

2023 ESG Management report

NongHyup Bank

ABOUT THIS REPORT

Report Overview

Nonghyup Bank has published its ESG Management Report to transparently communicate with various stakeholders regarding the economic, social, and environmental values and outcomes created through ESG management activities. 'Nonghyup Bank 2023 ESG Management Report' focuses on material topics with significant financial impact and socio-environmental impacts, based on the results of the double materiality assessment, and discloses key performance by categorizing them into environment(E), society(S), and governance(G). This report is published annually in Korean and English.

Reporting Scope

The reporting scope is limited to Nonghyup Bank, with additional notes provided for certain information that requires clarification on scope and boundaries to improve reader convenience.

Reporting Principles

This report has been prepared in accordance with the Global Reporting Initiative(GRI) Standards 2021, the international standard for sustainability reporting. The financial information has been prepared in accordance with the Korean International Financial Reporting Standards(K-IFRS) and is presented on a consolidated basis. The report also incorporates the Task Force on Climate-related Financial Disclosures(TCFD) for disclosing climate change-related information, the Sustainability Accounting Standards Board(SASB), and the Principles for Responsible Banking(PRB). We have also considered the International Sustainability Standards Board's(ISSB) IFRS S2 Climate-related Disclosures.

Reporting Period

This report covers ESG activities and performance from January 1, 2023, to December 31, 2023, with some performance data extending through June 2024. For quantitative outcomes, we have also used data from the past three years(January 2021-December 2023) to show year-on-year trends.

Contact 7F, New Building, 120 Tongil-ro, Jung-gu, Seoul
Nonghyup Bank ESG Strategy Department

E-mail nacf60552@nonghyup.com
Homepage www.nhbank.com



User Guide of Interactive PDF

Nonghyup Bank 2023 ESG Management Report has been published as an interactive PDF document for the readers' convenience. You may navigate the report by clicking on icons.

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CEO's Message

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CEO's Message

Hello, I'm Seok-Yong Lee, President of Nonghyup Bank.

We are delighted to share the Nonghyup Bank's efforts and accomplishments in the areas of environmental sustainability, social responsibility, and governance through Nonghyup Bank's ESG management report.

As addressing the climate crisis has become a critical global mandate, Nonghyup Bank is committed to practicing low-carbon management across all business areas, with ESG as our guiding principle. We are actively expanding eco-friendly operations by increasing investments in green finance and supporting businesses in their transition to low-carbon practices.

Additionally, we are helping to address social inequality by promoting inclusive, shared growth finance and offering tailored services to improve financial accessibility for underserved communities. Through specialized social contribution initiatives like Green Ladder and Happy Chaeum Financial Class, we are dedicated to fostering shared growth alongside agriculture, rural areas, and local communities.

Furthermore, with the goal of 「Establishing Nonghyup Bank as a Good and Trusted Company」 we are implementing an ethical management system and laying the groundwork for sustainable growth through principled management. We are also strengthening information security and tightening internal control procedures to effectively manage various risks that may arise throughout our operations.

We would like to express our deepest gratitude once again to everyone who has generously supported and encouraged Nonghyup Bank to reach its current position. We will continue to strive to become a bank deeply committed to ESG and the No. 1 bank in Korea that leads ESG, grounded in the trust of our stakeholders.

Thank you.



Lee Seok-yong, President of Nonghyup Bank

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About Nonghyup Bank

General Status

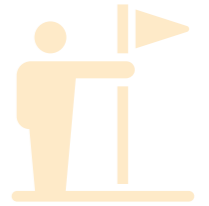
Nonghyup Bank is a fully domestically-funded institution, established with 100% Korean capital. We are a national finance specialist, managing the largest branch network in the country as well as the treasuries of both central and local governments. As the leading affiliate of Nonghyup Financial Group, we are committed to maximizing our customers' asset value through optimal portfolio management and striving to become a bank that is beloved by all, through a customer-centered approach. Especially, Nonghyup Bank is taking the lead in improving the quality of life for farmers by reinvesting profits generated from Nonghyup Bank to agriculture and rural support projects and sharing the value of Nonghyup with the public.

(As of December 31, 2023)	
	Total Assets KRW 401.3trillion
	Net Income KRW 1.8trillion
	Capital KRW 23.0trillion
	Number of Employees 13,510People²⁾
	Business Locations 13,510Locations¹⁾

1) 157 city/county branches, 655 domestic branches, 288 branch offices, 3 overseas offices, 7 overseas branches
 2) Based on full-time employees

Established in

August, 1961



Corporate separation following the revision of the Nonghyup Act

March, 2012



Credit Rating

Aa3

Long term

P-1

Short term

Moody's

A+

Long term

A-1

Short term

S&P

A

Long term

F1+

Short term

Fitch

Operating Profit Status

Nonghyup Bank

2023 Operating Profit

KRW 22,210 billion



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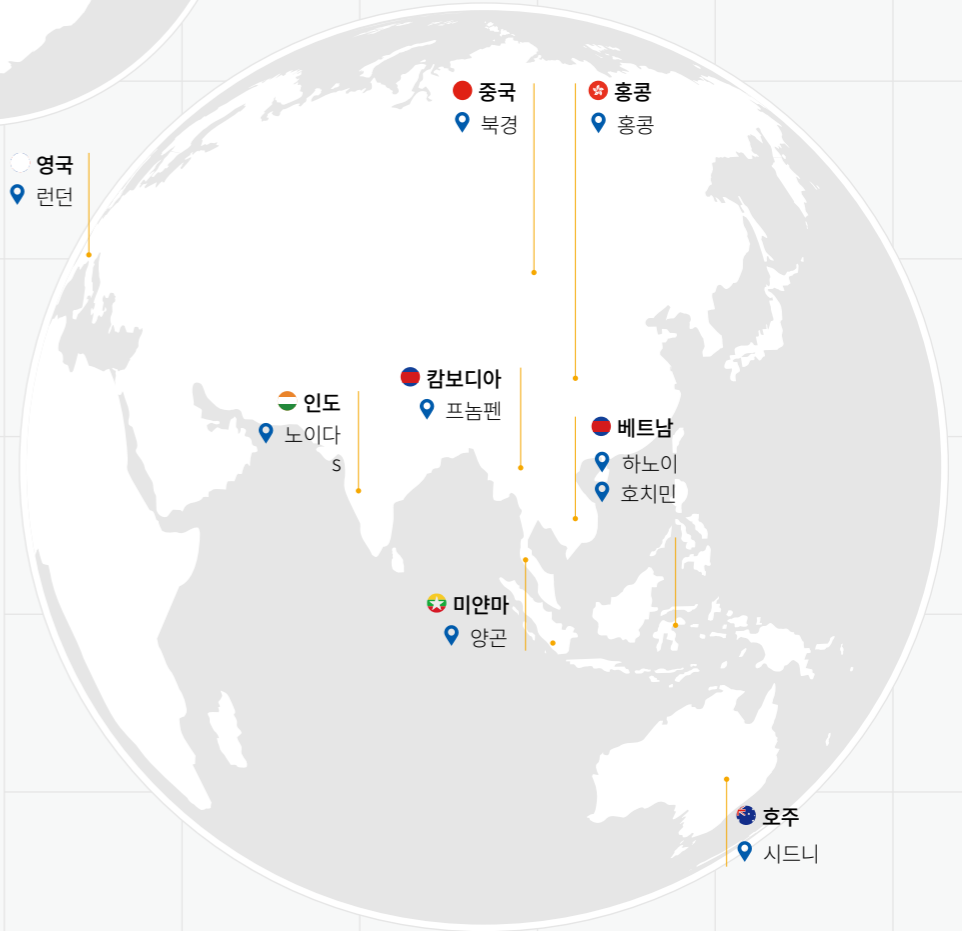
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About Nonghyup Bank

Global Network

As of the end of December 2023, Nonghyup Bank operates 7 branches and 3 offices in 11 channels in 9 countries.

Affiliate	Country	Region	Type	Opened
Nonghyup Bank	United States	New York	Branch	2013
	Vietnam	Hanoi	Branch	2016
2 corporations 6 branches 3 offices	Vietnam	Ho Chi Minh City	Representative office	2018
		Myanmar	Yangon	Corporation
2 corporations 6 branches 3 offices	Myanmar	Yangon	Representative office	2020
		Cambodia	Phnom Penh	Corporation
2 corporations 6 branches 3 offices	China	Hong Kong	Branch	2021
		Beijing	Branch	2022
2 corporations 6 branches 3 offices	India	Noida	Branch	2023
	United Kingdom	London	Representative office	2021
2 corporations 6 branches 3 offices	Australia	Sydney	Branch	2022



9 Countries
11 Channels¹⁾

1) As of December, 2023



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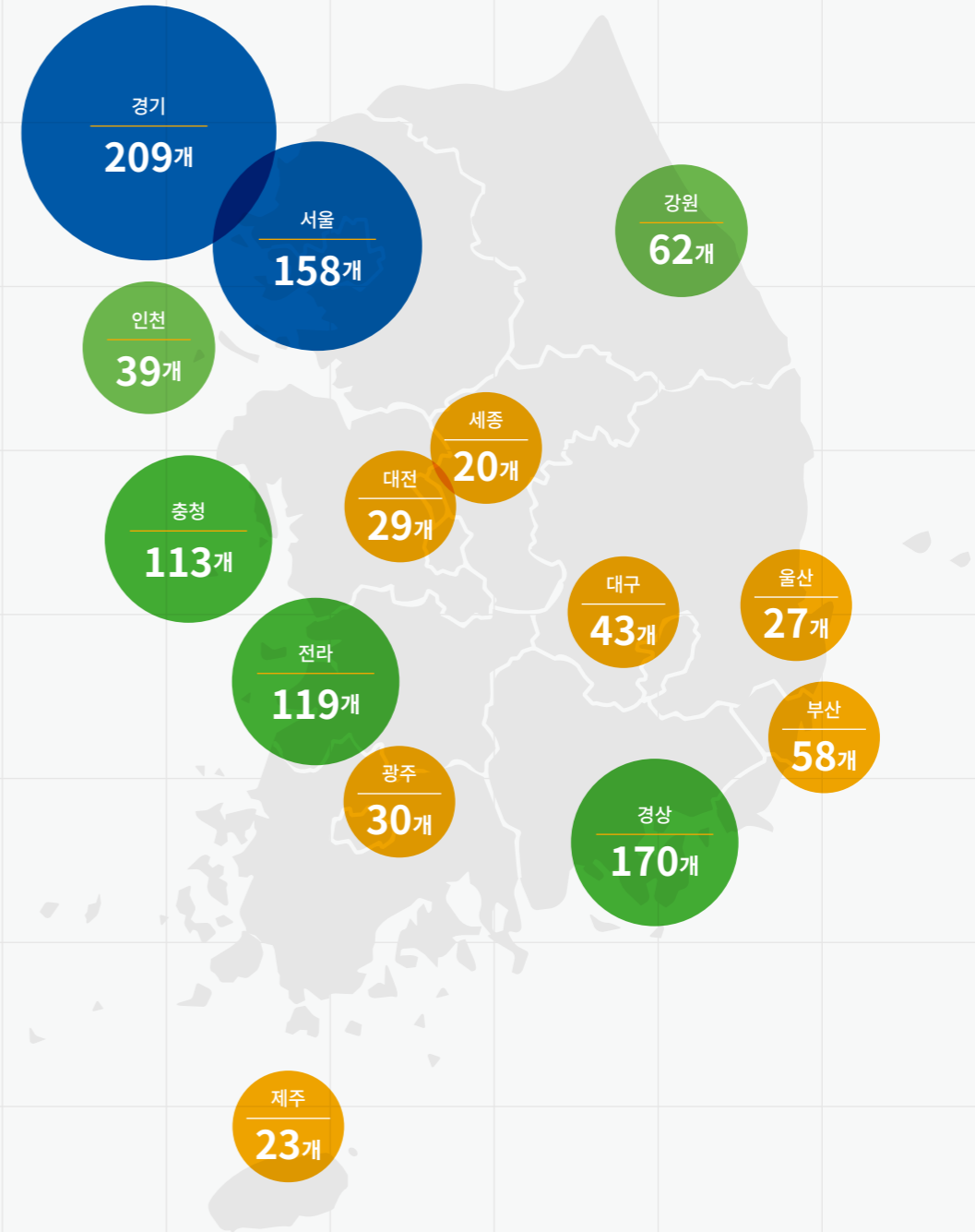
About Nonghyup Bank

Regional Network

Nonghyup Bank supports agriculture and rural areas while aiming to contribute to the national economy and community development. As of December 2023, Nonghyup Bank operates a total of 1,110 regional networks, including 812 domestic branches¹⁾ and 288 branch offices, to provide convenient financial services to local communities in accordance with its fundamental purpose of existence.

Region	Branch	Sub-branch	Total
Seoul Metropolitan City	149	9	158
Incheon Metropolitan City	35	4	39
Busan Metropolitan City	52	6	58
Daegu Metropolitan City	38	5	43
Daejeon Metropolitan City	26	3	29
Ulsan Metropolitan City	20	7	27
Gwangju Metropolitan City	27	3	30
Gyeonggi-do	153	56	209
Gangwon-do	35	27	62
Chungcheong-do	65	48	113
Gyeongsang-do	110	60	170
Jeolla-do	70	49	119
Jeju-do	19	4	23
Sejong Metropolitan Autonomous City	13	7	20
Total	812	288	1,100

1) Domestic branches include the head office (sales department) as one branch



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About Nonghyup Bank

Vision and Management Strategy

VISION | MOST BELOVED NO.1 NATIONAL BANK



Beloved Bank

- A trustworthy bank loved not only by customers, employees, but also by the public.



National Bank

- A bank that represents Korea, excelling in all areas: customer service, robustness, and social contribution



No.1 Bank

- A bank established with 100% domestic capital and a respectable bank that shares true values with the people

MANAGEMENT STRATEGIC GOALS | A PREFERRED BANK THAT CUSTOMERS ARE DRAWN TO FIRST

By providing customer-centered services
Becoming a bank that customers truly find attractive

KEY TASKS



1. Enhancing Core Business Competitiveness



2. Building a Digital Finance Ecosystem



3. Creating a Profit Structure for Future Growth



4. Laying the Foundation for Sustainable Growth

ESG Strategy Framework

NHFG held an ESG vision and slogan contest for its affiliates in 2023. We eventually selected 'Creating the Future Begins the Moment You Meet Nonghyup Finance' as its vision. Under this final vision, we also clarified the strategic direction and key initiatives for each area of E-S-G. Based on this ESG strategy framework, Nonghyup Bank will strive for balanced development of business and society.

Vision	CREATING THE FUTURE BEGINS THE MOMENT YOU MEET NONGHYUP FINANCE
Strategy (Keywords)	<p>E Make the 'Green' Moment</p> <ul style="list-style-type: none"> ✓ Achieve carbon neutrality by 2050 ✓ Establish a climate change response management system <p>S Make the 'Hope' Moment</p> <ul style="list-style-type: none"> ✓ Spread the value of 'cooperation and innovation' ✓ Win-win cooperation in agriculture, rural areas, and local communities <p>G Make the 'Right' Moment</p> <ul style="list-style-type: none"> ✓ Internalize ESG Management ✓ Increase governance transparency



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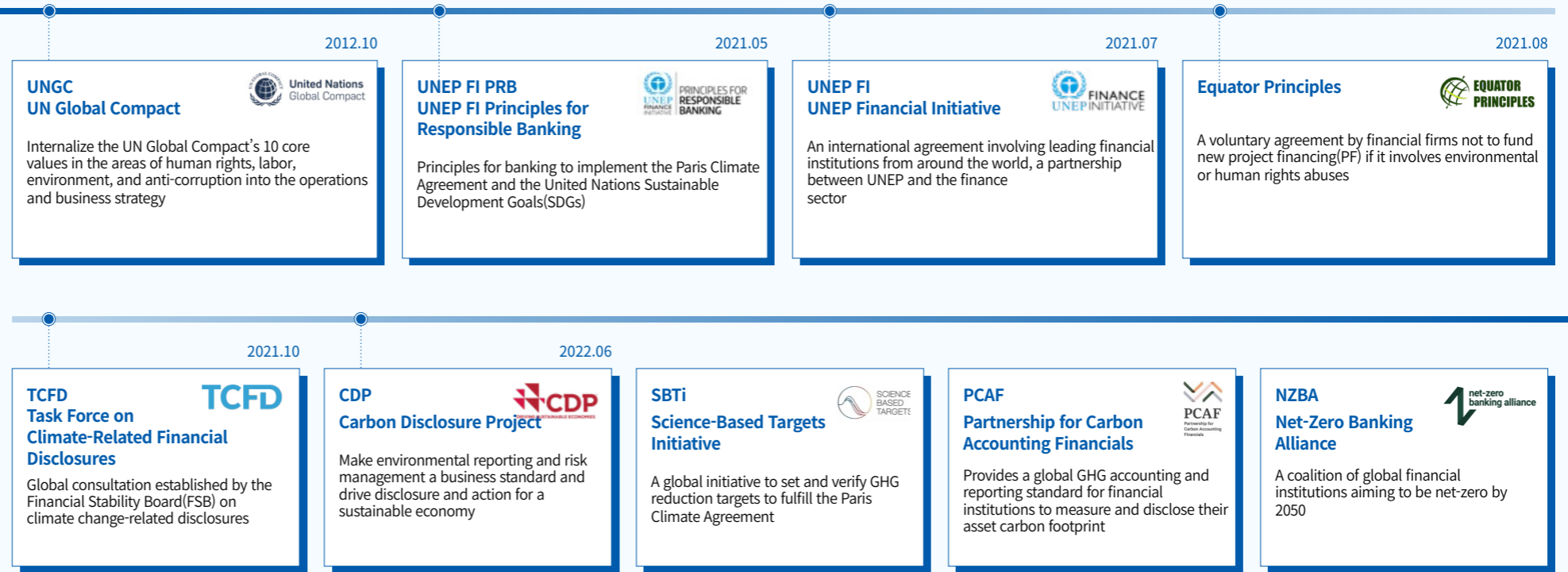
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Nonghyup Bank ESG History

ESG Initiative Participation Status and History



First half of 2022 > Second half of 2022 > First half of 2023 > Second half of 2023

- 2022.04 Won the grand prize at the 2022 Korea Leading Finance ESG Awards
- 2022.05 Received a special award at the 3rd ESG Korea Awards & Forum

- 2022.10 Won the 2022 Metaverse ESG Management Grand Prize
- 2022.11 Grand Prize Winner at the 15th Korea Communication Awards
- 2022.11 Won the ESG category award at the 2022 Global Financial Awards

- 2023.03 Selected as an excellent financial company for One Company One School Financial Education Program for 6 consecutive years (Financial Supervisory Service Director Award)
- 2023.06 Selected as an excellent case for a new product of win-win cooperation by the Financial Supervisory Service (Hometown Love Donation Deposit)

- 2023.08 Highest rating in the Financial Services Commission's regional reinvestment evaluation for 4 consecutive years
- 2023.12 Financial Supervisory Service Inclusive Finance Excellence Award (Financial Supervisory Service Director Award)
- 2023.12 Minister of Environment Award at the 2023 Carbon Neutral Contest
- 2023.12 Financial Services Commission Chairman Award for Voice Phishing Prevention

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Nonghyup Bank Sustainable Finance

Sustainable Finance Promotion System

NHFG has established a sustainable finance promotion and management system by comprehensively reflecting various domestic and international standards such as the International Capital Market Association(ICMA), Green Bond Principles(GBP), Social Bond Principles(SBP), and K-Taxonomy, as well as the characteristics of NHFG. In addition, we have established policies and guidelines that present ESG investment standards, such as the 'Environmental and Social Investment Policy' and 'Responsible Investment Guidelines' and are continuously revising ESG investment guidelines and related guidelines to reflect the strengthening of ESG policies and regulations. Additionally, at the holding company level, we set annual ESG financial performance targets for each affiliate and review the performance semi-annually to manage the sustainable finance promotion system so that it can actually be implemented.

NH-Taxonomy

E

Green Finance

✔ Classification of industries that can engage in green economic activities based on the six environmental goals of the Korean Green Taxonomy(K-Taxonomy).

- Reducing GHG emissions
- Transition to a circular economy
- Climate change adaptation
- Contamination prevention and management
- Sustainable water conservation
- Biodiversity conservation

S

Social Values

✔ Review of suitability to contribute to achieving the UN SDGs

- Inclusive Finance
- Co-prosperity Finance
- Innovative Finance

Nonghyup Financial Group's Sustainable Finance Policy and Risk Management

Policy · Guidelines

- Environmental and Social Investment Policy**
- Present non-financial analytical criteria that are applied alongside traditional industry, business, and financial analysis when executing investments
 - Explain immediate/gradual exclusion criteria for negative screening
 - Establish ESG investment goals aligned with the UN SDGs
 - Evaluation of ESG factors when selecting a pool for entrusted asset management companies (Nonghyup Property & Casualty Insurance Green Investment Guidelines)

- Responsible Stock Investment Guidelines**
- Define the purpose, scope, and terminology of responsible equity investing
 - Explain the responsible investment process, including ESG assessment/analysis, ESG universe construction, and portfolio management
 - Exclude the lowest tier(G) from investment

- Responsible Bond Investment Guidelines**
- Define the purpose, scope, and terminology of responsible bond investment
 - Explain the responsible investment process, including ESG assessment/analysis, bond ESG universe construction, and portfolio management

Risk Management

- Joined the Equator Principles and conducted screening for financial products subject to application, such as Project Finance(PF), Bridge Loans, and Financial Advisory Services
- Conducted monitoring of company-specific controversies and ESG issues, and performed level tests on the severity and likelihood of recurrence for each issue

Activities Promoting Sustainable Finance

Credit

Evaluation of environmental and social risks within the review process and provision of additional loan lines

Deposit

Development of products and services reflecting environmental and social contributions with preferential rates

Insurance

ESG Insurance Products(Eco-friendly Vehicle Insurance Discounts) and Comprehensive Insurance for Sustainable Development Infrastructure

Investment and PF

Screening of financial products in accordance with the equator principles and plans to implement environmental and social review processes(2024)

Bonds

Issuance of green, social, and sustainability bonds and management according to global standards

Asset management

Consideration of environmental and social risks in investment decision-making in line with the advancement of the ESG evaluation system

Engagement

Customer assets and investment assets engagement provision
Implementation of fiduciary responsibility activities for investment assets

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Sustainable Finance Risk Management

Equator Principles¹⁾ Implementation

Nonghyup Bank joined the Equator Principles in August 2021 and is screening financial products that are subject to the Equator Principles, including project finance(PF), bridge loans, and financial advisory services. In 2023, we revised the Equator Principles Manual to specify application of the Equator Principles process, the roles of relevant departments, and the procedures for rating environmental and social risks, and disclose related contents through the 'Equator Principles Implementation Report'. Additionally, in 2024, we plan to implement the environmental and social risk management(ESRM) process.

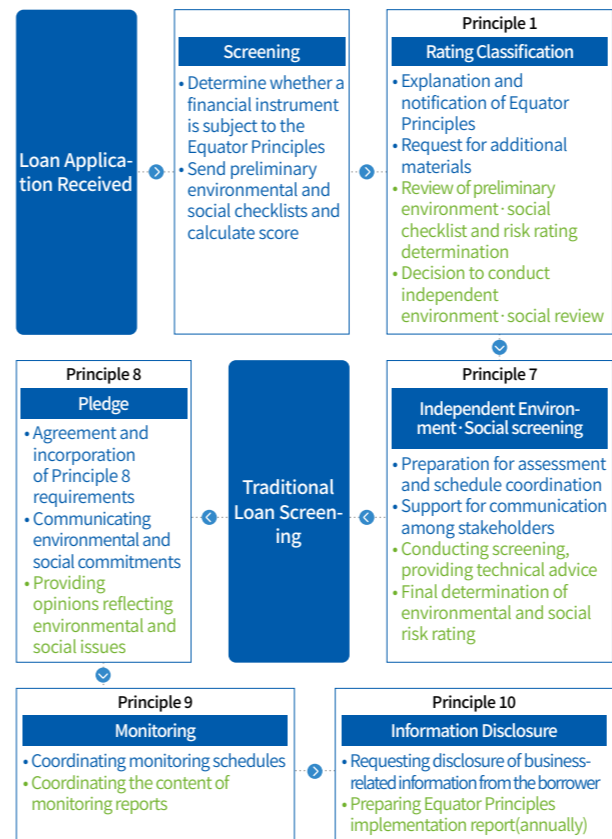
Responsible Entities for Equator Principles

Responsible Entity
● Bank ● Borrower

Principle 01	Review and Classification Determine environmental and social risk rating(A, B, C) after reviewing proposed projects	● Bank
Principle 02	Environmental and Social Assessment Conduct environmental and social impact assessment	● Bank ● Borrower
Principle 03	Environment·Social Standards Compliance with environmental and social standards of the host country regulations and the Equator Principles	● Borrower
Principle 04	Environment·Social Management System Establishment of an 'Equator Principles Action Plan(EPAP)' based on the results of environmental and social screening	● Borrower
Principle 05	stakeholder Engagement Procedure Establishment Management of stakeholders and provision·consultation of environment·social information related to the business	● Borrower
Principle 06	Grievance Mechanism Establish an appropriate complaint reception channel considering the environmental and social impacts of the proposed project	● Borrower
Principle 07	Independent Environmental and Social Review Review compliance with the Equator Principles through an independent environmental and social specialized institution	● Borrower
Principle 08	Pledge Include a clause in the financial agreement to commit to adhering to the Equator Principles Action Plan(EPAP)	● Bank ● Borrower
Principle 09	Independent Environment·Social Monitoring Monitoring conducted through independent environment·social specialized institutions	● Borrower
Principle 10	Information Disclosure Disclosure of Environment·Social Impact Assessment (Summary) and submission of implementation report	● Bank ● Borrower

Equator Principles Process

● Investment Finance Department/representative offices
● Equator Principles Officer



Preliminary Environmental and Social Risk Rating



1) The Equator Principle: When providing funds to new projects, such as project financing (PF) worth more than \$10 million, there is a voluntary agreement among financial companies to withhold funding if factors such as environmental destruction or human rights violations of local residents are present

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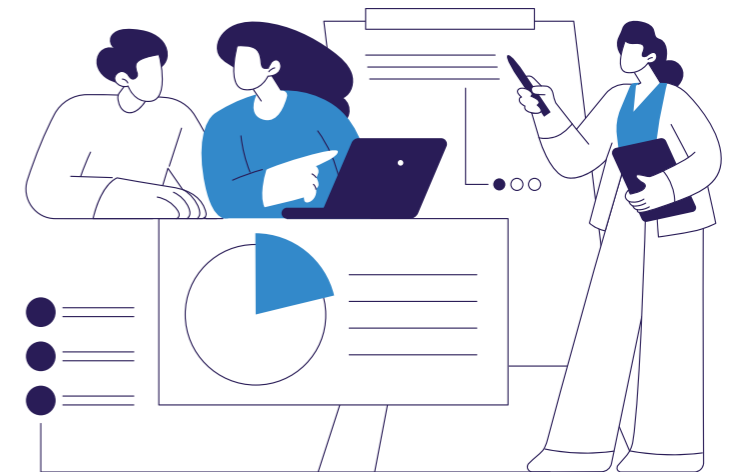
ESG Financial Products

Nonghyup Bank develops and launches various types of ESG products every year, including credit, deposit, insurance, and fund. Through this, Nonghyup Bank expects that it will not only contribute to environmental protection, but also help increase customers' accessibility to ESG products and strengthen the company's ESG management.

Category	Product Name	Key Information
Credit	NH Eco-friendly Enterprise Loan	Preferential interest rates and additional loan lines for companies with excellent environmental performance and green certifications from the Korea Environment Industry Technology Institute
	Agri-Food Green Growth Loan	Preferential rates and additional lines of credit based on NH Green Growth Index and credit rating for farmers and agribusinesses
	Energy Use Rationalization Fund	Loan products for individuals and small to medium-sized enterprises involved in the manufacturing, production, or installation of facilities related to renewable energy
Deposit	NH I Am Green World Deposit/ Savings Account	Preferential rates for going green(reducing GHG emissions) and going paperless
	Hometown Love Donation Deposit/Savings Account	A specialized product for supporting the successful establishment of the Hometown Love Donation System and fulfilling Nonghyup Bank's social role
Card	Good Earth Card	Discounts on public transportation, ridesharing, electric vehicles, and engaging in low-carbon activities

Small and medium-sized ESG consulting services

In August 2022, Nonghyup Bank signed a 'Business Agreement for Expanding ESG Management for Small and Medium Enterprises' with Nice D&B. This agreement provides an ESG capacity enhancement solution that assesses the status of environmental, social, and governance factors for small and medium-sized businesses and identifies areas for improvement. Nonghyup Bank is supporting the industry-wide and national goal of achieving carbon neutrality by helping companies struggling with ESG adoption, and is continuously upgrading its consulting services.



Nonghyup Bank's Special Stories

Special Stories

Nonghyup Bank for Agriculture & Rural Area

Nonghyup Bank's core mission is to enhance the quality of life for farmers through agricultural development and increased farm income, with agriculture and rural communities as its most important stakeholders. Nonghyup Bank remains committed to this mission, standing with agriculture and rural areas from start to finish.



01 Consulting and Fostering Talents

Efforts to improve the income and practical benefits of members through farm management improvement education and financial consulting

As of September 2023

3,463 cases

Agricultural Technology and Management Efficiency Education

Nonghyup Bank

336 cases

Agricultural Finance Consulting in 2023

02 Rural Financial Infrastructure and Support

With 694 branches outside the metropolitan area, we ensure financial accessibility for rural farmers and contribute to the development of the agricultural economy by providing specialized products such as policy finance and agricultural machinery lease products

Nonghyup Bank

KRW **23.7** trillion

Agricultural Policy

694 Locations

Number of branches outside the metropolitan area

03 Agricultural Safety and Disaster Support

Contributing to stable farm management through Farmers Safety Insurance, Crop Damage Insurance, Livestock Damage Insurance, Livestock Disease Treatment Insurance

04 Promotion of Private Investment in the Agri-food Sector and Smart Farms

By operating agri-food funds and agricultural specialized funds, we promote private investment in the agri-food sector and support the activation of smart farms through dedicated loans for smart farms

Nonghyup Bank

KRW **223** billion

Operating the largest agricultural and food fund in Korea
Operating the largest agricultural and food fund in Korea

Nonghyup Bank

KRW **2.9** trillion

Loans specialized for agricultural and food companies

05 Farmer Outreach and Marketing Support

Supporting the promotion of agricultural products consumption by expanding digital sales channels through crowdfunding, boosting the use of vouchers, and live commerce for the development of young farmers

Agriculture and Rural Area Redistribution Projects

Interest Subsidies for Interest-Free Funds

Support for Agricultural Machinery and Rice Industry Development

Welfare for Farmers and Training for Successor Farmers

Agricultural Disaster Measures and Helping Farmers

Social Contribution Activities for Agriculture & Rural Area

Hometown Love Donation System

Creation of Public Interest Funds

Helping Farmers

Flood Damage Recovery

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Supporting Capability Enhancement in Agriculture and Rural Areas

Consulting and Fostering Talents

Fostering Agricultural Finance Professionals

Nonghyup Bank has been fostering specialized professionals through agricultural finance consulting group trainings. In 2022, the training was divided into horticulture and livestock and included industry analysis and consulting exercises, and a series of ‘Best Practices for Writing Agricultural Finance Consulting Reports’ was produced. In addition, consultants analyze the business performance of supported farmers and provide timely management guidance in case of abnormalities to help them get back on track.

Furthermore, in March 2023, Nonghyup Bank held a ceremony to inaugurate the ‘2023 Agri-food Business Loan GD’ to foster experts specializing in agricultural finance. The Agri-food Business Loan GD (Green Director) is Nonghyup Bank’s program to foster employees specializing in agricultural finance, leading the way to creating a green ecosystem. In 2023, the number of participants increased into 60, and they will perform various agricultural finance-related tasks to pursue the interests of farmers and agri-food companies.



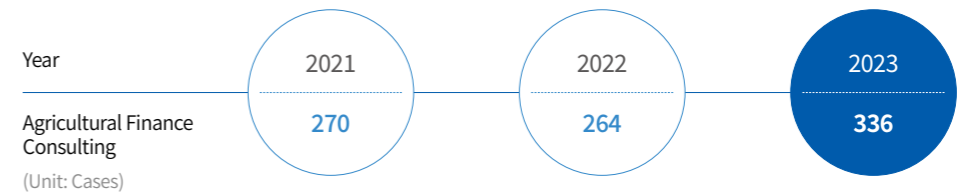
Agricultural Finance Consulting

Since 2004, Nonghyup Bank has provided Agricultural Finance Consulting on business management and agricultural funding tailored to the agricultural lifecycle to stabilize farmers and increase farm income. In the consulting, specialized consultants diagnose the management status of farmers’ assets and liabilities, and propose optimal plans for the production and sale of agricultural products, the scale of facility investment, and financing.

Agricultural Finance Consulting Process



Performance of Agricultural Financial Consulting



Special Stories

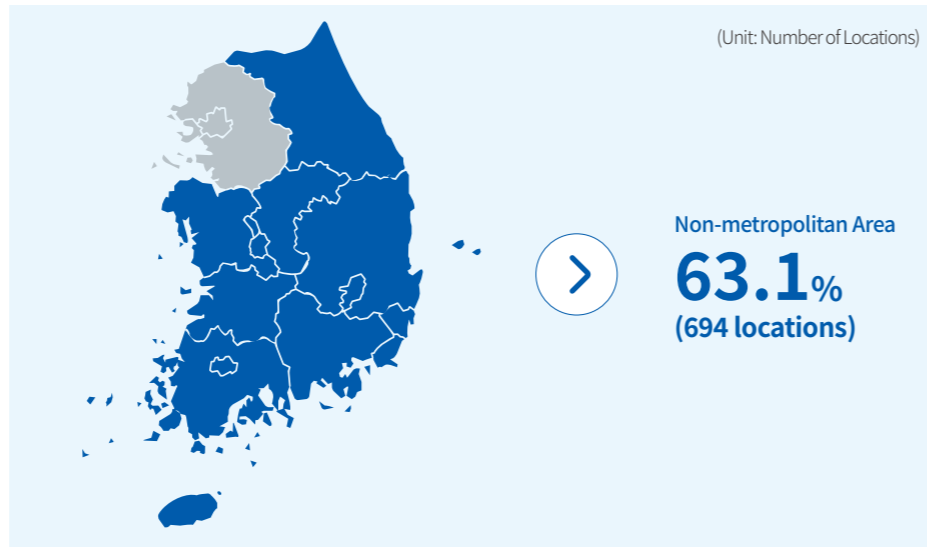
Financial Infrastructure for Agriculture and Rural Areas

Financial Infrastructure and Support in Rural Areas

Providing Financial Infrastructure in Rural Areas

Nonghyup Bank maintains the number of branches outside the metropolitan area to enhance financial accessibility for financially underprivileged groups such as farmers, thereby contributing to the balanced development of the nation. As of the end of 2023, the proportion of branches outside the metropolitan area (Seoul, Gyeonggi, Incheon) is 63.1%, with a total of 694 branches in operation.

Nonghyup Bank Regional Branches



Number of Branches	Busan	Daegu	Dae-jeon	Ulsan	Gwang-ju	Gang-won	Chung-cheong	Gyeong-sang	Jeolla	Jeju	Sejong	Total
Branch	52	38	26	20	27	35	65	110	70	19	13	475
Sub-branch	6	5	3	7	3	27	48	60	49	4	7	219
Total	58	43	29	27	30	62	113	170	119	23	20	694

Thanks to these efforts, Nonghyup Bank has earned the highest rating in the Financial Services Commission's Local Reinvestment Assessment for the fourth consecutive year. The Local Reinvestment Assessment System evaluates regional financial support strategies, including financial companies' supply of funds in the region, support for small and medium-sized enterprises, assistance with affordable loans, the status of financial infrastructure, and efforts related to COVID-19 financial support. The evaluation results are categorized into five grades (Excellent, Very Good, Good, Fairly Inadequate, and Inadequate) and incentives are provided accordingly.

Evaluation Results of Nonghyup Bank's Local Reinvestment



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Financial Infrastructure for Agriculture and Rural Areas

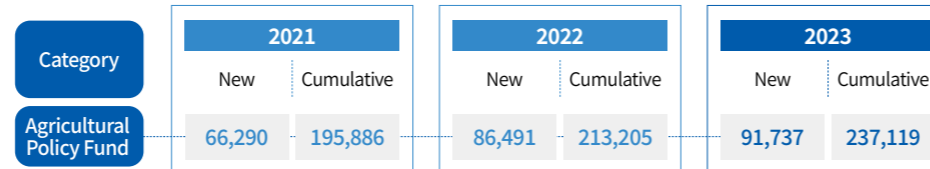
Financial Infrastructure and Support in Rural Areas

Agricultural Policy Loans

As a leading agricultural finance institution, Nonghyup Bank offers a variety of policy loans. Agricultural policy loans are provided across the agricultural industry, including agricultural production, processing, and distribution, and are characterized by long-term loans with lower interest rates than general finance. As of the end of 2023, a total loan balance of agricultural policy funds is KRW 23.7119 trillion. We are supporting stable farming activities by reducing the burden on farmers who are struggling with rising agricultural commodity prices and interest rates.

Agricultural Policy Loans

(Unit: KRW 100 million)



Agricultural Policy Loan Products

Category	Overview	Target
Management Fund for Agriculture and Livestock	• Low-interest financing for a portion of farming management expenses	Horticulture, livestock farmers and disaster-affected farmers
Agricultural General Fund	• Comprehensive support for facilities, renovations, operations, and farm equipment of agricultural businesses • Funding for smart farms of general and young farmers, etc.	Farmers, agribusinesses, tourist farms, etc.
Funding Project for Livestock Development	• Supporting farmers affected by AI, Foot-and-mouth Disease, and African Swine Fever • Supporting livestock processor facilities and operation expense, etc.	Livestock farmers, related businesses, etc.
Fund for RPC ¹⁾ Operations	• Funding for operators of rice processing complex	RPC providers, etc.
Supporting Fund for Successor Farm	• Funding for successor farmers who want to start their own businesses	Successor farmers
Entrepreneurship Fund for Prospective/Returning Farmers	• Funding for agricultural startups and housing	Entrepreneurs, homebuyers
Disaster Response Funding	• Helping farmers recover from disasters	Farmers with confirmed disaster losses
Agricultural Business Revolving Fund	• Funding for farmers in crisis due to disasters, livestock diseases, etc.	Farmers in temporary business crisis
Farm Debt Solutions	• Reducing loan interest rates, extending repayment periods, and providing low-interest loans as part of measures to reduce farm debt • Funding to help stabilize the supply and price of agricultural products and modernize distribution facilities	Varying by countermeasures Farmers, agri-food distributors
Agricultural Funding Project	• Increasing agricultural competitiveness and funding for farmers who are or may be harmed by FTA implementation	FTA-related farmers
FTA Implementation Fund Project	• Funding for housing improvements (new construction, additions)	Those who want rural housing improvement

1) Rice Processing Complex

Agricultural Safety and Disaster Support

Agricultural Safety and Disaster Support


Financial Support for Disaster-Damaged Farms

Nonghyup Bank has extended financial support to farmers impacted by disasters such as typhoons, heavy rainfall, and hail, offering credit assistance and deferral of insurance premium payments. Additionally, we are aiding recovery efforts by promptly assessing damages to affected farms and providing early insurance benefits to those in need.


Nonghyup Bank

Volunteer Work at Disaster-Damaged Farms


Preferential interest rates and deferral of interest payments for new loans and corporate loans



Agricultural policy funding and agricultural finance consulting support for affected farmers



Maximum credit card payment deferral for residents and farmers in affected areas



Special Stories

Financial Infrastructure for Agriculture and Rural Areas

Promoting Private Investment and Smart Farm in the Agri-food Sector

As of the end of 2023, Nonghyup Bank provided KRW 30 trillion in agri-business loans companies, KRW 24 trillion in agricultural policy funds and KRW 223 billion in agri-food funds to fulfill its role of strengthening the competitiveness of agriculture and rural areas. Based on its rich knowhow and capabilities in the agricultural industry, the bank is promoting various measures to promote private investment in the agri-food sector.

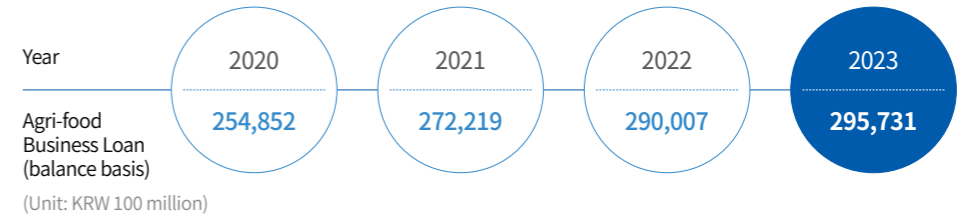
Specialized Products to Support Agri-food Companies

Nonghyup Bank is operating credit products specialized to support the expansion of smart farms, the development of agri-food technology, and the training of skilled agricultural professionals. Nonghyup Bank's 'NH Smart Farm Loan' is Korea's first loan product dedicated to smart farms, and is a customized loan product offered to small, medium, and young farmers to promote the adoption of agricultural smart farms. In December 2022, the product was remodeled to expand loan eligibility and criteria and increase the loan limit. In addition, customers who have completed agricultural and fishery education, hold quality certificates for agricultural products, and are young farmers receive up to 1.60%p preferential interest rate and an additional credit line.

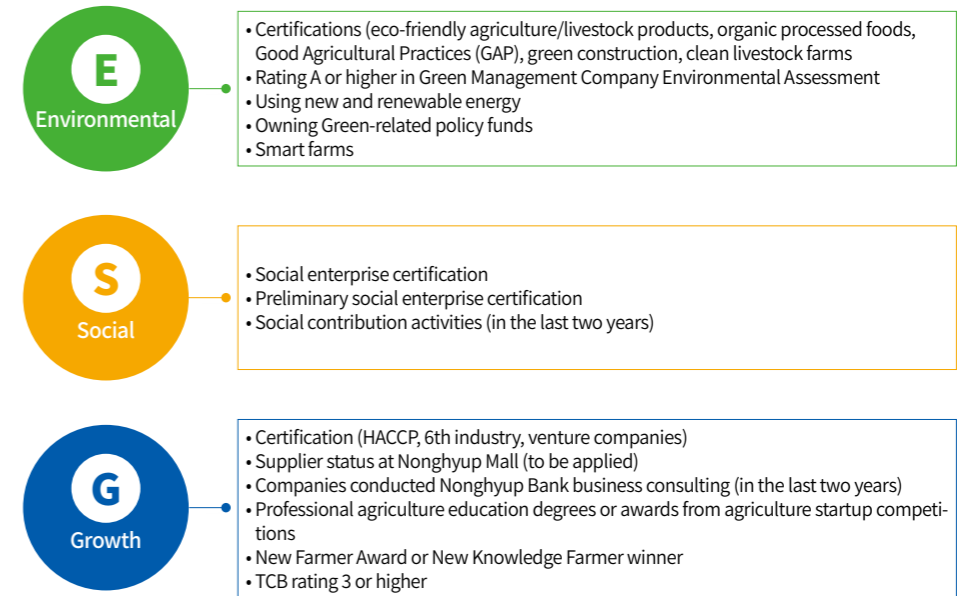
In June 2023, Nonghyup Bank launched the 'NH Preferential Loan for Agri-Food Company,' a new product specializing in financial support to promote private investment in the agri-food sector, providing new support of KRW 765 billion in just six months. This product is the first to introduce the self-developed NH Agri-Food Index for Outstanding Technology and provides an additional limit of 15% and a preferential interest rate of up to 2%p by evaluating the excellent technology possession and growth potential of the target company from the highest grade to the lowest grade. With this product, we expect to improve the existing collateral-centered lending system and provide smooth funding to companies with technology and growth potential.

Nonghyup Bank's 'NH Agri-food Green Growth Loan' is a loan product to support outstanding agricultural and agri-food companies that are practicing ESG management. In particular, Nonghyup Bank has developed and applied the 'NH Green Growth Index' that grades the status of innovation in the fields of E (environment), S (society), and G (growth), and provides preferential interest rates for each grade if certain requirements are met.

Specialized Agri-food Business Loans



NH Agri-food Green Growth Loan - NH Green Growth Index



Special Stories

Financial Infrastructure for Agriculture and Rural Areas

Promoting Private Investment and Smart Farm in the Agri-food Sector

Helping to Promote Investment in Ag&Food-tech Startups

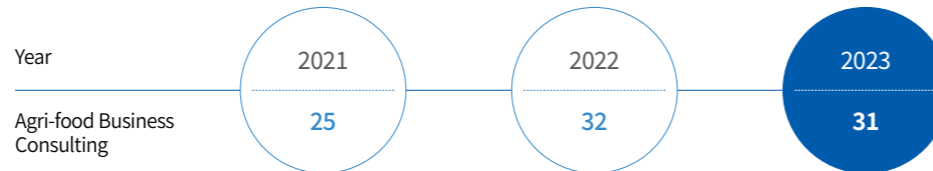
The 'Nonghyup Ag&Food-tech Inclusive Innovation Fund' was established by NHFG's affiliates, including NH Investment & Securities and Nonghyup Bank, to strengthen its role in discovering and fostering digital innovative companies in the agricultural sector. Through digital innovation and fostering smart agriculture, the fund aims to overcome rural difficulties such as labor shortages and rising farming costs, and to secure the power to develop agriculture into a high-tech industry of the future. NHFG jointly held the 'Agri&Food Tech Startup Rising Expo, 2023 AFRO¹⁾' to provide agri-food companies with opportunities for investment, business cooperation, and network expansion. More than 260 agri-food startups and domestic and international venture capitalists participated in the fair, and about 82% of the participating companies had follow-up meetings, creating significant results.

1) AFRO: Agri&Food tech startup Rising expo

Consulting for Agri-food Business to Support Growth

Nonghyup Bank is providing free management consulting to support the growth of farmers and agri-food businesses, including smart farm startups and food market development. Growth consulting for agri-food companies involves expert consultants diagnosing problems and providing solutions related to overall management and decision-making for these companies. Notably, the difficulties of restrictions under the Covid-19 situation in 2022, we expanded consulting by utilizing non-face-to-face channels, and in 2023, we conducted 31 consultations to support the growth of agri-food companies.

Performance of Agri-food Business Consulting

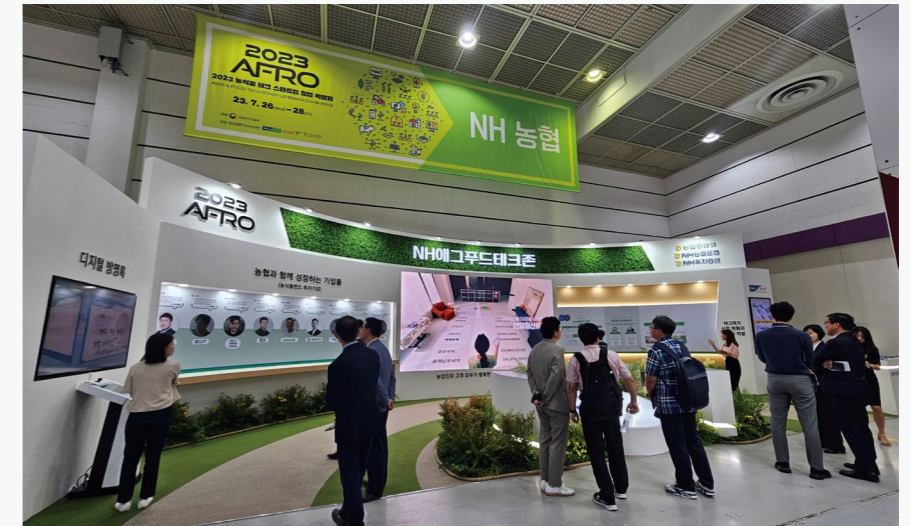


(Unit: Cases)

Case

Promoting Ag-Tech Companies to Vitalize Investment

In July 2023, Nonghyup Bank operated promotional booths for 10 ag-tech companies, which were directly discovered and nurtured through the agri-food fund to promote their investment performance, at the 'Agri&Food Tech Startup Rising Expo (2023 AFRO)' held at COEX in Seoul. The 2023 AFRO event is the largest startup expo in the agri-food sector in Korea, introducing technology-based startups that innovate the future of agriculture and facilitating networking with large corporations, investment firms, distribution companies, and public institutions. In addition, Nonghyup Bank hosted the 'Agri-Food Investment Ecosystem Revitalization Conference,' where expert panels from each agri-food industry sector participated to share the current status and industry outlook of the domestic and international agri-food investment ecosystem. Through specialized panel discussions, they derived strategies to promote private investment in the agri-food sector.



Nonghyup Bank's promotional booth in AFRO Convention

Special Stories

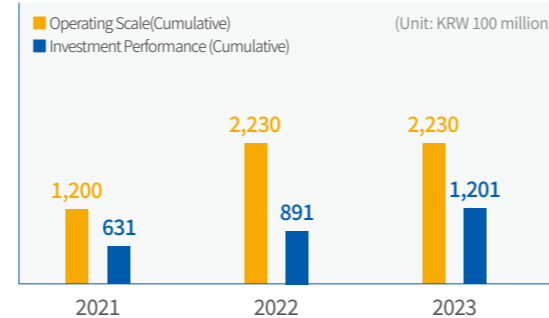
Financial Infrastructure for Agriculture and Rural Areas

Promoting Private Investment and Smart Farm in the Agri-food Sector

Managing the Largest Agri-food Fund in Korea

Since 2016, Nonghyup Bank has been operating the Agri-Food Fund to discover and invest in promising agri-food companies that will lead future agricultural industries such as Green Bio and Smart Agriculture. As of the end of December 2023, the bank manages a fund of 223 billion KRW, fulfilling its role as the largest specialized management company in the agri-food sector in the country.

Agri-food Fund Investment



Status of Agri-food Fund¹⁾

(Unit: KRW 100 million)

Category	Fund type	Establishment period	Key Investment targets	Fund scale
NH Agri Biz Value	PEF	2016.03	Agri-Food	200
NH Now Agri-food No. 1	PEF	2019.08	Agri-Food	400
NH Now Agri-food No. 2	PEF	2020.09	Agri-Food	600
Nonghyup Ag-Tech ²⁾ Inclusive Innovation	PEF	2022.07	Agtech	530
NH Nice Agri-food Investment No. 1	Agri-Food Investment Association	2022.12	Agri-Food	500
Total				2,230

1) Establishment period and fund scale of some funds were updated as of the end of 2023

2) A synthesis of agriculture and technology that applies advanced technology to the production of agricultural products

Distribution and Sales Support

Farm Market Development and Marketing Support

Support for Promoting Agricultural and Food Vouchers to Increase Consumption of Agricultural and Livestock Products

Nonghyup Bank supports the national initiative to promote agricultural and food vouchers as part of revitalizing the industry. We provide monthly support ranging from KRW 40,000 to KRW 126,000, depending on household income, to families in 24 local governments whose income is 50% or less of the median. These vouchers can be used to purchase domestically produced agricultural products, such as vegetables, fruits, and grains. Through this program, we contribute to increasing the consumption of domestic agricultural and livestock products by improving access for vulnerable groups. In 2023, we provided agricultural and food vouchers totaling KRW 25.44 million, benefiting approximately 64,000 people.



Special Stories

Social Contribution on Agriculture and Rural Areas

Enabling Hometown Love Donation Program¹⁾

Launch of Deposit and Saving Products in line with the Hometown Love Donation Program

In January 2023, Nonghyup Bank launched the Hometown Love Donation deposit and saving products to support the successful settlement of the Hometown Love Donation Program. The product reserves 0.1% of the sales amount (capped at a maximum of KRW 1 billion per year) as a public benefit fund, and was selected as an excellent example of the '1st Inclusive Cooperation Financial New Product2)' organized by the Financial Supervisory Service in June 2023. Through the activation of the Hometown Love Donation Savings Account, we expect to respond to the crisis of rural disappearance and strengthen inclusive cooperation as a medium to connect urban and rural areas.

Nonghyup Bank's 'Zgm. to Hometown' card is a product in line with the Hometown Love Donation Program and consists of two types of credit and debit cards. 0.1% of the spent amount will be saved as a public benefit fund and used for social contribution activities for agriculture, rural areas, and the vulnerable. In addition, customers who participate in the Hometown Love Donation Program can earn up to 1.7% NH points for merchants in the donation area on weekends.

1) Hometown Love Donation Program: A program that contributes to enabling the local economy by donating a certain amount of money to local governments, aside from the donor's residency, and provides tax credits and hometown gifts to the donor.

2) A program by the Financial Supervisory Service to award outstanding financial products that have the characteristics of pain or profit sharing with socially vulnerable groups and financial consumers

Creation of Public Funds for Agriculture and Rural Communities Support

Public Fundraising Products for Agriculture and Rural Communities Support

Nonghyup Bank reserves a portion of the balance of product sales as a fund to protect our agriculture and rural areas. The funds are used to support various organizations in our society, such as the iLoveFarm Movement Headquarters and the Nonghyup Foundation.

Product Name	Funding Sources	Uses
NH Plus and Sharing Deposits	0.01% of average annual balance	Helping stabilize agricultural prices
Farmer's Heart Deposits and Savings	0.02% of average annual balance	iLoveFarm Movement Headquarters
NH Pody Deposits	0.1% of new balance	Nonghyup Foundation

We raise funds for public welfare by accumulating a certain percentage of the usage fees of six types of cards, including the NEW Rural Love Check Card. In July 2022, we donated KRW 350 million to the National Movement Headquarters for Urban and Rural Cooperation to improve the welfare of farmers as part of Hometown Love Donation Program. In June 2023, we donated KRW 100 million to the Agricultural Protection Campaign Headquarters for social contribution activities such as sharing kimchi, taking photos of elders, and supporting multicultural families.

ESG Management Performance

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ESG Management Performance

Environmental Story

ENVIRONMENTAL STORY

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Environmental Story

Nonghyup Bank is designing the future through Green innovation and discovering opportunities for business transformation and value growth beyond responding to the climate crisis. Nonghyup Bank has declared '2050 carbon neutrality' and is establishing strategies and implementation plans to seek a sustainable future through the expansion of Green finance and the discovery of new business opportunities.



01 Enhanced Climate Change Response Structure

Nonghyup Bank has declared '2050 carbon neutrality' and is actively working toward this goal. To this end, the bank measures and manages both internal carbon emissions (Scope 1 and 2) and financial emissions. By adhering to international standards for calculating financial emissions (PCAF Scope 3 calculation standards), we have enhanced consistency.

2023 Financial Emissions

37.43 million tCO₂eq

2023 Internal Emissions (Scope 1+2)

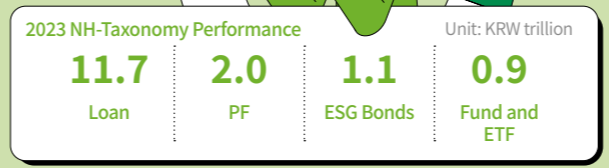
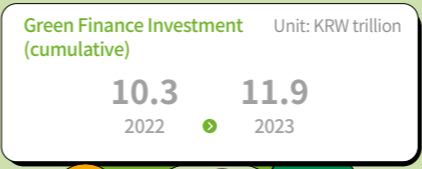
94,231 tCO₂eq

2023 Internal Carbon Emissions Target

66,974 tCO₂eq

02 Expansion of Green Finance

Nonghyup Bank is strengthening green finance that is beneficial to the environment and people. To this end, the bank is supporting KRW 12 trillion in global climate projects, low-carbon transition companies, eco-friendly agriculture, and plan to continue investing in the future.



03 Facilitation of New ESG Businesses

Nonghyup Bank is expanding its business by identifying new growth opportunities in climate change. Through the Green Solution Lab, we are supporting the low-carbon transition of agriculture and rural areas and generating new revenue through the creation of a voluntary carbon credit market ecosystem.

Response to Climate Crisis

Climate Change Response Roadmap

Nonghyup Financial Group TCFD Implementation Roadmap

Category	2021~2022	2023~2024	2025~2030
	Building a TCFD Implementation Framework	Advancing the TCFD Implementation Framework	Securing TCFD Leadership
Governance	<ul style="list-style-type: none"> Newly established the Committee for Enhancement of Social values & Green finance within the BOD Establishment of a group-wide ESG council and dedicated organization 	<ul style="list-style-type: none"> Strengthening the TCFD implementation working group Establishment of climate change related performance management and reward systems Establishment of an ESG council 	<ul style="list-style-type: none"> Advancement of the governance system and securing TCFD leadership
Strategy	<ul style="list-style-type: none"> Creating a mid- to long-term climate change response strategy Increasing investment in agriculture, eco-friendly green investments Declared financing coal-phase out Expanding participation in global initiatives 	<ul style="list-style-type: none"> Advancement of NH-Taxonomy and expansion of climate finance investments Refining carbon neutrality strategy 	<ul style="list-style-type: none"> Mid-term review and advancement of ESG and climate change response strategy targets(2030)
Risk Management	<ul style="list-style-type: none"> Asset portfolios under climate scenarios Financial impact analysis Establishment of a climate risk management framework <ul style="list-style-type: none"> Establishment of industry-specific exposure limit management system 	<ul style="list-style-type: none"> Strengthening high-emissions industry engagement efforts Improving and enhancing exposure limit management by industry Promoting the application of the Korean Green Taxonomy (K-Taxonomy) Establishment of an environmental and social risk management(ESRM) to comply with the Equator Principles 	<ul style="list-style-type: none"> Establishment of a credit rating/ assessment/investment management system that reflects climate risk Establishment of a climate financial risk management(CFRM) framework
Metrics and Targets	<ul style="list-style-type: none"> Measurement and management of carbon emissions <ul style="list-style-type: none"> Operational emissions(Scope 1&2), financial emissions(Scope 3), other indirect emissions Setting SBTi-based carbon neutrality goals 	<ul style="list-style-type: none"> Advancement of carbon emissions management and reduction target management system Advancing the financial emissions measurement system upgrade project Approval of SBTi reduction targets 	<ul style="list-style-type: none"> Expanding the scope of climate change target management Mid-term review and reestablishment of SBTi-based carbon neutrality goal(2027)



Response to Climate Crisis

Governance

To effectively address the escalating challenges of climate change, NHFG has established a governance structure that includes the Board of Directors, management, and a dedicated working group. The Board, through the "Committee for Enhancement of Social Values & Green Finance," oversees key decisions related to climate change response. Progress on major climate initiatives is shared and managed through the "Committee for Enhancement of Social Values & Green Finance," led by the Group's CEO and Chairman, with participation from ESG executives across the company. Additionally, Nonghyup Bank shares ESG strategy updates and current issues through the ESG Committee, while actively responding to climate change by systematically monitoring and managing the implementation of its carbon neutrality strategy through ESG performance evaluations.

NHFG and Nonghyup Bank's ESG Management System



ESG Performance Evaluation System

Category	Period	Conducted By	Details
Establishment of ESG evaluation standards	First Half of Every Year	Nonghyup Financial Group	<ul style="list-style-type: none"> Establishment of ESG key implementation tasks according to the results of the materiality assessment and review of business plans for each affiliate Derive evaluation items by collecting opinions, etc.
ESG Performance Reporting	Twice a Year	Nonghyup Bank	<ul style="list-style-type: none"> ESG management performance and indicator reporting
ESG Performance Evaluation	Twice a Year	Nonghyup Financial Group	<ul style="list-style-type: none"> Evaluation of ESG management performance by group considering characteristics of each affiliate and ESG implementation conditions

ESG Performance Evaluation Indicators related to Climate Change Response

Evaluation Items	Detailed Evaluation Criteria
Expanding Green Finance Investment	Green finance investment annual goal achievement rate
Promote ESG Strategic Products	ESG financial product goal achievement rate and new product development efforts
Carbon Emissions and Financial Intensity Management	Internal carbon emissions measurement and reduction activities
Compliance with Coal Phase-out Finance	Compliance with the coal phase-out declaration and implementation of follow-up management

Introduction

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ESG Management Performance

► Environment

Environmental Story

[Response to Climate Crisis](#)

Green Finance

Eco-Friendly Management

Social

Governance

Appendix

Response to Climate Crisis

Strategy

Climate change is a threat to the survival of humanity and the sustainable growth of businesses. Nonghyup Bank recognizes the climate crisis as both an immediate challenge and an opportunity for future growth. To this end, we are implementing the TCFD Recommendations and transparently disclosing performance information to stakeholders. NHFG publicly declared support on TCFD in October 2021, established a plan to implement the TCFD recommendations, and reported on the implementation to the “Committee for Enhancement of Social values & Green Finance”. Nonghyup Bank has identified the current and expected financial impact of climate change-related risks and opportunity factors on Nonghyup Bank, and is analyzing the impact by setting a timeline based on the time of achieving Net-zero.

Climate Risk Identification

Nonghyup Bank recognizes the ramifications of transition risks and physical risks due to climate change that will be transferred to financial risks, and systematically manages these by identifying their financial impacts. Nonghyup Bank has identified the transition risks that occur in the process of achieving carbon neutrality and physical risks such as collateral value impairment due to climate change, and has reviewed the financial impact of each risk at each point in time(short-term, medium-term and long-term).

Risk Category	Climate Change-Related Risks	Current and Expected Financial Impacts	Impact period			
			Short-term (1~3years)	Medium-term (3~5years)	Long-term (More than 5years)	
Implementation risk	Policy and Legal	<ul style="list-style-type: none"> • Increasing pricing of GHG emissions • Enhanced emissions-reporting obligations • Increased environmental litigation 	<ul style="list-style-type: none"> • Increased operating costs(e.g., pricing of GHG emissions, regulations on carbon intensive industries) • Write-offs, asset impairment, and early retirement of existing assets due to policy changes • Deterioration of corporate credibility and cost increase due to responding to environmental litigation and fines 	●	●	
	Technology	<ul style="list-style-type: none"> • Transition to eco-friendly and low carbon technology • Unsuccessful investment in new technologies • Investment in low carbon facilities and infrastructures 	<ul style="list-style-type: none"> • Increased costs due to low-carbon transition such as alternative energy • Costs for expanding eco-friendly facilities such as electric vehicle charging stations and solar power generation facilities • Write-offs and early retirement of existing assets • Decreased customer retention rate of financially vulnerable groups due to the introduction of electronic documents • Reduced demand for products and services • Increased burden on borrowers to meet the high environmental and social risk standards of financial holding companies 		●	●
	Market	<ul style="list-style-type: none"> • Changing customer behavior • Uncertainty in market signals • Increased waste disposal costs 	<ul style="list-style-type: none"> • Increased customer inflow for low carbon emission financial products and services • Re-pricing of assets • Costs incurred for preliminary work to clearly understand customer needs regarding eco-friendly trends, such as conducting customer interest surveys • Additional waste generation when customer interest in eco-friendly financial products such as low-carbon cards decreases 	●	●	
	Reputation	<ul style="list-style-type: none"> • Shifts in consumer preferences • Increased stakeholder concern or negative feedback 	<ul style="list-style-type: none"> • Increased costs for low carbon transition • Negative reputation from customers and investors due to insufficient response to climate crisis 	●	●	
	Acute Chronic	<ul style="list-style-type: none"> • Changes in precipitation patterns and extreme variability in weather patterns • Rising mean temperatures • Rising sea levels 	<ul style="list-style-type: none"> • Increased risks • Reduced asset values and early disposition of real estate, facilities, etc. • Increased recovery and insurance costs due to natural disasters • Decreased collateral value due to impairment of tangible assets • Excessive insurance claims and premium increases due to climate change • Increased operating costs due to the rise in energy consumption at the business site 	●	●	●



Response to Climate Crisis

Strategy

Climate Opportunity Identification

The paradigm shift in the industry due to climate change and the response to climate change are challenges we must face and risks we must actively address, while also creating new opportunities to enter new businesses. Nonghyup Bank identifies opportunity factors to create new opportunities and promote various new businesses in the carbon market in connection with government institutions and policy directions.

The opportunity factors arising from climate change have been analyzed based on the TCFD Recommendations, categorized into resource efficiency, energy sources, products and services, markets, and resilience. The short-term impacts of these opportunities are expected to include entering new markets through the expansion of eco-friendly products and services, as well as reducing operational costs. In the mid to long-term, increased revenue is anticipated through the expansion of participation in new technologies and the carbon market.

Opportunity Category	Climate Change-Related Opportunities	Current and Expected Financial Impacts	Impact period		
			Short-term (1~3years)	Medium-term (3~5years)	Long-term (More than 5years)
Resource efficiency	<ul style="list-style-type: none"> Reduction of energy consumption and expansion of recycling Expansion of renewable energy use and eco-friendly buildings 	<ul style="list-style-type: none"> Reduced operating costs through energy efficiency Increased the value of tangible assets such as eco-friendly buildings Realized a circular economy through waste management and expansion of recycling Increased demand for funds from corporate customers due to the need for energy efficiency and resource circulation systems 	●	●	
Energy sources	<ul style="list-style-type: none"> Use of eco-friendly sources of energy(low-carbon and new renewable) Use of new technologies and participation in carbon market 	<ul style="list-style-type: none"> Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon Increased revenue through investment in low-carbon technologies and entering carbon market Expansion of investment in projects related to renewable energy Reduced carbon emissions through the expansion of renewable energy and transition to electric vehicles 		●	●
Products and Services	<ul style="list-style-type: none"> Expansion of eco-friendly goods and services Diversification of business model and shift in consumer preferences 	<ul style="list-style-type: none"> Increased revenue through introducing low-carbon products and services Risk hedge through adopting new solutions on climate risk Strengthening competitiveness through new eco-friendly business models 	●	●	
Markets	<ul style="list-style-type: none"> Access to new markets Use of public-sector incentives 	<ul style="list-style-type: none"> Increased revenue through access to new and emerging markets Increased diversification of business portfolio Reduced indirect operating costs by utilizing public sector eco-friendly transition incentives 	●	●	
Resilience	<ul style="list-style-type: none"> Expansion of renewable energy and energy efficiency Resource diversification 	<ul style="list-style-type: none"> Enhanced corporate reliability through strengthening the resilience of the asset portfolio Increased inflow of investment funds due to the rise in corporate reputation Enhanced corporate image and secured sustainability 	●	●	

Response to Climate Crisis

Strategy

Carbon Neutral Strategy Implementation Initiatives

Establishment of the NH-RE100 2040 Plan

In 2021, Nonghyup Bank became the first bank in the financial sector to participate in the K-RE100 and established the 2040 NH-RE100 roadmap, aiming to transition to 100% renewable energy by 2040, and are progressively implementing it. In particular, we have transitioned 17% of our electricity consumption by purchasing green premiums and RECs, as well as installing solar power generation facilities for self-consumption. We are increasing our conversion target by 5% each year. Furthermore, various measures are being reviewed and implemented to reduce electricity consumption, such as creating low-power office spaces and gradually converting business vehicles to zero emission vehicles.

'Green Solution Lab' to Revitalize External Business of the Agricultural Emissions Trading System

In 2023, Nonghyup Bank launched the 'Green Solution Lab' in partnership with the Korea Agricultural Technology Promotion Agency to support 'external projects under the agricultural emissions trading system.' This initiative provides carbon credits to farmers who reduce greenhouse gases by utilizing 17 registered low-carbon agricultural technologies, thereby creating new income streams. Nonghyup Bank also offered policy funds for low-carbon agricultural facilities, as well as insurance, installment financing, and financial services to support farmers in trading the carbon emissions rights they hold.

Promotion Details of Nonghyup Bank Green Solution Lab

Category	Details
Nonghyup Bank	<ul style="list-style-type: none"> • Expand guidance to branches on external agriculture business • Enable policy lending support, including enhanced training for practitioners • Buy farmer carbon credits



Response to Climate Crisis

Risk Management

Climate Risk Management Framework

NHFG has established a climate risk management system to analyze the impact of transition risks and physical risks due to climate change on financial risks and to systematically manage the financial impacts. In 2023, we advanced the financial emissions measurement system and internalized 'The Korean Green Taxonomy (K-Taxonomy)'.

Nonghyup Bank Climate Risk Management Process



Nonghyup Bank Climate Risk Management R&R

	 Risk Management Department (Oversee Climate Risks Management)	 ESG Department (Oversee ESG Management)
Risk Identification	<ul style="list-style-type: none"> Identify the source of risk 	<ul style="list-style-type: none"> Discover opportunity factors
Risk Assessment	<ul style="list-style-type: none"> Measure financial emissions and analyze scenarios Measure internal capital and regulatory capital (upon regulatory introduction) 	<ul style="list-style-type: none"> Establish implementation strategies for discovered opportunity factors
Risk Management	<ul style="list-style-type: none"> Measure and monitor carbon intensity of financial emissions Select and manage high-carbon industries Set and manage exposure limits by industry 	<ul style="list-style-type: none"> Set and monitor reduction targets Establish and manage strategies to achieve reduction targets
Responding to External Organizations	<ul style="list-style-type: none"> Respond to supervisory organizations related to climate risk measurement 	<ul style="list-style-type: none"> Respond to investors and evaluation organizations regarding overall ESG
Disclosures, etc.	<ul style="list-style-type: none"> Support ESG disclosure tasks, prepare climate disclosure data 	<ul style="list-style-type: none"> Disclose ESG Management Report (Sustainability Report), TCFD Report, etc.

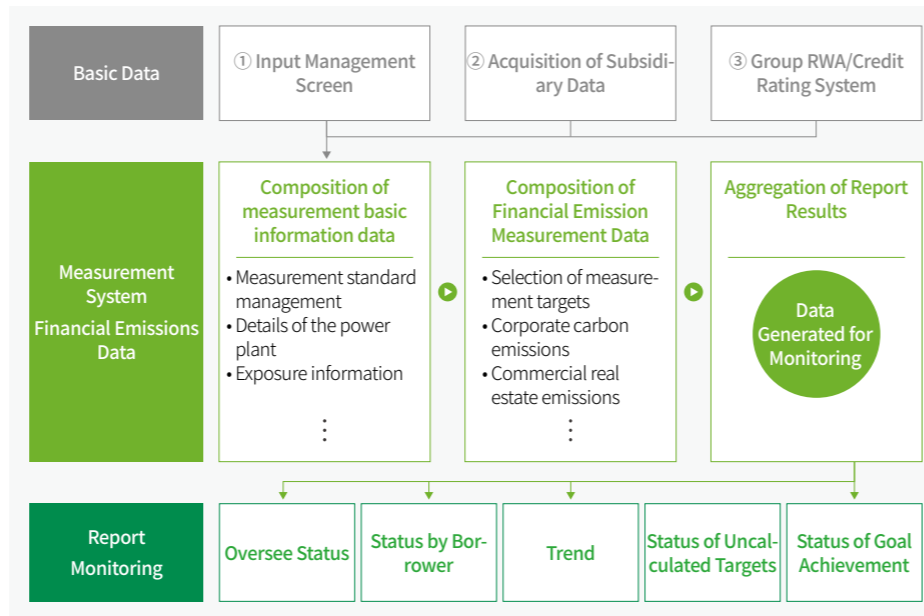
Response to Climate Crisis

Risk Management

Advancement of Climate Risk Management System

NHFG has responded to the supervisory authorities' policies related to climate risk and established a financial asset carbon emissions(Scope 3) measurement system to achieve the goal of carbon neutrality. The financial emissions measurement system of NHFG calculates financial emissions by adhering to the PCAF(The Partnership for Carbon Accounting Financial) methodology, which is approved by the GHG(Greenhouse Gas) Protocol, an international standard for measuring GHG emissions. According to the PCAF guide, for a total of seven asset types including listed shares and corporate bonds, corporate loans and non-listed shares, project finance, commercial properties, mortgage, vehicle loans, and government exposure (government bonds), the carbon emissions of each asset type are measured by allocating them according to the contribution of the financial company. The financial emissions measurement system supports monitoring screens for financial emissions by industry, customer, and asset, and is utilized in various activities to achieve carbon neutrality, such as identifying targets for transition finance and measuring reduction performance.

Structure of Financial Emissions Measurement System



Adjusting Exposure Limits by Industry

Nonghyup Bank categorizes the ESG impact of each industry as positive, neutral, or negative. The 27 industries categorized as ESG-positive are granted additional limits based on their environmental and social impacts, while ESG-negative industries have their limits reduced. In the future, the management system will be advanced to enhance carbon emission reduction measures and strengthen the relationship between carbon emission efforts by industry group and carbon reduction targets.

Financial Emissions-based Exposure Management Direction

Category	Short-term	Mid- to Long-term
	By Industry	By Individual Borrower
Overview	• Monitor and manage the total greenhouse gas (GHG) emissions by industrial level	• Monitor greenhouse gas (GHG) emissions and manage reduction targets by borrower level
Major Targets	• High-density industries with non-disclosure of carbon emission information • High-density industries applying PCAF emission factors	• Disclosure of carbon emission information by borrowers • Establishment of reduction targets by borrowers
	‘Strengthening climate risk management at the borrower level’ by encouraging borrowers to set voluntary reduction goals and disclose carbon emissions.	
Management Direction	• Gradual transition of industrial portfolio • Encourage borrowers to set carbon reduction targets	• Monitoring whether borrowers’ reduction targets meet NHFG’s reduction paths • Increase financing for borrowers who meet the reduction path
	<div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="background-color: #2e8b57; color: white; padding: 5px 10px; border-radius: 5px;">▶ Reduce Targets ◀</div> <div style="color: white; font-size: 20px;">▶</div> <div style="background-color: #2e8b57; color: white; padding: 5px 10px; border-radius: 5px;">◀ Increase Targets ▶</div> </div>	
Limit Management	• Manage industry limits focusing on high carbon emission industries and industries related to SBTi1) reduction targets	• Reflect individual borrower limits (TE) when expanding the disclosure of carbon emissions companies

1) SBTi (Science-Based Targets Initiative): Science-Based Targets Initiative

Response to Climate Crisis

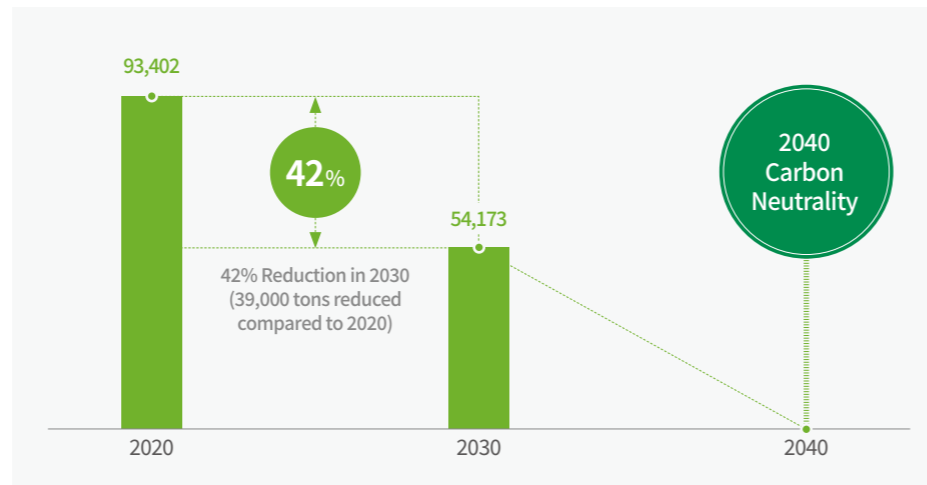
Metrics and Targets

Measuring Internal Carbon Emissions

NHFG has developed a calculation manual that outlines specific measurement criteria, considering the types and methods of calculating internal carbon emissions. In line with this manual, carbon emissions from the holding company and its affiliates are integrated, measured, and managed. In 2023, internal carbon emissions(Scope 1+2) totaled 94,231 tCO₂eq, a reduction of 1,702 tCO₂eq compared to the previous year. This decrease was largely due to Nonghyup Bank's purchase of RECs(resulting in a 1,780 tCO₂eq reduction) and the increased adoption of electric vehicles(leading to a 836 tCO₂eq reduction). Nonghyup Bank will continue to carefully monitor annual fluctuations in emissions through its internal carbon emissions measurement process, implementing reduction strategies based on these findings. We remain committed to lowering greenhouse gases by expanding the use of new and renewable energy and increasing REC purchases.

Internal Carbon Emission Reduction Targets

(Unit: tCO₂eq)



Nonghyup Bank Carbon Emissions Metric Items

	Internal Carbon Emissions(Scope 1, 2)	Other Indirect Emissions(Scope 3)
Key Description	<ul style="list-style-type: none"> Carbon emissions from assets owned and used by the company Asset management team's measurement by asset with 	<ul style="list-style-type: none"> Relevant departments' measurement of Individual item such as product purchase and disposal, capital goods purchase, employee commuting, etc.
Metrics	<ul style="list-style-type: none"> Direct combustion energy use in self occupied offices Purchased energy use in owned and leased offices Business vehicle mileage and fuel usage, etc. 	<ul style="list-style-type: none"> Purchases of products such as paper, cards, bankbooks, water, groundwater, etc. Purchases of capital goods such as laptops, monitors, computing equipment, etc. Waste disposal Employee travel by mode of transportation Product disposal including card, bankbook, etc.

Carbon Emissions Performance¹⁾

(Unit: tCO₂eq)

Category	2022	2023
Internal(Scope 1, 2) Carbon Emissions		
Total	95,933	94,231
Scope 1	7,474	7,025
Scope 2	89,011	87,776
Carbon Intensity²⁾ (tCO₂eq/person)	5.9	5.8
Other Indirect(Scope 3) Carbon Emissions		
Total	6,632	9,578
1. Product Purchase	328	303
2. Capital Goods	25	218
5. Waste Generated in Operations	32	111
6. Business Trip	98	142
11. Use of Product³⁾	6,038	8,581
12. Disposal of Product	111	223

1) Based on self-calculated emissions

2) There may be discrepancies between greenhouse gas emissions and total emissions at each business site when comparing the sum of adjusted emissions and the total emissions for each location

3) Newly measured from 2023

Response to Climate Crisis

Metrics and Targets

Financial Emissions Measurement

Financial Emissions Measurement Results

Nonghyup Bank's financial emissions in 2023 amounted to 37,428 million tCO₂eq, an increase of 2,872 million tCO₂eq compared to the end of 2022. Financial intensity was 26.1 tCO₂eq per KRW 100 million, up by 0.4 tCO₂eq from the previous year. The increase in financial emissions across PCAF asset groups was driven by the growth in measured assets: corporate loans and unlisted stocks accounted for 2,107 million tCO₂eq, project finance for 619 thousand tCO₂eq, government exposure (government bonds) for 65 thousand tCO₂eq, listed stocks and corporate bonds for 41 thousand tCO₂eq, mortgages for 3.7 million tCO₂eq, and commercial real estate for 0.3 million tCO₂eq.

Financial Emissions Measurement Results by Asset Class

(Unit: KRW trillion, 10,000 tCO₂e, tCO₂eq/KRW 100 million)

Category	2022			2023		
	Balance	Financial Emissions	Intensity	Balance	Financial Emissions	Intensity
Listed stocks and corporate bonds	21.5	381.6	17.7	22.4	385.7	17.2
Corporate loans and unlisted stocks	57.3	2,342.2	40.9	58.8	2,552.9	43.4
Project finance	1.7	106.6	63.9	1.9	168.5	90.4
Commercial real estate	10.1	9.6	1.0	11.4	9.9	0.9
Mortgage	26.2	13.8	0.5	30.4	17.5	0.6
Car Loan	0.01	0.1	10.4	0.01	0.1	15.4
Government Exposure	17.8	601.7	33.8	18.6	608.2	32.6
Total	134.6	3,455.6	25.7	143.5	3,742.8	26.1

Financial Emissions Portfolio Management

Nonghyup Bank aims to reduce financial emissions and proactively address transition risks by closely monitoring high-carbon industries and adjusting the asset composition of its portfolio in line with financial transitions.

To manage transition risks, Nonghyup Bank uses financial intensity and financial emissions as key management indicators. While financial emissions represent an absolute figure and act as a benchmark for achieving carbon neutrality, they are often influenced by the size of a borrower's assets and sales. Given the challenges in making relative comparisons across industries and borrowers using financial emissions alone, we plan to manage the portfolio by incorporating financial intensity, which measures financial emissions per unit of financial assets, as an additional management metric.

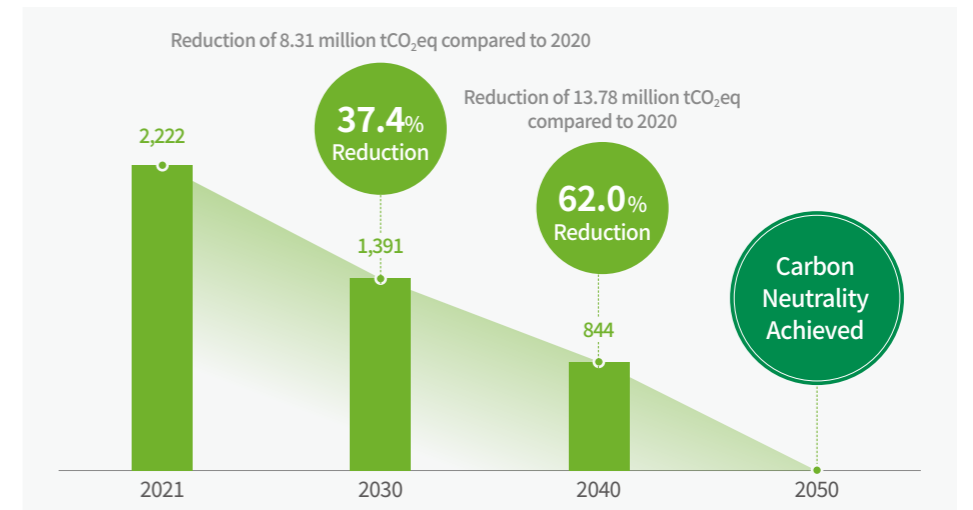
Financial Emissions Reduction Goals

Nonghyup Bank's financial emission reduction goals are set to achieve 2050 carbon neutrality. The targets are to reduce emissions by 8.31 million tCO₂eq(37.4%) by 2030 and by 13.78 million tCO₂eq(62%) by 2040, compared to the baseline year of 2021, which recorded 22.22 million tCO₂eq.

Nonghyup Bank is committed to systematically reducing financial emissions by implementing regular monitoring and a transparent reporting system. We will enhance our green financial investments, prioritize environmental risk management, and strengthen collaboration with our customers and partners. Additionally, we plan to continuously improve our organizational capabilities through employee training and increase our expertise to achieve these goals. In doing so, we will uphold our responsibilities as a conscientious financial institution.

Financial Emission Reduction Goals

(Unit: 10 thousand tCO₂eq)

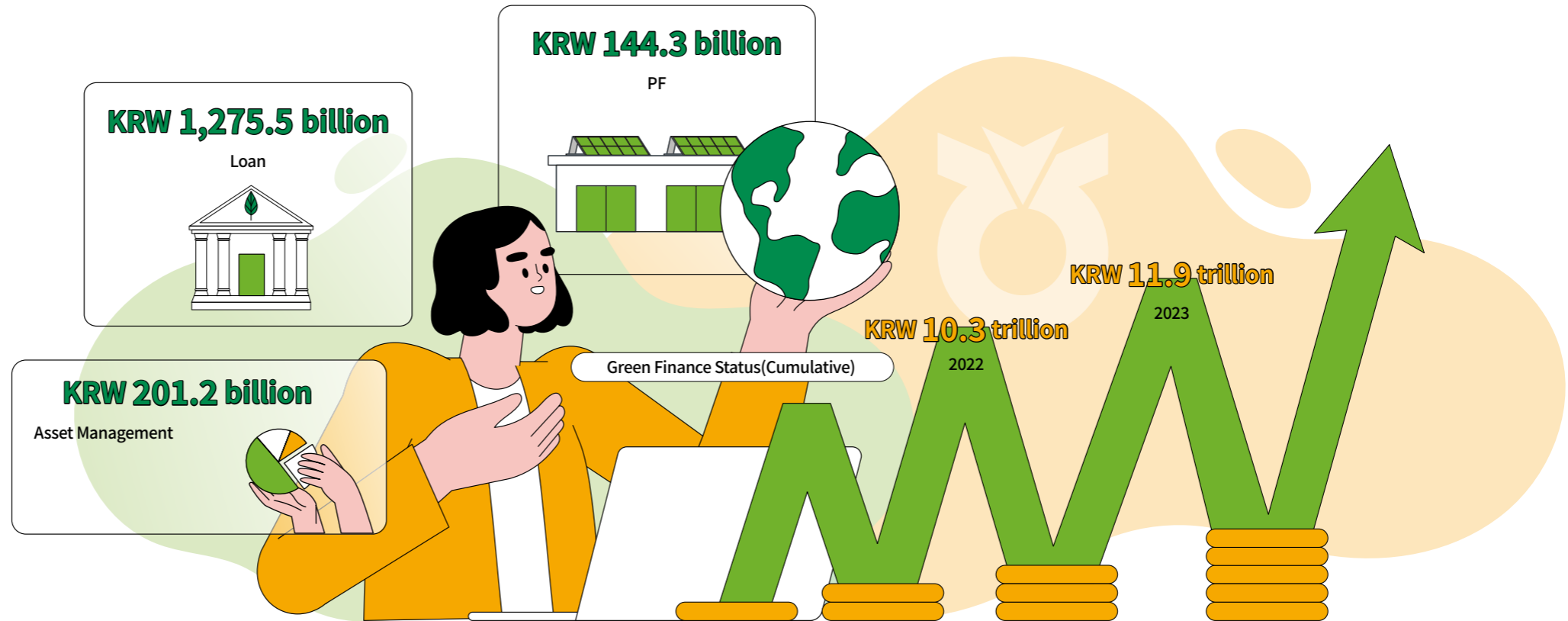


Green Finance

Green Finance Performance and Goals

Nonghyup Bank refers to eco-friendly finance handled in accordance with the six environmental goals of the Korean Green Taxonomy (K-Taxonomy) as 'Green Finance,' and aims to expand it to KRW 30 trillion by 2030. As part of NHFG's proactive carbon-neutral strategy, we are focused on investing in eco-friendly companies and those with key carbon-neutral technologies. Additionally, we are fulfilling our role as a financial institution supporting the low-carbon transition by launching new ESG products in areas such as policy finance, low-carbon transition companies, and sustainable agriculture. We are also actively participating in global climate change initiatives and expanding international cooperation.

Green Finance New Investment in 2023



Green Finance

Green Investments

Nonghyup Bank is helping build the country's carbon-neutral infrastructure by offering financial support and increasing investments in eco-friendly sectors such as renewable energy and hydrogen.



Blind Fund Investment in Solar Power Project

In the first half of 2023, Nonghyup Bank made a new investment of KRW 100 billion in a blind fund that invests in solar power generation projects utilizing the RE100 system¹⁾. This investment, categorized as an indirect investment (SOC), is aimed at the development and operation of solar power generation projects using the RE100 system, thereby contributing to the government's carbon neutrality goals through the expansion of renewable energy distribution.

1) RE100 (Renewable Electricity 100): A global initiative where companies commit to using 100% renewable energy and work towards achieving this goal



Blind Fund Investment in Hydrogen Fuel Cell Power Project

Nonghyup Bank made a new investment of KRW 20 billion in the second half of 2023 in a blind fund for hydrogen fuel cell power generation projects utilizing the CHPS system (Clean Hydrogen Portfolio Standard, which includes the introduction of mandatory clean hydrogen power generation and the establishment of a bidding market to expand the hydrogen fuel cell power market). This investment, categorized as an indirect investment (SOC), is directed towards hydrogen fuel cell power plants constructed to promote the hydrogen economy following the implementation of the Hydrogen Act in 2021, thereby contributing to the government's carbon neutrality goals through the expansion of renewable energy.

Environmental Management System

Advanced Environmental Management System

NHFG has established an eco-friendly governance structure, including the Board of Directors, management, and a dedicated working group, to proactively and effectively address climate change issues. In 2023, we launched the "Committee for Enhancement of Social Values & Green Finance," chaired by NHFG's CEO and Chairman and attended by ESG executives from across the company, to facilitate the sharing and management of key climate change initiatives. Furthermore, we are actively responding to domestic and global climate change efforts by enhancing our taxonomy and conducting annual ESG performance evaluations to systematically monitor the implementation of carbon-neutral strategies across our affiliates.

Nonghyup Bank Environmental Management System

Organization	Environmental Management R&R
Board of Directors	<ul style="list-style-type: none"> Nonghyup Bank ESG management strategy and implementation status inspection Conduct discussions on ESG management direction
Risk Management Committee	<ul style="list-style-type: none"> Establish a basic policy and strategy for risk management Establish and update risk management standards
ESG Committee	<ul style="list-style-type: none"> Nonghyup Bank ESG Management Control Tower Resolution of ESG strategies and plans, including response to climate change
ESG Strategy Department	<ul style="list-style-type: none"> ESG planning, strategy establishment, promotion, external disclosure Improving ESG promotion-related systems and processes, identifying tasks Establishment and implementation of carbon neutrality goal implementation strategy Expand green finance and respond to climate change through ESG performance evaluation of headquarters departments
Credit Risk Management Department	<ul style="list-style-type: none"> Measurement and management of financial emissions related to climate risk Establishment of exposure management direction reflecting climate risk

Acquiring ISO 14001 Certification

ISO 14001 is an international standard for environmental management systems, designed to help organizations systematically manage their environmental goals and performance in line with their environmental policies. Nonghyup Bank has adopted ISO 14001 and renews its certification annually, thereby establishing and maintaining a global-standard environmental management system.



Eco-Friendly Management

Eco-friendly Activities

Nonghyup ‘Daily ESG Practice Campaign’

In 2023, NHFG initiated the ‘ESG Practice Campaign in Daily Life’ across all Nonghyup entities. Each month, the campaign focuses on different themes related to eco-friendliness (E), social contribution (S), and ethics/integrity (G). All employees of Nonghyup Financial Group, Nonghyup Economic Holdings, Nonghyup National Federation, and its affiliates participate in the campaign. This initiative helps to promote ESG practices and build a shared commitment to these values.

Monthly Action Topics of Daily ESG Practice Campaign (2023)

	E Eco-friendliness	S Social Contribution	G Ethics and Integrity
January	Reducing carbon footprint	Welcoming new year	Understanding the code of conduct
February	Enabling e-services	Hometown love	Prohibiting inappropriate behaviors
March	Activating the Paperless Process Reengineering (PPR ¹⁾)	Springtime giving	Prohibiting workplace violations
April	Using public transportation more often	Agricultural support during the farming season	Prohibiting budget for using elsewhere
May	Using a reusable cup	Month of family	A sound family event culture
June	Establishing a culture of using reusable cups	Veterans and patriots	Prohibiting private use of bank property
July	Reducing the use of disposable products	Getting through summer together	Signing and implementing corruption-free contract
August	Energy saving	Having a safe summer	Prohibition of receiving money or goods
September	Purchase of low-carbon products	Sharing warmth during Chuseok	Maintaining employee dignity
October	Conducting plogging	Helping with harvest season labor	Strict reporting of external lectures, etc.
November	Participating in plogging with Nonghyup	Getting through winter together	Prohibition of monetary loans
December	Using transportation	Have a warm year-end	Prohibition of solicitations for job positions

1) Paperless Process Reengineering (PPR): A teller system that uses electronic forms instead of paper forms for financial transactions.

Eco-friendly Activities

Increase Solar Power Generation Facility Installation

Nonghyup Bank is leading the way in eco-friendly management and carbon neutrality by increasing the installation of solar power systems on branch buildings with ample sunlight and large rooftops. We aim to boost our use of renewable energy further by incorporating solar power installations into new business buildings. In the second half of 2023, one additional location was equipped with solar panels, and two more locations are planned for installation in 2024.

Nonghyup Bank ESG Campaign

- Spread of Zero Waste Challenge
- Reduce paper usage by streamlining business processes by eliminating unnecessary application documents and preventing duplicate collection of documents
- Designating the 10th of every month as Zero Disposable Day, promoting the regular use of tumblers and handkerchiefs
- Conducting daily ESG practice campaign every month and awarding outstanding cases



Ecosystem Protection and Biodiversity Conservation

Donation for Ecological Restoration in Forest Fire Affected Areas

Nonghyup Bank delivered KRW 100 million in donations for ecological restoration of forest fires and participated in a ‘Donor’s Forest’ event with the Korea Forest Service and the Korean Red Cross to restore forest ecology in Uljin-gun, Gyeongbuk. The donation was made through the public benefit fund for the restoration of local ecosystems in the ESG-specific product ‘NH I Am Green World Deposit/Savings Account’.

Introduction

Special Stories

ESG Management Performance

Environment

▶ Social

Social Story

Social Finance

Customer

Local Communities

Employee

Governance

Appendix



ESG Management Performance

Social Story

SOCIAL STORY

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Social Story

Nonghyup Bank is creating 'Hope' through generating outstanding social value. NHFG is sharing and supporting the development of local communities, including agriculture and rural areas. By expanding inclusive and co-prosperity finance, we contribute to resolve social bi-polarization, and we are enhancing financial accessibility for financially underprivileged by providing differentiated customer-centered financial and non-financial services.

01 Social Finance

Nonghyup Bank operates customized financial products and services for each customer group, including farmers, the disadvantaged, youth, and middle-aged people to support financially underprivileged groups and enhance financial accessibility. We also continuously support small business owners and promising industries through fund operations for start-ups, platforms, and digital new businesses.

Status of Inclusive Finance Loan Product

KRW 758.5 billion

Debt Relief Support Amount for Microenterprise

KRW 831.2 billion



02 Maximization of Customer Value and Experience and Information Protection

02

Nonghyup Bank is promoting digital transformation, including the implementation of a super platform, to provide differentiated customer value. Through the advancement of the financial consumer protection system, we are offering safe and convenient life finance services to our customers. In addition, we contribute to enhancing the trust in financial services by ensuring that customers can enjoy safe and convenient financial lives, protecting and considering financially underprivileged groups.

Customer Satisfaction

95.8 points

Digital Finance Usage

67.0%

03 Inclusive Cooperation with Local Communities

Nonghyup Bank practices close companionship through inclusive, co-prosperity, innovative finance and social contribution. We contribute to the development of local communities through continuous job creation and are carrying out various social contribution programs to support the underprivileged. In addition, we are enhancing trust between local communities and Nonghyup Bank through environmental protection and volunteer activities.

Social Contribution Amount

KRW 186.3 billion



04 Increased Employee Satisfaction

Nonghyup Bank is striving to foster professional talent as a foundation for sustainable growth. In particular, we are creating an environment where employees can work with satisfaction through horizontal organizational culture innovation and various capacity-building programs. In addition, we are expanding support to strengthen the capabilities of employees so that they can grow into professionals who contribute to the company, and also actively enhancing welfare programs to ensure a good work-life balance.

Total Employee Training Hours

1,747,320 hours

Collective Agreement Coverage

99.8%

Social Finance

Inclusive Finance

Support for the Financially Underprivileged Groups

Customized Inclusive Support Program

Since August 2022, Nonghyup Bank has been operating the 'NH Inclusive Support Program' to support vulnerable people who are experiencing economic difficulties due to factors such as rising prices and interest rates. The program is structured to provide customized support for each customer group, including farmers, the disadvantaged, youth, and small business owners.



Farmers

- Ease the financial burden by expanding the preferred rate by up to 0.3%
- Up to 1.6% preferential interest rate on smart farm comprehensive fund for young farmers



Disadvantaged households and people with actual demand

- Expanded the youth lease/rent rate by up to 0.3%
- Up to 0.2% rate cap premium reduction program(for one year)
- Waiver of return security deposit fee(up to 2 years)



Youth and microenterprise

- Offer long-term financing with maturities up to 10 years
- Stamp duty exemption for installment plan programs

NH for NH Project for the Financially Underprivileged

In order to expand financial support to marginalized and disadvantaged groups, Nonghyup Bank has been conducting the 'NH for NH Project' since 2020 for all employees. We are strengthening internal consensus on inclusive finance by awarding outstanding employees and branches based on their ideas for improving the inclusive finance system, cases of solving difficulties, and performance in supporting the 'NH New Hope Seed Loan'.

Inclusive Finance Loan Products

(Unit: KRW 100 million)

Category	2021	2022	2023
New Hope Seed II	7,827	6,959	6,337
Sunshine Loan 17	492	256	113
Sunshine Loan 15	200	784	1,052
Sunshine Loan Bank	30	69	71
Safety Net Loan II	16	21	12
Total	8,565	8,089	7,585

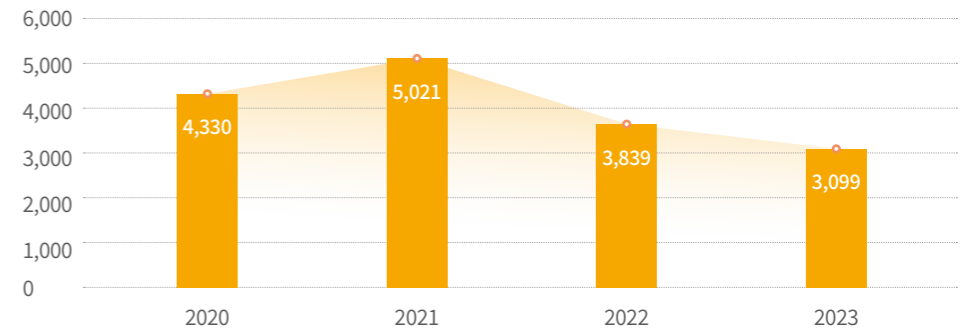
Product to support the reduction of debt repayment burden 'Credit Loan 119'

For household credit loans, Nonghyup Bank has implemented 'Credit Loan 119', which provides various customized debt management plans from the stage of concern about delinquency. In particular, from February 2023, we provided a total of KRW 4.4 billion¹⁾ in support by temporarily exempting borrowers with an internal credit rating(BS) of 5 or lower from early repayment penalties.

1) As of the end of September 2023

Support Amount for Credit Loan 119

(Unit: KRW 100 million)



Social Finance

Inclusive finance

Enhancing Financial Accessibility

Increasing Service Access for Financially Underprivileged

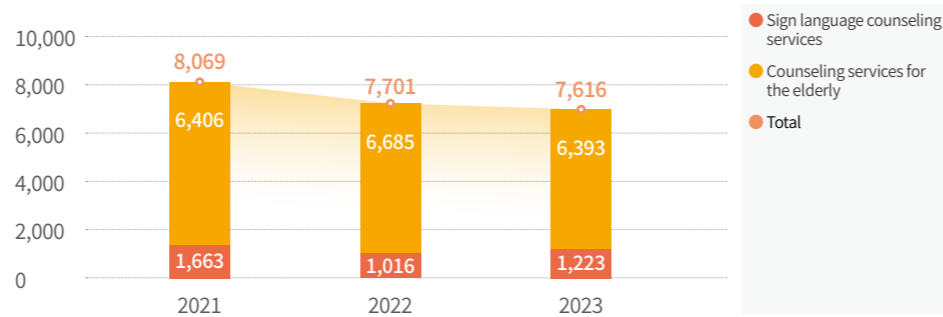
Nonghyup Bank improves the accessibility of financial services for financially vulnerable groups by introducing braille cards and providing guides with Voice I barcode. The braille cards have embossed card numbers, CVC, expiration dates, and card names, and the guides can be read aloud by mobile phones, making it easier for blinds to use financial services.

Improving Customer Convenience through Digital Finance

Nonghyup Bank has implemented various measures to improve financial services and convenience for digitally vulnerable and underprivileged groups. First, we obtained web accessibility certification and app accessibility certification for our website and mobile app to enhance accessibility. For blind customers, we offer services such as security media reissuance through substitute, Voice OTP reservation services, voice banking, and large-font banking services. For deaf and hard of hearing customers, we provide sign language consultation services through smart banking, AI chat counseling services, visible ARS, and digital ARS services to support more convenient use of financial services.

Support for Financially Underprivileged Service

(Unit: Cases)



Nonghyup Bank Sign Language Counseling Service



Social Finance

Co-prosperity Finance

Support for Microenterprise and Social Enterprises

Support for Reducing the Debt Burden of Microenterprise

As of 2023, Nonghyup Bank has provided a total of KRW 446.2¹⁾ billion through the 'Individual Business Loan 119' to prevent delinquency or prolonged delinquency of individual business owners who have difficulties in financial repayment due to temporary financial difficulties. In addition, we continued to provide financial support to affected borrowers, including maturity extension, interest and installment payment suspension, and provided a total of KRW 22 trillion, including KRW 6.7 trillion in new funding and KRW 15 trillion in rededication and postponement, from 2020 to December 2023.

1) Including rededication, postponement, and interest rate exemption

Support for Reducing Debt Burden of Microenterprise

(Unit: KRW 100 million)

Category	2021 ¹⁾	2022 ¹⁾	2023
Individual Business Loan 119	4,105	4,584	4,462
COVID-19 Related – New support	7,384	8,185	49
COVID-19 Related – Support for existing loans	37,036	25,075	3,801

1) Revision of 2021 and 2022 data due to changes in the criteria for aggregating the amount of support for reducing debt burden of microenterprise

Management Consulting Support for SMEs

Nonghyup Bank operates three corporate management consulting programs for small and medium-sized enterprises and microenterprise(self-employed), as well as the 'Store Sales and Commercial Area Analysis Service' system. Through these programs, SMEs and microenterprise are provided with various solutions that arise during business activities, including business strategy, finance and taxation, and human resources organization.

Category	Details
NH Corporate Management Consulting	Provide free management consulting services through on-site visits by professional consultants(for NH small business consulting, 0.1% interest rate preference upon completion of consulting)
NH Small Business(Self-Employed) Consulting	
NH Small Business Inclusive Academy	Consulting in the form of seminars that provide solutions to essential business management knowledge and pain points for microenterprise.
Store Sales and Commercial Area Analytics Service	Provide free big data-based store sales and commercial area analysis services through 'Store Sales Transaction Information Open API'

Social Enterprise Support Products

Nonghyup Bank provides financial support to companies that create social value, such as creating jobs for the vulnerable and contributing to the community. To support social enterprises, cooperatives, village enterprises, self-supporting enterprises, and social ventures, we operate dedicated loan products, 'Social Enterprise Loan' and 'Special Guarantee for Social Economy Enterprises', and provided KRW 232.4 billion in support for a total of 1,836 cases in 2023

Business Agreement for Financial Support to Foster New Growth Industries

Nonghyup Bank reduces the financial costs of SMEs and drives innovative growth through financial support aimed at fostering high-tech new and strategic industries by business agreement with guarantee organizations.

Section	Contracting agency	Details
Business Agreement for SME Financial Support to Foster High-Tech and Strategic Industries	Korea Technology Finance Corporation	KRW 3 billion in special annuities and KRW 700 million in guarantee fee support to foster high-tech new industries and increase guarantee rates for companies related to sustainable growth
Business Agreement for Financial Support to Overcome Complex Economic Crisis and Foster New Growth Industries		KRW 60 billion in special contributions for technology SMEs in new growth industries, funded by a special contribution of KRW 3 billion, including preferential support for guarantees and increased and reduced guarantee rates
Business Agreement for Financial Support for SMEs Operating in Core Strategic Industries and Management Innovation	Korea Credit Guarantee Fund	KRW 12 billion in special contributions and KRW 4 billion in guarantee fee support, for a total of KRW 640 billion in guaranteed loans

Social Finance

Innovative Finance

Startup Support Fund

NHFG is expanding new investments to help startup companies enter the market and grow stably. We manage funds totaling KRW 183.6 billion, including funds to support innovative companies in the agricultural sector, platforms, and digital new businesses.

(Unit: KRW 100 million)

Category	Details	Scale (based on committed amount)
NH Digital Alliance Fund		
Nonghyup Bank, NH Investment & Securities, NH Capital, NH Venture Investment	A blind venture capital fund that invests in platform companies and new digital business companies that can partner with NHFG Affiliates	1,000
Nonghyup Ag-Tech Inclusive Innovation Fund		
Nonghyup Bank, NH Investment & Securities, NH Capital, etc.	Fund created to strengthen its role in identifying and nurturing digital innovators in agriculture	530
Strategy Funds		
Nonghyup Bank	One of the venture funds established by local governments to foster companies within their jurisdiction	306

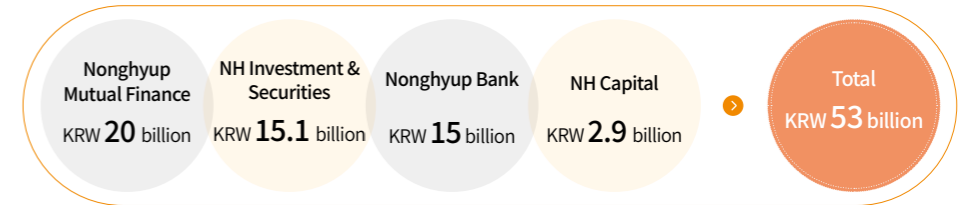
Digital Innovation Finance Startup Support 'NH Digital Alliance Fund'

In 2022, NHFG established the NH Digital Alliance Fund, a KRW 100 billion strategic investment(SI) fund that invests in startups in the digital innovation finance sector. Through the fund, we are creating a digital innovation finance ecosystem by investing in leading companies such as technology innovation startups, prospective unicorns, and platform operators in the digital field.

Supporting Digital Innovators in Agriculture – 'Nonghyup Ag-tech Inclusive Innovation Fund'

The 'Nonghyup Ag-tech Inclusive Innovation Fund' was established by NHFG affiliates, including NH Investment & Securities, to strengthen its role in discovering and fostering digital innovative companies in the agricultural sector. Through digital innovation and fostering smart agriculture, the fund aims to overcome rural difficulties such as labor shortages and rising farming costs, and to secure the power to develop agriculture into a high-tech industry of the future. In this regard, the fund actively spreads digital technology in the agricultural sector by discovering and collaborating on pilot projects between Nonghyup and innovative companies, and holding regular ag-tech technology forums

Ag-tech Inclusive Innovation Fund by Affiliates



Expanding Venture Capital - Strategic Funds

Nonghyup Bank is investing in regional strategic funds to support the growth of SMEs, venture companies, and strategic industries within each local government jurisdiction. As of the end of 2023, we have committed to investing KRW 30.6 billion in a total of 17 strategic funds in 9 local governments nationwide.

Nonghyup Bank's Strategy Funds Investment status

	2022	2023
Number of committed funds	12 funds	17 funds
Total contract amount	KRW 25.1 billion	KRW 30.6 billion
Total investment amount	KRW 14.4 billion	KRW 20.3 billion

Social Finance





Discovering and Supporting Startups

Fostering Promising Startups - ‘NH Digital Challenge+’

Fostering Promising Startups - ‘NH Digital Challenge+’

Since 2019, Nonghyup Bank has been conducting the ‘NH Digital Challenge+’ to discover and foster startups in new digital technologies such as AI, big data, and blockchain, as well as promising fields such as agriculture and ESG. In particular, we are actively utilizing our Nonghyup network(11 affiliates in NHFG and 16 affiliates in Nonghyup Agribusiness Group), which encompasses both financial and nonfinancial sectors, to try to collaborate on various topics in new fields every year. We also provide free office space at the ‘NH Open Business Hub’, a startup office space in the NH Digital Innovation Campus.

Support for NH Digital Challenge+ Participating Companies

<p>Mentoring/ Professional Education</p> 	<ul style="list-style-type: none"> • Capacity-building seminars: collective training on common areas of business growth • Office hours: 1:1 specialized training(investment, growth support, etc.) • Collaboration mentoring: step-by-step mentoring based on a company-specific collaboration capability assessment
<p>Business Matching</p> 	<ul style="list-style-type: none"> • NH Meetup Day: introducing thematic collaboration proposals for Nonghyup affiliates • Challengers Meetup: business discovery/networking for cross-enterprise collaborations
<p>Investing/IR Networking</p> 	<ul style="list-style-type: none"> • Partners Day: showcasing business to partners(collaboration, investment, growth support) • Investment meetups: VC talks, talk concerts, and other investment-related networking events
<p>Performance Events</p> 	<ul style="list-style-type: none"> • Demo Day: demo days for investors to pitch for funding • Open Business Day: investor relations and performance presentations for sharing business performance and attracting investment

Support for Expanding Startup Networking - ‘NH Open Business Day

Nonghyup Bank held ‘NH Open Business Day’ in June 2022 and April 2023. NH Open Business Day is NHFG’s unique demonstration day and open innovation event that shares achievements through various programs such as startup IR presentations, business cooperation and investment with Nonghyup affiliates and external investors. In addition, various types of booths of NHFG and startups promoted experience, business promotion, and networking among participants, and an award ceremony was held for outstanding startups with IR and collaboration proposals.



Customer

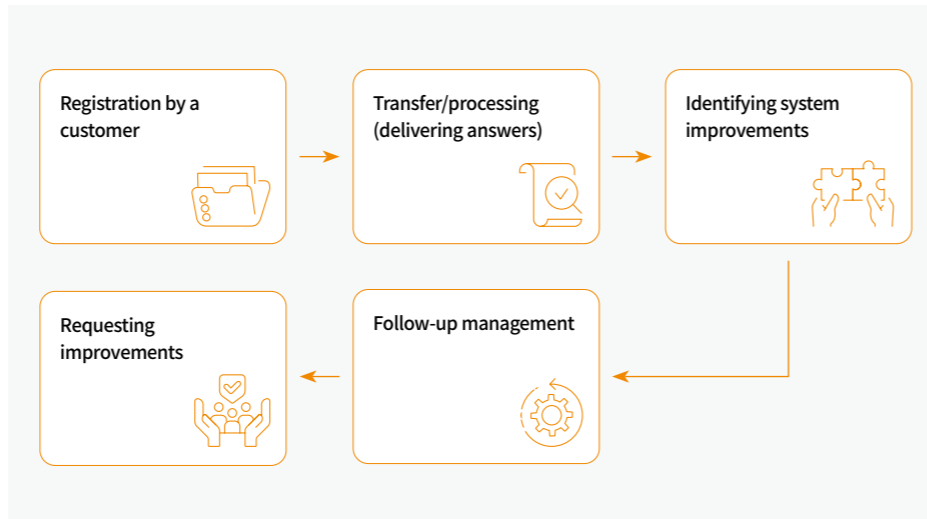
Customer Centered Management

Voice of Customers (VOC)

Digital VOC Management Process

Nonghyup Bank has implemented a digital VOC (Voice of Customer) management process to enhance customer communication. This process manages the entire workflow from receiving customer feedback to providing responses. Regular meetings are held to manage customer complaints and training is provided to employees based on the 'Complaint Handling Work Manual.'

VOC Management Process



Operation of a Customer Panel System

Nonghyup Bank operates a customer panel system to enhance competitiveness through consumer-centered management. Through the panel system, we listen to and reflect ideas from customers' perspectives on improving customer inconveniences in the business process.

Nonghyup Bank



- Since 2013, we have operated 'NH Panel' consisting of customer panels and employee panels to provide customized services reflecting customer and on-site voices. In 2024, we plan to establish the NH Digital Panel and recruit 1,000 members to listen to customer feedback using quantitative statistics.

Increasing Customer Satisfaction

KSQI Excellent Call Center Selection

Recognized for its customer-friendly efforts, such as the introduction of an AI consultation system, provision of digital ARS, expansion of psychological counseling programs for consultants, and support for companion services, Nonghyup Bank has been selected as an excellent call center in the call center category of the Korean Service Quality Index (KSQI) for 13 consecutive years.

Customer

Customer Centered Management

Increasing Customer Satisfaction

'Re-New-All Project' to Improve Customer Service

Nonghyup Bank conducts the 'Re-New-All Project' for employees, including on-site and video training, customized consulting, and documentation guidance on the topics of service mindset, customer response methods, and CS improvement processes. We use a checklist of basic service manners in conjunction with monthly CS training to induce voluntary checks, and has revised and applied the CS manual to suit the financial environment and customer needs to strengthen service competitiveness.

<p>Re-remind CS!</p> <ul style="list-style-type: none"> Customer service remind through intensive onsite training (CS consulting) for all sales offices 	<p>Number of trainings in 2023</p> <p>58 sessions</p>
<p>New-member CS!</p> <ul style="list-style-type: none"> Enhance customer service capabilities and K-CS mindset through group training of new members who join within the past 2 to 5 years by region 	<p>Number of trainings in 2023</p> <p>12 sessions</p>
<p>All-one CS!</p> <ul style="list-style-type: none"> Establish complete sales and financial consumer protection awareness based on the Financial Consumer Protection Act through collaboration with marketing education and new CS education for each headquarters and sales office (all-one) 	<p>Number of trainings in 2023</p> <p>3 sessions</p>

Support for CS Lectures for Public Institutions

Nonghyup Bank provides CS education to public institutions in rural areas, fulfilling the social role of a financial institution that coexists with agriculture and rural communities. We provided CS lectures to Woongjin County Office and Jeju National University in April 2023, to Mungyeong Tourism Promotion Corporation and Gangwon Technopark in June, to Seoul National University of Science and Technology, Wanju County Office, and Jeongeup City Hall in August, and to Gwangju Office of Education in November, supporting a total of 13 public institutions throughout the year.

ARS Customer Satisfaction Survey

Nonghyup Bank annually conducts an ARS survey of customers who use our branches on the day after a teller transaction to determine their satisfaction with the work process or staff and provide it to our employees, and improve the quality of service through CS training. In the future, we plan to implement customer satisfaction surveys via KakaoTalk to enhance customer response rates and the effectiveness of the surveys.

Nonghyup Bank Customer Satisfaction Score¹⁾

2020	2021	2022	2023
94.8 points	95.2 points	95.7 points	95.8 points

1) Results from a survey of bank branch teller transaction customers

Customer Satisfaction Survey Using AI

In order to improve customer convenience and satisfaction, Nonghyup Bank has been conducting an 'AI Customer Satisfaction Survey' using artificial intelligence for customers using the call center. The AI consultant directly calls customers to assess factors such as friendliness, promptness, and accuracy, and we implement continuous consultant training to improve these aspects.

Customer

Financial Consumer Protection

Financial Consumer Protection Governance

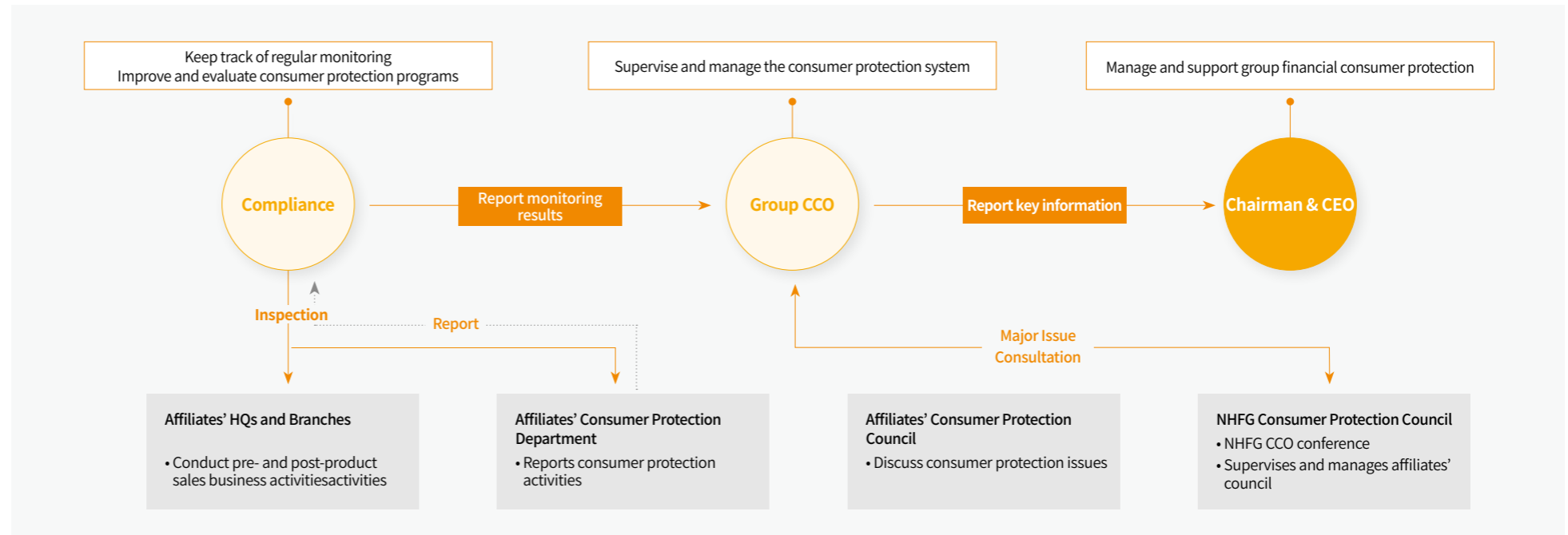
NHFG has established a governance structure to protect the rights and interests of financial consumers centered on the Financial Consumer Protection Council, which consists of the Chief Consumer Officers (CCO) and compliance officers of NHFG and nine affiliates. In particular, NHFG operates a consumer protection team to check affiliates' compliance with the six sales principles of the Financial Consumer Protection Act and the adequacy of internal control activities. In addition, we incorporate the Financial Consumer Protection Index into the performance evaluation criteria for affiliates to strengthen execution and enhance motivation.

Production of a Slogan for Financial Consumer Protection through Employee Contest

In March 2023, NHFG held a contest for all employees to create a slogan that expresses NHFG's commitment to financial consumer protection. Among the four winning entries, the slogan "Make Finance Simple, Make Consumer Protection Complete" was selected and is being used in document implementation and promotional materials.



Financial Consumer Protection Operating System





Customer

Financial Consumer Protection

Financial Consumer Protection Governance

Internal Control Committee for Financial Consumer Protection

Nonghyup Bank has established the 'Internal Control Committee for Financial Consumer Protection,' a governance body necessary for performing internal controls related to financial consumer protection, which is responsible for adjusting and making decision on key matters such as the execution of internal controls related to financial consumer protection, setting the management direction for financial consumer protection, and strengthening internal control tasks. The 'Internal Control Committee for Financial Consumer Protection' appoints the bank's president as the chairman, with members including the financial consumer protection officer (CCO) and the compliance officer, who are responsible for business execution. The committee meets at least once every half-year and convened twice in 2023 to address and resolve matters related to financial consumer protection. The adjustment and decision results are reported to the Board of Directors, thereby actively reflecting financial consumer protection matters in the bank's management activities.

Key Agendas of the 2023 Internal Control Committee for Financial Consumer Protection

1st	<p>Major activities of the 'Internal Control Committee for Financial Consumer Protection' in the first half of 2023</p> <ul style="list-style-type: none"> Follow-up actions based on the inspection results of the second half of 2022 Inspection results of the internal control system for financial consumer protection in the first half of 2023 Pre-agreement on financial consumer protection Follow-up actions on financial consumer protection assessment results Changes in major systems related to financial consumer protection Standards and procedures for advertising production and internal review Internal control implementation procedures for information on financial product development and modification
	<p>Review outcome on the adequacy of the performance compensation system related to internal control</p> <ul style="list-style-type: none"> Review and incorporate consumer protection evaluations into the execution of banking operations
2nd	<p>Direction of financial consumer protection management in 2024</p> <ul style="list-style-type: none"> Financial consumer protection policy environment and management direction in 2024
	<p>Major activities of the 'Internal Control Committee for Financial Consumer Protection' in the second half of 2023</p> <ul style="list-style-type: none"> Follow-up actions based on the inspection results of the first half of 2023 Inspection results of the internal control system for financial consumer protection in the second half of 2022
	<p>Results of handling major complaints</p> <ul style="list-style-type: none"> Prevention of complaints due to changes in financial environment and economic indicators Examples of system changes due to frequently occurring complaints

Incomplete Sales Prevention Activities

Operating a Mystery Shopping System

Mystery Shopping is a system where employees of financial authorities or specialized firms pose as customers to check if financial companies are adhering to regulations while selling financial products. Nonghyup Bank operates its own face-to-face and non-face-to-face mystery shopping systems to ensure that employees comply with standard sales procedures and conducted two face-to-face and one non-face-to-face mystery shopping sessions in 2023. In addition, we have shortened the inspection cycle for fund recordings and contract documents from annually to quarterly or monthly to strengthen the inspection of incomplete sales. The development of the 'face-to-face product sales recording analysis system' has been completed, and the system and recording infrastructure have been supplied to all branches to support a complete sales environment and prevent incomplete sales.

Financial Consumer Protection Training for Employees

Nonghyup Bank created and distributed a document explaining the Financial Consumer Protection Act to enhance awareness and strengthen the capabilities of employees in financial consumer protection. Additionally, we provided both online and in-person training to boost employee understanding of consumer protection through educational programs and to cultivate a consumer protection-oriented organizational culture. This training aimed to develop a thorough approach to sales among all employees and improve their ability to handle complaints effectively.

Operating a 'Financial Consumer Protection Day'

Nonghyup Bank designates the 15th of every month as 'Financial Consumer Protection Day,' producing educational materials on various topics such as 'financial consumer protection-related laws and systems, voice phishing prevention, incomplete sales prevention'. This system allows employees to learn the educational content through self-solving problems.

Customer

Financial Consumer Protection

Preventing Financial Fraud

Voice Phishing Prevention Activities

For the first time in the banking industry, Nonghyup Bank is conducting 24-hour monitoring system for suspicious accounts to actively prevent voice phishing damage. By December 2023, we completed the establishment of a new monitoring system, providing the most advanced monitoring in the industry. In addition, to swiftly block damages occurring at branches, Nonghyup Bank established a hotline with the police and introduced the '112 Reporting Automation System,' for the first time in the banking industry. We have maintained the lowest borrowed-name account occupancy rate for nine consecutive years. As a result of these efforts, Nonghyup Bank prevented 2,259 cases (KRW 27.2 billion) of damage in 2023 and received the Financial Services Commission Chairman's Award at the '2023 Voice Phishing Prevention Excellence Awards' hosted by the Financial Services Commission and the Financial Supervisory Service.

Organized by the Financial Services Commission and the Financial Supervisory Service
'1st Voice Phishing Excellence Award Ceremony'

Nonghyup Bank received the Financial Services Commission Chairman's Award



Number and Amount of Financial Fraud Prevented

(Unit: Cases, KRW 100 million)

Category	2021	2022	2023
Damage Prevented in Number of Incidents	2,048	3,144	2,259
Damage Prevented in Monetary Amount	247	299	272

Voice Phishing Prevention Education for Customers

Nonghyup Bank strives to enhance financial consumers' ability to respond to voice phishing by having telecommunication financial fraud prevention officers from each representative office visit various institutions and facilities to educate them on fraud case studies and prevention methods. In 2023, we conducted 601 sessions for 37,066 individuals, and will continue it annually.

Open Banking Safety Service

Nonghyup Bank launched the 'Open Banking Safety Service' in September 2023 for the first time in the financial sector. This service allows customers to choose whether to register their Nonghyup Bank accounts with other institutions' open banking systems or to restrict transfers and inquiries, in response to the increasing financial fraud through open banking.

Case

'Jangeum¹⁾' Partnership to Prevent Financial Fraud in the Traditional Market and Support Inclusive Growth

In May 2023, Nonghyup Bank, in collaboration with the Ministry of SMEs and Startups and the Financial Supervisory Service, signed a 'Jangeumi' partnership to support the prevention of financial fraud damage in local traditional markets. Starting with Samcheok Central Market in Gangwon, partnerships were established with a total of 8 traditional markets. Promotional activities were conducted to prevent voice phishing among merchants, and a 20% discount event was held for using NH Nonghyup cards at traditional markets nationwide to promote market utilization.

1) Jangeum: A combined word consists of 'Jang' representing a market and 'Geum' meaning a financial institution



Customer

Financial Consumer Protection

Financial Consumer Protection Campaigns and Activities

Monitoring Process of Compliance with the Financial Consumer Protection Act

Since December 2022, Nonghyup Bank has operated an 'internal control system for financial consumer protection' that analyses transaction data from branches to check for abnormalities. For the first time in the banking industry, we established a 'frequent monitoring process using risk indicators' to check compliance with the Financial Consumer Protection Act, thereby creating a system to promptly prevent legal violations and infringement of financial consumer rights.

Holding 2023 Financial Consumer Protection Yearly Awards

In March 2024, Nonghyup Bank held the 2nd 'Financial Consumer Protection Yearly Awards' to raise awareness on the rights of financial consumers and prioritize consumer feedback. A total of 20 individuals were awarded across 8 categories, including outstanding customers for suggestions, outstanding offices in complaint prevention, and outstanding employees for financial fraud prevention. The event was particularly meaningful as the outstanding customers that submitted the suggestions attended the ceremony in person.



2023 Financial Consumer Protection Yearly Awards Ceremony

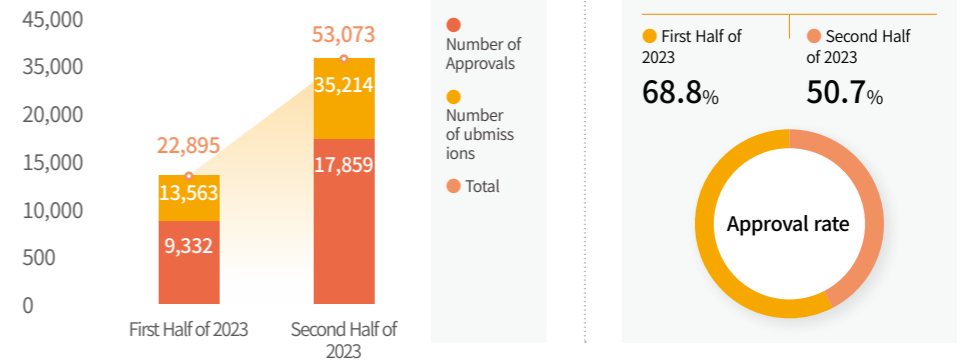
Financial Consumer Protection Alert System Development

Nonghyup Bank introduced the 'Financial Consumer Protection Alert System' to analyze customer opinions on digital channels and the cause of complaints, in line with its initiative to strengthen communication with financial consumers. By establishing standards for issuing alerts in stages, Nonghyup Bank prevents complaints by providing timely guidance to all branches with information on consumer protection.

Operating the Interest Rate Reduction Request System

Nonghyup Bank actively implements an interest rate reduction request system for consumers who have entered into loan contracts and are deemed to have improved their credit status, such as through increased wealth or a higher credit rating or personal credit score. Notably, Nonghyup Bank's household loan ratio was 68.8% in the first half of 2023 and 50.7% in the second half of 2023, the highest among the 19 banks disclosed by the Korea Federation of Banks.

Operation of the Interest Rate Reduction Request System



Introduction

Special Stories

ESG Management Performance

Environment

► Social

Social Story

Social Finance

Customer

Local Communities

Employee

Governance

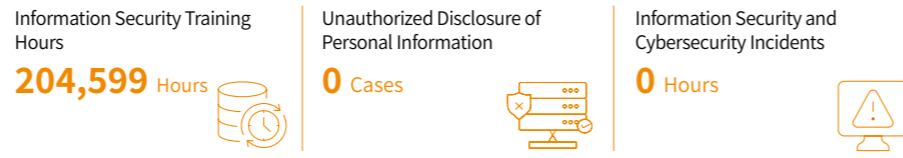
Appendix

Customer

Information Security

Information Security Governance

Nonghyup Bank has an information security and protection of personal information system. Each year, we report to the board of directors on the results of inspections related to the provision and use of customer information, as well as the management and protection of personal credit information. To further enhance our information protection expertise, we have established three advisory systems: a security advisory board, a legal advisory group, and an evaluation committee. In addition, we have established a 'Customer Information Handling Policy' and a 'Personal Information Handling Policy' and are applying them to information security.



Dedicated Organization for Information Security

Nonghyup Bank's Information Security Department serves as the control tower for the bank's information security efforts. This includes fulfilling the roles of Chief Information Security Officer (CISO) under the Electronic Financial Transactions Act, Chief Privacy Officer (CPO) under the Personal Information Protection Act, and overseeing credit information management and protection under the Credit Information Act. Additionally, the department handles CIAP responsibilities and manages customer information in accordance with the Financial Holding Companies Act. By enhancing our information security strategy, conducting regular inspections, and efficiently managing our information security systems, we have earned the highest grade in the "Continuous Information Security Evaluation" for three consecutive years, and obtained certifications for ISMS-P, ISMS, and ISO27001. Key information security matters are reported to the Board of Directors annually.

Reported Agenda to the BOD on Information Security

Agenda	Key description
Results of inspection of personal credit information utilization and management	Report on the status of personal credit information management and protection in accordance with the 'Act on Use and Protection of Credit Information', etc.
Report on provision and use of customer information within NHFG	Report the results of inspection of all matters related to the provision and use of customer information within NHFG in accordance with the 'Financial Holding Company Act', 'Financial Holding Company Supervision Regulations' and internal regulations
New York Branch Cybersecurity Activities	Risk assessment and major status reporting related to information security in accordance with New York State Cybersecurity Regulations (NYCRR 500)

Information Security Management Policy

Nonghyup Bank has stipulated the matters to be complied with in the collection and processing of all personal information through the 'Customer Information Handling Policy' and 'Privacy Policy'. In accordance with these regulations, we limit and control the collection and sharing of personal information other than for clear purposes, and all collected personal information is stored for a certain period of time and then destroyed for the purpose for information protection.

Operation of a Three-part Advisory System for Information Security Expertise

Security Advisory Board	Overall consultation on IT security for NHFG
Legal Advisory Group	Ensuring a crisis and compliance plan to be in place
Evaluation Committee	Objective and unbiased evaluation of vendor and product selection by external experts

Implementation of Obligations for Compliance with Information Protection Related Regulations

Category	Obligations / Key Contents	Frequency
Personal (credit) Information Protection	Inspect processing status of personal (credit) information on a regular basis • Conduct checklist-based inspection • Auto-inspect personal information in the PCs of all executives/employees	Quarterly (Twice a week for automatic inspection)
	Monitor personal information custodians (National Agricultural Cooperative Federation/Bank) • Manage/inspect information practices at the custodians to check for conformity	Semi-annually
	Conduct information security evaluation • Self-evaluate personal credit information practices and report the results to the Financial Services Commission	Annually
IT Security	Develop IT information security standards and plans • Submit IT plans to the Financial Services Commission	Annually
	Implement the Information Security Day • Conduct checklist-based inspection	Monthly
Customer Information Management	Inspect the provision and use of customer information • Report the inspection results to the board and the Financial Supervisory Service	Annually
	Notify the status of customer information provision • Notify the provision status between affiliates	Annually

Customer

Information Protection

Information Security Governance

Establishment of a Mid to Long-term Strategy for Information Security

Nonghyup Bank continuously carries out ‘Information Security DREAM 2025’, a mid to long-term strategy for information security established in 2022, and strives to reduce security risks in various environments such as open source and cloud to respond to new technologies. In addition, to protect financial consumers, we are preparing comprehensive measures to prevent intelligent fraud/accidents to safeguard consumer assets.

Aiming to Become the “Digital Bank with the Best Information Protection Capabilities” Trusted by Customers

Information Security DREAM 2025				
Digital Transformation Partner	Strengthen Risk Management	Work Efficiency and Innovation	Strengthen Capability	Management System Advancement
<ul style="list-style-type: none"> Establish a response and support systems for digital new businesses Establish an information protection policy management system in the cloud environment Support for the utilization and combination of pseudonymous data and improvement of work processes Strengthen security management for tablet computers for business use 	<ul style="list-style-type: none"> Implementation of a security system with no blind spots Implementation of an open source software security management system Implement an artificial intelligence (AI)-based 4th generation security monitoring system Establish a customer terminal post-traceability and security incident response system for financial consumer protection 	<ul style="list-style-type: none"> Redesign of future strategic security infrastructure Computerization of vulnerability diagnosis processes and strengthen management systems Automation of security tasks using RPA Strengthen the company-wide digital risk data management 	<ul style="list-style-type: none"> Secure top-level security experts in the financial sector Spread information protection culture and establish a response system for new technologies and personal information convergence environments Strengthen response to external threats based on a specialized intrusion response organization Digital bank trusted by customers -Strengthen information protection organization 	<ul style="list-style-type: none"> Establish an inspection system for the entire lifecycle of personal (credit) information Create a global information protection and customer personal information protection management system Mitigate third-party security risks Formulate an evaluation system to enhance information protection maturity

Establishment of Information Protection Policies and Management Systems in Cloud Environments

To design a secure cloud architecture and establish monitoring policies according to service types, we have selected and implemented CSPM (Cloud Security Posture Management) and established a plan for an integrated cloud security environment.

Implementation of Open Source Software Security Management System

To ensure compliance with licenses and security management for the secure use of Open Source Software (OSS), we have established a step-by-step vulnerability inspection system for OSS and prepared a management system covering the entire lifecycle.

Information Security Management System

Introduction and Advancement of AI Security Control System

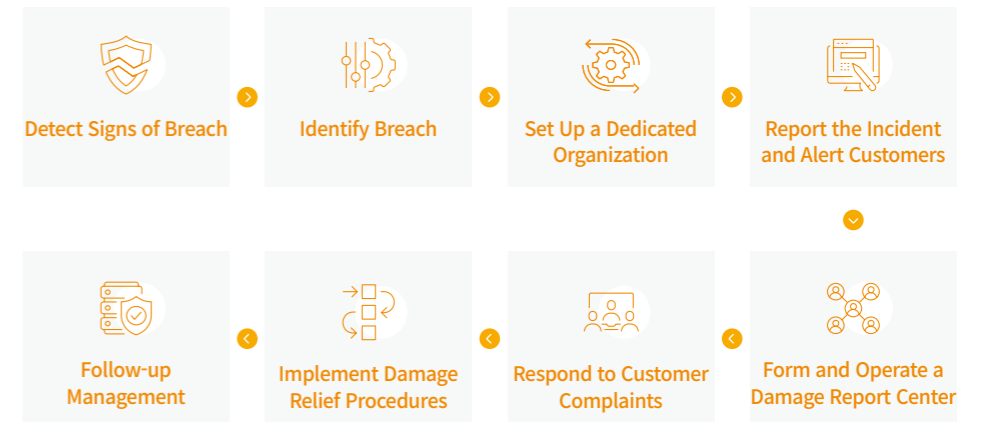
In 2022, Nonghyup Bank introduced the fourth-generation security control system using artificial intelligence (AI) for the first time in the financial sector, and further established its own Security Orchestration, Automation and Response (SOAR¹⁾) system. In addition, in 2023, to advance the system, we promoted the enhancement of security monitoring scenarios and the improvement of AI threat detection models. Alongside improving existing detection models, we developed new models for detecting externally-exposed unused assets, phishing attempts targeting administrators, and M73 malicious domain detection.

1) Security Orchestration, Automation and Response

Security Accident Response Process

Nonghyup Bank has established related internal regulations such as the Personal (Credit) Information Leakage Response Manual and the Breach Accident Response Manual to minimize customer damage and respond quickly in the event of a customer personal information leakage accident. We also strive to follow up on damage relief procedures such as establishing a damage compensation system and ‘personal information liability insurance.’

Breach Response Manual and Procedures



Customer

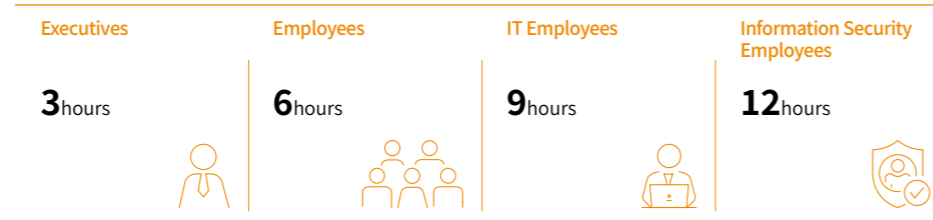
Information Protection

Strengthening Employee Information Security Capabilities

Information Security Training

Nonghyup Bank has designated information security training as mandatory training for all employees and conducts it every year. We organize various information protection training contents and promote training courses for each affiliate, and conduct enhanced information security training for IT staff and information security staff. We establish an annual information security training plan and conduct legal mandatory training hours, with the year-end training results reported to and approved by the Chief Information Security Officer (CISO).

Overview of Information Security Training for All Employees



Information Security Certifications

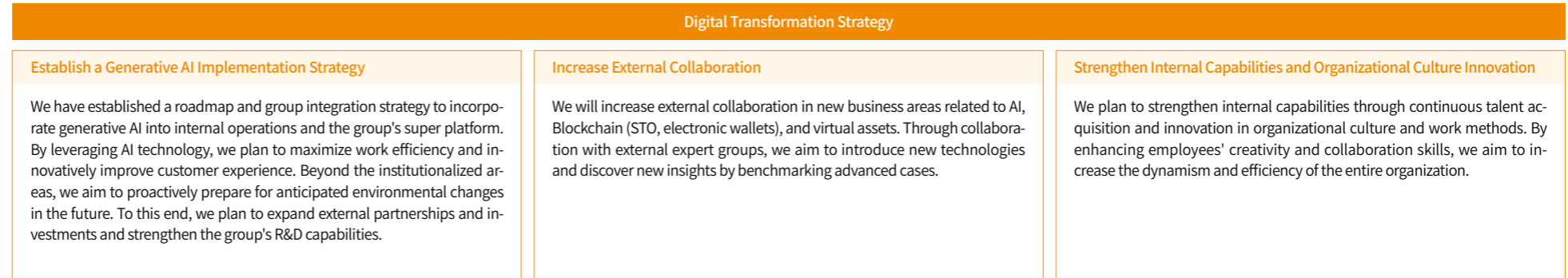
Nonghyup Bank is promoting new issuance of domestic and international information security-related certifications, including the Information Security Management System (ISMS), ISO27001, and the Personal Information Security Management System (ISMS-P), while maintaining and renewing the certifications. In addition, we have established a dedicated team to establish and evaluate the information security management system every year, and is maintaining competitive levels of digital services and information protection in a changing IT infrastructure environment such as building Financial Group Super Platform.



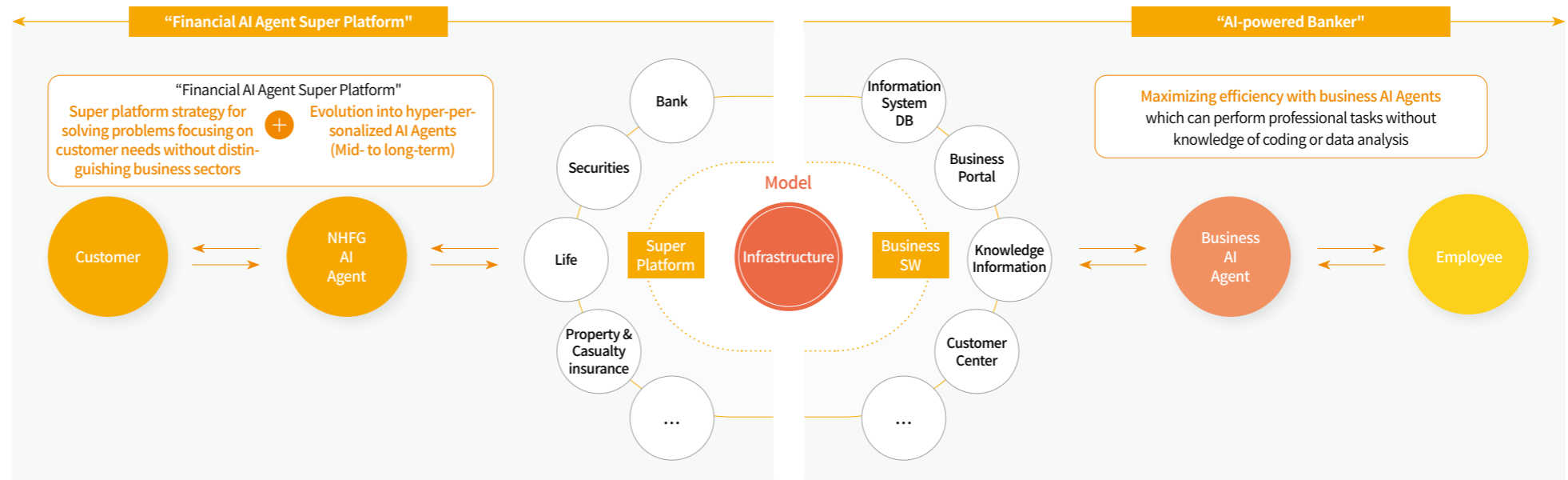
Customer

Digital Transformation

As generative AI rapidly emerges as the next-generation technology following smartphones, we establish a group-wide integrated strategy to incorporate generative AI into NHFG's business, proactively responding to rapid technological advancements and changes in the market environment.



NHFG strives to achieve sustainable growth by promoting technology-driven innovation and expanding its business into new areas to adapt to future changes.




Customer

Digital Transformation

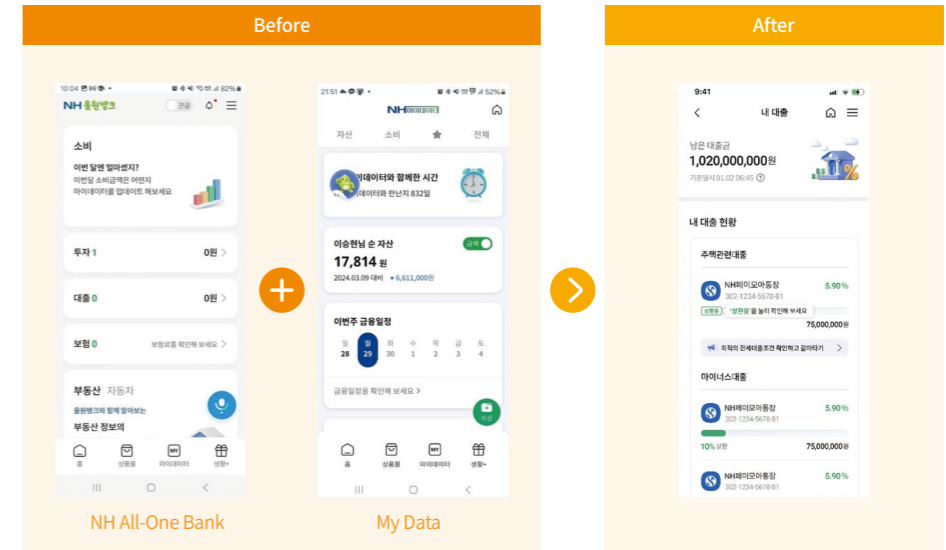
Building the NHFG Superplatform

Through the transformation of the NH All-One Bank home screen in December 2023, we provide an intuitive overview of asset and consumption status across all financial institutions based on MyData, along with various non-financial services such as real estate, automobiles, and economic news. NH All-One Bank is transitioning from an existing platform centered on banking services like remittance and loans to offering full banking services. In addition to services from each affiliate such as loans, insurance, and investments, we are gradually building a transformation into super platform that comprehensively includes financial and lifestyle services such as assets, real estate, and health. We are implementing a super platform that provides the optimal solution for addressing customers' financial and non-financial needs by realizing the customer journey from asset analysis to linking affiliate products and services, and by offering comprehensive non-financial services to support overall life goals. We are planning to implement a platform that can analyze customers' assets and provide hyper-personalized services using AI and data. In addition, the MyData service, which collects customers' financial data to provide asset management, consumption status analysis, and life-stage financial portfolios, is a result of the digital transformation centered on platform by Nonghyup Bank. Nonghyup Bank is continuously discovering customer pain points and improving the customer journey to enhance convenience and respond to the government's policy of expanding data openness across various fields such as banking, financial investment, insurance, and cards.

MyData Key Services of Nonghyup Bank

<p>Assets</p> 	<ul style="list-style-type: none"> • Manage and diagnose various types of assets such as deposits, loans, and insurance, and provide asset-specific management tips such as loan product recommendations • VIP financial consulting with experts through mobile video consultation • Credit management services that help improve credit scores • Services for managing student loans and early retirement diagnostics, etc.
<p>Consumption</p> 	<ul style="list-style-type: none"> • patterns compared to the previous month to manage regular expenses, compare card benefits, and recommend cards that fit spending tendencies • New offering of card report services that allow comparison of consumption status with peer groups, etc.
<p>Planner</p> 	<ul style="list-style-type: none"> • Maturity reminders and payments for holdings from all financial companies. Instant top-up reminders or loan product recommendations by comparing balance against outgoings, such as payments • Comprehensive management services related to housing bids, including account management, point calculation, and notification of announcements
<p>Life</p> 	<ul style="list-style-type: none"> • Recommend tax-saving products through year-end simulations • Provide healthcare services such as health screenings, reminders for hospital visits, and claims • New services such as offering trend contents based on big data analysis

NH All-One Bank, which Internalizes MyData into the Services



- ✓ Internalization of My Data
- ✓ Establishment of sub-main for loans, investments, consumption, insurance, cards, real estate, automobiles, and healthcare
- ✓ Seamless service from the beginning to the end of the customer journey
- ✓ Strengthening synergy through the integration of NH Financial affiliates' services
- ✓ Laying the foundation for providing new services by linking non-financial information

Customer

Digital Transformation

Development of Digital-based Services and New Technology

Nonghyup Bank is accelerating digital transformation across its business, platforms, and services. In particular, we are utilizing IT technologies such as AI and RPA (Robotic Process Automation) to help employees perform their duties. In addition, we are incorporating various IT technologies into financial services to expand the range of services that customers can enjoy. We will continue to strive to enhance the inherent value of finance by accelerating digital transformation, with the convenience and satisfaction of our customers as our top priority.

Nonghyup Bank's Digitally Enabled Services

- Test-application of AI 4-Free financial services utilizing multi-biometric authentication and conversational banking
- Optimized utilization of AI for the first in the banking sector and establishment of AI governance to secure customer trust
- Laying the foundation for entering the STO (Security Token Offering)¹⁾ business



1) STO (Security Token Offering): Refers to the issuance of securities through distributed ledger technology (tokenization) of physical assets, intangible assets, and financial products

Test-application of Artificial Intelligence (AI) 4-Free Financial Services

Nonghyup Bank conducted a PoC¹⁾ trial service in November 2023, utilizing multi-biometric authentication and conversational banking. The 4-free financial services allow for easy transactions without the need for passbooks, cards, seals, or passwords, which were essential in traditional banking transactions. Automated devices and palm vein authentication have replaced seals, passbooks, and cards, and we pursued the omission of passwords through multi-biometric authentication in this PoC. In addition, to accelerate digital transformation, conversational banking was introduced, allowing for easy transactions via voice, improving the traditional method that required frequent touch-based menu selections.

1) PoC (Proof of Concept): Concept Verification

Laying the Foundation for Entering the STO (Security Token Offering) Business

Nonghyup Bank has formed the largest domestic STO consortium, consisting of a total of 19 companies, including 7 banks, 11 fractional investment companies, and 1 venture investment company, to enter the STO¹⁾ business. The bank has led discussions for joint promotion of the distributed ledger business. For the first among domestic banks, we have developed an application programming interface (API) necessary for fractional investments to issue token securities and manage individual investor funds. Based on this, Nonghyup Bank is proactively responding to the needs of corporate clients using its API. Furthermore, leveraging the fractional investment companies and business know-how that we have preemptively secured, we continue to identify and implement new business tasks related to STO through close collaboration with consortium participants.

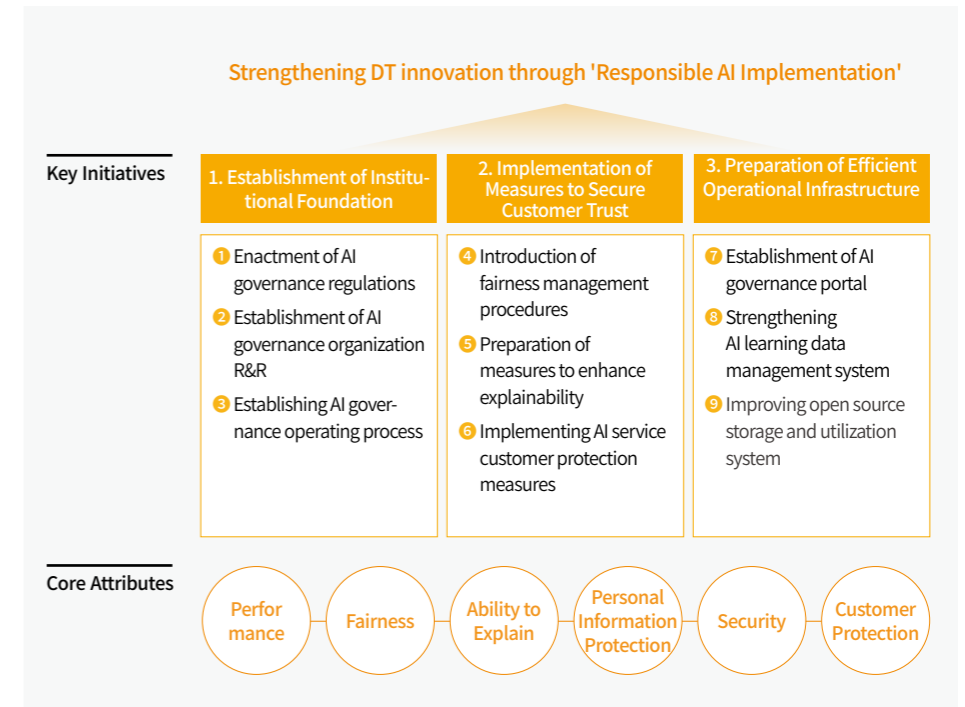
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Establishing AI Governance For the First in the Bank Sector

Nonghyup Bank has established the first AI governance¹⁾ in the domestic financial sector by actively utilizing AI across all banking operations through combining AI technology and high-quality data and enhancing internal and external credibility through external consulting linkages. With the ultimate goal of strengthening DT innovation, we have set nine key initiatives and defined six core attributes that must be adhered to for the safe and efficient operation of AI services and systems. In 2023, we established the institutional foundation, and in 2024, we plan to continuously implement measures to secure customer trust and efficient operational infrastructure by 2025, including the introduction and automation of fairness evaluation solutions, and the testing and adoption of XAI technology.

1) Management system including organization, policies, and processes for optimal AI utilization and securing customer trust

AI Governance Promotion Direction



Local Communities

Social Contribution Strategy

Nonghyup ESG Emblem



Social Contribution Philosophy

Nonghyup Bank reinvests and returns business profits to local communities through the NACF, contributing to balanced development among regions and national economic growth. We also strive to fulfill our corporate social responsibility by building a society that thrives together through the practice of 'shared values'.



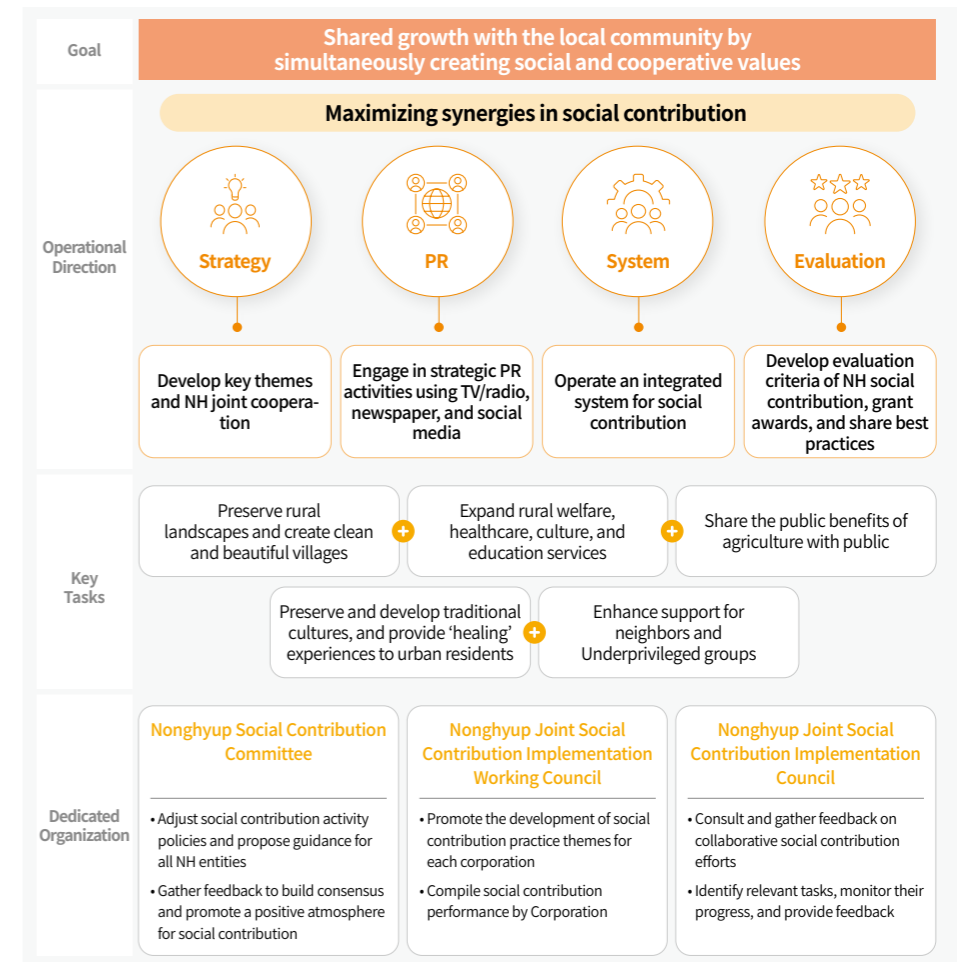
Nonghyup Social Contribution Strategy

CSR Strategy

- 1 Build infrastructure for sustainability management by reforming organizations and systems
- 2 Reinforce global reputation by globalization of its social contribution activities
- 3 Engage in PR through various media and consolidate the NH identity
- 4 Create synergy by building a social contribution cooperation system among agricultural/livestock cooperatives, National Agricultural Cooperative Federation, holding company, and affiliates
- 5 Promote and create synergy for social contribution activities on agriculture and rural areas
- 6 Enhance cooperation with relevant institutions outside NH

Nonghyup Social Contribution System

Nonghyup is building a comprehensive social contribution system across the organization, aligned with current trends, to pursue both social and cooperative values while fostering shared growth with local communities.



Local Communities

Status of Social Contribution

Promoting Social Contribution Activities that Expand the Role of Local Communities Growth and Finance

Nonghyup Bank conducts annual social contribution activities for local communities, leveraging the unique characteristics of the financial industry. We are continuously expanding our financial and economic education programs, as well as our support for education and scholarships. Through the creation and sale of various public interest products, we are encouraging customers to participate directly and indirectly in social contribution activities. Additionally, we are strengthening our social responsibility management by combining finance with social contribution, taking the lead in promoting the benefits of financially marginalized groups through the sale of financial products designed for ordinary citizens and SMEs.

Nonghyup Bank Social Contribution Performance

Category	2021	2022	2023
Amount (KRW 100 million)	1,911	1,086	1,863



Social Contribution Programs

Shared Growth with Local Communities

Ag-Tech Youth Startup Campus

The 'Ag-Tech Youth Startup Campus' by Nonghyup Bank is a program selected for the government's 'Youth-Friendly Corporate ESG Support Project' that supports the discovery and development of young entrepreneurs and innovative companies in the agricultural sector. The program offers various benefits to young prospective entrepreneurs or individual business owners in the Ag-tech field, including business diagnostics, global expansion training, investor roundtables, prize money for Demo Day, and investment linkage opportunities. Through NH Seed, the basic course, and NHarvestX, the advanced course, a total of 112 youth have grown into agricultural industry startup experts. We will continue to support young entrepreneurs to become leaders in the agricultural digital innovation sector.

Nonghyup Bank Social Contribution Performance

Nonghyup Bank has established funding support agreements with local governments to promote community development and offers low-interest loans to local SMEs and microenterprises. Through these local government agreement loans, local microenterprises and SMEs with insufficient collateral can also get loans with a guarantee as collateral, and through the local government's interest subsidies, funds can be provided at lower interest rates. In 2023, new local government agreement loans were initiated in five regions: Gangjin-gun in Jeollanam-do, Jeungpyeong-gun in Chungcheongbuk-do, Yesan-gun in Chungcheongnam-do, Guri-si in Gyeonggi-do, and Dalseong-gun in Daegu. Additionally, as the first in the financial sector, we launched the 'NH mobile local government agreement loan,' expanding convenient access channels.

Expansion of Public Service Support Projects

Nonghyup Bank, based on Specific Voucher platform, provides various types of voucher services such as child meal, treatment and education support, hope taxis, and elderly welfare to over 150 institutions nationwide. In 2023, we expanded the number of institutions using our voucher services to 27 and introduced the new "Elderly Meal Voucher" service. Additionally, we enhanced our role as a community-focused bank by expanding the 'Jeju Transportation Welfare Card' and 'Gyeonggi-do Bus Fare Payback Service,' which support socially disadvantaged groups.

Conducting the 'Become Me -Spend Right Campaign'

Nonghyup Bank is running the 'Become Me -Spend Right Campaign' under the slogan 'Right Living Card' to spread positive influence. This campaign identifies and promotes good stores who share positive influence, such as providing free meals to underfed children and sponsoring the adoption of stray dogs, and provides a 10% billing discount on Nonghyup cards. In 2023, we added Flip Flower and Pleats Mama as new participating stores, promoting a total of 13 stores. We will continue to expand our network of ethical businesses to further promote a culture of responsible consumption.

Local Communities

Supporting Vulnerable Groups

Disaster Recovery Activities for Wildfires and Floods

Nonghyup Bank has created and donated 'NH emergency relief kits' to swiftly respond to ongoing disasters such as wildfires and floods. The emergency food kits within these relief kits include Nonghyup's own products, featuring local agricultural items like cup rice cake soup and cup scorched rice, adding to their significance. Additionally, employees of Nonghyup Bank have engaged in tree planting activities for ecological restoration in wildfire-affected regions and conducted recovery operations in flood-affected regions to help residents return to their daily lives. Notably, from mid-July to early August 2023, a concentrated flood recovery period was designated, during which recovery operations were carried out in 13 special disaster areas including Chungbuk, Chungnam, Gyeongbuk, and Jeonbuk. A total of 777 employees actively participated in the recovery work needed by the victims, such as collecting flooded crops, demolishing greenhouses, restoring farmland, removing debris and sediment, and cleaning damaged houses, for a total of 5,492 hours.

Customer Happiness Center Companion Services

Nonghyup Bank has been operating Companion Services for 17 years since 2008. Companion Services involve Customer Happiness Center counselors calling elderly people aged 70 or older or those living alone every week to check on their health and any inconveniences, providing companionship. The service not only offers daily conversation but also provides guidance on safety, health, finance, and living information. Recently, it has also been effective in preventing financial crimes by advising on how to respond to voice phishing and other frauds. During the hot summer months, Family Month, and holidays, counselors visit the elderly in person to deliver packages of local agricultural products and check on their well-being, sharing warmth. In 2023, 563 Companion Service counselors made 48,565 calls (an average of about 4,047 calls per month) to 732 elderly people.



Nonghyup Bank Flood Recovery Activities



Nonghyup Bank Companion Services

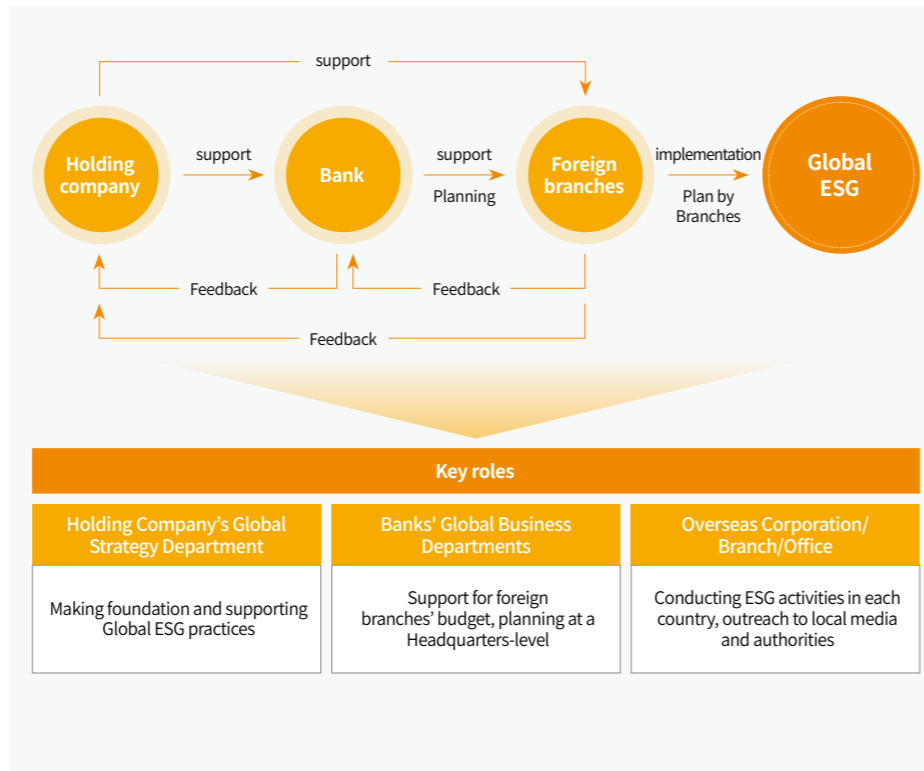
Local Communities

Global Social Contribution

Global Social Contribution Strategy

NHFG has established a global ESG social contribution process through the Global Strategy Council, where the holding company is responsible for identifying and managing global social contribution support measures, while Nonghyup Bank establish and implement detailed plans. Furthermore, we support global ESG activities through the creation and distribution of the 'NHFG Global ESG Guide'.

Global ESG Social Contribution Process



Global Social Contribution Activities

Nonghyup Bank-Vietnam Branch	• Donated approximately \$ 100,000 to build a startup support center led by the Northern University of Economics and Technology under the cooperative in Vietnam
Nonghyup Bank-Noida Branch	• Provided 60 desks and stools for students in public schools in rural areas of Noida
Nonghyup Bank-Cambodia	• Provided educational equipment and daily necessities valued at approximately \$10,000 to a children's vocational school in Cambodia
Nonghyup Bank-Myanmar	• Donated approximately KRW 900,000 to a village for communal development



Nonghyup Bank donation to Vietnam Cooperative Alliance (VCA)

Local Communities

Nurturing the Next Generation

Financial and Economic Education

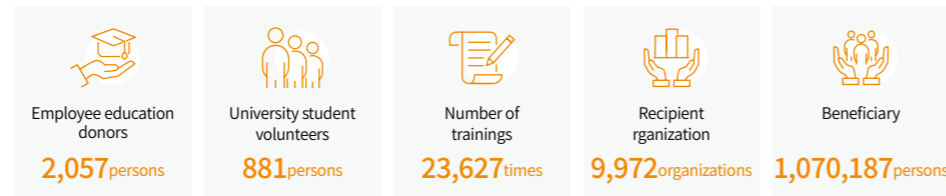
'Happy Chaem Financial Class', a Customized Daily Financial Education Program

Nonghyup Bank provides customized financial education to all age groups by operating 'Happy Chaem Financial Class' on an ongoing basis. In particular, to educate the youth, who are the future leaders, we operate youth financial education centers in 17 regions across the country, and have deployed over 900 financial education staff in the Nonghyup Bank branches. In particular, the youth financial education centers in 17 regions are receiving great responses from youth through experiential financial education, including various financial education programs, work experience as a banker, and financial fraud prevention education using fintech.

Status of Happy Chaem Financial Class

Category	2021	2022	2023
Counts (times)	1,804	2,260	2,584
Participants (persons)	38,968	52,417	58,402

Cumulative Status of 'Happy Chaem Financial Class' as of 2023



Nonghyup Bank Won an External Award for Happy Chaem Financial Class

- The Financial Supervisory Services, Received One Company One School Financial Education Program Excellence Award for seven consecutive years (2016-2023, most awarded)
- Ministry of Education, designated as a certified institution for career experience in education donation (Certification No. 4219, Article 19 of the Career Education Act)
- Selected as an excellent certified (mark) institution for education donation in Republic of Korea (Ministry of Education, Science and Technology Notice No. 2023-003)
- The 1st MoneyToday CEO Award in the Republic of Korea Financial Consumer Rights and Interests Awards (Consumer Education Division, July 6, 2023)
- Received the Consumer-created Newspaper Excellence Content Award twice (2021 and 2023)

Children's Financial Education in Underserved Areas

Nonghyup Bank operates bus-type mobile branches, known as NH Wings, to help address the risk of local depopulation and promote socially responsible finance. These mobile branches provide customized financial education, career experiences as bankers, and access to financial tools for youth in underserved areas. Since their launch in September 2017, NH Wings has conducted 22 educational sessions, reaching 883 participants. In 2023, the program provided financial education to 289 students from seven elementary schools in Gurye, Jeollanam-do, and Taebaek, Gangwon-do.



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Local Communities

Education · Scholarship Support

Green Ladder Credit Support

In May 2023, Nonghyup Bank signed an MOU with the Korea Scholarship Foundation to provide substantial financial support for the economic independence and stable social advancement of rural youth. The Green Ladder Credit Support Project is set to assist with debt repayment for about 3,500 diligent rural student loan repayers over three years. In 2023, 889 rural youths benefited from this project. Nonghyup Bank is delivering hope and energy to rural youth facing financial hardships, ensuring they do not give up on their dreams. We will continue to fulfill our social responsibility to help youth become valuable resources in our society.

Green Ladder Camp, University-Elementary School Mentoring

Nonghyup Bank, in collaboration with the Korea Scholarship Foundation, operates the 'Green Ladder Camp,' a mentoring program for university and elementary school students. Through the voluntary contributions of university student mentors, the program provides high-quality education to children from multicultural families and students in rural areas, thereby contributing to bridging the educational gap between urban and rural areas. It also offers opportunities for young talents to enhance their understanding of the value of agriculture and rural communities and to develop leadership skills. In the two camps held in the summer and winter of 2023, a total of 159 mentors and 247 mentees participated in various activities such as career exploration, youth financial classes, and musical performances. Nonghyup Bank will continue to offer unique programs to ensure that children from multicultural families and students in rural areas are not excluded from financial education.

Financial Coding Education for Youth

As part of their ESG activities, IT employees of Nonghyup Bank conducted 'Financial Coding Education and New Technology Experience Education' for students at a nearby elementary school. The curriculum, which included basic financial knowledge and educational materials tailored to students' levels using Entry, received great feedback. The curriculum includes topics such as Haeblock coding education and experiences with IT innovation technologies like the Metaverse and AI. Since its inception in 2022, the program has been steadily expanded to more schools and educational targets. The coding education will be continuously conducted with the theme of 'Creating autonomous vehicles using hamster robots', allowing youth to become familiar with computer programming languages. We will continue to support youth in their growth into IT financial experts.



MOUs for Green Ladder Credit Support



Green Ladder Camp



Financial Coding Education for Youth

Employee

Empowering Employees

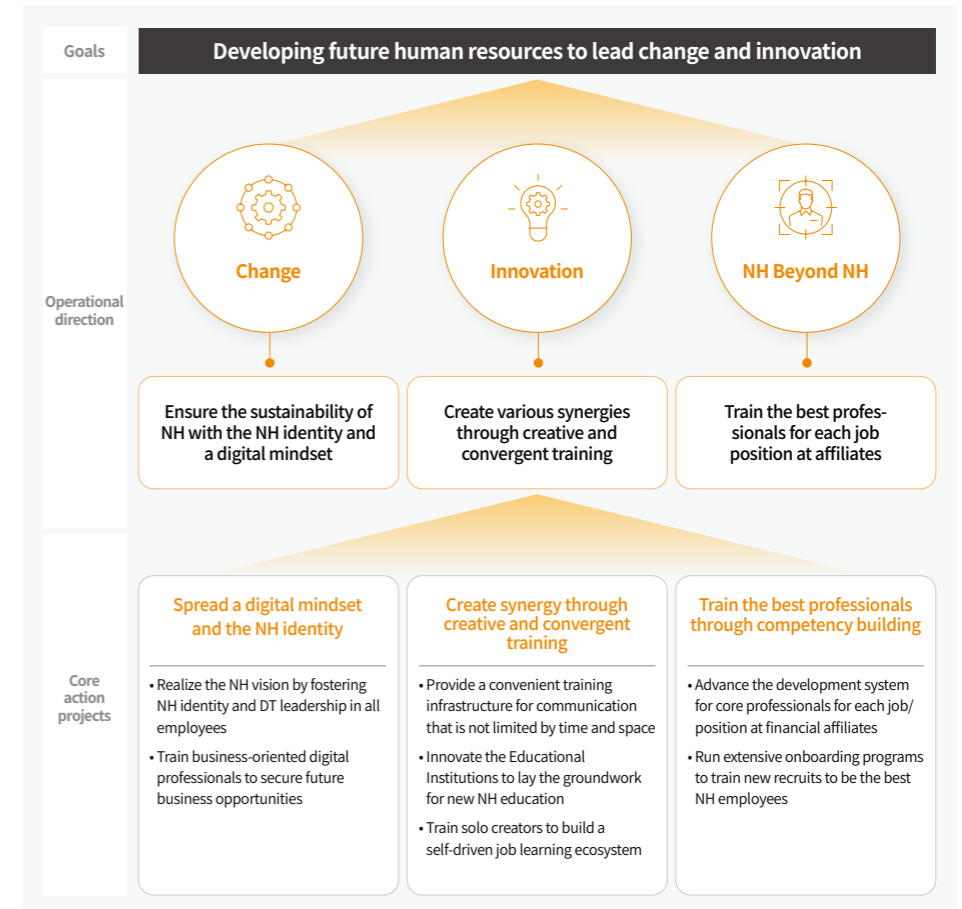
Talent Management Policy and Strategy

Nonghyup Bank is dedicated to attracting top talent and enhancing the skills of its executives and employees, aiming to become a trusted and beloved first-class bank, valued by customers, employees, and the public alike. We have implemented a capacity-building program designed to develop future leaders who will drive change and innovation. This program focuses on promoting the identity of the agricultural cooperative, fostering a digital mindset, creating synergy through creative and cross-disciplinary education, and nurturing top experts by strengthening job-specific skills.

Nonghyup Bank Ideal Talents



Talent Development Strategy



Employee

Empowering Employees

Employee Training Programs

Nonghyup Bank operates various courses such as identity education, leadership education, and job-specific professional education according to the Nonghyup education system. To stay aligned with the latest trends and meet employee training needs, we have launched courses on generative AI and expanded long-term commissioned courses such as 'Credit Review and Asset Management Specialist Training Course' and the 'NH-Financial MBA Course' to strengthen the capabilities of employees of affiliates.

Case Advancement of the employee development system to improve training quality

- ❶ Operate an employee development system
 - After confirming each employee's competency level (L0-L3) through a job skill diagnosis, the system recommends courses and certifications to assist in establishing and executing training plans.
- ❷ Build a curriculum recommendation system by individual and level through AI modeling
 - AI models learners' education history and profile data to recommend personalized training content.
- ❸ Implement big data analysis-based education quality management for online courses
 - Establish and improve learning data-driven training content evaluation processes, including number of people completing training, satisfaction, etc.



DT-Master System, a Self-Certification Process for Digital Professionals

Nonghyup Bank operates the 'DT-Master' system to continuously develop digital talent and systematically manage the talent pool. The DT-Master program is a system that manages qualification standards for digital professionals, including experience, education, degrees, and certifications. Employees who are certified as DT-Masters in various fields such as digital, data, UI/UX, etc. are experts who combine theory and practice and contribute to the successful completion of digital transformation (DT). We conduct DT-Master qualification verification and certification once every half year, and as of the end of December 2023, there are 1,044 employees certified as DT-Masters.

Expanding Digital Education Opportunities

Nonghyup Bank is striving to strengthen the digital capabilities of its employees by offering various remote and online training courses. We also operate master's programs and industry-academia cooperation programs to foster advanced experts in specific fields at leading Korean universities such as Seoul National University, Yonsei University, and KAIST. To address rapidly changing new technologies, we hold guest lectures by experts from time to time to internalize digital expertise, and we are expanding customized courses that are closely linked to practical work to enhance their effectiveness.

Phased Training Programs

Advanced	Intermediate	Beginner
Data scientists to lead innovation in digital finance	Data scientists in training, preparing for innovation in digital finance	All employees interested in digital finance and IT
Master's program at the Korea Advanced Institute of Science & Technology (KAIST), Yonsei University, Korea University, Sogang University, and Hanyang University	Industry-academy partnership programs at Seoul National University, Kookmin University, Dongguk University, and Sungkyunkwan University (Considering new course establishment and expansion)	Insight into digital finance issues and trends; introduction to data analysis programs

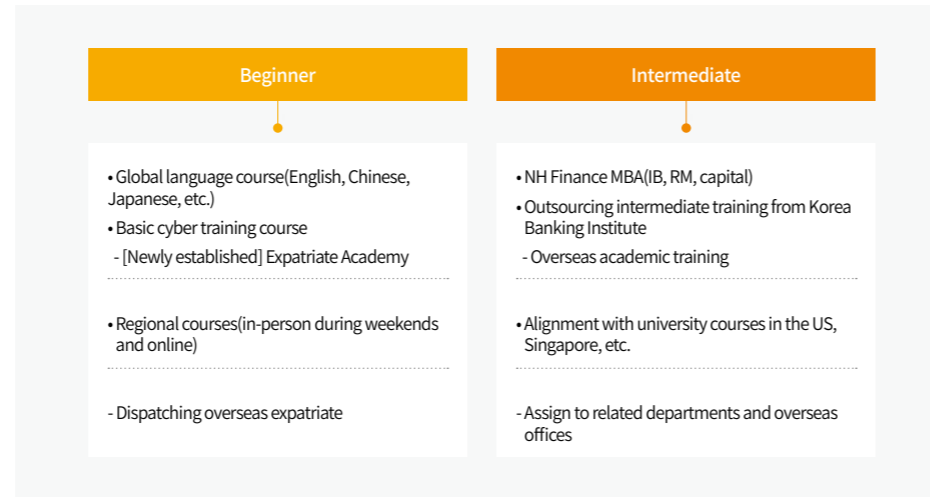
Employee

Empowering Employees

‘NH Expatriate Academy’ for Training Global Professionals

Nonghyup Bank is building a talent pool for overseas assignments by operating the ‘NH Expatriate Academy’ in 2023 to foster global professionals. The program consists of two tracks: the ‘Advanced Finance Track’, which covers general investment banking and risk management, and the ‘Corporate Finance and Retail Track’, which focuses on corporate analysis and global internal control. In addition, we are conducting overseas academic training to secure master’s-level personnel from national universities in countries where we plan to expand our overseas business, thereby developing local experts and job specialists.

Global Professional Training System



Retiree Support Training Program

NHFG provides reemployment support training to employees aged 50 and older who are expected to retire or leave their jobs in accordance with the Employment of Senior Citizens Act. Each affiliate offers various retiree support programs, including reemployment courses and group education on life planning.

Nonghyup Bank	Operate support services for retirees (including tax assistance, health services, funeral support, retreat centers, etc.)
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Award Programs to Enhance Employee Motivation

Every year, Nonghyup Bank provides recognition and rewards to organizations and employees who demonstrate outstanding performance and serve as role models, thereby enhancing their pride and motivation. We operate the NH Best Banker system to enhance employees' marketing skills and optimize the performance evaluation system to meet profit and loss targets while ensuring sound management. Additionally, to help us respond proactively to changes in the business environment, we run the NH Best Team system, offering commendations and awards to high-performing teams.

Category	Sector	Main Content	
NH Best Banker	Personal	Comprehensive Evaluation	Recognition and awards for excellent marketing employees in 12 business divisions
		Sector Evaluation	Recognition and awards based on evaluation criteria for 12 business divisions
		Hall of Fame	Hall of fame points, within top 3
Achievement Evaluation	Organization	Headquarters Department	Awarding commendations and awards to excellent departments and using them as personnel references
		Branch	Periodic recognition and awards for excellent offices by group
NH BEST TEAM	Organization	Income and Expenditure Contribution	Team that contributed to achieving the target profit and loss through business promotion
		Brand Image	Team that improved its external image, including increased trust
		Management Innovation	Team that contributed to the expansion of new businesses and strengthening business capabilities
		DT	Digital competency strengthening and IT support performance excellent team
		Work Delete & Diet	Excellent team for mitigating and streamlining tasks by department
Challenge	Challenge and performance contribution team to strengthen future competitiveness		

Support for Degrees and Certifications

Nonghyup Bank operates a self-development support system to enhance the development and quality of life of each employee. In addition to providing tuition support for employees to attend university, we also support the cost of training programs and certification to strengthen the competencies required for each affiliate.

Nonghyup Bank	<ul style="list-style-type: none"> • Graduate school financial aid, outsourced training at KAIST, Seoul National University, etc. • Support for acquisition of professional certificates such as CFA, FRM, and CFP
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Employee

Expansion of Employee Diversity

Respect for Diversity and Gender Equality

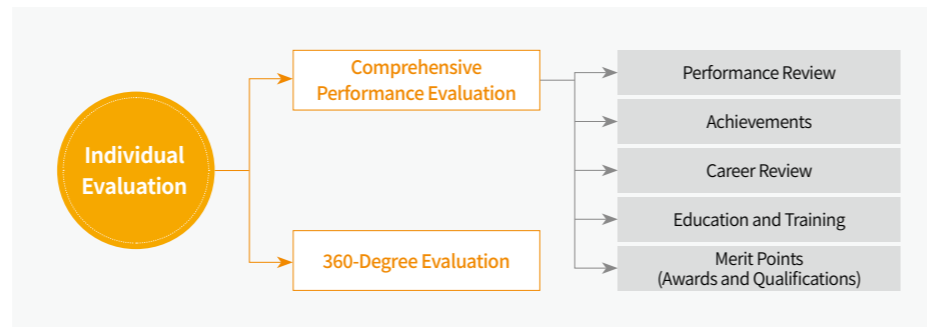
Gender-Equal Organizational Culture

Nonghyup Bank is securing and nurturing talented female professionals with outstanding capabilities to enhance organizational competitiveness and diversify the composition of employees. We are creating a gender-equal organizational culture that does not discriminate against women and have established HR policies to ensure fair evaluation in performance assessment and rewards.

Fair Performance Evaluation and Rewards

Nonghyup Bank implements a performance-based remuneration system, encompassing performance-related bonuses, comprehensive HR assessments (including performance evaluations and achievements), and a 360-degree feedback system, to foster and propagate a performance-oriented culture. Through these systems, we link fair performance evaluation results with employee rewards. Specifically, we apply differential performance payout rates based on evaluation results and conduct performance and achievement evaluations twice a year, divided into the first and second half of the year. Additionally, all junior employees of the evaluation target participate in 360-degree evaluation to enhance fairness, and we have developed a system that allows employees to complete the evaluation via mobile devices.

Nonghyup Bank Comprehensive Performance Review and 360-Degree Evaluation System



Special Recruitment for Veterans and Specialized High School Students

Support for Veterans Recruitment

Nonghyup Bank conducts annual recruitment of new employees through a veterans' recommendation program, supporting the social independence of veterans and the stability of their families. Additionally, by participating in veterans' job fairs, we contribute to enhancing the employment competitiveness of veterans and expanding recruitment opportunities. As a company committed to fulfilling its social responsibilities, Nonghyup Bank plans to continue various social contribution activities to support individuals eligible for veterans benefits.

Special Recruitment for Specialized High School Students

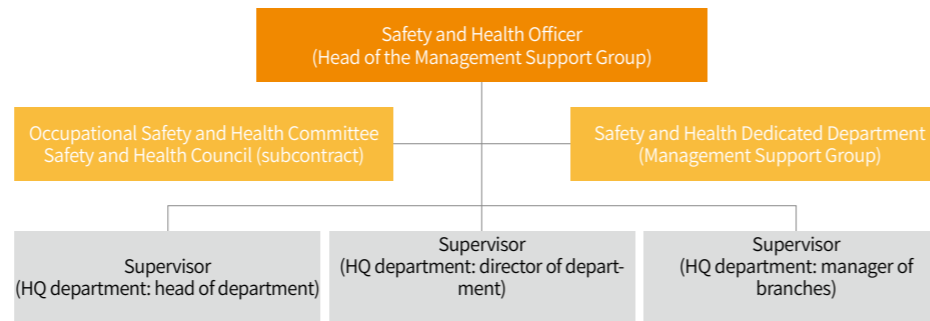
Nonghyup Bank actively recruits talents from specialized high schools, fulfilling its social responsibility while contributing to the discovery of local talent and addressing youth unemployment. Additionally, Nonghyup Bank participates annually in the Korea High School Talent Recruitment Expo, where we operate a recruitment consultation booth. We are committed to hiring from vocational high schools and support the education authorities in improving perceptions of vocational high school talent.

Employee

Employee Health and Safety

Establishment of Health and Safety Goals and Health and Safety Management System

Nonghyup Bank establishes health and safety goals and management policies, and regularly operates statutory meetings such as the Occupational Safety and Health Committee and the Safety and Health Council, centered around the Safety and Health Officer. Additionally, by carrying out health and safety management tasks under the supervision of site managers, we address deficiencies with corrective actions to proactively prevent serious accidents.



Prevention of Serious Accidents through Risk Assessment and On-Site Inspection

Nonghyup Bank conducts annual business site risk assessments to identify and improve hazardous and risk factors, thereby preventing safety accidents in advance. In particular, for large-scale business site of Nonghyup Bank, in-depth safety inspections are conducted jointly with external professional organizations to ensure that employees can work in a safe and pleasant environment. Additionally, under the supervision of the Safety and Health Officer, visits are made to new construction sites, offices where accidents occurred, and other key safety and health management offices to identify and support the improvement of elements that could pose safety accident risks in advance.

Establishment of Accident Response Procedures Manual

Nonghyup Bank has established response procedures for general and serious accidents to create a safe workplace. We have established an internal and external reporting system to be applied in the event of a serious accident, and conduct semi-annual inspections and checks on response procedures in case of a serious accident at each business site.

Category	Response actions
General accidents that result in a closure of more than 3 days(non-serious disasters)	<ol style="list-style-type: none"> 1 Provide first aid and arrange for medical attention 2 Take steps to avert further damage to prevent the same type of accident from occurring in business site 3 Report to department head and safety department 4 Conduct on-site verification and accident investigation 5 Identify hazardous risk factors from time to time and create a result report 6 Implement recurrence prevention measures
When there is a possibility of serious industrial accident	<ol style="list-style-type: none"> 1 Cessation of work and rapid dissemination of an accident, rapid evacuation to a safe area, and taking initial measures 2 Gathering for rapid reporting action and response 3 Take action to eliminate hazards/implement recurrence prevention measures
When serious industrial accident occurs	<ol style="list-style-type: none"> 1 Implement emergency relief measures and report directly 2 Report a serious accident to the local labor office(Article 54 (2) of the Occupational Safety and Health Act, Article 67 of the Implementing Regulations) 3 Establish measures to prevent further harm/recurrence <ol style="list-style-type: none"> 1) Forbid vandalizing accident sites 2) Prevent further damage with prohibition of access 3) Eliminate harmful elements 4) Prevent similar cases from occurring through dissemination(training) and take measures to prevent recurrence

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Employee Health and Safety

Promotion of Health and Safety Culture and Training

Promotion of Health and Safety Culture Internalization

Nonghyup Bank has created and distributed digital posters to promote health and safety awareness among employees and to prevent safety accidents. Additionally, we have produced 'Industrial Health and Safety Training Videos' tailored to the specific characteristics of banking operations and have conducted ongoing training sessions. Furthermore, we have developed and distributed the 'Nonghyup Bank Comprehensive Safety Management Manual' to integrate previously disparate safety management methods by department and task, enabling systematic safety management.

Digital Posters for Accident Prevention and Overall Safety Management Manual



Protecting Customer Service Staff

To protect and manage the health of employees who interact directly with customers,, Nonghyup Bank systematically operates support programs to prevent emotional and physical damage such as sexual harassment, verbal abuse, and assault. The company has established manuals outlining response measures for dealing with such problematic situations.

'Emotional Care Program' for Emotional Well-being of Customer Service Staff

Nonghyup Bank signed an MOU with the Dongrae Women's Workforce Development Center to implement the 'Emotional Care Program' aimed at enhancing psychological well-being and relieving work stress. The program features experiential activities, such as 'rattan craft bag making,' designed to provide psychotherapy and emotional support. Additionally, to express our gratitude for the efforts of customer service employees, we held the NH Happiness Fulfillment Day event in March 2023, where we recognized outstanding employees and two suppliers who provided excellent counseling services with prizes and certificates of appreciation.

Employee Health Management

Nonghyup Bank supports annual medical examinations for all employees and their spouses to promote their health. To prevent diseases and enhance physical fitness, we operate an in-house fitness center and a health clinic for ongoing health management, and each affiliate provides group accident insurance to support medical expenses.

Category	대응조치
Employee health check-up	<ul style="list-style-type: none"> Provide health check-up for employees and spouses(or one parent) Conduct employee health check-ups and follow up care for individuals with abnormal findings - Triage vulnerable individuals and request thorough self-care
Support for group accident insurance and medical expenses subsidies	<ul style="list-style-type: none"> Employee group accident insurance to cover medical expenses for employees and their families

Employee

Enhancement of Welfare and Organizational Culture

Improvement of Working Environment

To enhance job satisfaction and engagement, Nonghyup Bank implements various flexible work arrangements, such as staggered working hours, holiday substitution, and flexible work systems. In addition, we operate robotic process automation(RPA) to reduce repetitive tasks, and introduces the 'NH Smart Work 3.3.3 Campaign' and 'Enforcement of punctuality for early settlement of reduced working hours' to create an innovative work culture.

'The 2nd 2023 RPA Big League', a Contest to Vitalize Business Automation

In November 2023, Nonghyup Bank successfully concluded the '2nd RPA Big League' to promote the spread of work automation. The 'RPA Big League' is a contest where employees directly participate in all stages, from idea proposal to development, to automate regular and repetitive tasks. A total of 36 teams participated in this contest, successfully developing 50 work automation tasks.

As of December 31, 2023, a total of 180 tasks are utilizing RPA, and a cumulative total of 840,000 hours of annual work processing that would have been required if performed by humans was automated.



'The 2nd 2023 RPA Big League' Closing Ceremony

Work-Life Balance

Nonghyup Bank is actively committed to supporting the balance between work and family life by operating welfare programs for family and childcare.

Welfare Programs for Families and Childcare

- 1 Operation of parental leave program(maternity protection before childbirth or child-rearing after childbirth)
- 2 Operation of reduced working hours during childcare period
- 3 Operation of family care leave program
- 4 Operation of an infertility leave and infertility treatment leave program
- 5 Granting menstrual and prenatal examination leave
- 6 Granting prenatal and postnatal leave
- 7 Provision of spouse's maternity leave
- 8 Provision of spouse's miscarriage leave
- 9 Providing childbirth congratulatory incentive
- 10 Providing financial support for child education
- 11 Providing Financial support for children with disabilities
- 12 Support for family culture day event costs
- 13 Providing support for infertility treatment
- 14 Providing gifts for childbirth and elementary school entrance, etc.



Employee

Enhancement of Welfare and Organizational Culture

Human Rights Policy

To support the protection of human rights, Nonghyup Bank stipulates in its internal regulations that it shall strive to improve the health and quality of life of individuals.

Nonghyup Bank Ethics Charter

We respect the individuality of each employee, do not discriminate against them, provide equal opportunities and fair evaluations, and strive to improve their health and quality of life.

Nonghyup Bank Code of Ethics

Chapter 5 Responsibility for Employees

Nonghyup Bank respects the personality of its employees with faith and affection, creates a working environment where individual autonomy and creativity can be maximized, and does its best to improve the quality of life of its employees.

- 1 Enhance the quality of life of employees
- 2 Provide fair opportunities
- 3 Provide appropriate compensation
- 4 Develop talent



Human Rights Risk Management

Conducting Regular Human Rights Management Education

Nonghyup Bank regularly conducts human rights training to establish and internalize a culture of human rights management. We offer statutory training courses for all employees, including those on preventing violence, such as sexual harassment, and workplace harassment prevention.

Human Rights Protection Activities by Stakeholder

Human rights for farmers and customers



We put ourselves in the shoes of farmers and our customers, and we make that our top priority in everything we do. We are open to feedback and suggestions and strive to address complaints as quickly and fairly as possible. We are also careful to protect our customers' assets, information, and interests.

Human rights for shareholders and investors



We provide necessary information to shareholders and investors in a timely and fair manner in accordance with relevant regulations, and operate a risk management system and internal control system to prevent all risks such as financial accidents. We also respect the legitimate requests and suggestions of shareholders and investors and strive to build mutual trust.

Human rights for employees



We do not discriminate against employees based on gender, education, age, religion, region of origin, or physical disability. In addition, we actively support the development of employees' abilities and foster them as professional and creative talents. We are also actively improving the creation of a comfortable and safe working environment to improve the quality of life of employees.

Human rights for suppliers



We provide equal opportunities to individuals or organizations in bidding and concluding contracts for construction, service, and purchase of goods from suppliers, and stipulate that transactions be conducted transparently in a mutually equal position. In addition, we are careful not to make unfair demands, such as demanding money, imposing unfair trading conditions, or interfering with management, using our superior position.

Human rights for the nation and local communities



For the development of the nation and local communities, we are committed to accepting and addressing the needs of all segments of society and local residents. In addition, we comply with international management standards in our global business activities and strive to contribute to the economic development of local countries. We are also committed to environmental protection and disaster risk prevention management.

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Governance Story

Nonghyup Bank is building a governance framework to ensure responsible management that aligns with its unique identity and mission, supported by a transparent and robust decision-making system. To adapt to the rapidly changing business environment and emerging uncertainties, we have established a board-centric management process that emphasizes expertise and diversity. We are enhancing corporate value by fostering trust with stakeholders through ethical practices, rigorous compliance, and systematic risk management.

01 Board-Centered Decision Making Structure

Nonghyup Bank operates its board of directors based on the principles of stability, efficiency, and transparency in governance, aiming for sustainable growth and the protection of financial consumers' legitimate interests. By ensuring decision-making and execution are driven by a board with both expertise and diversity, we promote responsible management and strengthen trust by safeguarding stakeholder interests.

Percentage of Non-Executive Directors

50%

Attendance Rate of Non-Executive Directors at BOD Meetings

100%



02 Enhanced Risk Management System

Nonghyup Bank enhances sound and efficient decision-making by proactively addressing various risks through a comprehensive risk management reporting system. We also perform integrated risk management and crisis situation analysis, and run various training programs to bolster our risk management expertise.

Integrated Risk Monitoring

2 Sessions a Year

03 Strengthening Ethics and Compliance Management

To practice ethical management, Nonghyup Bank has established an ethics charter and a code of conduct for employees. We promote compliance awareness through regular self-inspections and anti-money laundering training for all staff.

30 Sessions

of Nonghyup Financial Ethics and Compliance Training

12 Sessions

of Anti-Money Laundering Training



Nonghyup Bank Governance

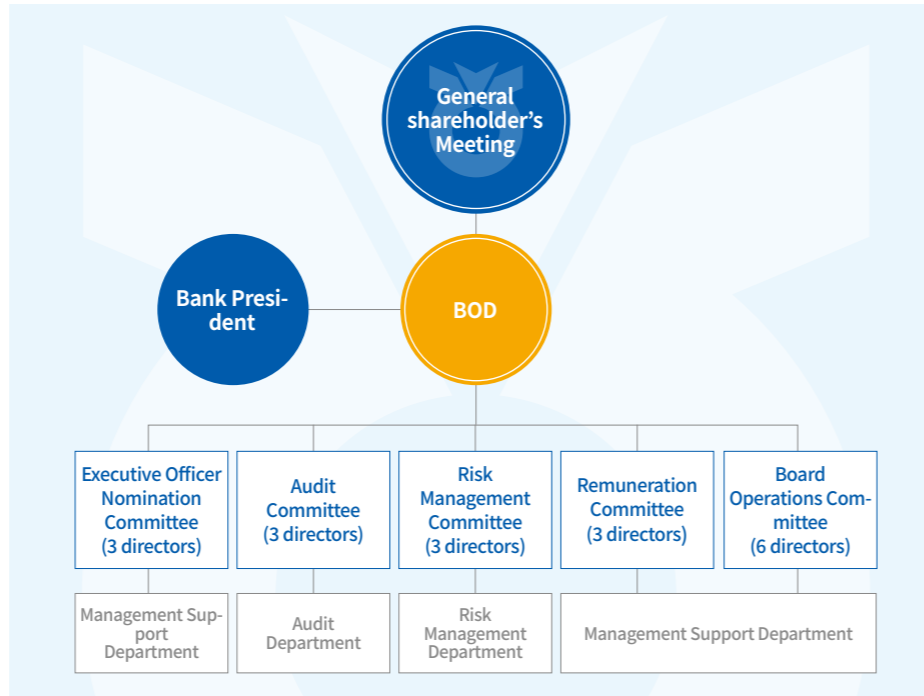
Governance Structure

Governance Principles

Nonghyup Bank operates its board of directors and its committees with a focus on stability, efficiency, and transparency to achieve sustainable growth and protect the legitimate interests of financial consumers, including shareholders, depositors, and investors. The Board maintains its independence in line with the Commercial Act and Governance Act, with the majority of committee members being outside directors. Additionally, during the director selection process, we prioritize expertise and diversity to effectively respond to changes in the social and economic environment. Details about our governance structure are transparently disclosed in the governance structure and annual report, and are also available on the Nonghyup Bank website.

 Nonghyup Bank 2023 Annual Report on Corporate Governance and Remuneration System (p.215)

Governance Organization Chart



Governance Structure

As of the end of 2023, Nonghyup Bank's board of directors, in accordance with Article 31 of the Articles of Incorporation, comprises 2 executive directors, 4 outside directors, and 2 non-executive directors. The appointment of outside directors considers the bank's asset size, the advanced nature of the banking industry, and the need for independence to ensure thorough and effective deliberation on important matters. Consequently, 4 out of the 8 board members are outside directors, and the chairman of the board is selected from these outside directors. Additionally, the board of directors oversees five committees: the Executive Candidate Recommendation Committee, Audit Committee, Risk Management Committee, Remuneration Committee, and Board Steering Committee.

BOD Members¹⁾

Category/ Position	Name	Gender	Major Experience	Specialties	First Appointment Date	Term Expiration Date
Internal Director Bank President	Lee, Seok Yong	Male	<ul style="list-style-type: none"> Director of Planning and Coordination Headquarters, National Agricultural Cooperative Federation Nonghyup Bank Seoul Sales Manager 	Banking	'23.1.1.	'24.12.31.
Internal Director Full-time audit committee member	Go, Il Yong	Male	<ul style="list-style-type: none"> Lotte Card Audit Manager Head of Bank Risk Office, Financial Supervisory Service 	Finance	'23.6.1.	'25.5.31.
Outside Director Chairman	Jang, Won Chang	Male	<ul style="list-style-type: none"> Professor, Department of Economics, Inha University (current) Korea Exchange Listing and Disclosure Committee member 	Economics	'21.4.1.	'24.3.31.
Outside Director	Ok, Gyeong Young	Female	<ul style="list-style-type: none"> Professor, Department of Consumer Economics, Sookmyung Women's University (current) Vice Chairman of the Financial Education Expert Council of the Financial Supervisory Service (current) 	Consumer Protection	'21.4.1.	'24.3.31.
Outside Director	An, Hyun Shil	Male	<ul style="list-style-type: none"> Visiting Professor, Seoul National University Graduate School of Engineering (current) Chairman of Technology Management Policy Subcommittee, National Academy of Engineering of Korea (current) 	Management	'22.4.1.	'24.3.31.
Outside Director	Cho, Yong Ho	Male	<ul style="list-style-type: none"> Constitutional Court Judge Distinguished Professor, Konkuk University Law School (current) 	Law	'22.4.27.	'24.3.31.
Non-executive director	Ban, Chae Un	Male	<ul style="list-style-type: none"> Nonghyup Bank Risk Management Division Manager Nonghyup Bank General Planning Department Manager 	Banking	'23.4.1.	'25.3.31.
Non-executive director	Seo, Suk Cho	Male	<ul style="list-style-type: none"> Director of Farmers' Newspaper and Korea Agricultural Broadcasting Company President of Bukyeongdeok Agricultural Cooperative (current) 	Management	'23.6.1.	'25.5.31.

1) As of December 2023

Nonghyup Bank Governance

Governance Operation

BOD Operation

The board of directors at Nonghyup Bank is convened by the chairman, with regular meetings held quarterly. Additionally, ad-hoc meetings are called by the chairman as needed or upon request from a director or committee within the board. Notices of board meetings, including the agenda and date, are sent out 7 days in advance. Relevant materials are distributed beforehand to ensure thorough review of the agenda, and, when necessary, department heads provide preliminary briefings to enhance the directors' understanding.

BOD Activities Status

In 2023, a total of 14 BOD meetings were held, during which 51 agenda items were discussed.

Category	2021	2022	2023
No. of board meetings	16	16	14
- Resolution agendas (count)	56	61	46
- Report agendas (count)	55	54	49
Average board meeting attendance (%)	99	98	99

Major Agenda of the BOD

 Establishment and evaluation of management goals and strategies	 Amendments to the Articles of Incorporation	 Approval of budget and Financial Statements	 Important Organizational Changes, Such as Dissolution and Business Transfer
 Establishment and evaluation of internal control standards	 Establishment and evaluation of risk management standards	 Establishment and evaluation of governance principles and policies	 Management and Supervision of Conflict of Interest

Operation of BOD Committees

Nonghyup Bank has established 5 committees under its board of directors. The Executive Officer Nomination Committee, Audit Committee, Risk Management Committee, Remuneration Committee, and BOD Operation Committee. Each of these five committees is comprised majority of outside directors, and it is specifically required that an outside director serve as the chairperson of each committee.

Category	Committee Roles
Executive Officer Nomination Committee	Nominate and assess candidates for Chairman & CEO, independent directors, auditors, and affiliate CEOs with leadership and expertise in the financial industry
Audit Committee	Audit management operations, inspect and assess internal control systems, and select and supervise external auditors
Risk Management Committee	Establish risk management policies aligned with management goals and business strategies, and approve appropriate risk limits
Remuneration Committee	Evaluate the performance of top management and the CEO/managers of affiliates, establish the compensation structures, and review their appropriateness
Social Value & Green Finance Committee	Establish and approve ESG strategies and plans to promote social values and advance green finance
BOD operation Committee	Oversee discussions and reviews of governance, and supervise the evaluation of directors' activities.

Status of Activities of BOD Committees

Category	Major Agenda	Number of Events (times)	Number of Agendas (count)
Executive Officer Nomination Committee	Selection of candidate pool for non-executive directors and CEOs of subsidiaries, and initiation of management succession procedures for subsidiary CEOs, etc.	6	10
Audit Committee	Report on audit results for the holding company and affiliates, and on the evaluation of anti-money laundering operations and internal accounting control systems, etc.	14	39
Risk Management Committee	Report on risk management plans for each subsidiary, and on the results of integrated crisis analysis and suitability assessment, etc.	16	59
Remuneration Committee	Deliberation and resolution on performance evaluation plans for the CEOs of the holding company and subsidiaries, and on decisions regarding remuneration and payment methods, etc.	3	5
BOD Operation Committee	Establishment of annual plan for board of directors operation, deliberation and decision on evaluation plan and operation plan for outside directors and board of directors	2	3



Nonghyup Bank Governance

Transparency, Diversity, Independence, and Expertise of Governance

Appointment Process of Independent Director

Nonghyup Bank appoints outside directors through a fair and transparent selection process that takes into account expertise, diversity, and independence. To ensure a pool of highly qualified and independent candidates, experts from various fields are recommended through channels such as shareholders, external advisory bodies, support departments, directors, and management. The Executive Candidate Recommendation Committee is responsible for decisions related to managing this pool, and details were reported at its first meeting in March. In addition to the legal requirements (under the Commercial Act and the Act on the Governance of Financial Companies), Nonghyup Financial applies their own criteria when selecting outside director candidates, evaluating them based on ① expertise, ② fairness, ③ ethics and responsibility, and ④ loyalty.

Criteria for Selecting Independent Director Candidates

- ① Whether a candidate has sufficient practical experience or expertise in relevant fields such as finance, management, economics, law, accounting, consumer protection, and information technology to effectively perform their duties as an independent director.
- ② Whether a candidate can perform their duties impartially and without being bound by special interests.
- ③ Whether a candidate possesses the necessary ethical standards and sense of responsibility to serve as an independent director.
- ④ Whether a candidate can allocate sufficient time and effort to faithfully perform their duties as an independent director.

Transparency of the BOD

Nonghyup Bank ensures transparency by disclosing information on the composition and operations of its board of directors in accordance with internal governance regulations. The status and activities of the Board are made available on the Nonghyup Bank website. Additionally, detailed information on the Board's activities, the functioning of its committees, and the remuneration system is provided annually through the Annual Report on Governance and Remuneration System.

Nonghyup Bank Internal Code of Corporate Governance

Nonghyup Bank . 2023 Annual Report on Corporate Governance and Remuneration System

Diversity of the BOD

To promote diversity within the board of directors, Nonghyup Bank imposes no restrictions on gender, age, nationality, or place of birth. To ensure a broad range of expertise, we manage candidates across eight specialized fields: finance, management, economics, accounting, law, IT, consumer protection, and ESG. Currently, the Board includes one female outside director, reflecting our commitment to gender diversity.

Independence of the BOD

To strengthen the Board's core role in overseeing management, more than half of Nonghyup Bank's directors are independent. As of December 2023, outside directors made up 50% of the Board. Additionally, the Board is chaired by an outside director, ensuring effective oversight of management. As of December 2023, the attendance rate for outside directors was 100%, demonstrating their full commitment to monitoring and supervisory responsibilities.

Expertise of the BOD

To ensure board expertise, Nonghyup Bank places emphasis on whether non-executive directors have sufficient practical experience and expertise in areas related to the financial industry, including finance, management, economics, law and consumer protection. The areas of expertise of each director can be found in the Board Skill Matrix.

Nonghyup Bank Board Skill Matrix¹⁾

Category	Name	Banking	Management	Economics	Finance	Law	Consumer Protection
Internal Director Bank President	Lee, Seok Yong	●					
Internal Director Full-time audit committee member	Go, Il Yong				●		
Outside Director Chairman	Jang, Won Chang			●			
Outside Director	Ok, Gyeong Young						●
Outside Director	An, Hyun Shil		●				
Outside Director	Cho, Yong Ho					●	
Non-executive director	Ban, Chae Un	●					
Non-executive director	Seo, Suk Cho		●				

1) As of December 2023



Nonghyup Bank Governance

Enhancing the Competence and Performance Evaluation of Governance Members

Training for Independent Directors

Nonghyup Bank provided an education and training program for outside directors to enhance their understanding of the bank's operations and the broader financial industry. In 2023, we conducted 16 internal and external training sessions for outside directors, covering topics such as overall governance, economic and financial market trends, strategy, risk management, and emerging trends.

Education Date	Main Training Content
April 12 th , 2023	Orientation for New Directors
April 28 th , 2023	Understanding Anti-Money Laundering Systems
May 26 th , 2023	The Next Big Things in Finance and Digital
June 23 rd , 2023	Preparation for Responding to Climate Risks
June 20 th , 2023	Roles and Responsibilities of the Board of Directors
June 27 th , 2023	Governance and Performance Compensation in Financial Companies
July 3 rd , 2023	Exploring the Roles and Responsibilities of the Board of Directors in the Expansion of AI Utilization, a Double-Edged Sword
July 3 rd , 2023	Inspection and Reporting of Overseas Business Management Issues
July 4 th , 2023	Meeting with Executives of Leading Asset Management Firms in ESG Investing
July 5 th , 2023	Understanding ESG Finance
July 6 th , 2023	Global Cooperative Meeting
July 11 th , 2023	- Innovation and Key Issues in the Financial Industry - Supervisory Directions of Financial Regulatory Authorities on Financial Company Governance
September 22 nd , 2023	Current Status of the Life Insurance Industry and Meeting with Life Insurance Executives
October 27 th , 2023	Understanding Credit Rating Models and Recent Trends
November 15 th , 2023	The Present and Future of Real Estates & Digital Assets

Assessment of the BOD

Nonghyup Bank conducts regular assessments to ensure the board of directors has fulfilled its roles and responsibilities as outlined by laws and internal regulations. The Board's performance evaluation is carried out at the beginning of each year by the Board Operation Committee, reviewing the composition and operations of the previous year's Board in accordance with NHFG's 'Internal Governance Code.' The evaluation includes 10 questions on the Board's roles, composition, independence, and appropriateness. The results are reported to the Board and disclosed in the annual governance report. The 2023 evaluation scored 98.4 points, rated as excellent overall.

Nonghyup Bank 2023 Annual Report on Corporate Governance and Remuneration System(p.34)

Assessment of Independent Directors

Nonghyup Bank assesses the performance of outside directors from the previous year under the supervision of the Board Steering Committee, with results reported annually to the board of directors. The 2023 evaluation criteria were categorized into three main areas: comprehensive assessment, participation in board and committee meetings, and engagement in educational programs. The comprehensive assessment included self-evaluation, peer evaluation, and employee evaluation, measuring each outside director's expertise, fairness (independence), ethics, responsibility, loyalty, and overall participation. Final ratings were divided into five levels (S to D), and in 2023, all outside directors received the highest rating (S).

Nonghyup Bank 2023 Annual Report on Corporate Governance and Remuneration System(p.107)

Assessment Criteria		Professionalism, fairness, ethics, responsibility, loyalty, participation
Assessment Items		Self-evaluation, mutual evaluation of directors, employee evaluation of departments highly related to the work of the board, board of directors and committees within the board of directors Attendance rate evaluation, training participation time evaluation

Nonghyup Bank Governance

Enhancing the Competence and Performance Evaluation of Governance Members

Executive Performance Evaluation and Remunerations

Compensation Structure

Nonghyup Bank, through its Remuneration Committee, reviews and determines matters related to the design and operation of the compensation system, including the methods for determining and paying performance bonuses for executives and financial investment managers. This process ensures that the compensation system is aligned with the company's financial situation and risk exposure while maintaining compliance with relevant laws and regulations. In the compensation system, key management roles include the bank president, full-time audit committee members, business execution officers (such as those responsible for risk management and compliance), and the head of the sales division. Among employees involved in areas like securities management, foreign exchange, and derivatives, those in fund management with a significant impact on risk and an ability for objective evaluation are identified as financial investment managers. For executives, including the bank president, base pay is considered fixed compensation, while performance bonuses, which are entirely variable, are tied to performance evaluations. For financial investment managers, exceeding performance targets is rewarded with special bonuses that are fully variable.

 Nonghyup Bank 2023 Annual Report on Corporate Governance and Remuneration System (p.172)

Executive Performance Indicators

In the short-term performance evaluations of executives, including the bank president (excluding risk management officers and compliance officers), quantitative indicators such as profitability, productivity, efficiency, soundness, and risk management are used. Non-quantifiable indicators assess comprehensive management capabilities (including financial consumer protection and ESG management) as well as key promotional tasks. For long-term performance evaluations, metrics include profitability, capital adequacy, asset soundness, strategic investments, and mid-to long-term growth indicators. The results of ongoing performance evaluations are factored into the calculation of performance bonuses for executives, including the bank president. These evaluations impact individual performance compensation through Key Performance Indicators (KPIs) related to the executive's department and qualitative assessments of non-quantitative areas. For financial investment managers, evaluation indicators include excess returns compared to benchmarks or achievement rates relative to target profits, with incentives calculated based on the rate of achievement against personal profit and loss targets.

Financial Performance Metrics

- Profitability: Target Profit
- Productivity: Gross operating profit ratio
- Efficiency: ROA, RoRWA
- Soundness: NPL ratio, loan loss provisioning ratio, etc.

Non-Financial Performance Metrics

- Setting key tasks for the relevant business unit that reflect the bank's management plan and mid-to long-term strategy

Criteria for Deferral, Adjustment, Clawback, and Finalization of Performance Remunerations

Nonghyup Bank disburses 40% to 60% of the performance-based payment as a cash payment upfront, with the remainder paid in cash on a deferred basis over three years. The deferral period is set at three years, and the deferred payment amount is adjusted based on long-term performance evaluations. If management or financial investment managers incur a loss related to their duties during the deferred payment period, the compensation is adjusted by recalculating the amount of the realized loss in the performance compensation due for payment. However, according to the Financial Companies' Governance Act, full-time audit committee members, compliance officers, and risk management officers do not receive deferred payments. In cases where there is an increase in residual risk or additional losses occur, these are converted into excess profits and used to adjust and pay the deferred compensation according to the special performance bonus calculation criteria. The deferred payment amount is determined based on the total limit set during the year and is managed as an undecided amount. The decision on whether to pay the undecided amount is made annually through long-term performance evaluations. For financial investment managers, the amount of deferred compensation is determined based on changes in the risk level of managed assets and any fund management losses incurred during the year.

Executive Remuneration

The total remuneration of the bank president in 2023 is KRW 200 million, and the performance compensation amount is KRW 10 million. (based on payment amount)

Stock Ownership by Executives

Nonghyup Bank has a single shareholder governance structure, with Nonghyup Financial Group holding 100% of the shares. Accordingly, the bank president, and executives do not own company stock.

Stock Ownership¹⁾

shareholder Name	Number of Shares Held (shares)	Equity Ratio (%)
Nonghyup Financial Group Co., Ltd.	476,870,202	100

1) As of December 2023

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Special Stories

ESG Management Performance

Environment

Social

► Governance

Governance Story

Nonghyup Bank Governance

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Risk Management

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ESG Governance

ESG Governance Operating System

Nonghyup Bank operates an ESG Committee, serving as the bank's ESG control tower. The committee consists of a chairperson and 12 members. Chaired by the Vice President responsible for ESG, it includes department heads closely related to ESG management and initiatives. The ESG Committee is responsible for setting ESG strategies, establishing implementation policies, and receiving reports on key ESG-related matters.

2023 ESG Committee Operation Details

구분	안건
1st (’23.03.15)	<p>Last year's ESG management status report</p> <ul style="list-style-type: none"> Support for expansion of green finance through ESG specialized products Saving paper through digital transformation Obtained the highest rating in the Financial Services Commission's regional reinvestment evaluation <p>Establishment of carbon neutral implementation strategy and climate crisis response plan</p> <ul style="list-style-type: none"> Establishment and management of carbon emissions management system Systematic response to risks by actively utilizing the climate risk management model(jointly initiated with the Financial Supervisory Service)
2nd (’23.11.23)	<p>Sharing this year's ESG management performance and future plans</p> <ul style="list-style-type: none"> Developing a process for purchasing carbon credits for farmers Expanding ESG consulting services Providing financial support and enhancing the ESG foundation for carbon reduction companies Increasing ESG support for small and medium-sized businesses and engaging with government green growth policies Achieving net zero internal carbon emissions Discussing strategies to address mandatory ESG disclosure requirements

ESG Performance Evaluation

Nonghyup Bank incorporates ESG factors into its key performance indicators (KPIs) to foster an ESG management culture and integrate ESG practices into the daily routines of all employees. The evaluation is split into categories related to the holding company's ESG responsibilities and self-assessment items, with additional points awarded based on the level of cooperation.

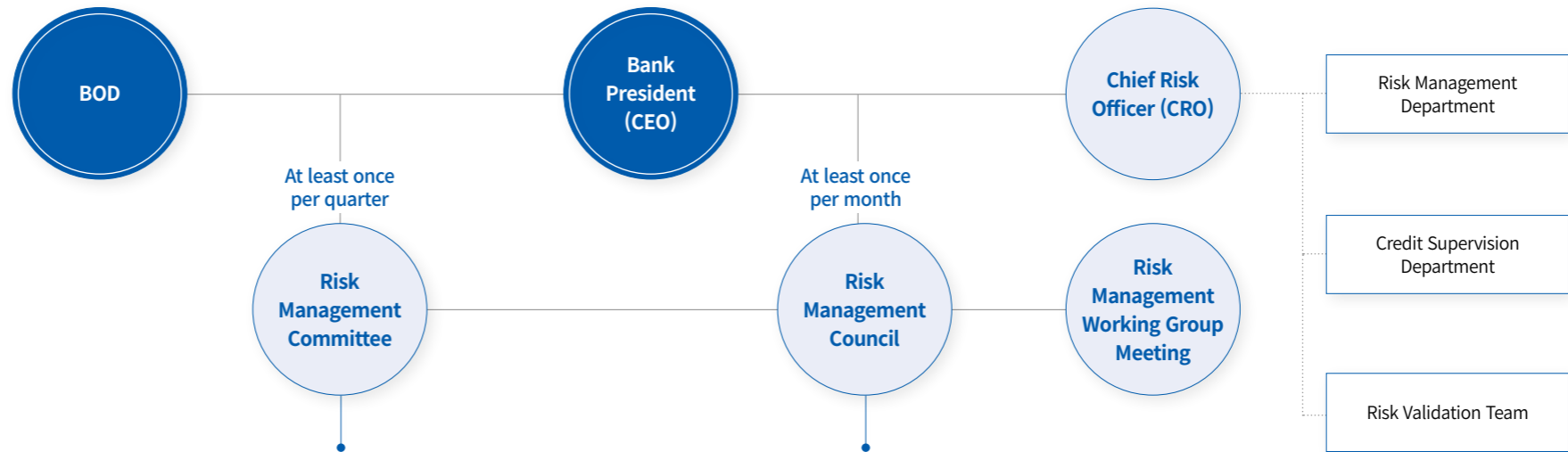
Category	Evaluation Items	Evaluation Details
Evaluation in connection with group-wide tasks	Response to Climate Change	<ul style="list-style-type: none"> Carbon emissions management Cooperation in measuring internal carbon emissions
	Strengthening ESG Products	<ul style="list-style-type: none"> ESG product diversification Expansion of ESG investment Enhancing product competitiveness <ul style="list-style-type: none"> ESG product development and launch, ESG bond issuance, etc. ESG investment annual goal achievement rate NH Good Earth Product Annual Goal Achievement Rate
	Strengthening ESG Management Reliability	<ul style="list-style-type: none"> ESG external activation Improvement of external evaluation <ul style="list-style-type: none"> Global initiatives, ISO, MOU, PR Korea ESG Standards Institute evaluation score improvement
Self-assessment	<ul style="list-style-type: none"> Improving ESG-related systems ESG campaign implemented 	<ul style="list-style-type: none"> Introducing new ESG-related projects or improving systems ESG Effort Campaign Implemented
Bonus	Work Cooperation	<ul style="list-style-type: none"> Cooperation in ESG management-related work

Risk Management

Risk Management System

Nonghyup Bank's risk management system aims to ensure soundness and stability by efficiently controlling and managing risks across all areas of its operations, thereby securing a foundation for sustainable growth. The risk management organization is composed of the 'Risk Management Committee,' the highest decision-making body; the 'Risk Management Council,' which implements policies; the 'Risk Management Working Group,' which handles practical issues; as well as the Chief Risk Officer (CRO), the Risk Management Department, the Credit Supervision Department, and the Risk Validation Team.

2023 Nonghyup Bank Status(p.67)



- Establishing fundamental policies and strategies for risk management
- Determining the level of risk (risk propensity) that the bank can tolerate
- Issues related to the allocation of risk capital
- Approving appropriate investment limits and loss tolerance thresholds
- Setting and approving various limits and addressing instances of limit breaches
- Matters concerning the new credit rating system and significant changes
- Issues related to the estimation results and major changes in credit risk measurement elements (PD, LGD, EAD)
- Standards for asset quality classification, loan loss allowances, and other accumulation criteria

- Developing a risk management plan based on the core direction and key policies set by the Risk Management Committee
- Analyzing various risks and implementing risk management measures
- Establishing the basic policy for calculating credit interest rates and credit card commission rates related to credit risk
- Reviewing agenda items before they are submitted to the Risk Management Committee
- Introducing new businesses, financial products, and systems that involve risk

Risk Management

Integrated Risk Management System

Integrated Crisis Situation Analysis

Nonghyup Bank assesses the impact of crisis scenarios and develops and implements response plans for potential crises. Each year, scenarios for integrated crisis situation analysis are presented to the Risk Management Committee to incorporate feedback from the board of directors or management, and are finalized through a formal resolution. Integrated crisis situation analyses are conducted twice a year (once every six months) and reported to both management and the Risk Management Committee. The results are used to evaluate how each crisis scenario might affect the bank's economic capital, regulatory capital, profit and loss fluctuations, and liquidity in both domestic and foreign currencies, and to develop appropriate response plans.

Setting up a Scenario

Integrated crisis situation analysis scenario setting

(GDP growth rate, housing price fluctuation rate, oil price fluctuation rate, unemployment rate, etc.)

Criteria for Assessing Crisis Situations

Regulatory Capital Adequacy

Whether the BIS regulatory capital ratio assessment indicator is lower for each scenario

Category (%)	Normal Situation			Crisis		
	Total Capital	Basic Capital	Common Stock Capital	Total Capital	Basic Capital	Common Stock Capital
Warning	14	11	10	14	11	10
Caution	13.25	10.75	9.5	112.5	10.5	9
Severe	12.5	10.5	9	11.9	9.9	8.4

Internal Capital Adequacy

whether the ratio of internal capital to available capital for each scenario exceeds the assessment indicator

Category (%)	Normal Situation	Crisis
Warning	70	75
Caution	80	85
Severe	90	95

Countermeasures

Capital Adequacy

Measures are taken after determining whether each normal and crisis situation falls into a crisis stage

[Measures for each stage of capital adequacy crisis]

Crisis Stage	Countermeasures	Crisis Stage	Countermeasures
Normal Situation	Warning	Crisis	Review and conduct simulation of BIS ratio recovery plan Other step-by-step measures are the same
	Caution		
	Severe		

Ethics and Compliance Management

Ethical Management Strategy

To build trust and lay the foundation for sustainable growth through transparent management, Nonghyup Bank has established an ethical management system with the vision of becoming a "Good Company – Realizing a Trusted Nonghyup Bank." Our goal is to fulfill our corporate social responsibilities and serve as a model company that grows alongside farmers, customers, and the community.

Vision and Goal	Good Company - Realizing a Trusted Nonghyup Bank
Ethical Management Strategy	Establishment of ethical management strategy consistent with Nonghyup Bank's vision and goals
Practicing Ethical Management	<p>Implementation of the ethical management practice program</p> <ul style="list-style-type: none"> Self-inspection of employee adherence to laws and regulations, including reporting on financial investment product sales by employees Monitoring of contract work, clean calls, and restrictions on the use of corporate(clean) cards for entertainment purposes Counseling center for employee behavioral guidelines, solicitation registration system, and external lecture reporting
Evaluation and Feedback	Integrity evaluation of executive staff, integrity evaluation of contract work, Nonghyup Bank ethical level evaluation

Ethical Management Policy

<p>Ethics Charter</p> <p>Ethical management system with the highest regulations</p> <ul style="list-style-type: none"> Contributing to agricultural and rural development while prioritizing customer-first principles Preventing corruption and fostering a clean workplace environment Complying with domestic laws and international regulations Ensuring equal opportunity and fair evaluation while promoting environmental protection <p>Nonghyup Bank Ethics Charter</p>	<p>Code of Conduct</p> <p>Standard for values and behavior to achieve ethical management</p> <ul style="list-style-type: none"> Protecting the interests of farmers and customers Safeguarding the interests of shareholders and investors Ensuring fair competition and trade Upholding the basic ethics of employees Holding employees accountable Fulfilling responsibilities to the country and society <p>Nonghyup Bank Code of Ethics</p>	<p>Employee Behavior Guidelines</p> <p>Specific judgment criteria necessary for adhering</p> <ul style="list-style-type: none"> Performing duties fairly and prohibiting the receipt of unfair profits Fostering a healthy work environment Taking appropriate actions in case of violations, including counseling, reporting, and disciplinary measures <p>Nonghyup Bank Employee Code of Conduct</p>
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Internalizing Ethical Management

Employee Ethics and Compliance Training

Nonghyup Bank is strengthening its ethics education to align with new global standards such as ISO 26000 and to ensure the legitimacy, legality, and ethical conduct of its business activities. The compliance officer conducts annual training on ethical management and legal compliance for directors and other executives. In 2023, this training covered major issues related to internal control and Nonghyup Bank's response, with sessions held once in each half of the year. Additionally, cyber training was provided to branch employees on 30 different topics, including ethical management, legal compliance, accident prevention, and non-deposit product sales processes. A total of 98.7% of employees completed the training.

Practicing Ethical Management

To continuously improve ethical standards and embed them into the corporate culture, Nonghyup Bank implements various programs to promote ethical management. Employees regularly assess their own ethical practices to identify areas of underperformance and improvement measures. Self-assessments of ethical management are conducted annually, along with a yearly integrity evaluation for employees. In the 2023 integrity evaluation, which included 1,199 participants such as business executives, division heads, and office managers, the average score was 97.9 points. This score reflects improvements in creating a healthy work culture, prohibiting unfair profits, ensuring fair job performance, and adhering to social responsibility, marking a 0.2-point increase from the previous year.

- 01 Solicitation registration system**

Since solicitation is a major cause of corruption, we operate a solicitation registration system to break this connection, prevent unethical practices before they occur, and ensure fair performance of duties.
- 02 NH Ethics Practicing Program**

We practice ethical management by integrating compliance with relevant laws and internal regulations into our employees' daily routines and fostering a strong sense of professional ethics. This is achieved through regular self-assessment of legal compliance, the operation of a holiday gift return center, and the management of external lecture and meeting reporting systems.
- 03 Integrity Evaluation**

The purpose of evaluating the integrity of employees is to foster a culture of integrity by encouraging them to lead by example and cultivate a strong sense of ethical behavior. We aim to support self-improvement through systematic assessments of corruption risks and vulnerabilities within each area of the business. Through these evaluations, we strive to transform Nonghyup Bank into a more approachable institution and reinforce the trust of farmers and customers.

Ethics and Compliance Management

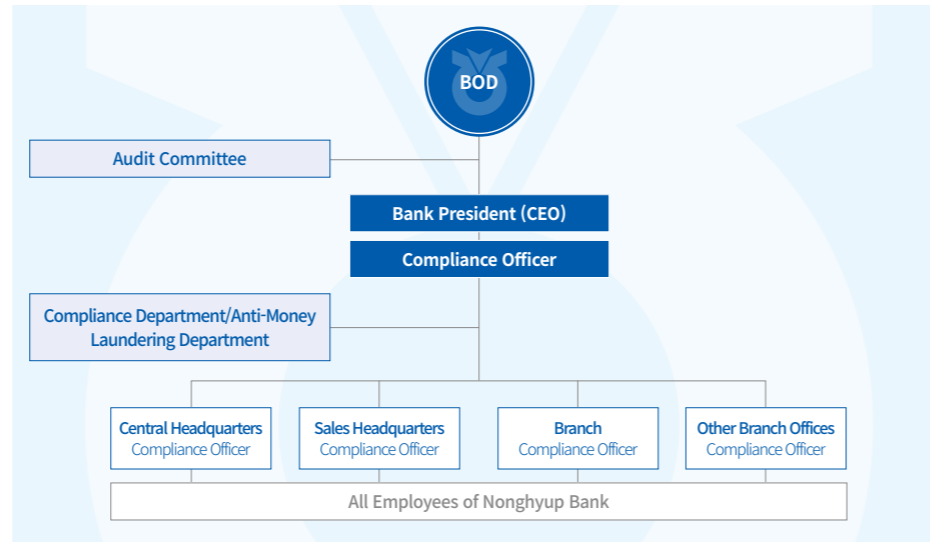
Ethical Management System

Internal Control System

Nonghyup Bank has established internal control standards that all board members and employees must follow. The board of directors appoints a compliance officer to ensure the fair performance of duties and maintain independence. Internal control encompasses a set of ongoing processes designed to ensure that employees adhere to laws and internal standards while performing their duties. This system aims to uphold legal compliance, ensure sound management, and protect the interests of shareholders and depositors.

Compliance Monitoring System

Nonghyup Bank's compliance officer oversees internal control activities, including ensuring adherence to internal control standards and investigating any violations. Appointed in accordance with the Act on Governance of Financial Companies, the compliance officer is responsible for internal control and the implementation of specific guidelines and compliance standards. Additionally, the compliance officer provides legal support and advice to the board of directors, the bank president, and relevant departments, establishes and manages the code of ethics for employees, and collaborates with and supports supervisory authorities and the audit committee.



NHFG Compliance-related Council Operation Status

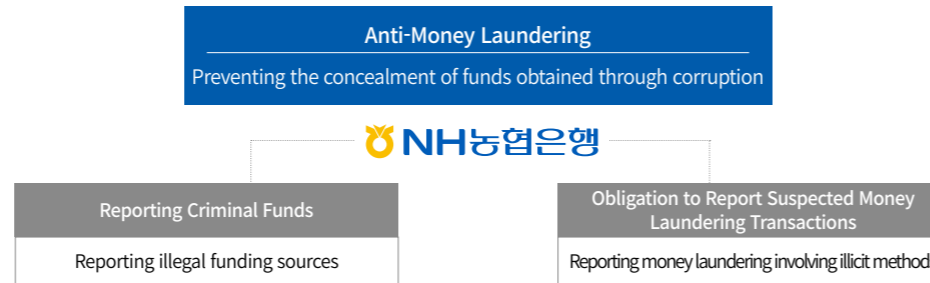
Compliance Monitoring Council	NHFG · affiliates compliance officers <ul style="list-style-type: none"> Review ethical management diagnosis results Response measures for internal control System improvement 	Cycles: Semi-annually
Incident Prevention Council	Heads of NHFG and major affiliates compliance teams <ul style="list-style-type: none"> Discuss measures to strengthen internal control Introduce responsibility structure diagram and advance internal control framework 	Cycles: As needed/Monthly
Anti-money Laundering Council	NHFG · affiliates reporting officers <ul style="list-style-type: none"> Analyze anti-money laundering trends Establish anti-money laundering activities and plans 	Cycles: Semi-Annually
Financial Consumer Council	NHFG · affiliates CCO <ul style="list-style-type: none"> Review the status of complaints and incomplete sales Financial Consumer Protection Assessment Results 	Cycles: Quarterly
Legal Council	NHFG · affiliates legal officers <ul style="list-style-type: none"> Fair Trade Act and legal issues sharing, etc. 	Cycles: Quarterly

Ethics and Compliance Management

Anti-Money Laundering and Fair Trade

Anti-Money Laundering Framework

Nonghyup Bank's conduct guidelines for employees strictly prohibit involvement in money laundering. We do not engage, directly nor indirectly, in money laundering through irregular or illegal business practices and report suspicious funds according to the procedures outlined in the Anti-Money Laundering Act. We are committed to fulfilling our obligations to report transactions suspected of money laundering.



Anti-Money Laundering Activities and Achievements

Nonghyup Bank has established a risk management system specifically for virtual asset business entities, including conducting risk assessments. Furthermore, it operates a leading anti-money laundering system by applying the latest technologies such as machine learning and robotic process automation (RPA) to streamline anti-money laundering work. In particular, in 2023, it is consulting and upgrading the customer verification system to identify high-risk customers in detail and improve precision, and it is striving to reduce the workload of sales branches and improve professionalism by centralizing customer verification for corporate and group customers at the head office.

Anti-Money Laundering Education

Nonghyup Bank has been conducting a series of 12 training sessions on understanding the anti-money laundering system and the customer verification system, and designates a monthly Anti-Money Laundering Day to provide education and guidance on AML tasks. In addition, to systematically strengthen the anti-money laundering capabilities of our employees, we significantly expanded the number of participants in AML-related courses at the Korea Banking Institute, laying the foundation for fostering anti-money laundering experts, and actively support participation in specialized anti-money laundering trainings organized by external universities.

Fair Trade Principles

Nonghyup Bank adheres to the principles and regulations of fair trade, providing equal opportunities to all individuals and organizations during bidding and contract formation. Additionally, through the implementing of the Integrity Contract System, all contract officers, decision-makers, and contracting companies pledge to comply with relevant laws and regulations, ensuring that contracts are executed fairly and transparently according to procedures, and institutionalizing accountability for these commitments.

Fair trade-related provisions in Nonghyup Bank's code of ethics

Chapter 3 Fair Competition and Trade

The bank adheres to local laws and regulations in all its business and sales activities, aiming for mutual growth by fostering trust and cooperative relationships through transparent and fair transactions.

1. Promoting Free Competition: We respect the market's economic principles and engage in fair competition with our competitors, adhering to the principles of free competition.
2. Equal Opportunity: All qualified companies are given equal opportunities for registration and selection as business partners in bidding and contracting processes for construction and services conducted by the bank.
3. Practicing Fair Trade: All transactions are conducted fairly, with no exploitation of our superior position for unfair advantage.
4. Integrity Agreement Compliance: When entering into contracts, we sign integrity agreements and strictly adhere to them to ensure transparent and ethical transactions.

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Stakeholder Engagement

Double Materiality Assessment

ESG Factbook

GRI Content Index

SASB Index

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IFRS S2 Index

Major Awards

Stakeholder Engagement

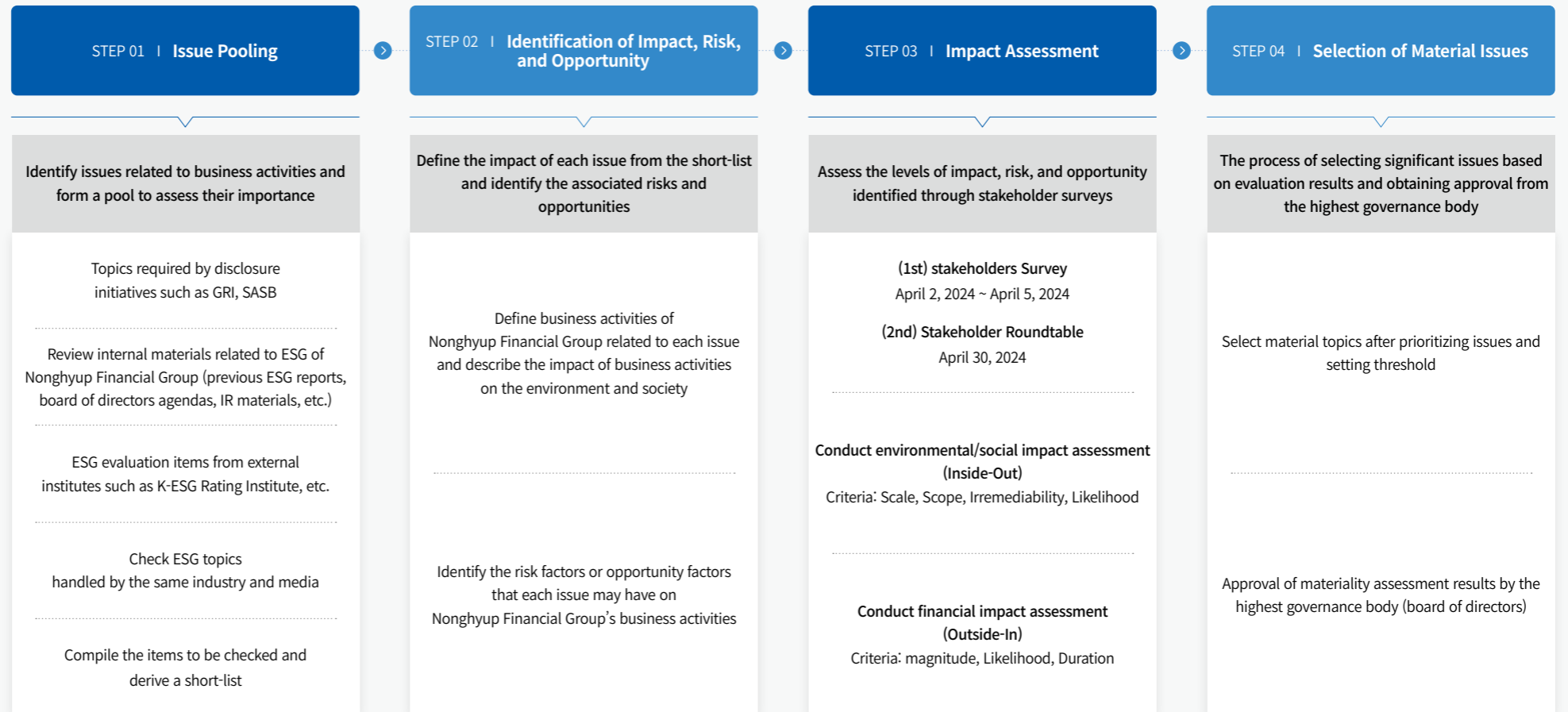
Nonghyup Bank works together with various stakeholders, including customers, agriculture & rural communities, local communities, shareholders and investors, employees, suppliers, and the government, to realize common values. Based on various communication channels, we listen to stakeholders' opinions and reflect them in our ESG strategy and specific initiatives.

	Customers	Agriculture & Rural Area	Local Communities	Shareholders and Investors	Employee	Partners	Government
Key Concerns	<ul style="list-style-type: none"> Quality and stability of financial products and services Improving customer experience Protecting customer information Transparent and fast communication 	<ul style="list-style-type: none"> Promoting consumption of local agricultural products Farm loan interest subsidies Financial support for agribusinesses Distribution of agricultural machinery through agricultural and livestock cooperatives 	<ul style="list-style-type: none"> Social contribution activities Financial support for low-income and vulnerable groups Protecting the local environment Revitalizing local economies Practicing inclusive finance for SMEs and microenterprise 	<ul style="list-style-type: none"> Financial performance Improving shareholder value Transparent disclosure 	<ul style="list-style-type: none"> Work-life balance Fair performance evaluation and compensation Training and education for employees 	<ul style="list-style-type: none"> Fair trade Support for partner companies Transparent communication 	<ul style="list-style-type: none"> Policy and regulatory engagement Job creation Enhanced inclusiveness in finance
Communication Channels	<ul style="list-style-type: none"> Homepage and applications Voice of the Customer (VOC) Social media channels 	<ul style="list-style-type: none"> gricultural /livestock cooperatives Community service centers Round-table sessions 	<ul style="list-style-type: none"> Homepage VOC 	<ul style="list-style-type: none"> Business/ management disclosure 	<ul style="list-style-type: none"> Business strategy meeting Employee communication channels (once a quarter) Labor-management committee 	<ul style="list-style-type: none"> Partner meetings 	<ul style="list-style-type: none"> Policy agreement at the financial authorities

Double Materiality Assessment

Double Materiality Assessment Process

Nonghyup Financial Group has conducted a double materiality assessment to identify sustainability affect issues that significantly impact its business activities. This assessment identifies the extent of the impact of Nonghyup Financial Group's business activities on the environment and society, as well as the financial impact of external environmental factors on Nonghyup Financial Group. The material issues derived from the assessment are reported to the board of directors and are utilized in establishing future ESG strategies and setting the direction for sustainability activities.



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ESG Management Performance

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Stakeholder Engagement

Double Materiality Assessment

ESG Factbook

GRI Content Index

SASB Index

PRB Index

IFRS S2 Index

Major Awards

Double Materiality Assessment

Result of Double Materiality Assessment

As a result of evaluating 12 sustainability topics identified as highly relevant to Nonghyup Financial Group, and considering both the impact of corporate activities on the environment and society and the financial impact of these issues on the group, four topics were selected as material issues: 'Response to climate crisis', 'Expanding green finance', 'Enhancing customer information protection and cybersecurity', and 'Financial consumer protection (responsible marketing practices)'.

Category	Issue Name	Type of Environmental/Social Impact	Environmental/Social Impact (Inside → Out)	Environmental/Social Impact Level Assessment	Characteristics of Financial Impact	Financial Impact (Outside → In)	Financial Impact Level Assessment	Material Issue
Environment	Response to Climate Crisis	Negative-Actual	By using electricity and thermal energy at workplaces and funding high-carbon industries through loans and investments, we contribute to the acceleration of climate change due to greenhouse gas emissions.	●●●	Risk	The decline in credit ratings of high-carbon industries and the local decline in collateral value due to the increased frequency and seriousness of natural disasters lead to a decline in the value of related asset portfolios	●●●	★
	Expanding Green Finance	Positive-Actual	Contribute to the sustainability of nature and local communities through the expansion of green finance that promotes eco-friendliness and low-carbon transition.	●●●	Opportunity	Discover eco-friendly businesses and expand related portfolios to increase operating profit and new eco-friendly financial assets such as green loans, bonds, and PF loans	●●	★
Social	Enhancing Customer Information Protection and Cybersecurity	Negative-Potential	If issues arise in the operation of the information protection management system of financial institutions, it may lead to personal information leaks and customer rights infringements.	●	Risk	Economic losses such as fines due to customer information leaks and cybersecurity incidents, and a significant decrease in sales resulting from a loss of market trust	●●●	★
	Financial Consumer Protection (Responsible Marketing Practices)	Negative-Actual	Negative impacts such as financial consumer damage due to incomplete sales, including violations of the suitability principle for financial products and failure to fulfill the duty of explanation	●●●	Risk	In cases of violating consumer protection-related regulations or engaging in illegal activities, there is a risk of fines or sanctions, and potential legal costs may arise	●●●	★
	Expanding Digital Finance	Positive-Actual	Contribute to improved customer satisfaction through the provision of differentiated digital finance services.	●●	Opportunity	The expansion of digital finance services can reduce operating costs, create new revenue models, and increase profits through the sale of additional financial products.	●	
	Strengthening Human Rights Management	Positive-Potential	Contribute to the improvement of health and quality of life for stakeholders through human rights protection activities for both internal and external stakeholders including employees.	●●	Opportunity	By implementing policies that ensure workplace diversity and equal opportunities, we enhance job stability for employees, contributing to increased operational revenue through improved customer service quality	●●	
	Conducting Strategic Social Contribution Activities (Agriculture & Rural Areas, Local Communities)	Positive-Real	Through social contribution projects, we pursue urban-rural win-win cooperation, shared growth with local communities, support for vulnerable groups, and economic and financial education, contributing to the creation of a sustainable society.	●●	Opportunity	Nonghyup Financial Group's specialized social contributions for rural and local communities enhance the image of company, thereby raising customer credibility and expanding operating revenue.	●●	
Governance	Enhancing Inclusive and Co-prosperity Finance	Positive-Real	By expanding financial services to the financially underprivileged groups, such as low-income individuals, as well as small and medium-sized enterprises (SMEs) and local communities, we contribute to win-win cooperation.	●●	Opportunity	Providing financial services to the financially underserved allows us to secure a new customer base. Furthermore, win-win cooperation with small, innovative enterprises and microenterprises contributes to generating operational revenue through customer expansion.	●	
	Establishing and Implementing ESG Management Strategy	Positive-Potential	By establishing and implementing an ESG management strategy aimed at internalizing ESG management, we contribute to fostering an eco-friendly culture across society and enhancing the materiality of social values.	●	Opportunity	Enhancing customer satisfaction through ESG management and improving the company's image can lead to a long-term increase in corporate value.	●●	
	Strengthening Risk Management	Negative-Potential	If financial institutions fail in risk management, the interconnectedness of the financial system could threaten the overall stability of the financial market.	●	Risk	Non-compliance with regulatory requirements may result in higher compliance costs and potential penalties.	●	
	Compliance with Ethical Management	Negative-Actual	Occurrence of unethical/corrupt acts leads to a decline in trust in the financial system and undermines the sound trade order of society.	●●	Risk	Non-compliance with anti-corruption and bribery regulations can lead to reputational damage and financial losses, including fines and penalties.	●	
	Securing Good Governance	Positive-Potential	Protecting the rights and interests of stakeholders based on transparent and independent BOD operation and good governance.	●	Risk	A decline in sales and capital inflow may occur due to increased negative feedback from stakeholders in the event of governance issues	●	



Double Materiality Assessment

Nonghyup Financial Group Material Issues

Regarding the derived material issues, Nonghyup Financial Group has identified definitions and relevant stakeholders for each issue and established approaches accordingly. For each identified material issue, we report on the management measures and effectiveness related to the impact on the respective reporting pages. 'Response to Climate Crisis' has been selected as a material issue again this year, following the previous year, establishing a foundation for Nonghyup Financial Group to systematically manage climate change risks and continuously implement response plans. We will continue to identify ESG management issues that significantly impact Nonghyup Financial Group's business activities through materiality assessments and strive to reflect the voices of various stakeholders.

Material Issues	Issue Definition	Related stakeholders	Related Standards	Business Strategy (Response Approach)	Reporting Page
Response to Climate Crisis	The company's climate change response plan, including mitigation and adaptation strategies as well as managing environmental impacts related to energy consumption	Customer Agriculture & Rural areas, Local Communities	GRI 302, 305	<ul style="list-style-type: none"> Nonghyup Financial Group has declared its commitment to '2050 carbon neutrality' and is working towards achieving this goal. We are measuring and managing the carbon emissions within the group and our asset portfolio. Nonghyup Financial Group is expanding its business by identifying new growth opportunities in response to climate crisis. Through the Green Solution Lab, we support the low-carbon transition of agriculture and rural communities, and we are creating new revenue streams by fostering the ecosystem of the voluntary carbon credit market. 	36-54
Expanding Green Finance	Promoting green financial products and encouraging customer participation in eco-friendly activities	Customer Agriculture & Rural areas, Local Communities	SASB Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	<ul style="list-style-type: none"> Nonghyup Financial Group is enhancing green finance to benefit both the environment and people. We plan to invest KRW 30 trillion by 2030 in areas such as global climate projects, low-carbon transition companies, and eco-friendly agriculture. 	55-57
Enhancing Customer Privacy and Cybersecurity	Impact and management status related to customer personal information, including data loss and violations of personal information protection	Customers	GRI 418 SASB Customer Privacy	<ul style="list-style-type: none"> We maintain an information security and personal information protection management system at the group level. We report annually to the board of directors on inspections related to the provision and use of customer information, as well as the management and protection of personal credit information. We have enhanced our expertise in information protection by implementing a three-tier advisory system consisting of the security advisory group, legal advisory group, and evaluation panel. 	83-85
Financial Consumer Protection (Responsible Marketing Practices)	Internal control systems for consumer protection, including measures to prevent incomplete sales and ensure fair advertising	Customers	GRI 417 SASB Selling Practices	<ul style="list-style-type: none"> Under the slogan 'Make Finance to be Simple and Consumer Protection to be Complete', we have established and are operating the Financial Consumer Protection Council, which consists of the CCOs and compliance officers of the holding company and its affiliates. All affiliates are committed to adhering to sales principles and strengthening internal control systems to protect the rights and interests of financial consumers. 	69-91

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ESG Finance

Green finance¹⁾

Category		Unit	2022	2023	
Total		KRW 100 million	102,538	118,748	
GHG Reduction	Low-carbon agriculture, carbon neutrality technologies, renewable energy, etc.	Loan	KRW 100 million	80,272	92,892
		PF	KRW 100 million	2,923	4,300
		Asset Management ²⁾	KRW 100 million	7,516	9,528
	Subtotal	KRW 100 million	90,711	106,720	
Climate Change Adaptation	Manufacturing of parts/equipment, research, and surveys using core technologies	Loan	KRW 100 million	1,093	737
		Subtotal	KRW 100 million	1,093	737
	Sustainable Preservation of Water	Sewage/effluents management, utilization of alternative water sources (such as seawater, desalination, etc.)	Loan	KRW 100 million	1,089
PF			KRW 100 million	656	700
Asset Management ²⁾			KRW 100 million	-	-
Subtotal		KRW 100 million	1,745	1,680	
Resource Circulation	Reduction of waste production, recycling of waste resources, thermal decomposition	Loan	KRW 100 million	7,453	8,137
		PF	KRW 100 million	224	246
		Asset Management ²⁾	KRW 100 million	-	-
	Subtotal	KRW 100 million	7,677	8,383	
Pollution prevention and management	Pollution prevention facilities, construction of environmental equipment, etc.	Loan	KRW 100 million	190	210
		Asset Management ²⁾	KRW 100 million	-	-
	Subtotal	KRW 100 million	190	210	
Conservation of biodiversity	Protection and restoration of ecosystem, creation of carbon sinks in city	Loan	KRW 100 million	1,122	1,018
		Asset Management ²⁾	KRW 100 million	-	-
	Subtotal	KRW 100 million	1,122	1,018	

Social Values (Inclusive·Co-prosperity·Innovative finance)¹⁾

Category		Unit	2022	2023	
Total		KRW 100 million	325,523	341,111	
Inclusive finance	Support for the poor ³⁾	Loan	KRW 100 million	23,783	40,718
	Support for microenterprise ⁴⁾	Loan	KRW 100 million	30,472	22,300
	Subtotal	KRW 100 million	54,255	63,018	
Co-prosperity finance	Social enterprises ⁵⁾	Loan	KRW 100 million	104	80
	Social responsibility ⁶⁾	Asset Management ²⁾	KRW 100 million	-	-
	Subtotal	KRW 100 million	104	80	
Innovative finance	Technology finance ⁷⁾	Loan	KRW 100 million	214,881	211,877
		Fund	KRW 100 million	179	100
	IP Finance ⁸⁾	Loan	KRW 100 million	275	485
	Loans secured by movable assets ⁹⁾	Innovative/new technology enterprises ¹⁰⁾	Loan	KRW 100 million	540
Asset Management ²⁾			KRW 100 million	53,400	62,650
Subtotal		KRW 100 million	1,889	2,094	
Subtotal	KRW 100 million	271,164	278,013		

1) In 2023, ESG finance aggregation criteria have been advanced and retroactively applied, resulting in some changes to the 2021 and 2022 amounts.

2) Asset management includes bonds, funds, and ETFs.

* Applying NHFG's own classification system based on the six environmental goals of K-Taxonomy (① GHG reduction, ② climate change adaptation, ③ sustainable preservation of water, ④ resource circulation, ⑤ pollution prevention and control, ⑥ biodiversity preservation)

** Year-over-year investment changes due to reclassification of certain records as a result of NH-Taxonomy advancement

3) Support for the underprivileged: Separate management based on product classification standards that specify 'support for the poor', such as low-income people, basic living recipients, single-parent families, and a child head of household

4) Support for microenterprises: Separate management based on product classification standards for microenterprise under the Microenterprise Act

5) Social enterprises: Separate management based on financial product classification for companies recognized as social enterprises and job creating companies

6) Social responsibility: Bonds, funds and ETFs composed of companies with outstanding social contribution performance. It is managed separately by product classification.

7) Technology finance: Separately managed according to the product classification standards for companies according to the Financial Services Commission's 'Technology Finance Guidelines'

8) IP finance: Separately managed based on standards for loans secured by business property rights, copyrights, and new intellectual property rights

9) Loans secured by movable assets: Separately managed according to standards for loans secured by tangible assets, inventory, agricultural products, and receivables

10) Innovative/new technology enterprises: Separately managed based on loan and investment criteria for companies with R&D capabilities and companies operating in promising technology fields

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ESG Bonds¹⁾

Category	Unit	2022	2023
Total	KRW 100 million	9,700	12,200
Green bonds	KRW 100 million	-	1,500
Social bonds	KRW 100 million	9,700	10,700

1) Based on global ESG rating agencies (ICMA, GBP, SBP) and Ministry of Environment green bond guidelines

ESG Investment (sales) Products¹⁾

Category	Unit	2022	2023
Total	KRW 100 million	3,085	2,557
ESG total	KRW 100 million	2,738	2,285
Environment	KRW 100 million	347	272



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Environment

Carbon Emissions¹⁾

Category	Unit	2022	2023
Total	tCO₂eq	96,485	94,231
Internal (Scope 1, 2) Carbon Emissions	Scope 1	tCO ₂ eq	7,474
	Scope 2	tCO ₂ eq	89,011
	Carbon Intensity ²⁾	tCO ₂ eq/person	5.9
Total	tCO₂eq	6,632	9,578
Other Indirect (Scope 3) Carbon Emissions	1. Purchased Goods	tCO ₂ eq	328
	2. Capital Goods	tCO ₂ eq	25
	5. Waste generated in operations	tCO ₂ eq	32
	6. Business Trip	tCO ₂ eq	98
	11. Product Usage	tCO ₂ eq	6,038
	12. Product Disposal	tCO ₂ eq	111

1) Based on self-calculated emissions

2) By number of employees

Financial Emissions (Scope 3 Category 15)

Category	2022			2023		
	Balance (KRW trillion)	Financial Emissions (ten thousand tCO ₂ eq)	Financial Intensity (tCO ₂ eq/KRW 100 million)	Balance (KRW trillion)	Financial Emissions (ten thousand tCO ₂ eq)	Financial Intensity (tCO ₂ eq/KRW 100 million)
Total	134.6	3,455.60	25.7	143.5	3,742.80	26.1
Listed equities and corporate bonds	21.5	381.6	17.7	22.4	385.7	17.2
Business loans and unlisted equities	57.3	2,342.2	40.9	58.8	2,552.9	43.4
Project finance	1.7	106.6	63.9	1.9	168.5	90.4
Commercial real estate	10.1	9.6	1	11.4	9.9	0.9
Mortgages	26.2	13.8	0.5	30.4	17.5	0.6
Vehicle loans	0.01	0.1	10.4	0.01	0.1	15.4
Government exposure	17.8	601.7	33.8	18.6	608.2	32.6

Energy Use

Category	Unit	2021	2022	2023
Energy consumption	GJ	1,443,000	1,442,000	1,421,000
Energy intensity ¹⁾	GJ/person	88.98	89.09	88.03

1) By number of employees

Water Intake

Category	Unit	2021	2022	2023
Water supply	ton	42,397	39,621	41,426

Paper Use

Category	Unit	2021	2022	2023
Paper consumption	ton	117	110.2	86.8

Waste Treatment

Category	Unit	2021	2022	2023
Total	ton	668.6	199	241.8
General waste	ton	505	62	84.6
Recycled waste	ton	163.6	137	157.2

Number of Environmental Violations

Category	Unit	2021	2022	2023
Violation of environmental laws/regulations	Cases	-	-	-

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Customer

Customer Satisfaction¹⁾

Category	Unit	2021	2022 ²⁾	2023
Customer satisfaction	Points	95.2	95.7	95.8

1) Based on Nonghyup Bank (out of 100)

2) The customer satisfaction score for 2022 was incorrectly recorded in the previous report and has been corrected in this year's report.

Digital Finance Users

Category	Unit	2021	2022	2023
Subscribed customers	Persons	32,696,417	33,265,478	33,468,883
Web-mobile subscribed customers	Persons	17,199,197	18,323,842	22,434,884
Digital Finance usage rate	%	52.6%	55.1%	67.0%

Information Security¹⁾

Category	Unit	2021	2022	2023	
Information security violations	Personal information leaks ¹⁾	Cases	-	-	-
	Information security or cybersecurity incidents	Cases	-	-	-
	Customers affected by information security violations	Persons	-	-	-
	Financial damage amount ²⁾	KRW million	-	-	-
Information security and personal information protection training	Training hours	Hours	169,840	167,548	168,120
	Participants	Persons	16,984	16,737	16,794

1) Number of leaks confirmed by regulatory authorities

2) Fines and penalties paid due to information security breaches or cybersecurity incidents

Customer Inquiries Handling

Category	Unit	2021	2022	2023
Customer inquiries received	Cases	29,902	86,877	2,760
Customer inquiries processed	Cases	29,902	86,877	2,760
Processing Rate	%	100	100	100

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Agriculture & Rural Communities

Agricultural Support Project Expenditure¹⁾

Category		Unit	2021	2022	2023
Agricultural Policy Fund	New loans	KRW 100 million	66,290	86,491	91,737
	Balance	KRW 100 million	195,886	213,205	237,119
Agri-food Business Loan	Balance	KRW 100 million	272,219	290,007	295,731
	Agri-food Fund Operation Scale	KRW 100 million	1,200	2,230	2,230

1) Based on Nonghyup Bank

Agricultural Consultation Support

Category	Unit	2021	2022	2023
Agricultural finance consultation	Cases	270	264	336
Agribusiness loans consultation	Cases	25	32	31

Local Communities

Social Contributions

Category	Unit	2021	2022	2023
Social contribution amount	KRW 100 million	1,911	1,086	1,863

Donations

Category	Unit	2021	2022	2023
Charitable donations	KRW 100 million	877	616	876
Local community investments	KRW 100 million	1,028	1,061	988
Commercial initiatives ¹⁾	KRW 100 million	5	8	17

1) Local community activities at directly benefiting the company, such as supporting universities, sponsoring events to enhance brand awareness, and promoting products and services (only including amounts directly used by partner organizations/charities)

Support for Financially Disadvantaged Groups

Category	Unit	2021	2022	2023
Sign language counseling service Performance	Cases	1,663	1,016	1,223
Counseling services for Seniors Performance	Cases	6,406	6,685	6,393
Recipients of Economic and Financial Education	Persons	38,968	52,417	58,402

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Employee

Employee Status¹⁾

Category		Unit	2021	2022	2023	
Total Number of Employees		Persons	19,984	20,048	20,167	
Total Number of Executives and Employees		Persons	16,218	16,186	16,143	
Gender	Male	Manager or higher	Persons	3,897	3,931	3,906
		Subtotal	Persons	7,810	7,693	7,495
		Female	Manager or higher	Persons	3,004	2,992
	Subtotal		Persons	8,408	8,493	8,648
	Executives		Male	Persons	21	20
		Female	Persons	2	3	3
Subtotal		Persons	23	23	24	
Contractual Types	Regular	Male	Persons	7,116	7,023	6,828
		Female	Persons	6,427	6,480	6,658
		Subtotal	Persons	13,543	13,503	13,486
	Contract	Male	Persons	673	650	646
		Female	Persons	1,979	2,010	1,987
		Subtotal	Persons	2,652	2,660	2,633
Residential Types	Full-time	Male	Persons	7,785	7,669	7,471
		Female	Persons	7,342	7,458	7,649
		Subtotal	Persons	15,127	15,127	15,120
	Part-time	Male	Persons	25	24	24
		Female	Persons	1,066	1,035	999
		Subtotal	Persons	1,091	1,059	1,023

Category		Unit	2021	2022	2023	
Age	Under 30	Male	Persons	792	700	640
		Female	Persons	2,065	2,058	1,972
		Subtotal	Persons	2,857	2,758	2,612
	30 to under 50	Men	Persons	4,649	4,618	4,621
		Female	Persons	5,143	5,051	5,138
		Subtotal	Persons	9,792	9,669	9,759
	50 or older	Male	Persons	2,369	2,375	2,234
		Female	Persons	1,200	1,384	1,538
		Subtotal	Persons	3,569	3,759	3,772
	Workers who are not Employees		Persons	3,766	3,862	4,024

1) In 2023, the criteria for aggregating the number of employees have been refined and retroactively applied, resulting in some changes to the number of employees by gender, contractual type and age for 2021 and 2022.

Employee Diversity

Category		Unit	2021	2022	2023
Employees of National Merits	Total	Persons	702	720	689
	Male	Persons	456	458	421
	Female	Persons	246	262	268
Employees with Disabilities	Total	Persons	311	274	240
	Male	Persons	231	200	171
	Female	Persons	80	74	69

Percentage of Female Talent¹⁾

Category	Unit	2021	2022	2023
Executives	%	9	13	13
General managers (department heads to executives)	%	27	30	35
Managers (managers and deputy head)	%	54	52	49

1) Percentage of female talent is calculated as the number of women in a position relative to the total number of people in that position

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New Hires

Category		Unit	2021	2022	2023
Total New Hires		Persons	2,485	2,526	2,262
Gender	Male	Persons	591	686	570
	Female	Persons	1,894	1,840	1,692
Executives	Male	Persons	6	10	13
	Female	Persons	2	1	1
	Subtotal	Persons	8	11	14
	Male	Persons	236	356	229
Contractual Types	Regular	Persons	234	344	321
	Subtotal	Persons	470	700	550
Contract	Male	Persons	349	320	328
	Female	Persons	1,658	1,495	1,370
Subtotal	Persons	2,007	1,815	1,698	
Age	Under 30	Persons	281	318	228
	Female	Persons	1,021	1,054	872
	Subtotal	Persons	1,302	1,372	1,100
	Male	Persons	116	211	158
30 to under 50	Female	Persons	715	624	615
	Subtotal	Persons	831	835	773
50 or older	Male	Persons	194	157	184
	Female	Persons	158	162	205
Subtotal	Persons	352	319	389	

Retirement

Category		단위	2021	2022	2023
Total Retirement Rate¹⁾		%	3.4	3.9	3.2
Gender	Male	%	1.7	2.1	1.8
	Female	%	5	5.6	4.5
Age	Under 30	%	11.4	12.6	10.2
	30 to under 50	%	1.8	2.6	2.2
	50 or older	%	1.3	1	1.1
Voluntary Retirement Rate		%	3.3	3.9	3.2
Gender	Male	%	1.5	1.9	1.7
	Female	%	5	5.6	4.4
Age	Under 30	%	11.3	12.6	10.1
	30 to under 50	%	1.8	2.5	2.1
	50 or older	%	1.2	1	1.1

1) In the case of the total retirement rate, the total number of retirees in the current year is divided by the sum of the number of retirees and the number of active employees.

Employee Tenure

Category	Unit	2021	2022	2023
Average tenure of male Employees	Years	14.1	14.0	13.8
Average tenure of female Employees	Years	11.9	12.0	11.9

Gender Pay Ratio

Category	Unit	2021	2022	2023
Male	%	100	100	100
Female	%	100	100	100

* There is no difference in pay standards based on gender

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Parental Leave

Category		Unit	2021	2022	2023
Employees Eligible for Parental Leave ²⁾	Male	Persons	310	298	292
	Female	Persons	328	301	286
Employees who used parental leave	Male	Persons	21	46	54
	Female	Persons	322	360	361
Employees who returned after parental leave	Male	Persons	21	46	54
	Female	Persons	319	353	357
Employees who have worked for more than 12 months after returning from parental leave in the previous year	Male	Persons	16	21	24
	Female	Persons	415	285	312

Collective Agreement

Category	Unit	2021 ²⁾	2022	2023	
Employees covered by collective agreement	Number of eligible employees	Persons	10,866	11,411	11,230
	Number of covered employees	Persons	10,733	11,273	11,204
Collective agreement coverage	%	98.8	98.8	99.8	

Employee Training¹⁾

Category	Unit	2021 ²⁾	2022 ²⁾	2023 ³⁾
Total Training Hours	Hours	-	-	1,747,320

1) New measurement starting from 2023

* Employee training includes all training for employees, including statutory training, commissioned training, work capability enhancement, and talent development.

Human Rights Management Training¹⁾

Category	Unit	2021	2022	2023
Participating Employees	Persons	48,979	48,988	50,825
Training Hours	Total training Hours	Hours	97,927	98,086
	Training hours per Person	Hours	2	2

1) Human rights training consists of education on the four major forms of violence training (sexual harassment, sexual assault, sex trafficking, and domestic violence), disability awareness, and prohibition of workplace harassment.

Ethics and Compliance Training¹⁾

Category	Unit	2021	2022	2023
Participating Employees	Persons	15,501	15,659	15,891
Training Hours	Total training hours	Hours	89,906	90,822
	Training hours per person	Hours	5.8	5.8
Average Attendance	%	97.4	97.9	98.1

1) Ethics and compliance training includes topics such as anti-money laundering and employee ethics that are specific to the financial industry.

ESG Factbook

Economy

Summary Consolidated Statement of Financial Position

Category	Unit	2021	2022	2023
Total assets ¹⁾	KRW 100 million	3,630,049	3,876,677	4,013,254
Total liabilities ¹⁾	KRW 100 million	3,447,705	3,661,147	3,782,896
Capital	KRW 100 million	22,415	23,844	23,844
Total equity ¹⁾	KRW 100 million	192,344	215,530	230,358

1) Changes in 2022 consolidated financial details due to the adoption of IFRS 17

Summary of Consolidated Statements of Income¹⁾

Category	Unit	2021	2022	2023
Operating profit	KRW 100 million	24,906	27,186	27,623
Net income	KRW 100 million	15,556	17,182	17,805

1) Changes in 2022 consolidated financial details due to the adoption of IFRS 17

Corporate Credit Rating

Category	Unit	2021	2022	2023
Korea Investors Service (KIS)	Rating	AAA	AAA	AAA
Korea Ratings (KR)	Rating	AAA	AAA	AAA
NICE Credit Service	Rating	AAA	AAA	AAA

BIS Leverage Ratio

Category	Unit	2021	2022	2023
(Basel III) Tier1 Capital	KRW 100 million	177,152	198,173	216,307
(Basel III) Total Exposure	KRW 100 million	4,153,161	4,400,395	4,487,587
(Basel III) Leverage Ratio	%	4.27	4.5	4.82

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Governance

BOD Operation

Category	Unit	2021	2022	2023
BOD Meetings	Number	16	16	14
BOD Agendas	Resolutions	56	61	46
	Reporting	55	54	49
Average Attendance	%	99	98	99

Board Committees

Category	Unit	2021	2022	2023
Risk Management Committee	Meetings	11	14	16
	Committee agendas	51	60	59
	Percentage of independent directors	66.7	66.7	66.7
	Attendance	100	100	97.9
Remuneration Committee	Meetings	8	4	3
	Committee agendas	12	6	5
	Percentage of independent directors	66.7	66.7	66.7
Audit Committee	Attendance	100	100	100
	Meetings	16	17	14
	Committee agendas	51	44	39
	Percentage of independent directors	66.7	66.7	66.7
Executive Officer Nomination Committee	Attendance	97.9	100	100
	Meetings	4	8	6
	Committee agendas	6	10	10
	Percentage of independent directors	66.7	66.7	66.7
Social Values & Green Finance Committee	Attendance	100	100	94.4
	Meetings	2	2	2
	Committee agendas	3	3	3
	Percentage of independent directors	66.7	66.7	66.7
Attendance	100	100	100	

Major Association Fee Payment¹⁾

Category	Unit	2021	2022	2023
Korea Federation of Banks	KRW million	2,466	2,536	2,833
Korea Credit Finance Association	KRW million	717	464	336
Korean Chamber of Commerce and Industry	KRW million	97	97	147
Korea Financial Investment Association	KRW million	57	57	53

1) Nonghyup Bank strictly adheres to the Korean Political Funds Act, which prohibits corporations or organizations from making political contributions, and does not provide any political funds, election funds, or lobbying funds to specific political organizations or parties that could directly influence policy formation

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Standard Usage Statement	Nonghyup Bank has reported in accordance with the GRI Standards for the reporting period (January 1, 2023, to December 31, 2023).
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Industry Standard	N/A

Mandatory Reporting (GRI 2: General Disclosures 2021)

Metrics	Metric Content	Page	Additional Information
GRI 2: The organization and its reporting practices	2-1	Organizational details	6-8
	2-2	Entities included in the organization's sustainability reporting	2
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	90, 93, 95
	2-5	External assurance	-
GRI 2: Activities and workers	2-6	Activities, value chain, and other business relationships	6
	2-7	Employees	95
	2-8	Workers who are not employees	-
	2-9	Governance and composition	74, 99
	2-10	Nomination and selection of the highest governance body	76
	2-11	Chair of the highest governance body	74
	2-12	Role of the highest governance body in overseeing the management of impacts	75
	2-13	Delegation of responsibility for managing impacts	27, 79
	2-14	Role of the highest governance body in sustainability reporting	79
	GRI 2: Governance	2-15	Conflicts of Interest
2-16		Communication of critical concerns	27, 37, 49, 52, 68, 75, 79, 80
2-17		Collective knowledge of the highest governance body (expertise)	76
2-18		Evaluation of the performance of highest governance body	77
2-19		Remuneration policies	78
2-20		Process to determine remuneration	78
2-21		Annual total compensation ratio	-

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Metrics	Metric Content	Page	Additional Information	
GRI 2: Strategy, policies and practices	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	11, 52, 64, 71, 82	
	2-24	Embedding policy commitments	11, 52, 64, 71, 82	
	2-25	Processes to remediate negative impacts	80, 83-84	
	2-26	Mechanisms for seeking advice and raising concerns	83	
	2-27	Compliance with laws and regulations	-	2023 Business Report p. 592-599
	2-28	Membership associations	99	
	2-29	Approach to stakeholder engagement	86-87	
GRI 2: Stakeholder engagement	2-30	Collective bargaining agreements	97	

Material Issue Report

Metrics	Metric Content	Page	Additional Information	
Materiality Assessment				
GRI 3: Material Topics 2021	3-1	Materiality assessment process	87	
	3-2	List of material topics	88	
	3-3	Management of material topics	89	
Response to Climate Crisis				
GRI 302: Energy 2016	302-1	Energy consumption within the organization	92	
	302-2	Energy consumption outside of the organization	-	Not applicable
	302-3	Energy intensity	92	
	302-4	Reduction of energy consumption	38	
	302-5	Reduction in energy requirements of products and services	-	Not applicable
GRI 305: Emissions 2016	305-1	Direct(Scope 1) GHG emissions	92	
	305-2	Energy indirect(Scope 2) GHG emissions	92	
	305-3	Other indirect(Scope 3) GHG emissions	92	
	305-4	GHG emissions	92	
	305-5	Reduction of GHG emissions	30	
	305-6	Emissions of ozone-depleting substances (ODS)	-	Not applicable
	305-7	Nitrogen oxides (NOx), sulfur oxides(SOx), and other significant air emissions	-	Not applicable
Customer Information Protection and Cybersecurity				
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	93	



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Additional Report

Metrics	Metric Content	Page	Additional Information
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	6, 98	2023 Business Report p. 29-31
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investment and service supported	15-22, 58-61	
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	92	
	306-3 Waste generated	92	
GRI 306: Waste 2020	306-4 Waste diverted from disposal	92	
	401-1 New employee hires and employee turnover	96	
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	70	
	401-3 Parental leave	97	
	402-1 Minimum notice period for regarding operational changes	-	
GRI 402: Labor/Management Relations 2016	403-1 Occupational health and safety management system	68	
	403-2 Hazard identification, risk assessment, and incident investigation	68	
	403-3 Occupational health services	68	
	403-5 Worker training on occupational health and safety	69	
	403-6 Promotion of worker health	69	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	68	
	403-9 Work-related injuries	-	
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	-	
	404-1 Average hours of training per year per employee	97	
	404-2 Programs for upgrading employee skills and transition assistance	97	
	404-3 Percentage of employees receiving regular performance and career development reviews	-	
GRI 404: Training and Education 2016	405-1 Diversity of governance bodies and employees	74, 76, 99	
	405-2 Ratio of basic salary and remuneration of women to men	96	
GRI 405: Diversity and Equal Opportunity 2016	406-1 Incidents of discrimination and corrective actions taken	-	Not applicable
GRI 406: Non-discrimination 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	Not applicable
GRI 407: Freedom of Association and Collective Bargain 2016	408-1 Operations and suppliers at significant high risk for incidents of child labor	-	Not applicable
GRI 408: Child Labor 2016			



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Metrics		Metric Content	Page	Additional Information
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	Not applicable
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	Not applicable
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	-	Not applicable
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	-	Not applicable
	414-2	Negative social impacts in the supply chain and actions taken	-	Not applicable
GRI 415: Public Policy 2016	415-1	Political contributions	99	
	416-1	Assessment of the health and safety impacts of products and service categories	-	Not applicable
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of products and service categories	-	Not applicable
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and service	-	Not applicable



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SASB Index

Topic	SASB Code	Detailed Indicators	Unit	Response
Commercial Banks				
Data Security	FN-CB-230a.1	(1) Number of data breaches, (2) Percentage related to Personally Identifiable Information (PII), (3) Number of affected account holders	Number, Percentage(%)	93
	FN-CB-230a.2	Description of the approach to identifying and addressing data security risks	Not applicable	52-54
Financial Inclusion & Capacity Building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Number, Reporting currency	41-45
	FN-CB-240a.2	(1) Number and (2) amount of past due and non-accrual loans qualified to programs designed to promote small business and community development	Number, Reporting currency	Not reported
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Number	Not reported
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Number	41-43
Incorporation of Environment, Social, Governance(ESG) Factors to Credit Analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry	Reporting currency	Not reported
	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	-	11-13
Financial Emissions	FN-CB-410b.1	(1) Absolute Total Financial Emissions Divided into Scope 1, (2) Scope 2, (3) Scope 3	tCO2eq	35
	FN-CB-410b.2	Commercial and industrial credit exposure, by industry	Reporting currency	35
	FN-CB-410b.3	Weighted average carbon intensity of commercial and industrial credit exposure	Percentage (%)	35
	FN-CB-410b.4	Description of the methodology used for calculating financed emissions	-	35
Business Ethics	FN-CB-510a.1	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	Reporting currency	Not reported
	FN-CB-510a.2	Description of whistleblower policies and procedures	-	83
System Risk Management	FN-CB-550a.1	Global Systemically Important Bank(G-SIB) score, by category	bps	Not reported
	FN-CB-550a.2	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	-	Not reported
Activity Indicators	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Number, Reporting currency	Not reported
	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Number, Reporting currency	Not reported
Asset Management & Custody Activities				
Transparent Information & Fair Advice for Customers	FN-AC-270a.1	(1) Number and (2) Percentage of qualified employees and identified decision-makers with records related to investment-related research, customer complaints, private civil litigation, or other regulatory procedures	Number, Percentage(%)	Not reported
	FN-AC-270a.2	Total monetary losses due to legal proceedings related to the marketing and communication of financial product information to new and existing customers	Reporting currency	Not reported
	FN-AC-270a.3	Explanation of how information about products and services is provided to customers	-	46-51
Employee Diversity & Inclusion	FN-AC-330a.1	(a) Management, (b) Non-management, (c) Professionals, and (d) All other employees by (1) gender and diversity group representation percentages	Percentage(%)	95



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Topic	SASB Code	Detailed Indicators	Unit	Response
Incorporation of Environment, Social, and Governance(ESG) Factors in Investment Management & Advisory	FN-AC-410a.1	Amount of assets under management by asset class that apply (1) integration of ESG issues, (2) sustainable theme investments, and (3) screening	Reporting currency	12, 90-91
	FN-AC-410a.2	Explanation of the approach to incorporating ESG factors into the investment or asset management process and strategy	-	11-13
	FN-AC-410a.3	Description of the policy and procedures for exercising voting rights and engaging with investee companies	-	13
Financial Emissions	FN-AC-410b.1	(1) Absolute total financed emissions categorized by Scope 1, (2) Scope 2, (3) Scope 3	tCO2eq	35
	FN-AC-410b.2	Total Assets under management (AUM) included in the disclosure of financed emissions	Reporting currency	35
	FN-AC-410b.3	Percentage of total assets under management (AUM) included in the calculation of financed emissions	Percentage (%)	35
	FN-AC-410b.4	Explanation of the methodology used to calculate financed emissions	-	35
Business Ethics	FN-AC-510a.1	Total monetary loss incurred due to legal proceedings related to fraud, insider trading, antitrust violations, anti-competitive behavior, market manipulation, breach of trust, or other relevant financial industry laws or regulations	Reporting currency	Not reported
	FN-AC-510a.2	Explanation of whistleblower policies and procedures	-	83
Activity Indicators	FN-AC-000.A	Total Assets under management (AUM)	Reporting currency	35, 92
	FN-AC-000.B	Total assets under custody and supervision	Reporting currency	35, 92

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Principles	Metrics	Page
	We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.	
Principle 1: Alignment	1.1 Describe your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.	6-8
	1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals(SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.	11
	We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.	
Principle 2: Impact and Target Setting	2.1 Impact Analysis: Identify the most important (potentially) positive/negative impact areas by considering the following factors: a) Scope: Core business scope, products/services provided by region b) Exposure Scale: Consider technical/geographical aspects by area c) Context and Relevance: Consider priorities related to national SDGs d) Scale and Intensity/Characteristics of Impact: Consider the scale, intensity, and characteristics of social/economic/environmental impacts arising from business activities and the provision of products/services.	28-29
	2.2 Target Setting: Show that the bank has set and published a minimum of SMART targets Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. or regional frameworks and negative/positive impacts	30-31
	2.3 Plans for Target Implementation and Monitoring: Show that your bank has defined actions and milestones to meet the set targets and implement monitoring measures	34-35
	2.4 Progress on Implementing Targets: Describe the activities prior to achieving the goal, the reasons why the activity could not be performed, or the reasons and methods for adjusting the plan. Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the qualitative/quantitative impact your progress resulted in.	34-35, 38
	We will work responsibly with our customers to encourage sustainable practices and enable economic activities	
Principle 3: Clients and Customers	3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers.	46-51
	3.2 Describe how your bank has worked with and/or is planning to work with its customers to encourage sustainable economic activities and practices.	46-51
	We will proactively consult, engage and partner with relevant stakeholders to achieve society's goals.	
Principle 4: Stakeholders	4.1 Describe the overview of the types of stakeholders engaged, measures for identifying stakeholders and problem solving/result derivation	86
	Implementation of principles through effective governance and a culture of responsibility within the bank	
Principle 5: Governance & Culture	5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative(potential) impacts and support effective implementation of the Principles.	74, 80
	5.2 Describe the initiatives and measures your bank has implemented or is planning to implement including remuneration, performance management and communication to foster a culture of responsible banking among its employees.	77-79
	5.3 Governance Structure for Implementation of the Principles a) target-setting and actions to achieve targets set. b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.	74, 79
	We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts caused by business activities	
Principle 6: Transparency and Accountability	6.1 Show that your bank has progressed on implementing the six Principles over the last 12 months(up to 18 months in your first reporting after becoming a signatory). Describe best practices considered when implementing the Principles	10



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Principles	Metrics	Page
	1. Information about the governance body or bodies with oversight of climate-related risks and opportunities, and information about management’s role in those processes	
	a) the name of the body or identity of the individual within a body responsible for oversight of climate-related risks and opportunities;	27
	b) how the body’s responsibilities for climate-related risks and opportunities are reflected in the entity’s terms of reference, board mandates and other related policies;	27, 37
	c) how the body ensures that the appropriate skills and competencies are available to oversee strategies designed to respond to climate-related risks and opportunities;	32, 80-81
	d) how and how often the body and its committees(audit, risk or other committees) are informed about climate-related risks and opportunities;	27
Governance	e) how the body and its committees consider climate-related risks and opportunities when overseeing the entity’s strategy, its decisions on major transactions, and its risk management policies, including any assessment of trade-offs and analysis of sensitivity to uncertainty that may be required;	27
	f) how the body and its committees oversee the setting of targets related to significant climate-related risks and opportunities, and monitor progress towards them, including whether and how related performance metrics are included in remuneration policies; and	37
	g) a description of management’s role in assessing and managing climate-related risks and opportunities, including whether that role is delegated to a specific management-level position or committee and how oversight is exercised over that position or committee. The description shall include information about whether dedicated controls and procedures are applied to management of climate-related risks and opportunities and, if so, how they are integrated with other internal functions	27, 37
	1. Company strategy for addressing significant climate-related risks and opportunities	
	a) the significant climate-related risks and opportunities that it reasonably expects could affect its business model, strategy and cash flows, its access to finance and its cost of capital, over the short, medium or long term;	
	b) the effects of significant climate-related risks and opportunities on its business model and value chain;	
	c) the effects of significant climate-related risks and opportunities on its strategy and decision-making, including its transition plans;	28-29, 80-81
	d) the effects of significant climate-related risks and opportunities on its financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term—including how climate-related risks and opportunities are included in the entity’s financial planning; and	
	e) the climate resilience of its strategy (including its business model) to significant physical risks and significant transition risks	
	2. [Climate-related risks and opportunities] Significant climate-related risks and opportunities that could reasonably be expected to affect the entity’s business model, strategy and cash flows, its access to finance and its cost of capital, over the short, medium or long term	
Strategy	a) a description of significant climate-related risks and opportunities and the time horizon over which each could reasonably be expected to affect its business model, strategy and cash flows, its access to finance and its cost of capital, over the short, medium or long term;	28-29
	b) how it defines short, medium and long term and how these definitions are linked to the entity’s strategic planning horizons and capital allocation plans; and	-
	c) whether the risks identified are physical risks or transition risks. For example, acute physical risks could include the increased severity of extreme weather events, and examples of chronic physical risks include rising sea levels or rising mean temperatures. Transition risks could include regulatory, technological, market, legal or reputational risks	28
	2-1. Assessment of the current and anticipated effects of significant climate-related risks and opportunities on its business model	
	a) a description of the current and anticipated effects of significant climate-related risks and opportunities on its value chain; and	28-29
	b) a description of where in its value chain significant climate-related risks and opportunities are concentrated(for example, geographical areas, facilities or types of assets, inputs, outputs or distribution channels)	-



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Principles	Metrics	Page
3. [Strategy and decision-making] Effects of significant climate-related risks and opportunities on its strategy and decision-making, including its transition plans		
	a) how it is responding to significant climate-related risks and opportunities including how it plans to achieve any climate-related targets it has set:	12-13, 26, 30-31, 33
	i. information about current and anticipated changes to its business model	26
	ii. changes the entity is making in strategy and resource allocation to address the risks and opportunities identified in 2-1. Examples of these changes include resource allocations resulting from demand or supply changes, or from new business lines; resource allocations arising from business development through capital expenditures or additional expenditure on operations or research and development; and acquisitions and divestments	30-31, 33
	iii. plans and critical assumptions for legacy assets, including strategies to manage carbon-energy- and water-intensive operations, and to decommission carbon-energy- and water-intensive assets	-
	iv. information about direct adaptation and mitigation efforts it is undertaking (for example, through changes in production processes, workforce adjustments, changes in materials used, product specifications or through introduction of efficiency measures)	31
	v. information about indirect adaptation and mitigation efforts it is undertaking (for example, by working with customers and supply chains or use of procurement)	12-13
	vi. how these plans will be resourced	12-13
	b) information regarding climate-related targets for these plans including:	33-35
	i. the processes in place for review of the targets	33-35
	ii. the amount of the entity's emission target to be achieved through emission reductions within the entity's value chain	34-35
	iii. the extent to which the targets rely on the use of carbon offsets	
	iv. whether the offsets will be subject to a third-party offset verification or certification scheme (certified carbon offset), and if so, which scheme, or schemes	
Strategy	v. the type of carbon offset, including whether the offset will be nature-based or based on technological carbon removals and whether the amount intended to be achieved is through carbon removal or emission avoidance	-
	vi. any other significant factors necessary for users to understand the credibility and integrity of offsets intended to be used by the entity (for example, assumptions regarding the permanence of the carbon offset)	
	c) quantitative and qualitative information about the progress of plans disclosed in prior reporting periods in accordance with (a)-(b)	
4. [Financial position, financial performance and cash flows] Information that enables users of general purpose financial reporting to understand the effects of significant climate-related risks and opportunities on its financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term—including how climate-related risks and opportunities are included in the entity's financial planning		
	a) how significant climate-related risks and opportunities have affected its most recently reported financial position, financial performance and cash flows	
	b) information about the climate-related risks and opportunities for which there is a significant risk that there will be a material adjustment to the carrying amounts of assets and liabilities reported in the financial statements within the next financial year	
	c) how it expects its financial position to change over time, given its strategy to address significant climate-related risks and opportunities, reflecting:	
	i. its current and committed investment plans and their anticipated effects on its financial position (for example, capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas and asset retirements)	
	ii. its planned sources of funding to implement its strategy	
	d) how it expects its financial performance to change over time, given its strategy to address significant climate-related risks and opportunities (for example, increased revenue from or costs of products and services aligned with a lower carbon economy, consistent with the latest international agreement on climate change; physical damage to assets from climate events; and the costs of climate adaptation or mitigation)	
	e) if the entity is unable to disclose quantitative information for (a)-(d), an explanation of why that is the case	

NHFG has identified the impact on its long-term capital adequacy through climate change scenario analysis, but it does not disclose the impact on its financial position and performance in detail due to uncertainty about climate risk.



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Principles	Metrics	Page
	<p>5. [Climate resilience] Information that enables users of general purpose financial reporting to understand the resilience of the entity’s strategy(including its business model) to climate-related changes, developments or uncertainties—taking into consideration an entity’s identified significant climate-related risks and opportunities and related uncertainties (The entity shall use climate-related scenario analysis to assess its climate resilience unless it is unable to do so. If an entity is unable to use climate-related scenario analysis, it shall use an alternative method or technique to assess its climate resilience)</p>	
	<p>a) the results of the analysis of climate resilience, which shall enable users to understand:</p>	
	<p>a-1) when climate-related scenario analysis is used:</p>	
	<p>i. which scenarios were used for the assessment and the sources of the scenarios used</p>	
	<p>ii. whether the analysis has been conducted by comparing a diverse range of climate-related scenarios</p>	
	<p>iii. whether the scenario used is associated with performance risk or increased physical risk</p>	
	<p>iv. whether the entity has used, among its scenarios, a scenario aligned with the latest international agreement on climate change</p>	
	<p>v. an explanation of why the entity has decided that its chosen scenarios are relevant to assessing its resilience to climate-related risks and opportunities</p>	
	<p>vi. the time horizons used in the analysis</p>	
Strategy	<p>vii. the inputs used in the analysis, including—but not limited to—the scope of risks(for example, the scope of physical risks included in the scenario analysis), the scope of operations covered(for example, the operating locations used), and details of the assumptions(for example, geospatial coordinates specific to entity locations or national-or regional-level broad assumptions); and</p>	
	<p>viii. assumptions about the way the transition to a lower-carbon economy will affect the entity, including policy assumptions for the jurisdictions in which the entity operates; assumptions about macroeconomic trends; energy usage and mix; and technology</p>	
	<p>b) the results of the analysis of climate resilience:</p>	
	<p>i. the implications, if any, of the entity’s findings of r its strategy, including how it would need to respond to the effects identified in (a)-1-viii or (a)-2-vi</p>	
	<p>ii. the significant areas of uncertainty considered in the analysis of climate resilience</p>	
	<p>iii. the entity’s capacity to adjust or adapt its strategy and business model over the short, medium and long term to climate developments in terms of:</p>	
	<p>1. the availability of, and flexibility in, existing financial resources, including capital, to address climate-related risks, and/or to be redirected to take advantage of climate-related opportunities</p>	
	<p>2. the ability to redeploy, repurpose, upgrade or decommission existing assets; and</p>	
	<p>3. the effect of current or planned investments in climate-related mitigation, adaptation or opportunities for climate resilience</p>	

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Category	Metrics	Page
	Process, or processes, by which climate-related risks and opportunities are identified, assessed and managed	
Risk Management	a) the process, or processes, it uses to identify climate-related risks and opportunities	
	i. how it assesses the likelihood and effects associated with such risks (such as the qualitative factors, quantitative thresholds and other criteria used)	
	ii. how it prioritizes climate-related risks relative to other types of risks, including its use of risk-assessment tools(for example, science-based risk assessment tools)	28-29
	iii. the input parameters it uses(for example, data sources, the scope of operations covered and the detail used in assumptions)	
	iv. whether it has changed the processes used compared to the prior reporting period	
	c) the process, or processes, it uses to identify, assess and prioritize climate-related opportunities	28-29, 37
	d) the extent and manner in which the processes for identifying, assessing, and managing climate-related risks and opportunities are integrated into the company's overall risk management processes	
	1. How an entity evaluates its performance, including the measurement, monitoring, and management of its significant climate-related risks and opportunities, and progress against the targets set by the entity	
	a) information relevant to the cross-industry metric categories	30
	b) industry-based metrics	30
	c) targets set by the entity to mitigate or adapt to climate-related risks or maximize climate-related opportunities	-
	d) other metrics used by the board or management to measure progress towards the targets identified in (c)	-
	2. Information relevant to the cross-industry metric categories	
	a) greenhouse gas emissions—its absolute gross greenhouse gas emissions generated during the reporting period, measured in accordance with the Greenhouse Gas Protocol Corporate Standard, expressed as metric tons of CO2 equivalent, classified as Scope 1, Scope 2, Scope 3 emissions	92
	b) for Scope 1 and Scope 2 emissions, the entity shall disclose emissions separately for (1) the consolidated accounting group (the parent and its subsidiaries); (2) associates, joint ventures, unconsolidated subsidiaries or affiliates not included in (1); and (3) the approach it used to include emissions for the entities included in (2) (for example, the equity share or operational control method in the Greenhouse Gas Protocol Corporate Standard)	-
Metrics and Targets	c) transition risks—the amount and percentage of assets or business activities vulnerable to transition risks;	
	d) physical risks—the amount and percentage of assets or business activities vulnerable to physical risks;	
	e) climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;	
	f) capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	
	g) internal carbon prices – the price for each metric ton of greenhouse gas emissions that the entity uses to assess the costs of its emissions; and an explanation of how the entity is applying the carbon price in decision-making(for example, investment decisions, transfer pricing and scenario analysis); and	
		79
	3. Activities and description related to Scope 3 Greenhouse Gas(GHG) Emissions	
	a) upstream and downstream emissions in its measure of Scope 3 emissions;	92
	b) categories included within its measure of Scope 3 emissions;	92
	c) when the entity's measure of Scope 3 emissions includes information provided by entities in its value chain, it shall explain the basis for that measurement; and	34
	d) if the entity excludes those greenhouse gas emissions in (c), it shall state the reason for omitting them	-



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Category	Metrics	Page
Metrics and Targets	4. Climate-related targets	
	a) metrics used to assess progress towards reaching the target and achieving its strategic goals;	
	b) the specific target the entity has set for addressing climate-related risks and opportunities;	
	c) whether this target is an absolute target or an intensity target;	
	d) the objective of the target(for example, mitigation, adaptation or conformance with sector or science-based initiatives);	
	e) how the target compares with those created in the latest international agreement on climate change and whether it has been validated by a third party;	34-35
	f) whether the target was derived using a sectoral decarbonization approach;	
	g) the period over which the target applies;	
	h) the base period from which progress is measured; and	
i) any milestones or interim targets		

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Major Awards

Category	Award Title	Organizations	Year of Award
Nonghyup Bank	Minister of Environment Award, 2023 Carbon Neutral Competition	Ministry of Environment	Dec. 2023
	ESG Management Support Prize, 2023 Economic Daily ESG Management Awards	Economic Daily	Dec. 2023
	Excellent Support Award, Inclusive Finance	Financial Supervisory Service	Dec. 2023
	Financial Services Commission Chairperson Award, 2023 Voice Phishing Excellent Guardian	Financial Services Commission, Financial Supervisory Service	Dec. 2023
	Certified Company Award, 2023 Korea Sustainable Management Communication Awards	News Today	Nov. 2023
	Excellence Award, 2023 Metaverse ESG Award	IT Chosun	Oct. 2023
	Prime Minister's Award for Social Welfare Merit, 24th Social Welfare Day	Ministry of Health and Welfare	Sep. 2023
	Consumer Education Award, 1st Korea Financial Consumer Rights Awards	Money Today	Jul. 2023
	Top Prize, The 4th ESG Korea Awards & Forum	Hansbiz	May. 2023
	Excellent Call Center, Korea Service Quality Index (KSQI)	Korea Management Association Consultants	May. 2023
	Leadership Award, 2023 Korea Leading Finance ESG Awards, Banking Sector	MoneyS	Apr. 2023
	FSS Governor's Award, 2022 Financial Education one to one School	Financial Supervisory Service	Feb. 2023

