BNK Financial Group

SUSTAINABLE FINANCE TOGETHER



BNK Financial Group Social Value Measurement Report

TOUCH Your Heart, BNK

CONTENTS







ABOUT BNK SOCIAL VALUE MEASUREMENT

03 BNK Social Value Measurement Overview

BNK SOCIAL VALUE MEASUREMENT SYSTEM

05 BNK Social Value Measurement Framework

BNK SOCIAL VALUE MEASUREMENT OUTCOMES

07 2025 BNK Social Value Summary

08 BNK Social Value Trends

09 Outcomes by Area and Key Cases

BNK SOCIAL VALUE MANAGEMENT STRATEGY

21 Measurement Management and Advancement Strategy

Appendix

22 Comprehensive List of Metrics

About BNK Social Value Measurement

BNK Social Value Measurement Overview

The financial industry forms part of the core infrastructure that drives the broader economy through the flow of capital and directly and indirectly influences the growth and stability of individuals, businesses, local communities, and the nation as a whole. The influence of finance is not limited to the circulation of money. Its impact generates powerful ripple effects across society, shaping employment, education, public health, environmental sustainability, and balanced regional development. Recognizing the significant ESG implications of its operations, BNK Financial Group is committed to amplifying its positive contributions through responsible management and accountable decision-making. Our declaration of VISION 2030 clearly demonstrates this commitment, reinforced by the 2024 - 2026 ESG mid- to long-term strategy that embodies our management vision and core values. Aligned with this ESG strategy, since 2022, we have quantified the social value created by BNK Financial Group and disclosed the measurement results to stakeholders. By quantifying social value to express corporate impact and visualizing results through objective indicators, we strengthen accountability and transparency. Ultimately, this process lays the foundation for the financial industry's role in social contribution.

Our ESG Strategy

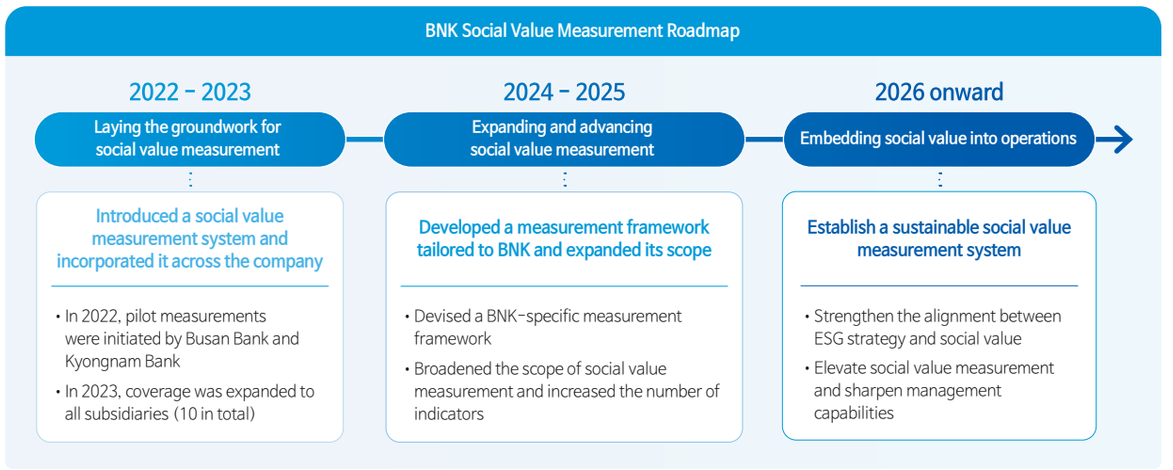
Anchored in VISION 2030, BNK Financial Group has formulated its 2024 - 2026 ESG mid- to long-term strategy, guiding us toward full-fledged ESG management. This strategy is driven by three strategic approaches: 'advancing environmentally responsible green finance,' 'fostering finance for shared growth together with local communities,' and 'establishing ethical finance towards sustainability.' These initiatives are being implemented across twelve focus areas in close collaboration with BNK Financial Group and its all subsidiaries.



Our Social Value Measurement Roadmap

From 2022 to 2023, BNK Financial Group laid the groundwork for social value measurement. In 2022, Busan Bank and Kyongnam Bank initiated trial measurements, which were later expanded to all subsidiaries in 2023. By 2024, referencing global metrics and initiatives, we developed a social value measurement framework tailored to BNK. The increase in measurement indicators from 36 in 2023 to 61 in 2024 demonstrates the advancement of our measurement practices to a higher level. This framework provides the foundation for structured management of quantified outcomes across the full spectrum of ESG activities and underpins our commitment to continuous improvement.

In 2025, we solidified our management foundation through a range of initiatives, including reinforcing alignment with our ESG strategy and broadening the scope of social value measurement with ESG financial products and products for shared growth with local communities, reflecting our identity as a region-based financial company. In the coming years, we will embed social value into our strategies and business operations, thereby strengthening our foundation for sustainable social value creation.



BNK SOCIAL VALUE MEASUREMENT SYSTEM

05 BNK Social Value Measurement Framework


Panoramic View of Busan

About BNK Social Value Measurement

BNK Social Value Measurement System

BNK Social Value Measurement Framework

BNK Social Value Measurement Outcomes

BNK Social Value Management Strategy

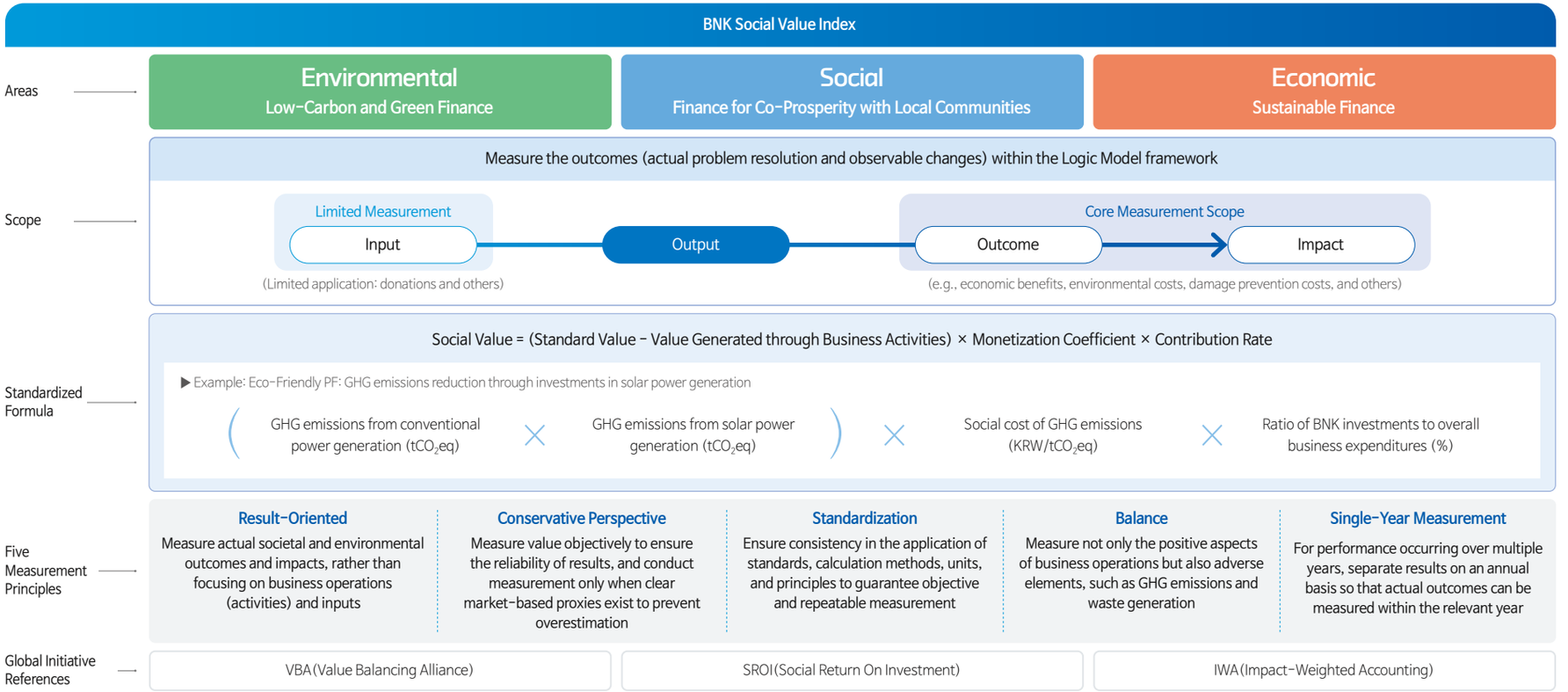
Appendix

BNK Social Value Measurement System

BNK Social Value Measurement Framework

BNK Financial Group has established the BNK Social Value Index, a unique measurement system tailored to BNK by referencing its key ESG activities, global measurement initiatives and methodologies, as well as domestic and international cases.

The BNK Social Value Index evaluates the social value created through ESG activities from a results-oriented perspective. For example, in assessing the social value of green loans, we measure the reduction in interest expenses for SMEs (Outcome) and the environmental impact reduction achieved through eco-friendly infrastructure development (Impact), rather than simply measuring the loan amount (Input). This approach enables us to capture the extent of actual change and the resolution of real problems. In addition, five principles for social value measurement have been formulated, along with standardized formulas that can be applied across a diverse range of ESG initiatives. These principles serve as benchmarks that guide us in measuring the value of ESG activities in the most reliable and objective manner. They also ensure consistency in performance measurement and management across the entire business, making the measurement process more straightforward. The outcomes of these measurements can be leveraged for transparent communication with stakeholders over the long term, as well as for performance-based strategy formulation and effective decision-making.



BNK SOCIAL VALUE MEASUREMENT OUTCOMES

07 2025 BNK Social Value Summary
08 BNK Social Value Trends
09 Outcomes by Area and Key Cases



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

BNK Social Value Measurement Outcomes

2025 BNK Social Value Summary

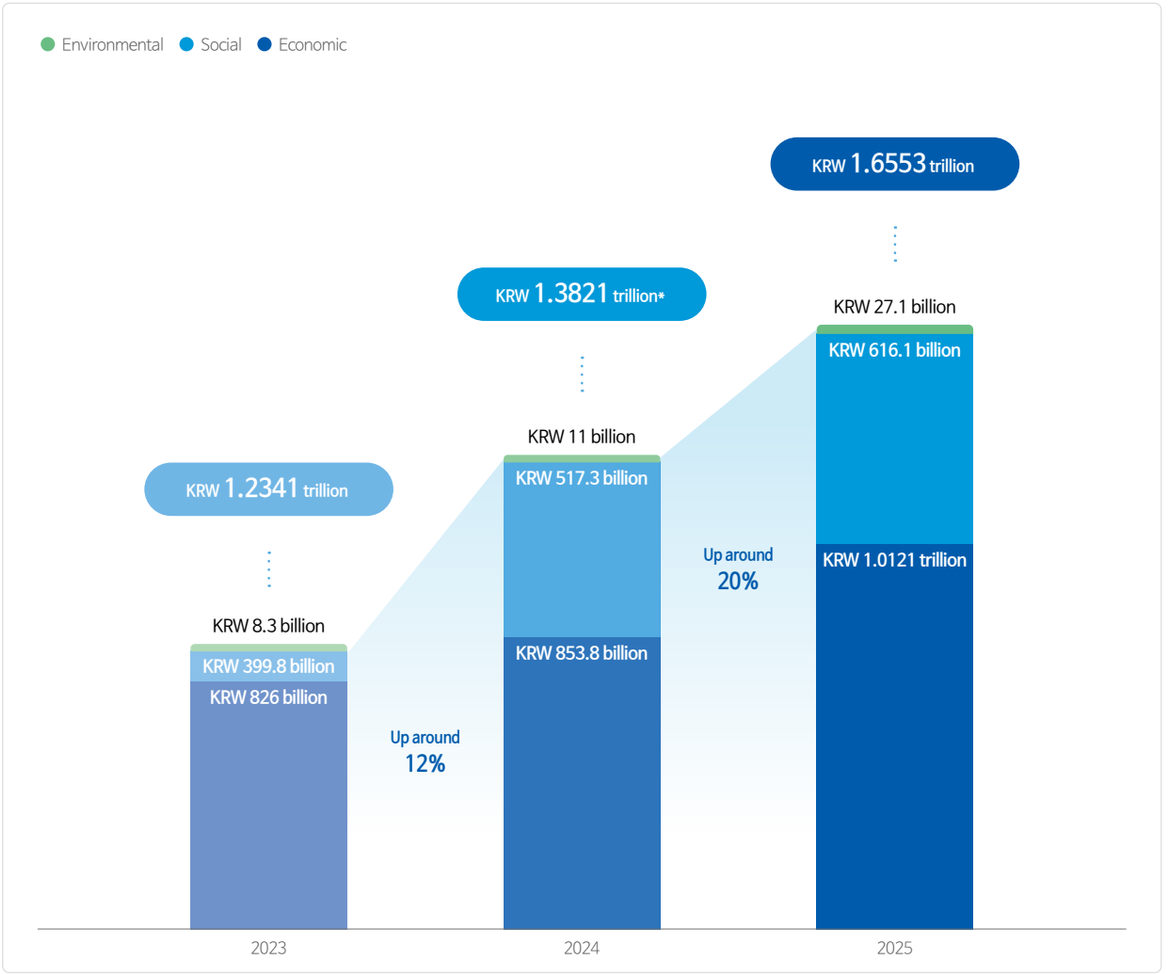
BNK Financial Group and its nine subsidiaries generated approximately KRW 1.6553 trillion in social value in 2025. By category, KRW 27.1 billion was created in the environmental domain, KRW 616.1 billion in the social domain, and KRW 1.0121 trillion in economic domain. In the environmental domain, performance is measured based on eco-friendly management, financial products, and green social contribution activities, with environmental costs from GHG emissions and waste generation deducted. In the social domain, performance is measured by contributions to clients, local communities, and employees through inclusive, innovative, and shared-growth financial products that embody our core accountability as a financial institution. Costs arising from legal violations are deducted. The economic domain reflects economic value delivered to shareholders (dividends), to the government (tax payments), and includes social costs (levies).



BNK Social Value Measurement Outcomes

BNK Social Value Trends

Since the introduction of social value measurement, BNK Financial Group has constantly scaled up its social value creation. In 2025, this effort culminated in an all-time high of KRW 1.6553 trillion, representing an increase of about 20% compared to the previous year. This achievement was driven by a nearly 19% rise in social value in the economic area, reaching KRW 1.0121 trillion, along with steady growth in the social domain, which recorded KRW 616.1 billion. In addition, the environmental domain also advanced, contributing KRW 27.1 billion.



Advancing Social Value Measurement in 2025

1. Strengthening Data Accuracy and Measurement Foundations

We have expanded the scope of data submission at both the Group and department levels, while systematizing the calculation standards for each indicator and strengthening the data management system. This has resulted in improved accuracy and consistency. Furthermore, our efforts to identify previously non-participating departments and newly applicable indicators have solidified participation in social value measurement across the Group.

2. Expansion of Social Value Measurement in Core Financial Business

We have broadened the scope of financial products subject to social value measurement, reflecting a wider range of social value creation through our core financial business. This includes ESG financial products and offerings designed to promote shared prosperity with local communities. By doing so, we have expanded the measurement framework to more comprehensively capture the social and environmental value generated through financial products.

3. Reinforcing Outcome- and Impact-Oriented Measurement

In the social contribution area, we have refined the system to move beyond measuring inputs and activity outputs and focus instead on tangible changes experienced by beneficiaries and broader social impacts. This enhancement has laid the foundation for more multidimensional management of the social value generated through our contributions.



• In 2024, the measured social value posted KRW 1.4664 trillion. Upon request from the financial authorities, the interest cashback support, conducted for a limited period, was terminated in 2025. Accordingly, the relevant indicator was eliminated, and for comparison purposes, we adjusted the 2024 performance to the same standard.

BNK Social Value Measurement Outcomes

Outcomes by Area and Key Cases - Environmental (E)

BNK Financial Group has generated KRW 27.1 billion in social value across the environmental sector. In particular, eco-friendly products, including environmentally friendly loans, deposits, and green investments, which are part of our responsibilities as a financial institution, drove this achievement, recording KRW 29.91 billion. The expansion of the measurement scope of eco-friendly PF/PI is especially attributed to the improvement in performance.

Environmental Performance → KRW **27.1** billion

Environmental Impact

KRW **-3.44** billion

- GHG emissions
- Water consumption
- Waste generation

Green Management

KRW **240** million

- GHG emissions reduction
- Digital transformation
- Shift to eco-friendly vehicles and transportation
- Solar power generation
- Replacement with LED lights
- Cultivation of an environmentally friendly culture

Green Social Contribution

KRW **390** million

- Biodiversity conservation activities (e.g., tree planting)
- Fine dust suction vehicles
- Plogging
- Green product procurement

Green Products

KRW **29.91** billion

- Cards made of eco-friendly materials
- Issuance of eco points
- Green finance for individuals
- Green finance for enterprises
- Green investments

Key Activity Measurement Case

E - Eco-Friendly Society

Biodiversity Conservation Activities

BNK Busan Bank BNK Kyongnam Bank

As part of 'BNK Corporate Social Responsibility Day,' BNK Financial Group plans and carries out environmental cleanup and ecosystem conservation activities with direct employee participation. Through initiatives such as the restoration of Suaeda japonica habitats in the Bongam Tidal Flat, the creation of 'BNK Garden for Hope,' and the establishment of the 'Busan Bank Corporate Garden' at Samnak Ecological Park, the Group contributes not only to improving air quality but also to ecosystem recovery and providing spaces for rest and relaxation for local communities.

1 Restoration of Suaeda Japonica Habitats in the Bongam Tidal Flat

Aiming to preserve biodiversity and contribute 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. suaeda japonica is a representative blue carbon halophyte that plays a critical role in enhancing the tidal flat's capacity to store and absorb carbon.

2 Creation of BNK Garden for Hope

Kyongnam Bank created the 380.1m^2 'BNK Garden for Hope' in Sancheong-gun to restore the environment damaged by wildfires and provide a resting space for local residents. Going beyond environmental restoration, the garden serves as a symbol of 'regeneration and recovery' for the wildfire-affected community.

3 Establishment of the Busan Bank Corporate Garden

Busan Bank established the 621m^2 'Busan Bank Corporate Garden' around the Nakdong River Samnak Ecological Park. 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, contributing to local ecosystem conservation while offering citizens a place to rest.

Measurement Method

Measurement Formula

Σ (By vegetation type: ① CO_2 Emission Reduction Performance + ② Oxygen Production Performance)

① CO_2 Emission Reduction Performance = Σ [CO_2 Storage by tree type (tCO_2eq) × Social Cost of Carbon (KRW/tCO_2eq)]
② Oxygen Production Performance = Σ [CO_2 Storage by tree type (tCO_2eq) × CO_2-Oxygen Conversion Factor × Average Market Price of Domestic Liquid Oxygen (KRW/ton)]

Data Sources

1) Annual CO_2 Storage of Wetlands: 2013 IPCC average values by blue carbon vegetation type
2) CO_2 Storage of Grasses, Evergreen Coniferous Trees, and Deciduous Broad-leaved Shrubs: Development of Carbon Absorption Coefficients and Comparison of Carbon Storage and Absorption of Major Shrubs in Urban Forests and Gardens, Korea Arboreta and Gardens Institute (2022)
3) Conversion of the Number of Planted Herbaceous Plants into Area: LH Design Guidelines (Landscape), Korea Land & Housing Corporation
4) CO_2-Oxygen Conversion Factor: 'Evaluation Results and Insights of Forest's Public Benefits,' Forest Policy Issue No. 137, National Institute of Forest Science (2018)
5) Average Market Price of Domestic Liquid Oxygen: Price Information, Korea Price Information Association (KPIA), Average Price of Liquid Oxygen Tank Lorry (as of Jan. 2024)

KRW 380 million

TOUCH Your Heart, BNK
BNK Financial Group Social Value Measurement Report
About BNK Social Value Measurement
BNK Social Value Measurement System
BNK Social Value Measurement Outcomes
2025 BNK Social Value Summary
BNK Social Value Trends
Outcomes by Area and Key Cases
BNK Social Value Management Strategy
Appendix

BNK Social Value Measurement Outcomes

Key Activity Measurement Case

E - Eco-Friendly Lending

Support for the Adoption of Eco-Friendly Vehicles

BNK Capital

BNK Financial Group contributes to the wider adoption of eco-friendly vehicles and improved air quality through financial products for long-term rentals of electric, hydrogen, and hybrid vehicles.

Eco-Friendly Vehicle Rental Financing



Green loans that finance long-term rentals of eco-friendly vehicles, including electric, hydrogen, and hybrid vehicles

New loans in 2024	Loan balance in 2024		New loans in 2025	Loan balance in 2025
4,757	KRW 188.8 billion	More than threefold increase in new loans	14,797	KRW 435.8 billion

Measurement Method

Measurement Formula

Σ (No. of new eco-friendly loans × ① GHG Emission Reduction Performance per Eco-Friendly Vehicle) × ② Contribution Rate

① GHG Emission Reduction Performance: GHG emission reduction per eco-friendly vehicle (tCO_2eq/vehicle/year) × Social Cost of Carbon (KRW/tCO_2eq)
② Contribution Rate: BNK Financial Group's loan balance (KRW) / Total value of eco-friendly vehicles (KRW)

Data Sources

1) CO_2 reduction per eco-friendly vehicle: Zero-Emission Vehicle Integrated Portal, Electric Vehicle Deployment Target
2) Discount rate for the present value conversion: Social discount rate, "Comprehensive Guidelines for Conducting Preliminary Feasibility Studies," Ministry of Economy and Finance

KRW 3.55 billion

Key Activity Measurement Case

E - Eco-Friendly Investment

Green Bonds - Investment in G-SEED Certified Eco-Friendly Buildings

BNK Financial Group

BNK Financial Group invests in G-SEED-certified green buildings, promoting greater energy efficiency, lower GHG emissions, and the wider adoption of sustainable building practices.

- Financial support for the construction of eco-friendly buildings



G-SEED-Certified Buildings

IMPACT Reduced environmental impact through investment in eco-friendly buildings

- Reduced energy consumption
- Lower GHG emissions
- Increased supply of eco-friendly buildings

Measurement Method

Measurement Formula	Σ {(Gross floor area × (GHG emissions from standard buildings - GHG emissions from G-SEED-certified buildings) × Social Cost of Carbon (KRW/tCO_2) × ① Bank's contribution rate}
	① Bank's contribution rate = BNK Financial Group's investment amount (KRW) / Total Project Cost of Eco-Friendly Buildings (KRW)
Data Sources	1) GHG emissions from standard buildings: Korea Environmental Industry & Technology Institute 2) GHG emissions from G-SEED-certified buildings: Korea Environmental Industry & Technology Institute

KRW 130 million

TOUCH Your Heart, BNK

BNK Financial Group Social Value Measurement Report

About BNK Social Value Measurement
BNK Social Value Measurement System
BNK Social Value Measurement Outcomes
2025 BNK Social Value Summary
BNK Social Value Trends
Outcomes by Area and Key Cases
BNK Social Value Management Strategy
Appendix

BNK Social Value Measurement Outcomes

Key Activity Measurement Case

E - Eco-Friendly Investment

PF/PI Investment

BNK Busan Bank BNK Kyongnam Bank

BNK Financial Group invests in eco-friendly projects, including renewable energy and resource circulation, through PF and PI investments, supporting the transition to a low-carbon economy and advancing sustainable environmental value creation.

1 Investment in the Siheung Clean Energy Center

Kyongnam Bank invested in a resource-circulating energy production facility that produces biogas from food waste through anaerobic digestion and converts it into usable energy, contributing to greater energy self-sufficiency and reduced GHG emissions.

2 Investment in a Waste Battery Recycling Company

Kyongnam Bank invested in a waste battery recycling business that recovers and recycles valuable metals such as lithium, nickel, and cobalt from used batteries. The investment supports a circular economy by promoting resource circulation of critical minerals, stabilizing raw material supply, and reducing carbon emissions.

3 Investment in the Ulsan Resource Recovery Facility

Busan Bank and Kyongnam Bank invested in the Ulsan Resource Recovery Facility, which reliably processes municipal waste and recovers heat energy generated during incineration for further use. By reducing waste sent to landfills and recovering energy, the facility contributes to resource circulation and lower GHG emissions.

Measurement Method

Measurement Formula

❶ Annual waste treatment volume at the Siheung Clean Energy Center (m^3)* × Biogas production factor by waste type (Nm^3/ton (m^3)) × CO_2 reduction per unit of biogas (tCO_2/Nm^3) × Social Cost of Carbon (KRW/tCO_2) × Bank's contribution rate (%)

❷ Volume of waste batteries recycled (t) × Pollutant emissions by resource type (t) × Environmental cost by pollutant (KRW/t) × Bank's contribution rate (%)

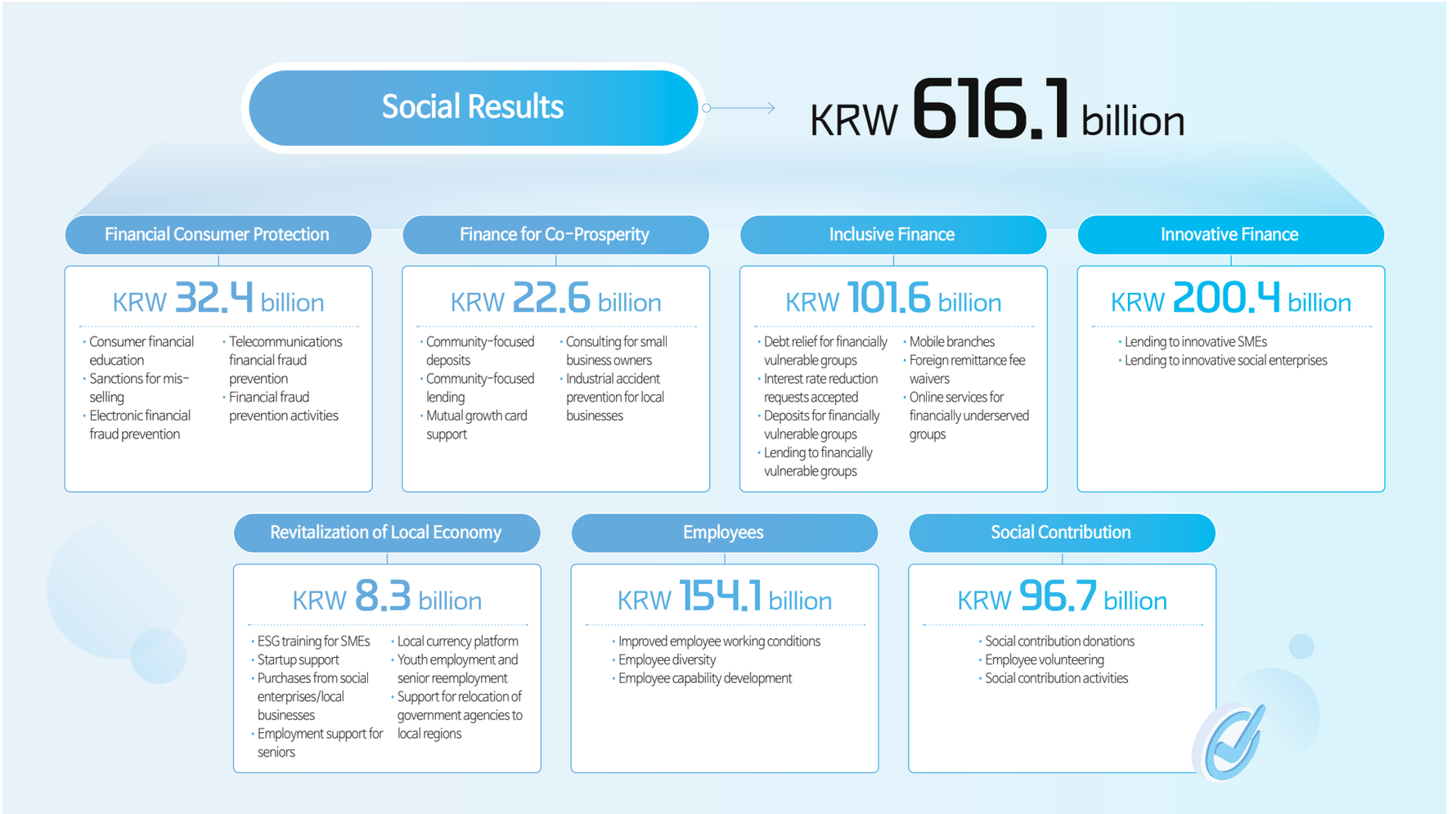
❸ Waste treatment volume (t) × Social cost savings from eco-friendly treatment (KRW/t) × Bank's contribution rate (%)

KRW 1.78 billion

BNK Social Value Measurement Outcomes

Outcomes by Area and Key Cases - Social (S)

In 2025, BNK Financial Group generated KRW 616.1 billion in social value within the social domain. Financial support for innovative SMEs created KRW 200.4 billion in value, laying the foundation for their sustainable growth, while initiatives to improve employee working conditions and develop employee capabilities generated KRW 154.1 billion. We also advance inclusive finance to broaden financial access for financially vulnerable groups, while actively promoting financial consumer protection and fostering vibrant local economies.



Key Activity Measurement Case

S - Inclusive Finance

PF Investment in Private Rental Housing Development

BNK Financial Group

BNK Financial Group invests in private rental housing development projects to expand access to stable housing for housing-vulnerable groups, easing their housing cost burden and improving housing stability.

- Project financing (PF) for private rental housing



Private Rental Housing

IMPACT Stable housing for housing-vulnerable groups

- Improved housing conditions
- Greater housing stability through guaranteed long-term tenancy (10 years)
- Reduced housing cost burden through below-market deposits

Measurement Method

Measurement Formula

Σ {(① Interest on General Jeonse Deposits − ② Interest on Private Rental Housing Jeonse Deposits)} × ③ Bank's Contribution Rate

① Interest on General Jeonse Deposits = Σ (General jeonse deposit (KRW) × Loan interest rate (%))
② Interest on Private Rental Housing Jeonse Deposits = Σ (Private rental housing jeonse deposit (KRW) × Loan interest rate (%))
③ Bank's Contribution Rate = BNK Financial Group's investment amount (KRW) / Total project cost of the private rental housing development project (KRW)

Data Sources

1) General Jeonse* Deposits: Ministry of Land, Infrastructure and Transport, actual apartment rental transaction prices, based on jeonse deposits for properties in the surrounding area
2) Private Rental Housing Jeonse Deposits: Official information materials for the relevant private rental housing project
3) Average Loan Interest Rate: Korea Federation of Banks Consumer Portal

KRW 3.25 billion

* Jeonse: A Korean lease system in which a tenant pays a large, fully refundable lump-sum deposit instead of monthly rent.

TOUCH Your Heart, BNK

BNK Financial Group Social Value Measurement Report

About BNK Social Value Measurement
BNK Social Value Measurement System
BNK Social Value Measurement Outcomes
2025 BNK Social Value Summary
BNK Social Value Trends
Outcomes by Area and Key Cases
BNK Social Value Management Strategy
Appendix

Key Activity Measurement Case

S - Finance for Co-Prosperity

Industrial Accident Prevention for Regional Companies

BNK Financial Group

BNK Financial Group works to prevent industrial accidents and create safer workplaces for SMEs in Busan, Ulsan, and Gyeongnam, where industrial accident rates are relatively high, through data-driven risk assessments, occupational safety and health assessments and consulting, and financial support for accident prevention.

1 Activity

Occupational Safety and Health Assessment & Consulting

Leveraging our regional network, we offer occupational safety and health assessments and consulting to local SMEs. We also assist with the issuance of safety assessment reports, fostering greater awareness of workplace safety among SMEs.





2 Activity

Industrial Accident Prevention Infrastructure Support

We offer low-interest financing to SMEs investing in industrial accident prevention facilities, encouraging greater investment in workplace safety and reducing industrial accident risks.

Measurement Method

Measurement Formula	Σ (① Value of Assessments and Consulting + ② Cost Savings from Low-Interest Loans for Industrial Accident Prevention Infrastructure) ① Value of Assessments and Consulting = Σ (No. of companies receiving assessments and consulting × Market price of assessment and consulting services (KRW)) ② Cost Savings from Low-Interest Loans for Industrial Accident Prevention Infrastructure = Σ (Industrial accident prevention infrastructure loan amount × Interest rate reduction)
Data Sources	1) Market Price of Assessment and Consulting Services: Market price survey of comparable services 2) Average Loan Interest Rate: Korea Federation of Banks Consumer Portal

KRW 480 million

BNK Social Value Measurement Outcomes

Key Activity Measurement Case

S - Revitalization of Local Economy

Local Currency Platform

BNK Financial Group

BNK Financial Group operates 'Dongbaekjeon,' a local currency platform designed to foster co-prosperity and cooperation among small business owners, citizens, and traditional markets, creating '100 kinds of happiness and joy' through a virtuous cycle of local consumption. The platform keeps money circulating within the region, boosts sales for small business owners, and revitalizes the local economy.

2024 Dongbaekjeon Transaction Volume — KRW 1.4016 trillion

30% Increase

2025 Dongbaekjeon Transaction Volume — KRW 1.8344 trillion

Measurement Method

Measurement Formula	Annual Dongbaekjeon transaction volume (KRW) × Value-added rate (%) × Bank's contribution rate (%)
Data Sources	1) Value-added rate: National Tax Statistics, all-industry average 2) Bank's contribution rate: Share of total local currency program expenditures attributable to operating costs Program operation fees ÷ (Cashback payments + Program operation fees)

KRW 5.5 billion

S - Revitalization of Local Economy

Startup Support

BNK Financial Group · BNK Venture Capital · BNK Busan Bank · BNK Kyongnam Bank

BNK Financial Group supports the sustainable growth of local startups through mentoring, consulting, office space, and investment opportunities for prospective entrepreneurs and early-stage startups. Busan Bank's 'Sum Incubator' reached its 10th round in 2025, with 113 startups supported and KRW 13.1 billion in cumulative investment secured to date. Companies in the second round of Kyongnam Bank's 'CHAIN-G' secured KRW 15.0 billion in investment in 2025.

Program	Sum Incubator (10th Round)	CHAIN-G (2nd Round)	B-Startup Challenge	Storage B
Key Activities in 2025	• Selected 19 startups (7:1 selection ratio) • Focused on AI, fintech, and edtech • Included 8 prospective entrepreneur teams • 113 startups supported: KRW 13.1 billion in cumulative investment secured	• Selected 17 startups (10:1 selection ratio) • Offered business model diagnostics, IR pitching, tailored consulting, and investment support • Supported 17 companies each in the 1st and 2nd rounds • KRW 7.1 billion secured in the 1st round and KRW 15 billion in the 2nd round	• Jointly organized by Busan Metropolitan City, Busan Bank, and Busan MBC • Managed by BNK Venture Capital • Korea's only startup competition using an equity investment model	• Fostered startups and fintech companies through Storage B and expanded collaboration across subsidiaries • Facilitated member networking and business partnerships • Connected promising companies with investment opportunities and explored new business models
Subsidiary	Busan Bank	Kyongnam Bank	BNK Venture Capital, Busan Bank	BNK Financial Group

Measurement Method

Measurement Formula	Σ (① Value of Mentoring + ② Cost Savings from Office Space) ① Value of Mentoring = Σ (No. of mentoring sessions × Market price of mentoring (KRW/session)) ② Cost Savings from Office Space = Σ (Rental area (m^2) × Rental period (months) × Cost of comparable office space (KRW/m^2/month))
Data Sources	1) Market Price of Mentoring: Mentoring fees charged by university startup support centers 2) Market Price of Consulting: Private business model consulting fees 3) Office Space: Floor area and average rent of comparable office spaces in Busan and Gyeongnam

KRW 470 million

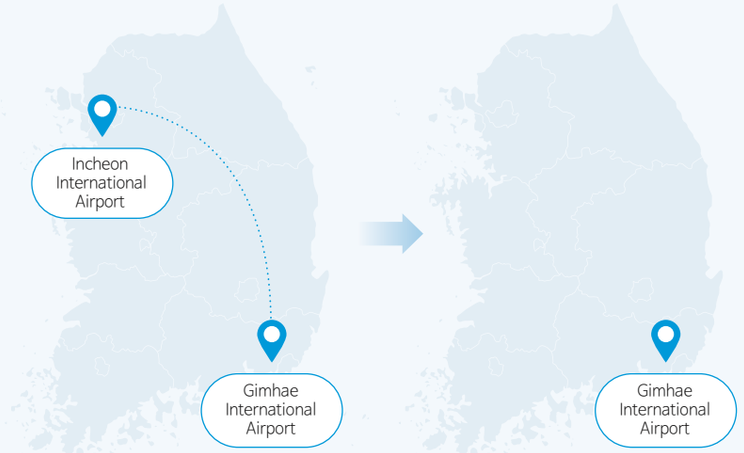
Key Activity Measurement Case

S - Inclusive Finance

Departure Guarantee Insurance Benefit Service for Foreign Workers

BNK Financial Group

BNK Financial Group enables foreign workers in Busan, Ulsan, and Gyeongnam to collect their departure guarantee insurance benefits (severance pay) at Gimhae International Airport. Dedicated service counters at the Gimhae International Airport Branch and currency exchange counters offer a more accessible option than traveling to Incheon International Airport, saving workers both time and transportation costs while ensuring convenient access to their benefits.



Measurement Method

Measurement Formula	No. of users of the Departure Guarantee Insurance Benefit Service × Round-trip transportation fare between Busan, Ulsan, and Gyeongnam and Incheon (KRW)
Data Sources	1) Transportation Fare: Intercity bus fare

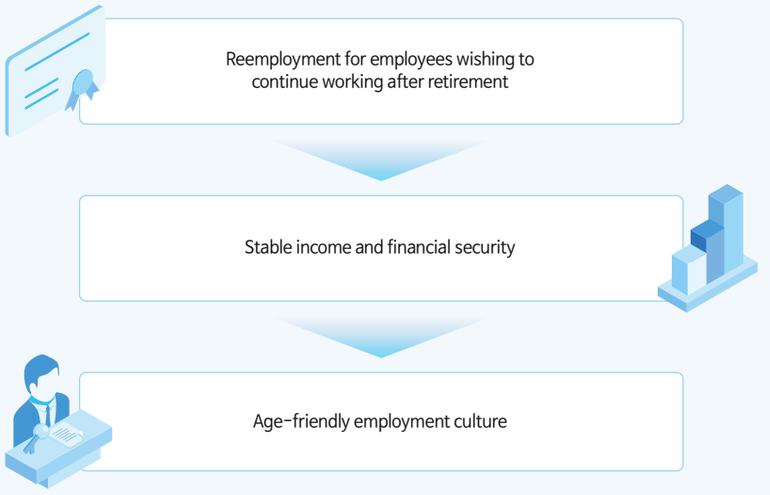
KRW 30 million

S - Revitalization of Local Economy

Reemployment of Retirees

BNK Financial Group

BNK Financial Group offers reemployment opportunities to employees after retirement, enabling them to remain economically active while retaining their experience and expertise within the organization. The program creates social value by supporting stable income and fostering an age-friendly employment culture.



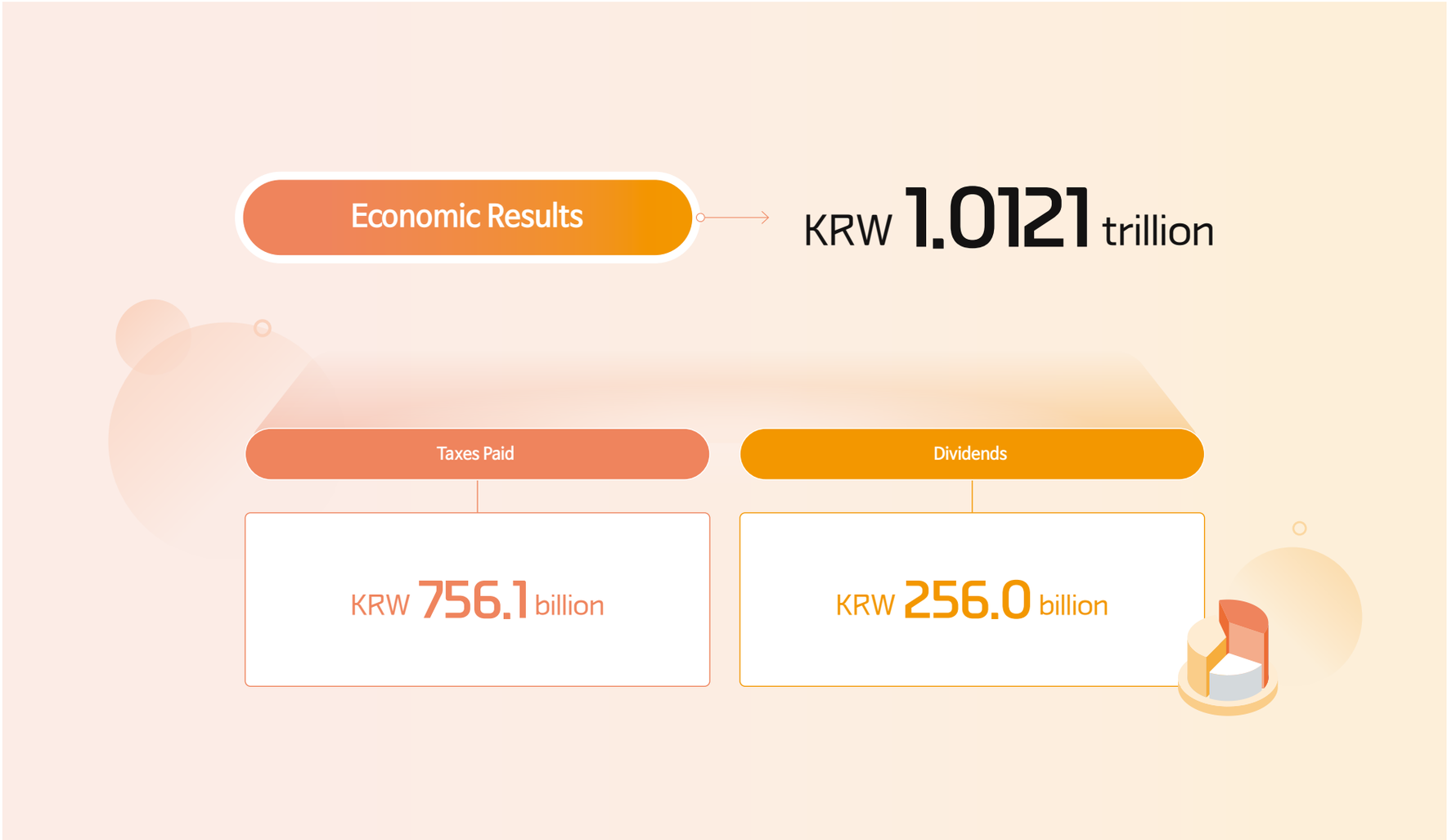
Measurement Method

Measurement Formula	No. of reemployed retirees × (Average annual salary paid by BNK (KRW) − Average income of older workers (KRW))
Data Sources	1) Average Income of Older Workers: Minimum wage

KRW 1.22 billion

Outcomes by Area and Key Cases - Economic (E)

BNK Financial Group generated KRW 1.0121 trillion in economic value. As a socially responsible corporate citizen, we fulfilled our tax obligations paying KRW 756.1 billion in taxes and distributed KRW 256.0 billion in dividends to shareholders, one of our key stakeholder groups.



About BNK Social Value Measurement
BNK Social Value Measurement System
BNK Social Value Measurement Outcomes
2025 BNK Social Value Summary
BNK Social Value Trends
Outcomes by Area and Key Cases
BNK Social Value Management Strategy
Appendix

BNK SOCIAL VALUE MANAGEMENT STRATEGY

21 Measurement Management and Advancement Strategy



Haeundae, Busan

BNK Social Value Management Strategy

Measurement Management and Advancement Strategy

BNK Financial Group systematically manages its social value creation performance based on its social value measurement and management strategy. We will further integrate measurement results into our ESG strategy and management activities, while advancing the Group-wide social value management framework to expand sustainable value creation.

Strategy	Progress	Future Goals
Advancement of the Measurement System	Since introducing social value measurement in 2022, we have prioritized the reliability and objectivity of our measurement methodology. We have refined the framework to reflect the business characteristics of the Group and its subsidiaries and improved data verification and calculation criteria to ensure greater reliability and consistency.	We will integrate the framework with the ESG management system to automate data-driven measurement and establish quality controls for more reliable social value measurement.
Measurement Aligned with ESG Strategy	We continue to identify new initiatives and projects based on our ESG strategy while gradually expanding the scope of social value measurement. By linking measurement results with ESG performance and sustainability disclosures, we have laid the foundation for integrated management of social and environmental performance.	We will actively incorporate social value measurement results into ESG strategy development, business prioritization, and investment decisions, further aligning social value management with sustainability management.
Embedding Social Value	We recognize social value creation as a core element of sustainable management and embed it across our strategy and operations. We have expanded social value measurement to all subsidiaries, deepened employees' understanding of the methodology, and shared measurement results to build organization-wide awareness and a stronger foundation for action.	We will link social value with our performance management framework to embed it across management activities and further develop each subsidiary's capacity to create social value.
Greater Efficiency in Social Value Creation	We aim to build a sustainable structure that improves the effectiveness of social value creation and enables efficient resource reallocation. We have established a foundation for managing the inputs and outputs of social value initiatives and compiled baseline data to assess their efficiency.	We will refine performance analysis and feedback mechanisms for each initiative and improve performance-based resource allocation and business activities to increase the effectiveness and efficiency of social value creation.

Appendix_Comprehensive List of Metrics [Environmental]

Classifications	Metrics	Descriptions (activity details)	Subsidiaries subject to measurement
Environmental Impact	Greenhouse Gas Emissions	Environmental impact from annual GHG emissions	Holding Company and all subsidiaries
Environmental Impact	Water Consumption	Environmental impact from annual water use	Holding Company and all subsidiaries
Environmental Impact	Waste Discharge	Environmental impact from annual waste generation	Busan Bank, Kyongnam Bank
Eco-Friendly Management	Reduction of Greenhouse Gas Emissions	Reduced environmental impact from year-on-year GHG emission reductions	Holding Company and all subsidiaries
Eco-Friendly Management	Digital Transformation	Paper reduction through electronic meetings and the digitalization of documents and bankbooks	Holding Company and all subsidiaries
Eco-Friendly Management	Eco-Friendly Vehicle	Reduced environmental impact through the introduction (conversion) of low- and zero-emission business vehicles	Holding Company, Busan Bank, Kyongnam Bank, Capital, Savings Bank, Venture Capital, System
Eco-Friendly Management	Eco-Friendly Transportation	Participation in eco-friendly logistics services through the 'GoGreen Plus' program	Busan Bank, Kyongnam Bank
Eco-Friendly Management	Development of Solar Energy	Reduced environmental impact through solar power generation facilities	Busan Bank
Eco-Friendly Management	Replacement of LED Lighting	Reduced environmental impact through the replacement of building lighting with LEDs	Kyongnam Bank, Asset Management
Eco-Friendly Management	Eco-Friendly Culture Establishment	Reduced environmental impact by cutting employee use of disposable products	Asset Management
Eco-Friendly Social Contribution	Tree Planting	Improved air quality through forest/ecological park development and tree planting (carbon absorption and oxygen production)	Busan Bank, Kyongnam Bank, Capital
Eco-Friendly Social Contribution	Support for Fine Dust Vacuum Vehicles	Reduced environmental impact through support for fine dust vacuum trucks in Busan	Busan Bank
Eco-Friendly Social Contribution	Plogging	Reduced environmental impact through employee plogging activities	Busan Bank, Kyongnam Bank, Capital
Eco-Friendly Social Contribution	Purchase of Green Products	Reduced environmental impact through green product purchases (eco-friendly promotional items)	Busan Bank
Eco-Friendly Card	Eco-friendly Card	Reduced environmental impact through the issuance of cards made with eco-friendly materials	Busan Bank
Eco-Friendly Card	Issuance of Eco Points	Reduced environmental impact through Green Card mileage rewards	Busan Bank, Kyongnam Bank
Eco-Friendly Personal Finance	Eco-Friendly Personal Loan	GHG reductions through loans for the purchase of eco-friendly vehicles (Auto Finance)	Capital
Eco-Friendly Personal Finance	Eco-Friendly Personal Deposit	Reduced environmental impact through preferential interest rates for eco-friendly activities	Busan Bank, Kyongnam Bank
Green Finance for Enterprises	Eco-Friendly Corporate Loan	Reduced environmental impact through energy-saving facilities and practices (details vary by product)	Busan Bank, Kyongnam Bank
Eco-Friendly Investment	Green Investment	Reduced environmental impact of eco-friendly SOC compared with conventional SOC	Busan Bank, Kyongnam Bank

Appendix_Comprehensive List of Metrics [Social]

Classifications	Metrics	Descriptions (activity details)	Subsidiaries subject to measurement
Financial Consumer Protection	Consumer Financial Education	Financial education for financial consumers	Busan Bank, Kyongnam Bank
Financial Consumer Protection	Penalties for Mis-selling	Financial losses to customers due to mis-selling (negative performance)	Holding Company and all subsidiaries
Financial Consumer Protection	Prevention of Electronic Financial Fraud	Customer financial assets protected from electronic financial fraud	Busan Bank, Kyongnam Bank
Financial Consumer Protection	Prevention of Telecommunications Fraud	Customer financial assets protected from telecommunications fraud	Busan Bank, Kyongnam Bank, Savings Bank
Financial Consumer Protection	Financial Fraud Prevention Activities	Prevention and mitigation of financial fraud through awareness campaigns and victim support	Busan Bank, Kyongnam Bank
Social Contribution	Social Contribution Donations	Donations for social contribution activities	Holding Company and all subsidiaries
Social Contribution	Employee Volunteer Work	Employee participation in volunteer activities	Holding Company and all subsidiaries
Social Contribution	Social Contribution Activities	Benefits to beneficiaries through social contribution programs	Busan Bank, Kyongnam Bank
Finance for Co-Prosperity	Installment Savings for Shared Growth with Local Communities	Preferential interest rates on installment savings products for shared growth with local communities	Busan Bank, Kyongnam Bank
Finance for Co-Prosperity	Deposits for Shared Growth with Local Communities	Preferential interest rates on deposit products for shared growth with local communities	Busan Bank, Kyongnam Bank
Finance for Co-Prosperity	Loans for Shared Growth with Local Communities	Preferential interest rates on loan products for shared growth with local communities	Busan Bank
Finance for Co-Prosperity	Mutual Growth Card Support	Donation of a portion of Shared Growth Card spending	Busan Bank
Finance for Co-Prosperity	Consulting for Small Business Owners	Consulting support for small business owners	Busan Bank, Kyongnam Bank, Savings Bank
Finance for Co-Prosperity	Industrial Accident Prevention for Regional Companies	Support for occupational safety assessments and the introduction of accident prevention facilities at regional companies	Busan Bank, Kyongnam Bank
Improvement of Working Conditions	Fringe Benefits	Employee fringe benefit expenses	Holding Company and all subsidiaries
Improvement of Working Conditions	Work-Life Balance	Maternity leave, family care leave, and in-house childcare centers	Holding Company and all subsidiaries
Workforce Diversity	Proportion of Female Managers	Greater diversity and inclusion through a higher proportion of female managers	Holding Company and all subsidiaries
Workforce Diversity	Conversion to Regular Employment	Greater employment stability through the conversion of non-regular employees to regular employment	Holding Company and all subsidiaries
Workforce Diversity	Employment of Persons with Disabilities	Increased earned income through employment of persons with disabilities	Holding Company and all subsidiaries
Capability Development	Employee Education	Employee education expenses	Holding Company and all subsidiaries
Capability Development	Employee Certifications	Employee certification expenses	Holding Company and all subsidiaries

Appendix_Comprehensive List of Metrics [Social]

Classifications	Metrics	Descriptions (activity details)	Subsidiaries subject to measurement
Revitalization of Local Economy	ESG Education for SMEs	ESG talent development training for SMEs in the southeastern region	Holding Company
Revitalization of Local Economy	Startup Support	Support for startup incubation programs	Busan Bank, Kyongnam Bank
Revitalization of Local Economy	Preferential Purchasing from Social Enterprises	Increased revenue through purchases of products from social enterprises and businesses owned by persons with disabilities	Busan Bank
Revitalization of Local Economy	Senior Employment Support	Increased earned income and quality of life through senior internships and conversion to regular employment	Busan Bank
Revitalization of Local Economy	Local Currency Platform	Revitalization of the southeastern regional economy through the operation of the Dongbaekjeon platform	Busan Bank
Revitalization of Local Economy	Youth Employment Support	Issuance and operation of employment support cards	Kyongnam Bank
Revitalization of Local Economy	Traditional Market Cashback	Increased use of traditional markets through cashback benefits	Kyongnam Bank
Revitalization of Local Economy	Reemployment of Retirees	Support for older workers' return to the workforce through reemployment	Busan Bank, Kyongnam Bank
Revitalization of Local Economy	Purchase of Local Company Products	Increased revenue for local companies through product purchases	Busan Bank
Revitalization of Local Economy	Support for Relocation of Government Agencies	Support for the relocation and stable settlement of government agencies in the region	Busan Bank
Inclusive Finance	Debt Relief for the Vulnerable	Improved financial access through debt relief for financially vulnerable groups	Busan Bank, Kyongnam Bank, Capital, Savings Bank
Inclusive Finance	Acceptance of Request for Lower Interest Rate	Reduced household loan burden through the acceptance of requests for lower interest rates	Busan Bank, Kyongnam Bank
Inclusive Finance	Online Service for the Financially Marginalized	Improved financial access and convenience through online services for financially marginalized groups	Busan Bank
Inclusive Finance	Installment Savings for the Financially Vulnerable	Preferential interest rates on installment savings products for financially vulnerable groups	Busan Bank, Kyongnam Bank
Inclusive Finance	Deposits for the Financially Vulnerable	Preferential interest rates on deposit products for financially vulnerable groups	Busan Bank, Kyongnam Bank
Inclusive Finance	Loans for the Financially Vulnerable	Preferential interest rates on loan products for financially vulnerable groups	Busan Bank, Kyongnam Bank
Inclusive Finance	Mobile Branches	Improved financial access through mobile branch operations	Kyongnam Bank
Inclusive Finance	Waiver of Foreign Remittance Fees	Improved financial access through the waiver of foreign remittance fees	Busan Bank, Kyongnam Bank
Inclusive Finance	Publicly Supported Private Rental Housing Development Project	Reduced housing costs for vulnerable groups through the publicly supported private rental housing development project in Anmin-dong, Changwon	Busan Bank
Inclusive Finance	Departure Guarantee Insurance Benefit Service	Support for the collection of departure guarantee insurance benefits through the service at the Gimhae Branch	Busan Bank
Innovative Finance	Loans for Innovative SMEs	Preferential interest rates on loan products for innovative SMEs	Busan Bank, Kyongnam Bank
Innovative Finance	Loans for Innovative Social Enterprises	Preferential interest rates on loan products for innovative social enterprises	Busan Bank, Kyongnam Bank

Appendix_Comprehensive List of Metrics [Economic]

Classifications	Metrics	Descriptions (activity details)	Subsidiaries subject to measurement
Tax Payments	Tax Payments	Contribution to government and local government finances and public services through responsible tax payments	Holding Company and all subsidiaries
Dividends	Dividends	Contribution to enhanced shareholder value and returns to shareholders through stable dividend payments	Holding Company

BNK Financial Group