the LEAP (Locate - Evaluate - Assess - Prepare) methodology proposed by the TNFD. The target projects were the 'Sinan-Ui Offshore Wind Farm' and the 'Construction of a Hydrogen Production Facility in the Onsan Industrial Complex, Ulsan.' For each project, the impacts and dependencies on nature, along with the subsequent risks and opportunities, were comprehensively analyzed. The details of this analysis, including background and outcomes, are available in our 'Special Report-TNFD.'

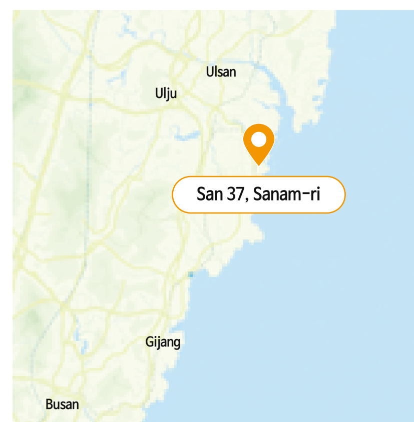
Special Report-TNFD

Case 1

Sinan-Ui Offshore Wind Farm

Case 2

Construction of a Hydrogen Production Facility in the Onsan Industrial Complex, Ulsan



Strategies and Initiatives

Assessing Impacts on Natural Capital (TNFD)

Case 1

Sinan-Ui Offshore Wind Farm

BNK Busan Bank

The Sinan-Ui Offshore Wind Farm is a large-scale project with a capacity of approximately 390MW, located in the waters off Sinan, Jeollanam-do. This initiative was launched as the 'National Growth Fund No. 1 Project', combining policy finance and private capital. It represents a major infrastructure investment with a stable revenue structure, supported by long-term power sales contracts. Leveraging its extensive experience in marine finance, Busan Bank has participated in this project as part of the lenders, expanding financing capacity. We expect this project to contribute to job creation and the revitalization of related industries.

Identifying and Measuring Natural Capital Dependencies and Impacts

Dependencies on Natural Capital

Natural Capital	Main Ecosystem Services Relied Upon by Business	Nature of Dependency	Dependency Level
Water Resources	• It regulates water levels, including river flows, groundwater, and lakes, manages circulation, and purifies water resources.	• Water consumption and discharge • Cooling systems to prevent equipment overheating	Low
Atmosphere	• Carbon storage and absorption regulate atmospheric conditions, supporting climate stability (temperature, rainfall, and wind patterns).	• Efficient power generation and equipment reliability supported by stable temperature and climate conditions	High
Shoreline Systems	• Coastal features such as coral reefs, sandbars, and dunes protect shorelines and mitigate the impact of tidal surges and storms.	• Protecting facilities and equipment from physical risks	Medium
Seafloor Topography	• Marine shelves and seabed slopes form natural structures that help mitigate environmental impacts from pollutants and algal blooms.	• Providing essential infrastructure (plant foundations, subsea cable installation, etc.)	Medium

Impacts on Natural Capital

Natural Capital	Impacts of Our Business Operations on Key Ecosystems		Impact Level
Atmosphere	Positive Impacts	• Reduce GHG emissions through green energy generation	High
Land & Water Resources	Positive Impacts	• Lessen environmental burdens, including water consumption, soil damage, and ecosystem disruption, by replacing fossil fuel-powered generation, such as coal, oil, and natural gas	High
Land & Water Resources	Negative Impacts	• Cause contamination of water and soil by discharging oils or other waste during maintenance	Low
Biological Species	Negative Impacts	• Disrupt biological populations due to structure installation, noise, and vibration • Induce ecological changes such as species' habitat relocation or migration path shifts	Medium
Seafloor Topography	Negative Impacts	• Alter seafloor topography or ocean currents owing to construction or occupied area	Medium

Identifying and Managing Business Risks and Opportunities

Key Risk Management

Category	Risks	Our Responses to Risks
Physical Risk	Suffer infrastructure damage and declining generation efficiency from climate extremes (scorching heat, heavy precipitation, floods, etc.)	• Conduct regular monitoring of facilities • Take climate action alongside activities to preserve ecosystems
	Degrade ecosystems and natural scenery, including marine and coastal habitats	• Carry out pre-investigation of areas prone to environmental and ecological impacts, and establish a management process • Apply methodologies that minimize impacts on natural environments
Reputation Risk	Earn negative reputation from environmental groups and local communities due to biodiversity loss and concerns about habitat disturbance	• Adopt sustainable practices in construction and operation to protect species • Ensure transparency through active communication and data disclosure
Policy & Legal Risk	Face tightened regulations coupled with growing management demands, creating additional burdens for compliance	• Proactively put in place an environmental management system that complies with international standards and embraces best practices • Formulate adaptive strategies to address evolving regulations by managing potential impacts

Key Opportunity Management

Category	Opportunities	Our Responses to Opportunities
Resource Efficiency	Ease natural capital burdens by replacing fossil fuels	• Monitor effects of reducing impacts on natural capital through energy transition • Set targets for expanding eco-friendly businesses in the portfolio to manage reductions in natural capital burdens in a structured way
Products and Services	Scale up green investments and expand opportunities for financial services	• Diversify sustainable finance portfolio through the development of green finance products and services • Draw up strategies to attract investments in sustainable finance and gain a competitive edge in the market
Reputation Improvement	Enhance stakeholder reputation through climate action and ESG performance	• Disclose climate action and ESG evaluation activities in a transparent manner • Report sustainable management and strengthen external communication

Strategies and Initiatives

Assessing Impacts on Natural Capital (TNFD)

Case 2

Hydrogen Production Facility Construction in the Onsan Industrial Complex, Ulsan

BNK Busan Bank

The hydrogen production plant in Onsan is a specialized facility dedicated to producing hydrogen for industrial purposes. It is being constructed within the Onsan Industrial Complex in Ulju-gun, Ulsan, and is slated for completion in 2026. This facility will be the largest of its kind in Korea, with a production capacity of 92,000 N㎥, surpassing other commercial hydrogen production sites nationwide. Going forward, the hydrogen generated here will be utilized for manufacturing across a diverse spectrum of industries, including semiconductors, electrical and electronics, steel manufacturing, and petrochemicals.

Identifying and Measuring Natural Capital Dependencies and Impacts

Dependencies on Natural Capital

Natural Capital	Main Ecosystem Services Relied Upon by Business	Nature of Dependency	Dependency Level
Fossil Fuels	• Energy supply (Methane)	• Utilize natural gas as a primary feedstock with partial use for power generation	High
Water Resources	• Steam supply, heat absorption, cooling, and water purification (freshwater, seawater)	• Provide water essential to the steam methane reforming process, and buffer discharged water	High
Atmosphere	• Pollution dispersion and dilution (regulating service), and atmospheric stability	• Discharge carbon dioxide into the atmosphere, and use nitrogen during the process	Medium
Land	• Physical support	• Ensure facility stability by serving as a foundation	Medium

Impacts on Natural Capital

Natural Capital		Impacts of Our Business Operations on Key Ecosystems	Impact Level
Atmosphere	Positive Impacts	• Contribute to energy transition by replacing fossil fuels with hydrogen, and reduce carbon dioxide emissions and air pollution over the long term	High
Atmosphere	Negative Impacts	• Increase GHG emissions during the process owing to partial discharge of uncollected carbon dioxide	High
Water Resources	Negative Impacts	• Consume large volumes of water for steam generation and cooling (increasing burdens on streams and groundwater) • Affect aquatic ecosystems through potential changes in seawater temperature caused by heat impacts	Medium
Land	Negative Impacts	• Occupy industrial sites and infrastructure (limited impacts by utilizing existing industrial complexes)	Low

Identifying and Managing Business Risks and Opportunities

Key Risk Management

Category	Risks	Our Responses to Risks
Policy & Legal Risk	Face rising costs stemming from potential environmental regulations and policy changes (stricter rules on carbon emissions and air pollution, supply chain risks, and tighter water resource regulations)	• Expand CCS & CCU, advance low-carbon transition, and manage carbon accounting (Scope 1 - 3) in an integrated manner • Secure long-term contracts for natural gas sourcing, while diversifying supply chains • Establish water reuse systems and expand circulating water use
Physical Risk	Experience production limits and higher operational expenses resulting from changes in natural capital (water scarcity and competition, climate change, and risks associated with coastal locations)	• Reuse industrial water • Optimize seawater cooling efficiency and design processes based on climate scenarios • Strengthen coastal facility resilience
Reputation Risk	Encounter restricted access to investment and markets due to shifting ESG perceptions among investors and local communities (greenwashing controversies, limited ESG investments, and community grievances)	• Enhance TNFD-based disclosure of nature-related impacts and transparently report CCUS performance data • Apply precise definitions of low-carbon hydrogen, and develop strategies aligned with ESG rating requirements • Operate local community councils and expand renewable energy integration

Key Opportunity Management

Category	Opportunities	Our Responses to Opportunities
Market Change	Growing hydrogen demand and expansion of the CCU market	• Secure long-term demand contracts, strengthen hydrogen price competitiveness, and establish integrated supply chains • Convert carbon into revenue assets (commercialization), and capture high-value clients
Regulatory Compliance	Proactive response to evolving carbon regulations	• Design structures that minimize ETS costs, while ensuring transparency in carbon accounting
Operational Efficiency	Optimized resource efficiency and synergy created within industrial clusters	• Enhance resource circulation within industrial complexes across hydrogen, heat, and carbon dioxide • Integrate energy and material flows under unified management to improve environmental efficiency across the industrial ecosystem

Strategies and Initiatives

Assessing Impacts on Natural Capital (TNFD)

Biodiversity Risk Management in Domestic and Overseas Operations

Leveraging the Biodiversity Risk Assessment Tool developed by WWF, BNK Financial Group conducted comprehensive evaluations across domestic and overseas business sites (including branches, offices, and subsidiaries). The assessment classified biodiversity-related risks into physical, reputation, and policy and legal categories. For overseas sites, results were measured on a five-point scale with five representing the highest risk level. The scores were 3.63 in physical risk, 2.89 in reputation risk, and 3.24 in policy and legal risk. In China and Vietnam, physical risk emerged as the primary one while in Myanmar policy and legal risk ranked highest due to the absence of regulations.

Physical risks registered 3.86, reputation risks 2.38, and policy/legal risks 3.25, indicating relatively high exposure in physical dimensions and low exposure in reputation. The Group proactively gauges biodiversity risk exposure across domestic and overseas hubs and formulates countermeasures alongside ongoing improvements in monitoring systems.

Establishing Targets for Nature and Biodiversity Protection

BNK Financial Group has established a mid to long term roadmap to advance its management framework for nature and biodiversity in phases. As part of this effort, we have assessed its core assets and business projects for biodiversity risks, followed by participation in relevant global initiatives and the development of a disclosure system. Going forward, the scope will expand to the full portfolio, embedding monitoring and performance management systems. A KPI driven framework will underpin continuous enhancement of biodiversity management capabilities.

Medium- and Long-Term Targets for Nature and Biodiversity

BNK Financial Group

~2026 — Laying the groundwork for nature and biodiversity management

- Assess key tangible assets and business projects at home and abroad to analyze biodiversity risks
- Join global biodiversity initiatives and establish a disclosure system
- Define BNK Financial Group's role in meeting the targets of the Kunming-Montreal Global Biodiversity Framework (GBF)[1)]

~2028 — Broadening application and embedding the management system

- Analyze dependencies and impacts of major business portfolios on nature, and broaden the scope of coverage in phases
- Embed regular monitoring of nature-related risks and opportunities, and establish a performance management system

~2030 — Upgrading the management framework and driving business outcomes

- Take the internal risk management framework for nature and biodiversity to higher levels
- Develop opportunity management structures connected to sustainable revenue streams
- Establish a KPI management system for risk and opportunity oversight

1) Kunming-Montreal Global Biodiversity Framework (GBF): Adopted in 2022, it is an international biodiversity agreement that aims to halt biodiversity loss by 2030 and to achieve the 2050 Vision of living in harmony with nature.

Governance

ESG Financial Policy

With the purpose of fulfilling its environmental and societal accountability through finance, and embedding the core values of sustainability, BNK Financial Group has formulated its ESG Financial Policy. Guided by this policy, we have integrated ESG elements into all areas, including products, services, loans, and investments, beyond the management system, which clearly demonstrates our structured approach to sustainable finance. Furthermore, we seek to nip in the bud the spread of risks posed by environmental and social issues into finance while laying a stable foundation for long-term financial resilience. This policy applies to all financial services and products of the Group, including loans, project financing, and investments, serving as critical criteria for sustainable finance implementation and providing consistent ESG financial guidance across the whole organization.

In particular, BNK Financial Group has given concrete shape to its ESG management system anchored in this policy, tailoring it to the nature of each subsidiary's business operations, thereby infusing sustainable finance throughout the Group.

BNK Financial Group ESG Financial Policy

ESG Financial Policy

Area	Detailed Guidelines
Loans	• Develop ESG loan products and services and expand inclusive finance (by lending more support to small business owners, marginalized groups, and financially vulnerable populations) • Unpack risks and assess them through the integrated management of ESG elements alongside financial and non-financial risks • Allow refusal or suspension of transactions when critical ESG risks are identified • Guide clients toward better ESG performance by reviewing ESG risks and opportunities
Deposits	• Develop deposit products and services designed to contribute to achieving environmental and social goals • Provide environmentally friendly and inclusive financial offerings across products and services • Communicate potential risks and opportunities stemming from products and services with clients and stakeholders in a transparent manner
Bonds	• Launch ESG bonds to channel financing toward renewable energy, socially vulnerable groups and low income groups • Apply a management system in which finances raised from ESG bonds are assessed to identify their use, target businesses are evaluated and selected, funds are managed, and follow-up reports are prepared • Inform investors transparently of the status of ESG bond funds and their economic, environmental, and social impacts (via our official website or the Socially Responsible Investment Bonds website) • Align the management framework with the Green Bond Guidelines, the K-Taxonomy Guidelines, and the International Capital Market Association (ICMA) Guidelines
Project Financing	• Conduct regular reviews of project risks and operate monitoring systems
Investment	• Analyze all investment activities for their environmental and social risks while broadening assessment coverage • Engage and communicate with investee companies to support their ESG improvement

Environmental and Social Risk Management Policy Framework

Guided by the 'Environmental and Social Risk Management Policy Framework' established in 2024, we take into account the impacts of financial institutions' business operations on the environment and society, and manage them to ensure proactive oversight of diverse potential risks on the environmental and social front. The Best Practice applies to all products and services (including corporate loans, retail banking, private banking, investment banking (IB), project finance, and asset management) offered by BNK Financial Group and its financial subsidiaries.

In particular, when an ongoing project is considered to fall under the exclusion or watchlist areas in sectors such as agriculture, power generation, mining, oil and gas, or forestry, we grant binding authority to suspend operations related to loans or investments as part of our risk management framework.

Environmental and Social Risk Management Policy Framework

We adhere to the following principles for environmental and social risk management.

- We recognize the importance of environmental and social risk management for sustainable growth.
- We recognize environmental and social risks and operate measurement and management systems to incorporate these risks into our investment and credit decision-making.
- We select sectors with significant negative environmental and social impacts as exclusion or watchlist areas and manage them accordingly.
- We assess the environmental and social impacts of largescale development projects. If significant negative impacts are identified through assessments, we develop measures to mitigate these impacts to reduce relevant risks.
- We transparently disclose key policies relating to environmental and social risk management to proactively communicate with stakeholders.
- We raise awareness of environmental and social risks through engagement and training targeting all employees and strive to enhance their risk management capabilities.

Governance

ESG Finance Classification System

In 2024, BNK Financial Group forged its ESG finance classification system, which applies to all financial products of the Group, and has been operated in a systematic manner. This system categorizes financial products into environmental, social, and governance (ESG) areas, while setting aside integrated products that span the entire ESG spectrum. This approach enables customized management according to the characteristics of each product.

Furthermore, we ensure the incorporation of revisions to the K-Taxonomy into our system on a regular basis while reviewing our classification standards in line with the evolving market environment and expanding their scope. These efforts allow us to get a firm grip on the contribution level of financial products to ESG, while solidifying the efficient management of sustainable finance assets.

Category	Classification Criteria	Classification
Green Financial Products	K Taxonomy	Low-carbon products Green transportation industry Green energy industry Green building and construction Green infrastructure Biodiversity conservation Eco-friendly R&D Integrated green initiatives
Social Financial Products	EU Social Taxonomy draft and ICMA Social Bond Principles	Local economy revitalization Preferential products for financially vulnerable groups Social basic services and infrastructure Social enterprises Integrated social finance
Governance Financial Products	Functions and features of governance-related financial products provided by financial subsidiaries	Enhancing shareholder value Improving governance structure
Across all ESG dimensions		Integrated ESG

ESG-Integrated Investments

In adherence to the ESG Financial Policy, BNK Financial Group has incorporated ESG elements into the financial products and investments of its major subsidiaries, thereby pushing back the boundaries of sustainable finance. Taking advantage of an ESG checklist, Busan Bank and Kyongnam Bank assess the performance of companies across environmental, social, and governance domains. Loans or investments are approved only when these requirements are met. If a company falls short of the standards, we consult external advisors to complement the decision-making process.

On top of that, we have institutionalized the practice of setting the proportion of fund inclusion according to each company's integrated ESG rating. This approach demonstrates our investment decision-making system, which embraces not only financial aspects but also ESG considerations.

Preferential Benefits for High-Performing Companies in ESG

BNK Financial Group offers financial products that provide preferential benefits linked to companies' sustainable management performance.

Through ESG assessments, we identify firms with high sustainability value and deliver differentiated financial advantages tied to their ESG achievements. This expands the ecosystem of sustainable finance while actively supporting companies that excel in ESG performance.

ESG Assessment Criteria for Sustainable Finance Incentives

Assessment Dimensions	Assessment Criteria	Preferential Benefits
Environmental	Environmental management certifications covering climate change, water pollution, waste management, and related accreditations	Preferential interest rates for companies with outstanding environmental management performance
Social	Provision of social services for vulnerable groups, including low-income individuals, persons with disabilities, and elderly groups	Financial benefits to social value creators
Governance	Protection of shareholders' rights and operation of the Board of Directors in accordance with the OECD Principles of Corporate Governance and the Corporate Governance Code	Preferential financial products for companies that excel in governance

Strategies and Initiatives

Green Products

Green Card Issuance and Eco Money Incentives

Busan Bank contributes to lessening plastic consumption by issuing eco-friendly cards made with sustainable materials, including the Dongbaekjeon Card, Today's e-Card, Green V2 Card, and DingDing Credit Card. From 2023 to 2025, the Bank issued more than 534,000 eco-friendly cards, including approximately 136,000 in 2025 alone, contributing to the expansion of eco-friendly financial products and the promotion of sustainable consumption. Busan Bank also operates the Green Card program, which incorporates the Eco Money rewards system to encourage green lifestyles and sustainable consumption. In 2025, Busan Bank issued about 9,000 new Green Cards and awarded about KRW 2.1 billion in Eco Money rewards, encouraging customer participation in environmentally responsible activities and supporting carbon neutrality efforts.

Kyongnam Bank contributes to reducing plastic consumption by issuing the Anywhere Green Card, which is made using recycled PVC materials. In 2025, the Bank issued 1,287 Green Cards, contributing to the wider adoption of eco-friendly financial products. The Bank also operates the Eco Money rewards program linked to the Green Card, providing benefits for environmentally responsible activities such as purchasing eco-friendly products and participating in the carbon neutrality points program. In 2025, Kyongnam Bank awarded about KRW 430 million in Eco Money rewards, supporting the expansion of sustainable consumption and the practice of carbon neutrality.

Green Card and Eco Money Benefits

BNK Busan Bank BNK Kyongnam Bank

Category	Product / Service	Description
Green Cards	DingDing Credit Card, Dongbaekjeon, Today's e-Card, Green Card V2, Anywhere Green Card	• Issue eco-friendly cards made from recycled PVC (RECYCLE PVC) materials to help curb plastic consumption
Eco Points	Green Card	• Accumulate Eco Money points based on reductions in electricity, water, and city gas consumption • Award points for purchases of eco-friendly products at a specified percentage of the purchase price, with accumulated points redeemable for cash conversion, public transportation payments, environmental donations, etc.
K-Pass Card[1]	K-Pass Card	• Support the adoption of green mobility and greater use of public transportation

1) Applicable to Kyongnam Bank only

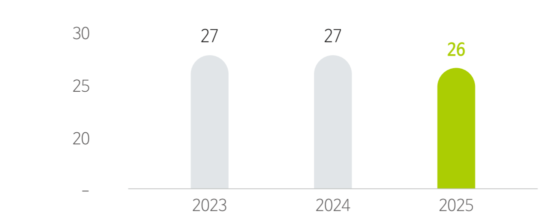
Support for Green Mobility Adoption

BNK Kyongnam Bank

Kyongnam Bank launched the K-Pass Card in February 2026, offering a 15% discount on public transportation fares and a 10% discount on the use of green mobility services, including Nubija (Changwon), Ttareungi (Seoul), Eoulling (Sejong), and EV charging services. Following its launch, the Bank has continued to promote the card through marketing initiatives, including a KRW 10,000 cashback benefit for customers who spend more than KRW 30,000 on transportation fares using the K-Pass credit card. Through these efforts, Kyongnam Bank actively encourages financial consumers to adopt environmentally friendly transportation options.

Eco Points Awarded[1]

(Unit: KRW 100 million)



1) Based on data from Busan Bank and Kyongnam Bank

Key Benefits of Green Card


- Earn Eco Money with an eco-friendly rewards card
- Earn Eco Money on purchases at domestic merchants
- Earn Eco Money when using public transportation
- Receive additional Eco Money rewards for purchases in selected spending categories

Key Benefits of K-Pass Card

- Enjoy mobility discounts
- Save 15% on public transportation fares
- Save 10% on eco-friendly mobility services
- Save 5% on mobile communication charges, and more

Strategies and Initiatives

Green Loans

Busan Bank and Kyongnam Bank are facilitating the transition to a low-carbon economy by providing financing for renewable energy and low-carbon infrastructure projects, solar energy, natural gas infrastructure, and low-carbon transportation. Through financial support for solar photovoltaic facilities, natural gas supply infrastructure, and the adoption of eco-friendly vehicles, the two banks contribute to the transition from a fossil fuel-based energy structure to a lower-carbon economy while promoting both GHG reduction and the expansion of green infrastructure within local communities.

The banks also provide financing for energy efficiency improvements, climate tech companies, resource circulation initiatives, and environmental improvement projects, encouraging GHG emissions reduction and pollution mitigation across industrial sectors. Through these initiatives, we support corporate investments in green facilities and the adoption of low-carbon production systems, while helping lay the foundation for a more sustainable and resilient regional economy.

Green Loan Products

Category	Description	Related Products
Renewable energy and infrastructure transition	Solar energy, low-carbon transportation, and low-carbon energy infrastructure	• Busan Bank: solar power facility loans, eco-friendly bus financing, natural gas financing • Kyongnam Bank: solar ECO corporate loans, natural gas financing, eco-friendly vehicle adoption financing
Energy efficiency & low-carbon transition	Energy conservation, environmentally friendly manufacturing processes, and carbon emissions reduction	• Busan Bank: energy efficiency financing, preferential loans for green businesses • Kyongnam Bank: energy efficiency financing, E-Green Loan, carbon reduction and carbon neutrality project financing
Resource circulation and pollution mitigation	Recycling and environmental facility investments	• Busan Bank, Kyongnam Bank: recycling industry financing, environmental improvement financing

Carbon Reduction Technology Support and ESG Promotion

In collaboration with the Busan Metropolitan City Government and the Korea Technology Finance Corporation, Busan Bank and Kyongnam Bank operate a financing support program for climate tech SMEs, providing low-interest loans of up to KRW 500 million per company together with full support for guarantee fees. By the end of 2025, the program had provided a total of KRW 20 billion to 42 companies, expanding green finance while supporting the commercialization of carbon reduction technologies and the transition toward carbon neutrality among regional businesses. Additionally, Busan Bank offers preferential financing to ESG-leading companies, encouraging stronger environmental risk management capabilities.

In Focus

Financing Support for the Low-Carbon Energy Transition

BNK Financial Group is broadening its contribution to the clean energy transition through the nuclear power ecosystem policy finance program led by the Ministry of Trade, Industry and Energy. As participating policy finance institutions, Busan Bank and Kyongnam Bank provided low-interest loans in the 1-2% range to companies within the nuclear power ecosystem and supported financing of up to KRW 11 billion per company. Through this initiative, we contributed to strengthening the industrial ecosystem supporting low-carbon energy sources while further advancing the role of sustainable finance.

2026 Nuclear Power Ecosystem Financial Support Program

Nuclear Power Ecosystem Financial Support Program Overview

Eligible Beneficiaries	• SMEs and middle-market companies engaged in nuclear power-related businesses and recommended by the Korea Atomic Industrial Forum
Interest Rates	• Approx. 1.75% per annum in Q1 and 2.00% per annum in Q2 (as of 2026)
Use of Funds	• Facility financing: facility construction, capacity expansion, and acquisition of essential equipment • Working capital financing: procurement of raw and subsidiary materials, production activities, market development, personnel expenses, and other operating expenses

Financial Support Agreement for Future Mobility Global Expansion

Kyongnam Bank is expanding financial support for the future mobility sector through the financial support agreement for expanding the global reach of future mobility industries. The program, with a total financing capacity of KRW 30 billion, provides funding to partner companies participating in projects recommended by major corporations, including Hyundai Motor Company and Kia Corporation.
On top of that, Kyongnam Bank has raised guarantee capacity and amplified the impact of its financial support through a contribution-based structure established in collaboration with the Korea Credit Guarantee Fund. Through these efforts, we help ease financing burdens on partner companies while supporting the growth of the future mobility industry and positioning it for success in global markets.

Strategies and Initiatives

ESG Bonds

BNK Financial Group operates an ESG bond management framework aligned with both domestic and international standards, including the Ministry of Environment and Financial Services Commission's Green Bond Guidelines, K-Taxonomy, and the International Capital Market Association (ICMA) Green Bond Principles. The credibility of issued ESG bonds is reinforced through external verification by independent review providers, while proceeds are managed and allocated according to the intended use of each bond category. Following issuance, we continuously track and monitor the allocation and utilization of bond proceeds and disclose information on the economic, environmental, and social impacts of funded projects through our website and the ESG bond platform operated by the Korea Exchange, together with external review opinions. Through this framework, we have created a virtuous cycle in which proceeds raised through green bonds are reinvested into environmentally sustainable projects and financing for ESG-leading companies. On top of that, we deploy capital through investments in green bonds issued by public institutions, including Korea Electric Power Corporation (KEPCO), Korea District Heating Corporation (KDHC), and Busan Transportation Corporation, helping accelerate decarbonization across the real economy, including renewable energy, sustainable transportation, and regional infrastructure.

ESG Bond Management Framework

Use of Proceeds	Project Evaluation and Selection	Management of Proceeds	Post-Issuance Reporting
1	2	3	4
Restrict the use of bond proceeds to eligible green and social projects and define excluded sectors and activities	Assess project eligibility, environmental and social benefits, and overall alignment with applicable criteria	Allocate bond proceeds to eligible projects and continuously monitor the allocation and utilization of funds	Disclose information on the allocation of bond proceeds, supported projects, and their economic, environmental, and social impacts

2025 ESG Bond Volume

(Unit : KRW 100 million)

Category	Amount
ESG bond underwriting	6,340
ESG bond issuance	4,100
ESG bond investment	24,324

Eligible Categories for ESG Bond Proceeds

Green Bonds
- Energy transition
- Climate change adaptation
- Environmentally sustainable industries and R&D
- Green transportation and mobility
- Green buildings and sustainable cities
- Environmentally sustainable management of land and natural resources
- Environmentally sustainable water management
- Pollution prevention and control
- Resource circulation
- Eco-friendly consumer products

Social Bonds
- Job creation
- Regional economic revitalization
- Support for SMEs, startups, and social enterprises
- Basic livelihood and infrastructure support for vulnerable and low-income groups
- Affordable housing for vulnerable and low-income groups

Exclusions
- Luxury goods (jewelry, artworks, antiques, golf, etc.)
- Entertainment and adult-oriented businesses
- Child labor exploitation
- Weapons, tobacco, and alcohol
- Fossil fuels, nuclear energy, and large-scale hydropower projects exceeding 25 MW

Green Bond Investment Areas

Investment Area	Issuer	Participating Bank
Renewable energy and power grid	Korea Electric Power Corporation	BNK Busan Bank
Sustainable heating and energy infrastructure	Korea District Heating Corporation (3 bonds)	BNK Kyongnam Bank
Sustainable public transportation	Busan Transportation Corporation	BNK Kyongnam Bank
Regional green infrastructure	Gyeongbuk Development Corporation, Chungnam Development Corporation	BNK Kyongnam Bank

Strategies and Initiatives

Investment in Renewable Energy Projects

BNK Financial Group continues to deploy capital toward renewable energy and green infrastructure projects, advancing the transition to a low-carbon economy through sustainable finance. We participate in syndicated financing for clean energy projects, including biomass power generation and offshore wind developments, providing tangible financial support for the transition toward Net-Zero.

Sinan-Ui Offshore Wind Farm Project

The Sinan-Ui Offshore Wind Farm Project is a 390 MW renewable energy infrastructure project being developed offshore near Ui-do Island in Sinan County, Jeollanam-do, with commercial operations scheduled to commence in January 2029. The project has adopted the Equator Principles (EP4), an internationally recognized framework for environmental and social risk management, and underwent written verification by TÜV NORD Korea, an independent verification body. The verification confirmed compliance with key principles covering environmental assessment, stakeholder engagement, monitoring systems, and information disclosure. Through its participation as a senior lender in the project financing arrangement, Busan Bank continues to provide financial support for clean energy generation and the transition toward Net-Zero.

Sinan-Ui Offshore Wind Farm Project Overview

Category	Details
Project Overview	Development of a 390 MW offshore wind farm (26 × 15 MW turbines) off Ui-do Island, Sinan County, Jeollanam-do (Commercial operations scheduled to commence in January 2029)
Equity Structure	Construction equity, operating equity, strategic equity, and financial equity investors
Total Project Cost	Approx. KRW 3.4 trillion
Environmental and Social Risk Assessment and Mitigation Measures	• Environmental assessment: Analysis of potential impacts on landscape, noise, biodiversity, water quality, and the marine environment, together with mitigation measures and post-construction monitoring plans • Environmental and Social Management System (ESMS): Operation of environmental and social management plans based on the ESG management frameworks of the project sponsor and related parties, as well as domestic permitting requirements and environmental impact assessments • Independent verification and monitoring: Independent verification completed by TÜV NORD Korea, with periodic site inspections established during construction (semi-annually) and the initial operational phase (annually), supported by a reporting framework for financial institutions • Transparency in disclosure: Disclosure of environmental and social information and establishment of reporting mechanisms for participating financial institutions
Role of Busan Bank	Participation in the project financing (PF) arrangement as a senior lender

Green Investment Management

Both Busan Bank and Kyongnam Bank are embedding environmental considerations across their investment and asset management activities while expanding the Group's sustainable investment portfolio. Their investment strategies span a broad range of sustainable investment approaches, from Best-in-Class strategies that selectively invest in ESG leaders to thematic investment products focused on clean energy and green mobility, as well as overseas funds aligned with global ESG standards, including SFDR Article 8. Going forward, BNK Financial Group will continue to identify and develop investment products aligned with K-Taxonomy and plans to further increase its green investment assets by 2030.

Green Investment Fund Portfolio

Theme	Investment Approach
Leading ESG companies	Prioritize portfolio inclusion of companies with top-tier ESG ratings from external ESG rating agencies while selectively investing in companies with strong ESG improvement potential
Clean energy	Invest in companies with core technologies in hydrogen and clean energy, as well as renewable energy and CO_2 reduction solutions
Renewable energy and Green New Deal	Track ESG benchmark indices while investing in renewable energy and energy efficiency-related companies
Clean technology	Invest in environmentally focused companies across the clean energy, clean mobility, clean living, and clean IT sectors
Green mobility	Invest in companies and ETFs related to electric vehicles, batteries, hydrogen-powered vehicles, and autonomous driving technologies
Water resources	Invest in water and water-related companies based on global ESG assessments
High ESG-rated bonds	Invest in bonds, commercial paper, and ESG-labelled bonds, including green bonds, issued by companies with strong ESG ratings
Global ESG integration	Pursue globally diversified ESG investments through overseas collective investment schemes aligned with SFDR Article 8

Strategies and Initiatives

Stewardship Activities

Stewardship Code-Based Shareholder Engagement

BNK Asset Management has established a Stewardship Code and Proxy Voting Guidelines with the objective of enhancing the management of ESG-related risks and opportunities at investee companies while simultaneously promoting long-term corporate value and stakeholder value.

BNK Asset Management reviews not only the financial performance of investee companies but also environmental, social, and governance (ESG) factors that may affect corporate value. Through this process, BNK Asset Management identifies key issues relevant to corporate value and selects priority companies for engagement and monitoring based on criteria such as investment size, ownership stake, corporate disclosures, and changes in governance structures.

Shareholder engagement activities encompass a broad range of ESG matters, including climate change, corporate governance, and executive compensation, and are carried out through various channels led by the investment management and research teams, including meetings with management and boards of directors, requests for information, written inquiries, and the issuance of public letters. While the firm prioritizes constructive dialogue and consensus-building through private engagement, it has also established an internal escalation framework under which response measures are progressively strengthened if improvements are not achieved. Such measures may include the exercise of voting rights, shareholder proposals, requests for the convening of shareholders' meetings, and legal action. In addition, conflicts of interest are managed throughout the shareholder engagement process through internal control standards and compliance oversight mechanisms.

ESG-Linked Proxy Voting Framework

BNK Asset Management exercises voting rights with due consideration for the sustainable growth of investee companies and the ESG-related risks and opportunities they face. The firm separately identifies ESG-related shareholder proposals and applies dedicated evaluation criteria when determining how to exercise voting rights. In particular, specific assessment criteria have been established for environmental (E), social (S), and governance (G) factors, enabling the comprehensive consideration of key ESG issues, including climate change response, stakeholder protection, board independence, and board accountability. Decisions regarding the exercise of voting rights and voting methods are made in accordance with pre-established internal guidelines and procedures. Depending on the significance of agenda items and their potential impact on investment assets, decision-making authority rests with either the executive responsible for equity portfolio management or the Investment Strategy Committee. In order to prevent conflicts of interest that may arise during the proxy voting process, the firm applies internal control standards. Where analyses from external proxy advisory firms are referenced, the recommendations are reviewed for consistency with the firm's internal proxy voting principles and guidelines before being incorporated into the decision-making process.

Metrics and Targets

Performance by ESG Finance Classification

(Unit: KRW million)

Area	Category	2024	2025
Green Financial Products	Green transportation products	923,752	826,606
	Green energy products	912,373	1,226,480
	Low-carbon products	118,641	127,654
	Integrated green products	378,010	584,072
	Green infrastructure products	545,007	453,592
	Biodiversity conservation products	49	37
	Green building and construction products	1,700	61,700
	Green research products	-	-
	Total	2,879,531	3,280,141
Social Financial Products	Regional economic development products	14,779,336	14,227,509
	Products for financially vulnerable groups	4,017,983	4,808,814
	Integrated social finance products	3,333,884	2,877,632
	Social enterprise products	578	1,106
	Social services and infrastructure products	28,106	44,728
	Total	22,159,887	21,959,789
Governance Financial Products	Shareholder value enhancement products	278	579
	Governance improvement products	45,000	35,000
	Total	45,278	35,579
ESG (General)	Other general ESG	1,066,625	814,325

ESG Finance Performance by Product Type

(Unit: KRW 100 million)

Area	Category	2023	2024	2025
Loans	Loan products supporting innovative SMEs	103,402	105,197	98,593
	Loan products supporting inclusive finance	3,711	6,237	34,881
	Green loan products	4,141	4,350	8,822
	Loan products supporting local business owners	23,065	27,332	7,822
	Loan products supporting youth entrepreneurship and job creation	10,250	6,857	3,670
Deposits	Deposit products supporting SMEs, small business owners, and local communities	17,496	18,494	16,891
	Deposit products for financially vulnerable groups	24,323	24,323	15,019
	Green deposit and savings products	2,225	3,626	1,571
Bonds	ESG bond underwriting	2,796	2,194	6,340
	ESG bond issuance	6,800	6,000	4,100
	ESG bond investment	31,754	30,845	24,324
Investments	Green principal investments (PI)	2,816	3,053	3,293
PF	PF and eco-friendly SOC investments	532	864	3,634
Cards	Inclusive finance cards	10,851	13,513	15,283
	Green cards	9,742	9,471	6,355
Funds	ESG fund management and distribution performance	4,124	9,576	10,300

SOCIAL

Finance for Co-Prosperity

Inclusive Finance for Shared Growth

Governance

Inclusive Finance Declaration

Since issuing the Inclusive Finance Declaration under the approval of the CEO in June 2024, BNK Financial Group continues to broaden access to financial products and services for financially underserved groups, including senior citizens, persons with disabilities, foreign residents, and small business owners. Following the publication of the Inclusive Finance Declaration in May 2026, we have undertaken various initiatives aimed at revitalizing local economies and addressing regional population decline as a financial institution rooted in the regional economy.

Inclusive Finance Declaration

In Focus

Inclusive Finance Support Unit

BNK Financial Group launched the 'Inclusive Finance Support Unit,' a dedicated Group-wide organization established to enhance the sustainability of regional economies and local communities. The Unit brings together major subsidiaries, including Busan Bank, Kyongnam Bank, BNK Capital, and BNK Savings Bank, and plans to provide KRW 5 trillion in inclusive finance over the next five years. The Unit operates under a three-stage 'Inclusive Finance Step-up' framework comprising support for reintegration into the credit system, support for access to institutional financial services, and support for balanced national growth. As part of this initiative, KRW 400 billion will be allocated to support the financial recovery of financially vulnerable individuals.

Productive & Inclusive Finance Strategy

BNK Financial Group is moving beyond conventional approaches focused on low-interest financial products or temporary debt restructuring by establishing a life-cycle support framework that helps financially vulnerable individuals return to economic activity and achieve financial independence. To this end, we have established the three-stage 'Inclusive Finance Step-up' framework, comprising support for reintegration into the credit system, support for access to institutional financial services, and support for balanced national growth. As the first stage of the framework, we support financially vulnerable individuals in rebuilding their credit through the proactive cancellation of long-expired debt and debt approaching the statute of limitations. As of May 2026, KRW 76.7 billion of the planned KRW 400 billion had been provided. Reflecting the industrial characteristics of the Busan-Ulsan-Gyeongnam region, where manufacturing, shipbuilding, and construction account for a significant share of economic activity, we plan to operate an early debt relief program for workers affected by industrial accidents and expand the criteria for recognizing daily wage income to further improve access to financial services. We also plan to provide KRW 100 billion in self-reliance funding for young adults over the next five years and implement an interest rate reduction program for small business owners with unsecured loans carrying interest rates of 7% or higher.

Inclusive Finance Step-up Framework

Category	Key Initiatives
Stage 1 Support for Reintegration into the Credit System	• Support financially vulnerable individuals in rebuilding their credit and recovering their financial stability • Proactively discharge long-expired debt and debt approaching the statute of limitations • Provide early debt relief for workers affected by industrial accidents
Stage 2 Support for Access to Institutional Financial Services	• Provide community-based financial support tailored to the industrial structure of the Busan-Ulsan-Gyeongnam region • Offer customized financial products for workers in the manufacturing, shipbuilding, and construction industries and expand the criteria for recognizing eligible income • Expand financial products for financially underserved customers and small business owners and reduce interest rates for borrowers with unsecured loans carrying interest rates of 7% or higher
Stage 3 Support for Balanced National Growth	• Provide life-cycle financial support for future generations in local communities • Offer living expense assistance and low-interest financing for university and graduate students in the Busan-Ulsan-Gyeongnam region • Consider applying interest rates as low as 0% to selected financial products for young adults

KRW 5 trillion
in total
(5-year plan)

Strategies and Initiatives

Enhancing Financial Inclusion for Vulnerable Groups

BNK Busan Bank BNK Kyongnam Bank BNK Capital

BNK Financial Group is broadening inclusive financial access through customized financial products and services tailored to financially vulnerable groups. The Group particularly provides inclusive finance products for customers with low credit ratings or limited financial histories while maintaining soundness through internal monitoring systems that track key risk indicators, such as delinquency rates and changes in credit ratings.
Busan Bank lowered interest rates on new 'A New Hope Loan' products by up to 1.0%p through the end of the year. In addition, the Bank provided foreign workers employed by regional shipbuilding equipment company SB SUNBO with access to the 'BNK Welcome Global Loan' (starting from 9.34%) and preferential USD exchange rate benefits of up to 90%, linking inclusive finance support for foreign workers facing language and cultural barriers to broader shared growth initiatives with partner companies. Kyongnam Bank exceeded its 2025 supply target for 'A New Hope Loan' products by 123.2%, becoming one of six banks among 15 nationwide banks to surpass their annual targets. Meanwhile, the Group has implemented interest rate reduction measures for customers with credit loans carrying interest rates of 7% or higher to help alleviate the burden of high interest rates. The Group also offers specialized financial products for daily and on-site workers exposed to industrial accidents and employment instability, while widening the criteria for recognizing daily wage income to improve practical access to financial services.

Key Financial Products and Services for Financially Vulnerable Groups

Subsidiary	Key Support Measures
BNK Busan Bank	• BNK Welcome Global Loan (specialized loan product for foreign workers) • 1.0%p interest rate reduction for A New Hope Loan (KRW 60 billion supported as of October 31, 2025) • BNK Hope Cultivation Savings (high-interest savings product for vulnerable groups) • Expanded provision of private mid-rate loans • Operated customized card products for socially vulnerable groups, including Braille cards, Happy People Card, Youth Joy Card, Busan Youth Stepping Stone Card+, and Busan small business owner cards
BNK Kyongnam Bank	• Exceeded the A New Hope Loan supply target by 123.2% (2025) • Provided KRW 33.5 billion through Small Business Hope Sharing Co-prosperity Finance (across Gyeongsangnam-do and Ulsan) • Operated special savings accounts for low-income youth and youth support cards linked with local governments
BNK Capital	• Guaranteed a 30-day subscription withdrawal period for senior citizens • Applied preferential interest rates for persons with disabilities • Operated a designated person notification service → Operated a dedicated protection service package for the three major vulnerable groups

Supporting Community Asset Building

BNK Busan Bank

Public-Private Collaboration for Inclusive Finance Support

In March 2026, Busan Bank signed an MOU with the Korea Inclusive Finance Agency and the Credit Counseling & Recovery Service to implement its '2026 Comprehensive Support Plan' and establish a community-based public-private integrated support framework. This marks the first case in the Korean financial sector in which the Korea Inclusive Finance Agency and the Credit Counseling & Recovery Service have partnered with a private financial institution to build a regionally tailored integrated support system. Under the agreement, the three organizations plan to jointly open an Inclusive Finance Integrated Support Center in the Busan region within the third quarter of 2026. The center will offer one-stop services covering policy microfinance, private financial support, debt restructuring counseling, and employment and welfare linkage counseling. Busan Bank also plans to launch unsecured microcredit loan products and savings products designed to support asset building within the third quarter, helping users of policy microfinance reenter the mainstream financial system. In parallel, the Bank will operate an outreach based integrated support service that directly visits areas with limited access to financial services, thereby fortifying the foundation for economic self-reliance among vulnerable groups.

BNK Kyongnam Bank

Youth Asset Building and Financial Empowerment

BNK Financial Group further solidified its asset-building support framework in 2025, moving beyond preferential deposit and lending products to provide meaningful financial support for the settlement and self-reliance of local youth. In November 2025, Kyongnam Bank signed an MOU with the Gyeongsangnamdo Institute for Talent & Lifelong Education (Nammyung Dormitory) to support youth return and long-term settlement in Gyeongsangnam-do. Through this partnership, the Bank adopted a two-track strategy aimed at preventing the outflow of local youth while encouraging young people from the Seoul metropolitan area to relocate to and establish long-term roots in the region through newly launched loan products. The newly launched products allow customers to select repayment structures tailored to different income levels and stages of the youth life cycle, including settlement, growth, and stabilization phases, enabling more personalized and flexible financial planning. On top of that, the Group plans to launch a KRW 100 billion youth self-reliance financing program over the next five years, providing living expense support and low-interest financial products to undergraduate and graduate students in the Busan-Ulsan-Gyeongnam region. The Group is also reviewing the application of near-zero interest rates for selected products.

Strategies and Initiatives

Financial Support for Partner Companies and Small Business Owners

BNK Financial Group operates a collaborative financial support framework across its subsidiaries to revitalize regional economies and expand shared growth finance. Busan Bank, BNK Capital, and BNK Savings Bank provide specialized financing and shared growth funds for high-performing partner companies, supporting the competitiveness of key regional industries. The Group also provides liquidity support and helps ease financing burdens for financially vulnerable groups and small business owners.

Notably, the Group provided a 'Shared Growth Package' combining financial and non-financial services for 1,090 employees of regional shipbuilding equipment company SB SUNBO and its partner companies.

In addition, Kyongnam Bank is expanding financial support for startups, ESG-focused companies, R&D-intensive businesses, and exporters through its agreement with Korea South-East Power.

Going forward, the Group will continue to advance multifaceted initiatives in close partnership with local governments and related institutions, further strengthening a sustainable financial ecosystem that grows together with local communities.

Key Support Projects for Partner Companies and Small Business Owners

Category	Purpose and Impact	Key Support Projects	Amount (Limit / Contribution)	Subsidiary
Fostering strategic industries and shared growth with large corporation partners	Reinforce regional economic resilience by stabilizing supply chains in key industries, including mobility and shipbuilding, and fostering a shared growth ecosystem between large corporations and partner companies	Win-Win Growth Fund (Korea Housing Finance Corporation)	KRW 15.7 billion	BNK Busan Bank
		Win-Win Growth Fund (SB SUNBO)	KRW 600 million	
		Agreement on global expansion for future mobility	KRW 30 billion	BNK Kyongnam Bank
		Shared growth partnership agreement with Korea Zinc and Korea South-East Power	KRW 20 billion each	
Financial support and liquidity provision for small business owners	Provide timely unsecured and low-interest liquidity support for small business owners and low-income households with limited collateral capacity to promote household and business stability while advancing shared growth values	BNK Shared Growth Dream Loan	KRW 100 billion	BNK Busan Bank
		Triple Zero Hope Connection Card and Loan	Up to KRW 10 million (combined)	
		Small Business Hope Sharing Co-prosperity Finance	KRW 33.5 billion	BNK Kyongnam Bank
		Special contributions to regional credit guarantee foundations and 1:1 matching support	KRW 165.9 billion (guarantee limit)	

In Focus

Triple Zero Hope Connection Series

BNK Busan Bank

In collaboration with Busan Metropolitan City and the Busan Credit Guarantee Foundation, Busan Bank continued the launch of its 'Triple Zero Hope Connection' series in 2025, significantly reducing financial burdens for small business owners. Launched on April 30, 2025, the 'Busan Small Business Owner Triple Zero Hope Connection Card' offers key benefits including an annual fee waiver, guarantee fee exemption, and interest-free installment payments for up to six months. In addition, 3% of the payment amount is refunded as Dongbaekjeon points, subject to an annual cap of KRW 100,000.

In July, Busan Bank further introduced an overdraft loan product linked to the card program, providing a credit limit of up to KRW 5 million per business owner, or up to KRW 10 million when combined with the card limit. The entire process, from guarantee application to loan disbursement, can be completed through the mobile banking app, significantly enhancing accessibility and convenience for customers.

Strategies and Initiatives

Management Consulting and Educational Support for Small Business Owners

BNK Financial Group provides integrated support for the sustainable growth of small business owners through management consulting, educational programs, and hands-on non-financial assistance, on top of financial support.

BNK Busan Bank

Recognition for Excellence in Small Business Management Consulting

In 2025, Busan Bank established the 'Regional Economy Support Center' to provide financial counseling, management consulting, and educational programs for small business owners. In recognition of these efforts, Busan Bank was selected as the only regional bank honored as an outstanding case at the '2025 Banking Sector Small Business Management Consulting Best Practice Conference' hosted by the Korea Federation of Banks and received the Award from the Governor of the Financial Supervisory Service. Throughout 2025, Busan Bank provided a total of 76 consulting services to small business owners.

The featured case, 'An Entrepreneurial Story Taking Flight with Two Wings: Consulting and Start-up Financing,' was recognized as a leading example of hands-on consulting by linking customized consulting services with start-up financing for prospective entrepreneurs. In the first half of 2026, Busan Bank plans to open the 'Busan Integrated Support Center (tentative name),' the financial sector's first public-private collaborative one-stop support model for inclusive finance.

BNK Kyongnam Bank

Small Business Hope Sharing Co-Prosperity Finance

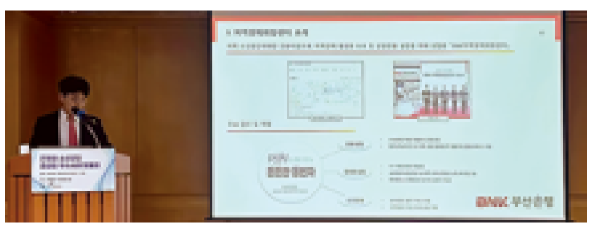
In 2025, Kyongnam Bank broadened its 'Small Business Hope Sharing Co-prosperity Finance' program to KRW 33.5 billion, the largest scale in its history, to address financial blind spots faced by regional small business owners experiencing funding pressure amid the economic slowdown. The coverage area was expanded to all 18 cities and counties in Gyeongsangnam-do and all areas of Ulsan Metropolitan City. Even small business owners with insufficient collateral or limited credit access are eligible to receive unsecured and non-guaranteed low-interest credit loans of up to KRW 20 million, with early repayment fees waived to help ease their financial burden.

Kyongnam Bank also operates the 'BNK Kyongnam Bank Small Business Hope Dream Center,' providing non-financial support such as management consulting and educational programs. Through these initiatives, the Bank supports small business owners and self-employed individuals in sharpening their competitiveness and building a foundation for sustainable growth. In recognition of these endeavors, Kyongnam Bank received the Excellence Award in the Self-Employed Business Consulting Support category at the 2024 Inclusive and Co-prosperity Finance Awards hosted by the Financial Supervisory Service.

Corporate Industrial Accident Awareness Improvement Initiative

In September 2025, BNK Financial Group signed an MOU with NICE Information Service and Korea Rating & Data for the 'Corporate Industrial Accident Awareness Improvement Initiative' to help prevent industrial accidents among regional SMEs. As the financial sector's first private-sector collaboration framework dedicated to industrial accident prevention for regional companies, the initiative provides data-driven risk diagnostics, occupational safety and health assessments and consulting, as well as financing support for facility improvements aimed at preventing industrial accidents for SMEs in the Busan-Ulsan-Gyeongnam region, where industrial accident rates remain high.

The Group offers occupational safety and health consulting and financing support for industrial accident prevention, while NICE Information Service and Korea Rating & Data support the initiative by providing industry data-based risk information and issuing occupational safety and health assessment reports.



Banking Sector Small Business Management Consulting Best Practice Conference

Management Consulting and Educational Programs for Small Business Owners

MOU for the Corporate Industrial Accident Awareness Improvement Initiative

Metrics and Targets

Financial Products and Services for Inclusive Finance

BNK Busan Bank BNK Kyongnam Bank

Category	Loans	Transaction Accounts	Savings Products	
Products	• Sunshine Loan Bank • Mid-Range-Interest Rate Loan • New Hope Seed Loan • Safety Net Loan • Sunshine Loan 15-17, etc.	• Baekse Youth Pension Account • BNK Happiness Keeper Account • My Steady Pension Account • BNK Hope Keeper Account, etc.	• BNK Hope Fostering Installment Savings • Busan Bank Youth Leap Account • Busan Youth Double Happiness Account • BNK Baby Angel Installment Savings • Baekse Youth Silver Savings	• Changwon City Youth Tomorrow Account • BNK Gyeongnam Shared Growth Mutual Deduction Installment Savings • Hope-Gathering Savings • ModaDream Youth Account • My Steady Pension Deposit • Together 100-Year Pension Savings Plan, etc.
Target customers	Low-income individuals, low- to mid-credit borrowers, youth, small business owners, and self-employed individuals	Socially underserved groups, low-income individuals, and senior citizens	Socially underserved groups, low-income individuals, senior citizens, and youth	
No. of customers	138,514	72,408	76,742	
No. of transactions	150,748	75,687	89,761	

Non-Financial Products and Services for Inclusive Finance

Category	BNK Busan Bank BNK Hope Fostering Installment Savings	BNK Kyongnam Bank Small Business Hope Dream Center	BNK Busan Bank BNK Kyongnam Bank Financial Education for Financially Vulnerable Groups
Description	A preferential interest savings product designed to help financially vulnerable groups requiring greater economic independence, including recipients of basic livelihood benefits, child-headed households, multicultural families, and persons with disabilities, build assets. A preferential early withdrawal interest rate is available after a specified period to minimize interest loss in the event of early termination.	Kyongnam Bank established the Hope Dream Center for Small Business Owners to strengthen the self-reliance of local small business owners and self-employed individuals. The Center provides free training and tailored solutions, including one-on-one management consulting with experts in marketing, commercial district analysis, taxation, and labor management, to help address practical business challenges.	BNK Financial Group provides tailored financial education programs for financially vulnerable groups, including children under protection, multicultural families, and persons with disabilities, to help bridge the information gap and promote safe financial practices. By combining professional instructors with employee-led IT talent sharing, the Group offers practical, experience-based programs, such as Everyday Economics for People with Developmental Disabilities and Basic Financial Education for Multicultural Families, that are designed to meet the specific needs of each participant group.
Target	Financially vulnerable groups	Microbusiness	Financially vulnerable groups
Social impact (quantitative)	No. of subscribers in 2025: 4,317	No. of participants in 2025: 216	No. of participants in financial education programs in 2025: 9,469
Social impact (qualitative)	We systematically monitor new subscriptions and product performance to enhance the effectiveness of inclusive finance in supporting asset building for financially vulnerable groups. Beyond offering financial products, we continue to strengthen our financial support framework to promote customers' economic independence and expand customer-centered inclusive finance.	We assess the effectiveness of the program by analyzing participant satisfaction through surveys. By helping local small business owners and self-employed individuals improve sales performance, competitiveness, and business capabilities, the program contributes to shared growth with local communities.	We evaluate the effectiveness of the program by analyzing, through participant surveys, its impact on reducing risks faced by each financially vulnerable group, including exposure to financial fraud. The findings are reflected in the redesign of the curriculum to continuously improve the quality of our inclusive finance services.

ESG Capacity Building in the Southeastern Region

Mutual Growth

Governance

BNK Financial Group has built an ESG ecosystem framework that seamlessly connects governance, strategy, and execution to address the structural challenges facing the southeastern regional economy and support sustainable growth. Centered on the Group's highest decision-making body, we continue to enhance its strategic capabilities while expanding its impact across the regional industrial ecosystem through implementation programs built on public-private partnerships.

BNK Financial Group's Regional Growth Organization

Southeast Growth Support Team

With an aim to further align the maritime industry with regional growth initiatives, we integrated the former Maritime City Strategy Team and Southeast Growth Support Team in March 2026 and newly launched the Southeast Growth Strategy Team. Through this reorganization, we established a unified growth platform spanning the entire southeastern region and transformed the organization into a strategic execution hub that goes beyond the provision of financial support to identify, cultivate, and accelerate future growth engines for regional industries. Building on our commitment to productive finance, we will continue to advance sustainable regional economic development while enhancing the long-term competitiveness of key industries across the region.

Busan-Ulsan-Gyeongnam Venture Investment Center

BNK Venture Capital is actively expanding investments in promising technology startups and venture companies across the southeastern region, leveraging the Busan-Ulsan-Gyeongnam Venture Investment Center and its Gyeongnam Branch as key regional hubs. Through these efforts, we identify and support innovative local businesses facing challenges in securing capital, helping revitalize the regional venture investment ecosystem and foster sustainable growth among emerging enterprises.

Strategy

Strategic Pillars of Regional Economy Hope Declaration

BNK Financial Group has put in place a large-scale financing framework to support the sustainable development of key regional industries. In September 2025, we unveiled the Regional Economy Hope Declaration, publicly reaffirming our commitment to supporting regional economic recovery through three strategic pillars: productive finance, inclusive finance, and responsible finance. As our productive finance and inclusive finance strategies have taken shape, we now manage both areas in an integrated manner through the Productive Finance Council and Inclusive Finance Support Unit, advancing sustainable growth across Busan, Ulsan, and Gyeongnam while reinforcing the public role of finance.

In the maritime sector, Busan Bank established the BNK Dynamic Growth Fund, a KRW 1 trillion fund established to accelerate the growth of regional industries. The fund is structured into three categories: industry-leading companies (KRW 200 billion), high-growth-potential companies (KRW 600 billion), and maritime and fisheries companies (KRW 200 billion). Companies in Busan, Ulsan, and Gyeongnam are eligible to receive between KRW 5 billion and KRW 10 billion in financing, depending on their industry classification. In addition, in October 2025, we launched the BNK New Maritime Powerhouse Fund, jointly funded by Group subsidiaries, establishing a framework for proactive investment in Northern Sea Route, eco-friendly shipbuilding, and energy industries.

In the field of technology finance, Busan Bank ranked first in the Small League category in the Financial Services Commission's technology finance evaluation, driven by its performance in IP-backed lending and startup support, while Kyongnam Bank ranked second. BNK Venture Capital was selected as the general partner (GP) of the Gyeongnam-KDB Regional Innovation Venture Fund and established a KRW 18.4 billion fund. More than 50% of its 2025 investment target has been allocated to companies in the Busan-Ulsan-Gyeongnam region, demonstrating our commitment to fostering regional innovation and growth.

Major Regional Industry Financing Initiatives in 2025

Category	Details	Subsidiary
BNK Dynamic Growth Fund	• KRW 1 trillion fund (KRW 200 billion for industry-leading companies, KRW 600 billion for high-growth potential companies, and KRW 200 billion for maritime and fisheries industries)	BNK Busan Bank
Technology finance evaluation	• Top rankings in the small-league category (First half: Busan Bank 1st, Kyongnam Bank 2nd; Second half: Kyongnam Bank 1st, Busan Bank 2nd)	BNK Busan Bank BNK Kyongnam Bank
BNK New Maritime Powerhouse Fund	• Jointly funded by Group subsidiaries to support investments in Northern Sea Route, eco-friendly shipbuilding, and energy industries (launched in October 2025)	BNK Financial Group
Gyeongnam-KDB Regional Innovation Venture Fund	• KRW 8.7 billion committed by the Fund of Funds, resulting in the formation of a KRW 18.4 billion fund	BNK Venture Capital

Initiatives

Financial Support for Businesses in the Southeastern Region

BNK Busan Bank BNK Kyongnam Bank BNK Capital BNK Venture Capital

Strategic Funds for Regional Innovation and Growth

BNK Financial Group is actively deploying strategic funds to secure future growth drivers and foster regionally specialized industries. Through the BNK Future Innovation Growth Fund (KRW 25 billion), jointly sponsored by Busan Bank, Kyongnam Bank, and BNK Capital, we are driving the growth of the regional startup ecosystem by allocating more than KRW 10 billion in investments to companies located in the Busan-Ulsan-Gyeongnam region. In addition, we support innovation in future agriculture by investing in the green bio and food tech sectors through the BNK Agrifood Investment Fund IV (KRW 20 billion), established in partnership with the Agrifood Fund of Funds. The fund has earmarked more than KRW 8 billion for regional companies, promoting both industrial diversification and regional economic revitalization.

Shared Growth Loan Fund for Local SMEs

Busan Bank, in partnership with the Korea Housing Finance Corporation (KHFC), operates a KRW 20 billion Shared Growth Loan Fund aimed at supporting job creation and the growth of small and medium sized enterprises. Utilizing interest-free deposits provided by KHFC as its funding source, the fund extends loans of up to twice the deposited amount while offering preferential interest rates and financing of up to KRW 500 million per company to local businesses, including leading employers and technology startups. This initiative contributes to accelerating technology transfer and fostering a virtuous cycle within the regional economy, while ensuring effective fund operation and performance management through close collaboration across relevant departments.

Shared Growth Loan Fund for SMEs

	Job-creating companies	Technology-based startups	Technology transfer contributors
Eligible Beneficiaries	• Companies with year on year employment growth of 5% or more	• Companies established within the past seven years with a Technology Credit Bureau (TCB) rating	• Companies that have transferred or received technology, including patents
Performance* (number of cases / amount)	number of cases 55 cases	amount KRW 15.7 billion	

* Jan. 2025-Mar. 2026

BNK Busan Bank

Financial and Non-Financial Support for Regional Shipbuilding Equipment Manufacturers

BNK Financial Group developed and systematically implemented a comprehensive support package encompassing both financial and non-financial assistance for regional shipbuilding equipment manufacturer SB Sunbo Co., Ltd. and its in-house partner companies, benefiting a total workforce of 1,090 employees. Through these endeavors, we reinforced mutually beneficial partnerships with a key regional industry and contributed to enhancing the competitiveness of the broader industrial ecosystem.

Busan Bank supported stable access to financing by providing specialized loan facilities of up to KRW 1 billion for qualified partner companies and extending support through a shared growth finance fund of up to KRW 1 billion per company. In addition, employees of SB Sunbo were offered practical financial benefits, including fee waivers for payroll accounts, preferential interest rates on time savings deposits, and reduced interest rates on unsecured credit loans. Busan Bank also enhanced financial accessibility and convenience for foreign workers by offering foreign exchange and remittance services, preferential exchange rates, and discounted loan rates. Furthermore, non-financial support was provided through industry-focused training programs covering shipbuilding technologies, industry trends, and key considerations in credit assessment. By combining financial solutions with on-the-ground capacity-building initiatives, we amplified the impact of our support across the industry.

Training Program Details

Participants: Employees of SB Sunbo (Busan Headquarters Plant 1) | No. of Participants Trained: About 30

Training Details	Expected Impact
Technical trends in the shipbuilding industry (vessel types and specifications, shipbuilding methods, technologies related to IMO environmental regulations, etc.)	Deepen understanding of shipbuilding and marine equipment technologies, contributing to greater accuracy and efficiency in credit assessment for companies operating in the sector
Industry trends in the shipbuilding sector (vessel-specific construction volume trends, order backlog trends, etc.)	Improve the quality of financing decisions for shipbuilding and marine equipment companies, a key regional industry, through a deeper understanding of domestic and global industry supply-demand dynamics
Key considerations in credit assessment for the shipbuilding industry	Sharpen credit assessment capabilities by incorporating industry-specific characteristics, thereby supporting smoother access to financing for regional SMEs in the shipbuilding and marine equipment sectors
Site visit to SB Sunbo (company overview, introduction to marine engine-related products, manufacturing process tour, etc.)	Promote mutual understanding between financial institutions and regional manufacturers while contributing to improved financial accessibility through first-hand exposure to production operations

Initiatives

Revitalizing the Regional Startup Ecosystem

BNK Busan Bank BNK Kyongnam Bank

Startup Incubation and Development

BNK Financial Group operates a comprehensive startup support framework designed to foster the sustainable growth of small-scale local startups across the region. In 2025, Busan Bank's 'Sum Incubator' entered its 10th round, selecting 19 companies in innovative sectors such as AI and fintech. The program was also extended to prospective entrepreneurs and, to date, has supported a total of 113 startups while attracting cumulative investment of KRW 13.1 billion. Kyongnam Bank selected 17 high-potential startups for the second round of its 'CHAIN-G' program and provided support in areas such as business model diagnostics, IR activities, and investment attraction, helping foster a vibrant regional startup ecosystem. Companies participating in the second round attracted a total of KRW 15 billion in investment during 2025.

BNK Venture Capital

Discovering Innovative Companies through Industry-Academia-Research Collaboration

BNK Financial Group, led by BNK Venture Capital, is identifying innovative regional companies and expanding the local investment ecosystem. In collaboration with Pusan National University, UNIST, and Korea Maritime & Ocean University, BNK Venture Capital identifies faculty-led ventures and youth-led startups while expanding investment opportunities through public programs such as the Ministry of SMEs and Startups' Startup Leap Package. The firm also strengthens investment fund synergies through partnerships with organizations including Busan Startup Investment Agency and Korea Development Bank. To foster startups in the Busan-Ulsan-Gyeongnam region's key industries, including maritime, shipbuilding, and aerospace, BNK Venture Capital established collaborative networks with specialized institutions such as the Korea Institute of Ocean Science & Technology and Korea Aerospace Industries.

Regional Startup Ecosystem Support Initiatives in 2025

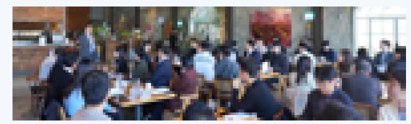
Program	Sum Incubator (10th Round)	CHAIN-G (2nd Round)	B-Startup Challenge	Storage B
Key Activities in 2025	• Selected 19 startups • Focused on AI, fintech, and edutech sectors • Included 8 teams of entrepreneurs • 113 startups supported and KRW 13.1 billion secured	• Selected 17 startups • Supported BM diagnostics, IR pitching, consulting, and investment attraction • Nurtured 1st and 2nd CHAIN-G (17 companies each) • Facilitated investment of KRW 7.1 billion and KRW 15.0 billion for each round	• Jointly organized by Busan Metropolitan City, Busan Bank, and Busan MBC • Managed by BNK Venture Capital • Korea's only startup competition based on an equity investment model	• Operated Storage B to foster start-ups and fintech companies • Facilitated networking and partnerships for solid innovation ecosystem • Promoted investment opportunities and identified new BMs
Subsidiary	Busan Bank	Kyongnam Bank	BNK Venture Capital, Busan Bank	BNK Financial Group

In Focus

Storage B: Digital Open Innovation Platform

BNK Financial Group

BNK Financial Group operates Storage B to secure new digital growth drivers through collaboration with startups in the ICT, AI and big data, fintech, and platform sectors, while fostering an open innovation ecosystem. Since launching the program in November 2023, we have expanded our startup partnership ecosystem by selecting 16 companies for the first round (2023) and 15 companies for the second round (2024). In November 2025, we hosted Storage B Membership Day, providing a platform to share emerging technology trends and strengthen collaborative networks among participating startups and Group affiliates. In February 2026, we plan to open applications for the third round of Storage B. We will also introduce a new global program to provide broader support for startups pursuing overseas expansion and further deepen our global open innovation efforts.



2025 Storage B Membership Day

Building a Robust Regional Startup Ecosystem

BNK Kyongnam Bank

Kyongnam Bank is building connections across the startup ecosystem through partnerships with various organizations, helping regional startups overcome barriers to investment and gain access to broader growth opportunities. The Bank hosted the 3rd 'Connecting With US' event on December 4, 2025, an investment networking program that brought together investors from the Seoul metropolitan area and regional startups to facilitate investment opportunities. Aiming to further support local startups and venture companies and promote the growth of the regional startup ecosystem, a multilateral MOU was signed among Gyeongsangnam-do, the Korea Technology Finance Corporation, and Kyongnam Bank. The event provided promising regional startups with opportunities to present their businesses and connect with investors through networking sessions and dinner meetings, creating a valuable platform for engagement with metropolitan-area venture capital firms. The inaugural event in 2023 included an MOU with Gyeongsangnam-do, while the second event in 2024 expanded collaboration through an MOU with Gyeongsangnam-do and five regional universities to support the growth of promising local startups. As a trusted financial partner, Kyongnam Bank will further widen its support to foster the sustainable growth of the regional startup ecosystem.

MOU for Fostering Venture Companies and Startups in Gyeongsangnam-do

ESG Capacity Building in the Southeastern Region

Initiatives

Creating Sustainable Employment Opportunities across the Busan-Ulsan-Gyeongnam Region

BNK Busan Bank BNK Kyongnam Bank

BNK Financial Group provides financial incentives, including preferential loans, guarantee fee support, and consulting services, to companies in the Busan-Ulsan-Gyeongnam region recognized for outstanding youth employment performance, contributing to regional job creation.

In October 2025, Busan Bank participated in the '2025 Busan JOB Festival,' where it operated employment counseling, resume consulting, and recruitment matching programs with local companies. The Bank also provided recruitment subsidies of KRW 1 million per employee, up to a total of KRW 100 million, for individuals hired through the event and retained in full-time positions for at least six months.

Kyongnam Bank collaborates with local governments to operate the Ulsan Youth 1919 Card and the Youth Startup Support Card, helping young job seekers and early-stage entrepreneurs pursue stable employment and entrepreneurial opportunities.

Busan Bank Promotional Booth at the 2025 Busan JOB Festival

ESG Talent Development Training for SMEs in the Southeastern Region

On September 24, 2025, BNK Financial Group hosted the Second ESG Talent Development Training for SMEs in the Southeastern Region at Busan City Hotel. First launched in 2024 in collaboration with the Financial Supervisory Service, the program expanded its organizing framework in 2025, with Busan Metropolitan City serving as the host and BNK Financial Group, Busan Chamber of Commerce & Industry, and Busan Carbon Neutrality Support Center acting as co-organizers. Approximately 100 employees from SMEs across the region participated, reflecting strong interest in corporate sustainability.

The 2025 program expanded its curriculum beyond responses to the Corporate Sustainability Due Diligence Directive (CSDDD) and the Carbon Border Adjustment Mechanism (CBAM). New topics included an assessment of the potential implications of evolving U.S. ESG policies under the second Trump administration for Korean export-oriented companies, as well as the integration of occupational accident prevention systems and safety management practices into ESG management frameworks.

Category	2024 (1st)	2025 (2nd)
Host / Organizers	• Conducted in collaboration with the Financial Supervisory Service	• Hosted by Busan Metropolitan City • Co-organized by BNK Financial Group, Busan Chamber of Commerce & Industry, and Busan Carbon Neutrality Support Center
Participants	• 150 participants (in person) • Unlimited online participation	• Around 100 participants
Key Training Topics	• Responses to the Corporate Sustainability Due Diligence Directive and the Carbon Border Adjustment Mechanism	• Implications of evolving U.S. ESG policies for Korean companies • Occupational accident prevention • Latest ESG trends

In Focus

Community ESG Practices Through Education and Policy Engagement

BNK Financial Group delivers lectures under the Ministry of Employment and Labor's Future Tomorrow Work Experience Program (company visit-based work experience track) through Busan Bank, providing young people with opportunities to gain first-hand exposure to ESG finance and deepen their understanding of carbon neutrality. At the policy level, we contribute to regional carbon neutrality initiatives by serving as a member of the Busan 2050 Carbon Neutrality and Green Growth Committee and as an evaluation committee member for the Busan Carbon Neutrality Support Center's project performance assessments. Through these roles, we contribute to every stage of regional carbon neutrality efforts, from shaping policy to evaluating outcomes. By advancing both education and policy engagement, we are putting ESG management into action in genuine partnership with our local communities.

Metrics and Targets

We will expand financial support for promising startups and SMEs and mid-sized enterprises in key regional industries and innovation-driven sectors, while helping shape an ESG ecosystem across the southeastern region.

Social Contribution

Strategies

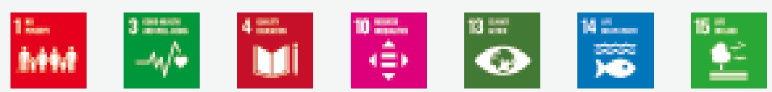
Social Contribution Strategy

Under its vision of 'Finance that Inspires the World,' BNK Financial Group pursues a social contribution strategy rooted in mutual growth with local communities. As a regional financial group, we systematically carry out initiatives that contribute to revitalizing local economies and addressing social challenges. In 2024, we established the BNK Community Engagement Policy, laying the foundation for a more structured approach to social contribution. Guided by this framework, we have advanced a wide range of initiatives focused on creating shared value through finance, deepening engagement with local communities, broadening citizen participation, and addressing regional environmental challenges.

We place a strong emphasis on community-based programs that help local business owners and traditional markets thrive, provide meaningful support to vulnerable groups, and create broader pathways to employment and social welfare across the region. We have also established a social contribution framework that addresses a broad range of sustainability issues affecting local communities, including childbirth, education, elderly welfare, and biodiversity. In times of disaster, we activate a Group-wide emergency response system to provide timely financial and non-financial support, further strengthening our role as a financial platform that grows together with local communities.

BNK Community Engagement Policy

Our Approach to Social Contribution

Social Contribution	Establishing Specialized CSR Initiatives Unique to BNK Financial Group
Slogan	Finance that gives hope and happiness
Strategic Directions	Creating shared value through finance; Fostering long-term sustainable key projects; Integrating coexistence with regional CSR activities; Promoting citizen articipation in CSR activities; Solving environmental issues in local communities; Enhancing CSR linked with the global community
Key Focus Areas	Serving the public interest of local communities; Academic and educational support; Support for culture, arts, and sports; Eco-friendly CSR initiatives; Global CSR initiatives; Biodiversity conservation
Alignment with the UN SDGs	

Initiatives

Community Impact Initiatives

Expanding Participatory Social Contribution

We continue to broaden our social contribution efforts by fostering meaningful engagement with citizens and stakeholders, while building a more responsive framework to address the current needs of local communities. To this end, we carry out large-scale social contribution initiatives aimed at enhancing communication and mutual growth with local communities. We have also launched a dedicated Group social contribution brand to establish a platform for delivering messages that promote social value in everyday life.

To foster greater Group-wide participation, we host 'BNK CSR Day' and encourage voluntary employee involvement, with a goal of holding the event at least twice a year. In 2025, activities included assembling daily necessities kits, participating in the 2025 Hope Sharing Campaign donation ceremony, conducting environmental cleanup activities, and purchasing goods from traditional markets for distribution to vulnerable groups. Through these efforts, we created diverse social value by supporting vulnerable members of local communities, improving the environment, and contributing to the revitalization of traditional markets.

Highlights of 'BNK CSR Day'

BNK Busan Bank

Heart-to-Heart Community Volunteer Corps: A Volunteer Network Across All Districts and Counties in Busan

Busan Bank rebranded its employee volunteer group as the 'Heart-to-Heart Community Volunteer Corps' in February 2025 and has designated the third Saturday of every month as 'Community Volunteer Day.' Around 400 employees across Busan's 16 districts and counties participate simultaneously in a wide range of volunteer activities, including assisting operations at welfare facilities for persons with disabilities, plogging at major landmarks across Busan, preparing and delivering meal boxes, briquette sharing, and upcycling initiatives, providing direct support to vulnerable members of local communities.

In addition, Busan Bank launched the 'Talent Sharing Volunteer Corps,' a group that enables employees to give back to society through their professional skills and expertise. The corps consists of employee-led volunteer teams organized around shared interests and areas of expertise, including the plogging & wellness team, global team, financial education team, culture & arts team, and digital & IT team. Each group independently plans and carries out volunteer activities.

Talent Sharing Volunteer Corps by Area of Expertise

- Plogging & wellness team: Conducted plogging and environmental cleanup activities around Godangbong Peak on Geumjeongsan Mountain while simultaneously raising public awareness of financial fraud prevention among hikers and local visitors
- Global team: Visited the Busan National Science Museum with children and adolescents from multicultural families to participate in science experience programs, providing opportunities for cultural exchange while fostering a greater sense of belonging among multicultural youth

BNK Securities

Donation for Financial Accessibility and Welfare for Persons with Disabilities

BNK Securities donated KRW 10 million to the Rehabilitation Center of Busan Metropolitan City to enhance financial accessibility and promote the welfare and rights of persons with disabilities in local communities. The donation was made as part of BNK Securities' commitment to sharing value and fostering mutual growth with local communities. The funds will be used in full to support people-centered welfare programs and advocacy initiatives tailored to the needs of persons with disabilities in the region.

BNK Securities Donation to the Rehabilitation Center of Busan Metropolitan City

Initiatives

BNK Kyongnam Bank

Emergency Support for Wildfire-Affected Communities in Gyeongnam and Ulsan

In response to the large-scale wildfires that affected Sancheong and Hadong in Gyeongnam in March 2025, BNK Financial Group, together with its subsidiaries, donated a total of KRW 300 million to Gyeongsangnam-do to support affected residents. Aiming to help ease the financial burden on disaster victims, we promptly provided emergency living stabilization funds of up to KRW 20 million, loan maturity extensions, and special loans of up to KRW 500 million. Additionally, 50 employees visited affected areas to deliver relief supplies, demonstrating the Group's commitment to swift and effective disaster response.

Following the disaster, Kyongnam Bank signed an agreement with the ChildFund Korea and ILC to establish a standing disaster relief kit support system. The framework enables the immediate deployment of relief kits and emergency volunteer teams in the event of wildfires, torrential rainfall, and other disasters, ensuring an integrated response that combines financial assistance with welfare support when communities need it most.

1 Kyongnam Bank's Emergency Relief Efforts for Wildfire-Affected Communities
2 Assembly of the 'BNK Disaster Relief KIT'

BNK Kyongnam Bank

On-site Employment Counseling for Women

Since 2011, Kyongnam Bank has operated the 'On-site Employment Counseling for Women' program in partnership with the Masan Women's New Work Center, supporting the reemployment of women whose careers have been interrupted. Professional career counselors provide employment information, career aptitude assessments, and employment consulting to help women plan their careers and successfully return to the workforce. Kyongnam Bank will continuously support the economic independence of women in the region and promote a better balance between work and family life.

On-site Employment Counseling for Women

BNK Financial Group

Supporting Local Economy

BNK Financial Group operates a campaign to promote the purchase of traditional market gift certificates as part of its efforts to revitalize local economies. Through voluntary payroll deductions from participating employees, the Group expands the purchase of gift certificates while promoting shared growth with local economy.

BNK Financial Group

Family-Friendly Social Contribution Initiatives

In May 2025, BNK Financial Group hosted the 'BNK Love for Children Festival,' a family-oriented social contribution event designed to raise awareness of declining birth rates and the significance of creating a supportive childcare environment. The festival featured a wide range of activities for families to enjoy together, including a children's art competition, market town, book exchange fair, and hands-on educational programs, attracting about 3,000 participants. The BNK Love for Children Festival has become one of the Group's signature social contribution events, celebrating the value of family while helping raise awareness of low birth rates and fostering stronger connections with local communities.

Media Coverage and Promotional Materials for the 'BNK Love for Children Festival'

Initiatives

Academic and Educational Support

BNK Busan Bank BNK Kyongnam Bank BNK Securities BNK Savings Bank

BNK 1 Company 1 School Financial Education

BNK Financial Group provides a wide range of financial education programs through the 1 Company 1 School Financial Education initiative led by the Financial Supervisory Service. Through partnerships with elementary, middle, and high schools across the region, we deliver financial education in various formats, including classroom visits, experiential learning programs, and support for student clubs. Busan Bank is elevating the quality of financial education through practical financial literacy programs for students at specialized high schools and by developing tailored learning content for elementary school students. Kyongnam Bank provides more than 270 structured financial education sessions each year across its network of 362 partner schools, helping foster sound financial habits among young learners throughout the region. On top of that, BNK Securities and BNK Savings Bank continue to provide hands-on learning opportunities ranging from basic financial education to experiential programs such as the Financial Museum Road, which includes guided visits to financial museums.
In recognition of these endeavors, BNK Financial Group has received the Education Mecenat Tower Award for 18 consecutive years for its contributions to educational philanthropy. Going forward, we will continue to expand financial education initiatives that help future generations develop sound financial habits.

1 Company 1 School Partnerships and Financial Education

BNK Busan Bank	• Enable financial education applications and course participation through the mobile app 'Busan Bank Financial Class' • Received the Education Mecenat Tower Award for 18 consecutive years in the field of educational philanthropy • Earn designation as a Certified Educational Donation Career Experience Institution from the Ministry of Education and the Korea Chamber of Commerce and Industry • Operate a variety of educational programs in addition to the 1 Company 1 School Financial Education initiative, including the Financial History Booth and Dream-Filled Career Experience Program
BNK Kyongnam Bank	• Designate at least one financial education coordinator at each branch • Operate a dedicated on-site digital financial education program in partnership with senior clubs and senior welfare centers • Conduct an annual certification program for professional financial education instructors
BNK Securities	• Expand educational outreach to the Seoul metropolitan area through partnerships with schools in Incheon, in addition to Busan and Gyeongnam • Utilize interactive teaching methods, including quizzes and other participatory learning activities
BNK Savings Bank	• Partner with schools in Busan • Participate in the Financial Museum Road program, including visits to the Bank of Korea Money Museum and the Korea Exchange Capital Market History Museum

BNK Busan Bank

BNK Heart-to-Heart Financial School for Elementary Students

Busan Bank began developing 'BNK Heart-to-Heart Financial School,' a customized financial education program for elementary school students, in December 2025 in collaboration with the Busan Metropolitan Office of Education and ChildFund Korea. The program is designed around 10 core financial topics, including allowance management, saving, spending, credit, and insurance, with content tailored to the cognitive development levels of lower and upper grade students. The program will be rolled out step by step across elementary schools in Busan and later expanded to middle schools, establishing a comprehensive financial education framework tailored to each stage of life.

Heart-to-Heart Financial Classroom for Specialized High School Students

In December 2025, Busan Bank ran the 'Heart-to-Heart Financial Classroom' for 350 students at specialized high schools in collaboration with the Busan Metropolitan Office of Education. The program covered savings, deposit protection, credit management, and voice phishing prevention, while featuring a mobile stock investment simulation.

Climate Change and Financial Education Partnership

Busan Bank signed an MOU with the Busan Regional Office of Meteorology to collaborate on climate change and financial education, thereby jointly operating climate, environmental, and financial education programs for young people. In recognition of its continued contributions to educational philanthropy, Busan Bank has received the Education Mecenat Tower Award for 18 consecutive years.

BNK Kyongnam Bank

Financial Education for Students on Remote Islands

In October 2025, Kyongnam Bank, together with the Gyeongnam Branch of the Financial Supervisory Service, conducted the 'Island Outreach Financial Education Program' for students at Yokji Elementary School and Yokji Middle School in Tongyeong. Recognizing its continued support for financial education for children leaving the child protection system and young adults preparing for independent living, the Bank received the Governor of Gyeongsangnam-do Award.

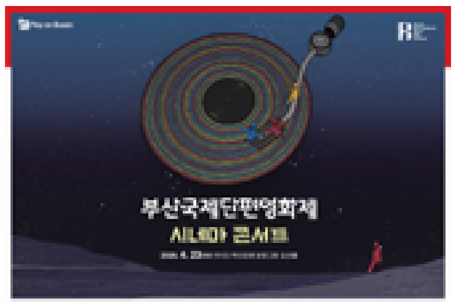
Initiatives

Support for Culture, Arts, and Sports

Play on Busan: Free Cultural Performances for Busan Citizens

'Play on Busan' is BNK Financial Group's signature performance brand that offers free cultural performances for citizens each month at Ocean Hall in the Busan Bank Headquarters. Designed to broaden access to cultural experiences in a region with relatively limited cultural opportunities, the program presents a diverse range of genres, including classical music, traditional Korean music, comedy, and film. In 2025, the program expanded its stage to BNK Art Cinema in Gwangbok-ro, Jung-gu, Busan, where it hosted a series of performances, including a classical concert featuring the KNN Broadcasting Symphony Orchestra, performances associated with the Busan International Comedy Festival, cinema concerts, and invitational performances by the Busan Philharmonic Orchestra. Going forward, BNK Financial Group will continue to contribute to the revitalization of commercial districts in Busan's original downtown district while fostering a vibrant local cultural community.

'Play on Busan' Concert Featuring the KNN Broadcasting Symphony Orchestra



Cinema Concert at the Busan International Short Film Festival

Sponsorship of the '2025 Cultural Exploration Outing'

BNK Securities made a sponsorship contribution to the '2025 Cultural Exploration Outing,' organized by the Busan Welfare Center for the Visually Handicapped, helping create opportunities for visually impaired individuals in the Busan region to enjoy cultural experiences and meaningful leisure activities. The event was attended by 280 visually impaired participants and their companions and included a cultural excursion to Bulguksa Temple, Daereungwon Tomb Complex, and Hwangridan-gil in Gyeongju. The program provided participants with opportunities to relieve everyday stress and enjoy enriching cultural experiences. BNK Securities will continue to fulfill its social responsibility by providing practical support for vulnerable groups within local communities.

BNK Busan Bank BNK Kyongnam Bank BNK Savings Bank

Empowering Regional Sports and Culture

BNK Financial Group contributes to the vitality of the sports ecosystem in Busan and Gyeongnam through locally-rooted sports sponsorships, the reinvestment of financial product proceeds, and support for corporate athletic teams. Through subsidiary-specific initiatives spanning youth athlete development and the operation of elite corporate teams, we are helping widen the reach of regional sports and foster a more vibrant sporting culture.

Regional Sports and Cultural Sponsorships

BNK Busan Bank	• Donate KRW 30 million from proceeds generated by the 'Lotte Giants Victory Deposit and Installment Savings' product to support the purchase of training equipment, including baseballs, for 16 elementary and middle school baseball teams in Busan • Attend the athlete and coach awards ceremony for the 106th National Sports Festival (October 2025) and provide scholarships to promising athletes as the chair organization of the Busan Athletics Federation
BNK Kyongnam Bank	• Host the 34th Kyongnam Bank Family Culture Festival - Attract more than 10,000 participants from the Gyeongnam and Ulsan regions - Operate an essay contest (SNS poetry) and art competitions (painting and digital painting)
BNK Savings Bank	• Sign a sponsorship agreement with the Busan Sports Council to support its corporate modern pentathlon team and provide sponsorship funding valued at KRW 100 million • Receive the Busan Mayor's Commendation Plaque at the 2025 Busan Sports Community Night

Initiatives

Environmental Stewardship Initiatives

BNK Busan Bank

Conservation Activities at the Nakdong River Ecological Park

Busan Bank continues to carry out biodiversity conservation activities through a 3,045 m^2 green park established within the Nakdong River basin in partnership with the Nakdong River Management Headquarters. In April 2025, employees took part in efforts to remove invasive alien plant species, including tall goldenrod and Japanese hop, and planted 27,500 native plants representing seven species, including the nationally protected Korean aster. Through these activities, Busan Bank contributes to restoring the ecological health of the Nakdong River and enhancing local biodiversity, while disseminating a culture of environmental stewardship through voluntary employee participation.

Beachcombing for Marine Ecosystem Conservation

In 2025, Busan Bank employees participated in a beachcombing initiative along Section 2-1 of the Galmaet-gil Trail (Dongbaekseom Island to Mipo Port), collecting marine litter and removing microplastics from the coastal environment. The activity was designed to raise awareness of marine pollution caused by cigarette butts and microplastics while providing employees with an opportunity to take direct action in protecting coastal ecosystems. These hands-on conservation efforts help safeguard coastal ecosystems while supporting the long-term resilience of the local marine environment.

BNK Kyongnam Bank

BNK Hope Garden and BNK Oriole Trail for Wildfire Recovery in Sancheong

Following the outbreak of the Sancheong-Hadong wildfires in March 2025, recorded as the longest-running wildfire in Korea's history, Kyongnam Bank participated in a wide range of firefighting support and disaster recovery efforts. The wildfire destroyed 3,397 hectares of forest, equivalent to around 4,800 soccer fields, and left many local residents displaced from their homes. As part of its recovery initiatives, the Bank carried out practical restoration projects, including the creation of BNK Hope Garden, which redeveloped a fire-damaged community rest area into a public park, and BNK Oriole Trail, which improved the protective wall environment along the Songha and Jungtae Village roads. In particular, BNK Hope Garden features more than 20 species of grasses, trees, flowering plants, and shrubs, helping restore the damaged landscape while providing a space for emotional healing. Through these initiatives, Kyongnam Bank contributed to restoring damaged community infrastructure and the local environment while supporting residents in returning to their daily lives.

BNK Oriole Trail Developed for the Sancheong Wildfire Recovery Project

Global Social Contribution

BNK Financial Group

BNK Happy Sharing: Supporting Communities in Overseas Subsidiary Areas

'BNK Happy Sharing' is a Group-wide global social contribution initiative that unites employees across BNK Financial Group in supporting local communities where its overseas subsidiaries operate. In March 2025, approximately 8,000 items of clothing were prepared for communities affected by the devastating earthquake in Myanmar. Additional donations were delivered to local schools and children's facilities in Myanmar, Cambodia, and Laos. The 2024 BNK Happy Sharing campaign brought together 438 employees and delivered 3,793 donated items to six overseas subsidiary locations. Building on this effort, the initiative expanded both its level of participation and the scope of support in 2025.

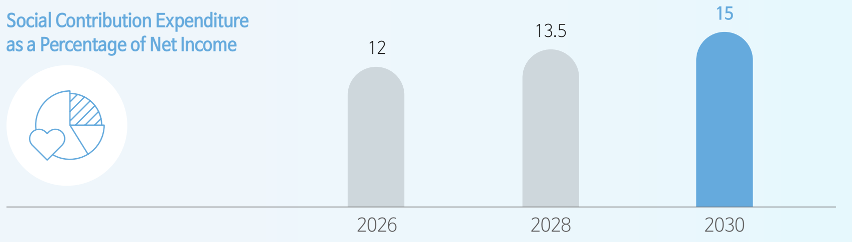
Metrics and Targets

Community Contribution Management Indicators

Social Contribution Investment	No. of Social Contribution Volunteers
KRW 96,412 million	8,265 persons

Community Contribution Targets

(Unit: %)



Financial Consumer Protection

Governance

Financial Consumer Protection Policy

Pursuant to the Act on the Protection of Financial Consumers, BNK Financial Group has established the Internal Control Regulations on Financial Consumer Protection, which set forth internal control standards, operational requirements, and other matters related to the protection of consumer rights and interests. Through these regulations, we maintain a structured framework for safeguarding consumer rights and interests across the Group. With an aim to ensure that all advertising activities place the rights and interests of financial consumers at the forefront, BNK Financial Group adopted the Fair Advertising Policy in 2024. Based on this policy, we formulated guiding principles and implementation standards and require each subsidiary to carry out a range of related activities, including providing employees with annual guidance on advertising compliance, conducting relevant training programs, issuing notices regarding financial advertising regulations and securities registration requirements, and performing advertising reviews and monitoring. In addition, through 'Our Resolution,' we reaffirm our commitment to complying with the Financial Consumer Protection Act and recognize the delivery of trusted and satisfying financial services as a top priority. We put this commitment into practice by delivering financial services that earn the confidence and trust of consumers.

Fair Advertising Policy | Financial Customer Protection Charter

Financial Consumer Rights Protection Management Framework

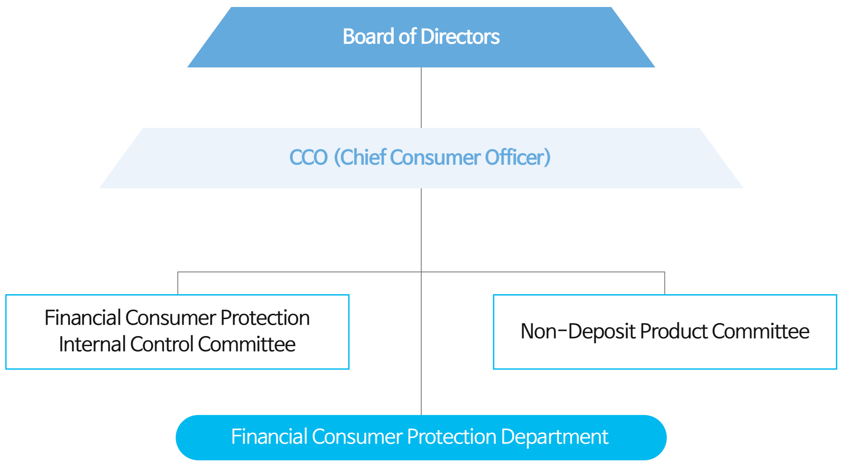
Group Consumer Protection and Internal Control Division

In response to the Financial Services Commission and Financial Supervisory Service's policy direction on safeguarding financial consumers, BNK Financial Group established the Group Consumer Protection and Internal Control Division as part of its organizational restructuring at the end of 2025. The Group has consolidated and enhanced internal control functions that were previously dispersed across individual subsidiaries into a unified financial safety model, establishing a comprehensive management framework that enables consistent oversight and continuous improvement across all stages, from product development and sales to post-sales management. Through this framework, the Group aims to reduce blind spots in internal control while further embedding a preventive approach to risk management across the organization.

Proactive Inspection and Prevention

BNK Financial Group advances consumer protection through proactive inspection and prevention activities supported by its internal control framework. Busan Bank and Kyongnam Bank operate internal control inspection teams within their Financial Consumer Protection Departments, independent organizations reporting directly to the president. These teams conduct checklist-based inspections of branches and relevant departments to identify and address potential risks. Inspection results are reported to the president and the Internal Control Committee, stepping up the effectiveness of internal controls. In parallel, the Non-Deposit Product Committee, composed of the CCO and key executives, operates on an ongoing basis to oversee all stages of non-deposit products, from product selection and sales to post-sales management. Through end-to-end oversight of the product lifecycle, the Committee helps prevent consumer harm associated with investment products before issues arise.

Consumer Protection Governance Framework



Internal Control Framework Led by the CCO

BNK Financial Group has put in place a Group-wide internal control framework for financial consumer protection and appointed a Chief Consumer Officer (CCO) reporting directly to the CEO to oversee its implementation. Busan Bank, Kyongnam Bank, BNK Capital, and BNK Securities centrally manage consumer protection activities under the leadership of their CCOs and convene the Financial Consumer Protection Internal Control Committee, composed of key executives, on a semiannual basis. The outcomes of these committee meetings are reported to the Board, enabling Board-level reviews of consumer protection policies and oversight of related risks.

BNK Financial Group

Initiatives

Financial Consumer Engagement

BNK Busan Bank BNK Kyongnam Bank BNK Securities

Customer Communication Channels

BNK Financial Group collects customer feedback and addresses customer concerns through a variety of communication channels, including its website, AI chatbot, telephone, and fax services. The Group actively incorporates customer perspectives into the improvement of products and services through initiatives such as the Customer Panel program and the Financial Consumer Rights Promotion Advisory Group.

Key Financial Consumer Engagement Initiatives

Category	Subsidiary	Operating Model	Key Activities	Key Outcomes
Customer Panel Program	BNK Busan Bank	Customer participation-based panel program 'CX Explorer'	• Gather feedback on new product planning and development, as well as improvements to existing products and services • Collect improvement proposals through monthly assignments and open topics • Discuss recommendations through the CX Association chaired by the Head of the Management Strategy Group	• Held a total of 12 CX Association meetings • Reviewed 254 improvement proposals • Implemented 137 improvement measures
	BNK Kyongnam Bank	Regional customer panel program	• Discuss a wide range of topics, including mobile banking convenience, inconveniences in branch services, and prevention of telecommunications financial fraud • Share customer feedback with relevant departments	• Operated the 9th customer panel (12 members) • The 10th customer panel (13 members, including people with disabilities and senior customers) is currently active
	BNK Securities	Experience-based customer advisory panel	• Identify inconveniences and areas for improvement compared with competitors • Propose products, services, and educational programs desired by customers	• Launched the 1st panel (8 panel members currently active)
Financial Consumer Rights Promotion Advisory Group	BNK Kyongnam Bank	External expert advisory group (business sector, consumer organizations, academia, and media)	• Hold advisory meetings on financial consumer protection policies • Discuss ways to improve financial accessibility for vulnerable groups	• Convened the 2025 advisory group meeting • Proposed measures to improve financial accessibility for foreign residents and incarcerated individuals

Customer Complaint Response Framework

BNK Financial Group places strong emphasis on preventive measures by resolving customer issues promptly through direct communication whenever complaints arise, while also sharing major complaint cases with all employees on a monthly basis and implementing related institutional improvements. In accordance with its complaint handling procedures, the Group notifies customers immediately upon receipt of a complaint and, as a general principle, resolves complaints within 14 business days from the date of receipt. The Group has also undergone external verification of its complaint response framework.

Busan Bank and Kyongnam Bank report complaint handling performance to their respective presidents four times a year and manage key issues through quarterly complaint reporting meetings chaired by the president. Major complaint cases and corrective actions are also reviewed by the Financial Consumer Protection Internal Control Committee on a semiannual basis before being reported to the Board of Directors, ensuring systematic oversight and management. Meanwhile, BNK Capital has pursued institutional improvements based on customer feedback and Voice of Customer (VOC) insights, completing improvements in approximately 75% of identified areas in 2025. Key initiatives included extending the subscription withdrawal period for senior financial consumers, establishing a voice phishing consultation system, and introducing a designated representative notification service. BNK Capital has also enhanced its customer response capabilities through the introduction of a consultation monitoring system and the deployment of dedicated professional counselors.

Strategies

Development and Sales of Financial Consumer-Centric Products

Risk Review for New Products and Business Initiatives

BNK Financial Group operates a structured pre-review and internal control process to prevent consumer harm and mis-selling and to proactively manage potential risks throughout the development of new products and business initiatives. Prior to the development and launch of products and services, key subsidiaries, including Busan Bank and Kyongnam Bank, conduct an initial checklist-based review, followed by consultations with relevant departments on financial consumer protection and other risk-related matters to assess product suitability from multiple perspectives.

Before introducing new products, the banking subsidiaries consult with the Financial Consumer Protection Department and Risk Management Department to review product suitability and associated risks. Based on the results of these reviews, opinions such as approval, conditional approval, or disapproval are provided before launch plans are finalized. Non-banking subsidiaries[1] determine the launch of new products through prior consultation with the Group Risk Management Department and resolutions by their respective risk management decision-making bodies.

1) For non-bank subsidiaries, including BNK Securities, BNK Capital, and BNK Savings Bank, prior consultation is also conducted with the Financial Consumer Protection Department.

Management of Complex Financial Products

BNK Financial Group operates a dedicated review framework for financial products with a higher risk of loss. High risk non-deposit products are subject to additional review by the Non-Deposit Product Committee, where the CCO, Compliance Officer, and Head of the Risk Management Headquarters participate in evaluating products from a consumer protection perspective. In particular, the CCO holds sole veto authority, reinforcing decision making centered on the protection of financial consumers. High-risk financial products are monitored on a monthly basis to continuously assess key developments, including changes in market conditions.

Post-Sales Monitoring and Management Framework

BNK Financial Group manages risks through continuous monitoring even after financial products have been launched. The product management departments and independent departments, including the Financial Consumer Protection Department, regularly monitor investors' gains and losses as well as the status of complaints and disputes following the sale of non-deposit products. The results are reviewed by the Non-Deposit Product Committee before being reported to management and the Board. Should any significant issues arise, appropriate response measures are promptly developed and implemented.

Non-Deposit Product Review Process

1. Non-deposit product planning — Product department
2. Product Selection Committee and Product Selection Council
3. Non-Deposit Product Committee — Review and approval of product planning and selection
4. Preliminary internal control procedures — Prior consultation
5. Product Sales — Product department and branches
6. Post-sales management and review — Non-Deposit Product Committee

Mystery Shopping Program for Preventing Mis-selling

In response to the Financial Supervisory Service's shift toward a prevention-oriented supervisory approach since 2025, including tightened mystery shopping and on-site inspections of high-risk financial products and sales channels, BNK Financial Group has implemented a comprehensive review framework covering every stage of the product lifecycle, from product design and sales to post-sales management. The Group also conducts ongoing monitoring of sales practices at branches and continuously enhances internal controls to elevate the level of consumer protection. The results of mystery shopping exercises and internal inspections are linked to practical management measures, including employee training, KPI evaluations, and sales restrictions, thereby enhancing the effectiveness of mis-selling prevention efforts.

Busan Bank, Kyongnam Bank	BNK Securities	BNK Savings Bank
• Review branch sales processes through the mystery shopping program • Provide corrective training for branches and employees receiving 'Needs Improvement' ratings • Apply phased restrictions on financial product sales in cases of repeated deficiencies • Mystery shopping performance: 546 (Busan Bank) and 413 (Kyongnam Bank) evaluations	• Perform semiannual mystery shopping reviews of financial product sales practices • Maintain a five-tier rating system based on detailed evaluation criteria for each product category • Reflect evaluation results in KPI assessments and require repeated training for employees with insufficient performance	• Conduct annual branch inspections through internal control reviews • Undertake ad hoc thematic inspections as needed • Assess whether consumer rights are adequately protected throughout the sales process

Initiatives

Managing Financial Consumer Satisfaction

BNK Financial Group continues to advance service quality and financial consumer protection through its customer-centric management approach. Both Busan Bank and Kyongnam Bank maintain customer complaint handling systems and have consistently achieved customer complaint resolution rates of 100%. In addition, they conduct customer satisfaction surveys of banking customers to gather customer feedback and identify areas for improvement. As a result of these efforts, the Group's key subsidiaries have delivered strong performances in major external assessments, including the National Customer Satisfaction Index (NCSI) and the Korean Service Quality Index (KSQI), demonstrating a high level of competitiveness in customer satisfaction.

Progress and Targets for Customer Satisfaction and Financial Consumer Protection

Indicator	Subsidiary	2023	2024	2025	2025(Target)
Satisfied Customers (%)	BNK Busan Bank	97.9	94.4	95	95 or higher
	BNK Kyongnam Bank	91.7	92.6	93	93
Financial Consumer Protection Improvement Initiatives (Cases)	BNK Busan Bank	99	107	55	-
	BNK Kyongnam Bank	43	144	85	-
Customers Completing Financial Education Programs (Persons) (Including Vulnerable Groups)	Combined (Busan Bank + Kyongnam Bank)	39,298	38,614	57,442	-

BNK 부산은행

Customer Complaint Resolution Rate
100%

Customer Satisfaction Rate (2025)
95%

2025 National Customer Satisfaction Index (NCSI)
No. 1 (Regional Banking Services Category)

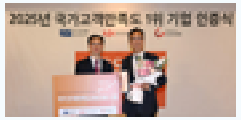
BNK 경남은행

Customer Complaint Resolution Rate
100%

Customer Satisfaction Rate (2025)
93%

Achievements in Customer-Oriented Management and Inclusive Finance

Busan Bank practices customer-centric management by continuously improving its services based on customer feedback and operating support programs for financially vulnerable groups. Accordingly, the Bank ranked first among regional banks in the National Customer Satisfaction Index for two consecutive years and in the Korean Service Quality Index for four consecutive years.



Recognition Ceremony for the No. 1 Company in NCSI

Enhancing Services for Financially Vulnerable Groups

BNK Financial Group consistently works to improve services for financially vulnerable customers, including senior citizens and people with disabilities.
Busan Bank operates 26 senior friendly branches designed to enhance service accessibility for senior customers. The bank has also placed Senior Supporters across its branch network to assist customers with everyday banking services, including the use of self service banking machines and utility bill payments. Through this tailored support system, Busan Bank not only improves financial accessibility for senior customers but also contributes to the creation of meaningful employment opportunities for seniors.
Kyongnam Bank established partnerships with the Yangsan Police Station, Masan Dongbu Police Station, and Seoul Suseo Police Station in the second half of 2025 to prevent financial fraud and establish a real-time joint response framework. Under this framework, customers making large withdrawals or transfers are subject to additional verification procedures, and any suspected fraud cases are immediately reported and addressed in coordination with law enforcement authorities.

Improvements for Financially Vulnerable Groups

BNK Busan Bank / BNK Kyongnam Bank

- Support accessibility tools for customers with disabilities (Android TalkBack and Apple VoiceOver)
- Introduce voice OTP services for visually impaired customers
- Offer foreign language search functions and services for foreign customers
- Lower access barriers through a simplified membership system

BNK Securities

- Offer a simplified mode for senior customers and first-time investors
- Expand mobile banking access by introducing a non-face-to-face identity verification process for foreign customers, enabling electronic banking enrollment and account opening
- Enhance protection features focused on financial fraud prevention

BNK Capital

- Adopt a designated representative notification service for senior customers and customers with disabilities
- Extend the subscription withdrawal period for senior financial consumers

Strategies

Debt Collection Policy and Debt Restructuring Programs

Fair Debt Collection Practices

BNK Financial Group operates a fair and structured debt collection framework based on the BNK Debt Collection Policy, while safeguarding the rights and interests of debtors. Busan Bank and Kyongnam Bank comply with the Financial Services Commission's Debt Collection and Loan Sale Guidelines and conduct regular training for relevant employees in accordance with each subsidiary's operating standards, including monthly or quarterly training schedules, striving to foster sound debt collection practices. In addition, BNK Savings Bank has introduced the External Complaint Penalty System for Violations of Collection Activities to prevent improper collection practices and promote effective internal controls.

Debt Restructuring and Financial Recovery Support

BNK Financial Group operates debt restructuring programs to support customers who are at risk of delinquency or have already fallen into delinquency in returning to normal financial transactions. Taking borrowers' income-based repayment capacity into account, the Group provides a range of support measures, including refinancing, interest rate reductions, and repayment deferrals, helping ease the financial burden on vulnerable customers.

Busan Bank has eased its internal debt restructuring criteria in line with the implementation of the Personal Debtor Protection Act and supports the financial recovery of delinquent borrowers through refinancing, interest rate reductions, and principal repayment deferrals. Kyongnam Bank offers support measures such as loan maturity extensions, refinancing, and interest rate reductions through its Household Pre-Workout Debt Support Program and Credit Loan 119 Program.

Tailored Support Programs by Subsidiary

BNK Capital offers a range of debt restructuring measures, including debt relief, repayment deferrals, and maturity extensions, for socially vulnerable borrowers and small business owners facing repayment difficulties. Separate support programs remain in place for borrowers affected by the COVID-19 pandemic. BNK Savings Bank has implemented its own debt restructuring programs under the MOU intended to offer 'Restart Funds for Small Businesses and Self-employed Individuals.' In addition, the Bank operates debt restructuring programs that provide support measures such as interest rate reductions and principal repayment deferrals for eligible borrowers, helping them restore their credit standing.

BNK Credit Information also operates a special debt relief campaign for financially underserved groups, helping ease debt burdens and support the recovery of financial stability.

BNK Debt Collection Policy

Debt Collection Procedures

1 1st Notification	• Request debt repayment via phone calls, text messages, and postal mail • Inform debtors of potential disadvantages resulting from non-payment
2 2nd Notification and Visit	• Locate the debtor for debt repayment requests and asset investigations (limited to the minimum necessary scope) • Arrange the time and place for face-to-face meetings with the debtor in advance
3 3rd Notification and Legal Action Warning	• Provide advance notice of legal actions for the compulsory recovery of outstanding debt by the creditor or creditors' committee, including applications for provisional seizure, payment orders, and auction proceedings
4 Debt Recovery through Auction Proceedings or Compulsory Execution	• Recover debt by initiating foreclosure auction proceedings or by enforcing compulsory execution pursuant to a court order • Request a declaration of assets or the registration of default through the creditor or creditors' committee

Employee Training on Debt Collection in 2025

Subsidiary	Participants	No. of Participants	Training Content
BNK Busan Bank	Debt restructuring personnel (virtual training)	Approx. 200	Training on the Personal Debtor Protection Act
BNK Kyongnam Bank	Loan department personnel and managers, credit card personnel and managers, chief audit executive, and all branch employees (virtual training)	48	Training on legal framework including the Personal Debtor Protection Act
BNK Savings Bank	Employees of the Loan Management Department and Retail Finance Management Team	74	Training on the Personal Debtor Protection Act, including the Debt Collection and Loan Sale Guidelines
BNK Capital	Employees of the Loan Management Department and credit information companies	67, 62	Training on debt collection related regulations, including the Credit Information Act, Personal Information Protection Act, and Personal Debtor Protection Act
BNK Credit Information	Employees engaged in debt collection activities (including commissioned personnel)	76	Training on debt collection related regulations, including the Credit Information Act, Personal Information Protection Act, and Personal Debtor Protection Act

Initiatives

Financial Literacy Education for Financial Consumers

BNK Financial Group operates tailored financial education programs designed to protect the rights and interests of financial consumers and improve financial literacy across different demographic groups, including vulnerable populations. The Group leverages digital content, including metaverse-based financial education programs, to expand accessibility and enhance engagement. In collaboration with specialized financial institutions such as the Korea Exchange, the Financial Supervisory Service, and the Bank of Korea, the Group delivers high quality financial education programs for a broad range of audiences, from youth to general consumers.

Key Financial Education Programs for Financially Underserved Groups[1)]

Target Group	Educational Program Details	Subsidiary	Participating and Partner Organizations
Youth	• Currencies and exchange rates, credit and debt management, Financial History Booth Road, and financial career camps for multicultural youth	BNK Busan Bank	Elementary, middle, and high schools in Busan and Gyeongnam, Tongmyong University, Korea Exchange, Busan Ulsan Regional Office of the Financial Supervisory Service, etc.
	• Partnerships with 337 schools under the 1 Company 1 School Financial Education • Launch of the Saerok Saerok Financial Education Program (in collaboration with Seongsan District Office of Changwon City, visiting 8 local children's centers) • More than 200 financial education sessions provided for protected children, care leavers, and self-reliance preparation youth	BNK Kyongnam Bank	Elementary, middle, and high schools in Gyeongnam and local children's centers across Gyeongnam Province, etc.
Middle-aged / Retired Individuals	• Prevention of voice phishing and financial fraud	BNK Busan Bank	Senior Welfare Center in Seo-gu, Busan, Busan Metropolitan City Social Service Agency, Integrated Senior Support Center in Gyeongnam, Jinju Senior College, etc.
	• Turtle Digital Finance Academy (three sessions for seniors covering kiosks, banking services, voice phishing prevention, and financial management) • Voice phishing prevention education at senior colleges and senior clubs • 'Designing a Happy Second Chapter of Life' financial planning program for retirees	BNK Kyongnam Bank	Senior clubs and senior welfare centers across Gyeongnam, etc.
Foreigners and Multicultural Families	• Financial fraud prevention education	BNK Busan Bank	Silla University, Kyungsung University, Busan University of Foreign Studies, etc.
	• Introductory low-capital economic activity programs for foreign residents from multicultural families (Kakao emoticon creator and YouTube content production), as well as savings and investment education	BNK Kyongnam Bank	Gyeongnam Foreign Residents' Support Center, etc.
People with Disabilities	• Prevention of financial fraud, currencies and rational consumption, and the use of banking services	BNK Busan Bank	Geumjeong-gu Welfare Center for the Disabled, Shinae Rehabilitation Center, Hapcheon Vocational Rehabilitation Center, etc.
	• Kkuldanji experiential financial education program (economic field trips for people with developmental disabilities in partnership with Gyeongsangnam-do Comprehensive Welfare Center for Persons with Disabilities) • Gildongmu financial education program (dispatched to six centers under the Gyeongnam Family Support Center for Persons with Disabilities, covering savings, consumption, investment, and financial fraud prevention) • Telecommunications financial fraud prevention education provided through the Changwon Mental Health Welfare Center	BNK Kyongnam Bank	Gyeongnam Welfare Center for the Disabled, Gyeongnam Family Support Center for the Disabled, Changwon Mental Health Welfare Center, etc.

1) Summary of financial education performance related to specific target groups among the Group's overall financial education activities.

In Focus

BNK Busan Bank

Awarded the Ministry of Education's 'educational donation career experience certification mark' through the operation of career experience-based financial education programs

BNK Kyongnam Bank

Built and operated one of the largest financial education networks among regional banks through the 1 Company 1 School Financial Education program, partnering with 337 schools

BNK Securities

Signed an MOU for joint financial education initiatives with the Rehabilitation Center of Busan Metropolitan City and continued to advance financial consumer protection activities

Financial Consumer Protection

Initiatives

Financial Consumer Protection Training for Employees

Employee Training Framework

BNK Financial Group provides financial consumer protection training at least once a year for all employees who interact with customers, focusing on key product features and relevant laws and regulations. Alongside product training programs, the Group regularly delivers mandatory job-related training, including education on the Financial Consumer Protection Act, helping enhance employees' professional expertise and compliance capabilities. Busan Bank and Kyongnam Bank grant product sales qualifications only to employees who have completed the required training programs prior to engaging in sales activities. Furthermore, investment and guarantee products may only be handled by employees holding relevant external certifications. Both banks also require mandatory pre-launch training for new products, establishing a sales framework grounded in product knowledge and understanding. Furthermore, BNK Capital operates a monthly 'Day of Financial Consumer Protection' program to provide Group-wide employee training. BNK Capital also offers quarterly education sessions to financial product sales agents and brokers, supporting efforts to prevent mis-selling.

Empowering Customer-Facing Employees

BNK Financial Group operates tailored training programs to sharpen the capabilities of customer-facing employees and elevate customer satisfaction. By improving service excellence and fostering a customer first mindset, the Group delivers customer-oriented financial services while shaping more meaningful customer experiences at every touchpoint.

Employee Training on Financial Consumer Protection

Subsidiary	Target Participants	Training Topics	Training Approach and Key Features
BNK Busan Bank	All employees, consumer protection personnel	Understanding the Financial Consumer Protection Act, internal control review items, financial product features, and the prohibition of unfair solicitation	• Annual in-person training for representatives from all departments and branches • Monthly publication of the CS Magazine to share complaint prevention measures and case studies
BNK Kyongnam Bank	All employees, new hires, and CS personnel	Financial Consumer Protection Act, internal control reviews, financial product training, complaint prevention, CS, and services for vulnerable groups	• Operation of the 'Day of Financial Consumer Protection' program (monthly) • Quarterly self-assessments and monthly internal training sessions • Sign language and disability awareness training • VOC-based improvement activities, publication of the CS Magazine, and tailored on-site training
BNK Capital	All employees, branch employees, and consumer protection personnel	Financial Consumer Protection Act, complaint case studies, sales procedures and management of sales agents and brokers, and CS training	• Operation of the 'Day of Financial Consumer Protection' program (monthly) • Annual CS training • In-person training for branch employees • Support for obtaining consumer protection-related professional certifications, including financial consumer protection counselor qualifications, complemented by online training
BNK Securities	Branch sales employees and dedicated personnel	Financial consumer protection training and sales-related regulations	• Annual financial consumer protection training and quarterly branch visit training • CS training delivered twice a year by professional instructors to enhance customer satisfaction and support personalized service delivery
BNK Savings Bank	All employees	Concepts of financial consumer protection, relevant laws and regulations, internal controls, and complaint handling	• Regular cyber-based training programs • Training on key topics covered in the Financial Consumer Protection FAQ

Financial Consumer Protection

Initiatives

Proactive Detection of Financial Fraud and Mis-Selling Risks

To prepare for the launch of the financial sector's integrated voice phishing prevention platform in 2026, Busan Bank plans to enhance its Voice Phishing Detection System (VFDS) and expand immediate one-stop payment suspension to high-risk transactions involving malicious apps and overseas IP access. The Bank also tightens its technological safeguards to protect customer assets with 24/365 malicious app detection service that blocks remote control fraud.

Process Reviews and Feedback Mechanisms Built on Robust Internal Controls

BNK Financial Group operates product lifecycle reviews and a cross-validation system across its subsidiaries to prevent financial incidents and safeguard financial consumers. The Group reviews the consistency between product regulations and system application logic while expanding non-face-to-face sales suitability reviews to cover all financial products. The Group has an employee-level financial consumer protection evaluation framework, including activities such as voice phishing prevention and consumer protection initiatives into performance evaluations to embed consumer protection mindset. The Group also operates a continuous risk management framework that regularly identifies and assesses risks related to consumer rights and interests, monitors the implementation and effectiveness of mitigation measures, and incorporates the results into internal control enhancements and institutional improvements.

Risk Management Framework for Financial Consumer Protection

Category	Key Risks	Management and Response Strategy
Asset Protection	Voice phishing, malicious applications, unauthorized overseas IP access	Advanced Security Controls Deployment of VFDS analytics tools, introduction of 24/365 detection services, and operation of dedicated response teams
Operational Management	Misalignment between product regulations and system logic, interest rate errors	Consistency Verification Three-party verification (Product - IT - Consumer Protection), logic reviews, and documented results
Sales Practices	Violations of disclosure obligations in non-face-to-face sales channels, mis-selling	Systematic Monitoring Internal mystery shopping exercises and reviews of compliance with online sales guidelines
Organizational Culture	Insufficient consumer protection awareness, formalistic responses	Evaluation System Enhancement Employee-level consumer protection awards and quarterly thematic reviews of compliance with the Financial Consumer Protection Act

Metrics and Targets

Financial Consumer Rights Protection Indicators[1]

Percentage of satisfied customers		No. of financial consumer protection improvement initiatives	No. of customers completing financial education programs
BNK Busan Bank	BNK Kyongnam Bank		
95%	93%	140 Cases	57,442 Persons

1) Based on Busan Bank and Kyongnam Bank

Mid- to Long-Term Objective for Financial Consumer Protection

By 2026 — Strengthen the financial consumer protection framework

- Revamp the prior consultation process
  - Reinforce financial consumer protection functions through proactive reviews before the implementation of products, systems, and other initiatives
- Advance financial consumer protection policies, systems, and infrastructure
- Establish a Financial Consumer Protection Internal Control Committee under the Board
  - Reinforce the Board's oversight of financial consumer protection policies
- Further strengthen the Financial Consumer Protection Internal Control Committee
  - Improve the execution of financial consumer protection policies by optimizing executive governance bodies
- Strengthen financial consumer protection training programs for employees and introduce a performance-based compensation framework
  - Foster a stronger consumer protection culture by enhancing employees' awareness of financial consumer protection

By 2028 — Manage the effective operation of the financial consumer protection framework

- Upgrade financial consumer protection systems
  - Leverage digital technologies across financial consumer protection, complaint management, and financial fraud prevention systems to reinforce consumer protection functions and evaluate operational performance
- Build a management framework covering the entire life cycle of financial products, from development and sales to post-sale management, and embed it into business processes
- Broaden and enhance financial education programs
  - Extend financial education channels beyond local communities while enriching educational content and delivery

2029 onward — Expand the management framework to establish a financial consumer-first culture

- Adopt a Risk-Based Approach (RBA) to financial consumer protection, establishing a continuous management framework to identify and address potential conflicts of interest with financial consumers while conducting regular assessments of the control framework
- Accelerate AI-driven automation across financial consumer protection systems and shorten customer response times
  - Integrate AI technologies into prior consultation, complaint handling, VOC management, and voice phishing response systems

Governance

Organization in Charge of Driving Digital Finance Innovation

One of our three key focus areas in the second half is AI-driven digital finance. To achieve this, every effort is in full swing, including the restructuring of the Customer Value Innovation Division into the AI & Future Value Division, and the integration of the Digital Planning Department and the AI Business Team into a single unit, the AI & Digital Strategy Department. This revamp has enabled us to respond more coherently to evolving external environments. By accelerating the Group-wide AI Transformation (AX), we strive to deliver more convenient and innovative financial experiences for our clients.

In the fourth quarter of 2025, with the aim of designing and identifying new businesses and adapting to future-ready digital finance sectors through expertise and insight from external professionals, we launched the BNK Future Digital Strategy Research Organization. This initiative brings together a diverse spectrum of professionals from industry, academia, and research institutes. The organization is divided into two divisions, the AI and the Digital Asset to strengthen R&D activities and gear up for the future of digital finance.

In Focus

Building Group-Wide AI Governance

With the objective of establishing a safe and reliable AI governance framework, BNK Financial Group carried out a 'Group-wide AI Governance Consulting Project.' Keeping pace with global trends where AI-related regulations and guidelines are rapidly taking shape both domestically and internationally, we have set forth ethical principles and secured transparency in the use of AI in financial services while proactively monitoring compliance with relevant laws to reinforce our risk management system.
In particular, this project was a collaborative model involving three regional financial institutions (BNK, JB, and IM) and was conducted over approximately 4.5 months from June to November 2025. The outcomes derived from this joint consulting initiative were utilized to establish our internal regulations, guidelines, and manuals. Furthermore, departmental roles were clearly defined, especially in driving AI-related business, and the 'AI Ethics Committee' was launched. Together, these combined efforts are forging a trusted digital finance and empowering us to actively respond to the evolving AI technologies.

Strategies

Building Full-Fledged Digital Finance Through IT Innovation

We are committed to meeting clients' needs through continuous interaction and to delivering innovative IT services. This commitment has led to the establishment of mid- to long-term IT strategies targeting 2030. These strategies focus primarily on innovating client touchpoint channels and core banking systems to ensure safe, convenient access to accounts and transactions while enhancing overall accessibility and user experience.

In addition, we are concentrating on upgrading IT infrastructure across the Group and refining employees' digital capabilities to improve work efficiency and strengthen digital competitiveness. As a leading financial group representing the Busan - Ulsan - Gyeongnam region, we are also dedicated to promoting the data industry for shared growth with local communities. In collaboration with major local institutions and universities, we are expanding our role as a data provider.

Five Mid- to Long-Term IT Strategic Goals

1. Channel and Operations Innovation	Expand omnichannel engagement by integrating both face-to-face and digital channels, pushing back the boundaries of the digital realm to link finance seamlessly with everyday life
2. Core Banking Transformation	Restructure the organization to deliver change at a faster pace and enable the rapid expansion of services that clients can truly experience
3. Data-Driven Marketing Advancement	Deliver data-driven personalized services while strengthening marketing activities
4. IT Infrastructure Enhancement	Introduce advanced IT technologies to ensure system stability, adaptability, and agility
5. IT Capability Development	Sharpen IT capabilities grounded in innovative technologies to effectively respond to dynamic market demands

Strategies

Responsible AI Policy Framework

Fully cognizant of the role of AI technologies as a core driver of paradigm shifts in the financial landscape, and of the ethical and social responsibilities inherent in their use, we have established a governance structure to build a 'responsible AI environment,' designed to reassure clients, which demonstrates our commitment beyond mere technology adoption.

For the promotion of the AI Governance Consulting Project, we commissioned specialized external agencies throughout 2025, marking the beginning of these efforts. The project examined global AI guidelines and the domestic financial environment, laying the foundation for management frameworks tailored to BNK Financial Group. In preparation for the enforcement of the 'Framework Act on the Development of Artificial Intelligence in January 2026, we established three internal AI rules that stipulate principles of AI utilization and practical guidelines.

At BNK Financial Group, AI management frameworks are anchored in three pillars: AI Regulations, AI Practical Guide, and the AI Ethics Committee. AI Regulations define the principles for adopting and operating AI technologies, along with roles, responsibilities, and management standards. , AI Practical Guide provides concrete standards for implementation, covering risk management and transparency. The AI Ethics Committee deliberates and makes decisions on the adoption of high-risk AI services, oversees compliance with regulations and guidelines, assuming a supervisory role in ensuring ethical practices across all AI utilization.

AI Management Framework

Category	1. AI Regulations	2. AI Practical Guide	AI Ethics Committee
Function	Top Governing Principles (Group-wide)	Practical Guidelines (Field-level)	Decision-Making Body (Control Tower)
Key Points	• Principles for Group-wide adoption and operations • Roles and responsibilities (R&R) by organizational unit • Management standards for service consistency	• Guidelines for how to manage risks and secure transparency • Guides for AI compliance and measures that should Be taken • Technological and Practical manuals that should be applied	• Deliberation on compliance with regulations and guidelines • Final decision-making on the adoption of high-risk AI technologies • Oversight of human dignity and fairness

Based on these established rules, we have concentrated our capabilities on securing the explainability and fairness of AI technologies. Placing the protection of clients' data at the heart of all our operations, we are advancing an all-time monitoring system to ensure that AI-driven automated decision-making does not discriminate against any specific group. Our goal is not merely legal abidance; we strive to live up to social expectations in operating AI so that it benefits all clients in a fair and safe manner. In doing so, we aim to establish ourselves as your digital finance partner truly deserving your trust.

Ensuring Control and Transparency in Responsible AI Utilization

In order to prevent the misuse of AI technologies and to earn trust from stakeholders, BNK Financial Group has intensified its control over sensitive features and reinforced transparency in the utilization of AI. As part of these efforts, we operate technical control measures and verification procedures in parallel to ensure reliability in financial offerings and services.

Putting in Place Proactive Control and Approval Systems for High-Risk AI

In accordance with the 'AI Regulations' established in January 2026, BNK Financial Group has classified features that may have grave impacts on financial consumers' rights and interests, and decision-making as high-risk AI. AI models operating in sensitive areas, including loan screening and credit evaluation, are subject to preliminary deliberation by the AI Ethics Committee. This review covers potential algorithmic bias, data misuse, and emergency shutdown mechanisms. AI models used across sensitive areas, such as loan screening and credit evaluation, undergo prior review by the AI Ethics Committee to examine potential algorithmic bias, risks of data misuse, and the adequacy of emergency shutdown systems.

Pursuing Transparency through Explainable AI (XAI)

For the prevention of opacity in AI decision-making, BNK Financial Group has stipulated principles for securing transparency in the 'AI Practical Guide.' From the very beginning stages of planning and development, we have incorporated obligations for notification and disclosure. In addition, we disclose data to stakeholders so they can clearly understand the grounds on which AI makes decisions, thereby unleashing trust-based digital finance.

Making Human-in-the-Loop Mandatory alongside Continuous Monitoring

Since the launch of AI services, our efforts to retain control efficiency have continued. This is evidenced by all-time monitoring across the entire service lifecycle to detect model function degradation and drift, as well as regular assessments of fairness and bias. When making significant decisions, we observe the principle of 'Human-in-the-Loop,' whereby skilled experts must engage in financial decision-making. This efficient approach, combined with ethical judgment, has underpinned the safety of our digital financial services.

Managing Social and Environmental Impacts of AI Utilization

BNK Financial Group has put in place an operational framework for responsible AI to manage the risks associated with AI utilization and protect user rights, including an appeals process to contest AI decisions or outcomes. In addition, it has established security guidelines for generative AI and procedures for outcome verification to promote trustworthy AI utilization.

Initiatives

Driving Work Innovation with Digital Transformation

Driving Greater Efficiency at Work

Group has continuously expanded work automation and digital transformation to minimize repetitive tasks, while creating a work environment where employees can focus on high value-added tasks.

In line with this approach, Busan Bank has accelerated AI-based document screening automation, abnormal transaction detection systems, and established an integrated product factory, driving digital innovation across the organization. Kyongnam Bank has adopted AI OCR-based Intelligent Process Automation (IPA) to automate key tasks, including credit evaluation, collateral assessment, and monitoring for consumer protection, while minimizing human error. BNK Capital engages departments with insufficient automation and identifies tasks to broaden automation coverage through on-site interviews. Multifaceted efforts are also underway at BNK Securities, evidenced by phased RPA implementation that enhances efficiency across diverse areas such as customer guidance, grievance handling, and data processing while BNK Savings Bank is broadening the scope of RPA adoption each year to improve operational efficiency and streamline repetitive tasks.

This automation framework reduces manual intervention and standardizes information processing pathways, thereby lowering the risk of data leakage and bolstering internal controls. Leveraging accumulated experience in automation transition, BNK Financial Group will relentlessly promote full-fledged digital transformation across the Group, with employees voluntarily participating in the journey.

Highlights of AI- and RPA-Driven Work Innovation

Category	Key Highlights	Achievements
BNK Busan Bank	AI OCR-based Document Screening Automation	• Automated key repetitive tasks such as lending, foreign exchange, and internal control, improving efficiency in screening
	Establishment of the AI based Detection System for Unusual Transactions	• Prevented financial incidents and elevated risk management
	Establishment of Integrated Product Factory	• Streamlined branch operations to be handled by the Headquarters and improved sales efficiency
BNK Kyongnam Bank	Constant Expansion Since the Adoption of RPA in 2019, and the Establishment of AI OCR-based IPA	• Operated 59 robots • Automated approximately 140 tasks • Achieved time savings of about 62,000 hours
	AI OCR-based Intelligent Process Automation (IPA)	• Advanced work accuracy and automation levels
BNK Capital	On-site interviews with non-automated departments and promotion of automation through task discovery	• Expanded automation scope into more areas across the Group in phases
	Digital transformation (DX) driven by voluntary employee participation	• Laid the groundwork for Group-wide DX through the accumulation of automation initiatives
BNK Securities	Third RPA establishment competition	• Additionally automated 15 tasks in the third phase • Achieved cumulative automation of 34 tasks • Achieved time savings of about 11,428 hours
	Core automation tasks	• Improved processing speed and strengthened customer service capabilities
BNK Savings Bank	Constant identification of tasks subject to automation since the adoption of RPA (2022)	• Operated automation for 21 tasks, leading to 3,172 hours saved annually
BNK Asset Management	Introduction of RPA and Expansion of Automated Tasks	• Automated a total of 12 cases through RPA, and put them into operation • Continuously broadened the use of RPA and established an automation system for repetitive tasks

In Focus

Efforts for Generative AI Platform and Smart Work in Full Swing

The establishment of a 'generative AI platform' for the Group' led by BNK Financial Group is in the pipeline. Its purpose is to raise the overall capacity of the whole Group to leverage AI. In the banking sector, efforts are underway for practical adoption of the platform, including the establishment of a data provision system, identification of agent use cases, and employee training. In parallel, in the second half of 2026, the adoption of M365 and Copilot are scheduled to be expanded. This approach is our strategic choice aimed at proactively responding to the easing of network separation regulations and innovatively automating repetitive tasks such as document drafting and meeting minute preparation to maximize organizational productivity.

Right GPT, Core Driver of AI Service Advancement for Field Use

Our 'Right GPT' is a practical AI utilization model designed for field use, expanding its presence into more specialized areas of the financial realm. In addition to its conventional functions such as consultation summarization and preparation of comprehensive credit evaluation reports, as well as SWIFT translation services, starting in 2026 a diverse spectrum of features will be added. These include automatic generation of interest rate and appraisal review opinions, classification of behavioral information in non-face-to-face channels, and suspicious transaction reports for anti-money laundering (AML). With these enhancements, the model will be engaged in areas that demand high-level decision making, judgment, and analysis. This initiative is expected to elevate risk management to higher levels while empowering employees to concentrate on more significant matters.

Initiatives

Delivering Better Accessibility with Greater Convenience for Clients

Upgrading Mobile-Based Digital Channels

Aiming to gain the upper hand in mobile-based financial services, BNK Financial Group persistently strives to refine overall capacity across digital channels, ranging from non-face-to-face account opening and easy transfer services to the advancement of authentication systems. The introduction of a MyData-based document-free process coupled with AI-powered security features reflects our purpose of providing a higher level of convenience and stability for clients. In addition, service improvements are underway for foreigners and customers who are less familiar with digital platforms. With one eye on the investment service domain, we are also advancing the trading environment as part of our commitment to sharpening digital finance competitiveness.

Busan Bank has strengthened the links between personal and corporate banking channels, integrating digital platforms to deliver a consistent user experience. To this end, the Bank has refined its UX / UI framework and shifted toward non-face-to-face processes to provide better convenience with improved accessibility. This approach has contributed to seamless service provision without any disconnection between channels. On top of that, mobile channel functions have been enhanced, resulting in the constant advancement of speed and stability in service use.

Digital Financial Services by Subsidiary

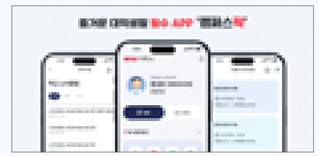
BNK Busan Bank BNK Kyongnam Bank	• Non-face-to-face subscription to Yellow Umbrella (Small Business Mutual Aide) • NFC touch transfer • Advanced search engine • Easy membership service (to be adopted) • Insurance inquiry for foreigners (to be adopted) • Mobile personalized messaging
BNK Capital	• Better client convenience through customer behavior insights (menu restructuring, changes in claim method, electronic signature, and login method) • Introduction of mobile identification card
BNK Securities	• Participation in ATS and SOR system establishment • Development of easy-mode MTS • Sales of RP products online • Expansion of online sales of financial products for foreigners and minors (including over-the-counter bonds, electronic short-term bonds, hybrid capital securities, and ELS / DS products) • Adoption of a non-face-to-face ID copy verification service

Delivering Distinguished Financial Services

As mobile banking has emerged as a key channel in the digital financial landscape, BNK Financial Group has put efforts into reinforcing competitiveness, thereby enhancing client convenience and providing unique value. In addition to financial services, a diverse array of lifestyle content and non financial service functions have been integrated into the mobile platform, such as ticket reservations for concerts, brand gift card purchases, travel bookings, and fortune telling services. This makes it possible to expand customer experiences beyond traditional banking.

Campus Rock Service Expanding Its Reach into More Universities (BNK Busan Bank, BNK Kyongnam Bank)

Since its launch in the second half of 2024, Busan Bank and Kyongnam Bank have signed agreements with Daedong University, Dong-A University, and the University of Ulsan, followed by another agreement with Silla University in September 2025. These initiatives aim to transition campuses to digital environments, vitalize the local currency Dongbaekjeon, and provide better financial convenience for international students. The Campus Rock service is an integrated platform that brings diverse functions together into a single app, including mobile student ID, electronic attendance, academic administration, and community features, while expanding its reach to more universities.



Campus Rock, One App for Smart Campus Life

Empowering Small Businesses through Payment Service Support (BNK Busan Bank)

By signing business agreements on supporting small business payment services with toss place and Touch&Go, Busan Bank has enhanced digital payment accessibility for local small businesses, reinforcing its non-face-to-face financial service offerings.

Business Agreement with Delivery App mukkebi for Co-Prosperity with Small Businesses (BNK Kyongnam Bank)

In January 2025, Kyongnam Bank signed a business agreement with Gimhae City and the public delivery app mukkebi, launching the mukkebi delivery franchise enrollment service through its mobile banking platform for small businesses. This marked the start of the Bank's initiatives to support local merchants. Under this three-party agreement, Kyongnam Bank provides the mobile banking channel and recruit franchises, Gimhae City allocates budgets for issuing exclusive Zero Pay gift certificates, and mukkebi strengthens the win-win structure by offering special benefits to users of the Bank's channel. Going forward, integration between mukkebi's delivery and ordering services and Kyongnam Bank's mobile banking (scheduled for completion in the second quarter of 2026) will be established. This partnership model among small businesses, consumers, and local government is projected to spread throughout the Gyeongnam region.

Metrics and Targets

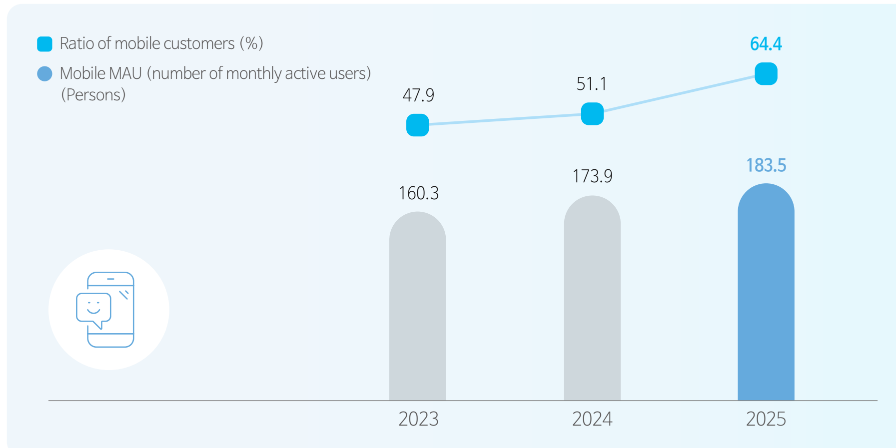
Digital Progress by Subsidiary

Category		Unit	2023	2024	2025
Mobile MAU (no. of monthly active users)	BNK Busan Bank	persons	998,073	1,046,029	1,097,873
	BNK Kyongnam Bank	persons	540,378	598,075	645,203
	BNK Capital	persons	50,786	72,717	63,421
	BNK Securities	persons	3,474	5,162	10,250
	BNK Savings Bank	persons	10,523	16,545	18,701
	Total	persons	1,603,234	1,738,528	1,835,448
Mobile customer share	BNK Busan Bank	%	48.0	49.1	75.0
	BNK Kyongnam Bank	%	53.7	57.9	58.1
	BNK Capital	%	43.1	58.1	66.7
	BNK Securities	%	14.7	34.9	37.5
	BNK Savings Bank	%	15.2	20.9	24.2
	Total	%	47.9	51.1	64.4
Digital loan balance	BNK Busan Bank	KRW 100 million	19,689	27,564	28,206
	BNK Kyongnam Bank	KRW 100 million	17,647	28,907	35,802
	BNK Capital	KRW 100 million	9,747	15,199	15,996
	BNK Savings Bank	KRW 100 million	4,563	6,266	7,935
	Total	KRW 100 million	51,646	77,936	87,939
Digital deposit balance	BNK Busan Bank	KRW 100 million	62,700	65,381	64,130
	BNK Kyongnam Bank	KRW 100 million	32,463	38,582	46,549
	BNK Savings Bank	KRW 100 million	2,533	4,135	4,140
	Total	KRW 100 million	97,696	108,098	114,819

Defining Digital Financial Goals

In pursuit of customer activation and improved work efficiency, alongside maximized operational effectiveness and enhanced customer value through digital transformation, BNK Financial Group has set its 2026 targets at 1.94 million mobile monthly active users (MAU), a 75% share of digital retail finance, and 670,000 hours saved through work automation. These ambitions will be driven by continuous performance management and intensified execution to advance our digital competitiveness.

Mobile MAU and Mobile Customer Share



GOVERNANCE

Ethical Finance

Governance

As part of our phased approach to sustainable management, we have established a transparent and sound governance structure that enables us to elevate corporate value over the long term. This framework also ensures the balanced promotion of the rights and interests of diverse stakeholders, including shareholders, clients, and local communities.

Board Composition

As of March 2026, our Board of Directors (BOD) comprised eight directors, including one inside director and seven independent directors. Independent directors constitute the majority at 87.5%, thereby fulfilling the majority requirement mandated by law and our internal regulations.

The Board categorizes finance, economics, business management, accounting, and law as essential competency areas while classifying consumer protection and information technology as optional competency areas. This ensures that our Board consists of directors equipped with diverse expertise. To ensure board independence, an independent director serves as Chair, and the roles of CEO and Chair remain clearly separated.

Board Members[1)]

Name	Dae-in Bin	Myongsook Susan, Oh	Nam-kyul Kim	Byung-jik Cha	Geon-seo Park	Nam-uh Rhee	Seung-su Kang	Hye-jin Park
Director	Inside Director (CEO)	Independent Director (Chair)	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director
Gender	Male	Female	Male	Male	Male	Male	Male	Female
Career Profile	• CEO, BNK Financial Group • Former) President and CEO, Busan Bank	• Non-executive director, Korea Intellectual Property Strategy Agency • Former) President, Korean Federation of Women's Science and Technology Associations	• Former) Head of Retail Support Division, Lotte Capital • Former) Head of RM Division, Lotte Capital	• Legal Adviser, Class Han-Gyeol Law LLC • Former) Chairperson, Supreme Court Audit Committee	• Auditor, Korea Institute of Certified Accounting Corporation • Permanent Advisor, Seonghyeon Accounting Corporation	• Chairman, Korea Corporate Governance Forum • Visiting Professor, Graduate School of International Studies, Yonsei University	• CEO, DS Investment Partners, Inc. • Former) Vice President, DS Asset Management, Inc.	• Special Professor, Seoul Science and Technology University • Venture Partner, Simsan Ventures
Area of Expertise	Finance	IT & Climate	Business Management	Law	Finance & Accounting	Finance	Law	IT
Date of Appointment - End of Term	Mar. 17, 2023 - 2029 GSM	Mar. 22, 2024 - 2027 GSM	Mar. 22, 2024 -2027 GSM	Mar. 26, 2026 -2028 GSM	Mar. 26, 2026 - 2028 GSM	Mar. 26, 2026 - 2028 GSM	Mar. 26, 2026 - 2028 GSM	Mar. 26, 2026 - 2028 GSM
Tenure[2)]	36 months	24 months	24 months	0 months	0 months	0 months	0 months	0 months
Remarks		Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director

1) As of March 2026
2) From the date of first appointment to the end of March 2026

Governance

In pursuit of a Board of Directors with a high level of independence, comprising capable members from diverse backgrounds and experiences, BNK Financial Group has put in place a range of policies to promote both independence and diversity.

Board Expertise

Pursuant to the 「Act on Corporate Governance of Financial Companies」 and our internal governance regulations, independent directors are appointed from among individuals equipped with extensive field experience and expertise across diverse areas, including finance, economics, management, accounting, law, consumer protection, and information technology.

At BNK Financial Group, the Board of Directors reviews the appropriateness of its composition at least once a year, with the aim of ensuring collective integrity defined as a balance between diversity and professionalism. This inspection is carried out leveraging the Board Skill Matrix (BSM), through which the distribution of competencies across the Board is systematically managed.

Areas identified for improvement through the BSM review are addressed prior to the following year's regular general meeting of shareholders. The Board Secretariat, oversees this process, including the review of board composition and the preparation of the BSM.

Board Skill Matrix[1)]

Category			Internal Director	Independent Director						
			Dae-in Bin	Myongsook Susan, Oh	Nam-kyul Kim	Byung-jik Cha	Geon-seo Park	Nam-uh Rhee	Seung-su Kang	Hye-jin Park
Expertise Area	Essential Area	Finance & Economics	●		●			●		
		Management	●		●			●		
		Accounting					●			
		Law				●			●	
	Optional Area	Consumer Protection								
		IT		●						●

1) As of March 2026

Board Independence

In accordance with the independence criteria stipulated in internal regulations and relevant laws, BNK Financial Group appoints independent directors at general shareholders' meetings. The Articles of Incorporation specify that independent directors whose independence has been verified must constitute the majority of the Board. Internal regulations further clarify that independent directors must satisfy both passive and active qualification requirements, as well as independence standards. If these requirements are lost, they are automatically required to step down.

The tenure of a director is limited to a maximum of three years, with reappointment permitted. However, the position of Chairman & CEO is restricted to a single reappointment. The tenure of an independent director is two years; if reappointed, the tenure is limited to one year. Moreover, reappointment is not permitted beyond five consecutive years.

Pursuant to relevant laws and internal regulations, candidates are appointed as independent directors only when no factors exist that could undermine their independence. Such factors include employment relationships, family ties with management, conflicts of interest with major clients or suppliers, advisory or consulting relationships with the company, personal service contracts, connections with external auditors, or associations with nonprofit organizations receiving significant donations from the company. In addition, restrictions are imposed on holding concurrent positions as independent directors, non-executive directors, or non-executive auditors of other companies, to ensure that our Board remains independent and that directors faithfully fulfill their duties.

Board Diversity

To set the stage for informed decision-making grounded in diverse perspectives and expertise, BNK Financial Group factors in multiple elements, such as gender, career background, age, specialties, and cultural diversity, when determining board composition, thereby avoiding concentration in specific backgrounds. In particular, according to the standards governing board composition stipulated in the 「Financial Investment Services and Capital Markets Act」, we require the appointment of at least one female independent director. For the sake of greater female representation and enhanced diversity, we operate the Board in a manner that ensures female candidates account for at least 20% of the total pool of candidates for independent director positions.

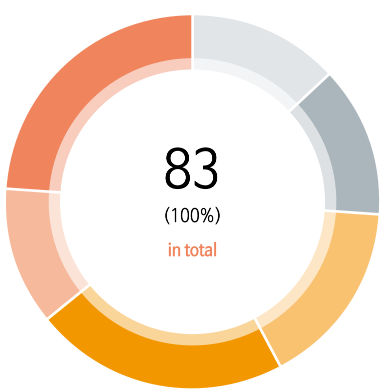
Board Independence and Diversity Policy

Governance

Independent Director Candidate Management

In compliance with relevant laws, including the「Act on Corporate Governance of Financial Companies」, BNK Financial Group systematically identifies candidates for independent director positions who meet all qualification requirements, such as career background, expertise, and gender, through the Nomination Committee. The Committee reports the status of candidate pool management to the Board at least twice annually. Comprising all independent directors, the Nomination Committee selects two to three times the number of preliminary candidates compared to the positions to be filled, when tenures expire or vacancies occur. Recommendations may come from independent directors, shareholders, external stakeholders, or advisory institutions. A thorough screening process then evaluates candidates' qualifications and disqualifying factors, followed by recommendations to the Board. Once the Board resolves, the final appointment is made at the general shareholders' meeting. Independent directors subject to reappointment are not permitted to recommend agenda items or participate in voting on such matters. As of March 2026, a total of 83 independent director candidates were selected, excluding those with low potential for appointment.

Independent Director Candidates by Area of Expertise[1]



Finance, Economics	20 (24%)
Management	10 (12%)
Accounting	18 (22%)
Law	13 (16%)
Consumer Protection	11 (13%)
IT	11 (13%)

1) As of March 2026

CEO Succession Plan

For the sake of stable business continuity, we have formulated a CEO succession plan under our internal governance regulations. This plan is designed to guide the organization towards stability both in cases of planned resignation and unexpected vacancies. The plan manages a pool of CEO candidates in advance and evaluates them systematically for their capabilities and preparedness, ensuring they can assume leadership at the opportune time.

The entire process, ranging from succession planning and revisions, to candidate selection and management, qualification verification, and recommendation procedures, is aligned with our internal regulations. The Nomination Committee plays a pivotal role throughout, ensuring fairness and transparency in candidate recommendations. Candidates are continuously assessed against CEO qualification requirements such as expertise, management competency, ethical awareness, and leadership skills. Their preparedness for the position is regularly inspected in alignment with our governance direction.

In preparation for emergencies, such as cases where the CEO suffers an accident, we have established an emergency succession plan. This plan covers both the appointment of an acting CEO and the swift execution of candidate nomination procedures. If these procedures are delayed, stakeholders are promptly informed through transparent disclosure. The Board of Directors reviews at least once the appropriateness of the CEO succession plan, while the Secretariat provides support in candidate management, assessment, and verification. The results of these reviews are reported to the Board and the Committee, thereby continuously reinforcing the effectiveness of the succession system.

Director Liability

BNK Financial Group defines the authority and responsibilities of the Board of Directors in alignment with its internal governance regulations. Directors should perform their duties within the scope defined by relevant laws, and the Company does not arbitrarily extinguish or mitigate their liability, thereby ensuring compliance with the duty of due care. Accordingly, if a director causes damage to the Company or to a third party arising from violations of laws, the Articles of Incorporation, their duties, or negligence, they are held accountable for their misconduct under both civil and criminal law.

Internal Governance Regulations

Initiatives

Board Operations

In 2025, the Board was convened 12 times, during which a total of 90 agenda items were addressed, including 38 resolved and 52 reported. The directors' attendance rate stood at 99.0%, exceeding the 80% target set by the Board Steering Committee. To ensure efficient Board operations, detailed accounts of agenda items are provided to independent directors prior to meetings. Requests or opinions from independent directors are incorporated in advance so that overarching agenda items can be sufficiently discussed and deliberated, thereby enhancing operational efficiency. Furthermore, in accordance with Article 433 of the Commercial Act, BNK Financial Group ensures shareholder approval is obtained when revising the Articles of Incorporation.

Board Meeting Status

Category	2023	2024	2025
Board meetings convened	13	9	12
No. of agenda items discussed	85	76	90
No. of agenda items resolved	34	30	38
No. of agenda items reported	51	46	52
Attendance Rate (%)	98	98.3	99

Shareholder Returns

Shareholder Return Rate

Under the goal of achieving a shareholder return rate of 50% or more in 2027, our shareholder return rate stood at approximately 33% in 2024 and increased to about 40% in 2025. This steadily improving shareholder return rate testifies to our commitment to ramp up shareholder returns through a growth-oriented business strategy focused on qualitative development.

Empowering Shareholder Voting Rights

The Articles of Incorporation stipulate one voting right per share and do not allow dual class stocks. The introduction of electronic voting enables shareholders to exercise their voting rights remotely. In addition, we encourage all shareholders to make use of proxy voting. Together, these measures demonstrate our commitment to invigorating shareholder rights.

Initiatives

Committees under the Board of Directors

As of the end of 2025, BNK Financial Group has in place a total of eight committees under its Board of Directors (Board Steering Committee, Nomination Committee, Compensation Committee, Risk Management Committee, Audit Committee, ESG Committee, Subsidiary CEO Nomination Committee, and Internal Control Committee). When it comes to committee composition, we ensure that independent directors make up the majority (independent directors constitute more than 2/3 of the Audit Committee), and the Chairmen of all committees under the Board are independent directors. And seven committees, excluding the Subsidiary CEO Nomination Committee, are composed entirely of independent directors. The Subsidiary CEO Nomination Committee consists of three independent directors and one inside director (the Chairman & CEO).

Committee	Composition	Key Functions	2025 Operations Summary	
			No. of meetings convened	Key Highlights
Board Steering Committee	Seven Independent Directors (7 in total)	• Make decisions on policies regarding efficient operations of the Board and its Committees, and improvements in governance • Deliberate and resolve matters entrusted by the Board	Once	• Operated the Board of Directors and determined plans for independent director activities
Nomination Committee	Four Independent Directors (4 in total)	• Verify and review executive candidates, and recommend candidates • Draw up CEO succession plans and make necessary adjustments	14 times	• Selected candidates and preliminary candidates for independent director positions • Recommended candidates for independent directors and Audit Committee members
Audit Committee	Four Independent Directors (4 in total)	• Establish and implement audit plans for the Company, evaluate outcomes, take follow-up measures, and present improvement plans • Address matters stipulated in the Articles of Incorporation, relevant laws, or entrusted by the Board	13 times	• Evaluated the status of internal control system operations, the status of AML operations, the status of consolidated and separate internal accounting management operations, the status of internal monitoring mechanisms, and audits conducted by external auditors
Risk Management Committee	Four Independent Directors (4 in total)	• Set executive performance goals, assess results, and establish a compensation system	6 times	• Reviewed risk limit management for the Group, capital adequacy, asset soundness, and matters resolved at subsidiaries' risk management meetings on a quarterly basis
Compensation Committee	Four Independent Directors (4 in total)	• Formulate plans to improve business performance for further growth • Set goals for management performance, assess them, and formulate their remuneration system	4 times	• Validated short-term performance results for management in 2024 and provided compensation accordingly • Confirmed long-term performance outcomes for management in 2022 and awarded compensation • Established performance assessment standards for short- to long-term management evaluation in 2025, and concluded contracts accordingly • Prepared and disclosed the annual report on the 2024 remuneration system
ESG Committee	Four Independent Directors (4 in total)	• Formulate Group-wide ESG strategies and policies	5 times	• Reported and published outcomes of the 2024 Sustainability Report Materiality Assessment • Reported key achievements of ESG strategic action plans over the mid- to long-term Group-wide, and presented pending ESG agenda items for 2025
Subsidiary CEO Nomination Committee	One Inside Director, and Three Independent Directors (4 in total)	• Review and recommend CEO candidates of subsidiaries • Draw up CEO succession plans and make necessary adjustments for subsidiaries	14 times	• Undertook procedures for selecting CEO candidates for subsidiaries (Busan Bank, Kyongnam Bank, BNK Capital, BNK Securities, BNK Savings Bank, BNK Asset Management, BNK Venture Capital, BNK Credit Information, BNK System)
Internal Control Committee	Four Independent Directors (4 in total)	• Establish basic policies and strategies regarding internal control	4 times	• Reported resolutions and matters reviewed and assessed by the Internal Control Committee to the Board

Audit Committee

Supervisory Role over Directors and Management

To ensure efficiency in audit operations, the Chairman of the Audit Committee assumes an oversight role over agenda items submitted to the Board and its committees, with prior deliberation conducted to provide opinions. Accordingly, all agenda items for the Board and its committees in 2025 underwent prior deliberation, resulting in overall 'appropriate' opinions.

Furthermore, the Audit Committee supervises management's business execution, stemming from its authority to request reports on management's activities and to demand necessary materials. In 2025, during the 3rd and 4th Audit Committee meetings, the audit results for 2024 were reported. These results confirmed that both separate and consolidated financial statements were properly prepared in accordance with Korean International Financial Reporting Standards (K-IFRS), without any misrepresentation, and revealed no significant deficiencies or serious weaknesses.

Approval of External Auditor Appointment and Oversight of Activities

BNK Financial Group ensures fairness in the selection of external auditors by applying systematic procedures that assess candidates across multiple dimensions, including their audit track record, execution capabilities, and cost appropriateness.

Moreover, to evaluate the adequacy of their activities, the Audit Committee conducts overall assessments of audit performance, verifying compliance with K-IFRS and accounting audit standards of the Committee. These evaluations extend to audit planning, methodologies, and reporting.

Additionally, when external auditors engage in non-audit services, the Audit Committee reviews the contracts to ensure they do not involve prohibited services or conflicts of interest.

Initiatives

BNK Financial Group regularly inspects and assesses the Board of Directors and its committees to ensure they fulfill their roles and responsibilities as defined by relevant laws and internal regulations. Every three years, independent third-party evaluations are carried out to validate the adequacy of our assessment systems for the Board, committees, and independent directors. Results from the 2025 evaluation revealed that attendance rates were well above target levels, and the Board achieved an evaluation score exceeding 90 points, which is deemed appropriate.

Board Evaluation

Board assessments are divided into qualitative and quantitative categories. The qualitative evaluation items span seven dimensions, including the Board's ability to present strategies and its crisis management capabilities.

Board Evaluation Outcome[1)]

Category	Evaluation Items	Outcomes (Final Grade)
Qualitative	Ability to present strategies	Excellent (S)
	Crisis management capabilities	Excellent (S)
	Management control and effectiveness of oversight	Excellent (S)
	Proper exercise of Board authority and duties	Excellent (S)
	Quality of board operations and relevance of agenda items	Excellent (S)
	Adequacy of board composition	Excellent (S)
	Effective communication with management	Excellent (S)
Quantitative	Board attendance	Excellent (S)

1) Results from the 2025 Board and Committee evaluations were formally reported at the first meeting convened in February 2026.

Independent Director Evaluation

At the start of every year, BNK Financial Group evaluates independent directors on their capabilities, quality, and performance through internal reviews or engages external professional agencies to conduct assessments. The results are subsequently confirmed by a resolution of the Board.

Internal Evaluation	• (Qualitative) Directors' capabilities and expertise, fairness in duty performance, ethical awareness, and accountability • (Quantitative) Committee attendance rate and assessment outcomes
External Evaluation	• Self-assessment, peer assessment, staff assessment, and external agency assessment

Committee Evaluation

BNK Financial Group evaluates committees in five areas, such as composition adequacy, transparency of operations, relevance of agenda items, and the appropriateness of handling matters. The quantitative assessment covers committee attendance, providing a comprehensive evaluation of the committees' fulfillment of duties and actual contributions.

Committee Evaluation Outcome

Committee	Outcomes					
	Composition adequacy	Committee operations and relevance of agenda items	Proper exercise of committee authority and duties	Effective communication with management	Contributions to growth	Final
Board Steering Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S
Nomination Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S
Audit Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S
Risk Management Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S
Compensation Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S
ESG Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S
Subsidiary CEO Nomination Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S
Internal Control Committee	Excellent	Excellent	Excellent	Excellent	Excellent	S

Initiatives

Executive Remuneration Framework

Executive Compensation

BNK Financial Group aligns its remuneration framework for executives with the company's long-term financial performance and sustainable growth, deliberately avoiding decisions based solely on short-term outcomes. Variable compensation is designed to incorporate both financial and non-financial performance indicators, reinforcing alignment with long-term corporate value creation and the interests of stakeholders.

Executive remuneration consists of base pay, performance-based pay (bonuses), and activity allowances. Bonuses are structured into short-term and long-term components. The short-term bonus is determined by the results of the prior year's performance evaluation while the long-term bonus is calculated on the basis of three-year performance, including the year of contract signing. For long-term bonuses, the payout rate is determined by reflecting the average achievement rate across the performance period. These bonuses are tied to share prices over three years and are deferred, ensuring that executive pay remains closely linked to the company's sustainable performance and shareholder value.

In addition, a significant portion of executive bonuses is deferred. According to internal rules, at least 40 percent of bonuses must be deferred for a period of three years or longer. Deferred remuneration is calculated in relation to the share prices at the time of payment. This structure ensures that management remains focused on enhancing corporate value over the medium to long term, rather than pursuing short-term gains.

Bonus Clawback Policy

BNK Financial Group has put in place a bonus clawback policy. In cases of significant losses attributable to executives, severe disciplinary measures, or adjustments to bonus calculation standards due to errors in financial statements, bonuses already paid or deferred are subject to adjustment or clawback. If business performance deteriorates, performance based pay may be reduced in line with pre defined clawback standards. This framework strengthens the connection between executive remuneration and risk management.

Performance Evaluation Framework

BNK Financial Group conducts performance evaluations using both financial and non-financial indicators for its key business divisions. Financial indicators include profitability measures such as ROE, ROA, and RORWA, as well as metrics of soundness, capital adequacy, efficiency, stability, and relative TSR. Non-financial indicators encompass group-wide initiatives for business innovation, strategies by business line, collaboration among subsidiaries, individual capabilities, and internal control assessments.

Executive performance reviews reflect company-wide financial results, with indicator weights adjusted according to the nature of each executive's responsibilities. In addition, the implementation of strategic tasks and the level of collaboration are incorporated to strengthen responsible management. Final remuneration is determined by combining company-wide performance with individual achievements.

On the other hand, positions requiring independence, such as the Chief Risk Officer, Compliance Officer, and the executive in charge of audit, are subject to separate evaluation and compensation criteria that are not linked to financial performance. In addition, a portion of performance-based pay is deferred as a long-term bonus tied to share prices, thereby encouraging mid- to long-term achievements and enhancing shareholder value.

KPIs for Key Business Divisions[1]

Financial Indicators (Quantitative)	• Profitability indicators: ROE, ROA, RORWA • Asset quality indicators: Actual non-performing loan ratio, actual delinquent loan ratio • Capital adequacy indicators: BIS total capital ratio, BIS Common Equity Tier 1 ratio • Efficiency indicators: Cost Income Ratio • Stability indicators: Double leverage ratio, debt ratio • Shareholder return: Relative TSR
Non-Financial Indicators (Qualitative)	• Implementation of Group-wide business innovation tasks, strategic initiatives by business division, executive capability assessments, evaluation of cooperation levels in task execution among Group companies, and internal control assessments • Group business strategies and plans, and key initiatives by business division

1) As of the end of 2025

Metrics and Targets

Governance Diversity and Effectiveness Indicators[1]

Female Representation on the Board

25%

Evaluation Outcome for Board and Committees

Excellent(S)

Board Attendance Rate

99%

1) It pertains to BNK Financial Group

Governance

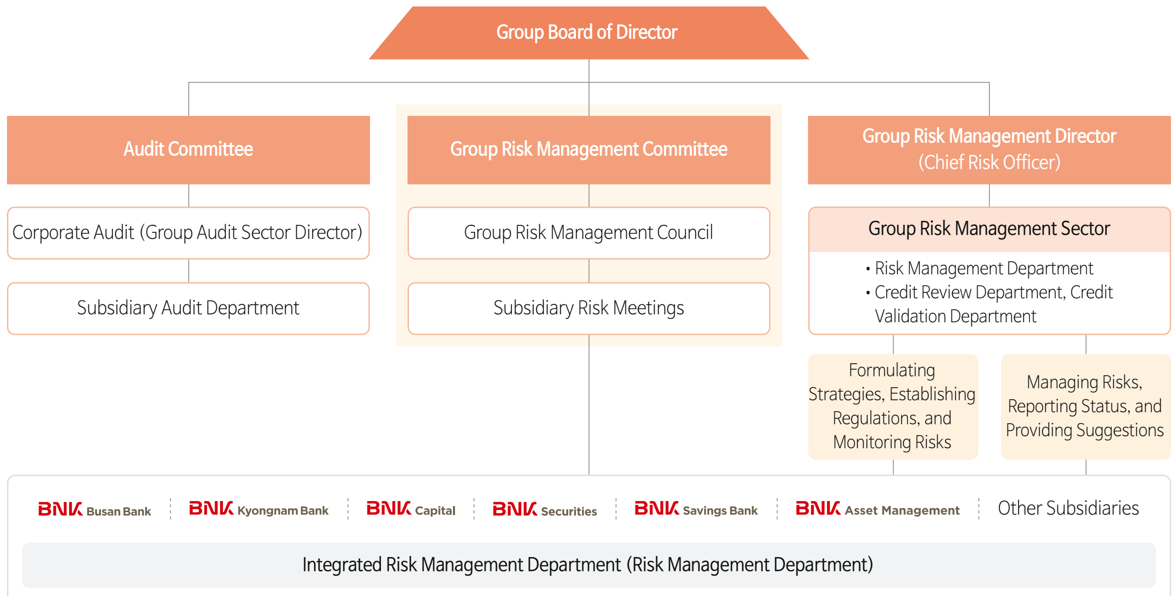
Risk Governance Structure

The risk governance structure, which is linked to the company-wide operating organization, is up and running and assumes supervisory functions equivalent to the Board level. Serving as the top decision-making body, the Risk Management Committee under the Board takes overall charge of formulating risk management strategies and plans and making decisions on risk appetite. It also reviews risk limits, capital adequacy, asset soundness, and subsidiary risk management activities on a quarterly basis while constantly managing and overseeing risk levels across the Group.
On the other hand, the Risk Management Council, comprising the Chief Risk Officers (CROs) of the Group and its subsidiaries, deliberates on and resolves matters entrusted by the Risk Management Committee. It discusses key risk issues on a regular basis to retain consistency in policies and strategies across the Group and subsidiaries. In addition, each subsidiary establishes its own councils dedicated to risk management, including the Risk Management Committee, the Risk Management Steering Committee, and the ALM Council. The results are reported to BNK Financial Group to support the integrated risk management system across the Group.

3-Step Risk Control Framework

As part of the effort to secure the effectiveness and independence of operational risk management, BNK Financial Group runs its risk management functions anchored in a three-step risk control structure. Each business division and department carries out its own processes of risk identification, evaluation, and management. Under the leadership of the CRO, the Group's Risk Management Department is in charge of managing the overall risk management structure. At the subsidiary level, Risk Management Departments conduct their risk management activities in alignment with the Group's approach. Corporate Audit within the Group's audit sector takes on the responsibility of reviewing the adequacy and efficiency of the overall risk management and compliance processes. Regular inspections are conducted at least once a year, and the outcomes are reported to the Audit Committee.

Organizational Structure and Reporting Line for Risk Management



3-Step Risk Control Framework[1]

1) Risk Management Guidelines - Article 49 (Principles) and Article 50 (Methods)

Strategies

Risk Management Process

BNK Financial Group operates an integrated process to systematically identify, assess, and manage enterprise-wide risks. We evaluate exposure by comprehensively assessing the likelihood and impact of key risks, including credit, market, liquidity, interest rate, operational, strategic, and reputational risks. For major factors like interest rate volatility and economic downturns, we conduct scenario analyses and stress tests to measure their impact on capital adequacy and profitability, identify vulnerabilities, and formulate countermeasures. For instance, we strictly control potential losses by strengthening exposure limits for high-risk industries in preparation for economic declines.

Risk-Tailored Management Activities

BNK Financial Group strategically manages major risks by categorizing them by type (credit, market, interest rate, operational, credit concentration, liquidity, etc.) based on a group-wide integrated risk management system. The Risk Management Committee sets the Group's risk appetite within available capital minus buffer capital, comprehensively reflecting business strategies, subsidiary plans, and financial market forecasts.

We conduct quarterly internal capital adequacy assessments to ensure that internal capital ratios stay within this target level, thereby assessing the effectiveness of our risk management. In December 2025, the Committee approved a Group risk appetite of 77.0% and a total risk limit of KRW 8.535 trillion, which are systematically allocated and managed as internal capital by group risk type and risk limits by subsidiary.

Comprehensive Crisis Situation Analysis

BNK Financial Group conducts the Comprehensive Crisis Situation Analysis semi-annually, setting diverse scenarios through 'Council for Economic Indicator Outlook' to address economic outlooks and external environmental changes. Based on the Group's portfolio, we comprehensively analyze the impact of regulatory and internal capital by risk type, as well as potential shocks on liquidity and profitability, to identify vulnerable sectors. Based on these findings, we establish crisis capital management measures and Contingency Funding Plans to prepare for crisis situations. These analysis results are regularly reported to the Risk Management Committee and management, and are utilized in key decision-making processes, including resetting the Group's risk appetite and risk limits.

Risk Mitigation

Type	Risk Measurement	Mitigating Actions
Credit Risk	Measured by comprehensively factoring in the counterparty's probability of default (PD), exposure at default (EAD), and loss given default (LGD).	Managed in detail by establishing specific limits—including legal credit extensions, credit transition exposure (CTE), PF/PI, and industry-specific limits—across the holding company and its subsidiaries. We also operate a timely response framework through regular monitoring, deliberations, and resolutions by the Risk Management Committee and Council.
Operational Risk	Measured across the holding company and all subsidiaries using the standardized approach in alignment with Basel III regulatory guidelines via our operational risk management system.	We run an ongoing control framework through Risk Control Self-Assessment (RCSA), where personnel directly identify and mitigate risks, and Key Risk Indicators (KRI) to quantitatively monitor risk exposure levels.

Key Risks by Type

Key Risks and Risk Levels	
Credit Risk	(Low) Potential economic losses that stem from defaults of debtors and failures of contractual obligations
Market Risk	(Very low) Potential losses derived from fluctuations in market factors such as interest rates, share prices, exchange rates, and product prices
Interest Rate Risk	(Low) Risks of decline in net asset value or net interest income stemming from unfavorable changes in interest rates that negatively affect financial status
Operational Risk	(Low) Losses derived from operational failures such as flawed procedures, misallocated staff, system malfunctions, or external events
Credit Concentration Risk	(Moderate) Risks posed by single or group exposures that could generate losses significant enough to undermine soundness when compared to the Group's total capital or total assets
Liquidity Risk	(Very low) Losses or risks arising from defaults due to sudden liquidity drains, mismatches between asset and liability maturities, or operations of surplus funds raised at above-market rates, or invested at below-market returns

Other Risks	
Foreign Exchange Settlement Risk	Losses that could occur due to foreign exchange fluctuations
Strategic Risk	Losses that could arise from unfavorable business decisions, improper implementation, or lack of response to changes
Reputational Risk	Reputation-related losses derived from negative external opinion among clients or shareholders, triggered by poor performance, financial events, or social issues
Climate Risk	Risks of physical damage from climate change or management deterioration that may occur during the transition to a low-carbon economy and extend to the financial sector

Strategies

Emerging Risk Management

BNK Financial Group defines potential risks that could have a significant long term impact across its overall business operations as emerging risks. These risks have been integrated into the Group's risk management system to ensure comprehensive and structured management.

Emerging Risks

	Global Economic Risks amid Political Tensions	Regional Workforce Imbalance Risk
Definition	The escalation of political tensions among nations has brought intensified controls and restrictions over trade, investments, technologies, energy, and mineral resources, which in turn has weakened economic interdependence among countries. In particular, we are witnessing tightening restrictions and trade limits on key resources stemming from recent conflicts in the Middle East, which could give rise to changes in the global economic order and trade environment that extend beyond short-term shocks.	We are seeing imbalances escalate, stemming from changing demographic structures, shifts in industrial composition, and widening regional economic gaps. In particular, the gap in workforce availability among regions has deepened. This phenomenon has brought in structural changes across the entire labor market, extending beyond short-term employment trends. Such a situation serves as a risk with long-term implications for companies in recruiting manpower and sustaining business operations.
Impact on Business	The prolonged shift in the global economic landscape increases the likelihood of changes in trade terms with specific countries or regions, which may affect business operations and revenue streams. Companies with heavy dependence on overseas markets or supply chains concentrated in a particular region face heightened risks to business continuity and stability of cash flow. Such fallout could transform the competitive environment within industries and intensify performance gaps among companies, potentially weakening overall financial soundness. From the perspective of financial institutions, this is regarded as a factor that could alter the risk structure of industries or regions covered by their loan and investment portfolios.	Escalating regional imbalances in labor supply make it difficult to secure necessary manpower at the right time, or may lead to rising labor costs, which in turn could weaken productivity and deteriorate cost structures. In particular, SMEs based in regional areas face greater difficulty in workforce recruitment, potentially resulting in restrictions on business expansion and a slowdown in growth. These developments could affect profitability and stability in generating cash flow, ultimately undermining financial soundness. From the perspective of financial institutions, this functions as an increasing credit risk particularly in relation to region-based loans.
Our Responses	In the event of escalating political tensions, BNK Financial Group convenes the 'Group Crisis Management Committee' to analyze their direct impact on the Group and develop countermeasures. All subsidiaries activate their emergency response teams, assigning each department specific roles to support activities such as monitoring industries and borrowers prone to fluctuations in exchange rates and oil prices, assessing transaction trends of overseas branches and impacts on their liquidity, strengthening limit management in response to rising market volatility, ramping up information security, and supporting foreign exchange operations. Externally, we provide emergency financial assistance in the form of special working capital support, import settlement support, maturity extensions, and repayment deferrals. Our various financial support measures for regional economic stabilization encompass assisting companies facing difficulties in sourcing raw materials, providing aid to small business owners and self-employed individuals to ensure stable operations, and offering foreign exchange risk advisory services.	Busan Bank and Kyongnam Bank have broadened the scope of specialized finance and consulting services for small businesses, the foundation of the regional economy, and for young entrepreneurs, pursuing shared growth with residents as their partners and supporting them to stand on their own feet. The year-round operation of the School for Small Business Owners represents our commitment, offering diverse practical educational programs for small businesses and prospective entrepreneurs, ranging from marketing, labor management, taxation, real estate, and business administration. Graduates are entitled to various benefits, including preferential interest rate reductions, management consulting, and financial advisory services. In partnership with local governments, regional chambers of commerce, and related institutions, we participate in job creation programs, giving vitality to local businesses.

Strategies

Independent Oversight of Risk Management Frameworks

BNK Financial Group has in place the Credit Validation Department, independent from the departments in charge of developing and operating risk assessment models. The Credit Validation Department assumes responsibilities for minimizing deficiencies inherent in credit evaluation models that support the risk management system, while also overseeing risk measurement elements, risk measurement models, and risks arising from operational errors on at least an annual basis. It also conducts a range of activities to retain and refine the adequacy of the models.
To secure the effectiveness and reliability of risk management, the Corporate Audit under the Group's audit sector performs a regular inspection once a year from a third-party perspective, and the results are reported to the Audit Committee. This inspection follows the「Guidelines on Third-party Inspections of the Risk Management System」.

Pursuant to the 'Act on External Audit of Stock Companies,' external auditors perform annual audits of internal control over financial reporting on both a consolidated and separate basis. The scope includes process-level controls and entity-level controls, with the Risk Management Department's procedures for control incorporated.
In 2025, the external auditor concluded that BNK Financial Group's internal accounting control system was effectively designed and operated from the perspective of significance, consistent with the 'Conceptual Framework for the Design and Operation of Internal Accounting Control Systems.'

ESG Risk Management

BNK Financial Group has advanced its risk management system by incorporating ESG elements as non financial assessment criteria into credit evaluation. The current model assesses environmental management levels and certification status, and reflects downgrade factors derived from the occurrence of serious accidents. In 2026, ESG criteria were newly incorporated into the non financial credit assessment model, structured into three domains: governance structure, ethical management, and environmental management. This model was approved by the Financial Supervisory Service, laying the foundation for ESG non-financial factors to be fully embedded in corporate credit evaluations.

As part of the systematic management of industries with high financial intensity, a monitoring system for financed emissions by asset type has been brought in. For businesses with high carbon emissions and elevated risk, strict limits on financial support are enforced to mitigate portfolio carbon exposure. Risk management is carried out through a structured four-step process encompassing identification, evaluation, monitoring, and response.

ESG Risk-Integrated Evaluation and Follow-up Framework

Category	ESG Risk-Integrated Evaluation	Follow-Up Management
Credit Evaluation (ESG Non-Financial Model)	Incorporate ESG factors into the non-financial model during internal credit rating assessments to strengthen the integrated evaluation system	When the regular credit reassessment period arrives, recalculate ESG non-financial elements and changes for the management of internal credit ratings
Limit Management (High-Carbon Management)	Deduct total exposure for industries with high carbon emissions, and manage risks based on the adjusted limits	Apply a conservative approach when incorporating deduction factors in determining risk limits
Carbon Emissions Management (Financed Emissions)	Measure carbon emissions from owned assets and unpack their impacts on carbon reduction targets	Measure total carbon emissions from owned assets on a continuous basis, and regularly review and manage progress against reduction targets
Crisis Situation Analysis (Stress Test)	• Conduct comprehensive crisis analyses: at least twice a year • Perform climate risk analysis: at least once a year	Formulate a capital management plan alongside contingency funding plans, and consistently review the implementation

ESG Risk Management Process

STEP 01 Risk Identification
- Physical risks
- Transition risks
- Analysis of transfer across credit, market, operational, liquidity, and reputational risks

STEP 02 Evaluation
- Scenario analysis
- Quantitative assessment of financial impacts
- Crisis situation analysis (Stress Test)

STEP 03 Monitoring and Reporting
- Financed emissions measurement system
- Regular reporting system
- Annual climate risk reporting

STEP 04 Responses and Mitigation Measures
- Stipulate within the risk management guidelines and regularly update them through amendments
- Manage limits for sensitive industries
- Implement contingency plans
  - Establish capital management plans
  - Operate early warning indicators, etc.

Initiatives

Risk Management Education

BNK Financial Group ensures that Board members receive continuous education on risk management policies and major risk issues. To enable independent directors to make informed decisions, pre-briefing sessions are organized to present agenda items prior to the convocation of the Risk Management Committee. In addition, the Group issues regular reports on risk management status and offers a wide range of educational programs.

2025 Risk Management Education for Independent Directors

Feb. 04, 2025	Apr. 24, 2025	Jul. 28, 2025	Oct. 27, 2025
Risk management overview and management framework	Management status by risk	Risk limit and exposure management	More stringent Basel Accords and capital adequacy management
Concept of risks, Group's risk management framework, etc.	Definition by risk type, and management status in addition to credit risks	Setting risk limits, and Group's exposure limit management, etc.	Restrictions on liquidity and introduction of stress capital buffer

With a view to instilling the operational risk management system throughout all subsidiaries, BNK Financial Group offers programs designed to strengthen employees' risk-handling skills. Twice annually, all employees undertake the Risk and Control Self-Assessment (RCSA), which includes training on risk management principles and processes.

Operational Risk Management Education

Category	Led By	Recipients	Frequency
Regular	Risk and Control Self-Assessment (RCSA)	• All Employees of Busan Bank and Kyongnam Bank • All employees of the Group and non-banking subsidiaries	Twice a year
Non-Regular	TFT for reinforcing the operational risk management system	• Executives of key subsidiaries (Busan Bank, Kyongnam Bank, BNK Capital, BNK Securities, BNK Savings Bank)	Once a year
	Report on the status of operational risk management by department and review	• Heads of departments in charge across all subsidiaries	Once a year
	Operational risk management status and guidance on preparing RP management cards	• Personnel responsible for operational risk management across all subsidiaries	Six times a year

Embedding Risk Management into Evaluation and Compensation

Recognizing risk management capabilities as a core competency in business management, beyond mere compliance obligations, BNK Financial Group is refining its system so that risk management is embedded in both performance evaluation and compensation. Subsidiary performance is reviewed systematically against the Group's risk appetite, with emphasis on practical indicators such as credit risk control and capital ratio recovery efforts.

The Risk Management Committee is responsible for establishing standards for a risk-based performance assessment system and overseeing its monitoring, while relevant departments align these standards with KPIs and cash-based compensation systems, such as performance-based pay. This structure enables us to strike a balance between effective capital operations and risk control, while also laying the foundation to enhance the Group's sustainability and financial soundness.

Metrics and Targets

Key Metrics and Targets in Risk Management

Credit Risk	Market Risk	Interest Rate Risk
Minimizing non-performing assets and maintaining asset soundness	Adapting to market fluctuations and securing stability in trading positions	Balancing profitability and stability
Operational Risk	**Credit Concentration Risk**	**Liquidity Risk**
Preventing accidents and responding to risks related to internal control and IT	Diversifying portfolio and avoiding risk concentration	Retaining liquidity of funds and securing payment capacity

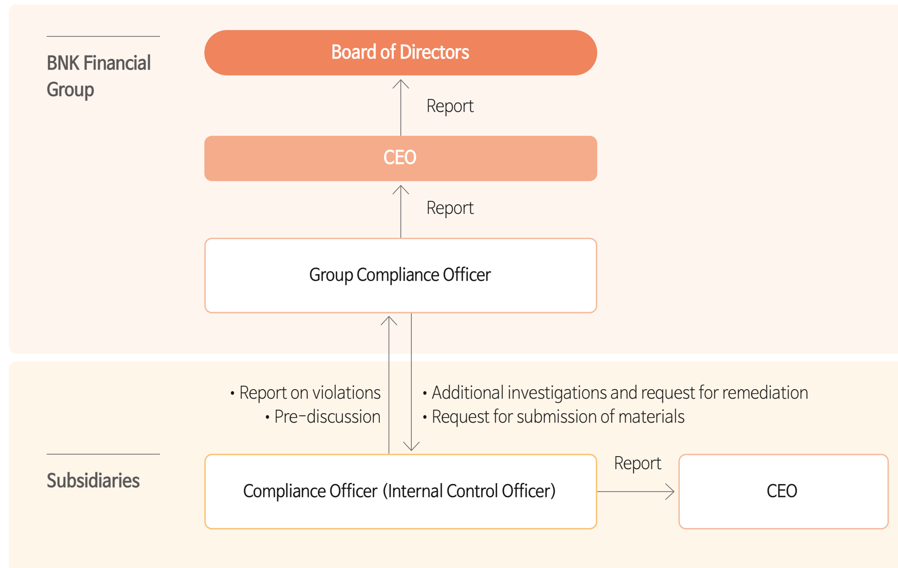
Governance

Governance Structure for Ethical and Compliance Management

At BNK Financial Group, the Compliance Officer assumes overall responsibility for internal control across the Group through the Compliance Monitoring Department and compliance personnel in each department, operating under the reporting line of the Board of Directors and the Chairman. The personnel responsible for compliance and internal control at nine subsidiaries, including Busan Bank and Kyongnam Bank, report violations to the Group's Compliance Officer, thereby enabling integrated internal control across the Group.

To underpin this system, we convene the 'Internal Control Executive Committee,' chaired by the CEO, on a regular basis, with its activities reported annually to the Board. In parallel, the 'Internal Control Practitioners Committee,' comprising working-level managers from each subsidiary, and the 'Ethical Management Practitioners Committee' are also held regularly. In 2023, the 'Internal Control Practitioners Committee Manual' was devised, followed by the 'Ethical Management Practitioners Committee Manual' in 2024, further enhancing the effectiveness of operations. As part of the organizational revamp in January 2026, scattered internal control functions were consolidated into the newly established 'Group Internal Control Division for Consumer Protection.' This integration advanced our internal control framework into a unified model for financial safety. The approach created an integrated management framework covering the entire process from product development and sales to follow up management while eliminating blind spots in internal control and establishing a preventive organizational structure.

Compliance Oversight Structure



Building an Ethical Management Structure Aligned with International Standards

In response to tightening ESG regulations and growing societal demand, BNK Financial Group has stepped up efforts to forge its ethical management system, aligning with international standards to continuously advance ethical and compliance practices.

BNK Financial Group, BNK Capital, and BNK Securities evidence this commitment through their attainment of ISO 37001 (Anti - Bribery Management System). In 2026, Busan Bank aims to acquire both ISO 37301 (Compliance Management System) and ISO 37001. This approach is solidifying the Group's standardized compliance management structure while driving operational efficiency and consistency across the organization.

ISO 37001 (Anti - Bribery Management System).

Governance

Putting Code of Ethics into Action

The Group's Code of Ethics navigates employees toward ethical finance, helping them steer through complex decisions with clear standards of behavior. BNK Financial Group provides regular training to ensure that all employees are fully aware of the Code and consistently put it into practice. In response to a changing management environment and evolving societal expectations, the Code has been continuously updated and supplemented. Furthermore, all employees, including senior management, pledge annually to uphold the Code.

Code of Ethics

Integrating Ethical Standards into Performance Evaluation

Ethics Reflected Executive Performance Assessment

Guided by the Code of Ethics, BNK Financial Group has integrated established ethical standards into the assessment of executive performance. At the same time, we have strengthened and expanded the assessment of internal control and ethical management non-conformities. In line with this approach, Kyongnam Bank has newly added assessment criteria concerning internal control to their evaluation of management for short-term performance, applying them to the assessment of business groups, sales groups, and compliance officers by the Compliance Monitoring Department and Corporate Audit. On a five-point rating scale (S·A·B·C·D), they are assessed against these criteria, including the adequacy of work processing standards and internal regulations, the appropriateness of supervisory submissions and disclosure documents, and the implementation of employee training related to internal control.

Ethics Reflected Employee Performance Assessment

As for employee performance assessment, the KPIs regarding ethical management, which were previously applied only to the Headquarters department, have been incorporated into employees' evaluations to instill ethical conduct into their daily work. This action contributes to establishing a corporate culture that balances financial performance with ethical responsibility, going beyond mere compliance. In addition, we are equipped with a system to prevent recurrence through swift feedback and follow-up management in the event of a breach, while persistently advancing the systems so that ethical management is embedded across the Group, serving as a foundation for sustainable progress.

BNK Financial Group Code of Ethics

Category	Key Highlights
Anti-Corruption and Prohibition of Bribery	• Prohibit demanding money, entertainment, or favors from stakeholders, including partner companies and clients, and ban all forms of bribery • Ban improper acceptance or exchange of money, as well as private loans or both direct and indirect financial transactions with clients • Place a ban on acquiring shares or property from stakeholders
Ban on Discrimination and Human Rights Protection	• Prohibit any form of discrimination on the grounds of academic background, region, age, gender, race, religion, marital status, or disability • Prevent sexual harassment, workplace bullying, and discriminatory behavior in the workplace • Prioritize victim protection in cases of human rights abuse, followed by investigation and necessary corrective measures
Data Confidentiality and Protection	• Prohibit providing client information or trade secrets to third parties without the client's consent, or using them for unauthorized purposes • Fulfill the duty to securely and safely store critical information related to clients or the Company • Comply with data protection principles to prevent information leakage
Prevention of Conflicts of Interest	• Put a ban on pursuing improper personal gains in association with work, and follow the principle of prioritizing the Company's interests • Prohibit the use of Company assets for personal purposes • Ban external activities for profit without prior approval
Fair Transactions and Competition	• Follow fair and transparent procedures when selecting partner companies or maintaining transactions • Prohibit demands for irrational or unfair transactions • Uphold laws and market order, and prevent antitrust or anti competitive practices
Ban on Insider Trading and Measures Against Financial Crimes	• Ban direct use of undisclosed information or internal data obtained through work, and prohibit providing such information to third parties or using it for personal gain • Actively address financial crimes to safeguard clients' assets, rights, and interests
Environment, Safety, and Health	• Recognize climate change and environmental challenges as key management factors, and join efforts toward net-zero and low-carbon transition • Provide a healthy and safe workplace for employees, and implement policies that support work-life balance and well-being
Compliance Reporting	• Compliance reporting of the Code of Ethics or internal regulations in accordance with whistleblower operational guidelines • Stipulate provisions for informant anonymity and strictly ban any form of retaliatory behavior • Offer incentives to whistleblowers, such as rewards or commendations

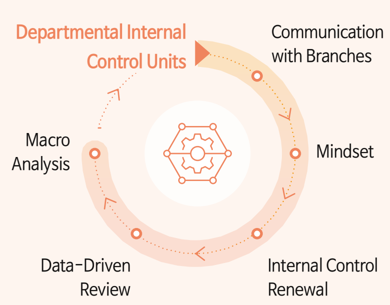
Strategies

Establishing the Group's Standardized Internal Control Framework

BNK Financial Group has elevated the consistency and effectiveness of its internal control through the establishment of a Group-wide internal control management framework. To this end, the Internal Control Innovation Committee reviewed the outcomes of the Group's internal control assessment and oversaw the implementation of remediation measures while formulating the Group's internal control management framework. These actions were followed by the launch of the Internal Control Committee pursuant to revisions to the Act on Corporate Governance of Financial Companies. Relevant functions were transferred to the Committee, overhauling its operational system. In parallel, we devised standardized criteria for Group internal control (1,794 items) along with a checklist for review (5,700 items). At the same time, separate standardized criteria and checklists tailored to subsidiaries' management were also developed, culminating in the establishment of control standards applicable across the entire Group.

Alongside this, we conducted assessments of six subsidiaries to evaluate their internal control levels, through which a total of 183 vulnerabilities were identified. We promoted and managed improvement measures under a structured approach, clearly demonstrating our consistent efforts to enhance the Group's internal control level. Furthermore, we have advanced the establishment of the Group internal control data management system aimed at improving effectiveness, which is scheduled for commercialization in June 2026.

NEW S.T.A.R.T: Revamping Internal Control in Five Areas



- S Strength Communication with Branch
- T Target inspection based on detailed data
- A Analysis of Macro internal control system
- R Refresh the mindset
- T Turn around internal control

Group Internal Control Framework for Fairness

To ensure full abidance by relevant laws, including the 'Monopoly Regulation and Fair Trade Act' and the 'Fair Transactions in Subcontracting Act,' we have established the 'BNK Fair Trade Policy.' Regular training is offered to all employees on laws regarding fair trade. In particular, we focus on specialized education tailored to procurement personnel, with the purpose of improving their practical execution capacity. At BNK System, personnel in charge of procurement received training conducted by the Busan Chamber of Commerce and Industry on a comprehensive practical course for procurement, focusing on fair-trade-based procurement procedures and contract standards. The learnings were shared among departments, which has led to improved company-wide awareness and perception.

Fair Trade Policy

Compliance Reporting System

With a view to embedding ethical management in practice, BNK Financial Group runs a whistleblowing system covering the entire Group. In 2025, it was revised into the 'Compliance Reporting System,' allowing external partners to report misconduct. When a report is received, it undergoes fact-checking and investigation to determine whether it constitutes a violation. This investigation, driven by the Ethical Management Team of the Compliance Monitoring Department, is expected to be completed within 20 business days. Following completion, the results are reported to the Compliance Officer, which may lead to requests for redress and improvement or disciplinary action. This systemic process is operated under the management of the Group's Compliance Monitoring Department.

Compliance Reporting System Workflow

Report Submission	Investigation	Outcome & Measures	Informant Notification
1	2	3	4
• Accept a report from an informant via dedicated channels, either anonymously or with real name	• The Ethical Management Team of the Compliance Monitoring Department initiates fact checking and investigation into the report	• Report the investigation results to the Compliance Officer, and take remedial or disciplinary measures in accordance with internal regulations	• Notify the informant of the outcomes and measures taken, ensuring informant protection

Strategies

Accountability Chart System Up and Running

In abidance with the Act on Corporate Governance, BNK Financial Group established the frameworks for operational assistance and management to ensure that the accountability chart system is fully integrated in a stable manner.

First, with the establishment of the regulations for internal control policy, top-level internal control standards were created by the Board of Directors. The Internal Control Executive Committee and the Internal Control Committee under the Board are convened regularly, ensuring that the CEO and executives are reviewed for their duties in managing internal control. Additionally, regulations governing committees were formulated while an operational system for education and pre-briefings was built, thereby cementing our governance for internal control.

In parallel, relevant regulations and manuals pertaining to the accountability chart were overhauled, followed by the establishment of the accountability chart system. This resulted in enhanced efficiency in reviewing and managing executive accountabilities. By phasing in a system-based review process, management records are systematically accumulated, improving the effectiveness of internal control activities.

Capitalizing on the accountability management manual and system, constant review activities are underway. In association with the compliance review system, our internal control management has been elevated to higher levels. To help employees better understand and adopt the system, diverse efforts are in full swing, including training programs, external lectures, and the review of an AI-driven system.

Upgrading Continuous Monitoring and Review System

BNK Financial Group performs inspections of all subsidiaries at least once a year to ensure compliance with internal control standards and corporate ethics. Each subsidiary also conducts its own regular reviews of its branches and Headquarters departments. In 2025, to reinforce proactive internal control, a theme-based review process was introduced. Under this system, recent financial incident cases are frequently shared, and subsidiaries conduct self-reviews of their operations.

Records of Internal Control Inspections

Category		Target	Frequency
BNK Busan Bank	Branch	134	Once a year
	Sales office	69	Annually
	Overseas branch	3	Annually
	Headquarters department	47	Annually
	IT	IT Headquarters and Information Protection Department	Triannual
BNK Kyongnam Bank	Branch	121	Twice a year
	Sales office	31	Twice a year
	Overseas branch	-	-
	Headquarters department	47	At least once a year
BNK Capital	Headquarters and independent department	10 Headquarters and 4 departments	At least once a year (Headquarters or department)
	Overseas subsidiary	6	At least one subsidiary half-yearly
BNK Asset Management	Headquarters departmen	2	Quarterly
BNK Savings Bank	Branch	6	Annually
	Headquarters department	1 Headquarters	Annually
BNK Credit Information	Branch	5	Twice a year
	Headquarters department	3 Headquarters	Twice a year

Theme-Based Review Process

Subsidiary Notification and Dissemination	Subsidiaries' Self-Review and Remediation Reporting	Assessment of Measures Taken and Their Adequacy	Group-wide Sharing of Improvements
1	2	3	4
• Notify subsidiaries of financial incident cases, precautions, and other key issues	• Have subsidiaries conduct self-reviews to gain a grip on their status. • Identify the areas for improvement, develop countermeasures, and report measures taken and future plans	• Inspect the appropriateness of improvement measures and related plans • Track the records of implemented plans to manage completion - Categorizing phases into completed, in progress, or re-adjustment required for effective management	• Submit the outcomes of measures taken and improvements as agenda items for meetings or as electronic documents to re-share for dissemination ex) best practice sharing

Strategies

Mitigating Unfair Trade Risks

Aiming to ensure transparency and fairness in transactions, BNK Financial Group annually examines the adequacy of supplier selection as well as the appropriateness of private contracts and competitive bidding for new contracts. Based on the results, remediation measures have been consistently implemented to mitigate risks related to unfair trade practices. During the second half of 2025, a third-party review was undertaken across the end-to-end process of new contract formation and partner company selection. Thirty contracts, selected from a pool of 295, were evaluated against 24 standards such as contract signing, fulfillment, and payment. Partner selection was examined in seven categories. The outcome of the inspections revealed that most areas were properly operated. For some deficiencies, corrective measures were taken along with the formulation of improvement plans to ensure effective follow-up management.

Meanwhile, Busan Bank's Sales Promotion Department conducts a post-inspection annually over the operation of the Customer Gift Selection Committee. In the one case identified during the 2025 inspection where the process was not followed, improvement measures will be requested and carefully managed during the review of corrective actions.

Strict Ban on Unfair Trading Practices

Code of Ethics	**Article 18 (Co-Prosperity and Fair Transaction)** ① We pursue co-prosperity with partner companies grounded in mutual respect. ② We follow transparent and fair procedures when selecting partner companies, and consider whether such business relationships align with the purpose of our Code of Ethics when maintaining them ③ We do not demand irrational or unfair transactions from partner companies, and ensure compliance with relevant laws and internal regulations regarding the prevention of unfair transactions. **Article 19 (Fair Competition)** We commit to fair competition with competitors, abiding by laws and upholding market order.
Code of Ethics Implementation Guidelines	**Article 12 (Prohibition of Unsound and Unfair Business Practices)** ① For the purpose of eradicating financial crimes, we strictly prohibit any form of illegitimate or expedient conduct related to finance. Such acts include behaviors that directly cause financial accidents, violations of real name transaction and confidentiality obligations, excessive competition, irregular or unlawful business handling that directly or indirectly involves money laundering, and abnormal transactions such as private lending brokerage. **Article 20 (Prohibition of Unfair Transaction)** ① Our employees comply with the standards prohibiting unfair trading practices stipulated in applicable laws, such as the「Financial Investment Services and Capital Markets Act」, or specified in our Code of Ethics. These standards include the prohibition of using undisclosed insider information or manipulating the prices of equity securities. ② We strictly prohibit the dissemination of false information or inducement of securities price manipulation that may mislead the market for unfair gain.

Oversight of Intra Group Transactions

In accordance with the Group's Related-Party Transactions Guidelines, BNK Financial Group conducts quarterly reviews of behaviors that could undermine fairness, such as the free provision of funds, assets, or personnel, and transactions under preferential terms among subsidiaries. Through persistent management, we ensure that insider transactions contrary to equity do not occur. At the time of initiating internal trading, inspections are conducted against relevant laws, including the「Monopoly Regulation and Fair Trade Act」, the「Financial Holding Companies Act」, and the「Commercial Act」, to pre-check for potential unfair support practices and determine whether Board approval is required. Furthermore, BNK Financial Group regularly reviews all employees' stock trading records.

As of 2025, approximately 10,000 intra-group transactions, equivalent to KRW 82.4 billion, were inspected. In addition, we conduct regular reconciliations and adequacy reviews over mutual transactions. The Compliance Officer reports salient matters to the CEO and the Audit Committee while departments responsible for subsidiaries' internal trading affairs conduct self-reviews using a pre-transaction checklist. When judgment is required, they may request the Compliance Monitoring Department to verify the case through a 'preliminary review of intra-group transactions,' a clear testament to the well established Group wide pre inspection system. The track records of intra-group transaction inspections are regularly reported to the Board. When a Board resolution is necessary, it is a rule that the transaction can only be executed after obtaining formal approval.

2025 Intra-Group Transaction Inspection Records

(Unit: Cases)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Compliance Monitoring Department-Led Inspections of Group and Subsidiary Trading Adequacy	2,188	2,526	2,664	2,875

Embedding Awareness of Internal Control in Every Corner

To raise awareness of the gravity of internal control, BNK Financial Group provides regular training and operates a compliance program in which employees assess both their compliance with laws and their overall compliance awareness.

A system is in place to identify and reward subsidiaries that excel in internal control, based on inspection outcomes. This motivates them to manage affairs autonomously. Tailored monitoring items, aligned with each subsidiary's nature and scale, further promote the internalization of control mechanisms across the Group.

Initiatives

Instilling Integrity in Corporate Management

Education on Ethics and Compliance

With the objective to raise ethical and compliance awareness among employees and to foster a corporate culture of integrity, BNK Financial Group provides regular education on ethics and compliance for all staff. Monthly content highlights violation cases and unfair transactions that could occur during work, supported by materials on relevant laws and real examples to promote self-directed learning. In 2025, the education program encompasses diverse, practical subjects, including internal regulations on financial investment product trading, standards for intra-group transactions, duties to report financial incidents, compliance with the Improper Solicitation and Graft Act, prohibition of using undisclosed critical information, and limits of internal control mechanisms and corporate ethical culture.

Anti-Corruption & Anti-Bribery Policy

Ethical Management Education Overview

On-Site Education for All Branches and Offices

- Delivered ethical management education and inspected compliance with the Code of Ethics Implementation Guidelines
- Conducted at all branches and offices (137) and Headquarters departments (48)

Group Training on Ethical Management

- Incorporated a one-hour ethical management session into group training led by the Training Center

Education on Compliance Reporting System

- Provided revisions during internal control meetings (leaders and staff), and for branch heads, Headquarters department heads, and audit oversight managers
- Distributed updates to the Operational Guidelines for Compliance Reporting System
- Conducted quizzes on key content and simulated reporting through the updated interface of the Compliance Reporting System (Red Whistle)

On-Site Education Before Holidays

- Delivered key reminders and guidance on maintaining healthy practices during holiday periods

One-Day Group Training for Audit Oversight Managers and Auditors

- Guided them on implementing ethical management (comprehensive education for internal control functions)

Compliance Monitoring Education (Fair Transactions)

- Monthly education targeting Headquarters staff and sales force exposed to fair-transaction-related risks
- 24 sessions conducted in 2025 at Kyongnam Bank

On top of that, a range of campaigns promoting an ethical culture have been conducted, including employee surveys and thought-sharing events. An Anti-Corruption & Anti-Bribery Policy, which places a strict ban on bribery and improper solicitation across the entire transaction process, has been established and applies to all employees. When gifts are received, procedures require their return within three days and reporting of the incident. If return is not possible, the items may be treated as donations, as part of our transparent response system. During holiday periods, integrity letters are sent and 'gift return centers' are operated, thereby permeating the culture of integrity throughout the organization and reinforcing our commitment to social contribution.

Initiatives to Instill Ethical Culture across All Operations

Month of Ethics	Strict Ban on Receiving Gifts, Money, or Entertainment	Employee Ethical Awareness Survey
• Designated June as the Month of Ethics, coinciding with Ethics Day (June 2) • Delivered diverse programs and education on ethics management for employees	• Sent letters to key clients and partner companies requesting cooperation in the 'No Gifts' campaign • Operated gift return centers before and after major holidays	• Conducted mobile surveys of employees on ethical awareness, workplace sexual harassment, and the whistleblowing system, incorporating their feedback into ethical management operations

Compliance Reporting System and Risk Management

To prevent financial incidents in advance and to systematically manage internal risks, Busan Bank operates its Compliance Reporting System. This system is accessible not only to employees but also to former staff and external stakeholders. Anyone who identifies violations, such as breaches of financial laws, suspected crimes including embezzlement or breach of trust, non-conformity with internal controls, unlawful practices, or unfair work instructions, can report.

Reports may be submitted either under a real name or anonymously through multiple channels, including mobile applications operated by an independent third party (BNK Help-Line and Red Whistle), as well as by telephone, internet, mail, or in person visits. The content of the report and the identity of the informant are strictly kept confidential. To safeguard whistleblowers, a confidentiality pledge is required, and a zero tolerance policy is applied to guarantee that no retaliation, discrimination, or disadvantage arises from reporting.

In addition, BNK Financial Group puts in place a reward and compensation system that provides commendations, monetary rewards, and relief funds to informants who contribute to preventing financial incidents or protecting the Group from damage through their reports.

To reinforce the effectiveness of this system, compliance reporting training is provided to employees at least twice a year.

Initiatives

Solidifying the AML Framework

To strengthen organizational AML[1] expertise, an HR evaluation framework was introduced, granting KPI advantages to employees who hold relevant AML certifications. The year 2025 marked the establishment of a robust response system, supported by advancements in IT infrastructure (28), the creation and refinement of STR[2] detection rules (37), thematic inspections (43), and effectiveness reviews (3). In addition, the adoption of a mobile application channel for CDD[3] enhanced accessibility and convenience. Busan Bank and Kyongnam Bank consistently conduct thematic inspections across critical segments, including CDD, CTR[4], and STR. The improvement measures identified through these inspections are systematically integrated into operations.

1) AML (Anti-Money Laundering): A system designed to prevent any conduct involving the concealment or falsification of the acquisition or disposal of illicit assets.
2) STR (Suspicious Transaction Report): A reporting mechanism for transactions suspected of being linked to money laundering, submitted to the Financial Intelligence Unit.
3) CDD (Customer Due Diligence): A system requiring the verification of customer identities and the purposes of transactions when engaging in financial activities.
4) CTR (Currency Transaction Report): A reporting system for cash transactions exceeding KRW 10 million, submitted to the Financial Intelligence Unit.

Subsidiary AML Initiatives

BNK Busan Bank	• amended its key internal regulations on AML and introduced an Employee Due Diligence Manual • Built a review and monitoring framework to incorporate revisions of AML laws and operational processes into daily practice • Continuously refined the monitoring system to track the oversight approaches of financial authorities and to analyze emerging money laundering transaction patterns for integration into operations
BNK Kyongnam Bank	• Established and refined a total of 8 STR rules, and conducted 43 thematic inspection • Consulted external specialized agencies for verification of its AML system, and implemented 27 IT system enhancements • Created a CDD function targeting foreign customers within mobile banking, and provided employee training to strengthen expertise
BNK Securities	• Established and refined a total of 23 STR rules, and verified their effectiveness • Upgraded its AML system and operational processes • Enhanced its data management and internal control framework, aligned with the 「Act on Prohibition against the Financing of Terrorism」

AML Policy

Anti-Money Laundering Initiatives

Suspicious Transaction Reporting (STR)

- Pursuant to guidelines issued by the financial authorities, established a 「three-tier defense internal control system」 to sharpen its risk management capabilities
- Introduced new standards (rules) for suspicious transactions to detect abnormal foreign currency remittances, and refined monitoring systems
- Inspected all foreign exchange transactions comprehensively and reinforced continuous monitoring
- Incorporated KoFIU STR rule characteristics and advanced them
- Established and refined STR rules in parallel with the development of manuals for effectiveness verification

Currency Transaction Reporting (CTR)

- Streamlined monitoring procedures and enhanced operational efficiency by taking advantage of process automation (PA) technologies
- Developed new functions for automated review of non-face-to-face financial transactions, including automated teller machines, and applied them on-site
- Improved review processes and adopted automation, thereby strengthening the agility and accuracy of internal controls

Know Your Customer (KYC)

- Overhauled the Customer Due Diligence (CDD) process across corporate and organizational clients
- Repealed the post-approval requirement for corporate / organizational client verification and conducted comprehensive pre-inspections
- Enhanced Risk Based Approach (RBA) driven Special Inspections and upgraded the Risk Assessment (RA) framework
- Promoted projects aimed at improving the completeness of CDD and EDD
- Distributed official notices outlining operational standards by client type and theme
- Refined IT systems to prevent errors and improve user convenience
- Expanded the scope of monitoring to cover the entire Customer Due Diligence process

Intensifying AML Oversight at Overseas Branches

- Revised internal anti-money laundering regulations for overseas branches
- Amended AML regulations by incorporating laws from China and Vietnam
- Added a new review screen for suspicious transaction reporting within the GloBS system
- Conducted due diligence on the implementation of AML measures at overseas branches
- Inspection targets: branches in Ho Chi Minh, Qingdao, and Nanjing
- Checked the adequacy of work processes and compliance with local laws and internal regulations

Initiatives

AML Education

Leveraging its educational platform, E-Campus, Busan Bank delivers regular training programs with job-specific content. Its focus is placed on practical education covering core responsibilities such as Know Your Customer (KYC), Suspicious Transaction Reporting (STR), and Currency Transaction Reporting (CTR), while field-oriented coaching has also been strengthened. As part of this initiative, the Bank has adopted the AML Knowledge Grading System and supports the Test of Proficiency in Anti-Money Laundering Competency (TPAC), helping employees sharpen their expertise. Kyongnam Bank provides company-wide AML education with training content developed by the Korea Banking Institute (KBI) and other specialized institutions. The Bank implements the AML Pledge and conducts branch- and office-level training, thereby raising AML awareness among employees. BNK Savings Bank has distributed AML educational materials to all employees while offering cyber-based training programs. At sales branches, monthly in-house training sessions are conducted under the leadership of branch managers.

BNK Financial Group also advances its future response system to raise the effectiveness of its AML framework and strengthen risk response capabilities. BNK Securities has segmented its educational courses and strengthened practice-oriented training to enhance the effectiveness of its AML framework. Since 2026, BNK Securities plans to offer professional educational programs, including core courses for Board members and senior management, as well as specialized modules on financial crime prevention practices, domestic and international sanctions cases, Suspicious Transaction Reporting (STR), Customer Due Diligence / Enhanced Due Diligence (CDD / EDD), and AML / CFT inspection techniques and major findings.

AML Capacity Building Programs

BNK Financial Group

Topic	Trainees	Training Hours per Capita
AML Policy (Mar.)	All Employees	Appr. 30 minutes (Quarterly training via documentation)
Revised AML Regulations Enforced (Jun.)	All Employees	
Key AML Systems (Sep.)	All Employees	
Characteristics of Virtual Assets for AML (Dec.)	All Employees	
Establishment of Internal Controls and AML Legislation for AML, etc.	All Employees	6 hours (12 hours for employees from the Corporate Audit and Compliance Monitoring Department)

AML Certification Holders

(Unit: Persons)

Certificate	BNK Busan Bank	BNK Kyongnam Bank	BNK Capital	BNK Securities	BNK Savings Bank
Certified Anti-Money Laundering Specialist (CAMS)	11	20	1	1	N/A
Test of Proficiency in Anti-Money Laundering Competency (TPAC)	37	49	N/A	1	6
Core AML personnel (advanced)	15	20	N/A	2	1
Core AML personnel (basic)	1,753	780	4	4	79
Certified Branch Compliance Officer (CBCO)	201	173	N/A	1	32

Metrics and Targets

Ethics and Compliance Metrics and Targets

Verified Corruption and Bribery
Zero times

Conflicts of Interest
Zero cases

Anti-Competitive Behavior and Monopoly
Zero cases

Human Rights Management

Governance

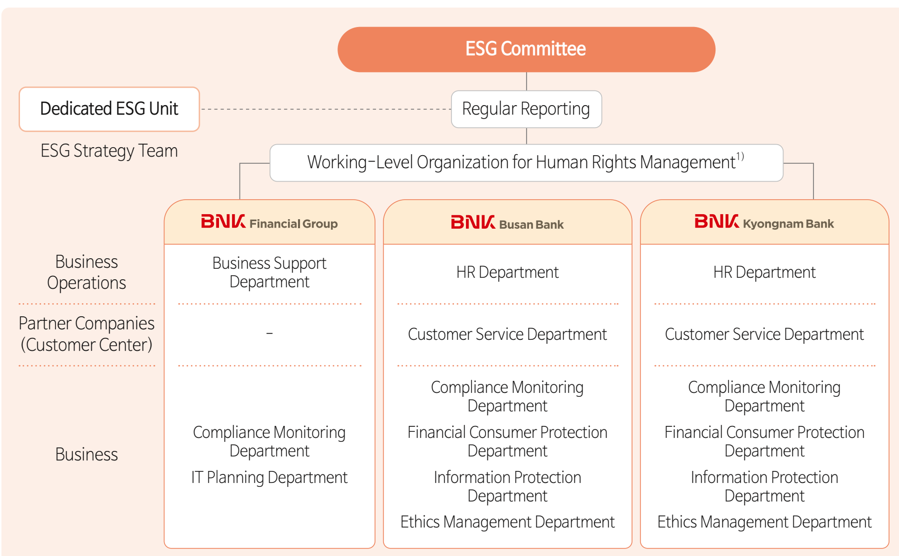
Governance and Policy for Human Rights Management

Human Rights and Diversity Policies

BNK Financial Group established its human rights policy in 2023, followed by the integration of governance for human rights management, procedures for risk identification and management, and a grievance-handling mechanism into the policy, resulting in a substantive policy document. In line with global norms in human rights and labor, we have embedded the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the ILO Fundamental Conventions into our management standards, ensuring labor rights protections across the value chain, including equal pay for equal work, a 52-hour workweek limit, and guaranteed paid annual leave. With the formulation of a diversity policy in 2024, we placed a strict ban on any form of discrimination on the grounds of gender, race, nationality, disability, and age. We guarantee fair opportunities in recruitment, promotion, and compensation across all facets of the process while adopting a zero-tolerance approach to sexual harassment and sexual violence. All employees of the Group are subject to these policies, and we deliver consistent value to our clients, partner companies, and external stakeholders.

Human Rights Management Policy
Supplier Management Policy

Governance for Human Rights Management



1) In addition to the Group, subsidiaries are monitoring their initiatives and progress in human rights management and diversity under the leadership of their HR departments.

Organizational Functions for Human Rights and Diversity

BNK Financial Group has established a structured system to promote human rights and diversity, assigning responsibilities from the Board of Directors down to subsidiaries' working-level units. The ESG Committee under the Board serves as the top decision-making body, holding ultimate accountability for human rights management. Its functions encompass defining approaches to human rights and diversity, and supervising the development of related policies and strategies. The ESG Strategy Team, dedicated to the Group, sets Group-wide goals in collaboration with the Business Support Department of the Group and subsidiaries' HR Departments. It also conducts human rights impact assessments and comprehensively manages improvement tasks. At the working level, subsidiaries put human rights management into practice through initiatives tailored to their departmental functions. Their efforts span safeguarding employees' labor rights and dignity, protecting partner company customer service staff, and preventing abuses that could impact customers during service delivery, thereby embedding human rights management directly into daily operations.

Diversity & Inclusion Policy

Human Rights and Diversity Management Organizations and Functions

Category	Organization in Charge	Roles and Functions
Under the Board	ESG Committee	• Defining approaches to human rights and diversity • Supervising policy and strategy development
Dedicated ESG Unit under the Group	ESG Strategy Team	• Setting Group-wide goals for human rights management in collaboration with the Business Support Department and subsidiaries' HR Departments, conducting human rights impact assessments, and comprehensively managing improvement tasks
Working-Level Units at Subsidiaries	Business Support Department (the Group) HR Department (Subsidiary)	• Promoting human rights and diversity policies, and addressing related issues (including workplace bullying)
	Customer Service Department	• Managing human rights of customer service workers, including those employed by partner companies
	Compliance Monitoring Department	• Operating internal controls and preemptive monitoring
	Financial Consumer Protection Department	• Safeguarding financial consumers' rights and interests (prevention of mis-selling and unfair practices)
	Information Protection Department and IT	• Conducting initiatives aimed at data protection and information security
	Ethics Management Department	• Investigating and tracking ethical issues such as integrity in contracts and workplace sexual harassment

Strategies

Human Rights Impact Assessment Overview

Regular Human Rights Due Diligence

Human rights due diligence is a structured process that enables companies to identify, prevent, and mitigate adverse impacts of their business operations on human rights, while also establishing systematic responses. Leveraging this as a core means of practicing human rights management, BNK Financial Group conducts annual human rights due diligence across its entire value chain, including its own business sites, subsidiaries, and key partner companies. The process is anchored in major domestic and international due diligence standards, including the UN Guiding Principles on Business and Human Rights and the Guidelines for Human Rights Management issued by the National Human Rights Commission of Korea. During the course of due diligence, we actively engage with stakeholders vulnerable to human rights infringements, incorporating their perspectives throughout the process. Based on findings, we implement remediation and enhancement measures, mitigating human rights risks in phases across the Group.

2026 Human Rights Impact Assessment Conducted

In the first quarter of 2026, BNK Financial Group carried out a comprehensive human rights impact assessment across the Group. The assessment was conducted in three methods: surveys of employees across all subsidiaries (nine human rights areas), surveys of customer centers (seven human rights areas), and checklist-based evaluations and interviews conducted by subsidiary human rights managers. To ensure fairness and objectivity, the process was undertaken in collaboration with a specialized third-party agency. Before the assessment began, human rights risk-prone stakeholders were identified, and their perspectives were incorporated into the design of survey questions and checklists. The use of anonymous surveys and individual interviews allowed us to gather in-depth insights into on-site human rights risks and opportunities for improvement.

2026 Human Rights Impact Assessment Overview

	(1) Employee Human Rights Assessment	(2) Customer Service Staff Human Rights Assessment	(3) Subsidiary Human Rights Manager Assessment
Method	Anonymous Online Survey	Anonymous Online Survey	Checklist-Based In-Person Assessment and Interviews
Target	Employees across BNK Financial Group and its subsidiaries, including Busan Bank, Kyongnam Bank, BNK Capital, BNK Securities, BNK Credit Information, BNK System, BNK Savings Bank, BNK Asset Management, and BNK Venture Capital	Customer service staff across Busan Bank and Kyongnam Bank (partner companies' staff included)	HR Department staff and human rights managers across BNK Financial Group, Busan Bank, Kyongnam Bank, BNK Capital, BNK Securities, BNK Credit Information, BNK System, BNK Savings Bank, BNK Asset Management, and BNK Venture Capital
Survey Questions	35 questions in 9 areas (33 multiple-choice questions and 2 essay questions)	28 questions in 7 areas (26 multiple-choice questions and 2 essay questions)	55 questions in 13 areas

Identified Stakeholders Vulnerable to Human Rights Risks

Stakeholders Vulnerable to Human Rights Risks	Business Operations		Management Relations
	Organizational Operations	Business (Finance)	Partner Company
	Part-time employees, female employees, customer service staff, and lower-ranked employees	Financially vulnerable groups	Customer service staff

Human Rights Due Diligence Process

1. **Design Human Rights Impact Assessment**
   Identify focus areas in human rights management for the year and pinpoint stakeholders prone to human rights risks. Based on these findings, refine the checklist and determine appropriate means of assessment
2. **Conduct Human Rights Impact Assessment**
   Assess both potential and actual adverse impacts of business operations and management relations on human rights, using the checklist. Formulate risk-mitigation and improvement plans
3. **Implement Improvement Plans**
   Take measures to remediate human rights risks and address ongoing human rights issues
4. **Monitor Effectiveness**
   Monitor and evaluate remediation and mitigation measures (qualitative and quantitative assessments)
5. **Report Results**
   Communicate the outcomes of human rights impact assessments, initiatives to rectify and reduce risks, the effectiveness of actions taken, and future plans to stakeholders

Initiatives

Human Rights Impact Assessment Results

Special Report-Human Rights Report

Areas Vulnerable to Human Rights and Diversity Risks and Improvement Plans

BNK Financial Group has confirmed that overall human rights risks are managed within a favorable scope across all assessment criteria. No serious human rights infringements or related cases were identified. However, through a thorough analysis of areas vulnerable to human rights issues by stakeholder group, we derived key areas of focus requiring intensive care. All ten subsidiaries of the Group that conducted human rights impact assessments have drawn up their own remediation and improvement plans, alongside risk-mitigation measures. Under this structured approach, we will continue to refine our practices, thereby elevating our human rights protection to new heights. BNK Financial Group also performs regular human rights assessments. Our identified risks, mitigation and improvement plans, and ongoing initiatives are available in the Special Report.

2025 Key Initiatives for Human Rights Risk Mitigation and Improvement

Stakeholders	Vulnerable Areas (Human Rights Risks)	Improvement Priorities	2025 Improvement Initiatives and Achievements
Employees	Establishment of a Human Rights Management System	Providing Guidance on Human Rights Management Policies and Dedicated Units	• Participated in BNK Financial Group's human rights impact assessment • Provided guidance on human rights management - related policies and institutions • Operated online courses for human rights education
		Enhancing the Grievance Resolution System	• Ran an HR system - based grievance channel • Regularly received and addressed grievances and employee pain points • Strengthened guidance regarding grievance handling procedures and channels
	Fair and Equitable HR Practices	Establishment of a Fairness Monitoring System	• Conducted performance assessment consulting led by external specialized agencies • Operated blind recruitment • Reviewed compliance in recruitment and assessment procedures
		Prohibition of Discriminatory Treatment for Female Employees, Non-Regular Workers, and Employees Returning from Leave	• Put in place female manager development programs • Applied equal pay for equal work • Enhanced fringe benefits for non regular workers
	Freedom of Association and Collective Bargaining Rights	Non-Discrimination in Union Membership	• Ensured zero cases of disadvantage due to union membership • Guaranteed union activities and rights
		Expansion of Labor-Management Communication and Consultation	• Held quarterly labor-management council meetings • Made discussions for wage negotiations and collective agreements • Operated events designed to achieve labor-management harmony
	Environmental Rights	Creation of a Healthy and Pleasant Work Environment	• Regularly checked air purifiers, and heating and cooling facilities • Ameliorated the fire evacuation system • Upgraded obsolete equipment and improved office environment
	Work Environment and Humane Treatment	Provision of Guidelines for Employee Protection and Situational Response in the Event of Human Rights Issues During Customer Interaction	• Put in place a response process to malicious complaints • Operated a stepwise customer service manual • Forged a response system that puts counselor protection at its core
		Refinement of the Work Environment to Support Work-Life Balance	• Operated a working hour coordination system for childcare • Supported employees with flexible work hours and shortened working hours • Enhanced work processes
		Education for Upskilling and Effective Job Performance	• Compiled and regularly amended job manuals • Put in place the career development program (CDP) • Offered educational programs on job-specific skills, leadership, and financial laws
		Employee Personal Data Protection	• Formulated and implemented personal data protection plans • Provided data protection education • Controlled access and carried out regular security inspections

Stakeholders	Vulnerable Areas (Human Rights Risks)	Improvement Priorities	2025 Improvement Initiatives and Achievements
Customers	Grievance Resolution	Refinement of the System to Accept and Address Customer Pain Points	• Operated a customer complaint reporting center • Established a system where complaints are transferred to responsible departments upon receiving • Had in place a swift complaint handling process
	Consideration for the Information Disadvantaged	Provision of Information for the Information-Disadvantaged	• Operated a counseling process dedicated to the elderly • Deployed skilled counselors • Improved access to information for vulnerable groups
	Right to Know	Education for Counselors on Guaranteeing Customers' Right to Know	• Provided education immediately after a new product was released or policy was changed • Distributed job manuals and Q&A materials • Operated regular educational programs for counseling quality
Suppliers (Customer Counselors)	Establishment of a Human Rights Management System	Guidance for the Grievance Resolution System and Grievance Redressal	• Put in place channels for grievance reception, such as on-site voice box, and QR channel • Carried out stress management programs • Operated statutory education
	Fair and Equitable HR Practices	Establishment of a Fair Assessment and Remuneration Framework, and Ban on Discrimination Against Non-Regular Workers	• Operated 360-degree assessment for performance • Rewarded outstanding counselors and long-service workers • Applied equal pay for equal work
	Prohibition of Forced labor	Guarantee of Annual Leave Use and Freedom of Turnover and Retirement	• Ensured the use of annual leave on days employees wanted to take it • Respected their voluntary decision to retire • Introduced a policy to minimize overtime work
	Occupational Safety and Health	Assistance for Customer Counselors in Their Safety and Health	• Operated a protection manual for emotional labor workers • Provided psychological counseling and stress management programs • Built a system to support complaint-related counseling
	Work Environment and Humane Treatment	Protection of Emotional Laborers, Guarantee of Proper Workload, and Advance Notification of Monitoring for the Protection of Customer Counselors' Human Rights	• Operated a manual for handling abusive customers, and granted the right to suspend counseling • Allowed time for emotional recovery, and provided external psychological counseling programs • Assigned proper workload, operated flexible work hours alongside rest areas • Notified monitoring in advance, and offered coaching-focused feedback to support their growth

Initiatives

Education on Disability Awareness and Workplace Bullying Prevention

BNK Financial Group provides statutory education to all employees to raise awareness of disability inclusion and workplace bullying.

2025 Disability Awareness and Workplace Bullying Prevention Education

BNK Financial Group

Course	• Disability Awareness Education • Workplace Bullying Prevention Education
Trainees	• Employees of the Group
Training Period	• June 16 (Mon.) - June 27 (Fri.), 2025
Training Modality	• Online training (PC, mobile)

Round-the-Clock Grievance Redress

The 24/7 operation of grievance redress channels is a clear manifestation of our commitment to reinforcing human rights management frameworks. The grievance handling process comprises five phases: report submission, in-depth interview and investigation, follow-up measures, outcome reporting with feedback provision, and termination. Multiple channels, including mobile, QR code, in-person, telephone, and email, ensure broad accessibility. Each case received undergoes investigation by the dedicated department in accordance with relevant laws and internal standards. If a grievance is verified as factual, it results in corrective action and disciplinary measures in line with a zero-tolerance policy. At every stage of the process, we guarantee the confidentiality of the informant's identity and safeguard against any form of disadvantage or retaliation, thereby protecting stakeholders' rights and interests.

Subsidiary Grievance Redress Channels

Category	Grievance Redress Channels
BNK Financial Group	• Put in place the 'BNK Help-Line,' the Group's whistleblowing channel for all employees (accessible via app and QR code) – Grievances managed by the Group's Business Support Department and subsidiary HR Departments
BNK Busan Bank	• 'BNK Busan Bank Dudeurim' (mobile channel) • Channel run by HR Department • Channel run by Labor Union
	• Dedicated channel for client complaints • Receiving grievances via Financial Supervisory Service
BNK Kyongnam Bank	• HR system whistleblowing channel (ONE-HR) • Channel run by Labor Union • Red Whistle reporting channel
	• Dedicated channel for client complaints (website, customer centers, VOC, etc.) • Receiving grievances via Financial Supervisory Service
BNK Capital	• Help-Line access via Red Whistle or BNK Guardian • Grievance handling channel within HR system • Reporting system based on workplace bullying prevention manual
BNK Securities	• Shortcut button for grievance consultation requests available on the HR system main screen • Access to remedy procedures and principles available on the regulation board in the groupware system
BNK Savings Bank	• BNK Help-Line (the Group's whistleblowing channel) • Dedicated grievance redress channel within its HR system • 'Grievance Resolution Committee,' reporting channel run by labor management council
BNK Asset Management	• BNK Help-Line, the Group's whistleblowing channel for all employees • 'Grievance Resolution Committee,' reporting channel run by HR Department and labor-management council
BNK Venture Capital	• Red Whistle and Help-Line, reporting channels • Grievances addressed by the Compliance Officer and the Ethics Management Department
BNK Credit Information	• BNK Help-Line, the Group's whistleblowing channel • 'Grievance Resolution Committee,' reporting channel run by labor management council
BNK System	• BNK Help-Line, the Group's whistleblowing channel for all employees • 'Grievance Resolution Committee,' reporting channel run by HR Department and labor-management council

Metrics and Targets

Mid- to Long-term Roadmap for Human Rights and Performance

BNK Financial Group has set mid- to long-term goals on human rights and diversity, aiming not only to strengthen diversity across the organization but also to ensure the protection of human rights for all stakeholders. Our first goal is to embed our human rights management framework into every corner of the organization by 2026. By 2028, we will drive meaningful changes in employee awareness and behavior, thereby establishing a culture that truly upholds human rights management. Furthermore, by 2030, the scope of this commitment will extend to our key overseas subsidiaries and partner companies, ensuring that they also embrace the values of human rights management.

For the structured implementation of human rights management, we set key indicators related to respecting stakeholders' rights and expanding diversity while regularly monitoring the progress of human rights management and diversity status. Areas for improvement are identified, and accordingly, we advance our management framework step by step. In particular, to manage human rights risks that may arise from financial service delivery, we have established detailed sector-specific indicators, such as financial consumer protection, support for financially vulnerable groups, information security, and data privacy. Indicators, including complaint resolution rate, participation in financial education programs, personal data leakage, and voice phishing prevention, serve as tools for us to regularly review our performance in terms of human rights management. Through these efforts, we are striving to provide responsible financial services.

Mid- to Long-term Goals for Human Rights Management

2025~2026
Settling the Human Rights Management Framework
- Broaden human rights assessment to cover 10 subsidiaries
- Upgrade grievance redress system and ensure it is actively utilized

2027~2028
Embedding a Culture Upholding Human Rights
- Provide more educational programs on human rights and diversity
- Embed diversity- and inclusion-oriented HR and talent management systems into the organization

2029~2030
Disseminating the Human Rights Management Culture
- Expand assessment coverage (overseas subsidiaries and partner companies
- Add human rights assessment checkpoints

Key Diversity Metrics and Targets

Indicator	Performance			Mid- to Long-term Goals
	2023	2024	2025	2030
Female Workforce Representation	46%	46%	46%	50%
Female Manager Representation[1]	25%	25%	25%	30%
- Female Senior Manager[1), 2)] Representation	11%	11%	8%	15%
- Female Middle Manager[1] Representation	29%	29%	31%	33%
Female Core Workforce Representation[3]	32%	31%	32%	35%
Female Representation in STEM Roles	21%	24%	22%	25%

Indicator	Category	Performance			Mid- to Long-term Goals	
		2023	2024	2025	2027	2030
Representation of Socially Minority Groups[4]	BNK Busan Bank	4.5%	6.3%	6.4%	8.0%	10.0%
	BNK Kyongnam Bank	4.5%	4.4%	4.1%	7.0%	8.0%

1) In 2025, standards for management roles across subsidiaries were reset. However, the data from 2023 through 2024 were disclosed based on the previous standards.
2) Applicable from 2025, based on executives through deputy general managers (excluding independent directors and non-executive directors)
3) Female managers in sales generating departments (sales departments).
4) This category includes persons with disabilities, persons eligible for veterans benefits, and foreigners. For 2023, the data represent the ratio of 'new hires.'

Governance

Pathway for Talent Development

Guided by our philosophy, 'financial professionals who shape a new world together with integrity,' we have operated the Human Resources Development Center since 2018. The center delivers a wide range of programs, including customized job training for all subsidiaries, executive nurturing courses, and ESG education. Both online and offline tailored training formats are offered to ensure flexible learning. Programs are designed to reflect the nature of each course and subsidiary standards, enabling participation by employees of all types, including regular, contract, and part-time. Subsidiaries and the center also run sector-specific programs in Wealth Management (WM), Corporate & Investment Banking (CIB), and Digital. Together, these initiatives provide mentorship programs and seamless pathways for talent development from entry-level.

Right Fit Talent and Talent Development Approach

Ideal Talent Profile: Financial professionals who shape a new world together with integrity

Integrity	Newness	Synergy
Act with integrity and trust, guided by principles	Grow with relentless passion in pursuit of the best-in-class	Individual of integrity, grounded in honesty and trust, adhering to fundamentals and principles
Talent with 'Basic Competence'	Talent with 'Expertise'	Talent with 'Leadership'
Core values and competence expected of financial professionals	Enhanced financial expertise (WM, CIB, digital)	Strengthened leadership by position and title

Talent Nurturing Strategy

Leveraging our structured educational system, BNK Financial Group has consistently secured core talent with strong growth potential. We support them in adapting to the fast evolving financial landscape, ushering in the future, and developing into accomplished financial professionals.

We define our talents as 'individuals equipped with leadership capabilities to continuously generate synergy, backed by fundamental competencies.' Based on this definition, we are laying the foundation for such talent to grow and drive the sustainable development of the organization. To this end, at the Group level, we design educational courses that encompass job expertise, leadership development, and ethical awareness, with a strong emphasis on employee education.

2025 Employee Upskilling Programs[1)]

Category	Program	Objective	No. of Trainees	Key Highlights
Leadership Skills	Leadership Course for Promotees	Sharing core values and enhancing capabilities by rank and position.	330	Compliance, ethics, ESG, and leadership skills
	BNK Management Forum	Providing insights to management and fostering community spirit	541	Relevant insight and communication skills
	BNK Advanced Management Program	Enhancing understanding of organizational operations and management	91	Improving competence in organizational management
	Improving competence in organizational management	Capacity building for CEO candidates	24	Business insight, and foreign language proficiency
	BNK WIN'S	Nurturing next-generation female leaders systematically	30	Leadership skills, trends, and humanities learning
	BNK NEXT Forum	Staying current with trends and securing future insights	211	AI, and evolving financial systems
Upskilling	Course on Loan, IB, and CIB	Developing professional financiers	128	Lending, IB banking, PF, credit evaluation, etc.
	CMO Upskilling Academy	Sharpening capabilities for customized financial consulting	40	Corporate finance consulting
	Special Lecture: Self-Branding	Managing customers through self-branding strategies	162	Customer management, and self-management mindset
	Professional Certificate Course	Supporting employees in obtaining certifications	131	Acquisition of certifications in credit screening and credit analysis
	Asset Management & Future Design	Enhancing capabilities in PB and retirement planning	190	Asset management, and reemployment
Digital Competency	BNK Digital Academy	Digital literacy and capacity building	1,241	AI, AWS, and DT tests, etc.
AI and Emerging Trends Course	Special Lecture on Digital Competency	Greater work efficiency through improved digital competencies	75	Utilization of ChatGPT and Copilot
	AI Utilization in Business	Offering AI education for field use	19	Generative AI usage, and prompt engineering skills
Group ESG Education	ESG Education	Building ESG knowledge and raising awareness	5,625	CSR and ESG best practices
Corporate Culture & Community	New Banker Onboarding Program	Supporting organizational onboarding and strengthening a sense of belonging	80	Group's core values and loyalty

1) Group wide training program

Initiatives

Leadership and Management Competencies

Rank-Based Leadership Capacity Building

To instill team spirit and sharpen leadership skills, at BNK Financial Group, employees subject to promotion participate in group training sessions lasting 8 to 16 hours, depending on their level. In the first half of 2025, 272 employees completed the training while 58 employees participated in the second half, bringing the total number of participants to 330 for the year.

Executive Education Program

To cultivate outstanding executives, BNK Financial Group operates the 'BNK Advanced Management Program' for executive candidates. In addition, an external AMP[1] course is offered to management and branch and office heads, enabling them to refine their business acumen and strengthen leadership skills. Since 2023, we have also hosted the 'BNK Management Forum' for executives, serving as a platform to gain insights and foster communication among leadership members. In addition, we provide education to nurture CEO candidates in accordance with the systematic succession plan throughout the organization.

1) Advanced Management Program for CEO

BNK NEXT Forum

To adapt to the rapidly changing business landscape and respond effectively to digital transformation, BNK Financial Group launched the BNK Next Forum, inviting sector-specific professionals to share expertise. In 2025, two breakfast forums were held in July and August, attended by a total of 211 employees. These sessions provided valuable opportunities to stay up to date with emerging technologies and industry trends, while also strengthening employees' future-readiness capabilities. The first forum focused on 'How to Navigate through the AI Era,' offering strategies and insights on adapting to the AI-driven environment. The second forum explored 'The Future of Finance Shaped by AI,' engaging participants in in-depth discussions on structural shifts in the financial industry and directions for innovation.

BNK WIN'S

To promote diversity, equity, and inclusion as well as to systematically nurture female leaders, BNK Financial Group operates the 'BNK WIN'S' Program. The course ran from June to December 2025 and was joined by 30 female leaders at branch and office head levels. The program provided a valuable platform for female leaders to share experiences, build consensus, and sharpen their leadership competencies. Its curriculum covers areas, such as opinion leadership, understanding recent trends, and cultivating humanities literacy.

BNK Management Forum Overview

(Unit: Persons)

Date	Topic	Participant
Feb. 2025	Interpreted Nanjung Ilgi (War Diary of Yi Sunsin) (Reading Forum)	102
May 2025	Learning Leadership for Modern Executives from Nanjung Ilgi	99
Jul. 2025	Maritime Finance and Financial Techniques	98
Sep. 2025	Birth of Customers (Reading Forum)	82
Oct. 2025	Core Agenda of Government Economic Policy and Key Takeaways	78
Nov. 2025	Trend Korea 2026 (Reading Forum)	82

Employee Education Metrics (Per Capita)

Company	Unit	Per Capital Educational Expenses			Per Capita Education Hours		
		2023	2024	2025	2023	2024	2025
BNK Financial Group	KRW 10,000, Hours	117	131	227	41	54	59
Busan Bank	KRW 10,000, Hours	80	83	91	93	99	96
Kyongnam Bank	KRW 10,000, Hours	92	74	96	63	56	81
BNK Capital	KRW 10,000, Hours	80	96	88	67	80	59
BNK Securities	KRW 10,000, Hours	19	41	55	29	42	40
BNK Savings Bank	KRW 10,000, Hours	74	80	67	95	44	31
BNK Asset Management	KRW 10,000, Hours	34	63	87	18	30	25
BNK Venture Capital[1]	KRW 10,000, Hours	183	284	189	8	45	107
BNK Credit Information	KRW 10,000, Hours	14	2	1	4	3	5
BNK System	KRW 10,000, Hours	16	33	42	53	108	90

1) 2023 and 2024 data revised due to errors

Initiatives

Job Skills and Expertise Upskilling

Job-Specific Upskilling Curriculum

With the aim to continuously nurture core talent, BNK Financial Group operates job-specific curricula tailored to key business areas. The programs are categorized into lending, Corporate Investment Banking (CIB), and client management (CMO and CPB).

Area	Course	Content	Participants
Lending	• Course on Credit Law (Feb. ~ Apr.) • Course on Credit Screening (Nov. ~ Dec.)	• Fundamentals of credit transactions and collateral types and characteristics, and credit management • Collateral & corporate value evaluation, and case studies in credit screening	53
CIB	• 2nd Course for IB Professional Development (Apr. ~ Aug.) • Course for IB Professional Development (Intermediary) (May ~ Oct.)	• Overview of international credit, arrangement procedures, direct overseas investment, and aircraft financing • Guide to financial proposal writing, structure of ship financing, and financial techniques	75
	• Tailored Practical Course for Group's CIP Professionals (Intermediary) (Jun) • Training for Group's CIP Professionals (Advanced) (Nov.)	• Hands-on training in ECM, securitization, acquisition finance, infrastructure PF, and PE marketing • Complete overview of venture capital operations	
CMO, CPB	• CMO Upskilling Academy (Apr. ~ Jun.) • Asset Management Strategies in the Era of Self Branding (Aug.)	• Tailored financial advisory and integrated consulting for corporate clients • Developing a self-management mindset and strengthening client management through self-branding strategies	202

※ Group wide training program

BNK NEXT Forum

BNK Weekend Special Lecture on Digital Competency

Comprehensive Support for Financial Certificate Acquisition

Busan Bank provides comprehensive monthly support to both regular and contract employees preparing for financial certificate acquisition. Assistance includes online training, exam fees, and maintenance costs. The Bank operates a three-tier certification system based on work competency and learning mileage across seven domains: customer consultation, loans, foreign exchange, credit management, international finance, fund management, and risk management.

Also, at Kyongnam Bank, the certificate acquisition support system has been up and running for both regular and contract workers. To strengthen sector-specific expertise, financial assistance is provided for obtaining approximately 76 types of certificates. Beyond financial aid, employees enrolling in certificate preparation courses receive support through learning materials, online lectures, and group training linkage programs. As part of broader upskilling initiatives, an in-house certification system has been established for six job categories, including digital, IB, CMO, PB, IT, and foreign exchange.

BNK Securities likewise provides financial assistance to employees obtaining certificates. BNK Savings Bank strengthens self-directed competency development by notifying employees of training opportunities, awarding welfare points, and reimbursing exam fees upon certificate acquisition.

2025 Group Training for Certificate Acquisition[1)]

Category	No. of Trainees (persons)	Certificate acquisition by employees
Weekend training for certificate in credit analysis	111 (in-person: 34, online: 77)	57
Course for financial DT test certification	195	69
Final course for certificate in credit screening	20	7

1) Subsidiary training courses for certificate acquisition in 2025: A total of 35 programs, with 871 employees participating. Altogether, 990 certificates were obtained (including those earned by employees who did not attend the training but successfully acquired certification).

BNK Financial Group

Initiatives

Responding to Digital Transformation

BNK Digital Academy

BNK Financial Group has systematically operated the 'BNK Digital Academy,' designed to sharpen employees' digital competency, since 2022. All employees, including contract workers, are eligible to apply for this program. The curriculum is classified into beginner, intermediate, and advanced levels. In detail, it consists of pre-introductory courses offered in the first and second half of the year, financial DT certification preparation courses, Headquarters reinforcement programs, and expert tracks. In 2025 alone, more than 1,200 employees participated in the academy. The program explores technological competencies critical to digital transformation, including AI, big data, cloud (AWS), and data analytics. Certification acquisition enables employees to embed required capabilities and gain a deeper understanding of digital finance, which has culminated in greater work efficiency, productivity, and tangible achievements.

Kyongnam Bank has also conducted specialized courses, both online and offline, to help employees strengthen their digital transformation capabilities. These include courses for data analysts (126 participants) and AI professionals (122 participants). The courses are structured from beginner to advanced levels, ensuring tiered education that allows employees to adapt to new technologies in a systematic way and apply them effectively in their work.

AI Collaboration Tools Education

As part of its endeavor to support generative AI-driven work innovation, BNK Financial Group provided education on the utilization of ChatGPT and Microsoft Copilot. The training focused on practical applications such as prompt engineering, design thinking-based problem solving, and workflow automation. Our employees are benefiting in diverse ways, from reduced repetitive tasks and more agile decision-making to improved work quality. The utilization of AI tools has enabled work automation and strengthened collaboration capabilities, which culminated in enhanced productivity and accelerated digital transformation across the Group.

(Unit: Persons)

Course	Content	Participants in 2025
BNK Digital Academy	AI, AWS, Big Data, SQL, data analysis, digital trends, etc.	1,241
Special Lecture: ChatGPT and Microsoft Copilot (Intermediary)	Digital competencies via AI collaboration tools for enhanced work efficiency	75
ChatGPT Utilization in Business	Generative AI prompt engineering skills, concept of work automatization, and practical utilization of ChatGPT	19

※ Group wide training program

With the adoption of SaaS-based generative AI, BNK Capital operated an AI educational program from February through November 2025 to strengthen employees' utilization capabilities. The common course focused on practical applications of AI in daily work and the dissemination of guidelines while the basic course aimed to help employees better understand AI concepts and sharpen their prompt engineering skills. The advanced course provided strategies for sophisticated utilization and identified application cases in the workplace for AI leaders. In addition, BNK Securities delivered AI practical education and hands-on training during lunch breaks as a separate program to enhance digital and AI competencies.

Tangible Outcomes from Digital Transformation Education

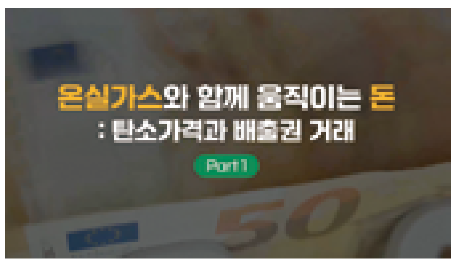
BNK Financial Group has expanded its AI and digital educational programs to help employees adapt to new technologies and the evolving demands of their job positions. The capabilities built through these programs have contributed to smoother workflows, expanded application of digital services, and stronger client response capabilities. These multifaceted efforts have resulted in the expansion of the mobile customer base and the growth of non face to face finance, thereby underpinning digital transformation.

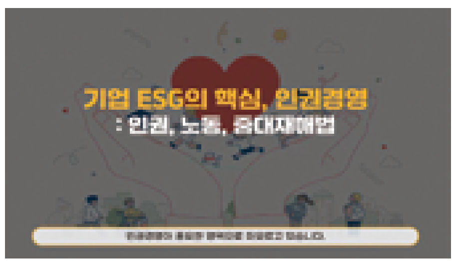
Category	2024	2025	Growth Rate
Mobile MAU	1,738,528	1,835,448	+5.6%
Mobile Subscribers	4.64 million	5.35 million	+15.3%
Digital Lending	KRW 7.7936 trillion	KRW 8.7939 trillion	+12.8%
Digital Deposits	KRW 10.8098 trillion	KRW 11.4819 trillion	+6.2%

Initiatives

ESG Education

Leveraging the integrated learning platform BNK E-Campus, alongside the external platform KBI-TUBE, we provide ESG online educational content on a continuous basis, thereby deepening employees' ESG understanding and enhancing practical competencies needed to mitigate the negative effects of climate transition changes. We have built a learning environment where employees can study key ESG issues untied to place or time. In the years ahead, we will expand content linked to global ESG trends while upgrading materials tailored to practical work applications.





Education on Responsible AI Utilization

To underpin responsible AI utilization, BNK Financial Group focuses on ethical and security based educational programs alongside internal capacity building ones. In particular, an AI ethics course has been incorporated into the introductory AI curriculum within BNK Digital Academy, enabling employees to understand not only AI concepts but also ethical utilization principles, and to translate this learning into their daily work Headquarters.

AI Ethics Training and Core Topics

Course	Topic
GenAI in Action: Practice (Common)	Ethics and security in AI utilization
GenAI in Action: Practice (Finance)	Ethics in finance and AI utilization
Getting Familiar with AI: Basics for Office Workers	AI ethics: Understanding of responsible AI utilization
	Information Security: prevention of data leakage in AI utilization
	Copyright issues: AI output utilization and prevention of conflicts

Cultural Diversity Education

BNK Financial Group educates its employees on understanding and respecting diverse cultural backgrounds and perspectives through a variety of programs. In 2025, Busan Bank and BNK Capital invited 30 working level employees from branches across Asia, providing them with opportunities to better understand cultural differences between the Headquarters and overseas branches, as well as to strengthen global cooperation capabilities. As part of the program, participants were introduced to BNK's global vision and given a tour of BNK Financial Group's Headquarters and the Mium IT Center, which offered them the chance to experience the Group's business culture firsthand.

Initiatives

Employee Career Development Support

Tuition Assistance for Employees

BNK Financial Group operates tuition assistance programs across the holding company and its subsidiaries to support employees' self-development and continuous professional growth. In 2025, BNK Financial Group Holdings provided tuition assistance to seven employees, including six enrolled in the Digital MBA program at Pusan National University and one in the Real Estate program at Pusan National University. Busan Bank provided tuition assistance to 32 employees, including 22 in the Digital MBA program at Pusan National University, one in the Derivatives Finance program at Pusan National University, one at KAIST, three at Korea Maritime & Ocean University, and five at Kyungnam College of Information & Technology. Kyongnam Bank supported 29 employees, including 21 in the Digital MBA program at Pusan National University, one at KAIST, two at Kyungnam University, and five at Kyungnam College of Information & Technology. BNK Capital provided tuition assistance to four employees enrolled in the Digital MBA program at Pusan National University and one at Kyungnam College of Information & Technology. BNK Securities supported one employee enrolled in the Digital MBA program at Pusan National University, while BNK Systems provided tuition assistance to five employees in the same program and one at Kyungnam College of Information & Technology. BNK Savings Bank provides tuition assistance covering 50% of university tuition fees (up to KRW 3.5 million per semester) for new employees who have worked for at least one year after graduating from high school.

Career Development and Reemployment Support Programs

BNK Financial Group operates Group-wide programs to support employees' career development and reemployment throughout every stage of their careers. In December 2025, the Group jointly conducted the 'Future Planning Training' program for employees approaching retirement. A total of 138 participants, including 81 employees from Busan Bank and 57 employees from Kyongnam Bank, completed 16 hours of practical training covering reemployment strategies, post-retirement financial planning, and life planning.

At the subsidiary level, a variety of career transition and reemployment support programs are also available. Busan Bank and Kyongnam Bank provide face-to-face training programs to help employees returning from parental leave, employees who have worked at Headquarters for an extended period, and newly appointed employees adapt quickly to branch operations. The banks also offer reemployment support services to help employees prepare for a successful career transition before retirement.

Training in Collaboration with External Institutions

BNK Financial Group collaborates with external training providers, including Korea Banking Institute (KBI), Champ Study, UBION, HumanValue, Alpaco, and megaNEXT, to offer a wide range of learning opportunities tailored to employees' needs. Through these partnerships, the Group delivers diverse programs covering job-specific competencies, leadership development, and other professional skills.

To foster continuous learning and professional development, the Group collaborates with leading universities in the region to offer bachelor's and master's degree programs. Furthermore, in partnership with Pusan National University, Busan Bank operates the Digital MBA program (formerly the BNK Department of Digital Finance) to nurture internal digital talent and build capabilities for future growth.

Job Competency Development Programs

BNK Financial Group provides competency-based learning curricula tailored to each job category, enabling employees to establish individualized learning plans aligned with their career goals and participate in training on a voluntary basis. Furthermore, the Group empowers employees to build expertise and track industry trends through teams and networks (e.g., employee resource groups, communities of practice, and discussion groups) hosted by relevant institutions. Busan Bank offers mandatory courses by job grade covering core banking functions such as deposits, lending, and foreign exchange. The Bank also operates two year-round training facilities, Suyoung Campus and Gaya Campus, where job-specific training programs and Mini Class courses are offered on an ongoing basis, enabling employees to immediately apply what they have learned in the workplace. Kyongnam Bank operates mandatory training courses by job grade across six areas, including deposits, lending, foreign exchange, Fee-biz, digital, and IT. In 2025, 838 employees participated in 29 training courses. Kyongnam Bank operates mandatory training courses by job grade across six areas, including deposits, lending, foreign exchange, fee-based business, digital, and IT. In 2025, 838 employees participated in 29 training courses. BNK Securities introduced the 'BSC 1st Starter Program' for recruitment-linked interns, providing job competency training delivered by internal employees serving as instructors.

Training Facility	Opening Date	No. of Trainees	
		2024	2025
Gaya Campus	Jul. 18, 2023	478	186
Suyoung Campus	Nov. 1, 2024	46	831
Total		524	1,017

Initiatives

Performance Evaluation and Compensation

Fair Compensation System

BNK Financial Group ensures fair compensation based on a reasonable remuneration system. The Group regularly monitors Korea's statutory minimum wage to ensure that all employees receive compensation above the legal minimum wage. On top of that, the Group regularly monitors the gender pay gap to maintain an equal pay system for men and women while ensuring appropriate compensation in accordance with applicable legal standards.

Performance Evaluation System

BNK Financial Group operates a systematic performance evaluation system that assesses the achievement of organizational goals based on its mid- to long-term management direction, annual management plans, and strategic priorities. For individual employees, performance goals reflecting the objectives of their respective organizations are established in the first quarter of each year, and achievement levels are evaluated using the Management by Objectives (MBO) approach. Evaluation results are utilized across various aspects of human resource management, including promotions, job assignments, compensation, career development, and salary determination. In addition, employees at Grade 4 and above are subject to annual leadership evaluations, the results of which serve as a foundation for talent development.

In addition to its annual evaluation process, the Group has adopted an agile performance management approach that incorporates regular one-on-one meetings and continuous feedback throughout the performance cycle. This approach enables managers to identify challenges at an early stage, provide timely support for goal achievement, and strengthen employees' competency development.

Performance is comprehensively evaluated at the subsidiary, organizational, and individual levels. The annual performance results of organizational units covering the January-to-December evaluation period are directly reflected in the calculation of organizational performance-based incentives for employees. Through this approach, the Group maintains a fair compensation structure that links performance with rewards. The Group continuously enhances its performance evaluation criteria and operating processes through external consulting and internal task force initiatives, further strengthening the overall performance management system.

Employee Stock Ownership Plan

BNK Financial Group maintains an Employee Stock Ownership Plan (ESOP) to foster a sense of ownership among employees and enable them to share in the Group's performance. As of December 31, 2025, the plan consisted of 5,348 members, representing 78% of employees across the Group. Based on performance evaluation results, a portion of employees' performance bonuses is awarded in the form of company shares, with an average holding period of more than two years. Employees may purchase company shares using their own funds through monthly payroll deductions and are eligible for tax deductions of up to KRW 4 million per year.

360-Degree Evaluation Program

Since 2023, Busan Bank has operated a 360-degree evaluation program to encourage self-reflection among employees and strengthen collaboration across the organization. Under this framework, regular and contract employees with at least three months of service participate in a peer feedback-based evaluation covering core competencies, job competencies, and leadership competencies. Going forward, the Bank plans to assess its effectiveness through survey-based reviews and continuously enhance the framework.

In addition, to promote fairness and transparency in personnel management, BNK Financial Group discloses overall job performance scores, a key indicator used in promotion evaluations, on an annual basis. Drawing on the evaluation results, the Group also provides HR coaching and evaluator training, supporting employee development and strengthening evaluation capabilities.

360-Degree Evaluation System Overview

360-Degree Evaluation System

Purpose	Encourage behavioral change and strengthen teamwork among employees
Target	All employees (full-time and contract employees)
Evaluators	• 10 employees who have worked with the employee being evaluated within the past three years • Evaluators are randomly assigned with consideration given to the degree of work-related interaction
Process	Access through One HR or the mobile sales support application
Evaluation Areas	Basic competency, job competency, leadership competency

Initiatives

Enhancing Employee Communication and Satisfaction

BNK Financial Group conducts a range of assessment and survey programs to strengthen communication among employees and enhance organizational satisfaction. In the first quarter of 2025, the Group conducted an online satisfaction survey covering all employees. The survey measured overall engagement across various dimensions, including job satisfaction, sense of purpose, happiness, and stress levels. Approximately 14.1% of employees participated in the survey, recording an average satisfaction score of 3.95 out of 5. In 2025, 71.8% of respondents reported being satisfied (4) or very satisfied (5) with their company, exceeding the target of 70.0%.

On top of that, the Group utilizes the Birkman Assessment alongside its existing 360-degree evaluation to systematically analyze employees' behavioral tendencies, work engagement, and stress levels. Based on these insights, the Group plans to further advance its management framework to strengthen organizational culture and improve employee satisfaction.

Average Satisfaction Score

(Unit: Score (5-point scale))

Category	2024	2025	2025 Target
Average Score	3.99	3.95	4.00

Programs to Enhance Employee Engagement and Satisfaction

Labor-Management Communication Programs

BNK Busan Bank
- Continue hosting the annual 'Labor-Management Harmony Hope Day,' attended by management and employee representatives, together with jointly organized employee welfare events such as ski trips, mudflat experiences, and whisky lectures
- Continue operating the Joint Labor-Management Task Force for Organizational Culture, driving improvements in banking processes and organizational culture

BNK Kyongnam Bank
- Mark the 10th anniversary of the 'BNK YES! LEADER' management innovation program for young employees by holding a final presentation and commemorative event in December 2025, fostering communication and unity between the Bank President and current and former members.
- Hold Labor-Management Council meetings on a quarterly basis to discuss and improve employee welfare and HR policies.

BNK Capital, BNK Securities, BNK Savings Bank, BNK Asset Management, BNK Credit Information, BNK System
- Hold regular Labor-Management Council meetings to discuss and improve matters related to wages, employee welfare, and the working environment

BNK Venture Capital
- Hold regular meetings among department heads and organize spring and autumn employee communication events

Employee Communication and Team Building Programs

BNK Kyongnam Bank
- Support employees and their families in enjoying cultural and leisure activities through NC Dinos season tickets, family festivals, family trips, and family experience programs

BNK Capital
- Promote employee communication through the in-house 'Empathy Board' and provide opportunities for organizational integration and networking through the 'Communication ON, Empathy UP Connecting Day' for newly recruited employees

BNK Securities
- Enhance employee well-being and capabilities by expanding psychological counseling services for all employees and offering healing programs for the Customer Satisfaction Team and special guest lectures, while operating family-friendly and organizational integration programs such as Family Day, mentoring for new hires, and learning classes

BNK Savings Bank
- Hold the 'Heart-to-Heart June with Love' event with participation from all employees to foster understanding and communication among employees at Busan and Seoul branches and head office departments

BNK Asset Management
- Strengthen communication opportunities through Lunch Box Day with the CEO, birthday celebration luncheons, department head meetings, and Hope Day

BNK System
- Promote employee communication through the CEO's 100-day meeting with new hires, department head meetings, and spring and autumn communication events

Cultural and Leisure Programs

BNK Busan Bank
- Host an interactive talk concert featuring renowned voice actors Kang Su-jin and Jung Eui-jin in March 2025 as part of the 'Play on Busan' program
- Present the stand-up comedy show 'Queen of Communication, Grandma Malja SHOW' at Busan Bank Ocean Hall in August 2025 as part of the 15th Play on Busan, in collaboration with the Busan International Comedy Festival
- Continue year-round cultural programs, including the 20th Play on BNK performance in December 2025 featuring The Nutcracker by the Busan Ballet Theater

BNK Kyongnam Bank
- Provide NC Dinos season tickets for employees and their families
- Host the BNK Kyongnam Bank Family Culture Festival (Masan Robot Land and SK Square at Ulsan Grand Park)
- Operate a parent appreciation travel program to support work-life balance (Hapcheon, Gyeongsangnam-do)
- Offer family participation programs (KidZania Busan)

BNK Capital
- Support group attendance at BNK SUM home games as the operator of the BNK SUM Women's Professional Basketball Team (transferred to Busan Bank in August 2025)

BNK Securities
- Encourage employee communication, team building, and well-being through participation in the Bulls Race, an event for employees and families in the securities and futures industry

Group-wide
- Promote employees' reading activities and foster a learning-oriented corporate culture by operating an electronic library and providing monthly recommended book selections

Initiatives

Welfare Benefits for Employees

BNK Financial Group offers a wide range of employee welfare programs and workplace policies for all employees, including both full-time and contract employees, across its Headquarters, branches, and other major business sites, elevating employees' quality of life and fostering a sustainable working environment. The Group complies with the statutory maximum workweek of 52 hours under the Labor Standards Act and systematically manages overtime through a working hours monitoring system, ensuring that overtime compensation is provided in accordance with applicable regulations. In addition, employees are notified in advance of their remaining annual leave balances to encourage active use of paid leave, supporting rest and recovery while promoting work-life balance.

Childcare and Parenting Support

BNK Financial Group supports employees' work-life balance and well-being through various programs, including flexible working arrangements, remote work options, and family care leave. Busan Bank has maintained the Ministry of Culture, Sports and Tourism's Leisure-Friendly Company Certification and the Ministry of Gender Equality and Family's Family-Friendly Company Certification.

Work-Life Balance Support Programs

Promoting leisure activities and ensuring a work-life balance	• Operate the PC shutdown program and introduce Lunch Saver to ensure lunch (break) time • Support in-house club activities and operate after-work learning and development programs • Foster rational meeting practices • Establish a joint labor-management task force to normalize working hours	• Introduce the PC-OFF program • Discourage the use of corporate cards for business dinners and minimize overtime on Family Day every Wednesday • Improve work efficiency through focused work hours by minimizing meetings, restricting chat use, and discouraging personal tasks during designated work periods
Enhanced leave programs to guarantee ample rest	• Provide annual leave incentives • Support self-development incentives when taking annual leave • Ensure free use of leave through the self-determined leave program with registrations made two months in advance • Extend the refresh leave program (restoration of used leave days)	• Operate vacation facilities year-round for refreshment opportunities • Support condominium use • Provide summer vacation allowances
Family engagement programs to spend time together	• Hold BNK Family Day for employees, their spouses, and elementary school-aged children • Provide Family Month incentives	• Organize filial piety travel for parents and family-friendly sports and movie outings • Provide gifts and cash awards for children entering school and encouragement gifts for students taking the Korean SAT • Operate year-round vacation facilities

Childcare and Parenting Support Programs

Enhanced Maternity and Parental Leave Programs
- Provide reduced working hours during pregnancy and childrearing periods
- Expand spousal childbirth leave to 20 days, available on up to 3 occasions
- Provide 10 days of paid family care leave per year
- Offer family care leave and reduced working hours arrangements for employees with family caregiving responsibilities
- Grant 90 business days of pre- and post-natal leave
- Support fertility treatment expenses and provide fertility treatment leave
- Provide prenatal checkup leave during pregnancy
- Provide 24 weeks of paid parental leave and up to 36 months of unpaid parental leave for both primary and non-primary caregivers

Remote Work Options
- Provide employees with remote work options

Childbirth and Childcare Support
- Operate in-house daycare centers (4 at Busan Bank and 2 at Kyongnam Bank)
- Provide childbirth incentives and congratulatory allowances
- Operate on-site nursing facilities for employees
- Provide electromagnetic shielding garments to pregnant employees
- Display 'Expecting Mom' signs at branch counters and provide childbirth congratulatory gifts

Flexible Work Arrangements
- Provide flexible and reduced working hours for employees returning from parental leave and employees with children entering elementary school
- Operate a staggered working hours system

Other Support Programs
- Offer miscarriage and stillbirth condolence allowances
- Grant congratulatory allowances for children entering elementary school, middle school, high school, and university
- Support kindergarten tuition expenses

Metrics and Targets

Talent Management Metrics and Targets

Training Cost Per Employee	Training Hours per Employee	Percentage of Employees Receiving Regular Performance Evaluations
KRW 891,000	81 Hours	88.5%

Occupational Safety and Health Management

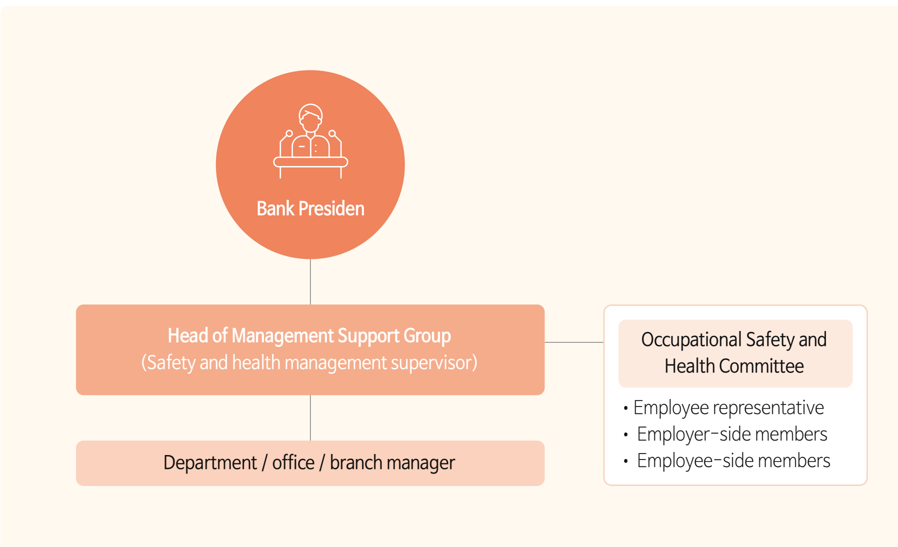
Governance

Occupational Safety and Health Management Framework

BNK Financial Group operates an Occupational Safety and Health Committee to promote a safe and healthy working environment. The Committee consists of the Head of the Management Support Group, the employee representative, employer-side members, and employee-side members. The Head of the Management Support Group serves as the officer responsible for overseeing occupational safety and health management. The Committee convenes regular quarterly meetings to deliberate on and approve matters related to the establishment of industrial accident prevention plans, the enactment and revision of safety and health management regulations, the maintenance and promotion of employee safety and health, improvements to the working environment, and investigations into the causes of industrial accidents and measures to prevent recurrence.

Occupational Safety and Health Management Structure

BNK Busan Bank BNK Kyongnam Bank



Strategies

Occupational Safety and Health Policy

BNK Financial Group continuously reviews and updates its Occupational Safety and Health Policy in response to evolving social issues and the regulatory landscape. The policy is implemented following review and approval by the CEO.

The policy applies uniformly across all subsidiaries, including the holding company, and covers all stakeholders, including employees, suppliers, and customers. The Group also encourages suppliers and their employees to adhere to safety and health standards equivalent to those applied within the Group.

Guided by this policy, the Group continues to foster a safe and healthy working environment aiming at maintaining an industrial accident rate of 0%.

Occupational Safety & Health Policy

Safety and Health Management Strategy

Busan Bank has established five safety and health objectives, including achieving zero occupational accidents and protecting the lives and well-being of all employees and customers, and carries out systematic initiatives to achieve these goals.

Kyongnam Bank has obtained ISO 45001 certification for its occupational health and safety management system and conducts risk assessments in accordance with its safety and health risk assessment guidelines, while implementing appropriate mitigation measures.

BNK Securities also sets annual safety objectives and policies and implements detailed action plans to proactively identify and address hazards and risk factors across its workplaces.

Occupational Safety and Health Management

Strategies

Safety and Health Risk Management

BNK Financial Group continuously manages potential occupational safety and health risks through its risk assessment system and collaboration with external specialized organizations. The Group also promotes continuous improvements in its occupational safety and health management by establishing qualitative and quantitative objectives and resetting priorities on an annual basis. Busan Bank develops action plans for identified occupational safety and health risks, establishes priorities, and manages them through an integrated framework. With the goal of achieving zero industrial accidents, the Bank continuously monitors relevant indicators, including days lost due to illness and injury. In addition, when an accident occurs, the Bank analyzes its root causes and establishes preventive measures to help prevent similar incidents from recurring.

Kyongnam Bank operates its occupational safety and health management system through risk assessments and the management of improvement requests from branch offices. In the event of an industrial accident, the Bank conducts preventive measures, including root cause analysis and enhanced safety training, and incorporates the results into the following year's action plans to continuously improve its occupational safety and health management system.

Safety and Health Training

BNK Financial Group offered safety and health training to raise employees' awareness of occupational safety and health and maintain zero workplace safety incidents. Busan Bank and Kyongnam Bank conducted joint firefighting drills to strengthen their fire response capabilities and assess their emergency preparedness systems.

Fire Drill Exercises Conducted

BNK Busan Bank

Category	Head Office Joint Fire Drill	IT Center Joint Fire Drill
Date	Aug. 20, 2025	Jun. 26, 2025
Location	Head office ground parking lot	IT center outdoor parking lot
Participants	Head office employees, Disaster Prevention Center, Bus Anjin Fire Station	IT center employees, Busan Gangseo Fire Station
Training Activities	High-rise building fire response and evacuation drill	Fire suppression and evacuation drill, lithium battery fire response training
Key Procedures	Simulated fire outbreak → Initial fire suppression → Situation reporting → Fire extinguishing drill → Evacuation drill	Simulated fire outbreak → Initial fire suppression → Situation reporting → Fire extinguishing drill → Evacuation drill
Participating Organizations	Disaster Prevention Center, Busanjin Fire Station	Busan Gangseo Fire Station

Initiatives

Safety and Health Inspections

Since 2021, BNK Financial Group has developed annual safety and health plans. In line with applicable occupational safety and health laws and regulations, the Group has established periodic inspection protocols and carries out internal inspections.

Occupational Safety and Health Compliance Inspections

Description	Frequency
Workplace Inspection Rounds • Conduct workplace inspection rounds when employees of contractors perform work at the contractor's workplace	Weekly
Establishment and Operation of Safety and Health Consultative Bodies • Hold regular meetings and maintain records of the outcomes	Monthly
Joint Safety and Health Inspections • Conduct inspections through inspection teams consisting of the contractor, subcontractor, and one employee representative from each party Occupational Safety and Health Committee Meetings • regular Occupational Safety and Health Committee meetings and maintain records of the outcomes • Prepare meeting minutes	Quarterly
Assessment of Contractors' Accident Prevention Capabilities and Technical Competencies • Review whether contractors are selected in accordance with established criteria • Prepare evaluation records Inspection Checklist for Serious Industrial Accident Response Procedures • Report inspection results to the head of the department responsible for safety management Evaluation of Safety and Health Management Officers and Supervisors • Conduct evaluations based on the established assessment criteria for safety and health management personnel	Semiannually
Establishment of Safety and Health Plans • Develop safety and health plans on a regular basis and report them to the Board for review and approval Risk Assessments • Conduct annual risk assessments following the initial assessment	Annually

Initiatives

Occupational Safety and Health Incident Response Process

BNK Financial Group has established a step-by-step response process for occupational safety and health incidents to ensure prompt and systematic action in the event of an accident.

Occupational Safety and Health Incident Response Procedures

1 Incident Occurrence
- Witnesses report the incident to their immediate supervisor
- Report the incident to the responsible manager and the safety management department within 24 hours

2 Initial Incident Investigation and Reporting
- Report initial findings, including the cause of the incident, extent of damage, and emergency response measures taken (for serious industrial accidents, immediately notify the Ministry of Employment and Labor)

3 Initial Response and Interim Reporting
- Implement initial safety measures and report the cause of the incident, response status, and recovery plans within 24 hours

4 Investigation of Causes and Corrective Measures
- Conduct a detailed root cause investigation and submit an industrial accident investigation report to the Ministry of Employment and Labor

5 Final Report
- Document the cause of the incident, extent of damage, and corrective measures

6 Documentation and Notification
- Notify the safety management department and retain related records

Serious Industrial Accident Response Process

BNK Financial Group has established a serious industrial accident response manual and carries out semiannual inspections of its subsidiaries to monitor compliance with mandatory requirements specified in internal manuals.

Key Inspection Checklists for Serious Industrial Accident Response

- STEP 01: Safety and health objectives and management policies[1]
- STEP 02: Hazard identification and corrective actions
- STEP 03: Safety and health budget management
- STEP 04: Serious industrial accident response manual
- STEP 05: Contractor evaluation criteria and assessments
- STEP 06: Compliance with occupational safety and health requirements
- STEP 07: Training for hazardous and high-risk operations

1) Management policy reviews and budget planning are conducted annually.

Serious Industrial Accident Preparedness Drills

BNK Financial Group maintains an integrated crisis response system to enhance preparedness for a wide range of emergency situations, including disasters and serious industrial accidents, while enabling the rapid recovery of business operations in the event of an emergency. We conduct simulation exercises and emergency preparedness drills based on realistic and complex emergency scenarios to enhance our response capabilities for serious industrial accidents. In particular, the Group's IT center closely integrates initial safety measures to prevent casualties with its Business Continuity Plan (BCP), enabling the rapid restoration of critical operations and preventing disruptions to essential financial services in the event of a crisis. Following each drill, we evaluate the overall effectiveness of our response and incorporate the findings into our crisis management manual.

Occupational Safety and Health Management

Initiatives

Employee Health and Well-being Support

BNK Financial Group promotes the physical and mental well-being of employees by expanding group accident insurance coverage, broadening eligibility for health checkups, and strengthening medical expense support. The Group also extends health checkup eligibility to employees' spouses and parents (or parents-in-law), helping promote the health and well-being of the entire family.
The Group also supports employees' physical and mental recovery and fosters a culture of work-life balance through a variety of wellness programs, including Guksundo, office yoga, and Pilates.

Busan Bank and Kyongnam Bank help alleviate workplace fatigue through the 'Visiting Health Keeper Refresh Day' program and strengthen emotional well-being support by providing psychological counseling services for employees and their families in partnership with specialized EAP providers.

Type	Support Programs
Basic Welfare Programs	• Enhance group accident insurance coverage (higher cancer diagnosis benefits, additional traffic accident coverage, and increased death benefits) • Provide health checkups • Broaden medical expense coverage (treatment-related diagnostic tests, CT scans, MRI scans, and ultrasound examinations)
Disease Prevention Support	• Support emergency response and employee health management through on-site nurses stationed at the Headquarters health center • Provide additional health checkups for departments with elevated health risks - IT-related departments: Musculoskeletal health / Customer Consultation Department: ear, nose, and throat health
Psychological Counseling Programs	• Offer the Guksundo counseling program to support employees' mental well-being • Operate 'Mind Healing Project' counseling program covering work-related concerns, family matters, and interpersonal relationships at both banks • Provide psychological counseling services for employees engaged in customer service in the Customer Satisfaction Team at BNK Securities
Culture of Appreciation	• Foster a positive organizational culture by encouraging employees to recognize and appreciate one another
Other Support Programs	• Expand support for fertility treatment expenses (up to KRW 5 million per year) • Operate fitness facilities and employee lounges • Create an outdoor rest area

Sharing Safety and Health Values with Partner Companies

BNK Financial Group pursues ESG initiatives across its subsidiaries through a range of activities, including promoting shared growth with partner companies, improving working environments, and advancing sustainable investment.
To elevate the safety management standards of partner companies and strengthen safeguards against serious industrial accidents, Busan Bank requires all partner companies to submit a Safety Compliance Pledge during procurement and contracting processes. Based on the submitted pledges, the Bank conducts regular inspections and monitoring activities to verify compliance with safety requirements and encourages corrective actions where necessary, helping embed a culture of safety.
Kyongnam Bank conducts workplace inspection rounds at least once a week for partner companies performing work on its premises. The Bank also convenes a monthly Safety and Health Consultative Body involving participating partner companies and carries out joint safety and health inspections at least once every quarter. It further evaluates partner companies' accident prevention capabilities and technical competencies on a semiannual basis, using the results to continuously refine safety management practices.

Safety and Health Initiatives for Partner Companies

BNK Busan Bank	BNK Kyongnam Bank	BNK Savings Bank	BNK Securities
Require submission of a Safety Compliance Pledge to prevent industrial accidents and strengthen safety accountability among partner companies	Offer office and break room environments to enhance the welfare of employees at partner companies	Provide dedicated office space for outsourced counselors and hold regular meetings to reflect on-site feedback	Promote sustainable investment and environmental stewardship through investment in a food waste recycling company

Metrics and Targets

Occupational Safety and Health Management Indicators

Safety and Health Certifications

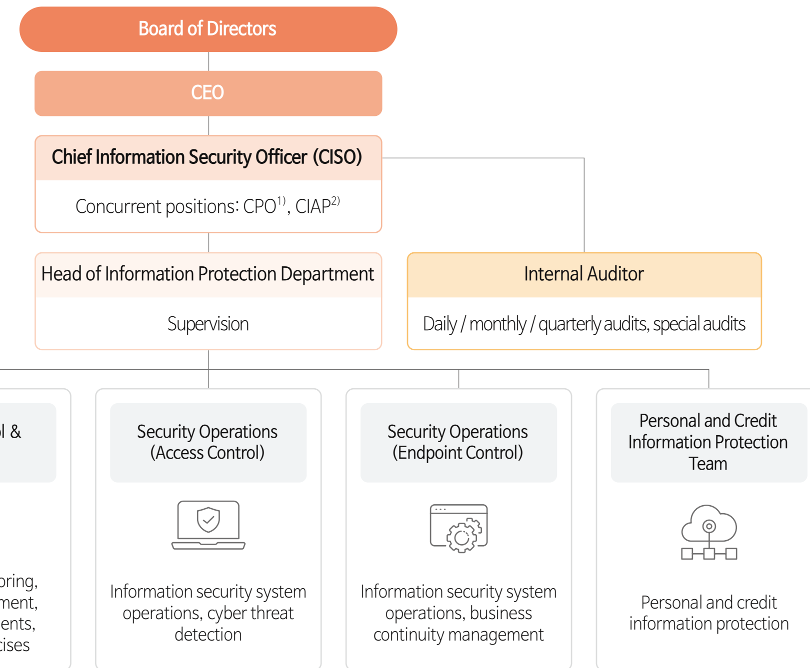
ISO 45001 certification (Kyongnam Bank)

Governance

Information Security Governance Framework

BNK Financial Group has established a governance framework at both the Board and management levels to ensure effective oversight of information security activities. The Risk Management Committee under the Board reviews information security risks by receiving semiannual reports on ICT risk management, including information security, from the Operational Risk Management Executive Committees of Busan Bank and Kyongnam Bank. The Board also receives quarterly reports on information security and customer information protection and reviews key matters, including information security strategy, incident response, and third-party risks. In addition, information security plans are developed in alignment with the Group's annual IT plans and undergo review, approval, and external reporting procedures to ensure the integrity and reliability of the management framework. At the management level, the Group appoints a Chief Information Security Officer (CISO) with expertise in information security and IT to oversee the Group's information security management framework. Through the Information Protection Department, which reports directly to the CEO, the CISO oversees all aspects of information security activities, ranging from security planning and operations to assessment, monitoring, and audits. The Bank also strengthens its information protection management system by operating an independent organization dedicated to personal information protection and an Information Protection Committee chaired by the CISO. In line with the Electronic Financial Supervisory Regulations, both banks regularly report Information Protection Committee resolutions and the status of information security management to the Board. Since 2026, the scope of Board reporting has been expanded to include information security budgets and annual work plans. The Board also enhances its oversight of key information security issues, including information security strategy, risk response, incident management, and third-party risks.

Governance for Information Security



1) CPO: Chief Privacy Officer 2) CIAP: Credit Information Administrator & Protector

Information Security Policy

BNK Financial Group has established a Group-wide information security framework to safeguard information assets and ensure the confidentiality, integrity, and availability of information. The Group also continuously enhances its security systems and management framework to respond to evolving cyber threats.

In order to tighten information protection and integrity, the Group implements measures to prevent unauthorized access, leakage, and damage to data. It continuously monitors information security threats and maintains response and recovery procedures to enable prompt action in the event of a security incident. Responsibility for information security is shared by all employees. Through compliance with relevant regulations and mandatory reporting of suspicious activities and security incidents, the Group maintains an enterprise-wide information protection framework. Information security requirements are also applied to partner companies and outsourced service providers to control third-party risks.

Personal Information Protection Policy

Strategies

Information Security Strategy

BNK Financial Group has pushed forward a long-term information security strategy grounded in a self-regulatory security framework and is committed to delivering stable financial services by sharpening its ability to anticipate and respond to evolving cyber threats. Key areas of focus include information security threat response, electronic financial fraud prevention, security awareness enhancement through stronger internal controls, and reinforced protection of personal information. Based on these priorities, the Group systematically manages a wide range of cyber risks.

Four Strategic Pillars for Information Security

Respond to potential threats and reduce internal and external risks	• Achieve zero cyber hacking incidents and information leakage cases • Improve vulnerability management for the secure use of open-source software • Operate ASM (Attack Surface Management) to manage attack surface inventories • Advance Extended Detection and Response (XDR) capabilities integrating threat detection and incident response
Expand prevention of electronic financial fraud	• Strengthen monitoring to prevent losses from electronic financial incidents and telecommunications financial fraud • Implement malicious application detection and identity theft prevention services • Establish cooperative response frameworks with external organizations, including the Financial Security Institute • Advancing the fraud prevention systems, including the Fraud Detection System (FDS)
Promote security awareness through stronger internal controls	• Prevent financial incidents through the implementation of a personalized authentication system • Tighten internal controls through the operation of an employee information security portal • Create a working environment based on Zero Trust
Strengthen security for personal (credit) information management	• Establish a monitoring system for personal information within core banking systems • Build a management system for outsourced service providers and affiliated companies handling personal credit information • Conduct comprehensive security inspections and training for outsourced service providers

Information Security Investment

In 2025, BNK Financial Group allocated 10.20% of its total information technology (IT) budget to information security. At the subsidiary level, Busan Bank allocated 8.41% and Kyongnam Bank 6.83% of their respective IT budgets to information security. Both banks have steadily increased information security investment and plan to further expand related spending in 2026 to reinforce information security capabilities and advance preparedness for evolving cyber risks. Please refer to page 144 for detailed figures.

Information Security Continuity Planning

BNK Financial Group maintains a Business Continuity Plan (BCP) supported by information security measures to ensure the continuity of critical services during emergencies such as cyberattacks, system failures, and natural disasters. In accordance with internal regulations, Kyongnam Bank classifies backup systems by category and performs full, incremental, online, and offline backups based on system criticality. The Bank systematically manages backup and retention schedules to ensure the availability and integrity of information assets. In addition, the Bank maintains a dedicated disaster recovery center to preserve redundant copies of critical data and carries out quarterly sampling tests to verify data recoverability and integrity through actual restoration procedures.

Busan Bank carries out regular emergency response drills to enhance its capabilities and resilience in responding to information security threats, including personal information breaches and cyberattacks. In 2026, the Bank plans to expand its existing cyberattack response drills, previously led by the Information Security Department, to a bank-wide exercise in conjunction with the Ulchi Exercise. The drills are designed to assess the roles and responsibilities of each department, response procedures, and cross-functional coordination in the event of a security incident, while strengthening response capabilities through the use of standardized training manuals.

Kyongnam Bank implements annual IT emergency response drills based on scenarios involving data center failures, cyberattacks, and the absence of critical personnel to enable a rapid response to information security incidents and ensure business continuity. In addition, the Bank conducts disaster recovery simulation exercises twice a year to verify system recovery within the target recovery time (RTO), validate data integrity, and assess business resumption procedures. The Bank also verifies its automated disaster recovery framework to enhance the reliability of service restoration.

Initiatives

Information Security Risk Assessment

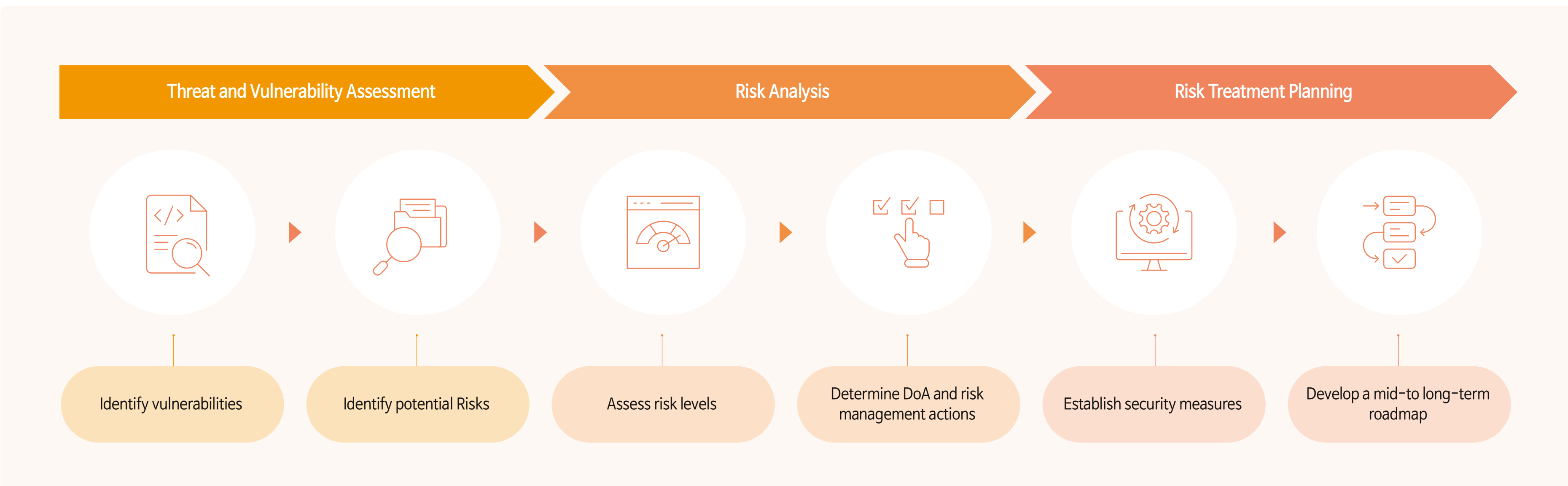
BNK Financial Group employs an information security risk assessment process to protect information assets and address cyber risks. The assessment incorporates vulnerability analysis and evaluates risk levels by comprehensively considering the criticality of information assets, the likelihood of threat occurrence, and potential impact. Based on the assessment results, key risk factors are identified and prioritized to support timely and effective mitigation measures. Through this process, the Group systematically evaluates risk exposure across information systems, networks, and data assets while enhancing the precision and effectiveness of security risk management.

Furthermore, the Group conducts integrated information security consulting across its subsidiaries to identify vulnerabilities in systems and operational processes and systematically implement corrective actions. These initiatives help the Group manage cyber threats emerging from digital transformation and support the reliable delivery of financial services.

Busan Bank calculates its Degree of Assurance (DoA) by taking into account the value of information assets, the potential impact of threats, and the likelihood of occurrence, and reports quarterly assessment results to the CISO. Through continuous DoA management, the Bank seeks to minimize residual risk and focus resources on addressing key threats.

Kyongnam Bank oversees information asset risks through vulnerability assessments of electronic financial infrastructure, the Bank's website, and newly developed or modified IT systems and services. Based on identified vulnerabilities, the Bank evaluates risk levels by considering both impact and likelihood and gives priority to high-risk items that exceed predefined thresholds. Depending on the level of risk, the Bank applies appropriate response measures, including risk avoidance, mitigation, transfer, and acceptance, while conducting annual monitoring as part of a structured incident response process.

Information Security Risk Assessment Process



Initiatives

Information Security Incident Response and Prevention

Incident Reporting and Response Framework

BNK Financial Group maintains a reporting framework that enables the prompt identification of and response to information security incidents, vulnerabilities, and suspicious activities. All employees are required to immediately report any information security-related anomalies identified during the course of their work to the designated information security and IT functions, thereby supporting an enterprise-wide security response framework.

Reported matters are received by the information security function, which assesses the nature and potential impact of the identified risk. Where necessary, response measures are coordinated in collaboration with relevant departments. Grave information security incidents are escalated to Management and relevant decision-making bodies in accordance with internal reporting procedures, enabling timely decision-making and response. Through this reporting and response framework, the Group seeks to identify information security threats at an early stage and prevent the escalation of incidents. In 2025, the Group recorded zero information security violations.

Information Security Incident Response Procedures[1)]

Step	Actions
① Incident Detection	• Immediately report the incident to the head of the relevant department upon discovery
② Incident Scene Preservation	• Refrain from attempting unauthorized resolution and preserve the incident scene
③ Reporting and Documentation	• Report the incident to the head of the Information Protection Department • Prepare an Information Security Incident Report based on the incident notification and maintain all related records
④ External Coordination	• Request support from external organizations, including KISA, the Financial Security Institute, and information security service providers, when necessary
⑤ Log Retention and Analysis	• Secure, retain, and analyze relevant system logs
⑥ Recurrence Prevention Measures	• Assess the extent of damage and establish measures to prevent recurrence

1) Source: Kyongnam Bank Information Security Incident Response Guidelines

Cybersecurity Response Drills

BNK Financial Group continues to advance cybersecurity capabilities across its subsidiaries through systematic assessment and response activities for information security risks. Busan Bank conducts annual real-time risk assessments of information assets supporting electronic financial services. The Bank has continuously applied a Degree of Assurance (DoA) threshold of 31 and strengthened its assessment framework through revisions to relevant internal regulations. Risks exceeding the established threshold are addressed immediately. On top of that, Busan Bank regularly conducts simulation exercises with the Financial Security Institute to prepare for DDoS attacks, hacking attempts, and malicious email threats, with the results reported to the CISO and the Financial Supervisory Service.

Kyongnam Bank carries out monthly security inspections and preventive activities and reports the results to the CEO and CISO to ensure the effectiveness of its management framework. The Bank also conducts response drills for server intrusions and DDoS attacks targeting customer-facing services such as internet and mobile banking. In addition, simulated Advanced Persistent Threat (APT) email attack exercises are conducted to identify areas for improvement, followed by supplementary training and retraining for employees requiring additional support.

BNK Securities stages cybersecurity incident response exercises based on realistic attack scenarios to prepare for increasingly sophisticated email phishing threats. Through these exercises, the Company reinforces its readiness to respond to security incidents while cultivating a stronger security mindset among employees and elevating cybersecurity standards across the organization.

Cybersecurity Incident Response Structure

Category	Responsible Party	Key Responsibilities
CISO	Overall incident response lead	Overall oversight of cybersecurity incident response, strategic decision-making, approval of external reporting, and reporting to Management
Cybersecurity Incident Response Team	Incident response organization	Core organization responsible for containing cybersecurity incidents and ensuring rapid recovery
Cybersecurity Incident Response Team Leader	Head of Information Protection Department	Development of incident response plans, assessment of incident scope, coordination among teams, and oversight of initial containment measures
Security	Information Protection Department	Cybersecurity incident monitoring, analysis, and response activities, policy management, and coordination with external organizations

Initiatives

Advancing Information Security through Digitalization

BNK Financial Group continues to elevate its information security management capabilities by strengthening security policies and access control frameworks and expanding its capabilities in personal information protection and information security management. The Group has developed a proactive threat response framework incorporating AI-driven security monitoring, threat intelligence, compromise indicator analysis, and attack surface management to improve its readiness against cyber risks. By reinforcing security reviews for expanding cloud and digital services and embedding information protection controls into internal control processes, the Group advances information security governance and operational effectiveness across the organization.

To combat electronic financial fraud, including voice phishing, the Group utilizes an integrated monitoring system and a Fraud Detection System (FDS) to identify and block fraudulent transactions before they occur. The Group has also strengthened preventive and post-incident response measures for non-face-to-face financial crimes through the adoption of security technologies such as identity theft detection and facial recognition, as well as collaboration with financial authorities.

BNK Securities upgraded its APT attack response system to bolster proactive defense capabilities against increasingly sophisticated cyber threats and improve the effectiveness of security monitoring. BNK Securities also fortified its firewall log collection infrastructure to enable faster detection and response to security events, while laying a stable foundation for information security operations.

Category	BNK Busan Bank	BNK Kyongnam Bank
Security policies and access controls	Strengthen controls over non-business and harmful websites and file uploads through the implementation of a web filtering system	Advance web firewall deployment and enhance personal information detection and control systems
Data and account security	Upgrade database access control systems and introduce OTP-based authentication	Promote the establishment of an internal control management system for information security
Threat detection and response	Introduce compromise indicator analysis services and integrate security monitoring with automated response capabilities	Enhance AI-driven security monitoring and establish a risk assessment-based detection framework
Emerging technology readiness	Build infrastructure for generative AI utilization and apply security policies	Conduct security reviews and implement response measures for new services, including cloud platforms and M365
Blind spot and vulnerability management	Monitor externally exposed assets and threats based on compromise indicators	Establish an attack surface management framework and a threat intelligence-based prevention system
Personal information protection	Improve personal information detection systems on servers and expand diagnostic coverage	Advance personal information detection and control frameworks

Electronic Financial Fraud Prevention Performance

(Unit: Cases)

Category		BNK Busan Bank	BNK Kyongnam Bank	BNK Capital [1]
FDS Prevention Data	Malicious App Scans	11,112,743	6,998,568	12
	Detected and Responded Cases	12,509	1,603	6,790

1) Difference due to changes in the calculation methodology

Insurance Coverage for Personal Information Leakage Risks

Busan Bank has expanded the coverage limit of its Personal Information Protection Liability Insurance to KRW 5 billion and added a KRW 500 million rider for administrative surcharges, further strengthening its risk response framework. Kyongnam Bank maintains Personal Information Protection Liability Insurance with a coverage limit of KRW 1 billion and reviews measures to enhance its coverage, increasing the coverage limit, upon policy renewal.

Customer-Centric Personal Information Management

BNK Securities mandated the use of secure USB devices and introduced a masking policy for personal (credit) information to enhance personal information protection. Its enterprise-wide personal information management framework was enhanced through self-assessments and regular inspections to address cyber threats, as well as by revising its Personal Information Protection Policy and information security regulations.

Initiatives

Information Security Training for Employees

BNK Financial Group designates information security training as a mandatory component of employee training programs to strengthen information security awareness and internal control capabilities. In addition to mandatory training, the Group provides role-specific training and specialized programs for IT and information security personnel.

Busan Bank sharpens employees' capabilities to address emerging security challenges through training programs offered by external professional organizations and Information Security Day training. Kyongnam Bank operates a systematic training framework through annual training plans and performance management. BNK Capital, BNK Securities, and BNK Savings Bank also reinforce employees' information security awareness and security capabilities through specialized and regular training while operating effective information protection frameworks through role-specific education.

Information Security Training Programs

BNK Busan Bank

- Provided training on personal information leakage threats, major incident types, and real-world cases
- Explained the legal responsibilities, potential impacts, and preventive measures associated with personal information leakage incidents
- Developed practical expertise through case-based training on legal advisory and consultation related to personal information protection
- Delivered training on the latest security trends and technology issues, supplemented by external professional education
- Provided job-specific training for IT and information security personnel, including courses on the Information Security and Personal Information Protection Management System (ISMS-P)

BNK Kyongnam Bank

- Provided both classroom-based and virtual training to prevent personal information leakage incidents
- Established annual training plans and monitored training performance based on relevant regulations, including the Electronic Financial Supervision Regulations, the Credit Information Use and Protection Act, and the Personal Information Protection Act
- Delivered training using customized content in conjunction with Information Security Day
- Promoted security awareness by distributing security awareness materials and sharing security incidents and emerging issues through the Groupware system
- Provided job-specific training for IT and information security personnel, including courses on risk management practices for establishing an autonomous security framework in the financial sector

BNK Capital

- Delivered information security training exceeding statutory requirements and reinforced organization-wide internal controls
- Provided practical information security training in conjunction with 'Security Inspection Day'
- Expanded participatory training programs, including information security quizzes, to foster a strong security culture
- Established a continuous monitoring and follow-up management framework to advance information security governance

BNK Securities

- Delivered training on the latest cyber threat trends affecting the financial sector
- Enhanced security response capabilities through training based on real-world security incidents
- Offered information security training covering the latest security issues

BNK Savings Bank

- Provided regular information security training for all employees
- Delivered role-specific training on personal information protection, financial security, and AI security
- Reinforced practical security capabilities and the internal control framework through hands-on training

Information Security Training for Employees[1)]

Subsidiary	No. of Completers	Completion Rate
BNK Busan Bank	3,502	100%
BNK Kyongnam Bank	2,259	100%
BNK Capital	537	100%
BNK Securities	369	100%
BNK Savings Bank	150	100%

1) All employees and employees of partner companies

Information Security Training Hours by Employee Group

(Unit: Hours)

Subsidiary	Employees	Information Technology Personnel	Information Security Personnel
BNK Busan Bank [1)]	19,664	1,750	410
BNK Kyongnam Bank [1)]	13,455	1,170	156
BNK Capital	3,058	686	150
BNK Securities	2,139	81	48
BNK Savings Bank	933	117	36

1) Information technology personnel and information security personnel include employees only.

Initiatives

Information Security Audits and Certifications

BNK Financial Group maintains and strengthens its information security management capabilities through the acquisition of domestic and international information security certifications and the regular execution of independent audits.

Busan Bank, Kyongnam Bank, and BNK Systems have obtained Information Security Management System (ISMS) certification and have successfully maintained their certifications through periodic surveillance audits. Busan Bank has also obtained ISO 27001 certification for its infrastructure operations, further aligning its information security management practices with internationally recognized standards. In addition, Kyongnam Bank plans to expand the scope of its Information Security Management System (ISMS) certification in response to the revised Personal Information Protection Act, while continuously advancing its information security and personal information protection framework.

BNK Financial Group conducts external assessments of its IT infrastructure and information security management systems in accordance with the Regulations on Supervision of Electronic Financial Transactions, the Electronic Financial Transactions Act, and the Act on the Protection of Information and Communications Infrastructure, and reports the results to the Financial Supervisory Service. In 2025, Kyongnam Bank underwent an independent information security consulting review conducted by an external specialist organization. The review included assessments of information security and operational management practices, as well as evaluations of compliance with applicable legal and regulatory requirements.

Building on these efforts, Kyongnam Bank carries out monthly information security inspections led by the Information Protection Department. In 2025, the Bank reviewed its security posture across 11 domains and 34 assessment items and established follow-up action plans with no significant findings identified. Inspection results and improvement measures were reported to the CEO, enabling management-level oversight and supervision.

Information Security Certifications

Obtained by Busan Bank, Kyongnam Bank, and BNK Systems

Obtained by Busan Bank

Security Assessments of Outsourced Service Providers and Business Partners

BNK Financial Group reinforces regular training and monitoring activities to support the secure handling of personal information protection responsibilities by employees as well as personnel of outsourced service providers and affiliated companies.

Security Management Status of Outsourced Service Providers

Subsidiary	Assessment Method	Target	Preventive and Follow-up Measures
BNK Busan Bank	Internal assessments and Financial Security Institute inspections based on the personal (credit) information outsourced service provider assessment checklist (50 items)	Outsourced service providers handling personal credit information (59 companies)	• Utilized outsourced service provider assessment checklists and ensured training completion
BNK Kyongnam Bank	Internal assessments and Financial Security Institute inspections based on the personal (credit) information outsourced service provider assessment checklist (51 items)	Outsourced service providers entrusted with personal (credit) information processing (68 companies)	• Conducted security inspections prior to contract execution, reviewed contractual agreements, and managed and monitored data transfers • Annually reviewed protective measures implemented by outsourced service providers, training status, and subcontracted activities
BNK Capital	Monthly and quarterly inspections and annual regular inspections	Outsourced service providers managing personal (credit) information (521 companies)	• Reviewed customer information categories using conservative criteria during regular inspections
BNK Securities	Personal (credit) information outsourced service provider assessment checklist (58 items)	Personal (credit) information outsourced service providers (7 companies)	• Requested corrective action plans for identified deficiencies and verified implementation during subsequent inspections
BNK Savings Bank	Self-assessment using a personal (credit) information outsourced service provider assessment checklist and verification of training completion	Personal (credit) information outsourced service providers (43 companies)	• Verified completion of training and requested corrective action plans where deficiencies were identified

Metrics and Targets

Key Information Security Management Indicators

Information Security Violations and Incidents

0 Cases

Information Security Training Hours Completed by Employees and External Service Providers[1]

43,842 Hours

1) BNK Financial Group Holdings, Busan Bank, Kyongnam Bank, BNK Capital, BNK Securities, and BNK Savings Bank

Data Privacy

Strategies

Customer-Centric Data Privacy Framework

BNK Financial Group protects data subjects' right to informational self-determination through its data privacy policy established in accordance with the Personal Information Protection Act. Personal data is collected only to the extent necessary for service provision and is processed based on customers' explicit prior consent after the purpose and scope of collection and use have been clearly disclosed. Customers are provided with choices regarding how their personal data is collected, used, retained, and processed and may withdraw their consent at any time. Customers may request access to the personal data held by the Group free of charge and may exercise their rights to request correction, deletion, suspension of processing, and, where permitted by applicable laws and regulations, the transfer of their personal data to another service provider. In addition, the Group provides the Comprehensive Privacy Policy, supporting customers to better understand how their personal data is processed and how their rights may be exercised.

Personal data is destroyed without delay once the purpose of collection has been fulfilled and is retained only for the period required under applicable laws and regulations where statutory retention obligations apply. Aiming at safeguarding personal data, the Group applies technical and administrative safeguards, including encryption, access controls, and internal management plans. The provision of personal data to third parties is limited to cases permitted by law or where prior customer consent has been obtained. Customer information is not leased, sold, or shared without authorization. The Group also restricts the use of personal data for secondary purposes. Marketing activities are conducted only on the basis of prior consent, with customer consent rates reaching 37.8% at Busan Bank and 42.0% at Kyongnam Bank in 2025.

Privacy Policy

Response Process for Personal Information Leakage

BNK Financial Group has put in place a systematic response manual to minimize customer inconvenience and enable the prompt implementation of remedial measures in the event of a personal data breach.

Step 1	Identify an Incident	• Promptly verify whether a personal (credit) information leakage incident has occurred and, if so, determine its timing, cause, and scope
Step 2	Organize a Response Team	• Activate the response manual through internal reporting procedures and a dedicated incident response team - Define notification recipients, scope, procedures, notification templates, and customer response guidelines - Prepare customer support measures in advance to minimize inconvenience arising from increased branch visits, customer inquiries, and online traffic, including expanding call center capacity, telecommunication lines, and internet servers, and deploying additional on-site personnel
Step 3	Notify Customers and Report to Regulatory Authorities	• Notify customers of the incident promptly and securely - Activate a data breach inquiry system on the website and provide individual notifications via email and text messages • Report the incident to financial authorities and relevant agencies, including the Personal Information Protection Commission
Step 4	Operate a Damage Reporting Center	• Activate a damage reporting center and provide customer response guidance
Step 5	Handle Customer Complaints	• Minimize customer inconvenience, including branch congestion, during the complaint handling process • Extend operating hours, including evening and weekend operations, and deploy additional back office personnel to branches • Assign additional customer support personnel and expand telecommunication and internet capacity to reduce waiting times
Step 6	Take Customer Reassurance Measures	• Replace passbooks, security cards, and debit cards free of charge upon customer request • Provide free text message notification services for account transactions
Step 7	Implement Remedial Procedures	• Establish a compensation framework promptly to address losses resulting from the misuse of compromised information

Metrics and Targets

Mid- to Long-Term Personal Information Protection Strategy and Targets

BNK Financial Group established the BNK Personal Information Protection Policy in 2024 in accordance with the Personal Information Protection Act and the Credit Information Use and Protection Act. The policy applies across all Group operations as well as to all stakeholders, including suppliers and business partners that engage in transactions with the Group's customers. The policy is integrated into the Group's risk management and compliance framework. BNK Financial Group has designated the AI Digital Strategy Department as the department responsible for overseeing personal information management and protection and has appointed personal information protection officers in each department to carry out related responsibilities. Access to sensitive AI functions, such as facial recognition, that could infringe on individual rights if misused is restricted to authorized personnel who have received prior approval. The Group also applies strict response procedures, including disciplinary and corrective actions, under a zero-tolerance policy for violations such as personal information breaches, misuse, or abuse.

BNK Financial Group, Busan Bank, and Kyongnam Bank undergo annual assessments of personal credit information security management practices conducted by the Financial Security Institute, an independent third-party organization. The Group also requires all employees to complete personal information protection training and conducts regular reviews of customer information handling practices to prevent data breaches and misuse. In addition, the Group maintains preparedness through liability insurance coverage or reserve allocations designed to address potential incidents. Furthermore, the Group has established mid- to long-term strategies for personal information protection and systematically manages information security performance based on these strategies while pursuing improvements in security standards across the Group.

Data Privacy Management Indicators[1)]

Voice Phishing Prevention Cases	799 Cases
Electronic Financial Fraud Prevention Cases	224 Cases

1) Based on Busan Bank, Kyongnam Bank, and BNK Savings Bank

Mid- to Long-Term Personal Information Protection Roadmap

Phase 1 2026-2027	• Reinforce the integrated foundation for personal information protection by redefining the personal information lifecycle • Introduce AI-enabled automated internal control reviews for personal credit information • Enhance trust through transparent disclosure of personal information processing, including customers' right to know
Phase 2 2028-2031	• Establish a Zero Trust-based security architecture that customers can rely on • Strengthen monitoring and review systems for abnormal activities involving personal credit information • Implement gamified training programs to foster a participatory security culture • Conduct customer information protection awareness campaigns • Elevate assessment standards through the expanded acquisition of information protection and personal information protection certifications
Phase 3 2032-2033	• Lead information protection management systems through the establishment of a BNK Zero Trust culture • Maintain assessment standards through the expansion of domestic and international information protection and personal information protection certifications and disclosures

ESG DATA PACK

Geumjeongsan Mountain, Busan – Designated as Korea's first urban national park (March 2026)

Environmental Performance

Raw Material Consumption[1] (Paper Purchases)

Category	Unit	2023	2024	2025
BNK Financial Group	Tons	5	6	5
Busan Bank	Tons	152	147	136
Kyongnam Bank	Tons	183	196	181
BNK Capital	Tons	10	11	11
BNK Securities	Tons	11	5	8
BNK Savings Bank	Tons	6	5	5
BNK Asset Management	Tons	1	1	1
BNK Venture Capital	Tons	0.3	0.4	0.4
BNK Credit Information	Tons	2	3	3
BNK System	Tons	2	1	0.8
Total	Tons	372	375	351

1) Based on purchases made by headquarters and branches

Raw Material Consumption

Category	Unit	2023	2024	2025
Printing Paper[1]	Tons	372	375	351
Credit Cards[2]	Units	399,680	624,311	988,847
Bankbooks[2]	Units	1,774,004	1,934,008	645,600

1) Based on all subsidiaries
2) Based on Busan Bank and Kyongnam Bank only

Waste

Category	Unit	2023	2024	2025
Busan Bank	Tons	167	131	121
Kyongnam Bank	Tons	116	100	61

Water Resources (Water Consumption)[1]

Category	Unit	2023	2024	2025
BNK Financial Group	Tons	3,515	3,045	3,432
Busan Bank	Tons	167,500	186,798	125,765
Kyongnam Bank	Tons	55,961	74,764	13,087
BNK Capital	Tons	11,059	12,840	938
BNK Securities	Tons	228	234	236
BNK Savings Bank	Tons	27,318	23,840	30,580
BNK Asset Management	Tons	36	48	52
BNK Venture Capital	Tons	11	9	367
BNK Credit Information	Tons	919	830	1,079
BNK System	Tons	30	32	31
Total	Tons	266,578	302,440	175,567
Water Consumption Intensity (Based on Revenue)	Ton/KRW 100 million	2.76	3.01	1.73

1) 2025 data decreased due to the correction of previously misreported data and recalculation based on the actual floor area used by certain subsidiaries

Environmental Performance

Total Energy Consumption (Direct and Indirect)

Category	Unit	2023	2024	2025
BNK Financial Group	TJ	10	10	10
Busan Bank	TJ	399	385	378
Kyongnam Bank	TJ	133	130	131
BNK Capital	TJ	11	10	7
BNK Securities	TJ	13	10	11
BNK Savings Bank	TJ	6	6	6
BNK Asset Management	TJ	2	2	2
BNK Venture Capital	TJ	0.38	0.6	0.7
BNK Credit Information	TJ	2	2	2
BNK System	TJ	28	29	28
Total	TJ	604	584	574
Energy Intensity (Based on Consolidated Revenue)	TJ/KRW 100 million	0.006	0.006	0.006

Direct Energy Consumption

Category	Unit	2023	2024	2025
BNK Financial Group	TJ	2	2	2
Busan Bank	TJ	28	16	24
Kyongnam Bank	TJ	16	14	23
BNK Capital	TJ	3	2	1
BNK Securities	TJ	3	2	2
BNK Savings Bank	TJ	1	1	1
BNK Asset Management	TJ	1	1	1
BNK Venture Capital	TJ	1	0.34	0.35
BNK Credit Information	TJ	0	0.20	0.22
BNK System	TJ	1	1	1
Total	TJ	56	39	55

Indirect Energy Consumption (Electricity)

Category	Unit	2023	2024	2025
BNK Financial Group	TJ	7	7	7
Busan Bank	TJ	371	369	354
Kyongnam Bank	TJ	116	116	108
BNK Capital	TJ	8	8	5
BNK Securities	TJ	10	8	9
BNK Savings Bank	TJ	5	5	5
BNK Asset Management	TJ	1	1	1
BNK Venture Capital	TJ	0.1	0.3	0.4
BNK Credit Information	TJ	2	2	2
BNK System	TJ	27	28	27
Total	TJ	547	544	519

Environmental Performance

Renewable Energy Consumption[1]

Category	Unit	2023	2024	2025
BNK Financial Group	TJ	-	-	-
Busan Bank	TJ	4	4	4
Kyongnam Bank	TJ	-	-	-
BNK Capital	TJ	-	-	-
BNK Securities	TJ	-	-	-
BNK Savings Bank	TJ	-	-	-
BNK Asset Management	TJ	-	-	-
BNK Venture Capital	TJ	-	-	-
BNK Credit Information	TJ	-	-	-
BNK System	TJ	-	-	-
Total	TJ	4	4	4
Total	MWh	404	412	429
Renewable Energy Share	%	0.64	0.62	0.72

1) An energy conversion factor of 9.6 MJ/kWh was applied in accordance with the Electricity (Consumption Basis) methodology set forth in Appendix 12 of the Guidelines for Greenhouse Gas Emissions Reporting and Verification under the Korea Emissions Trading Scheme (K-ETS).

Energy Consumption Reduction[1]

Category	Unit	2023	2024	2025
BNK Financial Group	TJ	-5	0	0
Busan Bank	TJ	30	14	7
Kyongnam Bank	TJ	8	3	-1
BNK Capital	TJ	14	1	3
BNK Securities	TJ	1	3	-1
BNK Savings Bank	TJ	1	0	0
BNK Asset Management	TJ	-1	0	0
BNK Venture Capital	TJ	0	0	-0.4
BNK Credit Information	TJ	0	0	0
BNK System	TJ	3	0	0
Total	TJ	52	20	8
Energy Consumption Reduction Rate	%	8	3	2

1) Positive values indicate reductions, while negative values indicate increases. Figures are rounded to the nearest whole number; therefore, the sum of individual items may not exactly match the total.

Environmental Performance

GHG Emissions (Scope 1 & 2)[1]

Category			Unit	2023	2024	2025
GHG Emissions (Scope 1, 2)	BNK Financial Group	Direct Emissions (Scope 1)	tCO_2eq	147	143	139
		Indirect Emissions (Scope 2)	tCO_2eq	343	352	354
		Total	tCO_2eq	490	495	493
	Busan Bank	Direct Emissions (Scope 1)	tCO_2eq	1,396	882	1,402
		Indirect Emissions (Scope 2)	tCO_2eq	17,751	17,671	16,950
		Total	tCO_2eq	19,147	18,553	18,351
	Kyongnam Bank	Direct Emissions (Scope 1)	tCO_2eq	1,000	839	1,441
		Indirect Emissions (Scope 2)	tCO_2eq	5,568	5,571	5,179
		Total	tCO_2eq	6,568	6,410	6,620
	BNK Capital	Direct Emissions (Scope 1)	tCO_2eq	172	145	90
		Indirect Emissions (Scope 2)	tCO_2eq	384	372	255
		Total	tCO_2eq	556	517	345
	BNK Securities	Direct Emissions (Scope 1)	tCO_2eq	221	158	134
		Indirect Emissions (Scope 2)	tCO_2eq	462	371	409
		Total	tCO_2eq	683	529	543
	BNK Savings Bank	Direct Emissions (Scope 1)	tCO_2eq	80	66	45
		Indirect Emissions (Scope 2)	tCO_2eq	231	227	237
		Total	tCO_2eq	311	293	282
	BNK Asset Management	Direct Emissions (Scope 1)	tCO_2eq	77	71	61
		Indirect Emissions (Scope 2)	tCO_2eq	38	35	30
		Total	tCO_2eq	115	105	91
	BNK Venture Capital	Direct Emissions (Scope 1)	tCO_2eq	19	24	24
		Indirect Emissions (Scope 2)	tCO_2eq	5	12	18
		Total	tCO_2eq	24	36	41
	BNK Credit Information	Direct Emissions (Scope 1)	tCO_2eq	20	13	15
		Indirect Emissions (Scope 2)	tCO_2eq	84	95	101
		Total	tCO_2eq	103	108	116
	BNK System	Direct Emissions (Scope 1)	tCO_2eq	40	39	36
		Indirect Emissions (Scope 2)	tCO_2eq	1,309	1,320	1,315
		Total	tCO_2eq	1,349	1,360	1,352
	Total	Direct Emissions (Scope 1)[2]	tCO_2eq	3,172	2,380	3,386
		Location-Based Indirect Emissions (Scope 2)	tCO_2eq	26,175	26,026	24,848
		Market-Based Indirect Emissions (Scope 2)	tCO_2eq	26,175	26,026	24,848
		Total	tCO_2eq	29,347	28,406	28,234
GHG Emissions Intensity	Consolidated Revenue (Based on Consolidated Revenue)		KRW billion	9,664	10,031	10,151
	Emissions Intensity (Scope 1, 2)		tCO_2eq/KRW billion	3.04	2.83	2.78

1) GHG emissions are rounded to the nearest whole number. As a result of rounding, minor differences may occur between the total and the sum of individual items.
2) Scope 1 emissions increased in 2025 due to enhancements to the mobile combustion data collection methodology.

Environmental Performance

GHG Emissions (Scope 3: Categories 1, 2, 3, 5, 6, 7, 12)

Category			Unit	2023	2024	2025
GHG Emissions (Scope 3)	Category 1	Purchased Goods and Services	tCO_2eq	216	420	393
	Category 2	Capital Goods[1]	tCO_2eq	-	-	75
	Category 3	Fuel- and Energy-Related Activities	tCO_2eq	2,018	4,148	4,004
	Category 5	Waste Generated in Operations[2]	tCO_2eq	-	43	111
	Category 6	Business Travel[3]	tCO_2eq	674	450	604
	Category 7	Employee Commuting	tCO_2eq	-	2,586	2,624
	Category 12	End-of-Life Treatment of Sold Products	tCO_2eq	-	31	30
Total			tCO_2eq	2,908	7,678	7,841

1) Category 2 (Capital Goods) emissions were newly calculated in 2025.
2) Emissions increased due to changes in waste treatment ratios despite a decrease in waste generation.
3) The scope of subsidiaries included in business travel emissions calculations was expanded to include BNK Financial Group, BNK Capital, BNK Securities, BNK Asset Management, BNK Credit Information, and BNK Venture Capital.

GHG Emissions[1] (Scope 3 Category 15: Investments)

Category	Unit	2023	2024	2025
Listed Equity and Corporate Bonds	10,000 tCO_2eq	166	144	78
Business Loans and Unlisted Equity	10,000 tCO_2eq	2,370	2,344	2,241
Project Finance	10,000 tCO_2eq	38	38	15
Commercial Real Estate	10,000 tCO_2eq	4	4	3
Mortgages	10,000 tCO_2eq	5	5	5
Motor Vehicle Loans	10,000 tCO_2eq	5	5	5
Sovereign Debt	10,000 tCO_2eq	189	166	180
Total	10,000 tCO_2eq	2,777	2,707	2,528

1) Other indirect emissions: GHG emissions associated with the asset portfolio have been calculated since 2021. Calculations cover Busan Bank, Kyongnam Bank, BNK Capital, BNK Securities, BNK Savings Bank, and BNK Asset Management.

Eco-Friendly Vehicles

Category		Unit	2023	2024	2025
Total Vehicles Owned	BNK Financial Group	Vehicles	21	21	22
	Busan Bank	Vehicles	331	331	381
	Kyongnam Bank	Vehicles	224	223	222
	BNK Capital	Vehicles	61	56	51
	BNK Securities	Vehicles	44	46	39
	BNK Savings Bank	Vehicles	19	20	19
	BNK Asset Management	Vehicles	0	0	0
	BNK Venture Capital	Vehicles	6	7	7
	BNK Credit Information	Vehicles	3	3	3
	BNK System	Vehicles	12	14	15
Eco-Friendly Vehicles Owned	BNK Financial Group	Vehicles	1	6	6
	Busan Bank	Vehicles	226	263	272
	Kyongnam Bank	Vehicles	6	7	7
	BNK Capital	Vehicles	23	24	20
	BNK Securities	Vehicles	0	0	7
	BNK Savings Bank	Vehicles	0	11	13
	BNK Asset Management	Vehicles	0	0	0
	BNK Venture Capital	Vehicles	3	4	4
	BNK Credit Information	Vehicles	0	0	0
	BNK System	Vehicles	7	9	11
Total Vehicles Owned (Total)		Vehicles	729	720	759
Total Eco-Friendly Vehicles Owned (Total)		Vehicles	266	324	340
Total Eco-Friendly Vehicle Ratio		%	36	45	45

Social Performance

Employee Composition (By Gender and Employment Type) [1]

Category		Unit	2023			2024			2025		
			Regular Employees	Contract Employees	Total	Regular Employees	Contract Employees	Total	Regular Employees	Contract Employees	Total
BNK Financial Group	Male	Persons	91	21	112	95	16	111	93	17	110
	Female	Persons	5	11	16	8	9	17	9	10	19
	Total	Persons	96	32	128	103	25	128	102	27	129
Busan Bank	Male	Persons	1,201	205	1,406	1,221	205	1,426	1,243	176	1,419
	Female	Persons	1,478	99	1577	1,469	100	1,569	1,463	120	1,583
	Total	Persons	2,678	304	2982	2,690	305	2,995	2,706	296	3,002
Kyongnam Bank	Male	Persons	1,053	70	1123	1,045	82	1,127	1,004	78	1,082
	Female	Persons	1,113	35	1148	1,108	42	1,150	1,107	49	1,156
	Total	Persons	2,166	105	2,271	2,153	124	2,277	2,111	127	2,238
BNK Capital	Male	Persons	291	46	337	289	32	321	296	32	328
	Female	Persons	120	2	122	122	6	128	123	16	139
	Total	Persons	411	48	459	411	38	449	419	48	467
BNK Securities	Male	Persons	55	201	256	55	202	257	61	220	281
	Female	Persons	42	67	109	44	68	112	52	72	124
	Total	Persons	97	268	365	99	265	369	113	292	405
BNK Savings Bank	Male	Persons	54	26	80	55	29	84	55	26	81
	Female	Persons	47	10	57	46	9	55	53	4	57
	Total	Persons	101	36	137	101	38	139	108	30	138
BNK Asset Management	Male	Persons	6	45	51	6	39	45	4	40	44
	Female	Persons	14	17	31	15	14	29	17	13	30
	Total	Persons	20	62	82	21	53	74	21	53	74
BNK Venture Capital	Male	Persons	8	7	15	7	7	14	7	8	15
	Female	Persons	5	0	5	5	0	5	4	1	5
	Total	Persons	13	7	20	12	7	19	11	9	20
BNK Credit Information	Male	Persons	9	24	33	11	55	66	8	45	53
	Female	Persons	19	21	40	20	21	41	3	9	12
	Total	Persons	28	45	73	31	76	107	11	54	65
BNK System	Male	Persons	215	9	224	216	20	236	233	12	245
	Female	Persons	48	0	48	55	0	55	57	0	57
	Total	Persons	263	9	272	271	20	291	290	12	302

1) Employee-related data is based on the Group's internal management system and may differ from annual report disclosures due to differences in calculation methodologies. BNK Capital employee data covers domestic employees only.

Social Performance

Employee Composition (By Age Group)[1]

Category		Unit	2023	2024	2025
BNK Financial Group	Under 30	Persons	3	1	0
	30-49	Persons	94	88	92
	50 and above	Persons	31	39	37
Busan Bank	Under 30	Persons	255	242	206
	30-49	Persons	2,115	2,095	2,065
	50 and above	Persons	602	658	748
Kyongnam Bank	Under 30	Persons	174	142	136
	30-49	Persons	1,618	1,622	1,606
	50 and above	Persons	479	513	496
BNK Capital	Under 30	Persons	12	22	25
	30-49	Persons	354	348	346
	50 and above	Persons	93	79	96
BNK Securities	Under 30	Persons	20	35	37
	30-49	Persons	266	263	276
	50 and above	Persons	79	71	92
BNK Savings Bank	Under 30	Persons	25	26	13
	30-49	Persons	85	87	94
	50 and above	Persons	27	26	31
BNK Asset Management	Under 30	Persons	14	12	14
	30-49	Persons	49	46	44
	50 and above	Persons	19	16	16
BNK Venture Capital	Under 30	Persons	1	2	2
	30-49	Persons	13	11	12
	50 and above	Persons	6	6	6
BNK Credit Information	Under 30	Persons	2	4	3
	30-49	Persons	46	54	21
	50 and above	Persons	25	49	41
BNK System	Under 30	Persons	60	39	68
	30-49	Persons	194	226	213
	50 and above	Persons	18	26	21
Total	Under 30	Persons	566	525	504
	30-49	Persons	4,834	4,840	4,769
	50 and above	Persons	1,379	1,483	1,567

1) BNK Capital employee data covers domestic employees only.

Non-Employee Workers[1), 2)]

Category	Unit	2023	2024	2025
Busan Bank	Persons	509	487	470
Kyongnam Bank	Persons	397	369	366
BNK Capital	Persons	21	26	42
BNK Securities	Persons	4	2	1

1) Based on the annual report. For subsidiaries with fewer than 300 regular employees, this item is not subject to mandatory disclosure.
2) Non-employee workers perform duties such as facility management and operational support and are engaged under service or subcontracting contracts.

Workforce Diversity (By Nationality)[1), 2)]

Category		Unit	2023	2024	2025
BNK Financial Group	Korean	Persons	128	128	129
	Non-Korean	Persons	0	0	0
Busan Bank	Korean	Persons	2,983	2,995	3,019
	Non-Korean	Persons	0	0	0
Kyongnam Bank	Korean	Persons	2,268	2,274	2,235
	Non-Korean	Persons	3	3	3
BNK Capital	Korean	Persons	459	449	467
	Non-Korean	Persons	1,043	939	898
BNK Securities	Korean	Persons	363	369	404
	Non-Korean	Persons	2	1	1
BNK Savings Bank	Korean	Persons	137	139	138
	Non-Korean	Persons	0	0	0
BNK Asset Management	Korean	Persons	82	74	73
	Non-Korean	Persons	0	0	1
BNK Venture Capital	Korean	Persons	20	19	20
	Non-Korean	Persons	0	0	0
BNK Credit Information	Korean	Persons	73	107	65
	Non-Korean	Persons	0	0	0
BNK System	Korean	Persons	272	291	302
	Non-Korean	Persons	0	0	0

1) Foreign national employees by subsidiary: Kyongnam Bank – China (3); BNK Capital – Laos (79), Myanmar (369), Cambodia (262), Kazakhstan (160), and Kyrgyzstan (28); BNK Securities – Canada (1); BNK Asset Management – Canada (1)
2) The number of foreign nationals at BNK Capital includes employees of its overseas subsidiaries and excludes individuals directly employed in Korea.

Social Performance

Diversity Overview (Including All Subsidiaries)[1]

	Category	Unit	2023	2024	2025
Female Leadership	Women executives[3]	Persons	3	4	9
	Percentage of women executives	%	2	5	6
	Women in management positions[4]	Persons	773	809	864
	Percentage of women in management positions	%	25	25	25
	Women in senior management positions	Persons	80	77	72
	Percentage of women in senior management positions	%	11	11	8
	Women in junior management positions	Persons	693	732	792
	Percentage of women in junior management positions	%	29	29	31
	Women in management positions in revenue-generating functions	Persons	476	510	519
	Percentage of women in management positions in revenue-generating functions	%	32	31	32
	Women employees in STEM roles	Persons	158	181	167
	Percentage of women employees in STEM roles	%	21	24	22
Employees with Veteran Family Members	-	Persons	245	235	230
Employees with Disabilities[2]	-	Persons	71	81	82

1) From 2025, the criteria for management positions were revised for each subsidiary. Data for 2023 - 2024 is presented based on the previous criteria.
2) Based on the data reported to the Korea Employment Agency for Persons with Disabilities
3) From 2025 onward, the basis for counting executives was revised to include executive directors, non-executive directors, and independent directors.
4) Applicable from 2025, based on executives through deputy general managers (excluding independent directors and non-executive directors)

New Hires, Transfers, and Turnover

Category	Unit	New Hires			Turnover and Retirement		
		2023	2024	2025	2023	2024	2025
BNK Financial Group	Persons	9	8	12	11	6	9
Busan Bank	Persons	157	118	106	183	109	116
Kyongnam Bank	Persons	90	75	88	119	107	159
BNK Capital	Persons	29	48	55	50	47	37
BNK Securities	Persons	58	98	107	67	93	71
BNK Savings Bank	Persons	21	10	8	16	8	3
BNK Asset Management	Persons	8	10	19	7	20	17
BNK Venture Capital	Persons	4	6	7	6	6	5
BNK Credit Information	Persons	33	32	24	29	52	58
BNK System	Persons	34	6	24	20	13	15
Total	Persons	443	411	450	508	461	490

Internal Recruitment

Category	Unit	2023	2024	2025
BNK Financial Group	%	0	0	0
Busan Bank	%	94	92	95
Kyongnam Bank	%	92	93	92
BNK Capital	%	85	75	71
BNK Securities	%	24	54	49
BNK Savings Bank	%	69	87	86
BNK Asset Management	%	0	0	0
BNK Venture Capital	%	0	0	0
BNK Credit Information	%	0	0	5
BNK System	%	52	32	49

Social Performance

New Hires by Category

Category		Unit	2023	2024	2025
By Employment Type	Regular employees	Persons	178	125	114
	Contract employees	Persons	265	343	336
By Gender	Male	Persons	279	313	283
	Female	Persons	164	155	167
By Nationality	Korean	Persons	443	468	449
	Non-Korean	Persons	0	0	1
By Age Group	Under 30	Persons	159	136	147
	31-49	Persons	176	192	179
	50 and above	Persons	108	140	124

Turnover and Retirement by Category

Category		Unit	2023	2024	2025
By Employment Type	Regular employees	Persons	236	129	183
	Contract employees	Persons	272	332	307
By Gender	Male	Persons	316	276	303
	Turnover and retirement rate of male employees	%	62	61	67
	Female	Persons	192	178	187
	Turnover and retirement rate of female employees	%	38	39	33
By Nationality	Korean	Persons	508	468	490
	Turnover and retirement rate of Korean employees	%	100	100	100
	Non-Korean	Persons	0	0	0
	Turnover and retirement rate of non-Korean employees	%	0	0	0
By Age Group	Under 30	Persons	39	48	37
	Turnover and retirement rate of employees under 30	%	8	10	9
	31-49	Persons	265	200	215
	Turnover and retirement rate of employees aged 31-49	%	52	43	57
	50 and above	Persons	204	213	238
	Turnover and retirement rate of employees aged 50 and above	%	40	46	34

Voluntary Turnover[1)]

Category	Unit	2023	2024	2025
Voluntary turnover	Persons	303	222	252
Voluntary turnover rate	%	4	3	4

1) Voluntary turnover rate = No. of employees who voluntarily left ÷ Total no. of employees in the previous year

Employee Tenure[1)]

Category	Unit	2023	2024	2025
Average tenure of all employees	Years	15	16	16
Average tenure of male employees	Years	16	17	17
Average tenure of female employees	Years	14	15	16

1) Based on data from Busan Bank and Kyongnam Bank.

Labor-Management Council Meetings

Category	Unit	2023	2024	2025
BNK Financial Group	No. of meetings	4	6	6
Busan Bank	No. of meetings	4	4	4
Kyongnam Bank	No. of meetings	4	4	4
BNK Capital	No. of meetings	4	4	4
BNK Securities	No. of meetings	4	4	4
BNK Savings Bank	No. of meetings	4	4	6
BNK Asset Management	No. of meetings	4	4	4
BNK Venture Capital	No. of meetings	0	0	0
BNK Credit Information	No. of meetings	0	0	2
BNK System	No. of meetings	4	4	4

Union Membership Rate[1)]

Category	Unit	2023	2024	2025
Busan Bank	%	100	100	100
Kyongnam Bank	%	100	100	100

1) Percentage of eligible employees enrolled

Social Performance

CEO Compensation Ratio to Employees in 2025[1]

Category		Unit	2025
CEO and Chairman	Employment income	KRW million	729
	Bonus income	KRW million	213
	Retirement income	KRW million	-
	Total compensation	KRW million	942
Median annual compensation of employees		KRW million	110
Ratio of CEO compensation to median annual employee compensation		%	856
Average annual compensation of employees		KRW million	120
Ratio of CEO compensation to average annual employee compensation		%	785

1) Based on BNK Financial Group. Median and average annual employee compensation figures exclude the Chair and CEO.

Defined Contribution Pension Plan

Category	Unit	2023	2024	2025
Plan assets	KRW 100 million	7,981	8,357	9,470
Defined benefit obligation	KRW 100 million	6,395	7,303	7,952
Net defined benefit liability (asset)	KRW 100 million	(1,586)	(1,054)	(1,518)

1) Based on BNK Financial Group

Compensation by Gender (2025)[1]

Category		Unit	Male	Female	Female-to-Male Pay Ratio
Executives	Base salary	KRW million	219	219	100%
	Total compensation (including bonuses)	KRW million	321.5	321.5	100%
Management positions	Base salary	KRW million	126	126	100%
	Total compensation (including bonuses)	KRW million	148.5	148.5	100%
Non-management positions	Base salary	KRW million	70	70	100%
	Total compensation (including bonuses)	KRW million	83	83	100%

1) The compensation system does not differentiate by gender. Figures are calculated based on the representative salary for the years of service with the largest number of employees in each category.

Labor Productivity

Category	Unit	2023	2024	2025
Human Capital ROI[1]	-	10.23	9.78	8.8

1) {(Revenue (operating revenue) - (Total operating expenses - Total employee-related expenses)) ÷ Total employee-related expenses}

Social Performance

Parental Leave Utilization (2025)[1]

Category	Unit	Employees Who Took Parental Leave			Employees Who Returned from Parental Leave			Employees Retained for Over 1 Year After Parental Leave		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
BNK Financial Group	Persons	0	1	1	0	0	0	0	0	0
Busan Bank	Persons	11	142	153	3	61	64	6	67	73
Kyongnam Bank	Persons	10	131	141	5	53	58	1	74	75
BNK Capital	Persons	4	18	22	2	10	12	1	2	3
BNK Securities	Persons	1	5	6	1	2	3	0	6	6
BNK Savings Bank	Persons	0	2	2	0	1	1	0	1	1
BNK Asset Management	Persons	0	1	1	0	1	1	0	0	0
BNK Venture Capital	Persons	0	0	0	0	0	0	0	0	0
BNK Credit Information	Persons	0	0	0	0	0	0	0	1	1
BNK System	Persons	3	2	5	2	0	2	1	1	2

1) The number of eligible employees was not disclosed in the 2025 report due to difficulties in collecting data containing personal information.

Employee Training Overview (Per Employee)

Category	Unit	Training Cost per Employee			Training Hours per Employee		
		2023	2024	2025	2023	2024	2025
BNK Financial Group	KRW 10,000, Hours	117	131	227	41	54	59
Busan Bank	KRW 10,000, Hours	80	83	91	93	99	96
Kyongnam Bank	KRW 10,000, Hours	92	74	96	63	56	81
BNK Capital	KRW 10,000, Hours	80	96	88	67	80	59
BNK Securities	KRW 10,000, Hours	19	41	55	29	42	40
BNK Savings Bank	KRW 10,000, Hours	74	80	67	95	44	31
BNK Asset Management	KRW 10,000, Hours	34	63	87	18	30	25
BNK Venture Capital[1]	KRW 10,000, Hours	100	280	150	8	45	107
BNK Credit Information	KRW 10,000, Hours	14	2	1	4	3	5
BNK System	KRW 10,000, Hours	16	33	42	53	108	90

1) The 2023 and 2024 figures have been restated due to previously reported errors.

Employees Receiving Regular Performance and Career Development Reviews

Category	Unit	Employees Reviewed			Percentage		
		2023	2024	2025	2023	2024	2025
BNK Financial Group	Persons, %	117	114	116	91	89	90
Busan Bank	Persons, %	2,613	2,683	2,822	88	90	94
Kyongnam Bank	Persons, %	2,017	2,034	2,020	89	89.3	90
BNK Capital	Persons, %	410	410	421	89	91	90
BNK Securities	Persons, %	313	410	306	86	91	76
BNK Savings Bank	Persons, %	121	122	138	88	88	100
BNK Asset Management	Persons, %	74	65	64	90	88	86
BNK Venture Capital	Persons, %	16	19	18	80	100	90
BNK Credit Information	Persons, %	-	101	64	10	94	98
BNK System	Persons, %	246	261	296	91	90	98

Social Performance

Human Rights Education

Category	Unit	Participants in Human Rights Training			Human Rights Training Hours		
		2023	2024	2025	2023	2024	2025
BNK Financial Group	Persons, Hours	128	128	129	417	443	436
Busan Bank	Persons, Hours	2,983	2,995	3,640	17,329	17,564	14,367
Kyongnam Bank	Persons, Hours	2,271	2,241	2,204	4,514	4,491	6,579
BNK Capital	Persons, Hours	459	422	450	3,294	1,350	1,350
BNK Securities	Persons, Hours	365	337	416	1,095	1,011	1,939
BNK Savings Bank	Persons, Hours	137	137	132	786	411	585
BNK Asset Management	Persons, Hours	82	72	74	231	216	222
BNK Venture Capital	Persons, Hours	20	19	20	160	152	160
BNK Credit Information	Persons, Hours	0	107	64	0	214	288
BNK System	Persons, Hours	272	285	302	834	885	981

Ethics Education

Category		Unit	Participants in Ethics Training		
			2023	2024	2025
BNK Financial Group	Regular employees	Persons	96	94	102
	Contract employees	Persons	32	34	27
	Total	Persons	128	128	129
Busan Bank	Regular employees	Persons	2,679	2,690	2,682
	Contract employees	Persons	304	298	296
	Total	Persons	2,983	2,988	2,978
Kyongnam Bank	Regular employees	Persons	2,159	2,155	1,908
	Contract employees	Persons	112	124	193
	Total	Persons	2,271	2,279	2,101

Grievance Handling[1]

Category	Unit	2023	2024	2025
No. of Grievances Received	Cases	172	235	181
No. of Grievances Resolved	Cases	120	98	52

1) Based on data from Busan Bank and Kyongnam Bank. Most cases relate to personnel matters, such as workplace transfers. Resolved cases are based on cases closed within the reporting year and may vary depending on each bank's grievance handling procedures and resolution criteria.

Anti-Corruption Education

Category	Unit	Anti-corruption Training (Financial Incident Prevention Training) Completers		
		2023	2024	2025
BNK Financial Group	Persons	128	128	129
Busan Bank	Persons	2,983	2,545	2,692
Kyongnam Bank	Persons	2,271	2,199	2,241

Days Lost Due to Illness and Injury[1]

Category	Unit	2023	2024	2025
Days lost	Days	4,993	6,004	4,652
Absence rate[2]	%	0.48	0.46	0.28

1) Days lost include total days lost due to illness and injury (excluding leave of absence) as well as days lost due to work-related illness and injury. Data for 2023 - 2024 is based on three companies (BNK Financial Group, Busan Bank, and Kyongnam Bank). Beginning in 2025, the calculation and disclosure scope has been expanded to include all subsidiaries.
2) 2025 Target: 0.40%

Days Lost Due to Work-related Illness and Injury[1]

Category	Unit	2023	2024	2025
Days lost due to work-related illness and injury	Days	0	17	140
Absence rate	%	0.00	0.001	0.01

1) Data for 2023-2024 is based on three companies (BNK Financial Group, Busan Bank, and Kyongnam Bank). Beginning in 2025, the calculation and disclosure scope has been expanded to include all subsidiaries.

Social Performance

Information Security (Customer Data Privacy)

Category	Unit	No. of Customer Data Privacy Breaches			No. of Customers Affected by Customer Data Privacy Breaches			Financial Losses Resulting from Customer Data Privacy Breaches		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Busan Bank	Cases, Persons, KRW million	0	0	0	0	0	0	0	0	0
Kyongnam Bank	Cases, Persons, KRW million	0	0	0	0	0	0	0	0	0

Information Security Investment[1]

Category	Unit	Ratio of Information Security Investment to IT Investment		
		2023	2024	2025
BNK Financial Group	%	7	7	6.81
Busan Bank	%	9	11.5	9.18
Kyongnam Bank	%	7	7.46	6.83
BNK Capital	%	9	7	11.26
BNK Securities	%	10	11	12.22
BNK Savings Bank	%	10	26	13.97
BNK Asset Management	%	12	29	8.57
BNK Venture Capital	%	-	-	-
BNK Credit Information	%	34	26	21.69
BNK System	%	5	12	11.85
Total	%	8	11	10

1) From 2025 onward, data are disclosed to two decimal places to enhance the level of detail and transparency in reporting.

Information Security Training (By Employment Type)[1]

Category		Unit	Participants in Information Security Training			Information Security Training Hours		
			2023	2024	2025	2023	2024	2025
BNK Financial Group	Employees	Persons, Hours	119	120	124	696	702	732
	External partners and contractors	Persons, Hours	45	37	46	14	11	14
Busan Bank	Employees	Persons, Hours	3,136	3,116	3,153	19,419	19,711	19,664
	External partners and contractors	Persons, Hours	267	335	349	2,952	3,147	3,070
Kyongnam Bank	Employees	Persons, Hours	2,184	2,185	2,172	13,521	13,539	13,455
	External partners and contractors	Persons, Hours	88	66	87	88	66	87
BNK Capital	Employees	Persons, Hours	445	426	432	3,661	3,430	3,058
	External partners and contractors	Persons, Hours	58	52	105	617	460	690
BNK Securities	Employees	Persons, Hours	-	-	369	-	-	2,139
	External partners and contractors	Persons, Hours	-	-	0	-	-	0
BNK Savings Bank	Employees	Persons, Hours	-	-	150	-	-	933
	External partners and contractors	Persons, Hours	-	-	0	-	-	0

1) BNK Securities and BNK Savings Bank began collecting and disclosing data in 2025.

Information Security Training By Position (2025)

Category	Unit	Employees	Information Technology Personnel	Information Security Personnel
BNK Financial Group	Hours	732	44	30
Busan Bank[1]	Hours	19,664	1,440	410
Kyongnam Bank[1]	Hours	13,455	1,170	156
BNK Capital	Hours	3,058	686	150
BNK Securities	Hours	2,139	81	48
BNK Savings Bank	Hours	933	117	36

1) Information technology personnel and information security personnel include employees only.

Social Performance

Voice Phishing Prevention

Category	Unit	No. of Voice Phishing Cases Prevented			Amount of Voice Phishing Losses Prevented		
		2023	2024	2025	2023	2024	2025
Busan Bank	Cases, KRW million	308	354	699	8,642	7,753	24,566
Kyongnam Bank	Cases, KRW million	93	58	98	1,485	1,280	3,029

Electronic Financial Fraud Prevention[1]

Category	Unit	No. of Electronic Financial Fraud Cases Prevented			Amount of Electronic Financial Fraud Losses Prevented		
		2023	2024	2025	2023	2024	2025
Busan Bank	Cases, KRW million	130	380	163	2,057	2,886	2,353
Kyongnam Bank	Cases, KRW million	848	60	59	8,375	794.2	1,721

1) Since 2024, Kyongnam Bank has applied the Financial Supervisory Service's '51 Rules' to proactively identify and block approximately 50,000 suspicious transactions, resulting in an overall downward trend in prevention cases. In 2024 and 2025, the reporting criteria were standardized across Busan Bank and Kyongnam Bank to include only cases prevented through outbound calls, resulting in 60 reported cases.

Customer Complaints[1]

Category	Unit	No. of Customer Complaints Processed			Customer Complaint Resolution Rate		
		2023	2024	2025	2023	2024	2025
Busan Bank	Cases, %	835	952	858	100	100	100
Kyongnam Bank	Cases, %	611	582	515	100	100	100
BNK Capital	Cases, %	46	67	51	100	99	100
BNK Securities	Cases, %	12	4	15	100	100	100
BNK Savings Bank	Cases, %	23	22	56	100	100	100

1) 2023 and 2024 figures were revised due to changes in the complaint classification criteria.

Customer Satisfaction

Category	Unit	No. of Survey Respondents			No. of Satisfied Survey Respondents			Customer Satisfaction Rate		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Busan Bank	Cases, %	38,344	29,218	28,222	37,574	27,604	26,947	98	94	95
Kyongnam Bank	Cases, %	10,962	16,627	15,437	10,051	15,403	14,351	92	93	93

Fines and Non-monetary Sanctions for Violations of Social and Economic Laws and Regulations (2025)

Category	Unit	No. of Monetary Sanctions	Amount of Fines	No. of Non-monetary Sanctions
BNK Financial Group	Cases, KRW million	0	0	0
Busan Bank	Cases, KRW million	3	838	0
Kyongnam Bank	Cases, KRW million	2	3,632	0
BNK Capital	Cases, KRW million	0	0	0
BNK Securities	Cases, KRW million	3	34.9	0
BNK Savings Bank	Cases, KRW million	0	0	0
BNK Asset Management	Cases, KRW million	0	0	0
BNK Venture Capital	Cases, KRW million	0	0	0
BNK Credit Information	Cases, KRW million	0	0	0
BNK System	Cases, KRW million	0	0	0

Legal Actions and Outcomes Related to Anti-competitive and Monopoly Practices (2025)

Category	Unit	2023		2024		2025	
		Ongoing Legal Actions	Concluded Legal Actions	Ongoing Legal Actions	Concluded Legal Actions	Ongoing Legal Actions	Concluded Legal Actions
Anti-competitive and monopoly practices	Cases	0	0	0	0	0	0

Confirmed Corruption Cases (2025)[1]

Category	Unit	2023	2024	2025
Confirmed corruption and bribery cases	Cases	3	5	0
Conflicts of interest	Cases	0	0	0
Money laundering or insider trading	Cases	0	0	1

1) Based on all Group subsidiaries

Sanctions Related to Discrimination

Category	Unit	2023	2024	2025
No. of sanctions related to discrimination	Cases	2	0	0

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Social Performance

Number of Social Contribution Volunteers

Category	Unit	2023	2024	2025
BNK Financial Group	Persons	0	97	56
Busan Bank	Persons	3,777	5,728	4,496
Kyongnam Bank	Persons	2,262	3,842	2,761
BNK Capital	Persons	173	299	264
BNK Securities	Persons	18	180	48
BNK Savings Bank	Persons	0	61	60
BNK Asset Management	Persons	0	25	21
BNK Venture Capital	Persons	0	0	0
BNK Credit Information	Persons	0	20	0
BNK System	Persons	325	314	564

Social Contribution Investment

Category	Unit	2023	2024	2025
BNK Financial Group	KRW million	117	489	211
Busan Bank	KRW million	54,853	59,882	60,483
Kyongnam Bank	KRW million	33,291	34,555	35,473
BNK Capital	KRW million	66	51	106
BNK Securities	KRW million	300	41	20
BNK Savings Bank	KRW million	109	102	104
BNK Asset Management	KRW million	1	1	1
BNK Venture Capital	KRW million	1	1	5
BNK Credit Information	KRW million	0	6	5
BNK System	KRW million	6	5	3

Promoting a Fair Trading Culture

BNK Financial Group continuously discloses bidding information through its integrated procurement system and selects contractors through transparent competitive bidding, including electronic bidding processes. This approach helps prevent risks such as refusal to transact, discriminatory treatment, and abuse of bargaining power in relationships with suppliers.

In order to uphold the integrity of the procurement process, key procedures, including bid announcements, verification of estimated prices, bidding processes, and payment reviews, are carried out under the supervision of the audit function. During project execution, the delivery of work products, inspection schedules, and other key milestones are managed through digital systems, enabling ongoing oversight of supplier-related issues.

Furthermore, procurement personnel receive regular training on fair trade and subcontracting regulations. Supplier management continues beyond project completion through periodic performance reviews and annual evaluations. These efforts help mitigate the risk of unfair competition involving suppliers while improving transparency and fairness through information disclosure and continuous evaluation within the integrated procurement system.

Going forward, BNK Financial Group will continue to foster a trustworthy and fair trading environment by utilizing a screening process linked to the Korea ON-line E-Procurement System (KONEPS) within its integrated procurement system to identify disqualified bidders during contractor selection.

Fair Trade Culture[1)]

Category	Unit	2023	2024	2025
No. of electronic bidding and contracts processed through the integrated procurement system	Cases	468	501	484
No. of performance evaluations (inspections)	Cases	727	712	2,678

1) Electronic bidding through the BNK Integrated Procurement System is conducted after BNK Systems receives an official procurement request from a BNK Group subsidiary.

Integrity Pledge Management for Suppliers[1)]

Category	Unit	2023	2024	2025
No. of suppliers signing the integrity pledge	Cases	88	92	74

1) Based on data from Busan Bank and Kyongnam Bank

Governance Performance

Board Size

Category		Unit	2023	2024	2025
BNK Financial Group	No. of directors	Persons	7	8	8
	No. of independent directors	Persons	6	7	7
	No. of inside directors	Persons	1	1	1
	No. of non-executive directors	Persons	0	0	0
Busan Bank	No. of directors	Persons	7	7	7
	No. of independent directors	Persons	5	5	5
	No. of inside directors	Persons	2	2	2
	No. of non-executive directors	Persons	0	0	0
Kyongnam Bank	No. of directors	Persons	7	7	7
	No. of independent directors	Persons	5	5	5
	No. of inside directors	Persons	2	2	2
	No. of non-executive directors	Persons	0	0	0

Board Independence

Category		Unit	2023	2024	2025
BNK Financial Group	No. of Board meetings	Meetings	13	9	12
	Average Board meeting attendance rate	%	98	98	99
Busan Bank	No. of Board meetings	Meetings	14	16	15
	Average Board meeting attendance rate	%	99	100	100
Kyongnam Bank	No. of Board meetings	Meetings	18	19	15
	Average Board meeting attendance rate	%	94	99	96

Board Expertise

Category		Unit	2023	2024	2025
BNK Financial Group	Board committees each independent director serves on	Committees	5	4	5
	Independent directors with financial industry experience	Persons	3	4	3
Busan Bank	Board committees each independent director serves on	Committees	4	4	4
	Independent directors with financial industry experience	Persons	3	2	2
Kyongnam Bank	Board committees each independent director serves on	Committees	4	3	4
	Independent directors with financial industry experience	Persons	2	2	2

Governance Performance

Board Diversity

Category		Unit	BNK Financial Group			Busan Bank			Kyongnam Bank		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Members of the Board (by gender)	Male	Persons	6	7	7	7	7	6	7	6	6
	Female	Persons	1	1	1	0	0	1	0	1	1
	Percentage of female directors	%	14	13	13	0	0	14	0	14	14
Members of the Board (by age group)	Under 30	Persons	0	0	0	0	0	0	0	0	0
	Percentage of directors aged under 30	%	0	0	0	0	0	0	0	0	0
	30-49	Persons	1	0	0	0	0	0	0	1	1
	Percentage of directors aged 30-49	%	14	0	0	0	0	0	0	14	14
	50 and above	Persons	6	8	8	7	7	7	7	6	6
	Percentage of directors aged 50 and above	%	86	100	100	100	100	100	100	86	86
Members of the Board (by nationality)	Korean	Persons	7	7	7	7	7	7	7	7	7
	Non-Korean	Persons	0	1[1]	1[1]	0	0	0	0	0	0

1) USA

Governance Performance

BNK Financial Group Management Shareholding Status and Requirements

BNK Financial Group Executives' Stock Ownership and Requirements - In accordance with the Financial Law which limits individual ownership of commercial bank shares to 4% and below to uphold the public nature of financial institutions, BNK Financial Group does not impose shareholding requirements on its CEO and executives. As part of our efforts for responsible business conduct, however, members of our management have acquired and own shares in the company. The stock ownership multiple of our CEO Dae-In Bin relative to base salary was 1.35 as of the closing price on December 30, 2025.

Executive Stock Ownership (BNK Financial Group, As of Dec. 31, 2025)

Name	Position	Unit	Shareholding
Dae-In Bin	Chairman & CEO	Shares	61,885
Jong-hoon Kang	Vice President	Shares	27,307
Jae-jung Kwon	Vice President	Shares	21,269
Sung-wook Park	Executive Director	Shares	20,000
Han-chang Lee	Executive Director	Shares	20,000
Kyong-ho Moon	Executive Director	Shares	10,000
Su-il Ahan	Managing Director	Shares	-
Myoung-hee Choi	Managing Director	Shares	9,000

Major Shareholders of BNK Financial Group[1] (BNK Financial Group, As of Dec. 31, 2025, Based on the Shareholder Register)

Shareholder	Unit	Shares (common share)	Ownership (%)
Lotte Shopping Co., Ltd. and related parties	Shares	33,562,072	10.82
National Pension Service	Shares	26,755,051	8.62
Hyepseong Construction Co., Ltd. and related parties	Shares	21,008,600	6.77
Total number of shares issued	Shares	310,327,033	-

1) Shareholders owning 5% or more

Director Remuneration (BNK Financial Group, As of Dec. 31, 2025)

Category	Unit	No. of Directors	Total Compensation	Compensation per Person
Registered directors (excluding independent directors and members of the Audit Committee)	Persons, KRW million	1	942	942
Independent directors (excluding members of the Audit Committee)	Persons, KRW million	3	253	84
Members of the Audit Committee	Persons, KRW million	4	311	78

Stock Issuance (BNK Financial Group, As of Dec. 31, 2025)

Category	Unit	Shares
Total number of shares issued	Shares	310,327,033
No. of shares outstanding	Shares	310,327,033

Dividend Payments (BNK Financial Group, As of Dec. 31, 2025)

Category	Unit	Amount / Ratio
Total cash dividends	KRW million	229,160
Cash dividend payout ratio (consolidated)	%	28.12

Dividend Policy

Membership Fees to Key Associations

Category	Unit	2023	2024	2025
Korea Chamber of Commerce and Industry	KRW million	418	490	577
Korea Federation of Banks	KRW million	1,974	1,774	1,368
Credit Finance Association of Korea	KRW million	207	208	235
Korea Financial Investment Association	KRW million	540	514	478
Korea Federation of Savings Banks	KRW million	539	634	719
Credit Information Association of Korea	KRW million	25	26	36
Lobbying and interest groups and similar organizations	KRW million	0	0	0
Support for local, regional or national political campaigns/organizations/candidates	KRW million	0	0	0

Group's Policy on Political Engagement

Chapter 6, Article 31 (Restrictions on Contributions) of the Political Funds Act stipulates that (1) foreign nationals, domestic and foreign corporations, and organizations may not make political contributions, and (2) no person may make political contributions using funds associated with domestic or foreign corporations or organizations.

Accordingly, BNK Financial Group does not make political contributions using corporate funds or funds associated with the Group, in compliance with applicable laws. In addition, employees are prohibited from supporting any particular political party or candidate while performing their duties, using their position, or acting in the name of the Company.

The Group does, however, provide support for industry associations and public interest initiatives that are unrelated to political activities. In such cases, all donations are subject to rigorous management procedures to prevent corruption risks.

As part of its commitment to meaningful climate action, BNK Financial Group participates in initiatives that support the Paris Agreement and endorses related public policies. The Group also monitors whether the associations of which it is a member act in a manner consistent with the Paris Agreement. Where any non-compliance is identified, the Group considers appropriate measures, including withdrawing its membership or support.

Sustainable Finance Performance

Sustainable Investment Products and Services

(Unit: KRW million)

Description		2025
Sustainable investment products developed and managed by BNK Financial Group (AUM: Assets Under Management)	ESG-integrated investment	272,470
	Positive screening (best-in-class)	-
	Thematic investment	3,950
	Impact investment	-
	Other sustainable investments	260,816
	Total	537,236
	Total AUM	2,986,936
	Ratio of sustainable AUM to total AUM	17.99%
Sustainable investment products managed by external managers or customers (AUC: Assets Under Custody)	ESG-integrated investment	383,616
	Positive screening (best-in-class)	73,826
	Thematic investment	302,109
	Impact investment	-
	Other sustainable investments	382,505
	Total	1,142,056
	Total AUC	13,010,202
	Ratio of sustainable AUC to total AUC	8.78%

Sustainable Financial Products and Services

(Unit: KRW million)

Description		2025
Corporate finance	Amount of green loans, social loans, and sustainability loans	9,926,150
	Loans and description of sustainability-linked loans (sustainable loans and mortgages)	66,049
	Amount and description of sustainable loans for SMEs	1,885,873
	Total corporate loan amount	74,218,535
Retail finance	Amount and description of sustainable loans and mortgages	3,500,712
	Total amount of personal loans (consumer finance) and mortgages	37,672,211

Sustainable Advisory Products and Services

(Unit: KRW million)

Description	2025
Bond issuance - Green, social, sustainable bonds	410,000
Bond issuance - Sustainability-linked bonds	-
Bond underwriting - Green, social, sustainable bonds	634,001
Bond underwriting - Sustainability-linked bonds	-
Sustainable securitization	-
Total monetary value of all bonds issued and underwritten	1,044,001
Total sustainable monetary value	172,172,068
Ratio of sustainable bonds to total bond monetary value	0.61%

Inclusive Financial Products and Services

(Unit: KRW million)

Description	2025
Provision and public disclosure of financial products or services focused on inclusive finance for underserved groups	19,037,429

Sustainable Finance Performance

Deposit Products Supporting SMEs, Small Businesses, and Local Communities

Deposit products that offer preferential interest rates, fee waivers, and other financial benefits to local residents, young adults, small businesses, and self-employed customers, contributing to regional economic development and shared growth

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	BNK Regional Love Account	KRW 100 million	10,560	10,420	10,627	A deposit product that contributes to local community development through charitable donations while offering regional customers benefits such as fee waivers and preferential interest rates
	Lifetime Business Partner Account	KRW 100 million	1,487	1,423	1,391	A deposit product offering preferential interest rates to first-time Busan Bank customers and customers with qualifying banking relationships
	2030 Busan Expo Installment Savings	KRW 100 million	2,752	2,712	1,162	A public-interest installment savings product designed to support Busan's bid to host the 2030 World Expo
	Others	KRW 100 million	1,972	1,889	1,869	-
Kyongnam Bank	BNK With-Us Free Installment Savings	KRW 100 million	269	1,639	1,809	A free installment savings product offering preferential interest rates to customers who practice ESG initiatives, including charitable giving, blood donation, volunteering, and relocation to participating local governments * Cashback benefits are also provided to customers who achieve energy savings for carbon neutrality through the Energy Cashback Program
	Changwon City Youth Tomorrow Account	KRW 100 million	16	30	22	A dedicated savings product for low-income young adults in Changwon City, offering preferential interest rates along with additional financial support provided by the local government
	Others	KRW 100 million	34	20	12	-

Card Products for Mutual Growth

A card product that offers financial benefits, including preferential interest rates and fee waivers, to local residents, young adults, small businesses, and self-employed customers, while contributing to regional economic development and shared growth

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	Busan Dongbaekjeon Debit Card	KRW 100 million	6,411	9,337	11,938	A local currency card of Busan that embodies the idea of shared growth ('Dong,' meaning 'together') among small businesses, local residents, and traditional markets, while representing '100 (Baek)' kinds of happiness and enjoyment created through a virtuous cycle of local consumption and regional economic revitalization
	Busan Education Love Corporate Card	KRW 100 million	-	-	1,023	A card for the Busan Metropolitan City Office of Education, its affiliated institutions, and teachers and staff of elementary, middle, and high schools under its jurisdiction. Card spending contributes to an education development fund, while cardholders earn TOP Points and receive discounts at participating merchants
	Busan Education Love Personal Card	KRW 100 million	1,610	1,596	898	A card for the Busan Metropolitan City Office of Education, its affiliated institutions, and elementary, middle, and high schools under its jurisdiction. A development fund is contributed based on card spending, while cardholders receive TOP Point rewards and discounts at participating merchants
	Others	KRW 100 million	1,415	1,244	1,113	-
Kyongnam Bank	NEW Ulsan City Multiple Children Card (credit)	KRW 100 million	411	504	126	A card that provides benefits for households with multiple children residing in Ulsan
	Ulsan Parenting Love Card	KRW 100 million	325	306	77	A card used to administer government subsidy budgets for childcare centers and the comprehensive childcare support center in Ulsan
	Others	KRW 100 million	638	490	106	-

Sustainable Finance Performance

Deposit Products for Financially Vulnerable People

Deposit products that support stable asset building and improve access to financial services for young adults, seniors, military personnel, small business owners, and other financially underserved groups by offering preferential interest rates and policy-linked benefits

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	BNK Danbi Account	KRW 100 million	4,908	4,575	4,658	A public interest deposit product jointly launched by Busan Bank and Kyongnam Bank
	Baekse Youth Silver Regular Deposit	KRW 100 million	506	977	2,472	A savings product for senior customers offering preferential interest rates based on age
	Busan Bank Youth Leap Account	KRW 100 million	95	726	1,475	A savings product that supports asset building for young adults by providing government matching contributions and tax exemption benefits
	Others	KRW 100 million	5,403	5,958	4,423	-
Kyongnam Bank	My Steady Pension Account[1]	KRW 100 million	338	515	725	A savings product dedicated for senior customers offering fee waiver benefits to customers with eligible pension transaction records
	Kyongnam Bank Youth Leap Account	KRW 100 million	40	220	465	A government-supported savings product for low-income young adults, offering preferential interest rates and government contributions to support asset building
	My Steady Pension Deposit	KRW 100 million	84	847	277	A savings product dedicated for senior customers offering preferential interest rates to customers with eligible pension transaction records
	ManiMani Flexible Installment Savings	KRW 100 million	156	193	178	A flexible installment savings product offering preferential interest rates to distinguished military families and customers currently serving in the military
	Youth Housing Dream Subscription Savings Account	KRW 100 million	38	80	115	A housing subscription savings product designed for relatively low-income young adults, offering tax exemption benefits and preferential interest rates
	Others	KRW 100 million	386	174	232	-

1) Combined balance of the My Steady Pension Account (Free Savings Deposit) and My Steady Pension Account (Savings Deposit)

Green Deposit and Installment Savings Products

Customer-participation green finance lending products that encourage environmentally friendly practices, including walking, energy conservation, and carbon emissions reduction, while contributing to environmental protection and the advancement of a carbon-neutral culture

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	Low-carbon Practice Savings	KRW 100 million	332	1,194	992	Client-driven eco products that engage in everyday carbon reduction
	Low-carbon Practice Deposits	KRW 100 million	1,758	2,427	577	
	Others	KRW 100 million	135	4	1	-
Kyongnam Bank	Healthy Dullegil Installment Savings	KRW 100 million	0.04	0.003	0.003	Provision of preferential interest rates when practicing walking, quitting smoking, or adopting healthy lifestyle habits

Green Card Products

Customer-participation green finance deposit products that encourage environmentally friendly practices, such as walking, energy conservation, and carbon emissions reduction, while contributing to environmental protection and the advancement of a carbon-neutral culture

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	Green Card	KRW 100 million	4,292	4,167	3,999	A card product that rewards environmentally responsible consumption by providing Eco Money Points for green activities, including up to 0.8% Eco Money Point accrual at participating merchants nationwide and up to 20% Eco Money Point accrual on transportation card usage
	Green Company Debit Card	KRW 100 million	1,219	1,225	1,179	
	My Zone Green Debit Card	KRW 100 million	413	371	277	A card that encourages green lifestyles by donating an amount equivalent to 10% of the points earned from purchases of eco-friendly products to environmental public interest initiatives, combining individual participation in environmentally responsible consumption with the company's social contribution activities
	Others	KRW 100 million	76	77	81	-
Kyongnam Bank	NEW Dandi Card (Kyongnam)	KRW 100 million	2,434	2,227	486	An enhanced version of the Dandi Card with additional green lifestyle features. The Dandi Card is BC Card's first co-branded card developed exclusively for three regional banks in the Yeongnam region
	Kyongnam Green Card (nationwide)	KRW 100 million	581	711	165	A card that rewards purchases of eco-friendly products and spending at Eco Money affiliated merchants with Eco Money Points
	Others	KRW 100 million	728	694	168	-

Sustainable Finance Performance

Lending Products Supporting Mutual Growth for Financially Underserved People

Customer-participation green finance lending products that encourage environmentally friendly practices, including walking, energy conservation, and carbon emissions reduction, while contributing to environmental protection and the advancement of a carbon-neutral culture

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	Standard Loan for ONE Office Workers	KRW 100 million	4,716	5,994	5,800	A customized loan for employees of SMEs and other general businesses
	Reliable Support Charter Loan	KRW 100 million	1,095	2,992	3,470	A jeonse loan that supports housing stability for financially underserved customers, including heads of households without home ownership
	Busan Metropolitan City Charter Loan for Newlyweds	KRW 100 million	3,123	2,475	3,299	A Korea Housing Finance Corporation-guaranteed jeonse loan that can be applied for and disbursed conveniently through mobile banking without visiting a branch
	New Hope Seed Loan Ⅰ · Ⅱ	KRW 100 million	1,439	1,614	1,488	A loan product for employees and self-employed customers with an annual income of KRW 50 million or less, providing financial support for living stability while promoting inclusive finance
	Others	KRW 100 million	3,618	2,775	3,139	-
Kyongnam Bank	Warm Sunshine Loan Bank	KRW 100 million	152	703	2,741	A non-face-to-face policy finance loan guaranteed by the Korea Inclusive Finance Agency, available without visiting a branch
	BNK Mobile Credit Loan Plus	KRW 100 million	3,389	4,246	2,628	A medium-interest-rate loan that determines loan limits and interest rates based on the borrower's credit rating
	A New Hope Loan	KRW 100 million	1,274	1,360	1,509	An unsecured loan for financially underserved customers with verifiable income
	Stepping Stone Mid-Range-Interest Rate Loan	KRW 100 million	16	6	1,167	A medium-interest-rate loan for low-income and low-credit borrowers backed by a guarantee issued by the Seoul Guarantee Insurance Company
	Others	KRW 100 million	445	381	262	-

Subsidiary	Product	Unit	2023	2024	2025	Description
BNK Capital	Support for Small Business Loan	KRW 100 million	506	1,215	4,028	A loan product designed for small business owners
	Successful Dream CAR	KRW 100 million	398	326	36	A loan product for self-employed customers to finance the purchase of commercial vehicles
BNK Savings Bank	Sunshine Loan	KRW 100 million	2,724	2,823	4,327	A guaranteed personal loan for low-credit or low-income customers, backed by funding contributed by the government and inclusive finance institutions, including savings banks
	BNK Stepping Stone 2	KRW 100 million	88	278	934	A medium-interest-rate loan for low- and medium-credit borrowers that helps reduce reliance on private lenders and high-interest loans
	Special Guarantee for Low Credit Individuals	KRW 100 million	9	43	53	A loan for customers who were denied products such as Sunshine Loan 15 within the past three months and have been approved for the Special Guarantee for Low Credit Individuals by the Korea Inclusive Finance Agency

Sustainable Finance Performance

Loan Products Supporting Innovative SMEs

Loan products that provide technology finance, agreement-based guarantees, and specialized loans to SMEs and venture companies with technological capabilities and growth potential, social enterprises, and companies in innovative industries, supporting technological innovation, business growth, and industrial competitive edge

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	Technology finance	KRW 100 million	75,241	79,207	74,446	Financing for all stages of technological innovation, from the development and commercialization of technologies and ideas, based on technology assessments of technologies and ideas with future revenue-generating potential
	Relationship banking	KRW 100 million	3,716	3,974	3,176	A lending program that provides financing to companies with technological capabilities or strong business prospects based on qualitative information, even if they have low credit ratings or insufficient collateral
	Credit guarantee fund partnership loan for SMEs and regional shared growth (core strategic industries)	KRW 100 million	391	1,082	1,237	Financial support for existing SME customers experiencing temporary liquidity shortages, promoting regional shared growth and inclusive finance
	Special preferential technology finance loan	KRW 100 million	-	-	756	Financing for all stages of technological innovation, from the development and commercialization of technologies and ideas, based on technology assessments of technologies and ideas with future revenue-generating potential
	Carbon reduction technology company partnership guarantee (Korea Technology Finance Corporation) (Busan)	KRW 100 million	-	45	136	A partnership guarantee product with Busan Metropolitan City and Korea Technology Finance Corporation to support carbon neutrality and financing costs for climate tech companies
	Others	KRW 100 million	287	544	224	-

Subsidiary	Product	Unit	2023	2024	2025	Description
Kyongnam Bank	Technology finance	KRW 100 million	20,047	16,889	16,542	Financial support for companies with outstanding technological capabilities but limited collateral or sales
	Relationship banking	KRW 100 million	3,042	2,880	1,553	Financing or equity participation based on mutual trust with companies and the use of qualitative information
	Medium-interest loan for social enterprises	KRW 100 million	297	261	430	Financial support for social enterprises with relatively low credit ratings or insufficient collateral, promoting a sustainable social finance market and supporting activities that create social value
	Others	KRW 100 million	75	97	88	-
BNK Capital	Technology support loan for outstanding SMEs	KRW 100 million	295	208	7	Financial support for manufacturing companies under the government's Safety Investment Innovation support policy

Sustainable Finance Performance

Loan Products Supporting Local Business Owners

Financial products that provide policy financing, special guarantee programs, partnership guarantee programs, and low-interest funding to support business stability, start-ups and business re-establishment, business recovery, and enhanced competitiveness for local small business owners and small enterprises

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	2025 B-LICORN Development Agreement Guarantee Loan	KRW 100 million	-	-	590	Special financing of up to KRW 200 million per business for high-potential small business owners in Busan
	Busan Small Business Dongbaekpium Agreement Guarantee	KRW 100 million	316	880	508	Agreement guarantee financing for small business owners in Busan, contributing to the revitalization of traditional markets and local commercial districts
	Credit Guarantee Fund Agreement Guarantee Loan for Strengthening SME Competitiveness	KRW 100 million	-	-	487	Agreement guarantee financing, supported by special contributions and guarantee fee assistance, for technology-driven and high-growth-potential SMEs, with guarantee-backed loans of up to KRW 3 billion
	2025 Busan Small Business Support Agreement Guarantee Loan	KRW 100 million	-	-	423	Financial support for small business owners in Busan affected by the economic slowdown, contributing to the revitalization of the regional economy
	2025 Busan Tenant Small Business Support Agreement Guarantee Loan	KRW 100 million	-	-	391	Financial support for livelihood-based small business owners and self-employed tenants facing difficulties in maintaining their businesses
	2025 Korea Technology Finance Corporation Strategic Industry Development Agreement Guarantee Loan	KRW 100 million	-	-	347	Working capital financing of up to KRW 500 million per business, together with guarantee fee reductions, for eligible companies in Busan
	Bank Joint Financial Support Agreement Guarantee Loan for SMEs and Small Business	KRW 100 million	129	301	346	Agreement guarantee financing for job-creating companies, social enterprises, and self-employed business owners, promoting social value
	Triple Zero Agreement Guarantee Loan	KRW 100 million	403	184	336	Special financing with no lending limit, no credit requirements, and no interest charges for small business owners affected by the prolonged impact of COVID-19
	Others	KRW 100 million	4,640	2,995	2,785	-

Subsidiary	Product	Unit	2023	2024	2025	Description
Kyongnam Bank	Hope Plus Credit Loan	KRW 100 million	935	741	523	Corporate lending with interest subsidies to provide liquidity support and ease financing costs for small business owners affected by COVID-19 under the Hope Plus Credit Loan Interest Subsidy Agreement (Jan. 24, 2022) with the Korea Credit Guarantee Fund
	Interest Subsidy Agreement Loan for Micro Small Businesses	KRW 100 million	310	229	185	Corporate lending with interest subsidies to facilitate financing and ease financing costs for micro small business owners affected by COVID-19 under the Financial Support and Interest Subsidy Agreement for Small Business Owners (Mar. 31, 2020) with the Korea Credit Guarantee Fund
	Hope Plus Financial Support Special Guarantee Loan	KRW 100 million	632	345	177	Corporate lending under the Hope Plus Special Guarantee Agreement (Jan. 24, 2022) with the Korea Federation of Credit Guarantee Foundations to support business stability by promoting business recovery and easing financing costs for small business owners affected by COVID-19
	Our Local Energy-Up Support Loan	KRW 100 million	373	272	170	Corporate lending secured by guarantees from regional credit guarantee foundations to provide emergency funding for micro enterprises and small business owners experiencing financial difficulties, including those affected by COVID-19, under special contribution agreements with the Gyeongnam Credit Guarantee Foundation and the Ulsan Credit Guarantee Foundation
	Others	KRW 100 million	1,170	820	554	-

Sustainable Finance Performance

Financial Products Supporting Youth Entrepreneurship and Job Creation

Financial products providing funding to support business growth and job creation for start-ups, innovative growth companies, and job-creating enterprises

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	Innovation Growth and Job Creation (Korea Credit Guarantee Fund) (Busan)	KRW 100 million	791	745	596	Financing for identifying and supporting innovation-led companies, outstanding job-creating companies, and promising start-ups
	Innovation Growth and Job Creation (Korea Technology Finance Corporation) (Busan)	KRW 100 million	76	204	154	Financial support for job-creating companies and innovation-driven companies, promoting productive finance
	Others	KRW 100 million	167	129	95	-
Kyongnam Bank	TOP PLUS Corporate Loan	KRW 100 million	1,520	1,590	1,397	Financial support for attracting high-performing regional companies with sustainable growth potential
	New Growth Job Support Loan	KRW 100 million	542	806	665	Support for SMEs, including technology-based start-ups, general start-ups, job-creating companies, and materials, parts, and equipment companies
	Innovation Growth and Job Creation (Korea Credit Guarantee Fund)	KRW 100 million	549	494	309	Financing for identifying and supporting innovation-led companies, outstanding job-creating companies, and promising start-ups
	Innovation Growth and Job Creation (Korea Technology Finance Corporation)	KRW 100 million	28	32	291	Financial support for job-creating companies and innovation-driven companies, promoting productive finance
	Smart factory development in Gyeongnam	KRW 100 million	219	171	112	Financial support for expanding the adoption of smart factories
	Others	KRW 100 million	206	133	52	-

ESG Bond Arrangement

Financial services for arranging ESG bond issuances and supporting investor placement for ESG purposes

Category		Unit	Issuance Amount
Busan Bank	Green bonds	KRW 100 million	100
	Social bonds	KRW 100 million	17,605
	Sustainable bonds	KRW 100 million	-
Kyongnam Bank	Green bonds	KRW 100 million	600
	Social bonds	KRW 100 million	5,420
	Sustainable bonds	KRW 100 million	600

ESG Bond Issuance

Bonds issued to raise funds for investments in projects that generate environmental and social value in accordance with the Green Bond, Social Bond, and Sustainability Bond Guidelines

Category			Unit	Issuance Amount	Issuance Date
Busan Bank	Green bonds	Busan Bank 2025-11 Series 2A-21 Fixed Rate Coupon Bond (Green Bond)	KRW 100 million	1,500	Nov. 21, 2025
		Busan Bank 2025-10 Series 3A-20 Fixed Rate Coupon Bond (Green Bond)	KRW 100 million	1,500	Oct. 20, 2025
		Busan Bank Subordinated Contingent Capital Bond 2404-A29 Fixed Rate Coupon (New Issuance, Green, Private Placement)	KRW 100 million	1,000	Apr. 29, 2024
		Busan Bank 2023-09 Series 1.2A-19 Fixed Rate Coupon Bond (Green Bond)	KRW 100 million	600	Sep. 19, 2023
	Social bonds	Busan Bank 2024-10 Series 1A-14 Fixed Rate Coupon Bond (Private Placement)	KRW 100 million	1,000	Oct. 14, 2024
		Busan Bank Subordinated Contingent Capital Bond 2204-A07 Fixed Rate Coupon (New Issuance, Private Placement)	KRW 100 million	1,500	Apr. 7, 2022
		Busan Bank 2021-10 Series 2A-29 Floating Rate Coupon Bond (Private Placement)	KRW 100 million	1,000	Oct. 29, 2021
	Sustainable bonds	Busan Bank 2020-11 Series 2.0A-30 Fixed Rate Coupon Bond (Green Bond)	KRW 100 million	1,000	Nov. 30, 2020
Kyongnam Bank	Green bonds	Green Bond_Kyongnam Bank 2025-06 Series 2A-25 Fixed Rate Coupon Bond (Green Bond)	KRW 100 million	600	Jun. 25, 2025
	Social bonds	Kyongnam Bank 2023-11 Series 1A-27 Floating Rate Coupon Bond (Social Bond)	KRW 100 million	2,000	Nov. 27, 2023
		Kyongnam Bank Subordinated Contingent Capital Bond 2205-A10 Fixed Rate Coupon (New Issuance, English Currency, Private Placement)	KRW 100 million	2,000	May 10, 2022
		Kyongnam Bank 2021-04 Series 2A-12 Fixed Rate Coupon Bond (Private Placement)	KRW 100 million	2,000	Apr. 12, 2021
BNK Securities	Green bonds	BNK Capital 357-2 (Green Bond)	KRW 100 million	300	Aug. 1, 2024
		BNK Capital 314 (Green Bond)	KRW 100 million	300	Apr. 18, 2023
	Social bonds	BNK Capital 357-1 (Social Bond)	KRW 100 million	200	Aug. 1, 2024
		BNK Capital 292 (Social Bond)	KRW 100 million	400	Sep. 19, 2022

ESG Bond Underwriting

Financial activities involving the underwriting of ESG bonds issued with an aim to generate environmental and social value

Category		Unit	Issuance Amount
BNK Securities	Green bonds	KRW 100 million	1,190
	Social bonds	KRW 100 million	5,050
	Sustainable bonds	KRW 100 million	100

Sustainable Finance Performance

Green Loan Products

Financial products providing funding for companies and projects engaged in renewable energy, carbon neutrality, energy efficiency improvement, resource circulation, and environmental improvement initiatives

Subsidiary	Product	Unit	2023	2024	2025	Description
Busan Bank	ESG Good Company Loan	KRW 100 million	385	652	641	Preferential financing for companies demonstrating proactive ESG management across environmental, social, and governance (ESG) areas
	Loans from the Energy Use Rationalization Fund	KRW 100 million	174	499	572	Project financing for SMEs installing energy-saving facilities to reduce energy consumption and GHG emissions
	Fund to Improve and Foster the Environment	KRW 100 million	96	261	268	Loan financing for companies recommended by the Korea Environmental Industry & Technology Institute (KEITI) to support environmental improvement projects, including pollution prevention facilities and the development of the environmental industry
	Others	KRW 100 million	79	124	45	-
Kyongnam Bank	Loan from the Energy Use Rationalization Fund	KRW 100 million	588	631	629	Financing for businesses installing or upgrading energy-efficient facilities to reduce energy consumption and greenhouse gas emissions
	Fund to Improve and Foster the Environment	KRW 100 million	404	428	358	Financing to support the environmental industry, pollution prevention, and improvements to corporate environmental facilities
	Photovoltaic Power Eco-Friendly Corporate Loan	KRW 100 million	256	219	150	Corporate financing for companies engaged in photovoltaic power generation to expand the supply of renewable energy
	Others	KRW 100 million	202	94	81	-
BNK Capital	Support for eco-friendly rental cars	KRW 100 million	1,192	2,843	5,658	Financial support for small business owners leasing business-use vehicles valued at less than KRW 40 million
	Financial support for eco-friendly enterprises	KRW 100 million	305	456	421	Financial support for small business owners purchasing livelihood vehicles, including trucks with a payload of 0.5 tons or more and passenger vans

ESG Fund Management and Distribution Performance in 2025

Financial activities facilitating sustainable investment and value creation through the management and distribution of ESG-integrated funds

Subsidiary	Product	Unit	2025
Busan Bank	KB ESG Growth Leaders Securities Investment Trust [Equity]	KRW 100 million	35
	Eugene Champion Mid-Short Term Bond Securities Investment Trust [Bond]	KRW 100 million	24
	Samsung ESG Value Bond Securities Investment Trust No.1 [Bond]	KRW 100 million	21
	Others	KRW 100 million	80
Kyongnam Bank	Kyobo AXA ESG Alpha Plus General Private Equity Securities Investment Trust J-20 [Bond]	KRW 100 million	502
	KB Leaders ESG General Private Placement Securities Investment Trust No.1 (Bond) (Professional)	KRW 100 million	206
	Others	KRW 100 million	248
BNK Securities	Investment Pool General ESG Private Equity Fund 1-1 [Bond]	KRW 100 million	2,466
	NH-Amundi Yellow Umbrella ESG Private Fund [Equity]	KRW 100 million	1,149
	Shinhan Japan Solar Power General Private Special Asset Investment Trust No.4 (H)	KRW 100 million	945
	Others	KRW 100 million	1,872
BNK Asset Management	Investment Pool General ESG Private Equity Securities No.1-1 [Bond]	KRW 100 million	2,463
	Others	KRW 100 million	288

Sustainable Finance Performance

Project Finance (PF) and Green Infrastructure (SOC) Investment

Financial activities supporting the development of sustainable infrastructure and projects through financing for ESG-related projects

Subsidiary	Product	Unit	2025	Description
Busan Bank	IS Dongseo Co., Ltd. Acquisition Financing (ISTMC Co., Ltd.) - Refinancing	KRW 100 million	350	Refinancing of acquisition financing supporting IS Dongseo Co., Ltd. - a company holding an ESG rating from the Korea Institute of Corporate Governance and Sustainability (KCGS) in acquiring an equity stake in Town Mining Company (TMC) Limited Partnership through its subsidiary ISTMC Co., Ltd.
	CGN Daesan Power Co., Ltd. - LNG Combined Cycle Power Plant Construction Project	KRW 100 million	218	Financing for CGN Daesan Power Co., Ltd.'s construction of a new 557MW LNG combined cycle power plant within the Daesan Petrochemical Complex in Seosan-si, Chungcheongnam-do, with Hanwha Ocean Co., Ltd. as the construction contractor, including refinancing of existing biomass power plant loans
	K&D Energene Co., Ltd. - Construction of a Hydrogen Production Facility for S-OIL Supply in the Onsan Industrial Complex, Ulsan	KRW 100 million	115	Project financing for K&D Energene Co., Ltd. which is jointly established by Kukdong Oil & Chemicals Co., Ltd. and Deokyang Energene Co., Ltd. for the construction of a hydrogen production facility supplying S-OIL Corporation's Shaheen Project
	Gyeongju Sewer Pipeline BTL Project	KRW 100 million	45	BTL financing for Gyeongju SMC Co., Ltd., the project operator designated by Gyeongju City, for sewer infrastructure construction, ownership transfer to the city, and recovery of investment principal and interest through facility lease (rental) payments
	Mokpo Sewer Pipeline Maintenance BTL Private Investment Project	KRW 100 million	32	BTL private investment financing for Pureun Mokpo Environment Co., Ltd., the project operator designated by Mokpo City, for sewer pipeline construction, ownership transfer to the city, and recovery of investment principal and interest through facility lease (rental) payments
	Yeongdeok-gun Sewer Pipeline BTL Project	KRW 100 million	13	BTL financing for Yeongdeok Enviro Co., Ltd., the project operator designated by Yeongdeok County, for sewer pipeline construction, donation to the county, and recovery of investment principal and interest through facility lease (rental) payments
Kyongnam Bank	NexGen Energy No.1 Co., Ltd.	KRW 100 million	550	Acquisition financing for Narae Energy Service - LNG combined cycle power generation
	Geumgok Holdings Co., Ltd.	KRW 100 million	530	Acquisition financing for Korea Bopat Terminal - conversion from petrochemical storage to eco-friendly energy storage
	NexGen Energy No.2 Co., Ltd.	KRW 100 million	450	Acquisition financing for Yeoju Energy Service - LNG combined cycle power generation
	Hahn & Company Tanker Holdings LLC	KRW 100 million	310	Acquisition financing for SK Shipping Co., Ltd.
	Hahn & Company Marine Infrastructure Holdings	KRW 100 million	242	Acquisition financing for H-Line Shipping Co., Ltd. - eco-friendly vessel orders and construction
	Natural Gas Ocean Transportation Investment No.20 SPC C S.A.	KRW 100 million	167	Senior loan financing for KMARIN LNG carrier vessels (ship financing)
	Natural Gas Ocean Transportation Investment No.20 SPC A S.A.	KRW 100 million	165	Senior loan financing for KMARIN LNG carrier vessels (ship financing)
	Korea Water Solution Holdings Co., Ltd.	KRW 100 million	150	Acquisition financing for LG Chem's water solutions business division
	Seoul Arena Co., Ltd.	KRW 100 million	112	SOC financing supporting the construction of Korea's first and largest dedicated music venue and multi-purpose cultural complex in Seoul, developed by Seoul Arena Co., Ltd. with private capital and transferred to the City of Seoul, under a 30-year Build-Transfer-Operate (BTO) concession
	Glaucos 2nd Co., Ltd.	KRW 100 million	100	Acquisition financing for the securitization of K Shipbuilding - eco-friendly vessel orders and construction
	Jeongeup Green Power Co., Ltd.	KRW 100 million	84	SOC financing for the construction and operation of a 21.9MW biomass power plant, a renewable energy generation project

Sustainable Finance Performance

Principal Investment (PI) Activities

Financial activities supporting sustainable growth through direct investment in ESG-related companies and projects

Subsidiary	Product	Unit	2025	Description
Busan Bank	Korean Peninsula BTL Private Fund (Busan)	KRW 100 million	294	Korea's first large-scale BTL-dedicated fund, focused on investing in public infrastructure projects implemented under the BTL model by the government, including public welfare facilities, military housing, national university dormitories, old sewer pipeline renovations, and railway double-tracking projects
	Korea BTL No.1 Investment Company (Busan)	KRW 100 million	271	Infrastructure projects carried out under the BTL model pursuant to Article 4(2) of the Private Investment Promotion Act, or equivalent BTL-type projects
	Busan New Port West Container Terminal Operation Project Loan Fund	KRW 100 million	135	A fund established to provide loans for additional operational equipment and funds necessary for operating the West Container Terminal at Busan New Port, located in Jinhae-gu, Changwon-si, Gyeongsangnam-do
	Others	KRW 100 million	470	-
Kyongnam Bank	Multi-Asset Hydrogen Infrastructure Private Investment Fund No.1	KRW 100 million	325	An eco-friendly hydrogen energy fund supporting Changwon City's liquefied hydrogen project (Hi-Changwon)
	Korean Peninsula BTL Private Fund (Kyongnam)	KRW 100 million	154	Korea's first large-scale BTL-dedicated fund, focused on investing in public infrastructure projects implemented under the BTL model by the government, including public welfare facilities, military housing, national university dormitories, old sewer pipeline renovations, and railway double-tracking projects
	Korea BTL No.1 Investment Company (Kyongnam)	KRW 100 million	140	Korea BTL Co., Ltd., established in 2006 based on a commitment of KRW 1.3 trillion from Woori Bank
	Others	KRW 100 million	304	-
BNK Capital	DS Prestige7 Private Investment Trust	KRW 100 million	43	Acquisition of exchangeable bonds (EB) issued by Iljin Holdings, exchangeable into shares of Iljin Electric
	Korea Eco Holdings 2 Co., Ltd.	KRW 100 million	38	Acquisition financing for Ecovit
	Korea Eco Holdings 3 Co., Ltd.	KRW 100 million	38	Investment in redeemable convertible preferred shares (RCPS) of Konek, a manufacturer of aluminum die-casting parts for electric and internal combustion vehicles
	Others	KRW 100 million	244	-
BNK Securities	BNK-K&N Marine New Industry Investment Fund No.2	KRW 100 million	23	Investment in marine industries, bio industries, marine leisure tourism, eco-friendly advanced vessels, and marine energy resources
	BNK-Cape ESG Renewable Energy Fund No.1 (New Technology Business Investment Association)	KRW 100 million	20	A project fund investing in redeemable convertible preferred shares of GRI Co., Ltd.
	BNK-K&N Marine New Industry Investment Fund No.1 (Securities)	KRW 100 million	17	Investment in marine industries, bio industries, marine leisure tourism, eco-friendly advanced vessels, and marine energy resources
BNK Venture Capital	Smart BNK New Deal Fund (Venture Capital)	KRW 100 million	244	-
	BNK Storage B Busan Regional Innovation Fund	KRW 100 million	152	A fund that provides financing to regionally based companies, contributing to economic revitalization and job creation in the Southeast (Dongnam) region
	BNK Green Bio Investment Fund (Biomass)	KRW 100 million	135	A green bio investment fund
	Others	KRW 100 million	244	-

Economic Performance

Condensed Consolidated Statement of Financial Position

Category	Unit	2023	2024	2025
Total assets	KRW 100 million	1,457,836	1,524,705	1,610,954
Total liabilities	KRW 100 million	1,351,099	1,413,229	1,498,535
Total equity	KRW 100 million	106,737	111,476	112,418

1) Total equity is rounded to the nearest whole number. As a result, the sum of individual line items may not equal the total due to rounding.

Condensed Consolidated Statement of Comprehensive Income

Category	Unit	2023	2024	2025
Operating profit	KRW 100 million	8,012	8,759	9,027
Profit before income tax	KRW 100 million	8,756	9,918	10,947
Net profit	KRW 100 million	6,398	7,285	8,150
Total comprehensive income	KRW 100 million	8,001	7,579	7,267

Operating Revenue by Business Segment

Category	Unit	2023	2024	2025
Banking	KRW 100 million	72,959	71,702	65,453
Financial investment	KRW 100 million	9,849	13,095	19,354
Specialized credit finance	KRW 100 million	12,414	13,821	15,025
Savings bank	KRW 100 million	1,398	1,528	1,380
Others	KRW 100 million	5,394	4,968	8,071

Operating Revenue by Business Activity

Business Activities	Unit	Consolidated Revenue Share
Banking	%	64.50
Savings bank	%	1.40
Asset management and custody activities	%	0.66
Investment banking and brokerage	%	1.01
Others	%	32.43

Direct Economic Value Generated and Distributed

Category		Unit	2023	2024	2025
Economic value generated (revenue)	Consolidated revenue	KRW 100 million	75,601	96,639	101,512
Economic value distributed	Employee wages and benefits	KRW 100 million	8,871	9,642	10,739
	Interest payments	KRW 100 million	37,863	39,717	35,194
	Community investment	KRW 100 million	887	951	964
	Taxes	KRW 100 million	7,236	6,528	7,318
Economic value retained (Economic value generated – Economic value distributed)	Total	KRW 100 million	20,744	39,801	47,297

Credit Ratings

Overseas Credit Ratings

Category	Moody's	S&P Global Ratings
Busan Bank	A2	A-
Kyongnam Bank	A2	-

Domestic Credit Ratings

Category	Korea Credit Information (NICE)	Korea Investors Service (KIS)	Korea Ratings (KR)
BNK Financial Group	AAA	AAA	AAA
Busan Bank	AAA	AAA	AAA
Kyongnam Bank	AA+	AA+	AA+
BNK Capital	AA-	AA-	AA-

Economic Performance

Tax[1)]

Category	Unit	2023	2024	2025
Nominal tax	KRW 100 million	2,208	2,515	2,786
Tax paid	KRW 100 million	3,061	1,595	1,961
Income tax expense	KRW 100 million	1,967	2,418	2,585
Effective tax rate	%	22	24.38	24
Paid tax rate	%	35	16.08	18

1) BNK Financial Group's tax policy is approved by the CEO and disclosed publicly.

BNK Financial Group Tax Policy

BIS Capital Adequacy Ratio

Category	Unit	2023	2024	2025
Tier 1 Capital	KRW 100 million	99,179	104,258	104,029
Basel III Total Exposure Measure	KRW 100 million	1,566,831	1,636,449	1,721,091
Basel III Tier 1 Leverage Ratio	%	6.33	6.37	6.04

Corporations and Tax Information by Country

Country	Corporation	Main Businesses	Category	Unit	2023	2024	2025
Korea	BNK Financial Group	Banking, specialized credit finance, financial investment, etc.	Operating revenue	KRW 100 million	11,975	13,344	101,512
			Profit before income tax	KRW 100 million	1,508	1,519	10,947
			Income tax accrued	KRW 100 million	170	121	1,515
			Income tax paid	KRW 100 million	292	241	2,585
Cambodia	BNKC	Microfinance	Operating revenue	KRW 100 million	155	112	107
			Profit before income tax	KRW 100 million	-73	-40	-49
			Income tax paid	KRW 100 million	2	2	1
Myanmar	BNK Capital Myanmar	Microfinance	Operating revenue	KRW 100 million	99	119	120
			Profit before income tax	KRW 100 million	10	32	33
			Income tax paid	KRW 100 million	0	0	0
Lao PDR	BNK Capital Lao Leasing BNK Capital Lao NDTMFI	Leasing, microfinance	Operating revenue	KRW 100 million	63	79	96
			Profit before income tax	KRW 100 million	16	20	23
			Income tax paid	KRW 100 million	3	3	4
Kazakhstan	JSC BNK Commercial Bank	Microfinance	Operating revenue	KRW 100 million	150	189	182
			Profit before income tax	KRW 100 million	12	16	-61
			Income tax paid	KRW 100 million	6	4	3
Kyrgyzstan	MCC BNK Finance	Microfinance	Operating revenue	KRW 100 million	5	16	23
			Profit before income tax	KRW 100 million	-8	4	9
			Income tax paid	KRW 100 million	0	0	0

APPENDIX

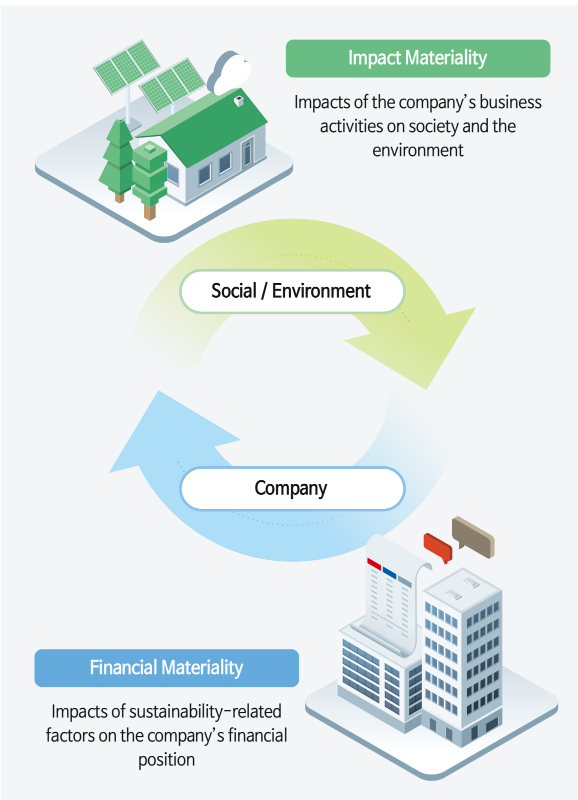
Gwangalli Beach, Busan

Double Materiality Assessment

Double Materiality Assessment: Concept & Process

Double Materiality Assessment Concept

With an aim to effectively advance its sustainability management, BNK Financial Group carries out a Double Materiality Assessment to systematically identify and select key environmental, social, and governance (ESG) issues. A Double Materiality Assessment is an assessment approach that simultaneously considers both the impacts of the Group's business activities on the economy, the environment, and society, and the financial effects that sustainability issues may have on the Group's growth, performance, and competitiveness.



Double Materiality Assessment Process

BNK Financial Group applied an ESRS-based materiality assessment methodology for its 2026 Double Materiality Assessment and collected stakeholder feedback across the entire value chain. To establish the issue pool, we analyzed global guidelines and assessment criteria, conducted media research, and performed peer benchmarking. In accordance with the ESRS principles for selecting reportable sustainability topics, we then conducted surveys of stakeholders across each stage of the value chain to comprehensively assess the financial impacts and the social and environmental impacts, risks, and opportunities (IROs) associated with each issue.

In particular, we conducted customized surveys tailored to the characteristics of stakeholders at each stage of the value chain and incorporated quantified results from media coverage and benchmarking, enabling a more in-depth analysis of the impacts, risks, and opportunities associated with each issue. As a result, we identified 14 material topics and selected the six most material topics.

The selected priority material topics are integrated into the Group-wide risk management process and systematically managed through discussions with relevant departments, including the risk management function, reporting to the Board, and integration with the Group's mid- to long-term ESG strategy. In addition, we strengthen communication with external stakeholders by providing detailed disclosures on the overall materiality assessment process and its results in the Sustainability Report.

STEP1. Issue Pool Development and Stakeholder Identification

Develop the Issue Pool
- Analyze global guidelines and reporting frameworks, ESG trends and regulations, and material topics identified by industry peers

Identify Value Chain Stakeholders
- Define each stage of BNK Financial Group's value chain (V1-V5, S1-S4)
- Map stakeholders to the impact categories associated with each value chain stage

STEP2. Assessment of Material Topics

Identify IROs* by Issue
- Identify impacts, risks, and opportunities associated with each topic

Assess IROs*
- Conduct stakeholder surveys
  - Assess impacts, risks, and opportunities for each topic through surveys of internal and external stakeholders (conducted in Mar. 2026, 98 respondents in total including 66 internal and 32 external stakeholders)
- Conduct media analysis
  - Analyze the impacts of 534 relevant media articles related to BNK Financial Group (Jan.-Dec. 2025)
- Incorporate internal materials (e.g., ESG strategic initiatives) and analyze material topics identified by domestic industry peers

STEP3. Management and Disclosure of Material Topics

Establish an Internal Management Framework
- Obtain approval from the ESG Committee and report the final priority material issues to the Board
- Integrate issue response measures into ESG strategic initiatives

Engage with External Stakeholders
- Disclose the materiality assessment process and results in the sustainability report
  - Disclose stakeholders most closely associated with each material topic across the value chain, together with the corresponding impacts, risks, and opportunities (IROs*)

* Impact, Risk, Opportunity (IRO): Impact refers to the impacts of BNK Financial Group on society and the environment, while risk and opportunity refer to sustainability related risks and opportunities that may affect the Group

Double Materiality Assessment

Double Materiality Assessment: Concept & Process

Stakeholder Input Based on the Value Chain

BNK Financial Group bolstered the objectivity and accuracy of its assessment by prioritizing input from stakeholders most closely associated with each of the 14 material topics. In particular, we established a structured value chain framework by categorizing our activities into distinct value chain stages (primary activities V1-V5 and supporting activities S1-S4). Based on this framework, internal and external stakeholders were invited to assess material topics primarily in relation to the value chain stages most relevant to them, thereby deepening the linkage between stakeholders and the value chain. Through this process, we conducted a more meaningful and robust materiality assessment and enhanced the credibility of our sustainability management.

	Issue Pool	Value chain									Relevant Stakeholders
		V1	V2	V3	V4	V5	S1	S2	S3	S4	
		Financial Product Planning, Design, and Development	Capital Raising	Sales and Marketing	Provision and Operation of Financial Products	Customer Management and Monitoring	Risk Management	Operational and Technical Systems	Administrative and Organizational Operations (HR and General Affairs)	Social Contribution and Shared Growth	
1	Promoting regional shared growth through inclusive and productive finance	●	-	●	●	●	-	-	-	●	Individual and corporate customers, investors, financial regulators, legal advisors, stock exchanges, community organizations and institutions, relevant departments
2	Enhancing governance transparency and shareholder value	-	-	-	-	-	●	-	-	-	Investors, financial regulators, legal advisors, external auditors, relevant departments
3	Financial consumer protection	-	-	●	●	●	-	-	-	-	Individual and corporate customers, investors, legal advisors, entrepreneurs, community organizations and institutions, relevant departments
4	Digital innovation and technology	-	-	●	●	●	-	●	-	-	Individual and corporate customers, investors, legal advisors, entrepreneurs, community organizations and institutions, partner companies, relevant departments
5	Climate risk management	●	-	-	-	-	●	-	-	-	Individual and corporate customers, investors, financial regulators, legal advisors, stock exchanges, external auditors, entrepreneurs, relevant departments
6	Ethical and compliance management	-	-	-	-	-	●	-	●	-	Investors, financial regulators, legal advisors, partner companies, relevant departments
7	Financial fraud prevention and digital security	-	-	-	●	●	●	●	-	-	Individual and corporate customers, investors, financial regulators, legal advisors, external auditors, entrepreneurs, partner companies, relevant departments
8	Risk management	-	-	-	-	-	●	-	-	-	Investors, financial regulators, legal advisors, external auditors, relevant departments
9	Sustainable finance	●	●	-	●	-	-	-	-	-	Individual and corporate customers, investors, financial regulators, legal advisors, stock exchanges, entrepreneurs, relevant departments
10	Talent development and capability building	-	-	-	-	-	●	-	●	-	Investors, financial regulators, legal advisors, external auditors, partner companies, relevant departments
11	Environmental governance	-	-	-	-	-	●	-	-	-	Investors, financial regulators, legal advisors, external auditors, relevant departments
12	Contribution to local communities	-	-	●	-	-	-	-	-	●	Individual and corporate customers, community organizations and institutions, relevant departments
13	Human rights management	-	-	-	-	-	●	-	●	-	Investors, financial regulators, legal advisors, external auditors, partner companies, relevant departments
14	Occupational safety and health	-	-	-	-	-	●	-	●	-	Investors, financial regulators, legal advisors, external auditors, partner companies, relevant departments

Double Materiality Assessment

Double Materiality Assessment Results

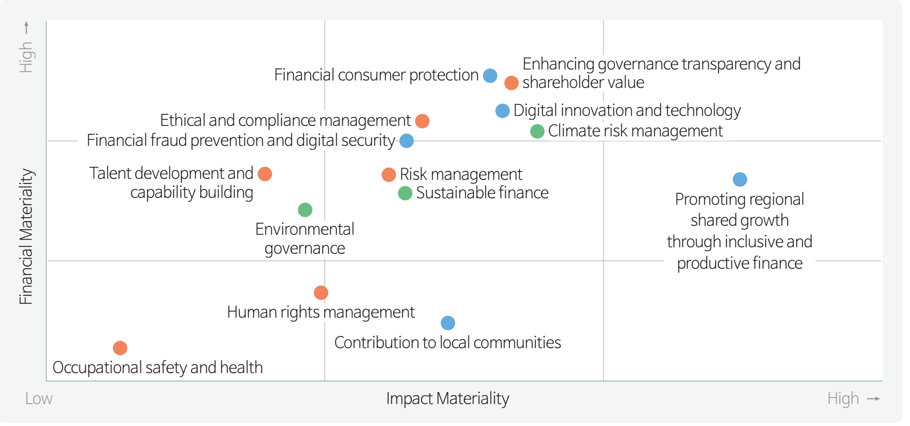
Key Shifts in Material Topics: Evolving Management Priorities and Stakeholder Focus

The topic that recorded the most significant increase in materiality was 'governance transparency and shareholder value.' This reflects growing stakeholder expectations amid the expanding discussion on corporate governance reform in Korea and changes in the capital market environment, including the Value-up initiative. 'Promoting regional shared growth through inclusive and productive finance' has become firmly established as a core topic representing the Group's identity, supported by the government's shared growth agenda following the Group's declaration on regional shared growth in 2024. Additionally, the sharp rise of 'risk management' (8th, ▲5) suggests a growing need to strengthen proactive capabilities for preventing financial incidents amid heightened internal and external economic uncertainty. Meanwhile, 'ethical and compliance management' (6th, ▼3) declined in ranking compared to the previous year. This may be attributable to eased stakeholder urgency as efforts to strengthen internal control systems have become more visible.

Integration of Material Topics into Management Strategy and Response Direction

BNK Financial Group incorporates the six highest-priority topics identified through its double materiality assessment, selected from a total of 14 material topics, into its core disclosure agenda and management strategy. Key risks and implementation progress are regularly reported to the Board through the ESG Committee, while the results of the materiality assessment are systematically monitored in conjunction with the Group's risk management process.

Among these topics, 'promoting regional shared growth through inclusive and productive finance' has been established as one of the Group's core strategic priorities. Through this initiative, we continue to expand financial support for SMEs and small business owners while fulfilling our role and social responsibility as a regional financial institution. In response to 'enhancing governance transparency and shareholder value,' we are gradually increasing our shareholder return ratio under our Corporate Value-up Plan and establishing a transparent management framework centered on capital efficiency.



Materiality : ● 80~100% ◕ 60~80% ◑ 40~60% ◔ 20~40% ○ 0~20%

No.	Material Issues for 2025	Impact Materiality	Financial Materiality	YoY Change	Alignment with GRI Index
1	Promoting regional shared growth through inclusive and productive finance	●	◕	▲1	203-1
2	Enhancing governance transparency and shareholder value	◕	●	▲5	2-9~12
3	Financial consumer protection	◕	●	▼2	417-1,2,3
4	Digital innovation and technology	◕	●	▲2	Mobile customer ratio, monthly active mobile service users
5	Climate risk management	◕	●	▼1	201, 305-1~5
6	Ethical and compliance management	◑	●	▼3	205-3, 206-1
7	Financial fraud prevention and digital security	◑	◕	▲1	GRI 418
8	Risk management	◑	◕	▲5	GRI 2-27
9	Sustainable finance	◑	◕	▲2	GRI 201, GRI 203
10	Talent development and capability building	◔	◕	New	GRI 404
11	Environmental governance	◔	◑	▲3	-
12	Contribution to local communities	◑	○	-	GRI 413
13	Human rights management	◔	◔	▼3	GRI 405, GRI 406, GRI 407
14	Occupational safety and health	○	○	New	GRI 411

Expanding Stakeholder Communication

BNK Financial Group classifies and defines its stakeholders into six groups to more effectively manage the needs and expectations of internal and external stakeholders that influence the Group's business activities across its materiality assessment and the development and execution of key strategies. We also actively incorporate stakeholder feedback gathered through various communication channels into the Group's management planning and key decision-making processes. In particular, we have established a communication framework that encompasses our key business partners across the value chain, ranging from major suppliers involved in procurement to agencies engaged in the distribution and sales of financial products and services, enabling us to comprehensively collect and reflect their perspectives.

Key Stakeholder Group	Definition	Major Interests	Communication Channels & Activities	Expected Outcomes
Customers Individual customers, corporate customers	Users of and key influencers on our financial products and services	Enhanced satisfaction through improved product and service quality	• Customer satisfaction surveys • Branch and frontline channel engagement • Customer meetings • Customer panels	• Gather customer feedback and minimize customer complaints • Provide information on financial products and services • Identify customer needs and discuss support measures • Reflect diverse customer feedback in improvement initiatives
Employees Employees, labor unions	Drivers of our vision and values who contribute to achieving our management objectives	A corporate culture that supports work life balance	• Employee satisfaction surveys • Meetings and workshops • Labor-management Council meetings (as needed) • Company newsletter and intranet bulletin boards	• Collect employee feedback and monitor employee satisfaction • Discuss recruitment, talent development, benefits, and working conditions • Communicate key management issues and foster labor-management harmony • Facilitate internal communication and engagement
Shareholders and investors Shareholders, investors	Stakeholders who influence decision making for our sustainable growth	Stable business performance and sustainable returns	• General shareholders' meeting (annually) • Corporate disclosures • Earnings presentations (4 times a year)	• Encourage participation in strategic decision making and enhance shareholder value • Provide corporate information and strengthen financial soundness • Disclose quarterly business performance and enhance external credibility
Partner companies Partner companies	Partners that pursue mutual growth based on trust and collaboration	A fair financial transaction culture	• Information sharing through the Korea Federation of Banks • Partner company meetings	• Disclose management information transparently and share industry insights through the Korea Federation of Banks • Create opportunities for mutual growth through collaboration with partner companies
Local communities Local communities, environmental organizations, media, academia	Groups that collaborate to address and resolve local community issues	Community development supported by social contribution and environmental stewardship	• Joint research • Community councils (Climate Crisis Response Committee, Climate Tech Governance, etc.) • BNK Volunteer Group	• Address local community issues through joint research initiatives • Support regional development and contribute to local economic revitalization • Collaborate with local communities to address social issues • Promote carbon neutrality and green growth through community collaboration
Government and supervisory authorities Government, National Assembly, Financial Supervisory Service	Institutions that guide corporate responsibility and promote the competitiveness of the financial industry	Advancing public value through inclusive and innovative finance	• Meetings with financial authorities • Regular audits • Participation in government projects • Government financial policy forums • ESG Expert Committee of the Korea Federation of Banks • Financial supervisory authorities	• Explore opportunities to strengthen the competitiveness of the financial industry • Comply with financial regulations and promote fair business practices • Advance public value through government projects and public-private partnerships • Discuss financial policy directions and strengthen the social responsibility of finance • Promote the development of ESG competitiveness across the financial industry - Exchange perspectives on key ESG issues, including climate risk and green lending guidelines

BNK Financial Group

Double Materiality Assessment

Material Issues

Material Issue Management

Material Issue	Promoting regional shared growth through inclusive and productive finance	Enhancing governance transparency and shareholder value	Financial consumer protection
Risks and Opportunities (Impacts)	• Potential weakening of the regional economic base and contraction in financial demand driven by population decline and demographic aging • Sustainable regional economic revitalization and enhanced corporate reputation through community focused financial support and social contribution activities	• Growing market expectations for greater governance transparency and increasing pressure to address the 'Korea Discount' • Opportunities to improve investor sentiment and reduce stock undervaluation through participation in the Value-up Program	• Potential emergence of consumer protection gaps driven by the expansion of digital financial services • Opportunities to strengthen trust among financial consumers through the establishment of customer participation-based protection mechanisms
Business Strategy	• Advancing sustainable shared growth finance: Mitigate financial risks by supporting the adoption of ESG management among regional businesses and secure the sustainability of the economic ecosystem in the Southeast region	• Raise the visibility of shareholder return policies and reinforce a transparent Board centered decision making framework	• Establish the BNK Financial Group Fair Advertising Policy • Share Our Commitment pledge to encourage compliance with the Financial Consumer Protection Act • Solidify internal controls throughout the product lifecycle and advance digital fraud prevention systems
Targets and Metrics (Including Target Year)	• 2027 Target: KRW 21.43 trillion • 2030 Target: KRW 36.71 trillion	• Achieve industry leading shareholder returns and maintain governance excellence	• Minimize consumer complaint rates and achieve zero financial incidents
Progress and Achievements	• Inclusive finance: KRW 6,518.2 billion (financial products dedicated to underserved customers, including loans, deposits, and card products) • Shared growth finance: KRW 2,471.4 billion (loan and deposit products supporting SMEs, small business owners, and local communities) • Productive finance: KRW 9,859.3 billion (loan products supporting innovative SMEs)	• Cash dividend of KRW 735 per share in 2025 (up 13.1% year on year)	• Adopted a 24/365 malicious app detection service and enhanced the VFDS (voice phishing detection system)
KPI Linked to Executive Compensation	• Incorporate financial consumer protection, regional shared growth, and sustainable finance into CEO performance evaluations	• Link executive compensation to both financial and non-financial performance indicators and provide long-term incentives on a deferred basis	• Introduce a financial consumer protection evaluation item as a deduction factor in the final performance assessment of bank CEOs
	BNK Capital	BNK Financial Group	BNK Busan Bank
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Material Issue	Digital innovation and technology	Climate risk response and management	Embedding ethical and compliance management and advancing transparent management
Risks and Opportunities (Impacts)	• Potential disruption of traditional financial service channels driven by growing competition from fintech and big tech companies • Opportunities to improve operational efficiency and deliver hyper personalized services through generative AI and platform innovation	• Potential financial asset losses arising from increasingly stringent climate related regulations and physical climate risks • Opportunities to secure sustainable investment opportunities and take the lead in the market through the expansion of climate and green finance	• Legal sanctions and reputational risks arising from inadequate internal controls and ethical violations • Opportunities to strengthen stakeholder trust through a proactive compliance management framework
Business Strategy	• Set up a Group-wide AI platform and accelerate AI transformation (AX)	• Establish a ESG finance taxonomy and strengthen exposure limits for industries with elevated environmental risk profiles to support the development of a low carbon finance operating model • Develop an ESG Data Platform to monitor and manage the environmental performance of subsidiaries • Build a financed emissions measurement system and related database	• Establish a Group-wide standardized internal control framework, expand ISO 37301 and ISO 37001 certifications, and enhance ethical and compliance management through a comprehensive overhaul of the whistleblowing system
Targets and Metrics (Including Target Year)	• Establish a Group-wide generative AI environment and increase the rate of digital process automation	• Achieve Net-Zero for operational emissions by 2045 • Achieve Net-Zero for financed emissions by 2050	• Complete improvements to 183 internal control weaknesses • Obtain ISO 37301 and ISO 37001 certifications for Busan Bank in 2026 • Fully implement the internal control management system by May 2026
Progress and Achievements	• Established a regulatory response framework through joint AI governance consulting with three regional financial groups (BNK, JB, and IM) • Expanded the application of 'Barun GPT' to underwriting opinion generation and AML analysis • Promoted the implementation of Microsoft 365 Copilot (Apr.-Aug. 2026) to create a smart work environment	• Reduced Scope 1 and 2 emissions by 456 tCO_2eq year on year • Issued green bonds in compliance with the Ministry of Environment guidelines (including KRW 60 billion by Kyongnam Bank) and contributed to the expansion of green finance	• Established the accountability map operating framework • Developed 1,794 Group internal control standards and 5,700 inspection checklists • Implemented seven AML system enhancements and established or improved 44 STR detection rules • Completed inspections of approximately 10,000 internal transactions (KRW 82.4 billion)
KPI Linked to Executive Compensation	• Reflect the progress of Group AI and digital initiatives and cross-subsidiary collaboration in subsidiary executive evaluations	• Assign climate risk responsibilities and roles to the Head of Risk Management in the accountability map and monitor related targets and performance across all subsidiaries	• Expand the application of ethics management KPIs to branches, strengthen evaluations of internal control and ethics violations, and introduce a dedicated five-grade (S-A-B-C-D) internal control evaluation item in the short-term performance assessment of Kyongnam Bank executives
	All subsidiaries	BNK Financial Group	BNK Kyongnam Bank
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Material Issues Significant to External Stakeholders

Material Issue	Impact Assessment	Output Matrix	Impact Matrix
Promoting regional shared growth through inclusive and productive finance	• Reduced financial costs through financial products for financially underserved customers, local communities, and small business owners • Income generated through support programs for small business owners and community investment initiatives	• Beneficiaries of inclusive and shared growth finance: 211,978 • Consulting sessions for small business owners: 101 - Consulting and mentoring provided to regional startups: 34 companies	• Social value created through inclusive finance for financially underserved customers: approximately KRW 49.1 billion • Social value created through shared growth finance for local communities: approximately KRW 19.7 billion - Social value created through support for small business owners and regional startups: approximately KRW 380 million
Enhancing governance transparency and shareholder value	• Enhanced shareholder value through shareholder return policies	• Increase in cash dividends: 13.1% year on year	• Social value created through shareholder dividends: approximately KRW 256.0 billion

Creating Synergies through Finance

BNK Busan Bank

Sung-joo Kim

CEO, Busan Bank

Over the past year, **Busan Bank** has expanded the role of finance in support of the meaningful recovery of the regional economy.

Looking ahead, we will remain attentive to the voices of our communities. Guided by our belief that the most local can also be the most global, we will go beyond Busan and set a new benchmark for ESG finance in Korea.

Date of Establishment	Oct. 10, 1967
Headquarters	30 Munhyeongeumyung-ro, Nam-gu, Busan, Korea
Website	http://www.busanbank.co.kr

Total Equity KRW 5.893 trillion

No. of Employees 3,002

"Sustainable Change Starts Where We Are Closest"

The world is transformed not by lofty aspirations alone, but by meaningful actions taken each day. ESG is not a distant vision. It is reflected in the vitality of local businesses, the growth of regional industries, and the healthy environment we leave for future generations. This is the sustainability that Busan Bank strives to create and nurture every day.

Key ESG Performance

Environmental

Key Initiatives

- Enhanced environmental management and governance frameworks to address climate related risks
- Expanded green finance to support the transition to a low carbon economy
- Promoted sustainable environmental conservation initiatives in partnership with local communities

Key Achievements

Busan Bank continues to advance green finance initiatives in response to the climate crisis, with the goal of achieving carbon neutrality by 2050. Through its ESG disclosure system, the Bank systematically manages climate related data and promotes an environmentally responsible financial ecosystem by participating in digital currency pilot projects and expanding digital banking services that help minimize resource consumption. In addition, Busan Bank issued KRW 300 billion in green bonds to actively support the development of the regional green industry ecosystem and facilitate the transition to a low carbon economy. The Bank also carried out a range of environmental conservation activities in collaboration with local communities, including the creation of gardens at Samnak Ecological Park through the Busan Bank Community Volunteer Group. As a result of these efforts, BNK Financial Group received an A rating for the fourth consecutive year and an A+ rating in the Environmental category in the ESG assessment conducted by the Korea Institute of Corporate Governance and Sustainability.

Social

Key Initiatives

- Promoted inclusive finance for small business owners and vulnerable groups
- Expanded financial support to address low birth rates and demographic challenges
- Supported financial capability building and career exploration for future generations

Key Achievements

Busan Bank places 'regional shared growth and trust' at the forefront of its priorities and remains focused on inclusive finance initiatives that support the meaningful recovery of the regional economy. Through the BNK Shared Growth Dream Loan and Triple Zero Hope Connection, the Bank helped ease the economic challenges faced by local communities. It also introduced specialized financial products designed to address social challenges, including BNK Baby Angel Installment Savings and Only for Solo Installment Savings. Busan Bank provides a variety of educational programs aimed at fostering sound financial values and strengthening financial capabilities among future generations. In recognition of these efforts, the Bank was recognized for a best practice in small business management consulting in the banking sector by the Financial Supervisory Service in 2025, received the Presidential Commendation for Promoting a Culture of Sharing in the Humanitarian Contribution category, and was awarded the Education Mecenat Award for the 18th consecutive year.

Governance

Key Initiatives

- Established a culture of practicing ethical management supported by sophisticated internal controls
- Innovated channel services for financially underserved groups
- Expanded customer communication channels and strengthened consumer protection

Key Achievements

Busan Bank continues to deepen trust through transparent and fair management. Guided by the Internal Control Committee, the Bank places ethics and compliance at the forefront of every decision making process. In particular, the Bank designated an 'Ethics Month' in 2025 and fostered a culture in which employees voluntarily practice ethical management. Furthermore, Busan Bank enhanced financial accessibility for financially underserved groups by establishing dedicated service hubs for foreign customers and introducing 'Digital Place,' a video consultation service. The Bank also strengthened consumer protection by promptly reflecting feedback gathered through the Customer Panel program (CX Explorer) in service improvements. In recognition of these efforts, Busan Bank was ranked No. 1 in the regional bank category of KSSQI for the fourth consecutive year and was named the No. 1 Consumer Recommended Brand in the regional bank category in 2025.

Creating Synergies through Finance

Kyongnam Bank

Tae-han Kim
CEO, Kyongnam Bank

> As a financial institution that has grown alongside the region, **Kyongnam Bank** creates sustainable value through customer centered financial services.
>
> By supporting SMEs and small business owners, we contribute to regional economic vitality while reinforcing ESG management through responsible finance and transparent governance.
>
> Going forward, we will advance as a sustainable financial partner, growing together with our communities through the balanced development of environmental, social, and governance values.

Date of Establishment	May 22, 1970
Headquarters	642 3.15-daero, Masanhoewon-gu, Changwon-si, Gyeongsangnam-do, Korea
Website	http://www.knbank.co.kr/

Total Equity	KRW 3.624 trillion
No. of Employees	2,238

Kyongnam Bank delivers customer centered financial value as a trusted partner to local communities.
Through continued support for SMEs and small business owners, we contribute to regional prosperity while fulfilling our social responsibilities and strengthening transparent governance. In the years ahead, we will further enhance our ESG management practices, build a more sustainable future, and pursue shared growth with the communities we serve.

Key ESG Performance

Environmental

Key Initiatives

- Established a management framework for green bonds based on K-Taxonomy and issued KRW 60 billion in bonds
- Conducted biodiversity conservation and environmental cleanup activities
- Cut down on GHG emissions and energy consumption
- Launched eco-friendly products and services

Key Achievements

Kyongnam Bank has enhanced its environmental management framework and carried out a wide range of initiatives to reduce GHG emissions in response to climate change. The Bank improved access to environmentally responsible financial products by offering preferential ESG interest rates through the BNK With-us Free Savings Account. It also contributed to the expansion of green finance by establishing an ESG management framework aligned with the Ministry of Environment's Korean Green Bond Guidelines and issuing KRW 60 billion in Green Bonds in June 2025. In November 2025, Kyongnam Bank received the Minister of Climate, Energy and Environment Award at the 2025 Green Management and Green Finance Excellence Awards hosted by the Ministry of Environment and the Korea Environmental Industry & Technology Institute (KEITI). The Bank also continues to promote biodiversity conservation and expand blue carbon through activities such as the Samho Stream Todak Trail wildflower garden volunteer program and the Bongam tidal flat glasswort habitat restoration volunteer program, including the planting of halophytes.

Social

Key Initiatives

- Expanded support for inclusive finance and startup development
- Advanced a wide range of social contribution initiatives
- Made special contributions to regional credit guarantee foundations in Gyeongnam and Ulsan
- Offered tailored education programs for local youth, small business owners, and vulnerable groups

Key Achievements

In 2025, Kyongnam Bank continued to advance inclusive finance initiatives in partnership with local communities to help revitalize the regional economy. As a result, the Bank received the highest rating in the 2025 Regional Reinvestment Assessment of Financial Institutions for the sixth consecutive year. The Bank expanded practical financial support for small business owners by partnering with local governments and providing low interest emergency liquidity funding with significantly eased lending requirements. In addition, Kyongnam Bank contributed to the sustainable future of local communities through various social contribution and charitable activities, including the 'our Gyeongnam revitalization project for addressing regional depopulation and low birth rates' and literary and art competitions. In recognition of these efforts, the Bank received the Minister of Health and Welfare Award in the Social Contribution category at the 2025 Gyeongsangnam-do Sharing Convention. The Bank also operates the 'CHAIN-G' program, supporting local startups through investment attraction and networking opportunities. Through these efforts, Kyongnam Bank contributes both directly and indirectly to local communities by fostering a virtuous cycle of regional economic growth through increased sales and job creation.

Governance

Key Initiatives

- Reinforced internal control practices across the Group
- Promoted a culture of ethical management through employee training and awareness initiatives
- Rolled out the Ethical BNK campaign to elevate ethical values and responsible conduct

Key Achievements

Kyongnam Bank has undertaken a wide range of initiatives to enhance the integrity of financial transactions and promote trusted growth and transparent ethical management. In order to foster a culture of ethical management, the Bank provides regular training to ensure that all employees understand and adhere to the Code of Ethics. It has also strengthened ethical awareness by enhancing its compliance reporting system and improving internal policies, including expanded support and incentives for reporting activities. On top of that, the Bank conducts regular information security training for employees and actively incorporates customer feedback through its Customer Panel program. Through the operation of the Financial Consumer Protection Advisory Group, Kyongnam Bank also reflects the perspectives of external experts, taking the lead in protecting the rights and interests of financial consumers and fostering a trust based financial environment.

BNK Capital

Dae-jin Son

CEO, BNK Capital

Amid rapid changes in the financial landscape, **BNK Capital** is driving steady growth by diversifying its financial services and advancing innovation through digital transformation and AI adoption. We are also expanding our global network with strategic bases in Southeast and Central Asia, leading BNK's journey beyond regional boundaries and onto the global stage. Looking ahead, BNK Capital will remain steadfast in putting our customers first while honoring our responsibilities as a trusted partner to local communities. We will continue to create lasting value for our customers and communities by delivering responsible finance rooted in integrity and sound principles. Through stronger competitiveness and relentless innovation, we will help shape the future of finance and grow into a resilient, world-class capital company.

Date of Establishment	Jul. 15, 2010
Headquarters	1 Saessak-ro, Busanjin-gu, Busan, Korea
Website	www.bnkcapital.co.kr

Total Equity	KRW 1.502 trillion
No. of Employees	467

BNK Capital has achieved steady growth by advancing customer centric digital innovation and enhancing its service capabilities in response to the rapidly changing financial environment. Placing customers' interests at the center of everything we do, we strive to create sustainable long term value as a responsible financial institution. We will continue to earn the trust of our customers through innovation, accountability, and sound governance while advancing as a comprehensive financial company that grows together with the regions and communities we serve.

Key ESG Performance

Environmental

Key Initiatives

- Expanded financial support for eco-friendly (ESG) and energy related sectors
- Increased green finance through the issuance of ESG bonds

Key Achievements

Through facility financing support for energy and green businesses, including solar power generation companies, BNK Capital provided KRW 1.3 billion in financing as of the end of December 2025, contributing to the growth of eco-friendly industries. Furthermore, BNK Capital issued KRW 30 billion in ESG bonds (Korean Green Bonds) in 2025 and deployed the proceeds in accordance with the intended use of funds to provide electric vehicle financing products. Through these efforts, BNK Capital contributed to the expansion of eco-friendly mobility finance and the reduction of GHG emissions.

Social

Key Initiatives

- Supported the regional economy and real economy
- Strengthened financial consumer protection and support for vulnerable borrowers
- Advanced responsible finance
- Promoted social contribution activities and improved the working environment for employees

Key Achievements

BNK Capital contributed to revitalizing local economies by providing funding through productive finance initiatives, including vehicle purchase financing for small business owners, long term rental vehicle support, and participation in regional development projects. The Company also fulfilled its role in inclusive finance by easing the financial burden of vulnerable borrowers through debt restructuring and debt forgiveness programs totaling approximately KRW 1.1 billion. In addition, BNK Capital operated protection programs for financially vulnerable groups, including an extended subscription withdrawal period for senior financial consumers and preferential interest rates for customers with disabilities. The Company also carried out various community contribution activities, including donations through 'Happy Sharing' in countries where it operates overseas, as well as free meal services, side dish support programs, and kimchi sharing initiatives. Furthermore, BNK Capital prepared the implementation of an evaluation framework and related programs to provide financial support for companies with outstanding occupational safety and health performance. The Company also improved the working environment for employees and fostered a sustainable organizational culture through a caregiving work hour adjustment program, Work Life Balance Day, enhanced employee welfare programs, and expanded health screening eligibility for sales specialist contract employees.

Governance

Key Initiatives

- Enhanced anti-corruption and ethical management practices and advanced the internal control framework
- Improved response systems for non-face-to-face financial incidents
- Established a digital and AI governance framework

Key Achievements

By obtaining ISO 37001 certification, the international standard for anti-bribery management systems, BNK Capital received independent verification of the adequacy and reliability of its ethics and compliance management framework in accordance with internationally recognized standards. This achievement further strengthened the Company's institutional framework for preventing and managing corruption risks. BNK Capital also enhanced its internal control framework by operating the Internal Control Innovation Committee and establishing an FDS Operating Manual, thereby tightening measures to prevent financial incidents and improve overall risk management. Besides, BNK Capital established an AI Governance Framework and related guidelines to proactively manage risks arising from digital transformation. By reinforcing responsible decision making and control mechanisms for the use of generative AI and digital technologies, the Company also laid the foundation for a governance framework capable of responding to future environmental changes.

Creating Synergies through Finance

BNK Securities

Myung-ho Shin

CEO, BNK Securities

BNK Securities is committed to creating sustainable value through its management principles of sustainable growth, job creation, and social contribution. Guided by a philosophy of shared growth and mutual prosperity, we strive to advance together with our customers, employees, and local communities.

As we look to the future, we will remain committed to principled management grounded in the values of integrity and balance, while dedicating our efforts to enhancing customer happiness and creating greater value as a leading financial investment company.

Date of Establishment	Jun. 2, 1997
Headquarters	1 Saessak-ro, Busanjin-gu, Busan, Korea
Website	http://www.bnkfn.co.kr/

Total Equity KRW 1.161 trillion

No. of Employees 405

Since its inception as a futures company in 1997 and its transformation into a full service securities firm in 2009, BNK Securities has strengthened its competitiveness across all areas of the financial investment business, including over the counter derivatives. Through continuous business model innovation and differentiated market strategies, we have sustained growth amid the rapidly evolving financial investment industry. We will further deliver tailored financial solutions and forward looking investment strategies, reinforcing our position as a leading securities company shaping the future of Korea's capital markets.

Key ESG Performance

Environmental

Key Initiatives

- Introduced a door-to-door financial service
- Promoted eco-friendly and innovative finance

Key Achievements

BNK Securities is expanding customer-centric financial services through digital innovation and investments in a sustainable future. Since introducing its door-to-door sales service in December 2023, BNK Securities has transitioned paper-based documents at branch counters to electronic documents using tablet PCs. It is also exploring more convenient and efficient service delivery methods through integration with its digital counter system. BNK Securities has also expanded strategic investments in innovative technologies, including energy storage systems (ESS), through the establishment of the BNK-Hyundai Defense Technology Innovation Fund, the ForHumanLife CDMO New Technology Investment Partnership, and the BNK-K& Marine New Industry Fund. BNK Securities has further solidified its role as a responsible investor supporting the growth of future industries through the launch of the Daewon Plant Project Fund and the BNK Safe New Technology Investment Partnership in 2025.

Social

Key Initiatives

- Established a dedicated digital transformation department
- Enhanced the user-friendly MTS and improved the UI/UX of the mobile website
- Advanced RPA capabilities
- Improved corporate culture by promoting labor-management harmony and facilitating communication with employees

Key Achievements

BNK Securities is driving innovation across its organization and systems to enhance digital competitiveness and strengthen customer-centric services. BNK Securities established the D-IT Department, a dedicated digital organization, and actively recruited professionals to clearly define the roles and responsibilities of its digital function. It also enhanced user convenience by streamlining the account opening process, introducing large-font menus for senior customers, and redesigning the MTS interface using simplified authentication features. In addition, BNK Securities plans to further strengthen its content competitiveness through partnerships with fintech companies. BNK Securities also introduced RPA solutions, improving operational efficiency by reducing approximately 8,357 working hours annually across 31 tasks at headquarters. From a corporate culture perspective, BNK Securities listens to employee voices through quarterly labor-management council meetings and continues its efforts to foster a horizontal corporate culture through initiatives such as the introduction of an evaluation system for executives and department heads. The Company also continues to expand family-friendly management practices through childbirth and childcare support programs.

Governance

Key Initiatives

- Advanced the Fraud Detection System (FDS)
- Implemented a responsibility-sharing system for non-face-to-face financial fraud
- Established a dedicated department (Ethics Management Department) to strengthen ethical management
- Introduced an accountability structure chart

Key Achievements

BNK Securities prioritizes financial consumer protection and ethical management as core values in advancing sustainable finance built on customer trust. BNK Securities provides both in-person and virtual training sessions to all employees once in each half of the year to enhance awareness of financial consumer protection. To strengthen the protection of customer assets, BNK Securities has advanced its Fraud Detection System (FDS) and operates a responsibility-sharing system for non-face-to-face financial fraud. In addition, the Company has introduced caller ID spoofing prevention and security certification mark services to foster a secure financial environment for customers. In 2024, BNK Securities established the Ethical Management Department as a dedicated ethics management organization and has systematically operated ethics-related programs through the establishment of Ethical Management Standard Regulations and regular working-level council meetings among subsidiaries. Furthermore, BNK Securities introduced an accountability structure chart that clearly defines the responsibilities of individual executives, thereby strengthening the foundation for transparent and accountable organizational management.

Creating Synergies through Finance

BNK Savings Bank

Young-moon Kim

CEO, BNK Savings Bank

"As a specialized provider of inclusive finance, **BNK Savings Bank** remains steadfast in fulfilling its core mission while enhancing access to convenient and innovative digital financial services. Driven by our commitment to delivering inspiring finance, we strive to create meaningful value for our customers and contribute to a more inclusive and sustainable future."

Date of Establishment	Dec. 13, 2011
Headquarters	92 Beomil-ro, Dong-gu, Busan, Korea
Website	http://www.bnksb.co.kr/

Total Equity KRW 220.7 billion

No. of Employees 138

Since its establishment in 2012, BNK Savings Bank has remained dedicated to fulfilling its role as a specialized provider of inclusive finance. Guided by our commitment to fostering a more inclusive financial ecosystem, we have focused our capabilities on expanding financial support for individuals, small business owners, and SMEs while promoting responsible and accessible financial services. We will enhance the value of finance by delivering more convenient digital financial services and approaching our customers with greater care, respect, and understanding. Through an unwavering commitment to service excellence, we will strive to become a source of pride for our customers and local communities while leading the industry as a model savings bank.

Key ESG Performance

Environmental

Key Initiatives

- Promoted digitalization of expense management
- Eliminated paper-based expense reports
- Transitioned corporate fleet vehicles to hybrid models
- Introduced KakaoTalk electronic documents

Key Achievements

BNK Savings Bank completed the digitalization of expense and capital expenditure approval documents to enhance systematic management. The Bank also improved operational efficiency and advanced paperless management by delivering customer notifications, including notices of loss of benefit of time and assignment of claims required under the Personal Debtor Protection Act, through KakaoTalk electronic documents. In addition, BNK Savings Bank promoted the transition to eco-friendly vehicles by replacing 13 of its 19 company vehicles with hybrid models (68%), reducing environmental burden and strengthening sustainable operations.

Social

Key Initiatives

- Sponsored a modern pentathlon team
- Provided financial education and field experience programs under the 1 Company 1 School program
- Froze rental fees for business-use real estate properties
- Held a ginseng chicken soup sharing event at Jaseongdae Senior Welfare Center during the summer heat season
- Received a merit award at the 2025 Busan Sports Community Night

Key Achievements

BNK Savings Bank fulfills its social responsibility across a wide range of areas to promote mutual growth with local communities. The Bank contributed to regional sports development by supporting a third-place finish in the men's team modern pentathlon event at the 106th National Sports Festival and continues to spread the value of warmhearted finance through social contribution activities for underserved groups. BNK Savings Bank also provides practical financial education programs for students to enhance financial literacy and strengthen the positive image of local savings banks. The Bank also visited Jaseongdae Senior Welfare Center to hold a ginseng chicken soup sharing event during the summer heat season, extending care and support to local residents in need. These efforts in inclusive finance and social contribution were recognized with the Chairman's Commendation from the Financial Services Commission in the Inclusive Finance category at the 9th Financial Day ceremony, further validating the value of its inclusive finance and social contribution initiatives.

Governance

Key Initiatives

- Strengthened internal controls and conducted checklist-based regular inspections
- Enhanced voice phishing prevention efforts and training on reimbursement procedures
- Launched ethical management events and provided training for all employees

Key Achievements

BNK Savings Bank continues to enhance employees' ethical and compliance awareness through regular notifications of the Code of Ethics and regulatory compliance training. The Bank also strengthens its internal control system to prevent financial crime and improve the effectiveness of post-incident remedies. These efforts to advance ethical management were recognized externally when BNK Savings Bank received the Financial Services Commission Chairman's Commendation in the inclusive finance category at the 9th Financial Day Ceremony.

BNK Asset Management

Kyung-sik Sung
CEO,
BNK Asset Management

"At **BNK Asset Management**, we manage client assets with an investment philosophy rooted in a long term perspective, value based investing, research driven insights, and the disciplined application of consistent investment principles.
Through the continued practice of sustainable management, we will further reinforce our standing as the asset manager most trusted by our clients."

Date of Establishment	Jul. 15, 2008
Headquarters	21F, Yeouido Finance Tower, 32 Gukjegeumyung-ro 2-gil, Yeongdeungpo-gu, Seoul, Korea
Website	http://www.bnkasset.co.kr/

Total Equity KRW 197.8 billion

No. of Employees 74

Since joining the Group in 2017, BNK Asset Management has solidified its financial foundation through strategic capital injections while further enhancing its investment capabilities by maintaining strong performance across equity, fixed income, and quantitative strategies. We have also reinforced our position as a comprehensive asset manager by expanding our alternative investment portfolio to include prime real estate assets and non-performing loans (NPLs) in key markets. Looking ahead, we will continue to deliver differentiated investment solutions, including ESG funds, target date funds (TDFs), and exchange traded funds (ETFs), guided by our ESG management principles and a disciplined investment approach, thereby contributing to the sustainable growth of our clients' assets.

Key ESG Performance

Environmental

Key Initiatives

- Continued to promote the BNK Sustainable ESG Fund prioritizing environmental considerations

Key Achievements

BNK Asset Management established the ESG Committee and the Research Center, its dedicated ESG organization, in 2021 and has since built systems and processes that enable a timely response to evolving ESG regulations and market developments. BNK Asset Management launched the BNK Sustainable ESG Fund to invest in companies that meet ESG criteria and has continued to strengthen its position as an asset manager advancing sustainable finance. Following the launch of the ESG public offering fund, BNK Asset Management was selected as a socially responsible investment manager by major domestic pension funds in 2023 based on its strong two-year track record, successfully attracting institutional capital. BNK Asset Management continues to deliver solid performance through disciplined fund management.

Social

Key Initiatives

- Managed top-performing ESG funds

Key Achievements

In recognition of its strong ESG fund management capabilities, BNK Asset Management was entrusted by an institutional investor in June 2023 with the discretionary management of an equity-type private fund focused on social responsibility. This discretionary investment applies negative screening criteria to exclude industries that do not align with the Social component of ESG from the investment universe, thereby contributing to the development of a financial environment that supports companies demonstrating strong social performance.

Governance

Key Initiatives

- Achieved zero incidents in 2025 through enhanced effectiveness of internal controls
- Strengthened the prevention of financial incidents involving employees
- Established a pre-inspection system for financial consumer protection

Key Achievements

In an effort to protect the interests of fund investors, BNK Asset Management established an enhanced pre-inspection system by incorporating a checklist for new product launches into its financial consumer protection standards. BNK Asset Management also strengthened its routine and non-routine inspection framework to prevent financial incidents, achieving zero incidents over the past five years. In 2024, BNK Asset Management established the Ethical Management Team, and in 2025 secured an independent office space for the Internal Control Department to further strengthen its internal control function. These efforts have enabled BNK Asset Management to further refine and deepen its ethical management practices while reinforcing the effectiveness of its internal control framework.

Creating Synergies through Finance

BNK Venture Capital

Seong-jae Jeong
CEO,
BNK Venture Capital

> **BNK Venture Capital** will serve as a catalyst for venture investment, advancing the shared growth of BNK Financial Group and local communities while solidifying its role as a key investment partner for regional growth industries.

Date of Establishment	Mar. 24, 2009
Headquarters	15F, Yeonbong Building, 416 Teheran-ro, Gangnam-gu, Seoul, Korea
Website	www.bnkvc.co.kr

Total Equity KRW 58.5 billion

No. of Employees 20

Since its inception in 2009 and subsequent integration into BNK Financial Group in 2019, BNK Venture Capital has grown into a trusted provider of venture capital, creating shared value for shareholders, fund investors, and portfolio companies alike. By focusing investments on future-oriented industries, including the Fourth Industrial Revolution, renewable energy, biotechnology, and agriculture and fisheries, we are helping shape the Group's innovation ecosystem. Looking ahead, we will continue to evolve into a venture investment platform that connects regional economies with emerging industries through responsible investment and the discovery of future growth opportunities.

Key ESG Performance

Environmental

Key Initiatives

- Operated eco-friendly investment funds, including the PM Resolution Investment Fund and the Green Bio Investment Fund
- Formed the BNK-Gyeongnam Smart Innovation Investment Fund IV

Key Achievements

BNK Venture Capital has refined internal processes to develop and review ESG policies and systematically integrate them throughout the investment lifecycle. In line with its commitment to sustainable growth, BNK Venture Capital has expanded its investments in environmental and climate technology sectors. In 2025, it invested a total of KRW 6.0 billion in four companies in the eco-friendly and alternative energy sectors through its investment funds under management. Furthermore, BNK Venture Capital established a new KRW 20.0 billion Green Bio Investment Fund linked to government policy financing, further demonstrating its commitment to responsible investment for a sustainable future.

Social

Key Initiatives

- Supported the Group's future business foundation by investing in regional companies with emerging industries and innovative technologies
- Invested KRW 20.0 billion in 11 regional companies
- Formed additional investment funds totaling KRW 45.0 billion to expand regional investment

Key Achievements

BNK Venture Capital has continued to invest in innovative companies across the southeastern region and other regions outside the Seoul metropolitan area, helping create new engines of growth for regional economies. In 2025, BNK Venture Capital invested a total of KRW 20.0 billion in 11 companies in the southeastern region and KRW 8.2 billion in five companies outside the Seoul metropolitan area, demonstrating its commitment to unlocking the growth potential of regional businesses. Furthermore, BNK Venture Capital established new investment funds totaling KRW 45.0 billion, linked to government policy financing, to further expand regional investment and contribute to balanced regional development and the creation of a sustainable industrial ecosystem.

Governance

Key Initiatives

- Operated an independent Ethics Management Department
- Enhanced internal regulations and operational frameworks to strengthen the ethics management system

Key Achievements

BNK Venture Capital has operated an independent Ethics Management Department to reinforce the effectiveness of its ethics management practices while establishing a company-wide governance framework through the enhancement of internal regulations, the development of operational systems, the refinement of investment and post-investment management standards, and the advancement of risk management and internal control systems. BNK Venture Capital has also fostered a strong culture of ethics and compliance by obtaining ethics and compliance pledges from all employees and providing systematic mandatory training on ethics management. Going forward, BNK Venture Capital will remain committed to cultivating a transparent and trusted investment culture.

BNK Credit Information

Tae-soo Shin
CEO,
BNK Credit Information

> **BNK Credit Information** is helping shape a sustainable future through ESG management grounded in transparency, trust, and responsible financial services. By fostering a progressive corporate culture and embracing environmental responsibility, social value creation, and ethical governance, we aim to generate lasting value promoting long-term growth and sustainability of our business and society.

Date of Establishment	Jun. 17, 2003
Headquarters	92 Beomil-ro, Dong-gu, Busan, Korea
Website	http://www.bnkci.co.kr/

Total Equity	KRW 30 billion
No. of Employees	65

As a leading regional credit information company, BNK Credit Information delivers social value through transparent financial information services and responsible receivables management guided by ESG principles. We pursue shared prosperity with local communities through a range of social contribution initiatives, including support for small business owners and financial literacy programs aimed at reducing financial inequality. Looking ahead, we remain attentive to foster greater trust by enhancing both the public value and long term sustainability of financial services, while evolving as a trusted credit information company.

Key ESG Performance

Environmental

Key Initiatives

- Implemented paperless practices
- Conducted environmental clean-up activities
- Expanded purchases of eco-friendly products
- Adopted electronic documents and mobile notifications

Key Achievements

BNK Credit Information is working to reduce greenhouse gas emissions and energy consumption by fostering a paperless work environment through accelerated digital transformation and minimizing unnecessary business travel. BNK Credit Information also participates in CSR Day events to conduct environmental cleanup activities and actively purchases products from eco-certified companies, strengthening eco-friendly partnerships and shared growth initiatives.

Social

Key Initiatives

- Hosted Happy Hope Sharing events
- Expanded the financial safety net to support vulnerable groups in achieving self-reliance and recovery
- Enhanced welfare programs and working conditions for contract employees

Key Achievements

BNK Credit Information is committed to advancing sharing-driven management practices and fostering a culture of giving within local communities. For low-income debtors, including recipients of basic livelihood security benefits and earned income tax credits, BNK Credit Information actively supports credit recovery through measures such as repayment grace periods, extended installment repayment terms, exemptions for essential livelihood assets from collection, and expanded reductions in delinquency interest charges. Since 2016, BNK Credit Information has hosted the 'Happy Hope Sharing' event during major holidays each year, delivering Hope Sharing packages to customers who faithfully repay their debts despite financial hardship, thereby putting the value of warmhearted finance into practice. BNK Credit Information is also committed to fostering an inclusive workplace where every employee is treated with dignity and respect by eliminating disparities based on employment status.

Governance

Key Initiatives

- Provided anti-corruption training
- Promoted sound and fair credit operations

Key Achievements

BNK Credit Information has established 'disciplined and ethical management' as its core management policy and is advancing fair and transparent business conduct based on high ethical standards. BNK Credit Information has continuously enhanced training and monitoring related to applicable regulations, including the Fair Debt Collection Act and the Personal Information Protection Act, while strengthening employees' awareness of ethics and compliance. As a result, BNK Credit Information achieved 'Zero Complaints,' one of the lowest levels in the credit information industry, demonstrating the effectiveness of its ethical management practices.

Creating Synergies through Finance

BNK System

Il-yong Park

CEO, BNK System

BNK Systems provides stable and differentiated financial IT services while contributing to the advancement of financial IT environments through the development of applied technologies that incorporate IT innovations into a rapidly evolving financial landscape.
Going forward, we will build on our expertise in financial IT and extensive experience in financial system development to deliver best-in-class IT services and further strengthen our role as a key subsidiary supporting the Group's sustainable growth.

Date of Establishment	May 20, 2011
Headquarters	21, Mieumsandan-ro 127beon-gil, Gangseo-gu, Busan, Korea
Website	http://www.bnksys.co.kr/

Total Equity	KRW 33.6 billion
No. of Employees	302

As an IT service leader driving digital finance, BNK Systems has achieved sustained growth by strengthening its capabilities in integrating the Group's IT infrastructure and advancing digital transformation. In addition to expanding customized digital solutions for Group subsidiaries, we support financial competitiveness through big data and cloud based technologies. We will continuously serve as a key digital partner by fostering shared growth through the development of regional IT companies and talent while driving innovation in financial technology.

Key ESG Performance

Environmental

Key Initiatives

- Replaced and expanded high energy-efficient equipment
- Participated in local environmental cleanup activities
- Promoted the Paper-Zero campaign
- Expanded the transition to eco-friendly corporate fleet vehicles

Key Achievements

BNK Systems has further strengthened its company-wide eco-friendly management framework in response to climate change and biodiversity conservation. BNK Systems promoted digitalization through the establishment of a management performance monitoring system and fostered a digitally enabled eco-friendly work environment by embedding paperless meetings in line with the Group's 'Paper-Zero' policy. BNK Systems also encourages resource circulation by reducing the use of disposable products and introducing environmentally friendly recycled copy paper. To reduce carbon emissions, BNK Systems continues to expand the transition to eco-friendly vehicles. Currently, approximately 73.3% of its fleet (11 out of 15 vehicles) consists of eco-friendly vehicles, with three additional vehicles scheduled for replacement in 2025. In addition, BNK Systems conducts local environmental improvement activities and operates the 'Eco Challenge' program, which encourages participation by employees and their families, promoting awareness and action for ecosystem conservation across local communities.

Social

Key Initiatives

- Strengthened contractor management
- Introduced and advanced RPA across the Group
- Participated in government projects aligned with social and technology trends, including IT related initiatives
- Carried out activities to identify and foster local talent
- Achieved and maintained Information Security Management System (ISMS) certification
- Continued social contribution activities

Key Achievements

BNK Systems has actively fulfilled its social responsibilities through family-friendly management and the development of young talent. BNK Systems supports work-life balance through initiatives such as the '10 AM Start Time for Childcare' program and has obtained Family-Friendly Company Certification. It also contributes to employment creation through participation in the Ministry of Employment and Labor's Work-Learning Dual System and bootcamp-linked training programs. These efforts have been recognized externally through selection as a 'Company Attractive to Young Talent' and an 'Outstanding Youth Employment Company.' On top of that, BNK Systems minimizes paper-based documentation through expanded RPA adoption and strengthens its digital innovation and security framework through cyber incident response simulation exercises. BNK Systems also continues social contribution activities, including support for earthquake recovery efforts in Myanmar through 'BNK Happy Sharing' and Group-wide CSR initiatives. Furthermore, BNK Systems contributes to the development of the regional digital ecosystem through a tripartite agreement with organizations including the Busan Economic Promotion Agency and participation in the BIFC Digital Finance Talent Development Program.

Governance

Key Initiatives

- Practiced ethical and compliance management and strengthened the internal control framework
- Strengthened compliance management
- Established a procurement system and enhanced transaction transparency
- Conducted regular (semiannual) and special audits related to anti-corruption compliance monitoring
- Implemented information security education and training programs for employees

Key Achievements

BNK Systems has enhanced management transparency and reliability by establishing systematic internal control and information security frameworks. In order to sharpen organizational expertise, BNK Systems upgraded the Infrastructure Operations Team under the Service Operations Division to the Infrastructure Operations Department, establishing an independent operational structure. BNK Systems also continues to enhance its personal information protection framework through monthly 'Information Security Inspection Day' activities and regular internal privacy reviews. In addition, BNK Systems promotes a culture of voluntary compliance through self-assessment programs on regulatory compliance involving all employees. With an aim to uphold the core values expected of a financial institution, BNK Systems regularly provides training on financial consumer protection and internal controls while strengthening practical capabilities through professional procurement management programs organized by the Busan Chamber of Commerce and Industry. As a result of these efforts, BNK Systems has maintained a record of 'No Sanctions' from the Korea Fair Trade Commission, demonstrating its commitment to regulatory compliance and fair business practices.

Awards

Awards

Subsidiary	Date	Organizer	Award
BNK Financial Group	Sep. 23, 2025	Chosunbiz, Ministry of Finance and Economy, Ministry of the Interior and Safety, and Ministry of Health and Welfare	Received the Minister of Health and Welfare Award at the 2025 Korean Contribution Awards
	Oct. 21, 2025	Dong-A Ilbo	2025 K-ESG Management Awards for the 2nd consecutive year
	Dec. 16, 2025	Seoul Economic Daily, Korea Enterprises Federation	Honored with the Top Award in the ESG category at the Most Honorable Company Awards Korea
BNK Busan Bank	Apr. 25, 2025	Korea Housing & Urban Guarantee Corporation	Awarded the Grand Prize at the 2025 Housing Finance Policy Idea Contest
	May 22, 2025	Chosun Ilbo	2025 No.1 Consumer Recommended Brand in the regional bank category
	Jul. 3, 2025	Korean Standards Association	2025 Korean Service Quality Index (KS-SQI), No.1 in the regional bank category for the 4th consecutive year
	Jul. 24, 2025	Korea Internet Professionals Association	Awarded in two categories at the Social i-Awards 2025, including the Grand Prize for excellence in financial innovation and banking sector (Instagram)
	Sep. 26, 2025	Korea Housing & Urban Guarantee Corporation	Awarded the Grand Prize at the 2025 Housing Finance Consumer Loan Idea Contest
	Oct. 10, 2025	The Stevie Awards	Won the Bronze Stevie® Award at the 2025 International Business Awards in the external publication category
	Oct. 27, 2025	Ministry of health and welfare	Received the Presidential Commendation, Red Cross Medal of Merit, in recognition of contributions to the 'Spreading Giving Culture'
	Dec. 3, 2025	Korea Association of Social Workers	Received the Chair of the Culture, Sports and Tourism Committee Award at the 2025 Korea Communications Awards in the print company newsletter category
	Dec. 17, 2025	Korea Federation of Banks	Received the Governor of the Financial Supervisory Service Award at the 2025 Banking Sector Small Business Consulting Best Practices Presentation
	Dec. 19, 2025	Busan Metropolitan City, and others	Honored at the 18th Education Mecenat Tower Awards, recognized for 18 consecutive years
BNK Kyongnam Bank	Jan. 13, 2025	Financial Services Commission	Received the Minister of the Interior and Safety Commendation for being selected as an excellent institution in the Eulji Exercise
	Feb. 24, 2025	National Assembly's Special Committee on Climate Crisis	Received the Excellence Award and the Minister's Award at the 2026 Korean Green Climate Awards
	Apr. 15, 2025	Gyeongsangnam-do Federation of Disability Organizations	Received a Commendation as a Meritorious Contributor at the 45th National Day of Persons with Disabilities
	May 23, 2025	Gyeongsangnam-do. Gyeongnam Community Chest of Korea	Commendation awarded by the Governor of Gyeongsangnam-do at the Hope 2025 Love for Neighbor
	Jul. 25, 2025	Ministry of Science and ICT, Korea Internet Professionals Association	Awarded in two categories at the Social i-Awards 2025 for the 2nd consecutive year, including the Grand Prize for excellence in YouTube and Instagram in the Banking sector
	Aug. 28, 2025	Financial Services Commission	Rated 'Best in the Gyeongnam region for six consecutive years in the 2025 Financial Companies' Local Reinvestment Evaluation
	Oct. 14, 2025	Korean Red Cross	Joined the Korean Red Cross Honors Enterprise 1 Billion Club, marking the first of its kind in Gyeongnam
	Nov. 27, 2025	Ministry of Climate, Energy and Environment, Korea Environmental Industry & Technology Institute	Minister of Climate, Energy and Environment Award in the ESG Green Bond category
	Dec. 1, 2025	Gyeongsangnam-do Provincial Council on Social Welfare	Received the Minister of Health and Welfare Award at the 14th Gyeongsangnam-do Volunteer Conference
	Dec. 19, 2025	Financial Supervisory Service	Received the Institution Award at the Inclusive and Win-Win Finance Awards for the 2nd consecutive year in recognition of outstanding support for SMEs and low-income households
BNK Capital	Mar. 4, 2025	Busan Metropolitan City	Commendation awarded for contributions to tax administration, 2025
BNK Savings Bank	Dec. 23, 2025	Busan Sports Council	Commendation awarded by the Mayor of Busan at the 2025 Busan Sports Night, hosted by the Busan Sports Council
BNK System	Sep. 24, 2025	Busan Metropolitan City	Recognized as an Excellent Company for Youth Employment in 2025

Global Initiatives

GRI Standards Index

Statement of use	GRI 1 used	Applicable GRI Sector Standard(s)
This Sustainability Report has been prepared by BNK Financial Group for the reporting period January 1 - December 31, 2025, in accordance with the GRI Standards 2021. (Reporting Period: Jan. 1, 2025 - Dec. 31, 2025)	GRI 1 : Foundation 2021	BNK Financial Group is not subject to any applicable sector standards within the GRI Sector Standards issued in June 2026.

Universal Standards (GRI 2)

Topic	No.	Disclosure	Page	Contents & Notes
The Organization and its reporting practices	2-1	Organizational details	5, 6, 8	BNK Financial Group at a Glance
	2-2	Entities included in the organization's sustainability reporting	195	About This Report
	2-3	Reporting period, frequency and contact point	195	About This Report
	2-4	Restatements of information	-	Description provided in footnotes on the relevant page
	2-5	External assurance	191-194	Third-Party Assurance Statement, GHG Emissions Assurance Statement
Activities and workers	2-6	Activities, value chain and other business relationships	166	Expanding stakeholder expansion
	2-7	Employees	138-140	The expansion of data collection coverage is currently underway, and certain requirements were omitted due to insufficient information
	2-8	Workers who are not employees	138	Workers outside our organization
Governance	2-9	Governance structure and composition	84, 85, 88	Board independence, board diversity, and committees within the Board of Directors
	2-10	Nomination and selection of the highest governance body	85, 86	Board independence, and CEO succession plan
	2-11	Chair of the highest governance body	84	Board composition
	2-12	Role of the highest governance body in overseeing the management of impacts	19-21	ESG management strategy, ESG management framework
	2-13	Delegation of responsibility for managing impacts	19-21	ESG management strategy, ESG management framework
	2-14	Role of the highest governance body in sustainability reporting	19-21	ESG management strategy, ESG management framework
	2-15	Conflicts of interest	85	Board independence
	2-16	Communication of critical concerns	20-21, 86, Business Report 533~536p	ESG management framework, CEO succession plan
	2-17	Collective knowledge of the highest governance body	85, Business Report 550~552p	Board expertise
	2-18	Evaluation of the performance of the highest governance body	89	Board assessment, independent assessment, committee assessment and management remuneration system
	2-19	Remuneration policies	89-90	Board assessment, independent director assessment, committee assessment, and management remuneration system

Topic	No.	Disclosure	Page	Contents & Notes
Governance	2-20	Process to determine remuneration	89-90	Board assessment, independent director assessment, committee assessment, and management remuneration system
	2-21	Annual total compensation ratio	141	CEO remuneration ratio to employees
Strategies, policies and practices	2-22	Statement on sustainable development strategy	4	Message from the CEO
	2-23	Policy commitments	19-21, 190	ESG management strategy, ESG management framework, ESG Policies
	2-24	Embedding policy commitments	19-21	ESG management strategy, ESG management framework
Governance	2-25	Processes to remediate negative impacts	107, 166	Establishment and operation of the grievance resolution process, expansion of stakeholder engagement
	2-26	Mechanisms for seeking advice and raising concerns	97~98	Code of Ethics Implementation, Compliance Reporting System
	2-27	Compliance with laws and regulations	145	Fines and non-financial sanctions incurred due to breaches of social and economic laws and regulations
	2-28	Membership associations	41, 149	Global environmental initiatives, main association fees paid
Stakeholder engagement	2-29	Approach to stakeholder engagement	163-166	Concept, process and outcomes of double materiality assessment, and expansion of stakeholder engagement
	2-30	Collective bargaining agreements	-	We do not disclose the rate of application of collective agreements

Universal Standards (GRI 3)

Topic	No.	Disclosure	Page	Contents & Notes
Disclosures on material topics	3-1	Process to determine material topics	163-164	Concept and process of double materiality assessment
	3-2	List of material topics	164	Concept and process of double materiality assessment
	3-3	Management of material topics	167	Issues of concern

GRI Standards Index

Topic Standards (GRI 100)

Topic	No.	Disclosure	Page	Contents & Notes
Biodiversity	GRI 101-4	Identification of biodiversity impacts	42-45	Analysis of impact on natural capital (TNFD)
	GRI 101-5	Locations with biodiversity impacts	42-45	Analysis of impact on natural capital (TNFD)
	GRI 101-8	Ecosystem services	39	Biodiversity preservation initiatives

Topic Standards (GRI 200)

Topic	No.	Disclosure	Page	Contents & Notes
Economic performance	201-1	Direct economic value generated and distributed	160	Direct generation and distribution of economic value
	201-2	Financial implications and other risks and opportunities due to climate change	28-29, 33	Analysis and identification of climate-related risks and opportunities, and climate risk management process
	201-3	Defined benefit plan obligations and other retirement plans	141	Defined contribution retirement pension plans
Indirect economic impacts	203-2	Significant indirect economic impacts	165, 167	Double materiality assessment outcomes, and management issues
Anti-corruption	205-1	Operations assessed for risks related to corruption	99, 100	Upgrade of continuous monitoring and inspection system, and oversight of intra-group transactions
	205-2	Communication and training about anti-corruption policies and procedures	143	Ethical education
	205-3	Confirmed incidents of corruption and actions taken	99-100, 145	Upgrade of continuous monitoring and inspection system, oversight of intra-group transactions, and confirmed corruption cases
Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	145	Legal actions and results associated with anti-competitive behaviors and monopolies
Tax	207-1	Approach to tax	161	Available on the website Tax policy
	207-2	Tax governance, control, and risk management	161	Available on the website Tax policy

Topic Standards (GRI 300)

Topic	No.	Disclosure	Page	Contents & Notes
Materials	301-1	Materials used by weight or volume	132	Material usage
Energy	302-1	Energy consumption within the organization	133	Total energy consumption (direct + indirect)
	302-3	Energy intensity	133	Total energy consumption (direct + indirect)
	302-4	Reduction of energy consumption	40	Efforts to reduce resource consumption
	302-5	Reductions in energy requirements of products and services	48	Eco-friendly products
Water and effluents	303-3	Water withdrawal	132	Water resources (water consumption)
Emissions	305-1	Direct (Scope 1) GHG emissions	32, 34, 135	Roadmap for climate target achievement, climate risk management process, integration into the Company-wide risk management framework, GHG emissions (Scope 1 and 2)
	305-2	Energy indirect (Scope 2) GHG emissions	32, 34, 135	Roadmap for climate target achievement, climate risk management process, integration into the Company-wide risk management framework, GHG emissions (Scope 1 and 2)
	305-3	Other indirect (Scope 3) GHG emissions	136	GHG emissions (Scope 3)
	305-4	GHG emissions intensity	135	GHG emissions (Scope 1 and 2)
	305-5	Reduction of GHG emissions	38, 40	Transition of business fleets into low-emission and zero-emission vehicles, energy-efficient buildings, and efforts to reduce resource use
Waste	306-3	Waste generated	132	Waste

Global Initiatives

GRI Standards Index

Topic Standards (GRI 400)

Topic	No.	Disclosure	Page	Contents & Notes
Employment	401-1	New employee hires and employee turnover	140	Recruitment, and turnover
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	117	Employee welfare programs, and childcare support
	401-3	Parental leave	117, 142	Employee welfare programs, childcare support, and parental leave usage status
Labor / management relations	402-1	Minimum notice periods regarding operational changes	-	Minimum duration: approximately 9 to 25 weeks
Occupational health and safety	403-1	Occupational health and safety management system	118	Safety and health management framework, occupational safety and health policies, and strategies for safety and health management
	403-2	Hazard identification, risk assessment, and incident investigation	119	Safety and health risk management
	403-3	Occupational health services	119-121	Safety and health reviews, and support for worker health promotion
	403-4	Worker participation, consultation, and communication on occupational health and safety	118-119	Safety and health management framework, occupational safety and health policies, and safety and health training
	403-5	Worker training on occupational health and safety	119	Safety and health risk management, and safety and health training
	403-6	Promotion of worker health	121	Support for worker health promotion
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	121	Support for worker health promotion, and sharing of safety and health standards with partner companies
	403-8	Workers covered by an occupational health and safety management system	119	Safety and health risk management, safety and health training, and safety and health review
	403-9	Work-related injuries	143	Number of absences due to illness or injuries
	403-10	Work-related ill health	143	Number of absences due to illness or injuries
Training and education	404-1	Average hours of training per year per employee	142	Employee education
	404-2	Programs for upgrading employee skills and transition assistance programs	109-114	Upskilling programs for employees and programs to improve job-specific expertise
	404-3	Percentage of employees receiving regular performance and career development reviews	142	Status of employees receiving regular performance and career development assessments
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	84	Board composition
	405-2	Ratio of basic salary and remuneration of women to men	141	Employee remuneration status by gender

Topic Standards (GRI 400)

Topic	No.	Disclosure	Page	Contents & Notes
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	106-107, 143	Outcomes of human rights impact assessments, establishment and operation of grievance resolution mechanisms, and acceptance and redress of grievances
Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	64, 146	Social contribution strategies, and related investment amounts
Public policy	415-1	Political contributions	-	No political donations are made, pursuant to Article 31 of the Political Funds Act
Marketing and labeling	417-1	Requirements for product and service information and labeling	72	Programs to prevent mis selling
	417-2	Incidents of non-compliance concerning product and service information and labeling	-	Refer to business report, pages 619 - 641
	417-3	Incidents of non-compliance concerning marketing communications	-	Refer to business report, pages 619 - 641
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	144	Information Security (customer personal data protection)

SASB Index

Three businesses in BNK Financial Group's portfolio are aligned with SASB standards (Commercial Banks, Asset Management & Custody Activities, Investment Banking & Brokerage), with cross industry metrics disclosed across multiple sectors.

Multiple Sectors

Topic	Code	Unit	Disclosure Item	2025 Disclosure
Business ethics	FN-CB-510a.1 FN-IB-510a.1	KRW 100 million	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	For further details, refer to pages 96 - 103 and 145 of this report
	FN-CB-510a.2 FN-IB-510a.2	N/A	Description of whistleblower policies and procedures	BNK Financial Group operates a whistleblowing system through which any breach of the Code of Ethics Implementation Guidelines is reported to the Group Compliance Officer. Multiple reporting channels are accessible, including the websites of BNK Financial Group and its subsidiaries, the BNK Help Line (mobile app), the external organization Red Whistle, and the Ethics Management Department's hotline. We ensure that the identity of the informant and the details of the report are strictly kept confidential. In 2024, we expanded the scope of its whistleblower protection system and voluntary reporting program to cover all subsidiaries, while strengthening regular audits and reviews of compliance with reporting obligations. To clarify internal control responsibilities, an accountability chart was adopted. In addition, subsidiary CEOs are assessed for their internal control implementation, alongside the provision of internal control training tailored to job ranks.
System risk management	FN-CB-550a.1 FN-IB-550a.1	Basis point(bps)	Global Systemically Important Bank(G-SIB) score, by category	BNK Financial Group does not fall under G-SIB.
	FN-CB-550a.2 FN-IB-550a.2	N/A	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long- term corporate strategy, and other business activities	With the objective of actively responding to the high volatility of the financial market and attaining sustainable growth, BNK Financial Group has classified and systematically managed primary risks under the Group-wide integrated risk management system. Credit risks, market risks, interest rate risks, and operational risks are designated as targets of intensive monitoring, with quantitative assessments and follow-up control activities strengthened accordingly. In parallel, foreign exchange settlement risks, strategic risks, reputational risks, and climate risks are categorized separately for independent management. Each year, BNK Financial Group incorporates the evolving business environment, selects priority risks, and develops proactive countermeasures.

SASB Index

Commercial Banks

Topic	Code	Unit	Disclosure Item	2025 Disclosure	
Data security	FN-CB-230a.1	Number, percentage (%)	(1) Number of data breaches (2) percentage that involve personally identifiable information (PII) (3) number of account holders affected	In the reporting year, no data breaches or leaks occurred.	
	FN-CB-230a.2	N/A	Description of approach to identifying and addressing data security risks	Pursuant to the Electronic Financial Transactions Act, BNK Financial Group has appointed a qualified expert in data protection and IT as its Chief Information Security Officer (CISO) to ensure structured data privacy management. The Information Protection Department, operating directly under the CEO, assumes responsibility for planning, operating, assessing, monitoring, and auditing information security affairs, a clear demonstration of our comprehensive data protection approach. In particular, BNK Financial Group has established a Personal Credit Information Protection Team with independent authority within the Information Protection Department to fulfill its duties of safeguarding personal credit data. The Information Protection Committee regularly convenes, presided over by the CISO and attended by the CPO, CIAP, and personnel responsible for information security, data protection, and compliance monitoring. The committee makes decisions on information security affairs and supports the formulation of relevant regulations and guidelines. The Group's Board of Directors reviews the status of customer data privacy on a quarterly basis, serving as the top decision-making body in data protection risk management. Data protection plans are formulated in alignment with the Group's IT strategies, deliberated by the Information Protection Committee, and approved by the CEO. Following approval, the plans are reported to the Financial Services Commission, ensuring both legal and institutional consistency. In 2025, BNK Financial Group pushed forward a long-term information security strategy grounded in a self-regulatory security framework and is committed to delivering stable financial services by sharpening its ability to anticipate and respond to evolving cyber threats. Key areas of focus include information security threat response, electronic financial fraud prevention, security awareness enhancement through stronger internal controls, and reinforced protection of personal information. Based on these priorities, the Group systematically manages a wide range of cyber risks. In 2025, Busan Bank allocated 8.41% of its total IT budget to data protection while Kyongnam Bank spent 6.83%. Both banks have scaled up their investment in information protection. In 2026, further investments will be made to sharpen their data protection capabilities and advance their cyber risk responses.	
Financial inclusion & capacity building	FN-CB-240a.1	Number, KRW 100 million	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	[Busan Bank] (1) Number of outstanding loans: 27,250 cases (2) Unpaid loan amount: KRW 1,122.1 billion	[Kyongnam Bank] (1) Number of outstanding loans: 24,293 cases (2) Unpaid loan amount: KRW 3,160.4 billion
	FN-CB-240a.2	Number, KRW 100 million	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	[Busan Bank] (1) 1,414 cases (2) KRW 33.3 billion	[Kyongnam Bank] (1) 532 cases (2) KRW 17.4 billion
	FN-CB-240a.3	Number	Number of free retail checking accounts provided to clients who previously did not have bank accounts or did not use banking services	As of the end of 2025, the number of new individual customer accounts opened amounted to 75,687 cases.	
	FN-CB-240a.4	Number	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	[Busan Bank] 52,644 persons	[Kyongnam Bank] 19,840 persons

SASB Index

Commercial Banks

Topic	Code	Unit	Disclosure Item	2025 Disclosure	
Incorporation of environmental, social, and governance factors in credit analysis	FN-CB-410a.2	N/A	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	With a view to fulfilling our responsibilities as a sustainable financial institution, BNK Financial Group has incorporated the core values of sustainability into its internal management framework, products and services, loan and investment processes. We have also formulated an ESG Financial Policy, serving as a guide for us to embody ESG finance. To embed ESG elements into the overall capital flow, we have defined sustainable finance and established standards and assessment procedures, testifying to our multifaceted commitments. In 2024, on the environmental, social, and governance front, BNK Financial Group established an ESG finance classification system for all financial products of the Group. This system enables us to systematically manage financial products tailored to their respective categories. To maintain the effectivenss of the ESG finance classification system, we have regularly updated it in line with K-Taxonomy revisions. For further information regarding ESG-embracing sustainable financial products and the investment management framework, please refer to pages 46 and 47 of this report.	
Financed emissions	FN-CB-410b.1	tCO_2eq	(1) Scope 1, (2) Scope 2, (3) Scope 3 emissions	For further details, please refer to pages 135 and 136 of this report.	
	FN-CB-410b.2	KRW 100 million	Total exposure by asset groups for each industry	For further details, please refer to pages 34 and 136 of this report.	
	FN-CB-410b.4	N/A	Explanation of the methodology used for calculating financed emissions	For further details, please refer to pages 34 of this report.	
Activity	FN-CB-000.A	Number, KRW 100 million	(1) Number and (2) value of checking and savings accounts by segment: (a) personal, (b) SMEs and small business	[Busan Bank] Number and value of retail accounts (1-a) 7,474,815 persons (2-a) KRW 19,891.8 billion Number and amount of SMEs and small businesses (1-b) 146,765 persons (2-b) KRW 7,255 billion	[Kyongnam Bank] Number and value of retail accounts (1-a) 5,209,818 persons (2-a) KRW 12,341.7 billion Number and amount of SMEs and small businesses (1-b) 132,102 persons (2-b) KRW 7,099.2 billion
	FN-CB-000.B	Number, KRW million	(1) Number and (2) value of loans by segment: (a) personal, (b) SMEs and small business	[Busan Bank] Number and value of personal loans (1-a) 266,288 cases (2-a) KRW 20,022.6 billion Number and value of SMEs and small businesses (1-b) 151,347 cases (2-b) KRW 34,545 billion	[Kyongnam Bank] Number and value of personal loans (1-a) 270,364 cases (2-a) KRW 13,920.3 billion Number and value of SMEs and small businesses (1-b) 132,721 cases (2-b) KRW 25,947.5 billion

SASB Index

Asset Management & Custody Activities Topic

Topic	Code	Unit	Disclosure Item	2025 Disclosure
Providing transparent information and fair advisory to customers	FN-AC-270a.1	Number, percentage (%)	(1) Number and (2) percentage of employees with records of investment-related investigations, customer complaints received, civil lawsuits, or other legal regulations	The number of employees engaged in investment trading, with records of investment-related investigations, customer complaints received, civil lawsuits, or other legal proceedings and regulations, amounted to (1) zero, (2) zero %.
	FN-AC-270a.2	KRW 100 million	Total monetary loss incurred as a result of legal procedures related to the information delivery and marketing of financial products to new and re-enrolled customers	Zero monetary loss was incurred as a consequence of legal actions pertaining to the provision of information and the promotion of financial products.
Employee diversity & inclusion	FN-AC-330a.1	%	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) nonexecutive management, (3) professionals, and (4) all other employees	For further details, please refer to pages 138 and 139 of this report.
Reflecting ESG elements in investment management and advisory	FN-AC-410a.1	KRW 100 million	Size of assets under management by the following categories (1) ESG integration (2) Sustainable theme investing (3) Screening method	(1) ESG integration: KRW 8.7 billion (2) Sustainability theme investing: KRW 0 billion (3) Screening method: KRW 0 billion
	FN-AC-410a.2	KRW 100 million	Methods of incorporating ESG elements into investment and asset management processes and strategies	For further details, please refer to page 47 of this report.
	FN-AC-410a.3	N/A	Description of proxy voting and investee engagement policies and procedures	For further details, please refer to page 52 of this report.
Activity	FN-AC-000.A	KRW 100 million	Total assets under management (AUM)	BNK Asset Management's total assets under management amount to KRW 9.9527 trillion.

SASB Index

Investment Banking & Brokerage

Topic	Code	Unit	Disclosure Item	2025 Disclosure
Reflecting ESG elements in investment banking and brokering activities	FN-IB-410a.1	Cases, KRW 100 million	Revenue by industry from transactions of (1) acquisition, (2) advisory, and (3) securitization that reflect ESG elements	There were no records of acquisitions, advisory services, or securitization activities at BNK Securities.
	FN-IB-410a.2	Cases, KRW 100 million	(1) Number and (2) amount of investments and loans that reflect ESG elements	For further details, please refer to page 53 of this report.
Employee incentives and risk-taking	FN-IB-550b.1	Percentage (%)	Total variable remuneration ratio of Material Risk Takers (MRTs)	BNK Securities, pursuant to the Act on Corporate Governance of Financial Companies, launched the Compensation Committee in March 2024, formalizing the institutionalized of deferred payment (three years) for performance-based pay, along with a clawback policy.
	FN-IB-550b.2	Percentage (%)	Variable remuneration ratio of Material Risk Takers (MRTs) to which the regulations of remuneration reduction or clawback are applied	
	FN-IB-550b.3	Percentage (%)	Discussion of policies to supervise, manage, and verify trader's pricing for assets and liabilities classified as fair value level 3	BNK Securities reviews the adequacy of Level 3 derivative classifications in accordance with its internal guidelines.
Activity	FN-IB-000.A	Cases, KRW 100 million	Number and amount of transactions (acquisition/ advisory services/securitization transactions) * For syndicated transactions, only the portion relevant to the Group is considered	The value and associated revenue for each transaction type are as follows: - Corporate bond underwriting and issuance: KRW 8,275.75 billion / fee income: KRW 3.82 billion - Rights offering lead management and underwriting: KRW 3.06 billion / fee income: KRW 1.24 billion - Commercial paper (CP) underwriting and issuance: KRW 162,077.16 billion / fee income: KRW 5.87 billion
	FN-IB-000.B	Cases, KRW 100 million	Number and amount of equity capital investments and loans	Not disclosed on account of managerial reasons.

Global Initiatives

UN SDGs Index

The United Nations Sustainable Development Goals (UN SDGs), designed to be implemented from 2016 to 2030 following the conclusion of the Millennium Development Goals (MDGs) in 2015, represent a universal call to action adopted by the UN and the global community. Their purpose is to confront humanity's universal challenges, such as poverty and disease, environmental degradation while fostering inclusive economic growth. To this end, the UN General Assembly has defined 17 global priority tasks.

By aligning its business operations with the UN SDGs, BNK Financial Group has devoted its full efforts to addressing societal issues. Remaining true to our stature as a global-standard financial firm, we are committed to creating sustainable future value in partnership with stakeholders, thereby achieving shared prosperity.

UN SDGs	Our Reponses	Page
No Poverty	• Deliver financial products designed to promote inclusive finance and co-prosperity • Promote shared growth financing for low-income people and small business owners • Contribute meaningfully to local community development	56, 69, 167, 171
Good Health and Well-Being	• Implement a safety and health management framework • Ramp up supplier safety and health management • Support employee health promotion, including psychological counseling	118-119, 121
Quality Education	• Cultivate talent and sharpen employee capacity • Provide financial education for customers and local communities • Offer financial literacy programs for future generations	67, 77, 109
Gender Equality	• Advance diversity in board composition and management • Adopt robust policies for diversity, equity, and inclusion (DEI)	85, 108
Affordable and Clean Energy	• Provide financial support for renewable energy equipment installation • Finance energy efficiency initiatives and projects	158
Decent Work and Economic Growth	• Support regional SMEs and innovative enterprises in their growth through finance • Revitalize regional startup ecosystems with financial assistance • Extend financial support to partner companies and small business owners in pursuit of co-prosperity • Lay the foundation for job creation for youth across the Busan-Ulsan-Gyeongnam region • Assist business owners in improving their business capabilities	57-59, 60-63
Industry, Innovation, and Infrastructure	• Strengthen the productive finance promotion framework • Support core industries and technology finance across the Busan-Ulsan-Gyeongnam region • Expand digital finance accessibility and non-face-to-face service offerings	11, 14, 60-61, 82

UN SDGs	Our Reponses	Page
Sustainable Cities and Communities	• Reinforce the social contribution framework tailored to regional needs • Strengthen disaster response measures across local communities and bolster resilience	65-66, 69
Responsible Consumption and Production	• Reduce resource consumption and promote resource circulation • Develop and operate green financial products and services	40, 48
Climate Action	• Issue green bonds and provide financial assistance for low-carbon transition • Refine the climate risk management framework	16, 24-25
Life Below Water	• Support marine finance cooperation frameworks and facilitate the maritime industry's transition • Expand financial assistance for marine industries • Preserve marine ecosystems and manage natural capital	13, 42-43
Peace, Justice and Strong Institutions	• Establish and oversee a Group-wide internal control framework • Enhance board independence and diversity while strengthening governance transparency	11, 98, 100, 166

PRB Index

Declaration of Adherence to the UN PRB

BNK Financial Group joined UNEP FI in March 2022 and declared its commitment to the UN PRB (United Nations Principles for Responsible Banking). The UN PRB, an international agreement that defines the roles and responsibilities of the financial industry in achieving the UN SDGs and the Paris Agreement, comprises six principles. Through faithful compliance with these principles, BNK Financial Group pledges to play its part in ushering in a sustainable future.

Six Principles for Responsible Banking

Principle 1	Alignment	Align business strategy with the UN SDGs and the Paris Climate Agreement
Principle 2	Impact and Target Setting	Identify risks arising from our activities, products, and services that may positively or adversely impact society, and set targets to manage these risks
Principle 3	Clients and Customers	Work responsibly with our clients and our customers to encourage sustainable practices
Principle 4	Stakeholders	Disclose stakeholders' interests and the outcomes of our engagement and dialogue with them
Principle 5	Governance and Culture	Communicate our corporate governance and culture of responsible banking
Principle 6	Transparency and Accountability	Disclose the implementation of our commitment to these principles and progress achieved

Our Journey to PRB Implementation

Following the formal declaration of its commitment to the UN PRB, BNK Financial Group conducted a self-assessment and disclosed the relevant details within 18 months. The Group set a target to complete initiatives aligned with the principles of responsible banking within four years. For the full-fledged implementation of the PRB, we follow a structured process consisting of impact analysis, target setting and implementation, and public reporting and accountability.

Impact Analysis
- Identify and unpack both positive and negative impacts stemming from our products and services on the environment, society, and economy
- Prioritize impact management

Target-Setting & Implementation
- Set clear targets for impact management
- Define initiatives to accomplish these targets and put them into practice

Public Reporting & Accountability
- Disclose progress against the targets with transparency
- Evaluate compliance with requirements and confirm outcomes
  * Annually disclose the implementation status

'22.3 — Declaration of Adherence to the UN PRB

'23.9 — Self Assessment

'24 '25 '26 — Annual Implementation Disclosure
* In accordance with the reporting cycle of BNK Financial Group

PRB Index

Principle	Reporting and Self-Assessment Requirements	Our Responses	Page
1. Alignment	We encourage to link business strategies with social objectives presented in the SDGs, the Paris Climate Agreement and national/regional frameworks.		
	1.1 Describe the bank's business model including financing techniques for major customer sectors, types of products and services, main industrial and activity types, and areas where the bank operates or where products and services are provided	BNK Financial Group was founded on March 15, 2011, as a financial holding company, marking the first of its kind among local banks. As of December 31, 2025, BNK Financial Group has established a broad network spanning 381 domestic branches and 66 overseas hubs, which has put us on a path towards becoming a global financial group. As we have broadened our business scope across the full financial spectrum, including banking, specialized credit finance, financial investment services, savings banking, startup investment, credit investigation and debt collection, and system supply and development, we have positioned ourselves as both a best-in-class regional financial group in Korea and a comprehensive financial group.	Page 8 of the Sustainability Report
	1.2 As explicitly set out in the SDGs, the Paris Climate Agreement and related national/regional frameworks, describe how the bank adjusts and plans strategies to correspond and contribute to the objectives of the society	Guided by our mission, 'Ease the Finance, Enrich the Future,' we have set forth 'VISION 2030,' our mid- to long-term management plan, to become a top-tier glocal financial group. In 2026, we will pursue five strategic priorities: productive finance, stronger regional finance, AI-powered digital innovation, consumer protection-centered internal controls, and future growth engines to drive sustainable growth and enhance corporate value.	Page 9 of the Sustainability Report
2. Impact and Target Setting	We continue to enhance positive impacts while minimizing and managing the negative impacts and risks on people and the environment from activities, products and services. For this, set and disclose targets that can have the most significant impact.		
	2.1 Impact Analysis: Identifying areas that have the most important positive and negative impacts in consideration of the following factors a) Scope: Key business scope, Products and services provided to key business areas b) Portfolio composition: Consideration of technological and geographical aspects by area c) Context and relevance: Consideration of priority related to the national SDGs d) Performance measurement: Identifying the segment and industry that have the most important positive and negative impact, and the type of customers, and the method of evaluating their performance	BNK Financial Group has operated a governance framework for climate action, comprising the Board of Directors, executive management, and the responsible departments across BNK Financial Group and its subsidiaries. Fully cognizant of the gravity of climate risks and their potential to generate financial repercussions, BNK Financial Group has concentrated on advancing its risk management frameworks to secure profitability and stability within the investment sector. Guided by the TCFD recommendations, we have systematically identified environmental and social risks and conducted both qualitative and quantitative assessments to ensure thorough evaluation. Furthermore, we have established a financed emissions measurement system alongside a comprehensive database, which has enhanced data consistency and reliability. In addition, our risk management governance and relevant internal regulations have been refined and revised, reinforcing the foundation for effective risk response strategies.	Pages 24 - 33 and 167 of the Sustainability Report
	2.2 Impact and goal setting a) Actions taken in consideration of the relevance and contribution to the SDGs, the Paris Climate Agreement and other national framework, as well as positive and negative impacts b) Current level and index, and base year c) SMART goals and KPI used in monitoring d) Implementation plan	In 2024, we set SBTi-approved reduction targets aligned with the Paris Agreement. Specifically, we established a 42% reduction target for Scope 1 and 2 emissions by 2030, a 35% reduction target for Scope 3 emissions, and committed to achieving Net Zero in 2045 and 2050. BNK Financial Group launched the Inclusive Finance Support Unit. The Unit plans to provide KRW 5 trillion in inclusive finance over the next five years.	Pages 41, and 55 - 63 of the Sustainability Report
3. Clients and Customers	We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.		
	3.1 Method of cooperation with customers for sustainable practices and economic activities	BNK Financial Group has developed products and services conducive to the growth of eco-friendly enterprises, thereby contributing to climate action and the low-carbon transition. We have also introduced loan products linked to eco-friendly achievements, while supporting the establishment of environmentally friendly infrastructure. Moreover, for individual clients, we provide green consumption promotion cards, fostering an environment in which customers are voluntarily engaged in sustainable finance.	Pages 47-53 of the Sustainability Report
	3.2 Describe what business opportunities and efforts in relation to the increase of positive and the reduction of negative impacts	Guided by the 'Environmental and Social Risk Management Policy Framework' established in 2024, we take into account the impacts of financial institutions' business operations on the environment and society, and manage them to ensure proactive oversight of diverse potential risks on the environmental and social front. In particular, when an ongoing project is considered to fall under the exclusion or watchlist areas in sectors such as agriculture, power generation, mining, oil and gas, or forestry, we grant binding authority to suspend operations related to loans or investments as part of our risk management framework.	Page 46 of the Sustainability Report
4. Stakeholders	We ensure preliminary consultation, engagement, and collaboration with stakeholders for the achievement of society's goals.		
	4.1 Types of stakeholders, methods of identifying/consulting/ collaborating with stakeholders, overview of addressed issues and achieved results in relation to the impact analysis and target setting process	With the objective of managing the needs of stakeholders who exert influence across all business operations, including materiality assessment, key strategy formulation, and implementation, BNK Financial Group has classified internal and external stakeholders into six groups. Through multiple communication channels, we have deepened our engagement with stakeholders and gathered their opinions. These perspectives have been incorporated into the establishment of our business plans and key decision-making processes. In particular, we have built a communication system encompassing all primary partners, ranging from key suppliers involved in the upstream of the value chain to distributors in the stage of service distribution and sales, ensuring that their voices are duly considered.	Pages 163-167 of the Sustainability Report
5. Governance and Culture	We will implement the principles through effective governance and a culture of responsible banking.		
	5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage positive and negative (potential) impacts and support the effective implementation of the Principles	Under the Board, the ESG Committee and the Risk Management Committee have been established to deliberate and approve climate risk response strategies and related initiatives. The ESG Committee discusses ESG matters, including climate action efforts, and approves related strategies and policies. The Risk Management Committee puts in place the Group's ESG risk management framework and, based on climate scenario analysis, assesses both financial and non-financial impacts, further advancing its proactive response framework. The Audit Committee oversees climate risk-related activities and reviews internal control systems for climate change response as part of the Group's ESG management framework.	Pages 24-26 of the Sustainability Report
	5.2 Initiatives and measures of your bank to foster a culture of responsible banking among its employees	Leveraging the integrated learning platform BNK E-Campus, alongside the external platform KBI-TUBE, we provide ESG online educational content on a continuous basis, thereby deepening employees' ESG understanding and enhancing practical competencies. We have built a learning environment where employees can study key ESG issues untied to place or time. In the years ahead, we will expand content linked to global ESG trends while upgrading materials tailored to practical work applications.	Pages 109-116 of the Sustainability Report
	5.3 Policies that address environmental and social risks within the portfolio, due diligence processes that have installed to identify and manage environmental and social risks associated with your portfolio	In 2024, BNK Financial Group forged its ESG finance classification system, which applies to all financial products of the Group, and has been operated in a systematic manner. This system categorizes financial products into environmental, social, and governance (ESG) areas, while setting aside integrated products that span the entire ESG spectrum. This approach enables customized management according to the characteristics of each product. Furthermore, we ensure the incorporation of revisions to the K-Taxonomy into our system on a regular basis while reviewing our classification standards in line with the evolving market environment and expanding their scope. These efforts allow us to get a firm grip on the contribution level of financial products to ESG, while solidifying the efficient management of sustainable finance assets.	Pages .47-53 of the Sustainability Report
6. Transparency and Accountability	We disclose the negative/positive impacts on society arising from regular inspections and management activities.		
	6.3 Matters of implementation for the next 12 months (or 18 months after the first report following the signature	BNK Financial Group operates the ESG Action Plan performance management framework under the leadership of the Group management strategy division, translating the Group's 2024-2026 mid- to long-term ESG strategy established in April 2024 into measurable execution. Built around the Group's three strategic directions and 12 key focus areas, the framework systematically manages both holding company-wide initiatives and subsidiary-level action plans. Key focus areas including GHG reduction target setting and performance tracking, development of a green financial product taxonomy, financed emissions monitoring, financial consumer protection, and ESG risk management are reviewed on a semiannual basis, with progress regularly reported to management, Board of Directors, and the ESG Committee. As of the end of 2025, Group-wide initiatives and subsidiary action plans are being implemented in phases in alignment with the Group's strategic directions and priority areas. We continuously monitor and manage the progress and outcomes of key initiatives. In addition, we have further advanced our performance management framework by assigning clear R&R to responsible departments for individual indicators and establishing an ESG disclosure system that spans all subsidiaries across the Group. Going forward, we will further refine our disclosure platform while broadening its scope to include biodiversity management and ESG financial product oversight, thereby continuing to reinforce the practical execution of ESG management.	Page 19 of the Sustainability Report

Global Initiatives

UNGC Index

The UN Global Compact (UNGC) is the world's largest voluntary corporate citizenship initiative, presenting ten principles across the areas of human rights, labor, and anti-corruption. Since joining the initiative, BNK Financial Group has strived to fulfill its social responsibilities in compliance with the Ten Principles of the UNGC. In the years ahead, we will remain steadfast in our commitment to these principles, transparently disclosing our achievements and thereby embodying the role of a corporate citizen dedicated to shaping a sustainable society.

Principle		Key Initiatives	Page
Human Rights	Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2. make sure that they are not complicit in human rights abuses.	• Build a human rights governance framework • Enact and amend policies for human rights management and diversity • Conduct human rights due diligence, including impact assessments (identify stakeholders and areas vulnerable to human rights risks, develop countermeasures, and monitor progress) • Establish a human rights resolution process with multiple reporting channels in operation • Provide human rights education for employees	104-108
Labour	Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4. the elimination of all forms of forced and compulsory labour; Principle 5. the effective abolition of child labour; and Principle 6. the elimination of discrimination in respect of employment and occupation.	• Formulate and revise human rights management policies (including aspects related to labor rights guarantees) • Establish labor unions and a labor-management council • Promote labor-management communication and employee engagement programs • Embed fair and rational employment practices, performance assessment and compensation systems, and fairness monitoring mechanisms	104-107
Environment	Principle 7. Businesses should support a precautionary approach to environmental challenges; Principle 8. undertake initiatives to promote greater environmental responsibility; and Principle 9. encourage the development and diffusion of environmentally friendly technologies.	• Operate an ESG Data Platform to manage subsidiaries' environmental performance • Identify climate-related risks and opportunities in alignment with TCFD recommendations, assess response status, and devise plans accordingly • Operate a financed emissions measurement system and database • Obtain SBTi approval for GHG reduction targets • Upgrade eco-friendly product management based on the ESG finance classification system • Expand sales of green products and scale up green investments • Embed a green business culture throughout the organization	27-53
Anti Corruption	Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.	• Launch an Internal Control Committee and establish the Group's standardized internal control framework • Oversee internal control and strengthen its management system • Formulate policies for anti-corruption, anti-bribery, and anti-money laundering • Operate a whistleblowing system • Provide ethical education and programs designed to foster practices that permeate an ethical and compliance-oriented culture across the organization	96-103

ESG Policies

On the environmental, social, and governance fronts, BNK Financial Group fully discharges its responsibilities and duties by formulating regulations and policies in alignment with both domestic and international initiatives and standards.

Environmental

- Environmental Management Policy
- Environmental and Social Risk Management Policy Framework
- Biodiversity Policy
- ESG Financial Policy
- Resource Circulation Policy
- State on Exiting Coal Finance

Social

- Statement on Inclusive Finance
- Occupational Safety & Health Policy
- Human Rights Policy
- Community Engagement Policy
- Fair Trade Policy
- Supplier Management Policy
- Diversity & Inclusion Policy
- Personal Information Protection Policy
- Fair Advertising Policy
- Financial Customer Protection Charter

Governance

- Board Independence and Diversity Policy
- Dividend Policy
- Tax Policy
- Anti-Corruption & Anti-Bribery Policy
- Code of Ethics
- Anti-Money Laundering Policy
- Debt Collection Policy

Third-party Assurance Statement

Assurance Statement

Dear Management and Stakeholders of BNK FINANCIAL GROUP

Introduction

Korean Standards Association ("KSA") was commissioned by BNK FINANCIAL GROUP ("the Company") to perform a third-party Assurance Engagement of '2025 BNK FINANCIAL GROUP Sustainability Report and Special Report' ("the Report"). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. The Company has sole responsibility for the content and performance contained in this Report.

Independence

As an independent assurance agency, KSA does not have any kind of commercial interest in businesses of the Company apart from undertaking a third-party assurance on the Report. KSA has no other contract with the Company that may undermine credibility and integrity as an independent assurance agency.

Assurance Standards: AA1000AS v3

Assurance Level and Type: Moderate, Type2

Note: Moderate assurance has a lower level of confidence than high assurance because it is based on limited evidence.

Assurance Scope

The assurance scope includes systems and activities such as sustainability management policies, goals, businesses, standards, and achievements of the Company during the reporting period. While the Company's environmental and social data, as well as financial data in a broad sense, was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

- in adherence with the four principles of AA1000AP(AccountAbility Principles) 2018
- in accordance with GRI Standards 2021

(Topic Standards)
201-1, 203-1, 205-3, 206-1, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5, 401-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 404-2, 405-1, 415-1, 417-1, 417-2, 417-3, 418-1

- Company-specific Indicator: Mobile Customer Ratio, Monthly Mobile Service Users, Employee compensation by gender, Days of absence due to all illnesses and injuries, Days of absence due to work-related illnesses and injuries

Assurance Methodology

KSA used the following methods to gather information, documents, and evidence with respect to the assurance scope.

- Confirmation of stakeholder engagement and materiality assessment process by the sustainability expert.
- Verification of environmental information disclosure data and information by the environmental expert.
- Examination of internal documents and basic materials.

Assurance limitations

This assurance was conducted primarily on disclosures and assured indicators related to material issues, and certain disclosure items deemed less relevant to the material issues were excluded from the assurance scope. In addition, as the Special Report was prepared to explain the status of the application of recommendations related to TCFD, TNFD, human rights impact assessments, and sustainable finance, the review focused on the factual accuracy of the disclosures and the supporting evidence. The ESG Data Pack was assured only for data related to the assured indicators, and other information was excluded from the assurance scope.

Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. KSA was not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, KSA presents our opinions of the '2025 BNK FINANCIAL GROUP Sustainability Report and Special Report' as follows.

Third-party Assurance Statement

Assurance Statement

Four principles of AA1000AP(AccountAbility Principles) 2018

Inclusivity

- Has the Company engaged its stakeholders in strategically responding to sustainability?

KSA believes the Company is aware of the importance of stakeholder engagement and is making an all-out effort to establish a process that will increase their engagement. The Company has selected stakeholders including Customers, Employees, Shareholders and Investors, Business Partners, Local Communities, Government and Regulatory Authorities and has communication channels for each group to receive diverse feedbacks and opinions.

Materiality

- Has the Company included material information in the Report to help stakeholders make informed decisions?

KSA is not aware of any significant omissions or exclusions of data that are material to stakeholders. KSA verified that the Company conducted a materiality assessment with issues identified from analyses of internal and external environments and reported according to the result.

Responsiveness

- Has the Company appropriately responded to stakeholder requirements and interest in this Report?

KSA verified that the Company responded to stakeholders' needs and interests by reflecting stakeholders' opinions in the Report. KSA is not aware of any evidence that the Company's response to significant issues of stakeholders was reported inappropriately.

Impact

- Has the Company appropriately monitored its impact on the stakeholders?

KSA verified that the Company is monitoring and assessing its impact on the stakeholders by conducting an enhanced verification of its standard business activities. Furthermore, it has been verified that the Company appropriately publishes its findings in the Report.

Reliability and quality of specified performance

- Has the Company appropriately collected and disclosed specified performance information based on a reliable process?

The assurance provider performed a reliability assurance of the sustainability performance information on the subject of Type 2 assurance. To assure this information, interviews were conducted with relevant personnel, and it was determined that the performance information disclosed in the Report was collected and disclosed based on a reliable process and evidence. Additionally, no evidence was found indicating that specific sustainability information was inaccurately reported.

June 2026

Dong Min Moon

KSA Chairman & CEO

AA1000
Licensed Report
000-70/V3-KHD5C

The Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider that distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS certification and ISO certification. The KSA is committed to the sustainable development of Korean society as an ISO 26000 national secretary, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, and as an assurance provider of the Korean government's greenhouse gas energy target management system.

GHG Emissions Verification

Assurance Statement for 2025 GHG Emissions

GI-26-V025-02-00

BNK Financial Group

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 1, 2 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of BNK Financial Group[1] (hereinafter 'Company') for 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters) : 30 Munhyeongeumyung-ro, Nam-gu, Busan

Verification Purpose

The purpose is to provide an independent verification opinion on the company's voluntary GHG emissions inventories.

Verification Scope

KFQ's verification scope covered facilities and emission sources at BNK Financial Group and nine subsidiaries[2] under the operational control and organizational boundary of the company during 2025.

2) BNK Busan Bank, BNK Kyongnam Bank, BNK Capital, BNK Securities, BNK Savings Bank, BNK Asset Management, BNK Venture Capital, BNK Credit Information, BNK System

Verification Criteria

The verification was carried out at the request of the company using:

- ISO 14064-1:2018, ISO14064-3:2019
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Rule for emission reporting and certification of greenhouse gas emission trading Scheme (Notification No. 2025-64 of Ministry of Environment)

Verification Approach

The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3:2019' under the limited verification level. The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

1) GHG emissions Company were properly calculated according to the verification standards.
2) The data and information used in calculating the GHG emissions were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found. The materiality assessment result of GHG emissions has met the agreed-upon criterion of less than 5%.
3) Accordingly, KFQ provides a verification opinion that is "Unmodified".

Unit : tCO_2eq

Scope 1	Scope 2	Total
3,385.852	24,847.844	28,234

* Because total emissions from each site are rounded, the company's total emissions may differ from the actual values by ±1 tCO_2eq.

Appendix. 2025 Emissions Calculation Results

Organization : BNK Financial Group and nine subsidiaries
Emission calculation period : January 1st to December 31st, 2025

Scope 1, 2 Emissions

Unit : tCO_2eq

Year	Sites	Scope 1	Scope 2	Total
2025	BNK Financial Group	138.871	354.462	493
	BNK Busan Bank	1,401.757	16,949.654	18,351
	BNK Kyongnam Bank	1,441.318	5,178.961	6,620
	BNK Capital	90.223	254.535	345
	BNK Securities	133.622	409.006	543
	BNK Savings Bank	44.519	237.467	282
	BNK Asset Management	61.136	29.850	91
	BNK Venture Capital	23.528	17.580	41
	BNK Credit Information	14.711	100.985	116
	BNK System	36.167	1,315.344	1,352
Total				28,234

* Because total emissions from each site are rounded, the company's total emissions may differ from the actual values by ±1 tCO_2eq.

2026-06-18

CEO Ji-Young Song
Korean Foundation for Quality

National Institute of Environmental Research

Assurance Statement for 2025 GHG Emissions

GI-26-V025-02-00

BNK Financial Group

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 3 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of BNK Financial Group[1] (hereinafter 'Company') for 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters) : 30, Munhyeon-geumyung-ro, Nam-gu, Busan, 48400, Republic of Korea

Verification Purpose

The purpose is to provide an independent verification opinion on the company's Scope3 emissions.

Verification Scope

The verification covered eight emission categories [2] selected by the company [3] during 2025.

2) Category 1, 2, 3, 5, 6, 7, 12, 15

3) Domestic business sites: BNK Financial Group, BNK Busan Bank, BNK Kyongnam Bank, BNK Capital, BNK Securities, BNK Savings Bank, BNK Asset Management, BNK Credit Information, BNK System, BNK Venture Capital

Verification Criteria

The following criteria and coefficients used by the company were applied.

- Criteria
  - ISO 14064-1:2018, ISO14064-3:2019
  - 2006 IPCC Guidelines for National Greenhouse Gas Inventories
  - GHG Protocol Corporate Standard
  - WBCSD/WRI, Corporate Value Chain (Scope 3) Accounting and Reporting Standard
  - The Global GHG Accounting and Reporting Standard for the Financial Industry(PCAF)
- Coefficient
  - Environmental Product Declaration evaluation coefficient (2021)
  - Ministry of Environment Guideline for Low-carbon Events(2008)

Level of Assurance

The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3:2019' under the limited verification level.

Verification Limitation

GHG emissions verification involves inherent limitations that may arise depending on the organization's data characteristics, calculations and estimates, sampling method, and limited assurance level. Additionally, this verification does not include responsibility for the accuracy of the original data provided by the company.

Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

1) GHG emissions of the company for 2025 were properly calculated based on the materials provided, and no material errors or omissions that could affect the verification opinion were identified.
2) The criteria and process established by the company for calculating GHG emissions were transparently documented in the internal calculation process to prevent potential misunderstandings.
3) Accordingly, KFQ provides a verification opinion that is "Unmodified".

Appendix. 2025 Scope 3 Emissions Calculation Results

Organization : BNK Financial Group

Emission calculation period : The emission calculation period is from January 1st to December 31st, 2025.

Scope 3 Emissions verification Results

Unit : tCO_2eq

	Category	Total emissions
1	Purchased goods & services	393
2	Capital goods	75
3	Fuel and Energy-related activities not included in Scope 1+2	4,004
5	Waste generated in operations	111
6	Business travel	604
7	Employee commuting	2,624
12	End of life treatment of sold products	30
15	Investments	25,283,859
	Total	25,291,700

* The total emissions are rounded to the nearest whole number, and the difference from the actual value may be less than ± 1 tCO_2eq.
* Based on the PCAF (Partnership for Carbon Accounting Financials) methodology, seven asset classes — listed equity and corporate bonds, business loans and unlisted equity, project finance, commercial real estate, mortgages, motor vehicle loans, and sovereign exposures — were included in the calculation, with the scope limited to assets for which emissions data are currently available.

Category 15 Emissions by Asset Class

Unit : tCO_2eq

	Category 15 Asset Classes	Total emissions
1	Listed stocks and corporate bonds	780,811
2	Corporate loans and unlisted Stocks	22,412,492
3	Project Finance (Generation and infrastructure)	154,018
4	Industrial real estate	33,537
5	Mortgage (Purchasing funds)	52,661
6	Automobile loans	48,142
7	Government exposure	1,802,197
	Total	25,283,859

2026-06-19

CEO Ji-Young Song
Korean Foundation for Quality

National Institute of Environmental Research

About this Report

Report Overview

Marking the 14th publication of the Sustainability Report, this edition provides a comprehensive snapshot of BNK Financial Group's 2025 initiatives and progress toward achieving sustainable management for its stakeholders. The release of the Sustainability Report underscores our commitment to transparent disclosure of sustainability performance, and we will remain dedicated to actively engaging with stakeholders.

Reporting Period

This report spans the period from January 1, 2025 through December 31, 2025, covering BNK Financial Group's sustainable management initiatives and achievements. Taking into account the timeliness and significance of certain data that may influence stakeholders' decisions, the report also includes some operations from the first half of 2026. For quantitative performance, three to four years of records are provided to enable improved comparison and analysis.

Reporting Scope

The scope of this report encompasses ten companies, including nine subsidiaries and BNK Financial Group, as well as the Headquarters and all branches. When relevant, overseas business performance is also disclosed. Certain data apply only to specific subsidiaries; in such cases, this is indicated in footnotes. Data corrections are marked separately.

Reporting Frameworks and Standards

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021. Climate-related information is disclosed both in this report and in the Special Report, which have been prepared in line with the TCFD (Task Force on Climate-related Financial Disclosures) recommendations and the KSSB 2 Sustainability Disclosure Standards. For GHG reduction targets and financed emissions data, this report refers to the SBTi (Science Based Targets initiative) approval criteria and the PCAF (Partnership for Carbon Accounting Financials) methodology.
With respect to the disclosure of natural capital, this report and the Special Report follow the TNFD (Taskforce on Nature-related Financial Disclosures) recommendations while aligning ESG finance and green finance data descriptions with the Green Credit Management Guidelines issued by the Financial Services Commission and the K-Taxonomy.
Finally, the financial data in this report are prepared on a consolidated basis in accordance with Korean International Financial Reporting Standards (K-IFRS).

Third-Party Assurance

To ensure data reliability and quality, this report has undergone third-party verification by the Korean Standards Association. The assurance statement is provided on page 191.

For further information, please refer to the BNK Financial Group website. This report is also available for download in PDF format. For any inquiries or requests for additional data regarding this report, please contact us using the following information.

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